

TERMS OF BUSINESS

FOR BROKERAGE, CLAIMS AND ADVISORY SERVICES

Introduction

These terms are not a formal agreement and do not contain an exhaustive list of our business practices and procedures. Our purpose in providing this document to you is to draw to your attention the basis of our services to you and to establish guidelines in our pursuit of excellence and efficiency in our performance.

TERMS & GUIDELINES

1. Aries Marine Insurance Brokers Ltd (ARIES)

Aries Marine Insurance Brokers Ltd (ARIES) is a Cypriot registered company, fully licensed by the Ministry of Finance, Republic of Cyprus under License No: 2442, to carry out marine insurance broking business in the placing and handling of all relevant insurances.

2. Managing your requirements

An Account Executive (AE) will be assigned to your account and will take responsibility for the provision of services to you. There will always be another senior person nominated to provide cover during periods of absence by your Account Executive.

3. Our core principles

We will provide the services as agreed between ourselves and recorded accordingly with all reasonable skill and care in accordance with the professional standard expected of us in an efficient and prompt manner. We strive to observe at all times high standards of integrity and deal openly and fairly with you.

As far as practically possible we will ensure that the insurance coverage(s) we place on your behalf, and the services we offer match your requirements. We will explain the differences in the product or service that we can offer you and provide you with enough information so you can make an informed decision as to any alternative that may be contemplated. Prior to commencement of negotiations, we will need to establish a proper understanding of your requirements for insurance. We will seek from you such information about your circumstances and objectives as might reasonably be expected to be relevant to enable us identify your requirements and fulfill our responsibilities to you.

We will provide adequate information in a comprehensive and timely way to enable you to make an informed decision about the insurance products or insurance services being proposed. We will endeavor to explain all the main features of the products and services we offer, including, as regards insurance coverage placed by us on your behalf, any unusual restrictions or exclusions and any significant conditions or obligations which you must meet. Finally we shall take all reasonable steps to explain the differences in the types of insurance and relative costs thereof, which, in our opinion, would suit your needs to enable you to make an informed decision about the insurance products or insurance services being proposed.

Our experienced and knowledgeable staff of fully qualified professionals is available to assist you. If general advice is provided to you, the applicability of this will depend on the particular circumstances in which it is to be used by you (of which we might not be aware) and should be viewed accordingly. In relation to any particular transaction, specific advice should always be sought and all material information provided to us. We disclaim any responsibility for the use of our advice for a different purpose or in a different context, to that originally contemplated.

4. Insurance Cover Note and Invoice

As soon as practical following the placement of insurance coverage, we will advise you of insurance so arranged by sending you an e-mail describing the terms of insurance cover arranged by us and include any specific warranties or limitations and the premium payable.

You should review this communication to ensure that it is entirely in accordance with your understanding and requirements. Anything at variance with your understanding or requirements should be advised to us immediately.

5. Premium

You must provide the premium due in cleared funds in accordance with the amounts and payment due dates specified in our debit note. Failure to meet the payment due date may lead to insurers cancelling the policy. Should you pay by cheque you must allow sufficient time for the cheque to clear before the payment due date.

Where insurers have specified that the premium must be received by a certain date, failure to comply can result in the automatic termination of your insurance contract.

6. Aries account details

All payments should be made in U.S. Dollars or Euros (if/when applicable) and preferably by bank transfer to one of the ensuing bank accounts. We would also appreciate you advising your Account Executive by e-mail when payment has been made along with the appropriate breakdown of monies remitted.

Relevant account details are as follows:

Berenberg Bank

Neuer Jungfernstieg 20

20354 Hamburg, Germany

Swift Code: BEGODEHH

Beneficiary: Aries Marine Insurance Brokers Ltd

Premium:	
USD Account:	05-26791-009
IBAN:	DE28 2012 0000 0526 7910 09
EURO Account:	00-26791-004
IBAN:	DE40 2012 0000 0026 7910 04

Claims:	
USD Account:	05-26791-017
IBAN:	DE06 2012 0000 0526 7910 17
EURO Account:	00-26791-012
IBAN:	DE18 2012 0000 0026 7910 12

7. Claims Procedures

If you make a claim our Claims Manager will undertake to handle it fairly and promptly and keep you informed of progress, explaining how we will handle your claim and tell you what you need to do. We will also inform you immediately, in writing, with an explanation if we are unable to deal with all or part of your claim.

