



AHJ Europe AS

Reinsurance Client Terms of Business Agreement

1. INTRODUCTION

Please read this document carefully. It sets out the terms upon which we agree to act for our clients and contains details of our regulatory and statutory responsibilities.

We specifically draw your attention to the Common Client Account and the handling of funds – premiums, claims and refunds (see sections 10 and 11, below).

Please contact us immediately if there is anything in these terms of business which you do not understand or with which you disagree. Otherwise, we will conduct all business with you on the basis that you accept and agree with this Terms of Business Agreement.

2. BROKER INFORMATION

AHJ Europe AS, Grundingen 6, 0250 Oslo, Norway is an independent reinsurance broker. We are authorised and regulated by Finanstilsynet. Our registered number is 922 037 922. These details can be checked on the Finanstilsynet Register by visiting their website, <https://www.finanstilsynet.no/en/finanstilsynets-registry/>.

Professional Indemnity insurance and Crime Insurance is held, in accordance with our regulatory and registration requirements.

3. OUR REGULATORY REQUIREMENTS

We are required to comply with Norwegian and European Union Regulations as well as the FCA regulations in respect of the UK Branch relevant to a reinsurance intermediary. These include the following:

- A firm must conduct its business with integrity, and pay due regard to the interests of its customers and treat them fairly
- A firm must conduct its business with due skill, care and diligence
- A firm must pay due regard to the information needs of its clients and communicate information to them in a way which is clear, fair and not misleading
- A firm which holds client money has to meet certain specified conditions
- A firm must take reasonable care to establish and maintain such systems and controls as are appropriate to its business

4. OUR RELATIONSHIP

As an independent reinsurance intermediary, we act as the agent of you, our client. In certain circumstances we may act for and owe duties of care to other parties. We will advise you when

these circumstances occur so you will be aware of any possible conflict of interest.

Upon receipt of your instructions, we shall seek to place the requested reinsurance with reinsurers and shall keep you informed of the progress of all negotiations.

We will contact you in good time before the expiry of your policy to discuss your future needs and to arrange for the provision of updated information. We will advise you of renewal terms including any changes to the terms of the policy, the price and will notify you if a reinsurer declines to offer renewal. After discussing the situation with you, alternative reinsurers may be approached.

AHJ Europe AS has a close working relationship with our group company Alwen Hough Johnson Ltd, with whom, we may use for specialist services.

AHJ Europe AS may supply some or all of its services via our branch network, situated both within and outside of the EEA.

5. SECURITY

We provide you with advice based upon a fair analysis of the markets available for the product(s)/services you require. Whilst we take great care in the selection of the security which we use to accept your reinsurance policies, we are unable to guarantee the continued solvency of any reinsurer with which we place business. You must advise us as soon as possible if there is any security with which you do not wish us to place your business. A liability for the premium, whether in full or pro rata, may arise under policies where a participating reinsurer becomes insolvent.

6. POLICY DOCUMENTATION

We will produce policy documentation as soon as possible and in accordance with the principle of Contract Certainty. We will forward all policy documentation to you once the contract of reinsurance has been concluded. Draft policy documentation may also be provided by us before or during the negotiation process. Should you wish to review an example of the policy documentation prior to the conclusion of the risk, please inform us.

Your policy documentation will confirm the basis of the cover, give details of the reinsurers, and will include either the full policy wording, a policy summary or a fully claused certificate of reinsurance. Your policy documentation may be accompanied by a premium debit note (if applicable) which will clearly show the dates that the premium is due, together with any applicable premium payment warranties, if any, and consequential penalties for failure to comply with such a warranty. **It is vitally important that you comply with all warranties imposed by your reinsurers in order to maintain coverage under your policy.**

If the Evidence of Cover includes a policy summary only, and unless otherwise agreed with you, we will arrange for the production, agreement and signature of a full policy wording in a timely manner. It is essential that you carefully read the contents of the policy documentation and advise us immediately if the contents or a reinsurer does not meet your requirements.

Any request for mid-term alterations to your policy will be negotiated in good time prior to the alteration taking effect if possible. You will be advised of the reasons in the event that a requested alteration is not acceptable to the reinsurers.

Your policy documentation will include a copy of the information given to reinsurers on your behalf. You should check this information and advise us immediately if you consider that it is incorrect or misleading or does not contain all pertinent and material facts.

