

TERMS OF BUSINESS WITH CLIENTS



Ver 10/21

PEAK INSURANCE BROKERS LTD

OBJECTIVE OF OUR TERMS OF BUSINESS

The rationale of our Terms of Business is to establish the professional affiliation and the services that Peak Insurance Brokers Limited, also later denoted to as 'Peak', 'We', 'Us' and 'Our', will offer you as the Client. These Terms of Business take instant effect and replace any other Terms of Business Agreement that may be formerly sent to you by Us. Whichever occurs first from obtaining quotations, binding cover and /or receiving payments relative to your insurance arrangement will be considered to be your agreement to be bound by the specifications of these Terms of Business. You are instructed to read these Terms of Business carefully and to discuss with Us should you require any clarifications relevant to these Terms which requires amplification. These Terms of Business also set out some of our supervisory and legal reliabilities.

PREAMBLE AND DISCLOSURES

Peak is a prime insurance broker with its registered offices at Apex Office, 39, Regional Road, Santa Venera Malta, SVR 9027. It is enrolled in the Brokers' List under the Insurance Distribution Act (Chapter 487 of the Laws of Malta) and regulated by the Malta Financial Services Authority ('MFSA'). This registration may be verified from the website of the Malta Financial Services Authority: www.mfsa.com.mt. It is registered with the Malta Business Registry under registration number C11185. The shareholders of Peak are Leslie Borg and Joseph Cremona who carry between them over 50 years of insurance experience. Both Joe and Leslie are dedicated to enact in your best interests. We

unexceptionally offer advice based on a fair evaluation on a satisfactory number of insurance products accessible on the market to enable Us to make a suggestion in accord with qualified criteria as to your demands and needs and its appropriateness for your requisites. As an insurance broker, We act on your behalf, and by doing so We propose and coordinate insurance with one or more insurers chosen from a restricted array or a determined number of insurers, given the class and correctness of the product required. Nevertheless, We sometimes place business under underwriting arrangements with insurers relative to the intended coverage and this will be revealed to you when presenting you with data on the coverage being recommended. In the situations when We use such underwriting agreements, We will be representing these insurers and will not be seeking multiple quotations from other insurers. Subsequently, We will be offering limited advice, and fair and comprehensive assessment of the market is not performed, nevertheless We deem that your needs and demands are appropriately met. In order to facilitate transmission and efficiency when transacting specific classes of insurance, We make use of computer link arrangements with insurers to acquire quotations and place cover.

SERVICES OFFERED

We will offer insurance broking services and / or other supplementary or associated services (“the Services”) with sensible care and skill. In providing any insurance broking aspect of the Services, We will:

- Clarify the main features of products and the Services We are offering to you;
- Review with you your insurance necessities and the extent and limits of cover to be pursued;
- Provide you with data about any risk quoted to allow you decide whether the cover suggested meets your requirements, before it is secured;
- Respond to any queries you may have on the projected cover, its benefits, restrictions, exclusions and conditions;
- Place your insurance only when you advise Us to, and We will notify you if We are unable to finalise the placement; and
- Offer you with support in the outcome of any claims.

During the progression of the placement of your insurance, We will undertake to keep you updated of the development of Our discussions and spot any failure in acquiring the insurance coverage required by you. We will use practical accomplishments to place your insurance policy/s / Implement your insurance programme, before the proposed date of inception, renewal or extension of cover (whichever is applicable), subject to accessible insurers. We will send you any policy documents and schedules and any adjustments or endorsements to your contract as soon as reasonably attainable.

INSURERS

We do not evaluate the financial stability of the recommended insurers that We suggest for your prerequisites, although We work with insurers which in Our judgement are suitable for your insurance needs. Nonetheless, We will not in any occurrence act as an insurer nor will We warranty or otherwise guarantee the solvency of any insurer. If you have any concerns with any insurers chosen for your insurance prerequisites, you must inform Us as soon as possible. In the event that an insurer becomes insolvent and incapable to meet Our obligations under this agreement, limited reimbursement may be obtainable to you under the Protection and Compensation Fund Regulations, 2003 as amended. Business arranged or recommended to be placed with an Insurer which is not authorised under the Insurance Business Act (Chapter 403 of the Laws of Malta) If the business is being placed or proposed to be placed with an insurer which is not authorised under the Insurance Business Act, and consequently not regulated by the MFSA:

- a. in the case that the insurer becomes insolvent, you may not be safeguarded under the Protection and Compensation Fund Regulations;
- b. the insurer may not have a general agent in Malta and you may have problems in suing or executing a sentence against the insurer;
- c. the law applicable to the insurance contract, may not be Maltese;
- d. where any premiums to be paid in regards to a contract and any claim that may arise out of the contract are to be paid in a foreign currency, these may be subject to foreign exchange rate variations.