As noted above, details of claims must be notified to us without delay. Once processed, we will advise confirmation of acceptance of the amount of the claim before remitting funds directly to you, or to your client, a loss payee or third party, if so instructed. This confirmation will be sent by e-mail and/or claims credit note. We will forward such settlement of a claim, without avoidable delay, once it has been agreed upon.

In certain circumstances, because of the nature of a particular claim we may require additional remuneration for claims servicing, either from you, our client, or the Insurer as appropriate, due to, for example its complexity, or the general workload and volume being generated. Naturally, we will advise and discuss such circumstances with you or Underwriters as may be required.

8. Our Remuneration and other Income

Our two principal methods of compensation for arranging insurance for you will be either brokerage commission, being a proportion of the premiums paid which is allowed to us by the Underwriter(s) for introducing the insurance to them, and/or a service fee agreed with you.

In general, we may be compensated as follows:

- **Commissions/Fees:** we are primarily compensated from the usual and customary commissions or fees received from the brokerage and servicing of policies handled for a client's account.
- **Interest:** we may also receive investment income on fiduciary funds temporarily held, such as premiums, return premiums or claims money.
- **Reinsurance Intermediaries:** we can access other facilities, including wholesalers, reinsurance intermediaries, captive managers, underwriting managers and others that act as intermediaries for other brokers in the insurance marketplace. If such a facility was utilized in the placement of a client's account, it may have earned and retained customary brokerage commission or fees for its work.

9. Your Responsibilities

a) Provision of Instructions, information and completion of any required proposal form

To enable us to fulfill our instructions to seek appropriate indications and placements you will provide us with the information necessary for us to understand your requirements, which will be sufficient to discharge your duty of disclosure. Certain classes of insurance require the completion of a proposal form or questionnaire or equivalent document. Whilst we may give guidance regarding the completion of these documents, we cannot sign these documents for you. You must provide accurate and complete information. The provision of incorrect or incomplete information before or after inception of the insurance contract may result in the denial of a claim or avoidance of the insurance contract.

b) Duty of Disclosure

The duty of disclosure is incumbent upon all assureds; it is your overriding duty and responsibility to pass on to Underwriter(s) all material information relating to the risk under consideration or being renewed. "Material" in this context refers to all information that a prudent Underwriter (not necessarily the specific Underwriter in question) would wish to take into consideration when considering whether or not to accept the risk and, if so, upon what

terms and at what premium. Material information does not necessarily have to actually increase the risk. The duty of disclosure continues up until the insurance contract(s) have been concluded and continues up until renewal is due or of any proposed extension of, or any amendment to, the insurance contract. It may also be that the terms of the insurance contract include specific ongoing disclosure warranties.

Therefore, in addition to providing all of the basic information necessary to enable the risk to be quoted, you as the assured must ensure that the duty to disclose material matters relating to the risk is being complied with. In particular, you must be satisfied as to the accuracy and completeness of the information provided to the Underwriter(s) and ensure that all information is provided that an Underwriter needs to take account of in considering whether or not to accept the risk and, if so, upon what terms and at what premium.

In the event that there is a breach of the duty of disclosure, Underwriters have the right to avoid the insurance contract from its commencement. Under such circumstances, they may be entitled to seek recovery of any claims already paid by them under the contract and be obliged to return paid premiums.

If you are in any doubt as to the extent of your duty of disclosure please do not hesitate to contact us.

c) Check documentation and acceptance of coverage

It is your responsibility to ensure that documentation we send you in relation to each placement we make is checked so you are satisfied that it is entirely in accordance with your understanding(s) and instructions given to us. Anything at variance with such understanding(s) and instructions should be advised to us immediately. Otherwise, we will assume that the documentation is in order. Coverage can only be bound upon receipt of formal written instructions from you. Please note that coverage cannot be bound via instructions left on voicemail. If the relevant risk is not located in the European Economic Area then, unless we have agreed in writing to the contrary, it is your responsibility to check whether the use of the insurer(s) we select is permitted by the relevant law and relevant regulatory authorities.

d) Warranties / Conditions / Subjectivities

It is important that you comply with any warranties and/or conditions (whether express or implied) and if any are shown on any documentation provided to you by us or insurers you should ensure that you are aware that these requirements must be followed exactly. Failure to follow them exactly may render any claim void or enable insurers to terminate the insurance contract from the date of that breach and in some instances from inception (ab initio). The existence of subjectivity in an insurance contract may lead to that contract being invalidated or coverage prejudiced if the subjectivity remains outstanding. You should ensure that you satisfy the subjectivity at the earliest opportunity. We should then be notified when the subjectivity has been satisfied thus enabling it to be removed.

