

Additional Terms – Global Broking Centre London

Additional Provisions regarding programs placed by the Global Broking Centre London (“GBCL”)

These terms together with any additional documentation which Aon may provide to You in connection with the GBCL, during the provision of Our Services, set out the basis of Your relationship with the GBCL.

1. Role of GBCL

1.1 The GBCL operates as a wholesale insurance broker which means that We take instructions from and provide Our opinion and recommendations to the Aon office who You have contracted with (“**Local Aon Office**”) who will in turn communicate with you. **Any activities which can only be undertaken by an authorized or regulated entity in Your jurisdiction will be performed by Your Local Aon Office.** If You have any questions about Your insurances or these requirements, you should discuss them with Your usual Local Aon Office contact.

2. Regulated Status

- 2.1 Depending on the jurisdiction in which You are resident or established, placement(s) may be affected by the GBCL comprised in Aon UK Limited (“**Aon UK**”) or Aon Belgium B.V. (acting through its UK branch) (“**Aon Belgium**”) on behalf of Your Local Aon Office.
- 2.2 Aon UK Limited is a company incorporated in England and Wales (registered number 0210725) and has its registered office at The Aon Centre, The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AN.
- 2.3 Aon UK Limited is authorised and regulated by the UK’s Financial Conduct Authority (“**FCA**”). Aon UK Limited’s Financial Services Register number is 310451. You can check this, together with Aon UK Limited’s permissions to provide certain regulated products and services, on the Financial Services Register by visiting the FCA’s website <https://register.fca.org.uk/> or by contacting the FCA on +44 (0) 800 111 6768.
- 2.4 Aon Belgium B.V. is a company incorporated in Belgium in the form of a limited liability company (*société privée à responsabilité limitée/besloten vennootschap met beperkte aansprakelijkheid*), with its registered office at Telecomlaan 5-7, 1831 Diegem, Belgium and registered with the Crossroads Bank of Enterprises under number 0426.531.863 (Commercial court of Brussels, Dutch-speaking division). Aon Belgium B.V. is registered in the UK with Companies House as an overseas company under company number FC035883.
- 2.5 Aon Belgium B.V. is authorised and regulated in Belgium as an insurance intermediary by the Belgian Financial Services and Markets Authority (“**FSMA**”) under number 013982. You can check this on the Insurance Intermediaries Register by visiting the FSMA’s website <https://www.fsma.be/nl/verzekeringstussenpersoon>.
- 2.6 Aon Belgium B.V. and its UK Branch is authorised and regulated by the UK’s Financial Conduct Authority. Aon Belgium’s Financial Services Register number is 972556. If You have any questions in relation to the UK Branch You can contact: Head of Branch Operations, Aon Belgium B.V. UK Branch, The Aon Centre, The Leadenhall Building, 122 Leadenhall Street, London, EC3V 4AN.

3. Your Duty to Make a Fair Presentation

- 3.1 Where Your insurance policy arranged by the GBCL is governed by the laws of England and Wales, Scotland or Northern Ireland, Your disclosure obligations are summarized below.
- 3.2 By statute, You are legally required to make a fair presentation of the risk that You are seeking to insure to the insurer. To make a fair presentation of the risk You must disclose all Material Information (described below) that You know or ought to know or failing that provide disclosure which gives the insurer sufficient information to put a prudent insurer on notice that it needs to make further inquiries. You should keep in mind that this is not meant to result in a two-stage process where You provide insurers with little information and they ask all the questions. In addition, You must make the disclosure in a manner which would be reasonably clear and accessible to a prudent insurer. Every material representation as to a matter of fact must be

substantially correct and every material representation as to a matter of expectation or belief must be in good faith.

- 3.3 **“Material Information”** means any circumstance or representation which is material in that it would influence the judgment of a prudent insurer in determining whether to take the risk and, if so, on what terms. If You are in doubt as to whether information might be relevant to an insurer’s determination, We would advise that You disclose it.
- 3.4 You will be deemed to know all Material Information that is known to Your senior management or those responsible for arranging Your insurance, and which should reasonably have been revealed by a reasonable search. Your search will need to include information which is held by other persons (for example, Your insurance broker), and Your agents. You agree that We are not required to provide You or insurers with any information that We have received (i) from anyone other than You or those acting on Your behalf or (ii) otherwise than directly in connection with the particular contract of insurance We are placing for you. Any losses You suffer as a result of any related non-disclosure or misrepresentation will be Your responsibility.
- 3.5 Failure to disclose all Material Information or misrepresenting circumstances could result in the terms of Your insurance contract being rendered void (so that claim(s) are not paid and there is no cover), terms being amended or insurers reducing any claim(s) paid in proportion to the increased premium that would have been charged had the true position been known. Insurers may also have a right to recover all or part of any claim payments made.
- 3.6 The disclosure obligations outlined above will arise before the policy is entered into. Therefore, if You become aware that information that You have supplied prior to confirmation of Your insurance cover was incorrect or incomplete, You should tell Your usual Local Aon Office contact immediately. Representations may be withdrawn or corrected before the policy is entered into.
- 3.7 The disclosure obligations outlined above also arise after the policy is entered into as the duty to make a fair presentation is re-imposed when there are changes or variations in cover, when the insurance contract is renewed or extended and when You make a claim. In addition, changes which relate to compliance with a warranty or condition in the insurance contract must be notified at once. Some insurance contracts also contain an express obligation to notify any change in risk. You need to ensure that You are familiar with the terms of Your policy and have taken any advice You require to understand the implications.
- 3.8 If the policies are written under the laws of other jurisdictions, other requirements may apply under applicable law.

