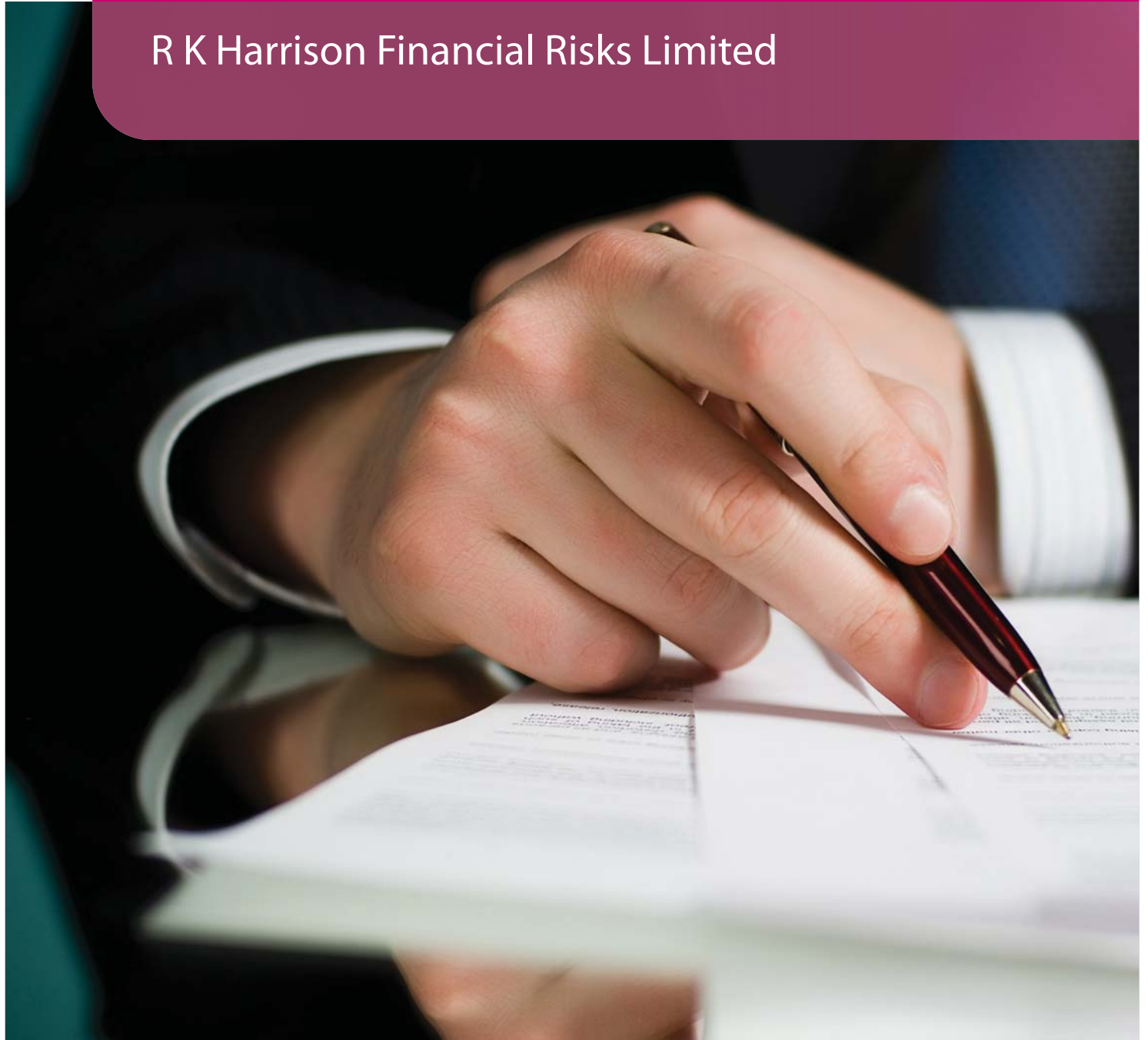


Terms of Business Agreement

R K Harrison Financial Risks Limited



1 INTRODUCTION

We, R K Harrison Financial Risks Limited are an independent insurance broker registered in England, company number 6927187. Our registered office is One Whittington Avenue, London EC3V 1LE, UK.

