



JLT FAC Business Protocols

March 2019

TABLE OF CONTENTS

1	INTRODUCTION AND SCOPE	3
2	TERMINOLOGY	4
3	MANAGEMENT AND SERVICE STANDARDS	5
4	PLACING SERVICES	6
5	DUTY OF DISCLOSURE	9
6	SELECTION AND SOLVENCY OF REINSURERS	11
7	DATA PROTECTION AND CONFIDENTIALITY	12
8	CLAIMS SERVICES	14
9	MAINTENANCE OF RECORDS	15
10	CONFLICTS OF INTEREST	16
11	REMUNERATION AND OTHER INCOME	17
12	THE RECEIVING AND HOLDING OF CLIENT MONEY	19
13	PAYMENT TO THIRD PARTIES	20
14	FINANCIAL CRIME	21
15	METHODS OF PAYMENT	23
16	COMMUNICATIONS BY E-MAIL	24
17	E-COMMERCE	25
18	USE OF DEDICATED WEBSITES/E-MAIL FOR RISK PRESENTATION	26
19	COMPLAINTS AND REDRESS/ FEEDBACK	27
20	ASSIGNMENT AND SUBCONTRACTING	28
21	TERMINATING OUR APPOINTMENT	29
22	GOVERNING LAW AND JURISDICTION	30
23	FURTHER INFORMATION	31
24	JLT GROUP'S ETHICAL CODE	32
25	LIMITATION OF LIABILITY	33
	APPENDIX 1	34
	APPENDIX 2	35

1 INTRODUCTION AND SCOPE

JLT Fac is a trading name of JLT Reinsurance Brokers Limited (JLTRBL), a wholly owned subsidiary of the Jardine Lloyd Thompson Group PLC, whose principal place of business is The St Botolph Building, 138 Houndsditch, London EC3A 7AW, is an independent reinsurance intermediary and an accredited Lloyd's broker.

JLT Reinsurance Brokers Limited also trades, or has traded, under the name of JLT Re, JLT Fac, Healthcare Risk Partners and JLT Towers Re.

We are authorised and regulated in the United Kingdom by the Financial Conduct Authority (FCA), details of which can be confirmed on the FCA's register by visiting the FCA's website <https://register.fca.org.uk/> or by telephoning the FCA on 0800 111 6768 or 0300 500 8082 (from within the UK) or +44 20 7066 1000 (from outside the UK).

Our intention in issuing these Business Protocols is to establish clearly and concisely with you the basis upon which, and extent to which, we will provide you with services in relation to each Reinsurance which we arrange on your behalf unless there is a more specific agreement in writing between us, in which case, in the event of any conflict with this document, the more specific agreement will prevail. This document also highlights certain important reinsurance practices and procedures that apply when arranging reinsurance, and provides you with more general information on our services.

We urge you to read this document carefully and use the information to decide if our services are right for you, particularly the section entitled **Placing Services**, as it sets out the basis upon which we will act as your agent in relation to each Reinsurance which we arrange on your behalf, and the section entitled **The Receiving and Holding of Client Money** which sets out how we hold client money. In transacting business with us, you and your Affiliates will be deemed to accept the terms of these Business Protocols (as applicable) together with and any specific agreement between us and you.

If you do not wish our relationship to be governed in such a manner, you need to advise us in writing before we proceed to arrange the reinsurance policy.

To satisfy our obligations with regard to global financial crime legislation we run specific checks to confirm there is no prohibition against us working for you.

2 TERMINOLOGY

In order to avoid repetition of words used in this document:

“Affiliate(s)” means, in relation to a company, its subsidiaries and subsidiary undertakings, its holding companies and any subsidiaries and subsidiary undertakings of any such holding companies. As it applies to you “Affiliate” also includes your partners, directors, officers, co-Reinsureds or other associates to whom we or any of our Affiliates may assume a responsibility by reason of providing the Services or any ancillary services.

“JLT Group” includes all companies owned or controlled by Jardine Lloyd Thompson Group plc.

“Reinsurance” includes each contract of reinsurance, insurance, binding authority agreement, contract of surety or guarantee and other risk transfer product.

“Reinsurer(s)” includes any reinsurer, insurer or other category of risk bearer, or in the context of Appendix 2 retrocessionaire.

“Claim” includes any claim or incident which may give rise to a claim, as appropriate to the Reinsurance.

“Reinsured(s)” includes any reinsured or insured, or in the context of Appendix 2 retrocedant.

In this Protocols document, unless otherwise expressly provided, any reference to words importing the singular shall include the plural and vice versa, as relevant.

‘Facultative’ means a specific reinsurance placement of an insurance risk.

3 MANAGEMENT AND SERVICE STANDARDS

QUALITY AND STANDARD OF SERVICE

In providing you with the services described in this document, we will advise you in accordance with your instructions and in a professional and expeditious manner.

MANAGING YOUR REQUIREMENTS

In the way that we respond to your requirements we at all times are required to comply with FCA requirements which among other things mean that we:

- conduct our business with integrity, due skill, care and diligence;
- pay due regard to your interests and treat you fairly;
- pay due regard to your information needs, communicating information to you in a way which is clear, fair and not misleading;
- meet certain specified conditions in relation to client money; and
- maintain systems and controls appropriate to our business.

We will assign one or more Partner(s) and/or Associate(s) within our applicable business and support unit(s) to take responsibility for the provision of the services which are described in this document. Such person(s) will be your primary point(s) of contact in relation to the Reinsurance that we arrange or administer on your behalf and will ensure, in so far as is reasonably possible, continuity of and accountability for the services which we provide. The assigned Partner(s) and/or Associate(s) will be supported by other employees to assist in the provision of the services and to provide service cover when required.

MANAGING OUR BUSINESS

Our aim is to deliver reinsurance solutions that satisfy your requirements, effectively and efficiently. To achieve this JLTRBL has adopted a simple management approach that promotes communication, teamwork and service. Partner and Associate are the two principal titles that are used for all persons who manage and handle our business and we believe we create an integrated team environment.

We would ask you to note that although the titles Partner and Associate are used by us, JLTRBL is a company incorporated in England and Wales with liability limited by shares. The appointment of certain of our employees to the position of Partner does not create and should not be construed as creating a legal partnership between such employees and JLTRBL, nor a legal partnership between any such employees. In summary, the titles are descriptive only for those of our employees holding managerial positions.

4 PLACING SERVICES

ESTABLISHING YOUR DEMANDS AND NEEDS

In good time before negotiations with the Reinsurers commence, we wish to establish a proper understanding of your Reinsurance requirements. We would draw your attention to the sections of this document entitled **Duty of Disclosure and Selection** and **Solvency of Reinsurers**.

We will assist where necessary in the gathering and collation of material risk information and in its preparation for submission to the Reinsurers who we consider to be appropriate and are agreed with you.

QUOTING AND PLACING

We will seek from Reinsurers on your behalf competitive indications for Reinsurance and coverage which, in our opinion, meet your needs and are efficient in terms of both price and coverage offered. We will advise you of the terms indicated by the Reinsurers in such a manner as to enable you to make an informed decision on which Reinsurance, if any, to purchase.

Similarly, should you wish, we will approach Reinsurers to ascertain their appetite for Reinsurance for which you have provided us with both the price and the coverage sought, and will advise you of their interest.

We will take diligent and timely steps to implement your instructions and, subject to available reinsurance markets, place all of the required Reinsurance before its intended date of inception, renewal or extension, confirming to you prior to such date the coverage that is in place. If we are unable to fulfil your instructions we will bring this promptly to your attention.

If you are domiciled outside of the United Kingdom or the Reinsurance provides cover for non-UK risks, you should check that use of the Reinsurers is acceptable with regard to local taxation and is permitted by the relevant authorities. Please note that JLTRBL are not tax advisors and therefore are unable to advise our clients to this effect.