CLAIMS

We will offer claims handling services during the period of Our engagement. These services can be sustained beyond that point by a mutual contract but will be subject to supplementary reimbursement.

Upon receiving the expected information from you, Our claims handling services include: the reporting of the claim or events to insurers; the transmission of reports and communication in association with the claim between applicable parties; and organising the collection and/or settlement of the claim in agreement with market practice and the terms and conditions of your contract. Our claim handling services will not be given in the event that claims are to be dealt directly by you with insurers. Where We collect claims payments these will be paid to you as quickly as possible. However, We will not

settle claims monies to you before We have collected them from insurers. We may be given authority by insurers, for example under a binding authority or a claim settling authority, to pay claims on behalf of the insurers directly. We settle such claims made within the terms and conditions of the authority permitted and the insurance policy.

OUR COMPENSATION

Our compensation for the services We offer you will be either brokerage, which is a percentage of the insurance premium paid by you and permitted to Us by the insurer with whom your insurance contract is placed, or a fee as approved with you. If suitable and with your approval, We may accept a fee and brokerage. Brokerage and fees are ordinarily received at the commencement of the contract, and unless otherwise granted with you, We will hold all fees and brokerage in respect of the full period of the contract in relation to contracts placed by Us

including in situations where your insurance contract has been ceased and your insurers have reimbursed you the net of a pro-rata or short period rates. Coherent with long-established market practice, We will deduct Our brokerage and other commissions from the premium once received. In addition to the insurance premium, We may charge a fee for the processing, placing, revising, renewing and cancelling of any policy of insurance.

RELIANT REIMBURSEMENT

Peak has a number of agreements with insures under which conditional reimbursement is paid to Peak in the form of supplementary commissions reliant on the volume, expansion or viability of the global business. This is not contemplated to be part of the compensation from the service We provide to you, and is wholly due to Peak.

LIMIT OF LIABILITY

Peak's combined liability for breach of contract, negligence, breach of statutory duty or other claim arising out of or in correlation with these Terms of Business or the services provided hereunder shall be limited to €1,300,500. Furthermore, Peak will have no liability in any circumstance in respect of loss of income, loss of prospect, loss of reputation, loss of earnings, loss of expected savings, increased costs of doing business, or any other indirect or subsequent loss. You shall hold harmless, indemnify and keep indemnified Peak (including its directors, officers and employees) against any and all responsibility that may occur and against all claims, demands, actions, procedures, damages losses, costs and outflows occurring out of or in relation to or a consequence of any act, lapse, error or breach for which you are directly or indirectly accountable and which are made and / or filed against Peak.

YOUR DUTIES

1. PROPOSAL FORMS

For specific classes of insurance, you may be obliged to complete a proposal form or comparable document. We will offer the required assistance however We are not able to complete the document for you.

2. DISCLOSURE OF INFORMATION

Our intention is to acquire the most appropriate product We can ascertain in order to meet your insurance requirements in order to make Our business connection work, you must provide complete and precise data and instructions in a timely manner, so that We can support you fully. Please note that you are under a duty to make full, accurate and precise revelations of all material facts and answer fully to any demands for data made by insurers. A factor or situation is relevant if it would induce the conclusion of a cautious insurer in establishing an appropriate premium and whether or not they would underwrite the risk. Therefore, all evidence which is material to your coverage prerequisites, or which might induce insurers in determining to arrange cover, finalising the terms to apply and/or the cost of cover must be disclosed. Failure to make full revelation of material facts may allow insurers to prevent liability for a precise claim or to void the contract. This obligation of disclosure applies homogenously during the period of your insurance contracts, at renewal of your contracts and on taking out new insurance contracts. You are also legally bound to take reasonable care not to make any falsification to the insurer. We will not be answerable for any outcomes which may arise from any delayed, inaccurate, or incomplete information, or any misrepresentation made by you. We are under no commitment to examine or verify the correctness or entirety of any information or data

provided by you and no liability shall arise for any errors or deficiencies in the Services arising out of or based on any such wrong or deficient data.

3. CHANGE IN CIRCUMSTANCES

You must inform Us as soon as sensibly viable of any changes in your situations that may affect the services to be offered by Us or the cover afforded under your insurance contract.