We are an appointed representative of R K Harrison Group Limited ("RKHG") which is authorised and regulated by the Financial Services Authority (FSA) in respect of general insurance business. RKHG's FSA Firm reference number is 309639. These details can be checked on the FSA's Register by visiting the FSA's website <http://www.fsa.gov.uk/register> or by contacting the FSA on +44 20 7066 1000 (0845 606 1234 calling within the UK).

References to 'insurance' and 'insurers' in this terms of business agreement includes reinsurance and reinsurers.

RKHG's permitted business relates to general insurance and comprises advising customers, arranging policies, providing assistance to arrange policies, dealing as agent (e.g. entering into a policy with a customer on behalf of an insurer) and assisting with the administration and performance of policies (e.g. notifying a claim to an insurer and negotiating settlement of the claim on the customer's behalf). As RKHG's appointed representative we are entitled to conduct any such business.

Please read this document carefully. The intention of this document is to clearly and concisely establish the basis of our relationship with you and the services that we will provide in respect of each insurance contract that we arrange on your behalf, unless there is a more specific agreement in writing between us. If you do not wish our relationship to be governed in this way please advise us accordingly as otherwise we shall proceed on the basis that we have your informed consent to the terms of this agreement alone.

We will always exercise the skill and care expected of a prudent and professional insurance broker in providing independent advice, placing insurance business and collecting claims payments when appointed to act on such a basis.

Our intention in issuing this document is also to highlight the important practices and procedures which we need to employ in acting as your agent as well as to provide you with more general information on the service we provide.

This document takes effect from 1 October 2009 or whenever it is received (whichever is the later) and supersedes any terms of business agreement that we may have previously sent to you.

RKHG is only a party to this Agreement for the purposes of section 7 and to receive the benefit of other provisions extending to RKHG and its subsidiary companies ("R K Harrison Group Companies").

We specifically draw your attention to the following sections:

- Insurance Placing
- Claims Procedures
- Duty of Disclosure
- Client Monies, particularly:
 - > Client Money (Held As Your Agent)
 - > Segregation of Designated Investments
 - > Interest on Client Money
- Remuneration

2 OUR SERVICES

INSURANCE PLACING

We will act in the best interests of our clients at all times, whilst having regard to our legal and regulatory obligations.

Before commencing negotiations with insurers, we aim to establish a proper understanding of your insurance requirements. Only then will we seek to negotiate and secure competitive indications and quotations for insurance that provides a level of coverage, which, in our opinion, is as suitable as possible for you.

We usually offer and arrange cover with a limited number of insurers selected on the basis of our knowledge and experience of the market, the products available and our strategy to deal with insurers with whom we can develop trading relationships to our client's advantage.

A copy of the list of insurers we select from or deal with in relation to any insurance policy or product we offer or arrange is available to you on request. It may be necessary for you to check whether the use of the insurer(s) is affected by any local legislation or regulation and is permitted by any relevant authority(ies).

We will take diligent steps to implement instructions in a timely fashion and attempt to place all of the required insurance before the intended date of inception, renewal or extension of insurance cover, confirming to you prior to such date the coverage which is in place. Any inability to fulfill your instructions will be brought to your immediate attention.

CLIENT DOCUMENTATION

Upon completion of the insurance arrangement(s) on your behalf, we will provide you with written confirmation. This will be followed by the appropriate documentation to provide you with formal confirmation of the insurance cover we have arranged and the amount of premium payable.

We will issue an Evidence of Insurance which may take the form of an Insurer Document (such as a copy of the placing contract and/or a formal policy document or certificate) or a broker insurance document which provides confirmation of the terms of the insurance contract we have arranged and the insurer(s) or market with whom the risk has been placed.

You should check the documentation and satisfy yourself that it is entirely in accordance with your understanding and instructions. Anything at variance with your understanding and instructions should be advised to us immediately. Otherwise, we will assume that the documentation is in order.

