

Terms of Business Agreement

Scope and Application

The purpose of this Terms of Business Agreement (the “Agreement”) is to determine the professional relationship and the services FirstUnited Insurance Brokers Ltd will provide to you.

Your instructions to seek quotation, to bind coverage and/or your payment related to your insurance placement will be deemed to be your agreement to be bound by the provisions of this Agreement.

In this document ‘we’, ‘us’, ‘our’ and ‘FUIB’ means FirstUnited Insurance Brokers Limited and the ‘assured’ means the assured, the insured, or you who is seeking insurance cover. Also, the term ‘insurance’ includes reinsurance and the term ‘insurers’ includes reinsurers.

You should read this Agreement carefully and contact us should there be anything in this Agreement which requires clarification.

This Agreement takes immediate effect and supersedes any terms of business agreement that may have been previously sent to you by us. This Agreement also sets out some of FUIB’s regulatory and statutory obligations. The extent of our responsibility is defined in this Agreement.

Status Disclosure

FUIB is an insurance intermediary and is enrolled in the Brokers List in terms of the Insurance Distribution Act (Chapter 487 of the Laws of Malta) and regulated by the Malta Financial Services Authority (the “MFSA”). Our company registration number is C22502 with registered offices at 25, Villa Eden, Princess Elizabeth Street, Ta’ Xbiex, Malta, XBX 1103. As an enrolled insurance broker, we can recommend and arrange general and long-term insurance contracts. FUIB has a number of designated persons who are registered in the Brokers Register.

The above status disclosure can be verified on the MFSA website by visiting www.mfsa.com.mt or by contacting the MFSA on (+356)2144 1155 or visiting their office at Triq l-Imdina, Zone 1, Central Business District, Birkirkara, CBD 1010.

FUIB is ultimately owned by Argus Group of Bermuda through Argus Group Holdings Limited, a company incorporated in Bermuda, which Group also owns an enrolled insurance agency in Malta trading under the name of Argus Insurance Agencies Limited (AIAL) as well as an insurance broking firm Island Insurance Brokers Ltd. We are obliged to disclose our connection with AIAL in terms of Chapter 1 of the MFSA’s Conduct of Business Rulebook.

Our services to you may include (but are not limited to) advisory, administration, placement of insurance contracts and claims services over a range of general and long term insurance products. Where our service differs to this we will advise you accordingly.

We are committed to acting in your best interests in providing services to you.

As an insurance broker, we act for you and in doing so, we recommend a range of insurers, where appropriate, according to the nature, the demands and needs, and suitability of the insurance product required.

In certain circumstances we may place insurance cover under an underwriting agreement as further detailed below.

We will provide you with details of the cover effected on your behalf, including the insurer(s) who are underwriting the risk, and where we make a recommendation to you, we will clarify the scope of the advice given and explain the reasons. For some types of insurance products, a report will be provided setting out key aspects of the insurance cover. However, this is not intended to be a substitute to the insurer(s) policy wording, which takes precedence and sets out the terms and conditions of the insurance cover. Only upon receipt of your instructions can we place cover

for you. Cover is not in place until we have confirmed it to you in writing.

We do not offer advice in relation to tax, accounting, or regulatory matters and accordingly, you should take separate advice as you consider necessary regarding such matters. Further, we are not lawyers and we do not provide advice on legal matters (including sanctions). Nor will we commence or defend legal proceedings on your behalf. You should take appropriate legal advice on your position, including on prescriptive/limitation periods that may apply to any claims filed against you, any legal proceedings that may be instituted and any steps which you may need to take in order to protect your interests.

Core Services Provided

Negotiation and Placing

We will discuss your insurance requirements with you, including the scope of cover and limits to be sought.

We will provide you with information about the insurance cover we recommend to you, to enable you to decide whether to accept the insurance cover offered by insurers.

As your insurance broker, we will answer any questions you may have on the proposed cover, its benefits, restrictions, exclusions and conditions. You will be responsible for reviewing this information and if the coverage and terms do not accord with your instructions you should advise us immediately.

Upon receipt of your instructions, we will place your insurance requirements and advise you if we are unable to obtain the coverage sought by you.

You should review the insurance premium payment terms we advise you. All premium payment terms must be met on time or the insurers may have the right to effect notice of cancellation for non-payment of premium.