LINESLIPS AND OTHER FACILITIES

In relation to certain classes of business, we have the benefit of, and operate, lineslip facilities. These are arrangements whereby risks, which meet certain pre-agreed criteria, can be bound by one or more Reinsurers usually on behalf of a wider range of Reinsurers, such mechanism offering speed and efficiencies across a portfolio of business. We generally

administer these facilities on behalf of all participating Reinsurers and carry out general functions, such as accounting, on behalf of subscribing Reinsurers. We believe these arrangements help us to secure, for you, access to an expert panel of Reinsurers and cost efficiencies. We review the terms and conditions of lineslip facilities annually to ensure that the terms and conditions offered by participating Reinsurers are competitive. Where we place a risk for you under a lineslip or similar facility we will disclose this fact to you.

In certain cases we have authority delegated by Reinsurers to bind limited classes of risks under a facility known as a binding authority. Where your risk is placed pursuant to such a binding authority arrangement you will be specifically advised of it. In these circumstances, to the extent your risk is placed under a binding authority, in dealing with the underwriting and administration of your risk, we will be acting primarily on behalf of Reinsurers.

PLACEMENT OF A RISK WITH MULTIPLE REINSURERS

Once satisfactory security has been selected the risk may be offered to a single Reinsurer or to a number of Reinsurers to co-reinsure, if we believe that would best respond to your requirements. Where we offer the risk to a number of co-Reinsurers we will follow the BIPAR high level principles (the "BIPAR Principles") set forth by the European Commission, as set out below, when obtaining terms. BIPAR is the European Federation of Insurance Intermediaries. We will recommend the placement for your consideration and approval that, in our opinion, provides the best solution for your needs.

The BIPAR principles for placement of a risk with multiple Reinsurers are set out below:

- 1 The intermediary shall, based on information provided, specify the demands and needs of the client as well as the underlying reasons for any advice.
- 2 Before placing a risk, an intermediary will review and advise a client on market structures available to meet its needs and, in particular, the relative merits of a single Reinsurer or a multiple Reinsurer placement.
- 3 If the client, on advice of the intermediary, instructs the latter to place the risk with multiple Reinsurers, the intermediary will review, explain the relative merits and advise the client on a range of options for multiple Reinsurer placements. Intermediaries

will expect Reinsurers to give careful independent consideration to the option requested.

- 4 In the case of a placement of a risk with a lead Reinsurer and following Reinsurers on the same terms and conditions, the previously agreed premiums of the lead Reinsurer and any following Reinsurers will not be aligned upwards should an additional follower require a higher premium to complete the risk placement. Indeed, the intermediary should not accept any condition whereby a Reinsurer seeks to reserve to itself the right to increase the premium charged in such circumstances.
- 5 During the placement of the risk, the intermediary will keep the client informed of progress.

There are a range of options for multiple Reinsurer placements, two examples of which are the following:

- Selection of a lead Reinsurer through a competitive process and subsequent invitation to potential following Reinsurers to cover part of the risk on the same contract conditions and premium, it being understood that nothing should prevent following Reinsurers quoting a different premium;
- Selection of a lead Reinsurer through a competitive process followed by a series of negotiations between the broker and potential following Reinsurers for the coverage of part of the client's risk not covered by the lead Reinsurer with identical contract conditions and different premiums across all or some of the participating Reinsurers.

For all new and renewal business, your primary contact at JLT FAC will ascertain the details as described in the sections of this document entitled **'Management and Service Standards'** and **'Placing Services'** to satisfy BIPAR Principles 1, 2 and 3. Our documentation will incorporate a clause to ensure the co-Reinsurers understand the basis of their participation and that we will not accept 'best terms' provisions, to satisfy BIPAR Principles 3 and 4. Finally, we will adhere to BIPAR Principle 5 at all times. Should you have any further questions with regard to any placement please speak to your primary contact at JLT FAC.

EVIDENCE OF COVER/DOCUMENTATION

We will advise you by e-mail, letter, facsimile or other agreed means of communication, of the completion of the Reinsurance arrangement(s). We will then arrange for appropriate documentation to be forwarded to you, which will provide you with formal confirmation or evidence of the Reinsurance and the amount of premium payable.

We advise you to check the following documentation when you receive it:

- Evidence of cover, which may be in one of five forms:
 - A fully agreed Binding Authority
 - A Policy or Certificate
 - A full copy of the Market Reform Contract
 - A Contract
 - A Broker Insurance Document (formally a Cover Note)
- A Premium Debit Note / Invoice which will indicate the gross premium charged by the Reinsurers for the Reinsurance, any deductions allowed for you and the net amount of premium payable to us. Where a Reinsurer requires premium to be paid directly to it, this will normally be indicated on the premium debit note or invoice.
- A Policy or Certificate which will set out comprehensively the terms of the Reinsurance and replaces any earlier evidence of cover. We will seek to obtain and, subject to any lien which we may be legally entitled to exercise, issue to you as soon as practicable any Reinsurance policy or certificate documents which may be required in relation to the Reinsurance.

TAXES, DUTIES AND OTHER CHARGES

Any Reinsurance premium tax, duty or other charge which is payable in addition to the premium (for which the Reinsured is responsible) and which needs to be remitted to the appropriate authority by the Reinsurers, or which is allowed by the Reinsurers to be deducted from the premium payable, will be indicated on the premium debit note or invoice. If a tax, duty or other charge is allowed to be deducted by you from the premium payable, it is your responsibility to ensure that it is remitted to the appropriate authority.

FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA)

In relation to US situs risks, throughout the quotation and placement process and at the time we send your evidence of cover documentation, we will advise you if any of your Reinsurers are not FATCA compliant. This will enable you to identify what, if any, proportion of the premium due to a Reinsurer needs to be withheld.

AMENDMENTS

If you require a subsequent amendment and/or material change to the terms of the Reinsurance, you should advise us in writing at the earliest opportunity, specifying the required change(s) and enclosing any relevant supporting information. As noted under the section of this document entitled **Duty of Disclosure**, if your policy is governed by the laws of England and Wales, Scotland or Northern Ireland, the duty to disclose material circumstances 'resurrects' itself, in the event of any amendment or material change to the Reinsurance during the policy period or extension/renewal of your Reinsurance.

We will then seek the necessary agreement(s) from the Reinsurers and confirm to you in writing when the amendment or material change has been effected and supply you with the appropriate documentation, or advise you of any inability to effect the required amendment or material change.

PAYMENT TERMS

Premium should be paid within the timeframe stipulated on the debit note or, if no payment date is stipulated, within 30 days of the date of the debit note. Failure to pay on time may lead to the cancellation and/or avoidance of the Reinsurances. We will advise you of any other special premium payment condition or warranty.

Certain accounting arrangements in the London reinsurance market can give rise to an automatic deduction of premiums from our broker account and, if that occurs at a time when you have not paid the premium to us, you agree to reimburse us for that amount without delay.

In exceptional circumstances or as a consequence of certain accounting arrangements we have with some Reinsurers in the London Market, we may on a rare occasion temporarily fund your premium payment for you. Should we do so, we will generally have agreed in advance with Reinsurers that the funding is by way of a loan to them repayable on demand by us; if we have not reached such an agreement with Reinsurers, it is understood between us that any such funding would be by way of a loan to you repayable on demand by us. In either case, you would remain the party primarily responsible for the premium.

If we have agreed a fee with you and a fee debit note is issued, we expect to be paid within the timeframe stipulated on the fee debit note or, if no payment date is stipulated, within 30 days of the date of the fee debit note. If payment is not in accordance with these terms, we shall be entitled to charge interest on the overdue amounts at the rate of 4% per annum above the then current base rate of the Bank of England. Such interest shall accrue on a daily basis from the due date until the date of actual payment of the overdue amount. Alternatively, we may, in our absolute discretion, claim interest pursuant to the applicable law.