Our Debit Note will show the premium, or fee and where relevant, any tax(es) to be remitted to appropriate authorities through ourselves. Tax(es) which may be deducted from the premium payable will also be shown. Please refer to the 'Taxes, Duties and Other Charges' section of this document for further information.

We will seek to obtain as soon as practicable the issuance of any insurance policy wording(s) which may be requested. Any amendments to the insurance contract must be requested in writing and will be confirmed by the issuance of an Addendum or Endorsement to the policy of insurance, unless such amendment is reflected within the issued documentation.

CLAIMS PROCEDURES

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.

Details of claims or circumstances notifiable to the insurer(s) under the terms of the policy arranged must be advised to us or your insurer(s) in a timely manner in accordance with the terms and conditions of that policy. Where applicable, we or your insurers will provide you with written confirmation of the acceptance of the amount of the claim by the insurer(s) before issuing a claim payment advice to you and remitting monies direct to the appropriate party.

Your claims may be submitted to insurers by means of an electronic claims files system. This will require the submission of documents to a market repository which will be available to insurers and it will not be possible for us to withdraw documents from the repository once they have been submitted.

You should be aware that we may perform a limited service for the insurer(s) in relation to insurers' claims advisors (e.g. surveyors, adjusters and lawyers) by relaying instructions, disseminating reports and collecting fees or other disbursements, where we consider this should not create a conflict of interest. If we consider a conflict of interest may arise, we will refrain from performing any (further) services for the insurer(s) unless you otherwise agree in writing as further clarified within Section 9 'Relationships'.

ELECTRONIC COMMERCE

We may transact business with you and other entities by a number of methods including electronic trading and as such we both accept the hazards intrinsic with communicating electronically, such as the infection by computer viruses, the corruption of data, and the possible breach of confidentiality by using a third party service provider.

Whilst we both agree that we shall individually be responsible for and endeavour to ensure that such communication shall remain free from any such interference you will be responsible for ensuring that any and all correspondence sent to you electronically shall be virus checked. Furthermore, it shall be your responsibility to ensure that any messages sent by us to you are received complete and in the event of a dispute, you agree that our system shall be the definitive record of electronic communications and documentation.

SOLVENCY OF INSURERS

We will only place insurance with insurers who have been subject to a satisfactory review by our Security and Counterparty Committee or for which you have given us specific approval. Whilst the information held by the Security and Counterparty Committee relies on sources considered to be reliable and the Committee uses all reasonable endeavours to review accurately that information in order to protect the interests of our clients, solvency cannot be guaranteed. We neither accept responsibility for the insurer's financial standing and financial performance nor do we accept responsibility, in any circumstances and for whatever reason, should the insurer fail to fulfil its obligations to any party. The financial standing of insurer(s) can change after the insurance contract has inception, for example at the time of a claim or when a return premium becomes due.

USE OF OTHER INTERMEDIARIES

Where we consider it to be appropriate and for your benefit, it may be necessary for us to request another more localised or specialist broker or intermediary to act as our agent and assist us in the placement of an insurance contract. For example, many countries require the use of local intermediaries to access local insurance markets. In such cases, we will provide specific instructions to such intermediaries so as to meet your insurance requirements.

Please note that other intermediaries may be remunerated separately to us such as by a fee (agreed by you or us) or by way of brokerage from insurers.

PROPOSAL FORMS

Certain classes of insurance require the completion of a proposal form, questionnaire, claim form or equivalent document. Whilst we may give guidance regarding the completion of these documents, we cannot sign these documents for you. The policyholder must provide accurate and complete information. The provision of incorrect or incomplete information may result in the denial of a claim or avoidance of the insurance contract.

3 YOUR DUTY

DUTY OF DISCLOSURE

There is a legal obligation upon us to ensure that policyholders and intermediaries alike are made aware or reminded of the duty of disclosure and the consequences of its breach.

