

MASTER SERVICE AGREEMENT

This agreement (this “**Agreement**”) is made as of the 1st day of December 2021 (the “**Effective Date**”) between: XYZ Management Services Guernsey Limited with registered address at The Office Suites, St Peter Port, Guernsey GY1 1BT with company number 12345 (“**XYZ**”), and ABC Insurance Limited, with registered address at The Office Suites, St Peter Port, Guernsey GY1 1BT with company number 67891 (the “**Company**”).

WHEREAS:

- A XYZ is duly licensed to carry on business as a captive insurance manager by the Guernsey Financial Services Commission (the “**Regulator**”) under the laws of Guernsey;
- B The Company desires certain management and ancillary services in connection with its insurance business; and
- C The Company and XYZ wish to enter into an agreement which will govern their relationship.

NOW, THEREFORE, in consideration of the mutual promises and undertakings set forth herein, the sufficiency of which is hereby acknowledged, and in consideration of the performance by each of the parties hereto of such obligations accepted hereunder, pursuant to and subject to the terms hereof, the parties hereby agreed as follows:

1. SERVICES

Pursuant to the terms of this Agreement and from time to time, the Company may engage XYZ to perform services as set forth in one or more statements of work (“**SOW**”) that will be appended hereto. In each instance when the Company engages XYZ to perform services, the Company and XYZ will develop and agree upon a SOW that sets forth the services (“**Services**”). A sample form of SOW is attached hereto as Exhibit A. XYZ will not commence performing any Services in connection with any SOW, until the Company and XYZ have properly executed such SOW. Each SOW will incorporate and be governed by the terms of this Agreement and will be binding upon XYZ and the Company and all rights and obligations of the parties set forth in this Agreement will be deemed to apply to such SOW as if fully set forth therein. If XYZ commences Services prior to execution of this Agreement or a particular SOW, the terms of this Agreement and of the relevant SOW as executed by the parties shall govern such Services. If there is a conflict between the terms of this Agreement and a SOW, the terms of the SOW shall prevail.

2. EXPANSION OF ACTIVITIES

If XYZ is called upon to render services or engage in activities that are either significantly greater than those contemplated by the parties under the relevant SOW as executed by the parties as of the commencement or are outside of the normal day-to-day management activities (the “**Additional Services**”), and in respect of which XYZ agrees to carry out such Additional Services, upon notice by XYZ to the Company, the parties shall negotiate in good faith to establish an additional SOW with a separate and additional fee. Unless and until such additional SOW is entered into in respect of the Additional Services, XYZ shall be under no obligation to carry out any such Additional Services.

3. OBLIGATIONS OF XYZ

- 3.1 Pursuant to and in accordance with the terms and conditions of this Agreement XYZ will perform the Services during the term of the SOW.
- 3.2 In accordance with clause 2 above, any additional services which the Company may from time to time require to be performed by XYZ will be agreed by the parties in writing and set forth in a SOW prior to commencement thereof and shall attract separate and additional fees which shall be due and payable in accordance with the compensation section of the SOW.
- 3.3 XYZ shall perform the Services with reasonable skill, in accordance with the generally accepted standards and practices as are customarily provided by professional captive management companies in Guernsey.
- 3.4 In performance of the Services, the Company acknowledges that XYZ is not providing to the Company any legal advice or counsel, investment management or advice, sanctions advice, tax advice, auditing or actuarial services (unless otherwise provided in the SOW) or any other professional service, or any other advice or service (under this Agreement or otherwise) which is not expressly identified in a SOW.
- 3.5 For the avoidance of doubt and notwithstanding the Services to be provided, the Company hereby acknowledges and agrees that XYZ is not qualified to and shall not be expected to audit financial statements of any nature whatsoever or offer opinions on them in relation to the Company. The Company shall pay the fees and expenses of an independent firm of auditors hired [by the Company and agreed to by XYZ (which agreement will not be unreasonably withheld)] for such purposes. XYZ agrees to cooperate fully with any auditor appointed for such purpose.
- 3.6 XYZ will reasonably cooperate with any third party advisor appointed by the Company to provide any services not provided by XYZ.
- 3.7 XYZ shall provide such information as the Company or its internal and external auditors may request to enable the Company to monitor the provision of the Services and shall provide access to the personnel providing the Services under the terms of this Agreement and the documentation relating thereto.
- 3.8 XYZ acknowledges and agrees that the Company has the right to issue general guidelines and individual instructions (the "Guidelines") in writing at the address of XYZ, or otherwise, as to what has to be taken into account when performing the Services under this Agreement. XYZ is obliged to follow these Guidelines only to the extent that they are in compliance with law and relate to the Services to be provided under this Agreement. The issuance of any such Guidelines by the Company must be notified to XYZ in advance.
- 3.9 Within five (5) business days of the Company's request (or within such shorter time period as may be required in order for the Company to comply with a request from the Regulator or other applicable law or regulations), XYZ shall procure that the Company (or, at the company's request, its auditors) and/or the Regulator (including any of the Regulator's representatives or appointees) are granted access to XYZ's premises for the purpose of examining all documentation relating to the Services provided under this Agreement to ensure compliance with this Agreement.