e) Taxes, Duties & Other Charges

Any insurance premium tax, duty or other charge which is payable in addition to the premium and which needs to be remitted to the appropriate authority by the insurers, or which is allowed by the insurers to be deducted from the premium payable, will be indicated on the premium debit note or equivalent document. If a tax, duty or other charge becomes payable as a result of the contract that we have placed on your instructions and any such tax, duty or other charge is payable in excess of the gross premium or allowed to be deducted from the premium payable, it is your responsibility to ensure that it is remitted to the appropriate authority(ies), unless otherwise stated in our formal debit note.

10. Electronic Trading

Unless otherwise directed by you, we may correspond by means of the Internet or other electronic media. Where we do so, while we will take reasonable steps to safeguard the security and confidentiality of the information transmitted, you will appreciate that we cannot guarantee its security and confidentiality. Moreover, although it is our policy to check all correspondence with anti-virus software, we cannot guarantee that transmissions will be free from infection.

11. Information and Confidentiality

We will ensure that any information obtained from you will not be used or disclosed except in the normal course of negotiating, maintaining or renewing insurance for you.

Any reports, letters, information and advice we provide to you during our engagement are given in confidence and are provided on the condition that it is not disclosed, to any third party.

Where it is envisaged that reports, letters, information or advice given by us to you will be provided to or used by a third party, we should be grateful if you would inform us so that we can stipulate terms regarding such provision or require the third party to enter into a direct relationship with us before any report, letter, information or advice is provided to that third party.

12. Your documents

If we are provided with custody of any documents belonging to you, those documents will be retained during the course of our engagement (unless their return is requested), at the end of which they will be returned to you, unless separate arrangements have been made.

We will take appropriate steps to ensure that we account for any money, documents, other property or information that we handle or hold on your behalf.

13. Termination of this agreement

Our agreement may be terminated by one of us giving 30 days notice in writing to the other. In the event that our services are terminated by you, we will be entitled to receive any fees or brokerage payable.

14. Use of Sub-agents

Where we are unable to obtain more advantageous terms and conditions for you directly from Underwriters or where we consider it to be appropriate and for your benefit, or in the case with the London Market it may be necessary for us to request another more localized or specialist insurance (wholesale) broker or intermediary to act as our sub-agent, to assist us in the placement or servicing of the insurance.

If considered necessary, we will keep you advised of the use of such sub-agents/wholesalers.

15. Solvency of Insurers

As insurance brokers we cannot take responsibility for the financial standing of insurers. We place risks with a range of insurers that meet our evaluation criteria in accordance with information available in the International re(insurance) market place. If you require us to approach and ultimately place re(insurance) with a specific insurer(s) that falls below our evaluation criteria you may be required to provide written instructions to us.

If you are aware that the risk is subject to specific regulatory or legal insurance requirements or that local taxation provisions apply you must notify us of these as soon as possible.

We do not guarantee the solvency of any insurer with whom we place business. The financial security of any insurer can change after the insurance contract has incepted for example at the time of a claim or when a return is due.

A liability for the premium whether in full or pro rata may arise under policies where a participating insurer becomes insolvent.

16. Complaints

We trust this will never occur, but if you make a complaint during the course of our engagement we will acknowledge it promptly, explain how we will handle your complaint, and tell you what you need to do. We will consider and handle your complaint fairly and promptly, and tell you how your complaint is progressing and endeavor to ensure that necessary actions are taken to resolve your complaint.

If you are unable to resolve the matter to your satisfaction with your nominated Account Executive we have assigned to manage your account, please write to the General Manager, detailing the nature and underlying circumstances of your complaint.

We may be able to respond to the complaint immediately, but if this is not possible, a written response will be given within three (3) business days of receipt of the complaint.

If we are unable to resolve this matter at that time, we will send out in writing the reasons why we have not been able to resolve the complaint and why we need more time to do so. We will advise you when you can expect to receive our final response. You may also request from us details of regulatory agencies to whom complaints can be forwarded directly.

17. Terminology

In order to avoid repetition of words used in this document, the term “insurance” includes reinsurance and, the term “insured” includes any reinsured or cover holder, and the terms “Insurer(s)” includes any underwriter, re-insurer or other category of risk bearer, as appropriate to your requirements.

Aries Marine Insurance Brokers Limited