The duty of disclosure under English law is a duty to pass on to the insurer(s) all material information relating to the risk under consideration. "Material" in this context refers to all information which may affect a prudent insurer's assessment of the risk including whether to accept the risk, the appropriate premium to be charged, and the terms to be imposed. If there is any doubt as to whether information is material it must be disclosed to insurers.

The duty of disclosure applies before the contract of insurance is concluded and continues for the duration of the contract including any extension or amendment to the insurance contract.

Failure to disclose relevant information may allow insurers to cancel coverage back to inception (*ab initio*). Insurers would also seek to secure reimbursement of any claims already paid. The duty of disclosure and the consequences of its breach may vary to a limited degree from the foregoing dependent upon the law(s) applicable to the insurance contract.

Please contact us immediately for assistance if you are unsure whether information may be material or you have not disclosed full and accurate information.

WARRANTIES/CONDITIONS/SUBJECTIVITIES

It is important that you comply with any warranties / conditions (whether express or implied) and if any are shown on any documentation provided to you by us or insurers, please ensure that you follow their requirements exactly. Failure to do so may render any claim void or enable insurers to terminate the policy from the date of that breach and in some instances from inception (*ab initio*).

Further, the existence of a subjectivity in an insurance contract may lead to that contract being invalidated or coverage prejudiced if the subjectivity remains outstanding. Whilst we will advise you of such terms we will look to you promptly to comply and to confirm that the subjectivity has been satisfied thus enabling it to be removed.

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 invoice. If a tax, duty or other charge becomes payable as a result of the contract that we have placed on your behalf and any such tax, duty or other charge is payable 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 formal Debit Note.

US DIRECT PROCUREMENT (APPLICABLE IN SPECIAL CIRCUMSTANCES)

In the event that you present any placement of a US domiciled entity or risk to us as being directly procured, you warrant that it is a lawful placement under any applicable US state direct procurement laws. A lawful placement is a placement where the underwriting of the risk by the insurer(s) and the involvement of any local and out of state intermediary or consultant in the placement process complies with all applicable laws and regulations governing the transaction. Directly procured placements will be separately processed by us.

ACCEPTANCE OF COVERAGE

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.

PAYMENT TERMS

In order for us to meet the premium payment terms of the insurer(s), premiums must be settled to us by the payment date(s) specified in our Debit Note. In certain circumstances, the 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.

PAYMENT METHODS

Insurance premiums should be settled on an individual Debit Note or Credit Note basis. Statements of Account are issued periodically or upon request where there are monies due for payment to us.

All payments should be made in the same currency in which they have been debited to you. Furthermore, all payments should, wherever possible, be made by wire transfer and not by cheque to avoid the possibility of cover being prejudiced by delays in clearing the funds.

4 COMPLAINTS

We strive to do everything to ensure that our clients receive the best possible service and accordingly, if you wish to make a complaint about our service you may do so by contacting any member of our staff by whatever means is convenient to you.

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 investigations take longer, we will usually provide you with a full written response within 20 working days.

5 CONFIDENTIALITY

Information which you provide to us will not be used or disclosed by us to other parties, except in the normal course of handling a contract of insurance or a claim on your behalf, unless we have obtained the necessary consent from you or where we are required to by law or by a regulatory body that has authority over us. We will take appropriate steps to maintain the security of your confidential documents and information which are in our possession.

6 DATA PROTECTION

We are registered under the Data Protection Act 1998 and we undertake to comply with the Act in all our dealings with your personal data.

We may monitor and record telephone calls for quality assurance purposes.

7 CLIENT MONIES

Money received from you, or to be paid to you, in relation to the insurance contracts we arrange on your behalf, (known as Client Money) will be held by our Principal R K Harrison Group Limited ("RKHG") in accordance with the FSA rules either:

(a) As your agent by way of a Non-Statutory Trust as Client Money in

a segregated bank account. In the unlikely event of RKHG's failure, Client Money is available to clients ahead of other creditors; or

(b) As agent of the relevant insurer, usually known as "Risk Transfer", and which is co-mingled in the Non-Statutory Trust and referred to as Client Money.