4. YOUR INSURANCE CONTRACT

Though We will examine the contract documents We send you, you are exclusively accountable for evaluating your contract to safeguard that it precisely reveals the cover, conditions, limits and other terms that you require and that it is in accordance with your instructions. Particular attention should be paid to any contract conditions, warranties, and the claims notification provisions as failure to conform may nullify your coverage. If the coverage and terms do not concur your instructions you should communicate with Us instantly. Moreover, you should assess the insurance premium payment terms We advise you. All premium payment terms must be met on time or your insurers may have the entitlement to affect a notice of cancellation for non-payment of premium. It is essential that you meet all payment dates, particularly where payment is a condition or warranty of a contract. We are under no commitment to pay the premium to insurers on your behalf.

5. CLAIMS

Failure to give notice of a claim in an appropriate and timely manner may put at risk the coverage of the claim. You must notify Us as soon as modestly possible of any incident which may result in a claim under any insurance arranged by Us and of all the relevant facts relating to the incident. Please note that this does not supersede any supplementary responsibilities which may be imposed by insurers, details of which will be provided in the relevant policy. You should keep

copies of all insurance contracts and coverage documents as well as claims conveying instructions, as you may need to report claims after the cessation of a contract, perhaps long after its expiry date. It is important, that you keep your contract documents in a safe place. We do not recommend on the legal implications of any claim and We will not initiate legal procedures or enter into agreements in order to interrupt the application of prescriptive / limitation periods on your behalf. We suggest you acquire your own legal advice, and it is your onus to supervise the position of any applicable statutory prescriptive periods and any limitation periods in your policy applying to your claims and to commence legal proceedings yourself where this is necessary.

DATA PROTECTION AND PRIVACY

Peak as a data controller will gather and process personal information that you provide, or which We otherwise collect about you, in accordance with the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the handling of personal data and on the free movement of such data i.e. the General Data Protection Regulation (“GDPR” / “Regulation”), the Data Protection Act (Chapter 586 of the Laws of Malta) (“DPA”), and various ancillary legislation issued under the DPA (“Data Protection Laws”). There are circumstances where Peak may also act as a processor, in such a case, We conform with the responsibilities set out in the Data Protection Laws. Where this division uses a term which is defined in the GDPR, then the demarcation set out in the Regulation shall apply. We will at all times treat all information, We hold about you as private and confidential. If you supply Us with any Personal Data (including any ‘sensitive personal data’), We will consider such information at all times strictly in line with Our Privacy Notice which may

be retrieved on Our website: www.peakins.com. We will safeguard Personal Data in the same way We would guard Our own Personal Data and use that information in ways envisaged in these Terms of Business and Privacy Notice in order to accomplish Our obligations under these Terms of Business. By engaging Us as your insurance broker or by using Our services, you corroborate that you are giving your explicit verbal consent, in terms of the Data Protection Laws, on behalf of yourself and all other persons specified in the proposal/claim form (as applicable), to process your data as outlined in this section. For the evasion of doubt, where you have not engaged Us as your insurance broker, but in consideration of such a possible appointment you pass to Us information which is proprietary and/or confidential to you, the provisions of this section shall apply as regards such information. We will handle and use your personal data in order to enter into a contract with you, to provide you with Our insurance broking services or products, underwrite or administer your insurance policy, organize surveys and amend your insured losses, handle and settle claims, comply with Our legal and regulatory obligations, and usually for any other purpose specified in Our Privacy Notice. For this purpose, We will not disclose any information We hold about you to others without your prior consent except:

- i. to the extent We are obliged to do so by law or where entreated or required to do so by a regulator (the MFSA) or other public bodies and governmental agencies, in order to preclude and uncover crime;
- ii. to insurers, other insurance suppliers, surveyors, loss adjusters, IT service providers, administrative support service providers, and other like persons to the extent necessary to provide Our services to you in a timely manner;

iii. to loss assessors, lawyers, employee benefits management systems providers, and other like persons to the extent needed to enable such third party to provide information or services you have requested;

iv. to premium finance companies to the extent necessary to enable them to provide you with larger choice in making premium payments;

You will ensure that all Personal Data (including sensitive personal data):

i. provided to Us is correct and, where appropriate, kept up to date, and will notify Us if you become aware that such data is inaccurate;

ii. has been gathered and presented to Us in compliance with the Regulation and all other applicable laws and, where needed by law, you will obtain data subjects' consent prior to providing such data to us. You will inform data subjects of the fact that their Personal Data (including sensitive personal data) will be provided to Us and the purposes for which We will use such Personal Data. You will supply Us with reasonable backing upon request, in dealing with any requests, inquiries or complaints grievances that We receive from data subjects and/or supervisory authorities in relation to any Personal Data (including sensitive personal data) processed under these Terms of Business. Please contact Our Data Protection Officer on dpo@peakins.com, or by phoning on +356 2125 2571 should you have any queries on how your personal data is processed and to request a copy of your personal information.