- 3.10 XYZ shall comply with all applicable laws, regulatory requirements and guidelines as well as policies approved by the Company, written copies of which have been provided by the Company to XYZ.
- 3.11 XYZ shall cooperate with the Regulator with regard to the performance of Services under this Agreement. XYZ acknowledges that the Regulator may address questions directly to it regarding the Services provided under this Agreement where it's appropriate for the purposes of supervision and XYZ agrees to reply to such questions.
- 3.12 XYZ shall disclose to the Company any development which may have a material impact on XYZ's ability to provide the Services under this Agreement effectively and in compliance with applicable laws and regulatory requirements.

4. DUTIES OF THE COMPANY

- 4.1 The Company, in consideration of XYZ agreeing to provide the Services, hereby agrees to:
 - 4.1.1 conduct its affairs in accordance with applicable law and shall provide XYZ with sufficient information and instructions so as to enable XYZ to provide the Services envisaged by this Agreement;
 - 4.1.2 where appropriate and on request, approve, ratify and/or confirm the reasonable actions of XYZ on behalf of the Company, which actions are within the scope of this Agreement;
 - 4.1.3 make all and any decisions on, and accept sole responsibility for, investments of the Company and insurance or re-insurance placements and the Company or its Counsel shall ensure such decisions will not cause a breach under any applicable laws;
 - 4.1.4 observe all and any applicable laws and shall ensure it complies with the same, including without limitation any applicable data privacy laws;
 - 4.1.5 act promptly upon any proposal which may be submitted to it for approval by XYZ and shall promptly comply with any request for instructions or information made by XYZ in order that XYZ may provide the Services;
 - 4.1.6 pay to XYZ the compensation agreed in accordance with the SOW; and
 - 4.1.7 XYZ being entitled to rely and act upon all instructions and information given to it by an officer of the Company or a duly authorized representative of the Company orally or in writing (including but not limited to by letter, facsimile or any electronic media).
- 4.2 The Company shall keep XYZ informed during the term of this agreement of all material developments relating to the business of the Company and shall promptly furnish to XYZ executed sets of all minutes of the meetings of and the resolutions adopted by the stockholders, board committees and board of directors of the Company. The Company shall allow a XYZ employee to attend all of the Company's board of directors meetings.

5. AUTHORITY OF XYZ

With the authority granted hereunder, XYZ shall have all the power and authority necessary or desirable to carry out its duties and obligations hereunder, which shall include the right to engage, as an independent contractor, any person, corporation or other organization (“Subcontractor”) to perform any functions to be performed hereunder by XYZ. The authority granted hereunder [shall specifically include the right to engage other XYZ affiliates. XYZ hereby acknowledges that its obligations and duties hereunder shall not be affected by the engagement of any Subcontractor. XYZ will not provide investment advice, shall have no liability whatsoever for the soundness of any investments made hereunder, the amount of return from such investments, or the solvency of the institution in which they may be deposited or invested.