Please remit all funds payable to R K Harrison Group Limited as we are not authorised to hold Client Money.

RISK TRANSFER (MONEY HELD AS AN AGENT OF AN INSURER)

Where RKHG have agreed in writing with insurers to receive money as their agent, money received whether from you or from the insurer will be the property of the insurer whilst RKHG hold it. So if you pay a premium to RKHG it will be treated as having been received by the insurer, which means you cannot be asked to pay it again if RKHG do not pay the premium over to the insurer. Similarly once RKHG have received the premium RKHG would be unable to return it to you, for example in the event of the insurer becoming insolvent. Also, if the insurer pays claims money or a return premium to RKHG for onward transmission to you and RKHG do not pay you, then the insurer will still be liable to you. As the insurer bears the risk of such losses this agency relationship is usually described as Risk Transfer.

You will be notified when Risk Transfer applies.

CLIENT MONEY (HELD AS YOUR AGENT)

Where RKHG do not have a Risk Transfer arrangement with insurers, so that Risk Transfer does not apply, money RKHG receive from our clients (or from insurers) will be the client's property whilst RKHG hold it. This means the premium in RKHG's custody is not treated as having been received by insurers until RKHG actually pay it over. Similarly claims money or return premiums received from insurers will be held on the client's behalf.

As Client Money is not RKHG's money, the FSA rules require that it is kept separate from RKHG's own money and as permitted by the rules RKHG hold such money with an approved bank segregated in a client bank account designated as a Non-Statutory Trust account.

As permitted by the Non-Statutory Trust RKHG are entitled to and may use Client Money held on behalf of one client to pay another client's premium before the premium is received from that other client, and to pay claims and premium refunds to another client before RKHG receive payment from the insurer. However, RKHG are not entitled to use Client Money to pay commissions before RKHG receive the relevant premium from the client. RKHG may however withdraw commissions due from the relevant premium once received prior to onward payment provided that such commission withdrawal is permitted by the terms of business agreement with the insurance undertaking concerned.

The aim of the Non-Statutory Trust is to protect the client in the event of the failure of the firm, or the failure of the bank or a third party at which the Client Money may be held. In such a circumstance, the firm's general creditors should not be able to make claims on Client Money as it will not form part of the firm's property.

The fact that RKHG will hold money on trust gives rise to fiduciary duties that will be owed to you until the Client Money reaches the insurer. FSA rules permit RKHG to hold both Risk Transfer and Client Money together in the Non-Statutory Trust bank accounts as long as the insurer subordinates its right to the money to those of the clients.

SEGREGATION OF DESIGNATED INVESTMENTS

RKHG keep Client Money separate from its own money. RKHG may do this by paying it into the Non-Statutory Trust account. However, RKHG may also do this by arranging to hold separately permitted designated investments with a value at least equivalent to the money that would otherwise have been paid into the Non-Statutory Trust account. If RKHG

do this RKHG will be responsible for meeting any shortfall in its Client Money resource that is attributable to falls in the market value of a segregated investment.

INTEREST ON CLIENT MONEY

Any interest earned on Client Money held by RKHG and any investment returns on any segregated designated investments will be retained by RKHG for its own use, rather than paid to you.

PAYMENT TO THIRD PARTIES

RKHG may transfer Client Money to another person, such as another broker or settlement agent, for the purpose of effecting a transaction on your behalf through that person.

This may include brokers and settlement agents outside the UK. The legal and regulatory regime applying to a broker or settlement agent outside the UK may be different from that of the UK and, in the event of a failure of the broker or settlement agent, this money may be treated in a different manner from that which would apply if the money were held by a broker or settlement agent in the UK.

You may notify us if you do not wish your money to be passed to a person in a particular jurisdiction.

BANK ACCOUNTS

Client Money will be deposited with one or more approved banks, a list of which is available upon request. RKHG's principal bankers are The Royal Bank of Scotland plc.