USE OF SUB-AGENTS

Where we consider it appropriate we may instruct a more localised or specialist reinsurance broker or intermediary to act as our sub-agent and assist us in arranging or administering the Reinsurance. For example, many countries require the use of local intermediaries to access local reinsurance markets. In such cases, we will provide specific instructions to our appointed sub-agents so as to meet your reinsurance requirements. Sub-agents may be remunerated by way of a fee agreed with us, brokerage commission allowed to them by the Reinsurers or a specific fee agreed by us with you for their use. Please note that the basis of remuneration for a sub-agent may be different to the basis of our remuneration in relation to the Reinsurance.

5 DUTY OF DISCLOSURE

We set out below the duty of disclosure and the consequences of its breach, as governed by the laws of England, Wales, Scotland or Northern Ireland. If you have instructed us to place cover governed by the laws of a country other than England, Wales, Scotland or Northern Ireland, we recommend that you obtain advice as to your obligations under the relevant law. If you are not sure about which law applies to your chosen policy, please refer to your Evidence of Cover or ask your primary contact at JLTRBL.

You must be aware of the duty of fair presentation, which is the duty of disclosure in relation to insurance, and the potentially severe consequences of its breach. The duty of fair presentation under the laws of England and Wales, Scotland and Northern Ireland is a duty to provide to the Reinsurer:

- disclosure of every material circumstance which the Reinsured knows or ought to know, or
- failing that, disclosure which gives the Reinsurers sufficient information to put a prudent Reinsurer on notice that it needs to make further enquiries for the purposes of revealing those material circumstances, in a manner which would be reasonably clear and accessible to a prudent Reinsurer.

This means that careful thought must be given to the manner in which information is presented. You should also ensure that every material representation as to a matter of fact is substantially correct, and that every material representation as to a matter of expectation or belief is made in good faith.

A material circumstance is one which would influence the judgment of a prudent Reinsurer (not necessarily the Reinsurers in question) in determining whether to take the risk and, if so, on what terms. Examples of such circumstances could be the detail of any previous claims, whether related to this business or any previous businesses you have owned or been responsible for; changes in the materials used in the construction of your premises; or any changes in the nature of the security measures you employ. Please note that these examples are for illustrative purposes only and are by no means exhaustive or conclusive.

It is important to understand who in your business has “knowledge” for the purposes of this duty:

- If you are an individual, you will be presumed to know what you actually know and what is known by the individuals responsible for your Reinsurance (such as your broker);

- If you are a corporate entity, you will be presumed to know what is known by the business’s “senior management” and the individuals responsible for its Reinsurance (such as your risk management team and your broker).

Please note that you will be treated as knowing:

- material circumstances of which you (or the relevant persons identified above) have actual knowledge;
- material circumstances which you (or the relevant persons identified above) suspect but you have deliberately refrained from confirming or enquiring about; and
- material circumstances about which you (or the relevant persons identified above) ought to know (i.e. circumstances which should reasonably have been revealed by a reasonable search of information available to you).

This means that in some circumstances the responsible individuals will be required to make enquiries, and the information (and therefore the scope of those enquiries) may not necessarily be limited to that held by the business. If you are uncertain as to your obligations in this respect, please liaise with your primary point of contact at JLTRBL.

The duty of fair presentation continues up until the Reinsurance has been concluded and ‘resurrects’ in the event of any amendment to the risk during the policy period or extension/renewal. It may also be that the terms of the policy include specific ongoing disclosure conditions or warranties which effectively extend certain disclosure obligations post inception of the policy.

In completing a proposal or claim form or any other material document relating to a Reinsurance policy and in providing information to or for Reinsurers, the accuracy and completeness of all answers, statements and/or information is the policyholder's own responsibility and it is of paramount importance that all relevant information is provided and that it is accurate. Should you so require, you may request that we assist you by providing examples of the sorts of matters which ought to be disclosed as being material or arguably material circumstances, in general terms, or specific to your risk from the knowledge we gain from working with you to understand your risk.

In the event that there is a breach of the duty of fair presentation, the Reinsurers are generally limited to "proportionate remedies", linked to what they would have done if the risk had been fairly presented. This may result in the imposition of different terms, or the proportionate reduction of claims where a higher premium would have been charged. In circumstances where the Reinsurer would not have entered into the contract on any terms it can avoid the contract and refuse all claims, but must return the premium. If the breach is deliberate or reckless the Reinsurer can avoid the policy, refuse all claims and keep the premium.

If you are in any doubt as to the ambit of the duty of disclosure or whether a piece of information ought to be disclosed, please do not hesitate to contact us.

Please also refer to section 14, **Financial Crime**, for information on potential sanctions or embargoes which may affect your reinsurance policy.

Warranties & subjectivities relating to your Reinsurance

You should familiarise yourself with all terms of any Reinsurance that you purchase. All warranties should be treated seriously and strictly complied with. Failure to do so may entitle the Reinsurer to decline a claim under your Reinsurance. If you discover that you are in breach of a warranty, then you should keep a record of the breach and when it was remedied. You should endeavour to remedy a breach as quickly as possible. If it is not possible to remedy the breach, you should advise us promptly. If you have any concerns or doubts, please contact us.

Where cover is subject to fulfilment of a particular requirement (known as a subjectivity) and that subjectivity is not fulfilled, then your Reinsurance may be invalidated. It is very important that you promptly satisfy all subjectivities so that they can be removed.

6 SELECTION AND SOLVENCY OF REINSURERS

Our selection of Reinsurers is generally based on our knowledge and experience of the relevant market sector, its products, our preference to deal with a limited number of Reinsurers in each market sector with which we can develop trading relationships to the advantage of our clients, and the financial standing of the Reinsurers.

We use all reasonable endeavours to monitor, using publicly available information, the financial standing of Reinsurers and to use only Reinsurers who have a satisfactory financial status. The financial standing or condition of any Reinsurers can, of course, change after the Reinsurance has incepted. We accept no responsibility for the financial standing or financial performance of any Reinsurers and will not be responsible in any circumstances in the event that they are unable for whatever reason to meet their obligations to you.

If you are concerned about the security of Reinsurers subscribing to your Reinsurances we can try to negotiate the inclusion of a security default clause within the terms of your Reinsurance. These clauses generally allow cancellation rights by the Reinsured of a Reinsurer's participation in the Reinsured's Reinsurance programme, should such Reinsurer become insolvent or their rating fall beneath an acceptable level. Should you wish us to try to obtain the inclusion of such a clause in your Reinsurance, please discuss with your assigned JLTRBL contact, although of course there is no guarantee that any particular Reinsurer would agree to such a security default clause.

7 DATA PROTECTION AND CONFIDENTIALITY

We collect and use information about individuals such as names and contact details, which may also include special categories of personal data (e.g. about their health) and information relating to criminal convictions and offences.

The purposes for which we use personal data may include arranging and providing (re)insurance cover and handling claims. More information about our use of personal data is set out in our Fair Processing Notice <http://www.jlt.com/data-protection/gbr/jlt-re>.

You hereby agree to comply with all applicable data protection laws and further, shall provide a copy of the Fair Processing Notice to the relevant individuals ensuring at all times that they have the necessary information about how their information is processed and how they may exercise their rights as data subjects.

You shall not provide us with personal data or other information which may be used to identify any individual other than such personal data that is necessary for us to perform the services. The personal data you provide to us shall be accurate. We may pass personal data (which may include special categories of data) to third parties such as (re)insurers, other brokers, loss adjusters, professional advisers, agents, partners, sub-contractors, our affiliates and to certain regulatory bodies who may require personal data for the purposes described in the Fair Processing Notice <http://www.jlt.com/data-protection/gbr/jlt-re>.