It is our practice to retain documents for business effected on your behalf in electronic or paper format for a duration considered by us suitable for the class of business, but it shall never be less than 10 years.

7. DUTY OF DISCLOSURE TO REINSURERS

You must disclose to your reinsurer(s) every material circumstance of which your business is aware or ought to be aware after reasonable search. This is the case before your cover is placed, when it is renewed and any time that it is varied. Your policy wording may also provide that this duty continues for the duration of the policy. A circumstance is material if it would influence a reinsurer's judgment in determining whether to take the risk and, if so, on what terms. If you are in any doubt whether a circumstance is material we recommend that it should be disclosed. Failure to disclose a material circumstance may entitle a reinsurer to impose different terms on your cover or proportionately reduce the amount of any claim payable. In some circumstances a reinsurer will be entitled to avoid the policy from inception and in this event any claims under the policy would not be paid.

You must comply with the disclosure duties of the relevant jurisdiction. As a general rule, you should act in utmost good faith and disclose to reinsurers all material information. If you are in any doubt as to whether an item of information is material or not, we recommend that you should disclose it.

8. CLAIMS

You must notify us as soon as possible of a claim or circumstance which may give rise to a claim recoverable under your reinsurance policies, and to comply with any reporting provisions contained in your reinsurance policies. In the event of a claim you should contact either your designated account executive, your designated claims handler or our General Manager at the above address stated under 'Broker Information'.

You should make us aware as soon as possible of the likely quantum of the claim and the material circumstances behind it. You should keep us informed of any significant developments and you may be requested to provide further information.

We will use our best endeavors to collect your claims as quickly as possible and will remit claims payments to you as soon as possible after they have been received from reinsurers. We will inform you as soon as possible of any difficulties which we experience or anticipate with the administration and collection of your claim(s).

We will provide you with every assistance in submitting a claim and obtaining reimbursement. However, in the event that a reinsurer becomes insolvent or delays making settlement, we do not accept liability for any unpaid amounts.

9 REMUNERATION

Unless otherwise agreed with you, our remuneration shall be paid as a fee or as brokerage. Brokerage is a percentage of the premium paid by you and allowed by the Reinsurers with whom

the reinsurance is placed. Brokerage and fees are earned for the policy period and we shall be entitled to all brokerage and fees earned in respect of the full policy period in relation to policies placed by us.

In the event of a mid-term adjustment we will be entitled to brokerage on the adjusted premium.

We may also act as reinsurance brokers to underwriters with whom we have placed reinsurance contracts.

10. HANDLING OF FUNDS - (Premiums, Claims, Refunds and Fees)

Funds which we hold for you will be held as either Client Money or as Reinsurer Money - depending on the arrangements we have with reinsurers.

In all other cases, funds will be handled as Client Money. Client money is money of any currency that we receive and hold in the course of carrying on reinsurance mediation on behalf of our clients including you, or which we treat as Client Money in accordance with the Finanstilsynet rules. A copy of these rules is available upon request.

All Funds will be held by us in designated Collective Client bank accounts subject to Trust, segregated from our own accounts.

11. COMMON CLIENT ACCOUNT

In accordance with Finanstilsynet regulations, we hold Client Money under a Common Client account. The aim of these accounts is to protect the client in the event of the failure of the broker or the failure of the Bank or a Third Party at which the money may be held. In such a circumstance, the firm's general creditors should not be able to make claims on Client Money as it will not form part of the broker's property. The fact that we hold money on trust gives rise to fiduciary duties which will be owed to you until the Client Money reaches the reinsurer.

Under Finanstilsynet regulations, holding money in a Common Client Account entitles us to use Client Money held on behalf of one client to pay another client's premium before the premium is received from that other client, and to pay claims and premium refunds to another client before we receive payment from the reinsurer. Whilst it is not our usual policy to take advantage of this funding facility, we may in certain circumstances, decide to fund such items.

We are not entitled to use Client Money to pay brokerage/fees before we receive the relevant premium from the client.

12. PAYMENTS TO THIRD PARTIES

We may transfer client money to another organisation, such as a broker or settlement agent, for the purpose of effecting a transaction on your behalf through that organisation.

