

Standard Terms and Conditions

Last revised: January 2020

These Standard Conditions are applicable to every advice or request for advice, quotation, pre-contract, contract and other such commercial relationship established between Nacora (Luxembourg) S.à r.l. ("the Broker") and his customers ("the Client"), where both parties are referred to as "the Parties", in its activity as insurance intermediary.

The conditions are based on information, collection, presentation and placement for the Client of insurance solutions from one or more insurers, in conformity with the Luxembourg Law of 7 December 2015 on the insurance sector.

1. Scope of Service and obligations of the Broker

The Client entrusts the Broker with management of the Client's insurance matters governed by commercial or private law. The supervision extends to insurance relationships that exist at the time the Client enters into contractual agreement with the Broker as well as those arranged by the Broker thereafter.

The subject matter of the relation between the Broker and the Client is the brokering and administration of all operational and private insurances that shall further be defined and stated in the respective Brokerage Agreement.

The insurance broker is free and independent with regard to the selection of insurance companies and shall act solely in the interests of the Client. In that respect, the selection of an insurance company for the account of the Client depends of several factors that are decided by the Broker on a case-by-case basis.

Our commitment to transparency includes telling the Client in complete terms all of the relevant facts related to retaining a company. These terms include:

- Whether we are working for a Client as a broker or whether we are representing the insurer as an agent for specific lines of business or a special project;
- Disclosing whether we have an ownership interest in – or other incentives that could lead us to recommend – a particular insurer or product.

At the request of the Client, the Broker shall at any time advise actual names of those insurers from whom quotations have been obtained or with whom placing or renewal of insurance contract is conducted.

The Broker undertakes to supervise the Client's insurance matters and provide advice to the Client within this framework. The Broker is responsible for the following tasks in particular:

- Assessing the insurance requirements, taking the needs of the Client into account;
- Obtain relevant insurance quotations from the markets and/or selected insurers, by arranging a full or a restricted round of tenders, or a unilateral placing/renewal, depending on what is advisable or desirable as agreed with the Client;
- Administration, monitoring and ongoing supervision of the insurance and, following consultation with Client, adjustment of the insurance protection in line with changing risk-benefit ratios and market conditions;
- Ensure that the insurance contract can take effect and incept at the time agreed for the placing or the renewal;
- Arrange for the requisite documentation in order that the insurance contract shall become effective with the insurer, and prior to inception confirm to the Client that the placing has been completed, alternatively advise on what remains outstanding for placement;

- In the event of a claim, supporting the Client in matters of settlements, from negotiations with the insurer to the receipt of compensation;
- Provide advice and appreciation in respect of the interpretation of actual questions related to the insurance contract(s) placed;
- Provide assistance to the Client in questions of technical, legal and insurance nature in connection with the placing/renewal of insurance and in the course of the period of insurance, to the extent that this may be deemed necessary or natural within the scope of the assignment;
- Arrange for any and all relevant information received from the insurers concerning the insurance cover to be passed on without delay to the Client.

We are hereby authorized to terminate existing insurance contracts as well as find and conclude new insurance contracts, submit and accept all declarations of intent and notices to and from the respective insurer, assert claims to insurance services, cooperate in the settlement of claims and accept monies relating to insurance claims on the Client's behalf. We are also entitled to grant sub-authorisation to another insurance broker.

2. Duties of the Client

The Client shall solely correspond with the (respective) insurer on contractual matters through the Broker.

If the Client fails to meet this contractual obligation, they shall provide the Broker with copies of any and all correspondence with the insurer or immediately cede to the Broker all contract-related correspondence with the insurer.

If the Client violates this contractual obligation imposed on them, the Broker will not be liable for resultant damages.

The Client shall obtain and disclose the information needed by the Broker in order that the insurer may be provided with a proper and objective description of the objects and risks to be insured. The Client shall therefore provide correct and complete answers to questions presented by the Broker in order to assess their risk and make the best evaluation of their needs and liability. If the Client becomes aware that false or incomplete information was provided, he must immediately notify the Broker about this. The insurance contract will not bond the insurers if the policy holder (the Client) has acted fraudulently when providing information. In such case, the responsibility of the Broker for absence of or denial of coverage cannot and will not be engaged.

The Client shall correct and/or supplement the information previously disclosed as soon as the Client becomes aware of such information having changed in such a way that it may be assumed to be of significance to the insurer. In particular, the Client shall report details of any changes in the insurance situation which have occurred as regards the risk scenario and the objects insured, or which may be requested as regards the extent of cover and the terms and conditions of cover, both in connection with renewal and during the period of insurance.

The Client shall provide details of previous insurance arrangements, brokers and claims reported as relevant for the specific insurance lane in discussion.

The Client shall check that the insurance documents which he has received are in conformity with the information and instructions he has given previously to the Broker and that there are no mistakes or misunderstandings in the provided information or documentation.

As a condition of coverage, the Client agrees to pay the premium according to the agreed rate and within the due date set in the respective invoices/policy agreement, directly to the Broker or to insurer depending on the terms of the policy contract. Failing to pay the premium on time may result in absence of coverage.

The Client shall advise the Broker of casualties that occur, and provide the Broker with the requested information and documents. The Client shall further comply with necessary updates.

3. Duty of Confidentiality

The Parties shall be under complete duty of confidentiality as to any and all work carried out by the Broker. An exception is made for any information which the Broker may be required to give to other broker in the event that the Client changes broker and this information relates to actual circumstances concerning the object insured or

matters relating to the risk and the assessment thereof, and where such information is not subject to confidentiality.