In certain circumstances, we may be required to collect, use and process special categories of personal data. You shall be responsible for ensuring that all necessary and appropriate consents have been obtained by the relevant individuals to enable us to process such special categories of data which is necessary for the performance of the services. You acknowledge and agree that we shall rely wholly on the consents obtained by you and at our request, you shall promptly provide us with evidence of such written consent.

We shall notify each other without undue delay and in any event within twenty four (24) hours upon each of us becoming aware of any personal data breach relating to the relevant individual and shall provide reasonable co-operation upon request. Such notification by either party is not an acknowledgement by that party of any fault or liability with respect to the personal data breach.

- At times, the provision of our services may necessitate the transfer of personal data outside the UK and, where you are located within the EEA (excluding the UK) into the UK. Any such transfer, including transfers to you outside the UK and by you, if you are located within the EEA (excluding the UK), shall be governed by the Standard Contractual Clauses which are binding between you and JLTRBL www.jltre.com/~media/files/sites/jltre/the-standard-contractual-clauses Your continued use and receipt of our services shall be deemed your agreement with and acceptance of the terms set out in the Standard Contractual Clauses www.jltre.com/~media/files/sites/jltre/the-standard-contractual-clauses
- For more information regarding the meaning of special categories of data, personal data breach and rights of individuals as data subjects, please refer to our Fair Processing Notice <http://www.jlt.com/data-protection/gbr/jlt-re>.
- If you have any questions in relation to how we process your personal data, please contact:

Data Protection Officer
JLT Reinsurance Brokers Limited
The St Botolph Building
138 Houndsditch, London EC3A 7AW
Or by email: DPO@jltre.com
- Certain reinsurance documentation, in the London Market, is lodged on, or communicated by, or through the Insurers' Market Repository in accordance with current market practice; we will take all reasonable care to ensure documentation added onto the Repository is true, fair and complete. Both we and Insurers keep confidential all information disclosed by either of us to the other in relation to our business affairs and those of our clients and use such information strictly in respect of the services save where (i) such disclosure is made in connection with reinsurance as described in this section, **Data Protection and Confidentiality**, or in section 10, **Conflicts of Interest**; or (ii) such disclosure is required by law; or (iii) the receiving party has obtained written

consent from the disclosing party and taken into account all relevant considerations; or (iv) the disclosure is to either parties' employees, agents, service providers or professional advisers who have a need to know.

CORRESPONDING BY E-MAIL SECURELY

In the course of servicing our clients, whether in placing the Reinsurances or providing documents for claims handling, we may receive information that may be considered either personal (as described above) or sensitive and therefore requires protecting to ensure no third party can accidentally receive the information in a readable state. We are therefore encouraging those with whom we do business to utilise encryption solutions for the sending / receiving of email. We are utilising Transport Layer System (TLS) as an encryption tool, which is a certificate simply applied to the email server.

Should you wish to understand more about TLS and its usage, please contact us and we can forward further information to you.

Please ensure that you have read the provisions included in section 16, **Communications by Email**, to understand our concerns and advices when communicating by email.

USE OF DATA

JLTRBL and other members of the JLT Group collect data about their clients and the insurances we place on their behalf. This may include, but is not limited to, policy types, premium, limits, industry codes and policy expiry dates, together with information about the insurance companies with which we deal. JLT Group members have developed one or more databases to hold this information. Such information, which may include personal data, is used by the JLT Group for benchmarking and other analytical purposes, and may also be used to assist insurers and reinsurers to strengthen and tailor their value proposition to clients. Where we disclose any information to third parties outside the JLT Group, it will always be anonymised and in an aggregated form so that individual clients are not capable of identification.

Information contained in databases developed by any entity in the JLT Group may be shared with other JLT Group members for purposes including the provision of consulting, (re)insurance, employee benefits, analytics or other services for clients or potential clients, for which services JLT Group members may be remunerated.

Where a client is insured under a facility, binder or lineslip arrangement, we may share information about that client's insurance with existing and potential future insurers of such facility, binder or lineslip on a confidential basis.

By instructing us to provide services to you, you consent to the use by JLT Group members of your data as set out in this clause.

From time to time JLTRBL may provide you with information and recommendations about your existing reinsurance coverage and other products and services that we think may be of interest to you. You may choose not to receive such information and recommendations by informing us or unsubscribing from our mailing list.

8 CLAIMS SERVICES

CLAIMS SERVICES PERIOD AND SCOPE

We will provide you with the claims related services described in this section in relation to the Reinsurance we arrange for you only to the extent that you wish to receive any of them and until such time as:

- a. you fail to pay any claims service fee or disbursement within fourteen (14) days of it becoming due, where you have agreed to remunerate us separately for Claims related services, or
- b. our appointment to act as agent or sub-agent in relation to the Reinsurance or any subsequent renewal of the Reinsurance is terminated or not maintained. In this event, if the ongoing handling of Claims has not been addressed in an Appointment Letter, or otherwise, we will discuss with you how the ongoing servicing of Claims is to be handled. In the absence of us being able to continue to provide these services, you agree promptly and diligently, using best efforts, to secure the services of the ongoing reinsurance intermediary to handle such claims or to assume responsibility for providing or organising this service yourself.

NOTIFICATION AND ASSESSMENT

Claims should be promptly notified to us (or to Reinsurers if the Reinsurance provides for direct notification to them). Where Claims are being made by

third parties, no compromise or admission of liability should be made until Reinsurers' approval is obtained.

You should observe all conditions in the Reinsurance contract documentation relating to the reporting and handling of Claims – failure to do so may well lead to your Claim not being paid. Upon our receipt of a Claim notice from you, we will undertake an assessment of that Claim. If we consider that notice of the Claim is not required or if the notification appears deficient in any way, we will promptly explain to you the position and seek your further instructions.

Subject to the preceding paragraph, we will notify the participating Reinsurers of the Claim in a timely fashion and, where applicable, confirm to you in writing when such notification has been made. We will then promptly communicate to you any information, comments or advices received from the Reinsurers in relation to the Claim notice(s).

CLAIMS SERVICES NEGOTIATION AND SETTLEMENT

We will diligently pursue settlement and, where agreed with Reinsurers, will collect any Claim under the Reinsurance and seek to secure the fullest recovery possible within the terms, conditions and limitations of the Reinsurance. We will not compromise the amount of any Claim settlement without your prior approval. Where applicable, we will provide you with written confirmation of the acceptance of the Claim and the amount of settlement agreed by the Reinsurers.

9 MAINTENANCE OF RECORDS

During the period of our appointment, we will make, maintain and keep a record of all material particulars relating to our arrangement and/or administration of the Reinsurance, including the notification, processing and resolution of any Claims under the Reinsurance for which we provide claims related services.

Such records may be kept in paper based format, electronic format or any other medium we consider appropriate provided that they are either in a legible form or capable of being reproduced in a legible form.

Subject to any lien which we may be legally entitled to exercise, we will reproduce and forward to you (or to any other party you request) copies of the documents and records to which you as our client are legally entitled, but we reserve the right to charge you for the reasonable costs of reproduction and forwarding and to retain copies for our own internal requirements.

If you act as a producing broker, agent or professional adviser (together a "Commercial Professional") in transacting business (the "Business") with us, then you agree to cooperate in any regulatory or similar investigations relating to the Business and we similarly require you to:

- a. maintain records in connection with such Business in accordance with the requirements of, and for at least the minimum period required by, law or any applicable regulatory body with jurisdiction over your Business;
- b. reproduce and forward to us on reasonable notice copies of such records which are not privileged or otherwise precluded from production to us by law (including documentation relating to receipt of premium and payment of claims, proposal forms, slips, endorsements, addenda , bordereaux or similar documentation); and
- c. make such records available for inspection by our auditors or any applicable regulatory body.