6. CONFIDENTIALITY

XYZ acknowledges that all non-public information disclosed by the Company or which comes to its attention during the course of performing the Services hereunder (“Confidential Information”) constitutes a valuable asset, is proprietary to the Company, and that XYZ has a duty to keep such information confidential. Except to the Company’s counsel, Third Party Providers, the Regulator or as required by law or regulation, XYZ will not disclose such information, or permit its employees, officers or agents to disclose such information to any person outside XYZ, without the Company’s prior written consent. XYZ shall take all steps reasonably required to maintain the confidentiality of Confidential Information in its possession. The transmission of Confidential Information via electronic data transmission networks which provide for the security of users’ data shall be deemed consistent with XYZ’s obligations hereunder unless such use is contrary to the Company’s express instructions. The Company acknowledges and agrees that XYZ may include, on an anonymous basis, information relating to the Company’s insurance program in benchmarking, modeling, analytic and insurance offerings.

The Company acknowledges that in the course of performing audits on XYZ or while evaluating XYZ’s operations, practices and systems around data protection, the Company will have access to information that is confidential to XYZ. The Company agrees to keep such information confidential. Should the Company hire a third party to perform any type of audit of XYZ’s books, records or systems, the Company will obligate such third party to keep such information confidential and the Company shall at all times remain responsible for any breach of confidentiality of such third party. Upon request by XYZ, all documents and records that XYZ has provided to the Company shall be returned to XYZ; provided, however, that the Company may retain copies of documents in accordance with XYZ’s record retention policy and as required by applicable law.

The restrictions and agreements set forth herein shall not apply to any Confidential Information (i) which at the time disclosed to or obtained by XYZ is in the public domain; (ii) which becomes part of the public domain through no act, omission or fault of XYZ; (iii) which XYZ’s records demonstrate was developed independently by XYZ or was received by XYZ from a third party, which XYZ had no reason to believe had any confidentiality or fiduciary obligation to the Company with respect to such information. This provision, however, shall in no way limit XYZ’s responsibility to disclose information as required by law. The obligations of this section shall survive the termination of this Agreement by two years.

7. RELATIONSHIP BETWEEN PARTIES; LIMITATION OF RESPONSIBILITY

(a) Independent Contractors. This Agreement establishes a relationship of independent contractors between the parties. As such, subject to the terms hereof, each shall conduct its business at its own

initiative, responsibility and expense, and shall have no authority to incur any obligation on behalf of the other party. No third party shall have or be deemed to acquire any rights hereunder. Neither party shall use the name of the other party or any affiliate of such other party, or any other intellectual property of such party or affiliate in any public document, advertising, public relations release or any other publicity without the prior written consent of such other party.

(b) Scope of Services. The obligations of XYZ hereunder are limited to the good faith performance of the Services to the Company set forth herein. XYZ is entitled to rely on information or instructions (oral or written) provided by the Company and XYZ shall have no responsibility for the accuracy, authenticity or completeness of such information or instructions. XYZ shall not have any other or further obligations or responsibilities to the Company, including, but not limited to, any obligation or responsibility for the payment of any insurance or reinsurance premiums, the profitability of the business of the Company, the solvency of any person (including the Company), the failure of third parties (including insurers and reinsurers) to fulfill their obligations, or the Company's obligation to comply with applicable data privacy laws. XYZ's service obligations to the Company are solely contractual in nature. The Company acknowledges that, in performing the Services, XYZ and its affiliates are not acting as a fiduciary for the Company, except to the extent required by applicable law, and do not have a fiduciary or other enhanced duty to the Company.

(c) Limit of Liability. Nothing in this clause shall limit liability which cannot legally be limited including liability for fraud, willful default or gross negligence. Subject to the preceding qualification, XYZ shall not be liable for any indirect, special, incidental, consequential or punitive damages or for any lost profits arising out of or relating to any services provided by XYZ or its affiliates and in any event the aggregate liability of XYZ, its affiliates and its and their employees to the Company or its affiliates arising out of or relating to the provision of the Services by XYZ or its affiliates in all cases shall not exceed GBP1,000,000 (one million pounds sterling) for the contract year in which the Services giving rise to such liability were provided by XYZ or its affiliates. This provision applies to the fullest extent permitted by applicable law.

