



TERMS OF ENGAGEMENT

These Terms of Engagement apply to all engagements accepted by SIA Marsh, registration No 40003602206, registration No 09.06.02/141 in Register of Insurance and Reinsurance Brokers (“Marsh”), and all work carried out is subject to these Terms of Engagement, except to the extent that changes or other terms are expressly agreed in writing. Please read these Terms of Engagement carefully as they contain important information. **By instructing Marsh to carry out insurance broking or consulting activities on your behalf, you are giving your consent to these Terms of Engagement.**

1. Products and Services

- 1.1 Marsh will provide the services of advising on and/or arranging insurance policies and/or other services as agreed in writing between Marsh and its client (“you”) (and any subsequent variation of or addition to such services agreed in writing) (“the Services”). These Terms of Engagement together with the “Letter of Engagement” (being the letter, email or other written communication setting out the Services) represent the agreement (“the Engagement”) between Marsh and you. In the event of any contradiction between the Terms of Engagement and the terms of Letter of Engagement, the relevant part of the Letter of Engagement shall take precedence.
- 1.2 Marsh will not deliberately put itself in a position where its interests, or its duty to another party, prevent it from discharging its duty to clients. Marsh maintains internal procedures and controls to identify and manage any potential conflicts, so that at all times the interests of all Marsh’s clients are reasonably protected.
- 1.3 If you would like Marsh to provide additional services to those agreed in the Letter of Engagement, these will be subject to agreeing an additional fee and/or commission.
- 1.4 Marsh only places insurance with insurers that meet its minimum financial standards, unless a client provides specific instructions to the contrary. Marsh does not guarantee the solvency or continuing solvency of any insurer and clients should note that the financial position of an insurer can change.
- 1.5 Where Marsh is engaged as your insurance broker, the provision of advisory services will be those customarily ancillary to insurance broking. Any reference to advisory services in any Letter of Engagement is to advice provided from the perspective of a competent insurance broker. Any information that Marsh provides on insurance regulatory and tax issues will be based on information available publicly and on its experience from working on similar matters for other clients. Marsh is not qualified to provide, and will not provide, legal, accounting, regulatory or tax advice. Marsh recommends that you obtain your own advice on such matters from relevant professional advisers.
- 1.6 As part of our negotiations with insurers on your behalf, Marsh may on occasion be able to obtain more favourable terms and conditions for your placement by providing insurers with certain types of information. Where Marsh believes your interests would be advanced by doing so, you authorise us to do the following:
 - 1.6.1 at the outset of the negotiations, to provide insurers with the terms of the expiring policy, including pricing, and/or a pricing objective for your placement;
 - 1.6.2 during negotiations, to provide one or more insurers with the terms of with the terms of a quote received from another insurer, where in our judgement doing so may lead to improved terms for you; and
 - 1.6.3 at the end of the negotiations, to provide one or more insurers with an opportunity to submit an improved quote after all other quotes have been received.
- 1.7 Data analytics: Marsh may include, on an anonymous basis, information relating to its clients’ insurance programmes in benchmarking, modelling and other analytics. Marsh offers an array of analytics capabilities to clients, insurers and others. For clients, these offerings include benchmarking databases, analytics and modelling tools, surveys and other compilations of information, which are designed to help clients more effectively assess their risks, make more informed decisions and construct insurance programmes and other risk mitigation strategies. Marsh or its Associated Entities may in some instances receive compensation for its analytics offerings from clients, insurers and others.
- 1.8 MarketConnect is Marsh’s industry leading proprietary technology suite that allows Marsh to assist insurers in their efforts to improve their performance and create superior solutions for Marsh’s clients. Within MarketConnect, Market Match is a proactive tool that allows insurers to identify business opportunities in advance of renewals, enabling them to be considered for risks for which they historically had not been considered. In MarketConnect, corporate client names and certain other information are provided to insurers when viewing upcoming renewals that meet

their stated risk appetite. MarketConnect is part of Marsh's insurer consulting offering for which Marsh receives compensation from insurers.