This may include brokers and settlement agents outside of Norway. The legal and regulatory regime applying to a broker or settlement agent outside Norway may be different from that of Norway and, in the event of a failure of the broker or settlement agent, this money may be treated in a different manner from that which would apply if the money were held by a broker or settlement agent in Norway. You should notify us if you do not wish your money to be passed to an organisation in a particular jurisdiction.

13. BANK ACCOUNTS

Client money will be deposited with one or more approved banks, a list of which is provided to you. Please notify us immediately if you do not wish us to use any bank or banks on this list.

14. CANCELLATION CLAUSE

Your contract of reinsurance may include a cancellation clause. In the event that you fail to pay your premium(s) by the due date, the reinsurance may be cancelled forthwith, or by reinsurers giving notice of cancellation. In the event of cancellation of the reinsurance contract reinsurers may return a pro-rata premium to us or as stipulated in the cancellation clause.

Once our remuneration has been earned, our fees and brokerage will not usually be returnable in the event of cancellation of the contract of reinsurance, unless otherwise agreed by us.

15. TERMINATION OF THIS AGREEMENT

Unless otherwise stated in a separate service agreement between our two companies, this agreement may be terminated by one of us giving 30 days' notice in writing to the other. In the event that our services are terminated by you, we will be entitled to receive any fees or brokerage payable in respect of the full period of any reinsurance contract placed prior to the effective termination date.

Termination of this agreement may also be affected at any time without notice by mutual agreement of the parties.

It is a condition of this agreement that both parties remain authorised and licensed to transact reinsurance business and carry out the activities provided for by this agreement. Should either party cease to be so authorised, they must tell the other party immediately. This agreement will be deemed to have terminated at the date on which the relevant authorisation ceased.

If either party commits a material breach of this agreement at any time, the other party will be entitled to terminate the agreement by one of us giving not less than 48 hours' notice in writing to the other.

16. COMPLAINTS

We take all complaints seriously. If you wish to register a complaint then please contact your designated Account Executive or to the Complaints Director, in writing at the address stated under "Broker Information".

We will acknowledge your complaint and investigate it in accordance with our complaints handling procedures which follow the rules for the handling of complaints set by Finanstilsynet. We will keep you informed of our progress.

17. MONEY LAUNDERING ACT 2009

EU money laundering regulations require us to obtain evidence of the identity of clients for whom we act at the start of a business relationship. We may therefore ask you for various items of information before we are able to commence placing your business.

We are obliged to provide 'Suspicious Transaction Reports' to the Norwegian Financial Intelligence Unit at the National Authority for Investigation and Prosecution of Economic and Environmental Crime (Okokrim) upon any evidence or suspicion of money laundering at the first opportunity and we are prohibited from disclosing any such report.

Section 317 of the Norwegian General Civil Penal Code criminalises any acts of money laundering.

18. ANTI-BRIBERY LAWS

We are required under the Norwegian anti-Corruption Act (Korrupsjonslovgivningen) to closely monitor all expenditure in respect of corporate gifts and entertainment, and to report any evidence or suspicion of bribery and corruption. We maintain an Anti-Bribery and Corruption Policy, a copy of which is available upon request.

Neither party shall be involved in the offering, promising or giving of any financial or other advantage to any person in breach of any laws and regulations against bribery (including without prejudice to the generality of the foregoing Korrupsjonlovgivningen).

It is our policy to comply with all applicable anti-bribery laws, including, as stated, the Korrupsjonslovgivningen, U.S. Foreign Corrupt Practices Act and all applicable local laws, including UK financial crime laws where AHJ Europe AS operates and to accurately reflect all transactions in AHJ Europe AS records. It is also AHJ Europe AS policy to encourage any agents, consultants and business partners who work on our behalf to comply with these same laws and practices.

19. SANCTIONS

Each party shall pay due regard to, and co-operate in respect of the observance of, any applicable financial crime and international economic, financial or trade sanctions laws and regulations which bind the parties. You will be responsible for ensuring sanctions checks are conducted on all policyholders.

20. FINANCIAL CRIME

Neither party shall take any action which facilitates the evasion of taxes anywhere in the world or which is contrary to any related financial crime laws and regulations in Norway.

The parties shall insofar as required to do so, and whether or not either party is an associated person of the other for the purposes of relevant laws and regulations, maintain on an ongoing basis appropriate systems, procedures and controls designed to prevent any breach of clauses 17 to 20 of this Agreement.