RKHG may on occasion choose to hold Client Money with a bank that is not an approved bank and/or outside the UK. In such circumstances the legal and regulatory regime applying to the bank with which the Client Money is held will be different from that of the UK and, in the event of a failure of the bank, the Client Money may be treated differently from the treatment which would apply if the Client Money were held by an approved bank in the UK.

Where Client Money is held in a bank that is not an approved bank, such money will be held in a designated bank account. This means that it is not pooled with money held in any other account.

RKHG will not hold Client Money in a bank that is not an approved bank for any longer than is necessary to effect the transaction.

Where RKHG propose to hold Client Money with a bank that is not an approved bank we will request your consent in writing to the use of the particular bank.

You may notify us if you do not wish your money to be held in a particular jurisdiction.

YOUR ACCEPTANCE OF THESE FINANCIAL TERMS

You will be deemed by us to have given us your informed consent to RKHG holding your money on the Non-Statutory Trust basis described above if you have received these terms of business and you continue to do business with us. Consequently, if you are happy with RKHG holding Client Money on a Non-Statutory Trust basis there is no need for you to take any action. If you do have any concerns then please let us know.

8 REMUNERATION

Our usual remuneration is by way of brokerage, being a percentage of the premium charged by insurers in respect of the contract of insurance arranged by us or a fee which is agreed in advance with you for the services provided by us.

Occasionally, we may be asked to arrange facultative or treaty reinsurance for the insurers directly involved with your insurance. This placement is subject to a separate and distinct contract with its own terms and conditions including remuneration.

There are a number of other ways that we may be remunerated, including 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 facility such as a Line slip or Binding Authority. Notwithstanding this, we understand our absolute responsibility to ensure that the clients' best interests are paramount when selecting an insurer.

In addition to the above, we advise that as a result of arranging insurance on your behalf, we may also receive additional income from interest earned on insurance monies passing through RKHG insurance bank accounts and other investment returns that RKHG retain for its own use rather than pay to our clients.

Where any payment described above, attributable to the placement by us of your contract of insurance, is high in comparison to the brokerage or fee payable by you for that contract we shall disclose it to you. Otherwise the administration arrangements effected by us would be too costly to be beneficial and accordingly you agree to waive any right to be informed by us of such smaller payments or to take any action against us (or any of our employees) in respect thereof.

We are committed to ensuring absolute transparency of our remuneration and so we will, at your request, fully disclose our remuneration including any income additional to the brokerage or agreed fee that we may receive directly as a result of the services provided by us relating to the insurance contract.

9 RELATIONSHIPS

As an independent insurance intermediary we act as the agent of our client. We are subject to the law of agency, 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 and you may provide further instructions. For example, in some instances the insurer may delegate their authority enabling us to bind risks and administer a policy; by undertaking these activities we would be acting primarily on behalf of the insurer. In the event that our own interests conflict with a duty we owe to you, we shall refrain from taking any action until we have apprised you of the situation and received your informed consent to our course of action.

10 POLICY CANCELLATION

Any right to cancel an insurance contract will be contained within the policy document and it may be that if you do cancel, the insurers may not be required to refund premium on a pro-rata basis.

Please also note that in the event that you fail to pay the premium by the due date the insurance may be cancelled forthwith.

Our remuneration is considered fully earned upon the formation of the contract of insurance and in the event that the insurance is cancelled or terminates after inception for whatever reason, we reserve the right to retain the remuneration we have earned.

11 TERMINATION OF THIS AGREEMENT

You may terminate this agreement at any time by notifying us in writing. In the event that our services are terminated by you we will be entitled

to receive any remuneration payable at that date, including by set-off or otherwise.

We may terminate this agreement at any time by giving you 14 days prior notice in writing. Neither party shall be required to provide a reason for termination.

12 FINANCIAL CRIME

We are obliged to report to the appropriate regulatory authority such as the UK Serious Organised Crime Agency any evidence or suspicion of financial crime, including money laundering, fraud and bribery, at the first opportunity and we may be prohibited from disclosing any such report.