4. Safeguarding Your Money

- 4.1 Where Aon Belgium acts on Your behalf it works based on a **“Risk Transfer”**. This means that premium received from You by Aon Belgium is deemed to have been received by the insurer. In such circumstances, premiums Aon Belgium receives are held as insurer money (**“Insurer Money”**) in a designated account. Conversely, claims payments and/or premium refunds will only be treated as having been received by You when they are actually paid to You.
- 4.2 Where Aon UK acts on Your behalf it shall hold premiums due to insurers, any claims payments and/or premium refunds due to You as client money (**“Client Money”**). During the provision of the Services to You, Aon UK and any of its Appointed Representatives (as defined in law and the FCA rules) will deposit all payments received in respect of Client Money in a bank account governed by a trust deed, which is a Non-Statutory Trust (NST), that complies with FCA rules (**“Trust Account”**). The FCA rules seek to protect clients against any inability of an insurance broker to transfer premiums to an insurer or to transfer claims payments and/or premium refunds to the client. Client Money subject to Scottish Law will be held by Us acting as Your agent. The fact that We hold money on trust also gives rise to fiduciary duties which will be owed to You until the money reaches the insurer or the duty is otherwise validly discharged.
- 4.3 In some instances, the insurer may also grant Aon UK **“Risk Transfer”**. Aon UK may then co-mingle Insurer Money with Client Money under the terms of the same trust deed when permitted by the FCA to do so.

- 4.4 Where Aon UK acts on Your behalf in respect of activities other than insurance distribution activities that are regulated by the FCA it may not be permitted by the FCA to hold Client Money in the same Trust Account as it uses for regulated activities. In this case Aon UK will hold Client Money in segregated bank account(s) established solely for this purpose.
- 4.5 The terms of the Trust Account(s) permit Aon UK to use the money held in connection with insurance distribution activities in the Trust Account (“**Trust Monies**”) on behalf of one client to pay another client’s premium before the premium is received from that client and to make claims payments and/or premium refunds to another client before Aon UK receives payment from the insurer. However, Aon UK is not permitted to use Client Money for any other purpose.
- 4.6 In the normal course of business and within the standard terms of its Trust Accounts arrangements, Aon UK retains the right to place part of the Trust Monies into a restricted range of investments which include deposit accounts and money market funds. However, under the terms of the Trust Accounts Aon UK remains liable for meeting any trust fund shortfalls that may arise as a result. In accordance with market practice, Aon UK retains all interest and earnings received on Trust Monies.
- 4.7 Aon UK will pay premiums directly to insurers and receive premium refunds and/or claim payments directly from insurers or their representatives except where We have engaged the services of another intermediary or settlement agent in which case settlements may then be transferred between Aon UK and the other intermediary or settlement agent. Should such an intermediary or settlement agent be located outside of the United Kingdom, payments will be made to and from their jurisdiction and will be subject to a legal and regulatory regime different from that of the United Kingdom. In the event of a failure of the intermediary or settlement agent, the Client Money may be treated differently from the treatment which would have applied if it were held by an intermediary in the United Kingdom. You may notify Us if You do not wish Your money to be passed to a person in a particular jurisdiction and We will consider making a payment to an alternative jurisdiction.
- 4.8 Aon UK may deposit Client Money in a client bank account outside the United Kingdom, unless You notify Us that You do not wish Your money to be held in a particular jurisdiction. In such circumstances, the legal and regulatory regime applying to the approved bank will be different from that of the United Kingdom and, in the event of a failure of the bank, Your money may be treated in a different manner from that which would apply if the money were held by a bank in the United Kingdom.
- 4.9 Please note that fees and/or brokerage, where / if due, will normally be deducted by Us on receipt of premium
- 4.10 We believe the above arrangements provide You with significant and effective protection for Client Money. Your agreement to all aspects of these arrangements will be assumed unless an objection is registered with Us or, where applicable, Our appointed representative prior to Your first remittance being received by Us.

