



GALEA INSURANCE BROKERS

Client Agreement and Important Information Notice

01 INTRODUCTION

This Agreement is between the client, hereinafter referred to as 'you' or 'yours' as the context dictates, and Galea Insurance Brokers Limited ("we", "us", "our"), whose current office is located at 6, Triq L-Imhazen, Il-Furjana, FRN1119, Malta. We are enrolled in the Brokers' List and authorised and regulated by the Malta Financial Services Authority ('MFSA') under the Insurance Distribution Act (Chapter 487). Our enrolment can be verified from the website of the Malta Financial Services Authority: www.mfsa.com.mt.

The purpose of this Agreement is to determine the professional relationship with you and the services that we will provide, unless such relationship or services are already covered by a separate arrangement and/or agreement, in which case such arrangement and/or agreement shall prevail. We shall proceed on the basis that we have your informed consent to the terms of this Agreement.

As an insurance broker, we act for you, and we recommend and arrange insurance with one or more insurers selected from a range or a predetermined panel of insurers, according to the nature of the product required. In order to facilitate communication and efficiency, we sometimes place business under computer link arrangements with insurers in relation to the coverage proposed and this will be disclosed to you when providing you with information on the coverage proposed.

We do not offer advice on legal, accounting, tax, regulatory or other specialist matters (including in relation to sanctions) and you should seek separate advice as you consider necessary regarding such matters. This Agreement takes effect from the date it is received by you and supersedes any previous agreement that may have been sent to you by us or on our behalf.

We draw your attention specifically to the following sections:

- Insurance Placing – sets out the basis upon which we will act as your agent in relation to each insurance contract we arrange on your behalf;
- Duty of Disclosure – sets out certain of your duties;
- Client Monies – sets out how we hold client money;
- Remuneration – sets out details of our earnings;
- Limitation of Liability – sets out how we limit our liability.

This Agreement also sets out some of our regulatory and statutory responsibilities.

02 OUR SERVICES

Treating you fairly

We always aim to treat you fairly. This means that we will always endeavour to:

- Conduct our business with due skill, care and integrity;
- Not to put ourselves in a position where our primary duty to you is compromised;
- Deal with any complaint sympathetically and independently;
- Be transparent in the matter of our remuneration; and
- Respect your confidentiality.

Independent advice

As an independent insurance intermediary, we act as your broker. We are subject to the law of brokers, which imposes various duties on us. However, in certain circumstances we may act for and owe duties of care to other parties. We will advise you when these circumstances occur, so you will be aware of any possible conflict of interest.

In the event that our interests conflict with a duty we owe to you, we shall refrain from taking any action until we have received your informed consent to our intended course of action.

Insurance placing

Before commencing negotiations with insurers, we look to establish a proper understanding of your insurance requirements. We will advise on appropriate insurances available to meet your requirements and the relative merits of a single insurer or a multiple insurer placement. We provide you with information about any risk quoted to enable you to decide whether the cover proposed meets your requirements before it is bound. We place your insurance only when you instruct us to, and we will advise you if we are unable to complete the placement. Where we are unable to meet your requirements, we will advise you accordingly.

Our search for insurance to meet your requirements may mean that we:

- Make a placement with a single insurer;
- Arrange cover with a number of insurers selected on the basis of our knowledge and experience of the insurance market.

A list of insurers we select from or deal with in relation to any insurance contract or product we offer or arrange is available to you on request.

Provision of documentation

We will provide you with written confirmation once we have completed your insurance(s). This will be the evidence of insurance we have arranged and which may take the form of an insurer document (such as a formal policy document or certificate), cover note, or a broker insurance document which provides confirmation of the terms of the insurance contract we have arranged, and where applicable a schedule of insurer(s) with whom the risk has been placed. As more fully described below, it is your responsibility promptly to check this and notify us if it does not meet your requirements.

Debit note

Our debit note (or equivalent document) will show the premium, document duty, any fee due to us and, where relevant, any other duty or other charge which needs to be remitted to the appropriate authorities by insurers, or which is allowed by insurers to be deducted from the premium payable. If a tax, duty or other charge becomes payable as a result of the insurance contract and is in excess of the gross premium or allowed to be deducted by you from the premium payable, it is your responsibility to ensure that it is remitted to the appropriate authority(ies), unless otherwise stated in our debit note.

Midterm amendments and adjustments

Any amendments to the insurance contract must be requested in writing and will be confirmed by us with an addendum or endorsement.

Claims

Unless otherwise instructed, we will act as your representative in negotiations with insurers and will endeavour to ensure prompt and equitable settlement of all valid claims. Our claims handling services include, upon receiving the required information from you, the notification of the claim or circumstances to insurers, the communication of reports and correspondence in connection with the claim between appropriate parties, and arranging the collection and/or settlement of the claim in accordance with market practice and the terms and conditions of your contract.