21. PAYMENT OF CLAIMS

Claims payment will be made in favour of the corporate name identified within the relevant contract and from whom we have received the premium. If you require a payment to be made to a third party then you must confirm the required payee name and details and provide a brief explanation for your request. We will not be able to pay claims to a third party in circumstances where we consider that have not been able to satisfy our statutory obligations in respect of third-party payments.

22. CONFIDENTIALITY

Each of us will treat information received from the other relating to this agreement as confidential and will use it solely for the purpose of providing the services set out in this agreement. For the avoidance of doubt each party shall be entitled to disclose such information where it is required to do so by law or regulatory authority, or to insurers, reinsurers, actuaries, auditors, lawyers, legal representatives, professional agents and advisers. This clause will not apply to information which was rightfully in the possession of a party prior to this agreement, which is already public knowledge, or which becomes so at a future date (otherwise than as a result of a breach of this clause) or which is trivial or obvious.

23. RIGHTS OF THIRD PARTIES

A person who is not a party to this agreement has no right to enforce any term of this agreement.

24. INTELLECTUAL PROPERTY

We shall retain all title, copyright, patents and other intellectual property rights to all computer programmes, models and tools developed by ourselves and to their output and to all methodologies that we have developed and that are used in the performance of the services. Where software is protected by a third-party intellectual property agreement, we will advise you of this when supplying copies of the software to you, and you agree to be bound by the terms of the original supplier's agreement.

25. DATA PROTECTION

You and we each acknowledge and agree that where either of us processes Personal Data under or in connection with this Terms of Business Agreement it alone determines the purposes and means of such processing as a Controller.

In respect of the Personal Data either of us processes under or in connection with this Terms of Business Agreement, that party:

- a) shall comply at all times with its obligations under the Norwegian Personal Data Act 2018;
- b) shall notify the other party without undue delay after, and in any event within 24 hours of, becoming aware of a Personal Data Breach; and
- c) shall assist and co-operate fully with the other Party to enable the other Party to comply with their obligations under the Personal Data Act 2018, including but not limited to in respect of keeping Personal Data secure, dealing with Personal Data Breaches, complying with the rights of Data Subjects and carrying out data protection impact assessments.

We collect and process Personal Data in order to place insurance policies and to process claims. Information is also used for business purposes such as fraud prevention and detection and financial management. Your data may be processed, on our behalf, by our UK group company Alwen Hough Johnson Ltd, as part of the necessary administration of your reinsurance policy. We may also share with and obtain information from other third parties such as insurers, other brokers, loss adjusters, credit reference agencies, service providers, professional advisors, our regulators or fraud prevention agencies. For a full version of our privacy policy please see

<http://www.ahjld.co.uk/legal-notices>.

To the extent you provide us with Personal Data from your clients, you will have the necessary permissions and/or lawful basis to do so.

We shall each work together to ensure that each of us is able to process the Personal Data it processes under or in connection with this Terms of Business Agreement for the purposes contemplated by this Terms of Business Agreement lawfully, fairly and in a transparent manner and in compliance with the Personal Data Act 2018. This shall include but not be limited to entering into such other written agreements as may be required from time to time to enable each party to comply with the Data Protection Law.

For the purposes of this clause:

“Controller” means the person which, alone or jointly with others, determines the purposes and means of the processing of Personal Data;

“Data Protection Law” means all applicable statutes and regulations in any jurisdiction pertaining to the processing of Personal Data, including but not limited to the privacy and security of Personal Data;

“Data Subject” means the identified or identifiable natural living person to whom the Personal Data relates; “Personal Data” means any information relating to the Data Subject; and

“Personal Data Breach” means a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, Personal Data transmitted, stored or otherwise processed.

26. FORCE MAJEURE

We shall not be liable to you if we are unable to perform any obligations under this agreement as a result of any cause beyond our control. We agree to give you notice as soon as reasonably practical should we be affected by any such cause

27. LAW AND JURISDICTION

These terms of business are governed by and are to be construed in accordance with the law of Norway. We both hereby irrevocably submit to the exclusive jurisdiction of the Courts of Norway in relation to any difference or dispute which may arise in connection with these terms of business or any contracts governed by such terms.