2. Remuneration

- 2.1 Marsh is ordinarily remunerated via a percentage commission of the premium due to the insurer for your insurance policies (please note that this will be the basis for Marsh's remuneration unless otherwise agreed). We will disclose to you on request the commission amounts, or the basis of calculation, in relation to the Services.
- 2.2 Marsh shall be considered to have earned all remuneration in full at the time the policy is placed unless otherwise agreed in any Letter of Engagement.
- 2.3 All fees, commissions and expenses are (unless otherwise expressly stated) exclusive of any indirect taxes, such as value added tax, which will be added as appropriate.
- 2.4 Marsh reserves the right to charge reasonable expenses in relation to travel, accommodation and meals while working on your behalf away from any Marsh office, and for any excessive photocopying or telephone calls required in handling your business.

3. Client's Obligations

- 3.1 Provision of information:
In order to be able to arrange insurances to meet your requirements, you must:
 - act at all times with utmost good faith towards your insurers;
 - disclose to insurers both before the policy is placed, and at any other time when providing information to the insurer, all information, facts or circumstances which are, or ought to be, known to you and which are material to the risk;
 - ensure that, when completing and signing any proposal form or otherwise confirming information to insurers, the information provided is complete and accurate.
- 3.2 If you have any doubt whether information is material, you should disclose it to Marsh, as failure to do so might lead to your policy being avoided by insurers.
- 3.3 You should promptly check all documentation supplied to you by Marsh or insurers to ensure there are no mistakes or misunderstandings. You are also advised to retain copies of your insurance policies, and any amendments to them, in a safe place for as long as it is possible for a claim to be made under them.
- 3.4 You are advised that failure to pay premium and other charges owed to the insurer in time may result in the insurer having the right to cancel the policy. The timely payment of Marsh invoices is imperative.

4. Bribery & Corruption; Trade Sanctions

- 4.1 In respect of their obligations under the Engagement, each party shall comply with all applicable laws, statutes and/or regulations relating to bribery and corruption. Marsh will not be required to provide any services under the Engagement to the extent that the provision of such services would expose Marsh or any of its Affiliates to any penalty under UN Security Council resolutions or other applicable trade or economic sanctions, laws or regulations.

5. Term and Termination

- 5.1 This Engagement shall commence on the date of receipt of our instructions from you or as set out in any Letter of Engagement, failing which it shall commence on receipt by you of these Terms of Engagement, and shall continue thereafter until completion of the Services or until terminated.
- 5.2 Either party may terminate this Engagement by serving not less than 90 days written notice on the other.
- 5.3 Either party may terminate this Engagement immediately, on notice, if the other party:
 - commits a material breach of any of its provisions, and in the case of a breach capable of remedy, fails to remedy it within 30 days of receipt of a notice setting out particulars of the breach;
 - becomes insolvent, or bankrupt, goes into liquidation, or makes any voluntary arrangement with its creditors, becomes subject to an administration order or has a receiver or administrative receiver appointed over its assets, or suffers a similar effect at foreign law.
- 5.4 Upon termination Marsh will assist in arranging a smooth transfer of your business, including the transfer of existing claims, subject to the payment of all outstanding amounts due to Marsh.

6. Limitation of Liability

- 6.1 Marsh's liability and the liability of Marsh's Affiliates to you, on any basis (including for example for breach of contract or negligence), arising out of or in connection with this Engagement shall be limited in total to the amount of EUR 4,000,000 (four million euros) in the aggregate. Marsh shall only be liable for direct loss and not in any circumstances for any special, indirect or consequential loss, such as loss of profits, sales or data. These provisions shall not apply in the case of fraud or wilful default by Marsh nor to any liability which cannot lawfully be excluded or limited.
- 6.2 In respect of any loss suffered by you, for which Marsh and/or its Affiliates and any other party are (on any basis) liable, Marsh's liability and that of its Affiliates shall be limited so as to be proportionate to the relative contribution of Marsh and its Affiliates to the overall fault giving rise to the loss in question.

6.3 You accept that Marsh has an interest in limiting the exposure of its directors, employees, consultants and Affiliates to litigation, and agree that you will not bring, or assist in bringing, any claim against any of Marsh's Affiliates, or personally against any of Marsh's individual directors, employees or consultants, in connection with the performance of the Services under this Engagement. The provisions of this clause are intended to be for the benefit of such directors, employees, consultants and Affiliates who shall have the right to rely on and enforce these terms.

6.4 Marsh disclaims all responsibility for any consequence whatsoever should a third party rely upon any report, letter, information or advice we provide to you without our prior written consent that such third party may do so.