Our claim handling services will not be provided in the event that claims are to be dealt with by you with insurers directly. Where we collect claims payments these will be remitted to you as quickly as possible. However, we will not remit claims monies to you before we have received them from insurers.

You must notify us as soon as possible of any loss, claim or circumstance which falls within the notification provisions of your insurance contract. Failure to notify insurer(s) promptly may entitle them to reject your claim. You should not admit liability or agree to any course of action, other than emergency measures carried out to minimise the loss, or in the interests of health and safety.

Solvency of insurers

We will only arrange insurance with insurer(s) who have been licenced/ passported by the Malta Financial Services Authority. We do not assess the financial soundness of the proposed insurers which we recommend for your requirements, although we use insurers which in Our opinion are appropriate for your requirements. However, we will not in any circumstances act as an insurer nor will we guarantee or otherwise warrant the solvency of any insurer. If you have any concerns with any insurers chosen for your insurance requirements, you must advise us in writing as soon as possible.

103 OUR RESPONSIBILITIES

Provisions of instructions, information and completion of any required form

To enable us to fulfil your instructions, you must provide us with the information necessary regarding your insurance contract so that we can understand your requirements. Certain classes of insurance require the completion of a proposal form, questionnaire or equivalent document. You must complete such documents accurately. Whilst we may give guidance regarding the completion of these documents, we are not able to complete or sign these documents for you.

Duty of disclosure

An insurance contract is one of the utmost good faith. You owe a duty of disclosure to insurers and there are potentially severe consequences if you breach this duty. You must disclose to insurers any fact or circumstance which is known to you (or which ought to be known to you in the ordinary course of your business) and which is material to the risk. A factor circumstance is deemed to be material if it would influence the judgement of a prudent insurer(s) in calculating the premium or determining whether he would accept the risk. If there is any doubt as to whether information is material, it must be disclosed to insurer(s). Failure to make full disclosure of material facts may allow insurers to avoid liability for a particular claim or to void the contract.

This obligation applies before the insurance contract is concluded, during the insurance contract period, at renewal, and upon any extension or amendment to the insurance contract. In addition, the duty also applies to the claims process and to other situations where you are required to provide information to insurers. Should you fail to disclose any material fact or circumstance, insurers may avoid the insurance contract, enabling insurers not to pay any outstanding claims and to require repayment of all claims previously paid. You should contact us immediately for assistance if you are unsure whether information may be material, or if it comes to your attention that you may have not disclosed full and accurate information.

You are also legally obliged to take reasonable care not to make any misrepresentation to the insurer. We will not be responsible for any consequences which may arise from any delayed, inaccurate or incomplete information, or any misrepresentation made by you. Unless agreed otherwise in writing, we are under no obligation to investigate or verify the accuracy or completeness 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 inaccurate or incomplete information or data.

Check documentation and acceptance of coverage

Although we will check the contract documents we send you, you are solely responsible for reviewing your insurance contract to ensure that it accurately reflects the cover, conditions, limits and other terms that you require and that it is in accordance with your instructions and/or requirements. Particular attention should be paid to any contract conditions, warranties and the claims notification provisions as failure to comply may invalidate your coverage. If there are any discrepancies or changes required, you should consult us immediately.

Otherwise, we will assume that the documentation and insurance contract satisfy your requirements.

We can only agree to bind an insurance contract on your behalf upon receipt of formal written instructions from you. It is important that you keep your insurance documents in a safe place.

Payment terms

In order for us to meet an insurer's premium payment terms, premiums must be settled to us by the payment date(s) specified in our debit note. In certain circumstances, insurer(s) will stipulate special premium payment terms which, if not met, may affect the validity of the insurance contract.

We will advise you when these circumstances arise. We are not under any obligation to settle the premium by the payment date(s) to insurer(s) on your behalf until we have received cleared funds from you by the relevant due date.

Payment methods

Insurance premiums should be settled on an individual debit note or credit note basis. We will issue Statements of Account periodically, if there are monies due to be paid by you.

All payments should be made to us in the currency as indicated on the debit note or statement and wherever possible, by electronic transfer. Bank account details will be advised to you.

Third Party

You may authorise a third party to instruct us with regard to the purchase of your insurance.

The third party is acting as your agent and we may wish to satisfy ourselves at the outset that they are authorised to act in this capacity but we are under no obligation to do so.

We will act on all instructions received from your agent as if we were dealing with you directly and will continue doing so until you notify us in writing to the contrary.

It is your responsibility to ensure that any instructions given to us by your agent are correct and to notify us of any limitations in respect of your agent's authority.

We will not be responsible for:

- i. Checking that your agent has accurately passed on your instructions;
- ii. Any exposure arising from inaccurate information submitted by your agent to either us or an insurer; and
- iii. Checking that your agent has your continuing authority to instruct us on your behalf.

