

GENERAL TERMS OF BUSINESS AGREEMENT OF SENSCO

INTRODUCTION

SENSCO Ltd is an independent Risk Management Consultant

We are authorized and regulated by the Financial Services Authority (“FSA”) in the UK, to give advice on all types of general insurance products and we are not tied to any one insurer.

We are required by the FSA to provide clients with a written Terms of Business Agreement that sets out the commercial relationship between SENSCO Ltd, as the Consultant and the Client.

SENSCO Ltd and Trade and Investment Risk Consultancy (TIRC), as SENSCO’s appointed representative, will adhere to the principle of “Treating Customers Fairly”

Please note that throughout this document the term ‘insurance’ refers to both insurance, reinsurance and retrocession contracts. The term “you” or “your” herein refers to our contracted client.

OUR SERVICES

Negotiation and Advice

We will discuss and examine with you or your representatives your insurance portfolio, including the scope of cover and limit to be sought and we will suggest ideas on how to approach the Market(s), either direct or through Brokers, with the aim of seeking suitable conditions of cover and costs. Upon receipt of your instructions, whether written or oral, we will endeavour to satisfy your insurance requirements to the best of our ability.

During the course of the placement of your insurance we will keep you informed of the progress of the negotiations and identify any inability of your appointed Broker (if required) to obtain the coverage (in whole or part) sought by you. We will use our best endeavours to monitor the implementation of your insurance programme, subject to available insurers, before the intended date of inception, renewal or extension of cover (whichever is appropriate).

We will advise you on the information provided to you about the recommended insurance cover, to enable you to decide whether or not to accept the insurance cover available. As your insurance intermediary we will seek to answer any questions you may have on the proposed cover, its benefits, restrictions, exclusions and conditions.

We will seek from your placing Broker (if appointed) the assessment of the financial soundness of the proposed insurers and markets recommended to be used, accessing public information including that produced by recognised rating agencies and other means at our disposal.

However, we cannot under any circumstances act as an insurer nor will we guarantee, or otherwise warrant, the solvency of any insurer or market used for your requirements. The ultimate decision regarding the suitability of any insurer, or market, rests entirely with you. If you have any concerns regarding any insurers chosen for your insurance requirements you must advise us as soon as possible and we will prompt discussions with your appointed Broker. A liability for the premium, whether in full or pro rata, may arise under policies where a participating insurer becomes insolvent.

Servicing and Claims

We will promptly seek the preparation of the contract documentation confirming the basis of the cover placed, including details of the insurers, with the relevant debit note, showing separately all the amounts payable and the dates that the money is due. Any penalties for late payment will be clearly stated to you.

We will check the forwarding of any policy documents, if applicable, and any amendments or endorsements to your policy in a timely manner.

Except where we agree with you or, because market practice determines otherwise, we will liaise with the claims handling provider during the policy period for incidents emanating from policies

negotiated under our advice. Where claims are to be dealt direct by you with insurers we will provide basic advice and support if required, subject to an appropriate fee. Further, our claims handling advice will cease where we are satisfied that you have instructed another entity to assume the claims servicing obligations for your insurance. We will assist without charge in obtaining prompt remittance of claims payments, provided they have been agreed and settled by insurers.

Electronic Communications

It is the policy of Sensco to protect the confidentiality, integrity, availability and accountability of its information by employing best practices that achieve a balance between cost and business risk.

In accepting the terms of this agreement the parties acknowledge that the Internet is not a secure environment and documents and e-mail sent in unencrypted text can be intercepted and may be open to uncontrollable further distribution. In consenting to this method of communication you accept the inherent risks, including but not limited to the interception and/or unauthorised access by others, the risk of data being corrupted by viruses and other harmful devices.

YOUR DUTIES AND RESPONSIBILITIES

Proposal forms

For certain classes of insurance you may be required to complete a proposal form, questionnaire or similar document. We may, if your desire, provide you with guidance in completing the form but we are unable to complete or sign the document for you.

Disclosure of information

You are responsible for providing your Markets or appointed Brokers with the information they request from you to enable them to seek the cover sought. We cannot be responsible for any consequences which may arise from any delay or failure by you to do so. You remain entirely responsible for any decisions you make.

Further, all information that is material to your coverage requirements, or which might influence insurers when deciding to accept your business, finalising the terms to apply and/or the cost of cover must be disclosed. There is no duty on insurers to make enquiries of you. Failure to make such disclosure allows insurers to avoid the policy. This duty of disclosure applies equally at renewal of your policies, when amending your policy and on taking out new insurance policies.