You warrant that you will neither knowingly violate any local and international laws, rules and regulations relating to financial crime that apply to your operations nor cause us or any other R K Harrison Group Company to do so in relation to the services we provide.

If you require a payment to be made to a third party then you must confirm the required payee name and details and provide a satisfactory explanation for your request.

13 RIGHTS OF THIRD PARTIES

These terms of business are not intended to, nor do they, confer a benefit or remedy on any third party other than an R K Harrison Group Company, whether by virtue of the Contract (Rights of Third Parties) Act 1999 or otherwise. Further, we may rescind or vary these terms of business as they apply to you, whether in whole or in part, without the consent of any third party.

14 LANGUAGE

All evidence of cover and other documentation provided to you, and any discussion with you, will be in English. We request that any documentation and instructions you provide to us are in English.

15 LAW AND JURISDICTION

These terms of business shall be governed by and construed in accordance with English law. In relation to any legal action or proceedings arising out of or in connection with these terms of business the parties irrevocably submit to the exclusive jurisdiction of the English courts.

16 INSURANCE BROKING BANK ACCOUNTS

RKHG's principal Bankers are The Royal Bank of Scotland plc.
5/10 Great Tower Street, London EC3R 5DJ, UK

FOR PAYMENTS IN THE UNITED STATES, PLEASE USE THE FOLLOWING ACCOUNT (ELECTRONIC TRANSFERS ONLY):

RBS Citizens, N.A, 1 Citizens Drive, Riverside, Rhode Island 02915

Name of Account:

R K Harrison Group Limited NST Client Account

Currency	Bank Code	Account No	SWIFT Code
US Dollars	ABA – 011500120	1312648632	CTZIUS33

FOR ALL OTHER PAYMENTS, PLEASE USE THE FOLLOWING ACCOUNTS:

Name of Accounts:

R K Harrison Group Limited NST Client Account

RKHG maintains accounts in the following currencies:

	Sort code	Account Number	SWIFT Code	IBAN Number
Australian Dollars	15-20-25	RKHIBNCA-AUDA	RBOSGB2L	GB56 RBOS 1663 0000 4710 15
Canadian Dollars	15-20-25	RKHIBNCA-CADA	RBOSGB2L	GB73 RBOS 1663 0000 4615 91
Euros	15-20-25	RKHIBNCA-EURA	RBOSGB2L	GB13 RBOS 1610 7010 1005 25
Hong Kong Dollars	15-20-25	RKHIBNST-HKDA	RBOSGB2L	GB16 RBOS 1663 0000 5370 16
New Zealand Dollars	15-20-25	RKHIBNST-NZDA	RBOSGB2L	GB47 RBOS 1663 0000 5370 40
Norwegian Kroner	15-20-25	RKHIBNST-NOKA	RBOSGB2L	GB38 RBOS 1663 0000 5370 08
Swedish Kronor	15-20-25	RKHIBNST-SEKA	RBOSGB2L	GB61 RBOS 1663 0000 5369 82
Swiss Francs	15-20-25	RKHIBNCA-CHFA	RBOSGB2L	GB27 RBOS 1663 0000 4849 23
US Dollars	15-20-25	RKHIBNCA-USDA	RBOSGB2L	GB95 RBOS 1663 0000 4615 83
Sterling & other currencies	15-20-25	10234886	RBOSGB2L	GB77 RBOS 1520 2510 2348 86

Please ensure that the SWIFT code is quoted on all payment instructions as this will assist in processing the payment without delay.

When arranging payment by wire transfer, it will also assist greatly if an e-mail could be sent to the following advising details of the wire transfer payment and a breakdown of the payment amount:

Head Cashier

Tel: +44 (0)1234 305 555 / Fax: +44 (0)1234 408 676

Email: head.cashier@rkharrison.com

Address: Woodlands, Manton Lane, Bedford MK41 7LW, UK

R K Harrison Financial Risks Limited

Tel: +44 (0)20 7456 9300

Fax: +44 (0)20 7456 9399

Email: enquiry@rkhfr.com

www.rkhfr.com

An R K Harrison Group company