4. Code of Conduct and Anti-money laundering and anti-terrorism financing measures

Our office is required to comply with the code of conduct aimed at strengthening the protection of users of financial products and services as well as the relevant Authorities of the financial services and markets, and we are regularly trained on the Law on the Prevention of Money Laundering and Terrorist Financing.

With the willingness to participate in the fight against money laundering and the financing of terrorism and under the Law on the prevention of the use of the financial system for the purpose of money laundering and the financing of terrorism, you agree to answer the questions that our office has to ask you in this context and to provide the required documents on first request.

5. Remunerations, fees, taxes

The commission for the brokerage activities is a fixed percentage quoted by insurers and forms part of the premium. The commission is paid to the Broker directly by the insurers in question.

In some cases, there is also an “intermediary fee” or “admin fee” which is a fee that is placed on top of an insurance policy. This fee is depending on the size and complexity of the insurance policy being taken out and is used as the one-off remuneration for the Broker for its research and advice required and the time to quote the policy. Broker fee, if applicable, will always be separately listed on the Client insurance invoice, making the whole process very transparent.

Alternatively, the parties can agree that the Broker will be paid by fee negotiated on individual basis, per specific needs or specific project:

- In the event that the Client requests an examination or deliberation of questions of technical, legal and insurance nature to a greater extent than what is reasonable to the nature and size of the assignment, then this shall be subject to a separate agreement and payment of fee.
- In the event that the Client requests special or extended duties, service and/or advice from the Broker within casualties/claims, training, presentation or seminar, analysis, reporting, routines or other aspects related to the Client’s treatment of insurances, to a greater extent than what are the duties and tasks of the Broker, then this shall be subject to a separate agreement, clarifying what tasks are, and payment of fee or some other appropriate way of being included in the agreement as regards the Broker’s remuneration.
- In the event that the Broker provides advice to the Client on the basis of an analysis of the largest number possible of insurance solutions available in the market, this shall be subject to a separate agreement and payment of fee or some other appropriate way of being included in the agreement as regards the Broker’s remuneration.

Based on the Luxembourg Insurance tax law of 1937 combined with the Luxembourg Law of 27 July 1997 and the Law of 7 December 2015 on the insurance sector, insurance contract are subject to insurance premium taxes (4% for all general insurances, 0% for life-insurance, 6% for fire insurance). Therefore the Broker will apply the respective taxes on insurance premiums, provided that the risk insured or the policyholder (the Client) is located in Luxembourg.

6. Liability of the Broker

In the event of minor error or omission on the part of the Broker, the liability of the Broker is limited to direct damages arising from a fault of the Broker in the execution of its brokerage services only and there shall be no liability for any loss of profit, indirect or consequential loss, special or punitive damages. The liability of the Broker in any case is limited to a maximum amount of EUR 1,310,000.00 (in words: one million three hundred and ten thousand euros) per claim with the Client. The Broker has arranged professional liability insurance to cover this amount as required by law.

7. Data transfer and data records

The Client/ policy holder gives their consent for the insurers contacted by the Broker to transfer data, to the extent required by the application documents or the execution of the insurance contract (premiums, insurance claims, risk/contractual changes), both to reinsurers and to their professional association. Regardless of the conclusion of the contract, this consent also applies to corresponding assessments required as part of applications for other (insurance) contracts and future applications.

The policy holder also gives their consent for these insurers to record general information relating to the contract, accounting and services in joint data records and to pass this information on to the Broker, provided that this is required for the proper administration of their insurance matters.

8. Severability

In the event that one or more provisions of this Agreement should be or become ineffective, the Parties shall replace the ineffective provisions with ones that are as commercially equivalent as possible and legally valid.

9. Applicable jurisdiction and Governing law

The provided services shall be governed and construed in accordance with the laws of Luxembourg and all disputes and claims arising out of or in connection with such services and / or activities of the Insurance broker shall be referred to and determined by the Courts of Luxembourg.

The Broker Agreement and the activities of The Broker shall be governed by the law and jurisdiction of Luxembourg, hereunder:

- The Law of 7 December 2015 on the insurance sector (coordinated version on 5th March 2018)
- The Law of 27 July 1997 on the insurance contract (coordinated version on 1st January 2016)
- Amended grand-ducal regulation of 8 October 2014 concerning the procedures of approval and practice of the insurance and reinsurance intermediaries and professionals of the insurance sector.

10. Confidentiality and personal data

See Privacy Statement

11. Arbitration Clause

In the event of a dispute between the parties, the Client understands that an attempt shall first be made to resolve the dispute amicably through negotiations within a period of 2 months. Should the negotiations fail to succeed within the period stated, the Client may request that the dispute be resolved by arbitration and has the possibility to contact the Insurance Ombudsman in Luxembourg ("Mediator") by the Association of Insurance and reinsurance companies (ACA) and the Luxembourg Union of Consumers (ULC) to find extrajudicial solutions in insurance litigation.

The parties involved in an extrajudicial litigation must communicate to the Ombudsman all documents and relevant information relating to their demand.

Each party has the option, within a reasonable timeline fixed at 2 weeks, to freely express his views and arguments; to receive from the Ombudsman the arguments, evidence, documents and parts produced by the other party as well as any eventual opinion rendered by experts.

Reasoned conclusions made by the Ombudsman, as well as solutions proposed by him or amicable agreements can serve as room in the courts, unless otherwise agreed by the concerned parties.

The request for mediation with the supporting documents must be addressed by email: mediateur@aca.lu, or by post: ACA, 12 Street Erasme, L - 1468 Luxembourg (Phone: 44 21 44 1) or by Fax (44-02-89).