We will forward to you policy documentation and any amendments or endorsements to the policy as soon as reasonably practicable. You are responsible for reviewing the documentation to ensure that it is in accordance with your instructions.

If you have any questions about the coverage, limits or other terms and conditions, please contact us immediately.

Claims

We will provide claims handling services for the period of our appointment. These services can be continued beyond that period by mutual agreement but may be subject to additional remuneration.

You must inform us as soon as reasonably possible of any incident which may result in a claim under any insurance arranged by us and of all the relevant facts relating to the incident. Please note that this does not override any additional obligations which may be imposed by insurers, details of which will be provided in the relevant policy.

Upon receiving the required information from you, our claims handling services include: the notification of the claim or circumstances to insurers; the communication of reports and correspondence in connection with the claim between involved parties; and arranging the collection and/or settlement of the claim in accordance with market practice and the terms and conditions of the contract.

Our claim handling services will not be provided in the event that claims are dealt with by you with insurers directly. Where we collect claims payments, these will be remitted to you at the earliest. However, we will not remit claims monies to you before we have received them from insurers.

We may be granted authority by insurers, for example under a binding authority, to settle claims on the insurance directly. We settle such claims made within the terms and conditions of the authority granted and the insurance policy.

Our Remuneration

Our remuneration for the services we provide to you will be either brokerage, which is a percentage of the insurance premium paid and allowed to us by the insurer with whom the insurance contract is placed, or a fee as agreed with you. If appropriate, and with your consent, we may receive a fee and brokerage.

Brokerage and fees are ordinarily earned for at the inception of the insurance contract, and unless otherwise agreed with you, we will retain all fees and brokerage in respect of the full period of the contract placed by us, including in circumstances where your insurance contract has been terminated and your insurers have returned prorated net premium.

Consistent with established market practice, we will deduct our brokerage from the premium once received.

In addition to the insurance premium, we charge a fee for the administration, arranging, amending, renewing and cancelling of any policy of insurance.

The fees charged by us are subject to change and we recommend that you visit our website at www.firstunited.com.mt to obtain the latest information.

We may also receive additional payments such as a profit share or profit commission from insurers, payable under a binding authority or other facility or for individual contracts depending on the overall profitability.

It may, at times, be appropriate for us to use other parties such as wholesale brokers, underwriting managers, or managing general agents. These parties may also earn and retain commissions for their role in providing products and services for you.

Limit of Liability

Our liability to you for breach of contract, negligence, breach of statutory duty or other claim arising out of or in connection with this Agreement or the services provided shall be limited to €5,000,000. Furthermore, FUIB will have no liability in any circumstance in respect of loss of revenue, loss of opportunity, loss of profits, loss of anticipated savings, increased cost of doing business or any other direct or indirect consequential loss.

You shall hold harmless, indemnify and keep indemnified FUIB (including its directors, officers and employees) against any and all liability that may arise and against all claims, demands, actions, proceedings, damages,

losses, costs and expenses arising out of or in relation to or a consequence of any act, omission or breach for which you are directly or indirectly responsible and which are made and/or filed against FUIB.

Your Responsibilities

Proposal Forms

For certain classes of insurance, you may be required to complete a proposal form or similar document. We will provide you with the necessary guidance, however we are not able to complete the document for you.

Disclosure of Information

Our objective is to obtain the most suitable product we can identify in order to meet your insurance needs. In order to make our business relationship work, you must provide complete and accurate information and instructions in a timely manner, so that we can assist you fully.

Where you ask us to arrange insurance, whether wholly or mainly for your own business, you are under a duty to make full disclosure of all material facts and fully respond to any requests for information made by insurers. A factor or circumstance is material if it would influence the judgment of a prudent insurer in determining premium and whether or not they would underwrite the risk.

Failure to make full disclosure of material facts may allow insurers to avoid liability for a particular claim or to void the contract. Where applicable, this duty of disclosure applies during the period of insurance, at renewal of your contracts and on taking out new insurance contracts.

We will not be responsible for any consequences which may arise from any delayed, inaccurate or incomplete information, or any misrepresentation made by you.

Please discuss with us if you have any doubts about what is to be considered material or what the applicable duty of disclosure is.

Your Insurance Contract

Although we will check the contract documents we send you, you are responsible for reviewing your contract to ensure that it accurately reflects the cover, conditions, limits and other terms that you require.