Please discuss with us if you have any doubts about what is material or have any concerns that we may not be aware of material information.

Your policy

You are responsible for notifying claims, or circumstances that may give rise to a claim, as soon as practical. To ensure full protection under your contract of insurance you should familiarise yourself with the coverage conditions or other procedures relating to claims and to the notification of those claims. Failure to adhere to the notification requirements - particularly timing - as set out in the policy may permit insurers to deny your claim. In presenting a claim it is your responsibility to disclose all facts which are material to the claim.

Claims may be made against a policy long after its expiry date. It is therefore important that you keep your policy documents in a secure place.

Change in circumstances

You should 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 by your Markets under your insurance policy.

Payment of Premium

You must provide settlement with cleared funds direct to your Markets or appointed Brokers of all monies due in accordance with the payment date(s) specified in the debit notes or other relevant payment documentation, in full without deductions for bank charges. Copies of payment instructions should be sent to Sensco.

Failure to meet the Payment Date may lead to insurers cancelling your policy. Your Brokers, if appointed are under no obligation to advance and pay premium by the Payment Date to insurers on your behalf.

Our Remuneration

Our remuneration will be either a sum as agreed with you to be paid direct to Sensco or by means of brokerage, which is a percentage of the insurance premium paid by you and allowed to us by the insurer or the appointed Broker with whom the insurance contract is placed and paid by them to Sensco.

If appropriate, and with your consent, we may receive a combination of fee and brokerage. We may, in a manner to be agreed, also receive remuneration based upon the profitability of insurance business placed by you or your appointed Broker with a given Market over a specific period.

Brokerage and fees are earned for the policy period and we will be entitled to retain all fees and brokerage in respect of the full policy period in relation to policies negotiated under our advice.

We provide services to insurers that are not directly related to the services provided to you and we may receive an additional remuneration in recognition of those services.

We may also advise insurers with whom your business is placed, in the placement of their risks. This placement is a separate contract subject to its own terms and conditions, including those relating to remuneration.

Client Money

SENSCO and its appointed representative TIRC do not handle Clients money, therefore the payment of premium, collection and payment of claims and the like, are settled direct between you and your Markets or appointed Broker.

Confidentiality

All activities undertaken by us as outlined in this document 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 undertake to ensure that both during the continuance of this Agreement and at any time after its termination not to disclose such information to any third party. Provided that this shall not prevent you from disclosing the information to any Court or Arbitration Tribunal pursuant to any enforceable legal requirements.

It will however be necessary for us to disclose information you might consider confidential and/or commercially sensitive to insurers or other parties when acting on your behalf, where we reasonably consider such information is material to the risks being covered and if we do so we will endeavour to ensure that they will also keep same completely confidential.

To the extent it is lawfully required we may also disclose information you consider confidential and/or commercially sensitive to our Regulatory bodies and law enforcement agencies.

Third Party Rights

Unless otherwise agreed between us in writing no term of this Agreement is enforceable under the Contracts (Rights of Third Parties) Act 1999.

Complaints

Should you have any cause to complain about our services please raise the matter, in the first instance, with the person who handles your account. Alternatively you may contact Mr. Virgilio Villanueva, 3RD Floor, King William House, 2A Eastcheap, London EC3M 1AA.

A copy of our full complaints procedure is available on request.

If you are not satisfied with the way in which we are dealing with your complaint you may have the right to appeal to:

The Financial Ombudsman Service.
South Quay Plaza
183 Marsh Wall
London E14 9SR
phone 0845 080 1800
email enquiries@financial-ombudsman.org.uk
Website www.financial-ombudsman.org.uk

Termination

Our services may be terminated by either party upon one giving one month's written notice to the other. In the event that our services are terminated by you we shall be entitled to receive any and all fees or brokerage payable (whether or not the same have been received by us at the date of termination) in relation to the policies placed under our advice on your behalf.

English Law

This Agreement is governed by English Law.

In the event of a dispute arising under this agreement the parties agree to submit the resolution of their dispute to arbitration in accordance with the Arbitration Act 1996. The arbitration shall be by written submission to a single arbiter, the appointment of whom shall be agreed between the parties or, if not agreed, will be appointed by the Chairman of the Chartered Institute of Arbitrators.

Notices

Any notice to be given under this Agreement must be in writing.