

FiscalReps Service Agreement

FiscalReps guarantees its clients an efficient, customer-focused service, which is achieved through both parties working in close collaboration. The responsibilities of both sides are set out in this Service Agreement.

1 Desired Results

- 1.1 The key objective is your compliance with Insurance Premium Tax legislation. This is the reason you have engaged FiscalReps and is our primary responsibility.
- 1.2 The key objective will be achieved by:
 - > Appointing FiscalReps as fiscal representative in every country required
 - > Submission and payment of IPT returns on time, every time
 - > Notification to you of changes in legislation that affect your business

2 Guidelines

- 2.1 FiscalReps will operate within the following parameters:
- 2.2 Time:
 - 2.2.1 Deadlines exist for the filing and payment of premium tax returns
 - 2.2.2 It is essential that:
 - > The necessary information is supplied to FiscalReps on a timely basis
 - > The taxes due are remitted to FiscalReps on a timely basis
 - > FiscalReps processes the information and files and pays the returns on time
- 2.3 Cost:
 - 2.3.1 As suppliers and purchasers of this service our views on pricing may well differ. However, it is essential that we reach an agreement that is acceptable to both parties. Care must be taken to ensure that:
 - > The cost is reasonable given the work required and expertise needed
 - > The cost is justifiable to your senior executives
 - > The price enables FiscalReps to provide the full service to you
- 2.4 Financial Systems:
 - 2.4.1 The outputs from your underwriting, management information and reporting systems form the basis of FiscalReps' inputs.

- 2.4.2 FiscalReps must process these inputs, ensure that the applicable tax rates have been correctly used and prepare the premium tax returns.
- 2.4.3 It is essential that your systems provide us with the information necessary for us to complete our service.
- 2.4.4 FiscalReps' accounting and insurance technical experience can be used to assist you in developing the necessary reports. However, FiscalReps will not perform any audits and the responsibility for the performance of your management reporting systems is yours.
- 2.4.5 FiscalReps will develop its own internal systems to process your inputs and prepare the necessary filings for submission.

2.5 Business Efficiency:

- 2.5.1 Corporate governance legislation, tax and industry regulations will continue to impose legal duties for the implementation of strong internal controls and compliance in all financial areas of the business.
- 2.5.2 It is our responsibility to ensure that you remain fully compliant with all EU IPT legislation imposed by the relevant tax authorities. Our aim is to achieve full compliance in an effective and efficient manner, ensuring that compliance comes at a cost that is commercially acceptable to you.

3 Resources

- 3.1 The resources that FiscalReps will provide in order to complete the project are detailed as follows:
- 3.2 Personnel:
 - 3.2.1 You will be assigned a dedicated team who will be responsible for the performance of your services. Within the team one person will be designated as your primary contact and all contact will be routed through them.
 - 3.2.2 In addition to your service team you can contact Mike Stalley, Chief Executive, if you encounter any problems.
- 3.3 Financial:
 - 3.3.1 Profits are reinvested into our business to create the level of infrastructure necessary to provide clients with the best possible service, so that their compliance obligations are met over the long term.

3.4 Technical:

3.4.1 FiscalReps has significant experience in all aspects of the insurance industry. We possess knowledge of international finance and insurance, London market practices, accounting and business management, taxation, compliance and process development, providing a solid foundation on which to build a strong business powered by knowledge, practical application and experience.

3.4.2 FiscalReps is focussed on developing foreign language expertise within the company. All employees are encouraged to learn a second language for business use. Future employees will be required to have either a good practical knowledge of a foreign language or must demonstrate the willingness and capability to learn a foreign language.

3.5 Organisational:

3.5.1 Our objective is to establish and maintain a permanent office in every country where we are required to act as your fiscal representative.

3.5.2 Operating across the EU does pose difficulties, but potential communication problems concerning language and culture have been avoided by engaging local specialists and developing our own in-house foreign language capability.

3.5.3 Our ownership of and control over fiscal representative operations in every country provides you with several distinct advantages;

- > Completeness and consistency of service capability across Europe
- > Central management of tax compliance operations in the UK

4 Accountability

4.1 The critical factor is the delivery of our service in accordance with relevant premium tax legislation; that is the goal against which we wish to be measured. To facilitate this service both parties will bear the following responsibilities:

For more information or to discuss any premium tax issues within the EU, please contact us.

Fiscal Reps Limited

10 Fenchurch Avenue
London, EC3M 5BN
United Kingdom
T +44 (0)20 7663 5672

Mike Stalley, Chief Executive
mike.stalley@fiscalreps.com

www.fiscalreps.com

4.2 FiscalReps is responsible for:

- > Submission and payment of returns on time every time
- > Notification of changes in legislation affecting your business
- > Dealing with tax authorities when required on a timely basis

4.3 The client is required to:

- > Deliver information to FiscalReps within the agreed timetable
- > Deliver the specified information as agreed between you and FiscalReps
- > Deposit taxes for payment into the client bank account within the agreed timetable

5 Consequences

5.1 The consequences of delivery or failure to deliver can be summarised as follows;

| FiscalReps Delivers | FiscalReps Fails to Deliver |
|---|--|
| <ul style="list-style-type: none">> You are fully compliant> No further action needed | <ul style="list-style-type: none">> You may incur financial penalties> FiscalReps will be liable for these |
| Client Delivers | Client Fails to Deliver |
| <ul style="list-style-type: none">> You have provided us with the required information on time> It is now down to us to deliver on our promise | <ul style="list-style-type: none">> If you fail to deliver it will render us unable to ensure your full compliance> You may incur financial penalties which will be a cost to you |

5.2 We will always do our utmost to ensure that you are fully compliant with insurance premium tax regulations, but there are certain situations where we may be unable to assist. Examples include:

- > Force Majeure type event
- > Failures in your own internal controls and reporting systems

5.3 If you are experiencing problems in providing us with the required information on time please notify us as soon as you become aware of the problem. In these circumstances we will do our utmost to ensure your continued compliance whilst assisting you in solving your problem.