5. Market Abuse Regulation

You agree to inform Your usual Local Aon Office contact immediately in writing if (i) any confidential information which You provide to Us, or intend to provide to Us, constitutes “inside information” (within the meaning of Article 7 of Regulation (EU) No. 596/2014 on market abuse (“**MAR**”)) (“**Inside Information**”); and (ii) any Inside Information previously disclosed to Us ceases to be Inside Information. You agree to clearly identify to Us in writing which specific parts of the confidential information constitute, have become or ceased to be Inside Information. In the event that You require Us to maintain an “insider list” (within the meaning of Article 18 of MAR) of individuals who have access to such Inside Information, You agree to notify Us in writing prior to, or upon, providing such Inside Information. In the event that You do not notify Us that the Confidential Information You have provided Us with constitutes Inside Information or that You require Us to draw up and maintain an insider list, We will have no obligation to draw up or maintain such list. For the avoidance of doubt, We shall not be required to draw up or maintain insider lists in respect of third parties.

6. The GBCL's Approach to Marketing Your Risks

- 6.1 We will always seek to negotiate competitive terms in line with Your instructions provided via Your Local Aon Office and use our judgment and experience to evaluate effective placement methods or combinations of methods to meet these requirements.
- 6.2 In certain instances, We may only approach one insurer to provide a lead quotation (or full quotation where the insurer is able to underwrite alone the terms, conditions and limit required). Where this is the case, We will advise of the reason why We have taken this approach. Otherwise, We will approach multiple insurers to provide either lead quotations or single market solutions. Typically, this will be a limited number of insurers for the class of business; however, We will advise Your Local Aon Office when We have approached an appropriate number of insurers to reflect a fair analysis of the market. A list of insurers considered and/or approached to provide quotations will be available upon request from Your Local Aon Office.
- 6.3 You agree and acknowledge that You are responsible for the decisions made regarding the insurer(s) selected for Your insurance placement. The GBCL does not guarantee or warrant the availability of an insurance contract or the financial security, solvency or performance of any insurer. You acknowledge and agree that We are not the insurer.

7. The GBCL's Use of Market Facilities

- 7.1 Where appropriate the GBCL may utilize market facilities in the placement of Your risk(s). Market facilities enable the efficient placement and servicing of risks fitting a prescribed profile that, in the open market, may otherwise be difficult to place or could attract higher premiums or reduced coverage.
- 7.2 These facilities may be underwritten by one or more insurers and may be used alone or in conjunction with single or subscription markets to deliver capacity for larger risk exposures.
- 7.3 A number of these facilities include delegated authorities that give Aon Underwriting Managers ("**AUM**") and/or One Underwriting B.V. ("**One Underwriting**") underwriting authority to act as a Managing General Agent ("**MGA**") on behalf of insurers. AUM delegated authorities may also be branded as 'Maven'. Access to these market facilities is an exclusive benefit to clients of Aon and is not available through alternative brokers or intermediaries.
- 7.4 This may include arrangements where a pre-agreed percentage of the risk can be bound at the qualifying lead insurer's price, terms, conditions and limits. Aon currently has such arrangements with various Lloyds syndicates and Lloyds Insurance Company S.A. under the Aon Client Treaty ("**ACT**") where risks are bound and administered by AUM and/or One Underwriting as MGA on behalf of the subscribing insurers. The identity of all participating insurers for ACT is available on request.
- 7.5 Details will be provided by Your Local Aon Office if a market facility has been used for Your insurance placement or where Aon places any participation via an arrangement where AUM, One Underwriting or another Aon affiliate is acting as an MGA on behalf of an insurer (in either case, this will be clearly identified within the Security Details of the placement documentation). The relevant Aon broker shall be the **exclusive broker** of risks underwritten under such facilities for the duration of the relevant policy(ies) even if You terminate Our broker appointment mid-term. This will not apply if the policy(ies) are cancelled.
- 7.6 In the operation of market facilities functions that insurers would normally perform are transferred to an Aon affiliate, (which may include GBCL, AUM, Aon Underwriting or other Aon affiliate) and the insurers pay the relevant Aon affiliate certain management service fees and work transfer fees for carrying out these functions on their behalf. This is in addition to any commission earned by Us and may include profit or contingent commission.
- 7.7 Where Aon UK or another member of the Aon Group works with insurer(s) that have provided quotes or may provide quotes on Your insurance placements, You agree that we may share information that We have collected from You with such Aon entity(ies) or with reinsurers to facilitate the placement of reinsurance. Any such reinsurance will be placed under a separate arrangement between the reinsured, reinsurers and relevant Aon entity. (Re)Insurers may independently remunerate the Aon Group for these services.

- 7.8 We may also carry out certain aspects of the administration associated with Your placement on behalf of, or for the benefit of, open market insurers. We may receive additional remuneration for this activity from the insurers.
- 7.9 We are committed to transparency in Our relationship. You have the right to request details in respect of any additional remuneration earned by Us in connection with Your insurance placement. Please contact Your usual Local Aon Office contact.
- 7.10 With respect to services provided by Aon Belgium, You can consult Aon Belgium's placement policy on: <http://www.aon.com/belgium/du/attachments/2015/AssurMiFID-legislation-EN.pdf>.