10 CONFLICTS OF INTEREST

In performing our services, situations may arise where we have conflicting interests and we wish to highlight our normal procedures in relation thereto.

Where the conflict arises in providing the limited services to the Reinsurers as described elsewhere in this document, we will refrain from performing any further services of a like nature for the Reinsurers unless you have agreed otherwise in writing.

With regard to a Facultative placement, it may be that we act as agent for more than one client involved in the same original insurance or Reinsurance placement. We will take steps to segregate the placing and servicing functions provided on such placements which will normally include the assignment of different Partners and/or Associates to respond to your interests.

Where we act as agent for two or more clients involved in the same or a related loss situation, we will advise the clients involved of our conflicting interests (if any) and take immediate steps to segregate the claim servicing functions provided to each of the involved clients. These steps will normally include the assignment of different Partners and/or Associates within our respective Claims areas to represent the claim interests of each involved client and the establishment of direct communication procedures.

Should a situation arise where our own interests conflict with any duty we owe to you, we will not proceed until such time as you have been fully apprised of the position and you have provided your informed consent on the manner in which we will proceed.

We recognise that in situations of conflicts of interest, you may wish to secure the services of another intermediary to assist you with matters.

We would ask you to note that we may have arranged or be requested to arrange facultative or treaty Reinsurances for the Reinsurers with whom we effect the Reinsurance. Under applicable law in the United Kingdom, we may be required to disclose placing information provided as part of the Reinsurance placement for these purposes. We recognise that potential conflicts of interest can arise in such circumstances and we have systems and controls in place to manage and mitigate any such conflicts of interest.

In **Appendix 2** we set out the basis on which we may provide retrocession placement services for a retrocessionaire with whom we have placed a retrocession contract. Should these Business Protocols be received by you as a retrocedant seeking that we place retrocession reinsurance on your behalf, we set out how we will provide services to you in **Appendix 2**.

11 REMUNERATION AND OTHER INCOME

Our principal remuneration for bringing about or arranging the Reinsurance will be by way of brokerage commission, being a proportion of the premium paid which is allowed to us by the Reinsurers for introducing the Reinsurance to them.

Alternatively, or in addition, you may agree to remunerate us by way of a fee (in addition to or as an alternative to brokerage commission) for placing and administering the Reinsurance and/or providing claims or other reinsurance related services. Where we are to be remunerated by a fee these Business Protocols will still apply, but in addition we will agree with you the level of fee and any other matters such as the terms of our engagement. You will be responsible to us for the payment of all such fees.

Brokerage commissions and fees for bringing about or arranging the Reinsurance or risks attaching thereto are considered fully earned when the Reinsurance incept (or attaches), irrespective of when the premium for the Reinsurance is payable to the Reinsurers, and are not refundable in the event of cancellation or early termination of Reinsurance unless otherwise specifically stated in the placement documentation or as agreed with us.

In addition to the above, you should be aware that we and/or other members of the JLT Group may receive additional income from the following sources:

- interest earned on Reinsurance monies passing through our client money bank accounts;
- expense allowances or commissions from Reinsurers for managing and administering certain lineslips, covers, Binding Authorities and other similar facilities, including Claims which may arise thereunder, all of which we believe enable access to expert Reinsurers, more efficient service and competitive terms to be provided across a portfolio of business (see section 4, **Placing Services**, for a description of these facilities);
- administrative service fees which may be paid for limited specific services (including the arrangement of engineering / surveying services) we provide to insurers as part of the placing process.
- income derived from arranging premium finance;
- profit commissions or profit shares paid by Reinsurers on specific facilities and arrangements for a limited class of business;

- additional fees where insurers have delegated limited claims handling services to us, however, we will always inform you in advance where we are acting on this basis;
- administrative service fees or specific commissions which may be paid or allowed by Reinsurers for:
 - arrangements under which we seek to improve and facilitate the cover provided by Reinsurers to customers by benchmarking and enhancing the product offered by Reinsurers;
 - arrangements to maximise the level of risk of Reinsurers are willing to accept for particular classes of business in order to better meet the requirements of clients;
 - financial management, business processing and policy administration or other services (supplementary to services we furnish to you) provided direct to Reinsurers: and
 - bespoke projects where we source and utilise quantitative and qualitative data on subjects defined by Reinsurers.

For the avoidance of doubt, any additional income we earn (as summarised above) will not, at any time, affect or influence our decision with respect to the placement of your Reinsurance.

We will deal with you openly and, when requested, we will disclose the amount of our income (or where that is not feasible, a reasonable estimate of our income and its basis of calculation) from any arrangement we may have in connection with a Reinsurance. Should you wish to receive further information regarding the basis of our remuneration you are entitled to request this at any time.

In some instances, we may work with individuals who will introduce clients to us "Introducer(s)". If your appointment as our client has been made by this introducing method, we may decide to share some of our brokerage commission with the Introducer. If you are introduced to JLTRBL in this manner, this will be done in a transparent way. It is the responsibility of JLTRBL to advise on the placement of your reinsurance policy and the Introducer will not be consulted to this effect.

We would also ask you to note that we may have arranged or be requested to arrange facultative or treaty Reinsurances for the Reinsurers with whom we effect the Reinsurance. These Reinsurances are separate and distinct contracts where we act as the agent (or sub-agent) of the Reinsurers concerned and for which remuneration may be paid separately by the Reinsurers or their Reinsurer(s) and are outside the scope of our agreements with you.

12 THE RECEIVING AND HOLDING OF CLIENT MONEY

We will hold client monies (generally premium and claims monies we receive and hold on behalf of our clients in the course of carrying on reinsurance mediation activities) in segregated Non-Statutory Trust accounts, held with approved Banks, established and maintained in accordance with the Rules set out in the FCA's Client Assets Sourcebook ("CASS Rules") or as designated client money investments permitted by the CASS Rules. Where we consider it appropriate, the CASS Rules permit us to use monies from our Non-Statutory Trust accounts for short-period funding of premium and claims settlements on behalf of clients.

We will retain for our own use any interest we earn on client monies passing through our client money bank accounts and any investment returns we make on permitted designated investments.

In respect of certain Reinsurers we have Terms of Business Agreements, the effect of which is to transfer the credit risk on premium and claims recoveries held by us to the particular Reinsurer. As a consequence, for those Reinsurers, any premium and claims recoveries we hold are held as their agent (not as your agent). The CASS Rules allow such Reinsurance monies to be co-mingled with client monies subject to certain criteria being met including, inter-alia, that those funds rank as a second preferred creditor in the event of a default.

13 PAYMENT TO THIRD PARTIES

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

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

14 FINANCIAL CRIME

A. BRIBERY AND CORRUPTION

As an organisation we have in place strict anti-bribery and corruption policies and procedures in accordance with applicable regulatory requirements, rules, laws and regulations (from time to time in force) including, in the United Kingdom, the Bribery Act 2010. We will only trade with other persons who similarly adhere to all applicable regulatory requirements, rules, laws and regulations (“Bribery Laws”). In this regard please refer to the section entitled **JLT Group’s Ethical Code** and Appendix 1 setting out our Code of Ethical Conduct.

Whether you are a client, a producing broker, a co-broker or other party doing business with us, it is imperative and integral to our relationship with you, that each party to the relationship (you and us) should not (and should ensure that neither your Affiliates or agents) engage in any acts of bribery or corruption contrary to Bribery Laws.

We require any commercial organisation with whom we deal to have appropriate policies and procedures in place to ensure that no such acts of bribery or corruption take place.

Payments will be made in favour of you. We may, in our absolute discretion, make payments to third parties upon request. 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 then contact you should further information be required.

Any breach of Bribery Laws by any party with whom we transact business will entitle us to serve immediate notice of termination of our appointment as your agent and any agreement that we have in place with you (including these Protocols).