(d) Indemnification. The Company shall indemnify and hold harmless XYZ, its officers, directors, employees (including those employees acting in the capacity of a director or officer of the Company), agents and affiliates from and against any losses, claims, damages, liabilities, cost or expenses, including reasonably incurred legal fees and other expenses of investigation (collectively, "Losses"), to which XYZ may become subject as a result of any actions taken or specific instructions given by the Company to XYZ in the provision of the Services except to the extent that a court having jurisdiction shall have determined by a final judgment that such Losses resulted from XYZ's willful misconduct or fraud. The Company shall use all reasonable endeavors to cause its parent corporation to guarantee the Company's obligation to indemnify and hold harmless XYZ. The provisions of this section shall survive the expiration or termination of this Agreement, including any extensions thereof.

(e) Coverage for Directors and Officers. If an employee of XYZ acts as a director or officer of the Company, such person shall be insured under the Company's directors and officers liability policy, or under the directors and officers liability policy of the parent corporation of the Company, and certification or other evidence of such coverage shall be attached hereto as Schedule 2 and made a part hereof. The Company shall notify XYZ if such coverage is terminated or if changes are made to such coverage affecting XYZ personally acting as directors or officers for the Company. The provisions of this section shall survive the expiration or termination of this Agreement, including any extensions thereof.

In the event that a Director is an employee of XYZ, no fee is chargeable by such individual to the Company or payable by the Company to such individual for serving as Director of the Company. The

Company shall be responsible for paying the fees of any Director who is not an employee of XYZ at such rates as may be agreed between the Company and the Directors from time to time.

(f) Trade Sanctions. XYZ is unable to provide risk consulting, claims or other services or provide any benefit to the extent that the provision of such services or benefit would violate applicable law or expose XYZ or its affiliates to any sanction, prohibition or restriction under UN Security Council Resolutions, EU Council Regulations or under other trade or economic sanctions, laws or regulations. XYZ shall not be liable to the Company or any third parties if XYZ reasonably declines to fulfil any of its obligations under this Agreement or if XYZ takes any other steps to comply with or observe financial crime or sanctions laws and regulations on the basis that XYZ would otherwise become exposed to enforcement action, restrictive measures, penalties or other action under or in consequence of such sanctions laws and regulations (and XYZ will not be liable to the Company for any similar steps taken by any third parties).

8. COMPENSATION AND EXPENSES

Fees and expenses for XYZ's Services hereunder shall be determined and paid in accordance with each SOW. XYZ agrees to disclose to the Company any other compensation to be earned by XYZ in connection with the Services to be provided to the Company hereunder, and to obtain the Company's written consent prior to accepting such other compensation.

9. EFFECTIVE DATE AND TERMINATION

(a) Effective Date and Normal Termination. This Agreement shall become effective on the Effective Date and shall continue from year to year until terminated by the agreement of the parties; provided, however, that either party may terminate this Agreement at any time by giving not less than ninety (90) days' written notice to the other party of its intention to do so. Upon the expiration or termination hereof, XYZ shall have no further duties or obligations hereunder unless specifically set forth herein or otherwise agreed to by the parties.

(b) Termination for Breach or Insolvency. This Agreement may also be terminated forthwith by written notice of termination to the other party upon the occurrence of either of the following:

- (i) If such other party fails to perform or observe, or commits a breach of, any provision of this Agreement, and fails to cure, remedy or satisfactorily explain such failure or breach within thirty (30) days following delivery to such other party of a written notice of the alleged failure or breach;
- (ii) the affairs of any party to this Agreement being declared en désastre or that party becoming insolvent or going into liquidation (other than voluntary liquidation for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the parties to this Agreement) or a receiver or administrator being appointed or some event having equivalent effect occurring;
- (iii) upon the occurrence of the winding up of the Company;
- (iv) XYZ ceasing to hold the relevant licence with the Regulator to enable XYZ to carry out the Services pursuant to this Agreement.