104 COMPLAINTS

We strive to do everything to ensure that you receive the best possible service. However, if you wish to make a complaint about our service you may do so by contacting any of our employees by whatever means is convenient to you. Alternatively, you can direct your complaint to our Complaints Officer at the address set out at the beginning of this Agreement. We will acknowledge receipt of your complaint in writing within 5 working days and give you our response to your complaint at this time if we can. If our investigation takes longer, we will usually provide you with a full written response within 15 working days of the acknowledgement. If the investigation takes longer than 15 days we shall inform you about the causes of the delay and provide an indication as to when the investigation is likely to be completed.

If you are not happy with the response to your complaint and are an eligible complainant you have the rights to refer your complaint to the Office of the Arbiter for Financial Services established under the Arbiter for Financial Services Act (Cap.555) 1st Floor, St. Calcedonius Square, Floriana FRN 1530, Malta, or on 80072366 or 21249245.

105 CONFIDENTIALITY AND DATA PROTECTION

We will comply with the provisions of the Data Protection Act (Chapter 586 of the Laws of Malta) and the EU General Data Protection Regulation (Regulation (EU) 2016/679). All information about you or your business of a sensitive or personal nature will be treated as private and confidential. We will not disclose any confidential information we hold about you to others without your prior consent except: (i) to the extent we are required to do so by law, a court, the police or a regulator; and (ii) to insurers, surveyors, loss adjusters, IT service providers, administrative support service providers, and other like persons to the extent necessary to provide our service to you in a timely manner.

We remind you of your right to request access to, correction and/or erasure of the personal data that we process about you. Any such requests must be sent to us in writing and signed by yourself as the data subject. You are kindly requested to inform us immediately of any alterations relating to the data which we are processing so as to make the necessary amendments. We undertake to implement appropriate measures and safeguards for the purpose of protecting the confidentiality, integrity and availability of all data processed.

Depending on the circumstances of the insurance contract, the disclosure of personal information to any of the above entities may involve a transfer outside the jurisdiction of the European Economic Area. Your personal information may also be used for research, statistical analysis and crime prevention. We may also pass information about you to credit reference agencies and premium finance providers in connection with the assessment of your financial standing generally and, in particular, where you have requested a premium instalment plan.

We may also pass information about you to other companies which are part of, or associated with. We or they may also use the information we hold about you to provide you with information on other products or services we or they can offer and which we or they feel may be of interest to you.

If you have supplied us with personal information relating to a third party, you must ensure that you have obtained the necessary consents and you must make them aware of how this may be lawfully used or disclosed.

By appointing us as your insurance brokers, you confirm that you are giving your explicit consent, in terms of the Data Protection Act, (Chapter 586 of the Laws of Malta) and the EU General Data Protection Regulation (Regulation (EU) 2016/679), on behalf of yourself and all the other persons specified in a proposal/ claim form (where applicable), for us to process your data as outlined above and our Privacy Notice.

You are reminded that you have a right at all times to request information on the personal data we process on you, and to be granted a copy of that data free of charge within one month from the date of your request. Repetitive or unreasonable requests, or requests not made in good faith may however be subjected to an administrative charge from our end. All requests or queries concerning your personal data are to be submitted to us in writing at the registered address mentioned in this document, or by email on info@galeabrokers.com. You will be asked to provide proof of identity (such as an ID card) before we can process any request for data access.

You are also reminded that in the event that any of our responses to you are unsatisfactory, you enjoy the right to petition the Information and Data Protection Commissioner (www.idpc.org.mt).

106 REMUNERATION

Our usual remuneration is either by way of brokerage (also known as commission), being a percentage of the premium charged by insurers in respect of the insurance contract arranged by us, and a small fee which is agreed in advance with you for the services provided by us.

Our remuneration is fully earned upon the inception of the insurance contract and, in the event that the insurance is cancelled or is terminated after inception for whatever reason, or if our appointment is terminated for any reason, we reserve the right to retain/recover the remuneration we have earned.

In addition to brokerage or fee, we may be remunerated, by the payment of profit commissions, profit shares, service fees and commissions by insurers in respect of a specified portfolio of business, usually placed under a delegated authority.

If we introduce you to another intermediary to access an insurance product for you, we may receive a proportion of the

brokerage received by the other intermediary and payable by insurers to them, out of the premium which you pay.

We are committed to ensuring that our remuneration and payments we may make to third parties are transparent and so, at your request, we will fully disclose our remuneration, including any income additional to the brokerage or fee.

The administrative charges which the company charges are as follows:

- €5.00 for issuance of a TM license if the said license exceeds €30.00
- €5.00 for all non motor policies under €200.00
- €10.00 for all non motor policies between €200.00 and €1000.00
- €10.00 for all non motor policies exceeding €1000.00

The charges are based on the value of the premiums excluding duty and fee.