Particular attention should be paid to any contract conditions, warranties and the claims notification provisions as failure to comply may invalidate your coverage.

If there are any discrepancies you should consult us immediately.

Claims

As we are not lawyers, we do not advise on the legal implications of any claim and we will not commence legal proceedings or enter into agreements in order to suspend the application of prescriptive/limitation periods on your behalf.

On these issues, we recommend you obtain your own legal advice, and we point out that it is your responsibility to monitor the position of any applicable statutory prescriptive periods and any limitation periods in your policy applying to your claims and to commence legal proceedings yourself where this is necessary.

Change in Circumstances

You must advise us as soon as reasonably practicable of any changes in your circumstances that may affect the services to be provided by us or the cover provided under your insurance contract.

Midterm amendments and adjustments

Any amendments to the insurance contract must be requested in writing and will be confirmed with an addendum or endorsement.

Underinsurance

Many insurances on assets are subject to a valuation that is defined in the policy.

You should ensure that the values you provide for insurance coverage comply with the relevant policy conditions and that such values are maintained throughout the period of insurance at the levels defined in the policy.

Your failure to abide by such conditions may give your insurer a right to reduce the amount claimed in direct proportion to the amount of underinsurance.

You are to note that you have the right to request an amendment to the sums insured under your policy at any time during the policy period.

Limitation of Use of Information

All services undertaken by us as outlined in this Agreement are provided by us for your exclusive use and all data, recommendations, proposals, reports and other information provided by us in connection with our services are for your sole use.

You agree not to permit access by any third party to this information without our express written permission. We reserve our right to take action to protect proprietary information.

Payment of Premium

Premium is to be settled in accordance with the payment date(s) specified in our invoice or other relevant payment documentation.

Failure to meet the payment dates may lead to insurers cancelling your contract, particularly where payment is a condition or warranty of a contract. It is important that you meet all payment dates. We are under no obligation to fund on your behalf the payment of premium to insurers.

A separate fee is charged by the banks if you decide to settle any amounts due by way of credit card payments.

Choice of Insurers

We will not in any circumstances act as an insurer nor will we guarantee or otherwise warrant the solvency of any insurer.

If you have any concerns regarding an insurer selected for your insurance requirements you must advise us as soon as possible.

Business placed or proposed to be placed with an Insurer which is or which is not an undertaking authorised under the Insurance Business Act

If the business is being placed or is proposed to be placed with an insurance undertaking authorised under the Insurance Business Act (Chapter 403 of the Laws of Malta) (the “Insurance Business Act”), one may be eligible for compensation under the Protection and Compensation Fund (the “Fund”) in the case of claims remaining unpaid by reason of insolvency of the insurance undertaking, as applicable.

If the business is being placed or proposed to be placed with an insurer which is not authorised under the Insurance Business Act, and consequently not supervised by the MFSA:

- (a) in the event that the insurer becomes insolvent, you may not be protected by the Fund;
- (b) the insurer may not have a general representative in Malta and you may have difficulty in suing or executing judgement against the insurer;
- (c) where the parties do not have a free choice, the law applicable to the contract must be stated;
- (d) where the parties to the contract are entitled to choose the law applicable to the contract, the client would be informed of the law the issuer proposes to choose; and
- (e) where any premiums to be paid in respect of a contract and any claim that may arise out of the contract are to be paid in a foreign currency, these may be subject to foreign exchange rate fluctuations.

Placing of Clients Insurance requirements with members of Lloyd’s

Where FUIB proposes to place your insurance requirements with a member of Lloyd’s, whether or not such member carries on business of insurance in Malta, you are to note the following:

A contract of insurance underwritten at Lloyd’s is underwritten by underwriting members with several liability and not jointly and is limited solely to the extent of each Lloyd’s underwriting member’s subscription. The subscribing Lloyd’s underwriting members are not responsible for the subscription of any co-subscribing Lloyd’s underwriting member or other insurer who for any reason does not satisfy all or part of its obligations. However:

- a. the Lloyd’s Central Fund may be made available at the discretion of the Council of Lloyd’s to meet the liabilities of each of those underwriting members of Lloyd’s who are not financially able to meet their liabilities; and
- b. in the eventuality of claims remaining unpaid in respect of contracts of insurance which are concluded in Malta and which are entered into by a Lloyd’s approved Maltese cover holder due to financial inability of an underwriting member of Lloyd’s to meet its liabilities, limited compensation may be available to the client from the Fund.