(c) Termination Assistance Services. Upon the termination or expiration of this SOW, XYZ will provide the Company with reasonable assistance to transition the Services provided under this SOW to the Company or to a successor service provider.[Where approval by the Regulator is required for the

transfer of insurance manager (and termination of this Agreement), the termination date shall be the date such approval is obtained, or such later date as may be agreed between the parties. If this Agreement is terminated but XYZ continues as insurance manager and/or provides Services then it shall be the responsibility of the Company to appoint an alternative licensed insurance manager to manage the Company. Where this Agreement is terminated but XYZ is required to remain as insurance manager of the Company until a replacement insurance manager is appointed, XYZ shall have the right to continue to charge for provision of any of the Services it is required to carry out until it is no longer the manager for the Company. Specifically, XYZ shall be entitled to charge additional fees in relation to the nature, responsibility and time involved in the work necessarily and reasonably undertaken in the termination of this Agreement and to recover all reasonable costs and expenses incurred where a replacement manager is appointed, including but not restricted to the work in transferring responsibility and records to the new manager].

10. FORCE MAJEURE

10.1 In this clause 10 a "**Force Majeure Event**" means any circumstance not within a party's reasonable control including, without limitation:

- (a) acts of God, flood, drought, earthquake or other natural disaster;
- (b) epidemic or pandemic;
- (c) terrorist attack, civil war, civil commotion or riots, war, threat of or preparation for war, armed conflict, imposition of sanctions, embargo, or breaking off of diplomatic relations;
- (d) nuclear, chemical or biological contamination or sonic boom;
- (e) any law or any action taken by a government or public authority, including imposing an export or import restriction, quota or prohibition, or failing to grant a necessary licence or consent;
- (f) collapse of buildings, fire, explosion or accident; and
- (g) interruption or failure of utility service.

10.2 Provided it has complied with Clause 10.4, if a party is prevented, hindered or delayed in or from performing any of its obligations under this agreement by a Force Majeure Event ("**Affected Party**"), the Affected Party shall not be in breach of this agreement or otherwise liable for any such failure or delay in the performance of such obligations. The time for performance of such obligations shall be extended accordingly.

10.3 The corresponding obligations of the other party will be suspended, and its time for performance of such obligations extended, to the same extent as those of the Affected Party.

10.4 The Affected Party shall:

- (a) as soon as reasonably practicable after the start of the Force Majeure Event, notify the other party of the Force Majeure Event, the date on which it started, its likely or potential duration, and the effect of the Force Majeure Event on its ability to perform any of its obligations under the agreement; and
- (b) use all reasonable endeavours to mitigate the effect of the Force Majeure Event on the performance of its obligations.

10.5 If the Force Majeure Event prevents, hinders or delays the Affected Party's performance of its obligations for a continuous period of more than 4 weeks, the party not affected by the Force Majeure Event may terminate this agreement by giving written notice to the Affected Party to terminate this Agreement in accordance with Clause 9 above.

11. CHANGE OF CONTROLLER

The Company shall not implement (and shall procure that no member of its group implements) any arrangement which would, for the purposes of The Insurance Business (Bailiwick of Guernsey) Law, 2002 (as amended) result in a change of controller of the Company, without the prior approval of the Regulator. The Licensee further undertakes to provide to the Manager all copies of all correspondence submitted to and received from the Commission in connection with any such proposed change of controller as soon as reasonably practicable.

12. MISCELLANEOUS

(a) **Non-Exclusivity.** This Agreement shall not in any way prevent XYZ from performing similar services for third parties.

(b) **Foreign Exchange.** XYZ shall convert all expenses and costs paid by XYZ on behalf of the Company in any currency other than sterling to sterling at the conversion rate in effect on the date that XYZ paid the expenses or costs, so that all exchange gain or loss incident thereto shall be incurred by or inure to the benefit of the Company.

(c) **Assignment.** The Company may not assign its interest under this Agreement without the prior written consent of XYZ in its sole discretion. XYZ may, without consent, on twenty one (21) days' notice in writing transfer its rights and obligations under this Agreement to any of its affiliates which is able to perform the Services in accordance with this Agreement.

(d) **Successors and Assigns.** Subject to clause 10(c) above (to the extent relevant), this Agreement shall be binding upon the successors, legal representatives or permitted assigns of the parties hereto.