107 TERMINATION

Either party may terminate this Agreement at any time by providing 30 days' written notice.

In the event that our services are terminated by you, we will be entitled to receive any remuneration earned or payable at that date, including by set-off or otherwise.

Remuneration earned or payable to us at that date shall include brokerage due or to become due on further instalments of premium and any further instalments of fees which were to become payable.

This Agreement will terminate immediately if either party:

- commits a material breach of this Agreement; or
- ceases to trade or threatens to cease to trade; or
- becomes insolvent or is subject to any administration, receivership, winding up or similar procedure.

We reserve the right not to continue to provide any services to you, including claims handling, after the date of termination of this Agreement in the absence of a specific written Agreement between us.

108 FINANCIAL CRIME

We are obliged to conduct reasonable due diligence to protect us and our clients against the risk of financial crime. At the start and throughout our relationship, we will require you to provide evidence to assist us in verifying your identity and/or legitimacy of any transactions we conduct on your behalf.

Neither party shall be involved in the offering, promising or giving of any financial or other advantage to any person in breach of anti-money laundering and financing of terrorism laws.

We are obliged to report evidence or suspicion of financial crime to the relevant authorities at the earliest reasonable opportunity and are prohibited from disclosing any such report to you including the fact that such report has been made.

We are not permitted to conduct business with any client that is subject to sanctions or embargoes. If sanctions or embargoes are in place, then we will not be able to proceed with the transaction on your behalf and your insurers may terminate your insurance contract, and not pay any claims that have been notified.

If you subsequently become subject to sanctions or embargoes, we may have to terminate our relationship and your insurer may invoke its cancellation rights under your insurance contract, as well as being unable to proceed with any claims that have been notified.

109 LIMITATION OF LIABILITY

Our aggregate liability for breach of contract, negligence, breach of statutory duty or other claim arising out of or in connection with this Agreement or the services provided hereunder shall be limited to €2 million.

Furthermore, we will have no liability in any circumstance in respect of loss of revenue, loss of opportunity, loss of reputation, loss of profits, loss of anticipated savings, increased costs of doing business, or any other indirect or consequential loss.

110 THIRD PARTY RIGHTS

Other than where it is contemplated elsewhere in this Agreement, a person who is not a party to this Agreement shall not have any rights under or in connection with it.

111 AMENDMENTS

You agree that we have a right to amend this document by sending you either a notice of amendment in writing or a revised Terms of Business Agreement.

Any amendment will apply in respect of any service transaction entered into by us after notice of the amendment is given, and may take effect either immediately or at such later date as the notice may specify.

We will however give you at least ten business days' notice of any change.

112 ENTIRE AGREEMENT

This document and any amendment constitute the entire terms on which we will provide the Services to you and no alternative will have effect unless issued or agreed by us in writing.

113 FORCE MAJEURE

We shall not be liable to you if we are unable to perform our Service or a part thereof as a result of any cause beyond our reasonable control. In the event of any such occurrence affecting us, we shall notify you as soon as reasonably practicable.

114 NO PARTNERSHIP

This Agreement shall not constitute or imply any partnership, joint venture, agency, fiduciary or other relationship between the parties other than the contractual relationship expressly provided for in this Agreement.

115 JURISDICTION AND CHOICE OF LAW

This Agreement and any dispute or claim arising out of or in connection with it or its subject matter shall be governed by and construed in accordance with the laws of Malta.

We both irrevocably agree that the courts of Malta shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Agreement or its subject matter.

16 UNDERWRITING AGREEMENTS AND COMPUTER LINK ARRANGEMENTS

In order to facilitate communication and efficiency, we sometimes place business under underwriting agreements or computer link arrangements with insurers in relation to the coverage proposed and this will be disclosed to you when providing you with information on the coverage proposed.

17 CHOICE OF LAW UNDER THE CONTRACT

Our quotations will normally be subject to the Maltese Contract Clause. We will inform you if this is not the case or if you are entitled to choose the law applicable to the contract.

18 PROTECTION AND COMPENSATION FUND SCHEME

A compensation scheme is available by virtue of the Protection and Compensation Fund Regulations 2003 should the insurer be insolvent and unable to meet its obligations under the contract subject to any conditions and limitations as may be prescribed. However, we will not in any circumstances act as an insurer nor will we guarantee or otherwise warrant the solvency or financial standing of any insurer with which we place your policies. No audit or report from our end should be construed as approval or guarantee of any insurance security.

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I/We have read and understood this Important Information Notice and I confirm that I have been given a copy thereof.

Date: _____

Name of Client _____

Signature of Client

Signature of Galea Insurance Brokers Representative



GALEA INSURANCE BROKERS
FOR YOUR PEACE OF MIND

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