B. SANCTIONS AND EMBARGOES

In today’s trading climate, we are increasingly seeing governments imposing sanctions and/or embargoes and/or banks electing not to handle insurance transaction monies (“Measures”) in respect of various countries or persons in such countries in relation to the provision of goods and services, including insurance and reinsurance. These Measures may restrict the provision of insurance or reinsurance cover or movement of monies and services under such cover.

Such Measures may require us to:

- investigate not only the insured or reinsured or the goods, property and/or interests which they insure or reinsure but also any direct and indirect beneficial ownership of relevant parties or property;
- suspend any movement of funds until a relevant governmental body confirms that no Measures are being breached and/or a licence can be issued; and/or
- advise you that our bank(s) have elected not to handle monies relating to your transaction which will prevent the provision of cover and related services.

In addition, some Reinsurers may seek to cancel cover if they believe that it has become illegal because of the imposition of a particular Measure. We will of course use reasonable endeavours to warn you should we become aware that any Measures may impact upon any Reinsurance we place on your behalf or restrict the payment of any premiums or claims.

When we are acting for you in our position as wholesale or placing broker, it is imperative and integral to our relationship with you that prior to instructing us to bind cover, you have undertaken (and required your agents to have undertaken) appropriate sanctions due diligence in respect of any entity to be reinsured.

When instructing us to carry out placing services for you (including where you are acting as agent), we require you to disclose any potential that you and/or any other person or entity with a direct or indirect interest in the proposed reinsurance contract (for example, any named or /additional reinsured or loss payee) and/or any moveable goods/property falling under the proposed reinsurance contract may be impacted by Measures. This is to assist us in determining whether we are able to arrange the reinsurance under applicable law and to assist in identifying the extent to which there may be barriers to the transfer of funds through the banking system. If any Measures or other export control regime applies to any contract of reinsurance arranged by us, it may not be possible for us to continue to handle your reinsurance affairs and/or for such reinsurance policy to respond to any claims.

C. CRIMINAL FINANCES ACT 2017

Each of us agrees that to the extent that it is subject to the Criminal Finances Act 2017 ("CFA"), (1) it shall comply with the CFA; and (2) it shall indemnify the other to the extent that it is responsible for causing liability to the other under the CFA. Provided always that it is understood and agreed that any such liability, when aggregated with all other liabilities hereunder howsoever formulated or arising against the liable party shall not (unless applicable law or regulation requires otherwise) exceed £25 million.

15 METHODS OF PAYMENT

Where appropriate, the method of payment to be utilised will be via LORS.

WIRE TRANSFER

Payments to us should be made preferably by wire transfer to our appropriate client money bank account, unless specifically requested otherwise, together with a remittance advice transmitted promptly to your usual JLTRBL accounting department contact, showing the item(s), our transaction number(s) and the amount(s) being paid. This will enable us to identify, upon receipt of a premium payment, to which Reinsurers we are to remit funds. Wire transfers should be made payable to JLT Reinsurance Brokers Limited NST Client and the relevant bank and account number quoted.

When settling premium to us, it is not permissible to make deductions of any kind (e.g. return premiums or claims) without our prior written consent.

Please be aware that JLTRBL cannot accept cash payments under any circumstances.

In the instance that JLTRBL's banks sanction additional fees or charges in the processing of monies that are received or owed to you, such costs will be incurred by JLTRBL. However, where these additional fees or charges are levied by your bank, you will be accountable for these costs. If you suspect that charges have been applied to monies you receive from JLTRBL, in the first instance you should request a breakdown of the charges from your bank.

Details of the various currency bank accounts we operate are shown on the separate document entitled 'Bank Account Schedule', which may be amended and advised from time to time.

CHEQUES / BANKERS' DRAFTS

Where wire transfer is not appropriate or available, a cheque or bankers' draft, made payable to JLT Reinsurance Brokers Limited, should be sent as follows:

US dollar cheques/drafts drawn on a United States bank to:

- Barclays Bank PLC
6th Floor
1301 Sixth Avenue
New York NY 10019 USA
Attn Check Processing Dept.

All other cheques/drafts to:

- JLT Reinsurance Brokers Limited
Cashiers Department
The St Botolph Building
138 Houndsditch
London EC3A 7AW
United Kingdom

In either case, the cheque/draft should be accompanied by written remittance details on the same basis as stated for wire transfers.

16 COMMUNICATIONS BY E-MAIL

Communication by e-mail raises the following concerns:

- **Integrity and Receipt:** we may use ordinary e-mail to communicate with you and to send to you documents. If you agree by specific agreement or by your general conduct to engage in e-mail communication with us, then you acknowledge that communications sent by e-mail are not secure. Whilst e-mail communications are now common in the reinsurance market there is no certainty of the completeness, accuracy or even the receipt by the intended recipient of a message or data file sent by e-mail. As a reinsurance intermediary, we are concerned that using e-mail as part of a contractual process might still in certain jurisdictions create an exposure for you and us as your agent or professional advisor (e.g. in such areas as misrepresentation or non-disclosure of information, where corruption of data during transmission or missing data file attachments may not be immediately obvious to the recipient, and may adversely affect the offer and acceptance process of reinsurance contract terms). We accept no responsibility if information sent by you to us by e-mail is incomplete or corrupted. We will also be entitled to act upon any instruction from you received by e-mail which reasonably appears to have been sent by you. For important messages, we may ask for a confirmation of receipt and we will acknowledge or respond to those messages that we receive. Hard copies of messages may also be requested or sent where considered appropriate.
- **Confidentiality:** by unavoidably having to use third party service providers to 'deliver' e-mails, confidentiality may be outside of the sender's control.
- **Appropriateness:** where receipt of a message by a given time/date is critical or the subject matter is of an important nature, such message may be better communicated by courier to ensure that it is received and can then be acted upon. Many Reinsurance policies have provisions which require notice in writing in order to ensure compliance, particularly in relation to claims advices. The use of e-mail in such circumstances may be inappropriate, unless the policy in question specifically allows for e-mail to be used.
- **Legality:** in the absence of any formal contract setting out the terms of communicating by e-mail, it may be questioned in certain jurisdictions as to whether such communications are or will be legally admissible as evidence in any dispute, without considerable supporting evidence as to checks having been made as to receipt, security and integrity of the communication.
- **Viruses:** although we regularly carry out virus checks on our computer systems and on data and communications received electronically, we accept no responsibility for viruses which may enter your system or data by these or other means.

We are unable to communicate with you or accept instructions from you by means of text messages or messages received other than via our corporate e-mail addresses and any information sent by these means will be ignored. We ask that when using email as a way of communication with us, you do so using your corporate email address. Sending emails from a personal account may pose a significant security threat to the data contained in the email as these types of accounts are not subject to backup, archiving, security or governance. In the limited circumstances where emails are sent to us from personal accounts, this will be at the sender's own risk. JLT will accept no liability for any related losses, liabilities, damages, costs, expenses or claims arising out of or in connection with the use of a personal email account.

17 E-COMMERCE

Subject always to the considerations set out in the preceding section entitled **Communications by E-mail** we will seek to place and service Reinsurance business in the most efficient manner, which increasingly is by means of electronic trading. Indeed some Reinsurers now require information to be submitted to them in this manner.

Therefore, where we consider it appropriate, we will exchange data and text with you, the Reinsurers and other parties connected with the Reinsurance using e-mail, through private Reinsurance market networks and through web-enabled systems accessed via the Internet.

The exchange of data between intermediaries and Reinsurers by electronic means has long been a feature of the London Reinsurance Market, principally in relation to accounting and reinsurance claim processes.

18 USE OF DEDICATED WEBSITES/E-MAIL FOR RISK PRESENTATION

Frequently Reinsurers are provided with e-mails or access to a dedicated website in order to facilitate the presentation of risk information, especially for the purposes of risk modelling. This causes some specific issues, of which you should be aware (see section 16, **Communications by Email**).