(e) **XYZ Personnel.** The Company agrees that neither it nor any affiliate will, during the term of this Agreement, or for twelve months after termination, hire or solicit to hire any XYZ employees who have provided Services within the scope of a SOW, without the express written consent of XYZ. [In the event that the Company or the Company affiliates hires any XYZ employee during the term of this Agreement or within twelve (12) months of termination of this Agreement, the Company agrees to pay to XYZ an amount equal to one hundred percent (100%) of XYZ employee's gross annual salary during the most recent twelve months of XYZ employee's employment with XYZ]. Having regard to the training, experience and specialist nature of the skills of the persons through whom XYZ provides the Services, the Company and XYZ agree that the amount payable to XYZ specified above for hiring of its employees is a reasonable forecast of the probable harm that will be caused to XYZ by such an event and that the amount is not a penalty.

(f) **Entire Agreement.** All prior negotiations and agreement between the parties hereto relating to the subject matter hereof are superseded by this Agreement, and there are no representations, warranties, understandings or agreements other than those expressly set forth herein, except as subsequently modified by an instrument signed by the parties hereto.

(g) **Waivers.** The failure of either party at any time to require the other party's performance of any obligation hereunder shall not affect the right to require performance of that obligation in the future. Any waiver by either party of any breach of any provision hereof shall not be construed as a waiver of any continuing or succeeding breach of such provision, a waiver or modification of the provision itself, or a waiver or modification of any other right hereunder.

(h) Notices. Any notice or other communication required or permitted hereunder shall be deemed given upon delivery if delivered personally or by e-mail, or three (3) days after mailing if mailed by an international overnight courier if such courier provides evidence of receipt, as follows:

To XYZ: XYZ Management Services Guernsey Limited
The Office Suites
St Peter Port
Guernsey GY1 1BT
Will.Shakespear@XYZ.com

To COMPANY: ABC Insurance Limited
The Office Suites
St Peter Port
Guernsey GY1 1BT
Mark.Twain@ABC.com

or to such other addresses as such parties shall have last designated by notice to the other parties.

(i) Captions. The captions of the several sections of this Agreement are inserted solely for convenience of reference, and are neither a part of nor intended to govern, limit or aid in the construction of any term or provision hereof.

(j) Governing Law. This Agreement and any dispute or claim arising out of or in connection with it or its subject matter, formation, existence, negotiation, validity, termination or enforceability (including non-contractual obligations, disputes or claims) will be governed by and construed in accordance with the laws of the Island of Guernsey. This Agreement may only be amended by mutual written agreement. The parties are of equal commercial sophistication and have negotiated this Agreement at arms' length. Each party is entering into this Agreement voluntarily, has read and understands all its provisions and has had the opportunity to seek and to obtain the advice of counsel on its rights and responsibilities under, and the terms and conditions of, this Agreement.

(k) Jurisdiction. Each party irrevocably agrees that the courts of the Island of Guernsey will have exclusive jurisdiction in relation to any dispute or claim arising out of or in connection with this Agreement or its subject matter, formation, existence, negotiation, validity, termination or enforceability (including non-contractual obligations, disputes or claims) and irrevocably submits to the exclusive jurisdiction of those courts.

(l) Severability. It is the intent of the parties that the provisions of this Agreement shall be enforced to the fullest extent permitted by applicable law. To the extent that the terms set forth in this Agreement or any word, phrase, clause or sentence is found to be illegal or unenforceable for any reason, such word, phrase, clause or sentence shall be modified or deleted in such manner so as to afford the party for whose benefit it was intended the fullest benefit commensurate with making this Agreement, as modified, enforceable, and the balance of this Agreement shall not be affected thereby, the balance being construed as severable and independent.

(m) Counterparts. This agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

(n) Survival. The representations, warranties and agreements contained in clauses 7(d)(*Indemnification*) and 7(e)(*Coverage for Directors and Officers*), shall survive the termination hereof, provided that no claims may be initiated by or on behalf of any party against any other party on the basis of such representations, warranties and agreements after three years from the termination hereof,

unless based upon a breach or failure to comply with an agreement which is to be performed or complied with in whole or in part after three years from the termination hereof.

(o) Online Portals. If in furtherance of the Services, XYZ needs to use an online portal of regulators, tax authorities and other service providers servicing the Company, the Company agrees that XYZ will have no liability to the Company for the use of such portals.