You are to note that the details of Lloyd’s representative in Malta are: Lloyd’s Malta Limited, c/o Ganado Advocates, 171, Old Bakery Street, Valletta, Malta VLT 1455 (Tel: (+356) 2123 5406; Fax: (+356) 2122 5908; Email: louis.pullicino@lloyds.com).

The representative of Lloyd’s in Malta is authorised to act generally as judicial representative of and accept service of any document on behalf of Lloyd’s and of each of its underwriting members and to file any judicial acts in the registry of any court or similar authority in Malta on behalf of Lloyd’s or any of its underwriting members.

Client Money

“Client Money” is any money that we handle in connection with the provision of our services to you, including money that we receive and hold on your behalf.

We will treat all Client Money in accordance with the relevant MFSA “Client Money Rules” (the “Rules”). A copy of these rules is available on request.

In the event that we make any payment on your behalf or make any payment to you prior to our being in receipt of relevant funds from either yourself, insurers or other third parties, we shall be entitled, without prejudice to any other remedy available, to recover that amount by way of deducting that sum from any amount due to you, whether on the insurance upon which we've made payment to you or on your behalf, or on any other insurance we handle for you.

Foreign Insurers and Insurance Intermediaries

In the event that cover is placed with an insurer not licensed in terms of Maltese law, Client Money will be passed to such insurer or insurance intermediary located outside of Malta. It is important to highlight that the legal and regulatory regime applying to that Client Money so held may well be different from that of Malta.

In the event of failure or insolvency of the foreign insurer or insurance intermediary, Client Money may be treated differently than if the money were held by an insurer or insurance intermediary in Malta.

You may notify us if you do not wish your money to be passed on to an insurer in a particular jurisdiction.

Computer Link Arrangements and Underwriting Agreements with Authorised Undertakings

In order to facilitate prompt and efficient acceptance of business, there may be situations where FUIB places business on your behalf through computer link arrangements and underwriting agreements with insurers.

For the latest list of insurers with which we have a computer link arrangement, please visit our website at www.firstunited.com.mt.

Electronic Communications

We may communicate with each other, and with other parties with whom we need to communicate, in order to provide services to you, by electronic mail, sometimes attaching further electronic data.

By engaging in this method of communication we and you accept the inherent risks (including the security risks of interception of or unauthorised access to such communications, the risks of corruption of such communications and the risks of viruses or other harmful devices related to such electronic communications).

Data Privacy

FUIB will collect and process the personal or corporate information that you provide, or which we otherwise collect about you, in accordance with our applicable Privacy Notice (which is accessible from our website: www.firstunited.com.mt) and with strict adherence with the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (the "General Data Protection Regulation"), the Data Protection Act (Chapter 586 of the laws of Malta) (the "DPA"), and various subsidiary legislation issued under the DPA (the "Data Protection Laws").

Where this section uses a term which is defined in the General Data Protection Regulation then the definition set out in the said Regulation shall apply.

We will process and use your personal data in order to enter into a contract with you, to provide you with our insurance broking services or products, underwrite or administer your insurance policy, conduct surveys and adjust your insured losses, handle and settle claims, comply with our legal and regulatory obligations, prevent and suppress fraud, establish and maintain statistics, and generally for any other purposes specified in our Privacy Notice.

For these purposes, we may need to share this information with other insurance brokers or authorised personnel of any licensed insurer or insurance intermediary or surveyor or adjustor. We may also share your personal data with the MFSA or any successor regulatory body and third parties, such as, crime agencies and other governmental agencies, in order to prevent and detect crime.

We remind you of your right to object to our use of your personal information, or to ask us to delete, remove, or stop using your personal information if there is no need for us to keep it. There may be legal or other official reasons why we need to keep or use your data, as further detailed in our Privacy Notice.

By appointing us as your insurance broker or by using our services, you confirm that you are giving your explicit consent, in terms of the Data Protection Laws, on behalf of yourself and all other persons specified in the proposal/claim form (as applicable), for us to process your data as outlined above.

You are also agreeing that we and other companies that are members of the Argus Group may hold and process such information:

- i. in order to provide our services to you;
- ii. to facilitate the effective management, development or operation of the Argus Group;
- iii. to comply with applicable laws, prevent and detect fraud, and cooperate with regulators, where appropriate, as outlined in our Privacy Notice.