We would always seek to obtain some form of written acknowledgment from Reinsurers of the information, which has been made available to them in compliance with the duty of fair presentation of the risk. However, unlike information presented in paper form or by way of optical storage media (e.g. CD-ROM), it may be considerably more difficult (if required at some future point in time) to produce irrefutable evidence of what information was made available for review and was accessible via designated websites at the particular time it was visited by each Reinsurer. Unless there is a way of keeping a check on who has visited a website and of what information they saw, there is an inherent risk of dispute over what was reviewed by Reinsurers.

An associated issue is the dynamic nature of websites. In addition to the difficulty in ascertaining when each Reinsurer visits a website, we believe any change to the information, subsequent to when each Reinsurer has already visited the designated website and completed their review, but prior to the contract being formed, would need to be brought to their specific attention.

Our experience to date on this subject with some Reinsurers is that, despite conducting an initial review of information via a website, as a condition of participation they will require all of the information made available via the website to be 'burnt' onto a CD-ROM so as to ensure its future integrity. This process offers a protection to you so we recommend that this process is adopted as often as possible and we will discuss the logistics of this with you on a case by case basis.

In the circumstances, you agree that we shall be taken to have discharged our obligations to you as regards facilitating your disclosure to your Reinsurer where such disclosure is not provided by way of hard copy documents if we have used our reasonable endeavours to: (1) provide electronic disclosure by CD-ROM or other storage media of which copies can be retained or (2) should it be necessary to provide disclosure of information stored on websites, to use websites that track the data seen by each visitor or (3) have the Reinsurer confirm in writing what data it has seen. We shall inform you if none of these options are achievable, so that you can decide whether you wish to reinsure with that Reinsurer.

19 COMPLAINTS AND REDRESS/ FEEDBACK

If you have a complaint regarding our practices or performance which you are unable to resolve to your satisfaction with the Partner(s) and/or Associate(s) we have assigned to manage your account, please contact:

The Head of Risk and Compliance
JLT Reinsurance Brokers Limited,
The St Botolph Building,
138 Houndsditch,
London EC3A 7AW
United Kingdom

Please provide details of the nature and underlying circumstances of your complaint. The Group Risk & Compliance Department will investigate the matter fully, respond to you in detail and, where it considers the complaint reasonable, endeavour to ensure that necessary actions are taken to resolve your complaint. Alternatively, or if your complaint remains unresolved following the review and response by our Group Risk & Compliance Department, you can request from us details of the regulatory bodies, ombudsman, or other independent dispute remediation bodies to whom complaints can be forwarded directly.

Making a complaint against us is in addition to and does not replace your right to seek legal redress against us.

In addition to the above we would welcome any comments that you have with regard to our service. Our customer feedback form can be found on our website at www.jltre.com/contact-us

FINANCIAL OMBUDSMAN SERVICE (FOS)

We are a member of the Financial Ombudsman Service (FOS). Certain personal and small business clients are eligible to pursue unresolved complaints with the FOS. We can advise you whether you are eligible to complain to FOS or you can contact them directly at:

Financial Ombudsman Service
Exchange Tower
London E14 9SR
United Kingdom

Telephone: 020 7964 1000 (in the UK) or +44 20 7964 1000 (from outside the UK)

Or enquiries and customer helpline: 0800 023 4567 or 0300 123 9123

Websites: www.financial-ombudsman.org.uk
E-mail: complaint.info@financial-ombudsman.org.uk

FINANCIAL SERVICES COMPENSATION SCHEME (FSCS)

We are also members of the Financial Services Compensation Scheme (FSCS). Certain personal and small business policyholders are entitled to compensation from the FSCS if we cannot meet our obligations.

Full details and further information on the scheme are available from the FSCS as detailed below:

Financial Services Compensation Scheme (FSCS)
10th Floor Beaufort House
15 St. Botolph Street
London EC3A 7QU

Telephone: 020 7741 4100 or 0800 678 1100 (in the UK) or +44 20 7741 4100 (from outside the UK)

Websites: www.fscs.org.uk
E-mail: enquiries@fscs.org.uk

20 ASSIGNMENT AND SUB-CONTRACTING

We may on 21 days' written notice transfer our rights and obligations under the agreement between us for the provision of the services as set out in this document to another company in the JLT Group which is able to perform the services in accordance with these Protocols.

We may also subcontract to another company within the JLT Group but this will be on the basis that we remain responsible for the services we and our subcontractors provide.

21 TERMINATING OUR APPOINTMENT

Either you or we may terminate our appointment to act as your agent in relation to the Reinsurance by giving at least 30 days' notice in writing. Termination of our appointment does not affect the rights, obligations or liabilities of either you or us in relation to the Reinsurance, which have accrued prior to the termination date, but following termination we will owe you no further obligations to provide any services in relation to your Reinsurance.

As our brokerage commission or fee for bringing about or arranging the Reinsurance is considered fully earned when the Reinsurance incepts, any unpaid brokerage commission or fee will become immediately due and payable to us upon termination of our appointment. We may also be entitled to some or all of our fee, as agreed with you, if our appointment is terminated before the Reinsurance incepts.

22 GOVERNING LAW AND JURISDICTION

Subject to any agreement in writing otherwise or any provision of law providing otherwise, these Protocols shall be governed by and construed in accordance with English law and any disputes arising under, out of or in connection with these Protocols shall be subject to the exclusive jurisdiction of the English Courts.

RIGHTS OF THIRD PARTIES

Save as may otherwise be agreed in writing or as may be more particularly provided in these Protocols, a person who is not a party to these Protocols has no rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of these Protocols. However, this provision shall not affect any right or remedy of a third party which exists or is available apart from that Act.

ENFORCEABILITY

In the event any portion of these Protocols is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

A failure at any time by us to enforce any right or obligation shall not be deemed to be a continuing waiver of such right or obligation.

23 FURTHER INFORMATION

Further information including the Group's latest Annual Report in relation to JLT Reinsurance Brokers Limited and the wider JLT Group can be found on our website at www.jltgroup.com.

If you would like information on the FCA, it is available on their website at www.fca.org.uk

Alternatively, you can write to the FCA at its head office:

Financial Conduct Authority
12 Endeavour Square
London
E20 1JN
United Kingdom

24 JLT GROUP'S ETHICAL CODE

The JLT Group is committed to ensuring the prevention of bribery in all parts of its business and to conducting all of its activities in an honest manner. We expect all of the business counterparties who we work with to share this commitment and to promote the same high standards with their own suppliers and partners. Our Code of Ethical Conduct (the “Code”) sets out in detail how we expect to handle business and what to do if confronted with issues of bribery or corruption. The Code is based on statutory requirements. A copy of the Code is attached at Appendix 1.

MODERN SLAVERY

In performing its obligations under these Protocols JLT shall comply with all applicable anti-slavery and human trafficking laws and regulations from time to time in force including but not limited to the Modern Slavery Act 2015; have, maintain and comply with its own anti-slavery policies and procedures; and not engage in any activity, practice or conduct that would constitute an offence under sections 1, 2 or 4 of the Modern Slavery Act 2015 if such activity, practice or conduct were carried out in the UK.

25 LIMITATION OF LIABILITY

This section shall apply to all Services (as defined below) which we provide to you pursuant to these Protocols.

"Services" means, any and all services provided to you or your Affiliates by us or any of our Affiliates under these Protocols and includes any additional services and any amendments or variations to those services whether expressly or impliedly agreed.