7. Intellectual Property

7.1 Marsh shall retain all ownership, title, copyright and other intellectual property rights in all materials developed, designed or created by Marsh (or any of its Affiliates) before or during the Engagement, and Marsh grants you a perpetual and royalty free licence to use those materials, but only for the purposes for which they were created under this Engagement.

8. Confidentiality

8.1 Except as required by law, Marsh undertakes:

- to keep confidential all information (written or oral) concerning your business and affairs that may be obtained or received as a result of this Engagement;
- not without your prior written consent (such consent not to be unreasonably withheld or delayed), to disclose such information in whole or in part to any other person save to employees, agents or sub-contractors involved in the provision or receipt of the Services, or in accordance with normal insurance broking practice to insurers and their agents;
- to use the information solely in connection with the provision or receipt of the Services.

8.2 The provisions of clause 8.1 will not apply to the information to the extent that it is:

- already lawfully in Marsh's possession on the date of its disclosure;
- in the public domain other than as a result of a breach of this clause;
- required to be disclosed pursuant to legal or regulatory requirements.

9. Entire agreement

9.1 This Engagement sets out the entire understanding of the parties in relation to the matters that it deals with and supersedes all previous understandings (oral or written) in relation to those matters.

9.2 This Engagement may only be amended or modified by written agreement duly signed by each party.

9.3 In the event that any of the Terms of Engagement is held to be invalid the remainder of the terms will continue in full force and effect.

10. Notices

10.1 Notices under this Engagement must be in writing and sent to the party concerned by hand, post or facsimile, at its main trading or registered office address.

11. Affiliates

11.1 Unless otherwise expressly stated by us, you agree to and accept this Engagement on your own behalf and on behalf of each of your Affiliates for whom we provide the Services. You will procure that such Affiliates will act on the basis that they are a party to and bound by this Engagement. All references in this Engagement to "you" (and derivatives of it) will mean you and such Affiliates.

11.2 For the purpose of this Engagement "Affiliates" means, in relation to a company, its subsidiaries and subsidiary undertakings and any direct or indirect holding company it may have and all other subsidiaries and subsidiary undertakings of any such holding company.

11.3 Marsh shall provide the Services either itself, or where appropriate in conjunction with one or more of its Affiliates, and references to Marsh in this Engagement shall be deemed to include those of its Affiliates who assist in providing the Services.

12. Data Protection and Privacy

12.1 Marsh agrees to comply with data protection and data privacy laws applicable to the services provided in relation to the Engagement.

12.2 To provide our services, Marsh will collect and use information about individuals, such as their name and contact details, which may also include special categories of data (e.g. about their health). The purpose for which Marsh uses personal data may include arranging insurance cover, handling claims and for crime prevention. More information about our use of personal data is set out in the Marsh Privacy Notice available at <https://www.marsh.com/lv/en/privacy-policy.html>. You can also request a copy of the Marsh Privacy Notice by email or writing to riga.office@marsh.com. We recommend that you review this notice.

12.3 Providing the services may involve the disclosure of personal data to third parties such as insurers, reinsurers, loss adjusters, sub-contractors, affiliates of Marsh and to certain regulatory bodies who may require your personal data themselves for the purpose described in the Marsh Privacy Notice.

12.4 Depending on the circumstances, the use of personal data described in this notice may involve a transfer of data to countries outside the European Economic Area that have less robust data protection laws. Any such transfer will be done with appropriate safeguards in place.

12.5 Use of personal data you must consent to: in some circumstances, Marsh may need to collect and use special categories of personal data (e.g. health information). Where this is required, unless another legal ground applies, your consent to this processing is necessary for Marsh to provide you with the relevant services and you consent to such processing. Although you may withdraw your consent at any time, if you do Marsh may be unable to continue to provide services to you and this may mean that we are unable to process your enquiry or claim or that your insurance cover will stop.

12.6 By accepting the Engagement you consent to the personal data you provide to us, and confirm that you have obtained the consent of any data subjects whose personal data you provide to us, being used in accordance with this Engagement. Marsh shall be entitled to assume that any person disclosing personal data to Marsh is doing so in compliance with all applicable data protection laws.

12.7 We will maintain appropriate data security procedures designed to protect against loss or compromise of personal data.

13. Governing Law and Jurisdiction

13.1 These Terms of Engagement, and the services provided under them, shall be governed by the applicable laws, regulations and rules of the republic of Latvia and any dispute shall be submitted to the exclusive jurisdiction of the courts of the Republic of Latvia.