Please note that you can withdraw your consent at any time. Please contact us if you wish to do so.

If you choose not to give us this personal information, it may delay or prevent us from meeting our obligations. It may also mean that we cannot perform services needed to run your accounts or policies. Any data collection that is optional would be made clear at the point of collection.

You can read our Privacy Notice by accessing our website: www.firstunited.com.mt.

Please contact our Data Protection Officer at 25, Princess Elizabeth Street, Ta' Xbiex, XBX 1103, Malta, or by phoning on (+356) 2131 9000 should you have any queries on how your personal data is processed and to request a copy of your personal information. To keep your information safe, we may ask you for further proof of your identity.

Sanctions

We are unable in any circumstances to give advice on the applicability of sanctions regimes nor can we guarantee or otherwise

warrant the position of any insurer under existing or future sanctions regimes.

As a consequence, you are reminded that applicable sanctions remain a matter for you and you should take such legal advice as you deem appropriate in this regard. We will comply with all applicable sanctions regimes and legislation (whether currently existing or implemented in the future) and you are advised that where obliged by applicable sanctions legislation we may have to take certain actions which include, but may not be limited to, the freezing of funds held on behalf of parties and individuals caught under applicable sanctions.

Conflicts of Interest

Circumstances may arise where we may find we have a conflict of interest in or related to a matter in respect of which we are acting. The insurance market is complex and there could be other relationships not described here which might create conflicts of interest.

We have conflict management procedures and we seek to avoid conflicts of interest but where a conflict is unavoidable we will explain the position fully and manage the situation in such a way as to avoid prejudice to any party.

Whatever the circumstances, we will act in your best interests, and, if a conflict arises for which there is no practicable solution, we will withdraw unless you wish us to continue to act for you and provide us with your written consent to that effect.

Ethical Business Practice

We do not tolerate unethical behaviour either in our own activities or in those with whom we seek to do business. We will endeavour to comply with all applicable laws, rules, regulations and accounting standards.

Complaints

FUIB is committed to provide you with the highest possible level of professional service. If however, you are not satisfied with the level of service provided, we have devised a procedure

as to how such complaints can be managed. Should you have any cause for complaint about our services please raise the matter in the first instance with the person who handles your account. Alternatively, you may contact our Compliance Officer at 25, Villa Eden, Princess Elizabeth Street, Ta' Xbiex, XBX 1103, Malta, or by sending an email on: compliance@firstunited.com.mt or by phoning on (+356) 2131 9000.

We will acknowledge and advise you of the person dealing with your complaint and we will send you a copy of our complaints procedure which is also available on our website: www.firstunited.com.mt.

Termination

Our services may be terminated either by us or you upon the giving of 7 days' notice in writing to the other or as otherwise agreed. We reserve the right to terminate with immediate effect if you are in breach of any material obligation under this Agreement.

In the event our services are terminated by you, we will be entitled to receive any and all fees or brokerage payable (whether or not the fees or brokerage have been received by us) in relation to contracts placed by us.

Money Laundering and Combating Funding of Terrorism

To comply with money laundering legislation there are times when we may ask clients to confirm (or reconfirm) information we hold in their regard, including their identity, and to obtain information to verify such identity. We may need to do this at the time you become a client or have been one for some time. This information may be shared with regulatory or law enforcement bodies in line with our legal obligations to, including but not limited to, those obligations arising out of money laundering legislation.

Please note that we are prohibited from disclosing to you any report we may make based on knowledge or suspicion of money laundering, including the fact that such a report has been made.

Force majeure

Neither party shall be in breach of this agreement nor liable for delay in performing, or failure to perform, any of its obligations under this agreement if such delay or failure results from events, circumstances or causes beyond its reasonable control. In the event of a force majeure the affected party shall notify the other as soon as reasonably practicable.

Assignment

This Agreement cannot be assigned or otherwise transferred by either party without the prior written consent of the other party, and such consent shall not be unreasonably withheld or delayed.

Amendments

The latest version of the Terms of Business Agreement is available on FUIB website: www.firstunited.com.mt. You will be informed of any material changes to the Agreement.

Governing Law

This Agreement, which sets out the terms of our relationship with you, will be governed by and construed in accordance with Maltese Law and any dispute arising under it shall be subject to the exclusive jurisdiction of the Maltese courts.