If we or any of our Affiliates are liable to you in respect of any losses, liabilities, damages, costs, expenses or claims arising out of or in connection with the Services (collectively "Losses") and (subject to the following paragraph) any other person is liable to you in respect of some or all of the same Losses (on any basis), our liability and that of our Affiliates in respect of such Losses shall be limited so as to be proportionate to the relative contribution of ourselves and our Affiliates having regard to the extent of responsibility of such other person for those Losses.

In determining the existence and extent of the responsibility of such other person for Losses for the purposes of the preceding paragraph, no account should be taken of any agreement limiting the amount of damages payable by such person or of any actual or possible shortfall in recovery of this amount (whether this is due to settling or limiting claims, or any other reason).

To the extent permissible under applicable laws, regulations or rules, the aggregate liability of ourselves and our Affiliates to you and your Affiliates in respect of all Losses however caused, including arising as a result of breach of contract or statutory duty, negligence or any other act or omission or breach of duty shall be limited to £25 million, or such other amount in US \$ or any other currency that is specifically agreed with you in writing.

Notwithstanding the preceding paragraph, we and our Affiliates shall not be liable to you, whether as a result of breach of contract or statutory duty, negligence or any other act or omission or breach of duty, for any loss of profit or any special, indirect or consequential Losses arising under or in connection with the Services provided.

You agree that we and our Affiliates have a legitimate interest in limiting the exposure of our and our Affiliates' directors, officers and employees to litigation and that you will not bring or assist in bringing any claim against any of our or our Affiliates' directors, officers or employees in their personal capacity arising out of or in connection with the Services provided.

The limitations of liability and exclusions contained in this section shall not apply to:

- any Losses or liabilities arising as a result of (a) fraud, wilful default or gross negligence by us or any of our Affiliates; or (b) death or personal injury, in each case in jurisdictions where such limitations or exclusions would not be permitted under applicable laws, regulations or rules; or
- any of our (or our Affiliates) Losses or liabilities to the extent that the limitation or exclusion of such Losses or liabilities would not otherwise be permissible under applicable laws, regulations or rules.

For the avoidance of doubt this section shall be for the benefit of ourselves and our Affiliates and any of our or their respective directors, officers, employees or consultants involved in the provision of the Services. Any such person shall be entitled to rely upon and enforce its terms.

APPENDIX 1

CODE OF ETHICAL CONDUCT

The Code covers commitments against corrupt practices and commitments to ethical standards. In conducting business we:

- work to the highest standards of professional competence and integrity;
- refuse to accept or give gifts, hospitality or entertainment which might affect, or which are intended to affect, business judgement;
- accept hospitality offered in a business context only, and only if offered on a reciprocal basis;
- commit to complying with all applicable anti-bribery and anti-corruption laws;
- ensure that staff do not offer or make any bribe, unorthodox or unauthorised payment or inducement of any kind to anyone;
- maintain a working environment where staff can make reports of breaches of the Code in confidence and without fear of reprisals;
- act with integrity and without thought or actions involving bribery and corruption and will, where appropriate, include clauses to this effect in contracts offered to any suppliers and partners;
- ensure that every employee may report allegations of bribery or corruption without fear of retaliation;
- do not make direct or indirect contributions to political parties, organisations or individuals engaged in politics, as a way of obtaining advantage in business transactions;
- ensure that charitable contributions and sponsorships are not used as a subterfuge for bribery;
- ensure that no employee will suffer demotion, penalty, or other adverse consequences for refusing to pay bribes, even if such refusal may result in loss of business;
- establish and maintain an effective system of internal controls to counter bribery, comprising financial and organisational checks and balances over accounting and record keeping practices and other business processes related to the Code; and
- establish feedback mechanisms and other internal processes supporting the continuous improvement of the Code.

APPENDIX 2

REINSURERS SEEKING RETROCESSION COVER THROUGH JLT FAC

INTRODUCTION

- Our intention in issuing this Appendix is to establish clearly and concisely the differences in the basis on and extent to which we will provide you, as the Reinsured, with retrocession services in relation to each retrocession policy which we arrange on your behalf (unless there is a more specific written agreement in place between us) as compared to those reinsurance services detailed within the standard JLT FAC Business Protocols to which this Appendix is attached.
- We urge you to read this Appendix carefully, and use the information together with that detailed in JLT FAC's Business Protocols to decide if our services are right for you, particularly the sections entitled **Placing Services** and **Conflicts of Interests**, as they set out the basis upon which we will act as your agent in relation to each retrocession policy which we arrange on your behalf.

PLACING SERVICES

MATERIAL INFORMATION

- Provided that we have received no objection from the original Reinsured, we will use as the basis for retrocession placement the placing information provided to us in respect of the original placement. We will not undertake a review of this information and we remind you of your duty of disclosure (see section entitled **Duty of Disclosure**) of which you will be aware, in any event, in your role as a professional reinsurer and which will apply equally to any contract procured by us on your behalf.

AMENDMENTS

In addition to the information provided within the "Amendments" sub-section of Placing Services, you agree that in no circumstances will we be under any obligation to seek your instructions in respect of any changes or amendments to the retrocession policy unless and until we receive your express written instructions to do so, in which case we will report back to you with the Reinsurer(s) comments and seek your advice thereon (see also section entitled **Conflicts of Interests**).

DUTY OF DISCLOSURE

- In addition to the information provided within the section entitled **Duty of Disclosure**, please note where JLTRBL is the broker for the original Reinsurance and may have information pertaining to the risk in that capacity, it will use that information in its capacity as a retrocession broker. The fact that JLTRBL may have placed the original Reinsurance in no way diminishes your duty as Reinsured to disclose to Reinsurers any material information relevant to the retrocession contract which is a separate and distinct contract to the Reinsurance.

CONFLICTS OF INTEREST

- In addition to services described within the section entitled **Data Protection and Confidentiality**, as we are arranging retrocession for you and it may be the case that we also place the original Reinsurance, you agree that we are under no obligation to you of any description in respect of any mid-term changes made to the original Reinsurance unless and until we have first received your express written instructions to seek similar mid-term changes to the Reinsurance. There may be circumstances where the Reinsurers will not agree to the same alterations as agreed on the original Reinsurance. In such circumstances we will advise you of the position adopted by Reinsurers and suggest alternatives if there are any. We will not be held responsible in such circumstances for any losses or disputes arising through the inability to maintain 'back to back' coverage.

CLAIMS SERVICES

- In addition to the information provided within the "Notification & Assessment" sub-section of **Claims Services**, please note notification on an original Reinsurance does not constitute notification on the Reinsurance policy. We will only advise Reinsurers upon receipt of a suitable reinsurance advice note or notification from you.

METHODS OF PAYMENT

Please refer to the information provided within Methods of Payment.

LIMITATION OF LIABILITY

Our aggregate liability to you as a retrocedant shall be limited to £25million. Clause 25 of our Protocols to which this Appendix 2 is attached shall apply on the same basis to the retrocession services which we provide to you pursuant to this Appendix 2.

JLT Reinsurance Brokers Ltd
The St Botolph Building
138 Houndsditch
London EC3A 7AW
United Kingdom
Tel: +44 (0)20 7466 1300

www.jltre.com

JLT Fac is a trading name of JLT Reinsurance Brokers Limited Lloyd's Broker. Authorised and regulated by the Financial Conduct Authority.
A member of the Jardine Lloyd Thompson Group. Registered Office:
The St Botolph Building, 138 Houndsditch, London EC3A 7AW.
www.jlt.com. Registered in England No. 05523613.
VAT No. 244 2321 96. .
© March 2019 278937

This document (including any enclosures and attachments) has been prepared for the exclusive use and benefit of the addressee(s) and solely for the purpose for which it is provided. Unless JLT Re provides express prior written consent, no part of this report should be reproduced, distributed or communicated to any third party. JLT Re does not accept any liability if this report is used for an alternative purpose from which it is intended, nor to any third party (to whom the report may have been provided without JLT Re's prior written consent) in respect of this report.