MORAL BUSINESS PROCEDURE

We do not allow unethical conduct either in Our own activities or in those with whom We seek to do business. We will strive to conform with all applicable laws, rules, regulations and accounting standards.

CONFLICTS OF INTEREST

Situations may arise where We may find We have a divergence of interest or otherwise have a material interest in or connected to a matter in regards to which We are acting. For instance, We may be asked to act on behalf of an insurer in the engagement of a loss adjuster, or, We may find that the concerns of two of the clients for whom We act dispute. The insurance market is composite and there could be other relationships not defined herein which might create conflicts of interest. We have a Conflicts of Interest Management Policy and We seek to avoid conflicts of interest but where an inconsistency is inevitable. We will explain the position entirely and handle the circumstances in such a way as to prevent prejudice to any party. Whatever the circumstances, We will enact in your best interests, and if an inconsistency arises for which there is no achievable solution, We will renounce unless you wish Us to endure to act for you and provide Us with your written accord to that effect.

COMPLAINTS

Peak is pledged to provide you with a high level of proficient service at all times. Nevertheless, if you are not pleased with the quality of service We provide, We have organized a way as to how such grievances can be managed. Should you have any cause for complaint about Our services please present the matter in the first occasion with the person who handles your account. Otherwise, you may communicate with Our Complaints Manager by sending an email on: complaints@peakins.com or by calling on +356 2125 2571. We will guide you of the individual dealing with your complaint and We will send you a copy of Our complaints process which is available on Our website www.peakins.com. If you are not happy with the reply to your complaint and are an entitled complainant you have the right to refer your complaint to the

Office of the Arbiter for Financial Services, 1st Floor, St Calcedonius Square, Floriana FRN1530, Malta, who may be contacted on 8007 2366 or 21249245 or through e-mail: complaint.info@financialarbiter.org.mt.

Should your complaint be made straight against the insurance company, you are to contact their Complaints Officer, General Manager and / or Complaints Manager and if you remain discontented with the way they process your complaint you may still contact the Office of the Arbiter of Financial Services noted above.

CESSATION

Our services may be stopped either by Us or you upon the giving of one month's notice in writing to the other or as otherwise agreed. Nevertheless, We retain the entitlement to terminate with immediate effect if you are in violation of any material obligation under these Terms of Business. In that occurrence Our services are stopped by you, We will be permitted to collect any and all fees or brokerage payable (whether or not the same have been received by Us in relation to contracts placed by Us.

MODIFICATIONS

You concur that We have a right to adapt this document by dispatching you either a notification of amendment in writing or a modified Terms of Business. You will be advised of any material changes to these Terms of Business.

COMPLETE ARRANGEMENT

These Terms of Business represents the entire terms on which We will offer Our Services to you. No other succeeding substitution agreement / understanding will have effect unless issued or approved by Us in writing.

UNAVOIDABLE CASUALTY

We shall not be responsible to you if We are unable to accomplish Our Service or a part thereof as a result of any cause outside Our reasonable control as in force majeure. In the event of any such circumstances affecting Us, We shall inform you as soon as practically possible.

NO COLLABORATION

These Terms of Business shall not establish or infer any collaboration, joint venture, agency, fiduciary or other association between the parties other than the predetermined affiliation specifically stipulated for in these Terms of Business.

ANTI-MONEY LAUNDERING & RESISTING FUNDING OF TERRORISM ('AMLCFT')

To comply with AMLCFT legislation, We are compelled to demand clients to verify information We hold in their regard, comprising their identity and acquire documentation to authenticate such identity. We may need to do this at the time you become a client or have been one for some time. This data may be distributed with regulatory or law enforcement bodies in line with Our legal obligations, including but not limited to, those responsibilities arising out of AMLCFT legislation. It is important to note that We are forbidden from divulging to you any report We

may make based on awareness or doubt of AMLCFT, including the fact that such a report has been made.

PRESIDING PRINCIPLE

These Terms of Business, which sets out the terms of Our affiliation with you, unless otherwise explicitly contracted and/or notified in writing, will be governed by and interpreted in agreement with Maltese Law and any disagreement arising under it shall be subject to the absolute jurisdiction of the Maltese courts.

LEGALITY SECTION

If any condition or part thereof of these Terms of Business is found by any court or executive body of competent authority to be void, unenforceable or illegal, the other provisions shall continue to be in force.