(p) Data Privacy. The processing of personal data hereunder shall be subject to the provisions of the Data Processing Annex in Exhibit B.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

SIGNED by
for and on behalf of **XYZ**

Signature

SIGNED by
for and on behalf of **THE COMPANY**

Signature

Exhibit A

Statement of Work

This STATEMENT OF WORK (“Statement of Work” or “SOW”) is entered into as of 1 January 2022 (the “Statement of Work Effective Date”) by and between ABC Insurance Limited, with its registered address at The Office Suites, St Peter Port, Guernsey GY1 1BT (the “Company”) XYZ Management Services Guernsey Limited with registered address at The Office Suites, St Peter Port, Guernsey GY1 1BT (“XYZ”),

NOW, THEREFORE, the parties agree as follows:

1. TERM

The initial term of this Statement of Work (“SOW Term”) will begin on the Statement of Work Effective Date and will expire on termination of the Master Agreement (“Statement of Work Expiration Date”) unless extended pursuant to this Section or terminated pursuant to the terms of the Agreement. Any extension of the SOW Term will be subject to the written agreement of the Parties. For the avoidance of doubt, this SOW incorporates and is governed by the terms of the Agreement and will be binding upon XYZ and the Company and all rights and obligations of the parties set forth in the Agreement apply to this SOW.

2. SERVICES

XYZ will render the following services to the Company, subject to the limitations and exceptions set forth herein:

A. CASH & INVESTMENT MANAGEMENT

1. Arranging payments.
2. Confirming incoming funds are identified and properly recorded.
3. Coordinating the placement of fixed deposits.
4. Confirming adequate funds are available to meet disbursements as they fall due.
5. Reconciling bank accounts in accordance to internal control guidelines.
6. Confirming all expenses and reimbursements are within the Company’s approved budget, operating guidelines, and reviewing invoices and obtaining authority for payment when required or outside of budget.
7. Following up with bank on any non-reconcilable or unsanctioned items debited to the account.
8. Resolving banking queries.
9. Reviewing statements and invoices, and obtain authority for payment.
10. Arranging prompt settlement of amounts due.
11. Maintaining strict internal controls as regulated by our accounting system, including: dual authorized approvers on each payment, separation of duties between payment initiation and authorization, valid and sufficient supporting documentation, and payee verifications.
12. Assisting the Company with complying with FATCA, Know Your Client (“KYC”) and other Money Laundering regulations and controls.
13. Collaborating with design and construction of investment management policy and provide benchmark data on asset allocation.
14. Coordinating release of funds with captive's investment manager to pay claims
15. Assisting the Company with cash being swept into the investment accounts in accordance with agreements

16. Preparing cash flow forecasts and submission to the Company's parent treasury function in the time and format set-out at the Company's parent level from time to time.
17. Checking that investment managers are given instructions for the release of funds
18. Assisting the Company to coordinate investments made on behalf of the Company fall within the parameters of any established investment guidelines.
19. Executing investment management and custodian agreements and account opening documents, if so requested by the Company.
20. Collecting, coordinating and providing KYC and due diligence documentation for custodians and managers in a secure manner when required.
21. When required, obtaining regulatory approval for investments (e.g. investment in affiliate).

B. INSURANCE & CLAIMS MANAGEMENT

1. Reviewing claims notifications for amount.
2. Confirming claims in accordance with policy wording, limits, and conditions.
3. Booking reserves.
4. Settling finalized claims based on prescribed criteria.
5. Assisting the Company with loss data.
6. Producing reports of outstanding loss reserves, losses paid and any reinsurance balances recoverable.
7. Notifying reinsurers of claims as appropriate.
8. Assisting in provision of information for actuaries.
9. Reconciling loss runs to the financial statements and actuarial reports
10. Reconciling escrow accounts held by third party administrators to bank statement and financial statements
11. Produce an underwriting analysis by policy year, fiscal year and/or line of business
12. Reporting of underwriting performance by contract and year.
13. Provide information on latest trends and other strategic uses of the captive on an annual basis
14. Documenting retention and execution on the programs
15. Preparing premium invoices.
16. Maintaining underwriting files.
17. Maintain business plan.
18. Liaising with cedents and/or reinsurance brokers.
19. Liaising with retrocessionaires.
20. Upon request, issue certificates of insurance
21. Executing insurance policies
22. Coordinate signing of (re)insurance agreements
23. Maintain executed policy documents
24. Liaise with Risk Advisors
25. Assist with insurance program structure and design
26. Attend any committee meetings
27. Review premium collections to determine that each premium amount received reflects the underlying premium and premium taxes.
28. Follow up on overdue premiums.
29. Use best efforts to keep the management and the directors fully informed of all insurance legislative changes in the Company's state of domicile.

30. Provide access to annual Captive Landscape Report.

C. COMPLIANCE AND STATUTORY REPORTING

1. Monitoring compliance with all local legislative and regulatory requirements in the Company's state of domicile including solvency, timely reporting, audit and actuarial filing requirements.
2. Ensure board meetings are held in accordance with legal requirements.
3. Submitting returns to the applicable insurance regulators in the Company's state of domicile.
4. Preparing and distributing board meeting material.
5. Preparing and issuing minutes and board resolutions.
6. Preparing and filing annual regulatory reports as required in the Company's state of domicile.
7. Confirming compliance with the Company's operating standards, if such operating standards are provided to XYZ.
8. Acting as your General Representative when required by law in the Company's state of domicile.
9. Corresponding with the regulator for business plan changes and other applications (broadly similar)
10. Upon request, arrange meetings in the Company's state of domicile with Regulator.
11. Provide to the Company information on regulatory changes in the Company's state of domicile that materially affect financial statements and operation of the Company.
12. Arrange payment of annual domicile licensing fees.

D. MEETING MANAGEMENT

1. Arranging Board of Directors Meeting
2. Assisting in setting meeting agendas.
3. Preparing meeting packs.
4. Preparing proposed resolutions for the meeting packs.
5. Preparing and maintaining notice and proxies for meetings.
6. Attending the Company meetings and preparing and presenting relevant items.
7. Preparing and issuing minutes.
8. Assisting with collection of signed conflict of interest statements (where applicable)
9. Maintaining the captive policy and procedures manual (similar to requirement to maintain governance manual).

E. BOOKKEEPING

1. Completing/Reviewing cash book and bank reconciliations.
2. Preparing and reviewing annual statutory financial statements.
3. Preparing and reviewing of quarterly management accounts.
4. Preparing journals to reflect all activities of the captive, including but not limited to:
 - invoices received for general expenses and claims,
 - accruals,
 - unearned premium reserve,
 - cashbook transactions,
 - movements on loss reserves per claims administrator reports and/or in-house claim systems, including updates for findings per the actuarial analyses when available,
 - prepaid expenses,
 - investments, time deposits principals and accrued interest,

- tax expense and breakdown between current and deferred tax balances
5. Preparing and reviewing of supporting schedules and reconciliations of account balances including investment schedules, loss bordereaux's.
 6. Prepare consolidation templates to be uploaded to the Company's parent's system.
 7. Review investment schedules and reconciliations
 8. Review monthly/quarterly loss reports
 9. Receive and file audited financial statement documents with regulators
 10. Liaise with Captive's Actuary
 11. Adherence to Group financial reporting deadlines.
 12. Assisting in the preparation of budgets and forecasts and reviewing budgets and/or forecast and comparison of actual results.

F. AUDIT MANAGEMENT

1. Prepare and coordinate the audit of annual year-end financial statements on a GAAP or IFRS basis as agreed with the Company and applicable insurance regulator.
2. Monitoring system of checks and controls for the production of financial statements.
3. Planning and arranging audit schedule and timeline.
4. For year-end audit, assisting in annual letters of confirmation Assisting auditors with year-end audit fieldwork.
5. Preparing and reviewing of draft audited financial statements for final Director review and approval.
6. Correspond with auditors and provide information necessary for internal and external audits in a timely manner.
7. Obtaining audit and actuarial opinions to be filed with regulators.
8. Coordinate signing of management representation letters, filing with regulator, and managing regulator queries.

G. GENERAL

1. Maintaining regular communication with parent the Company risk management team.
2. Participating in captive strategic meetings.
3. Maintaining XYZ Management.com portal.
4. Reviewing BBBB access to determine that only authorized employees have access to client financial information and Service Tracking databases.
5. Provision of Registered office.
6. Upon request, provide an officer or director on the Captive's Board.
7. Annual Stewardship Review.

H. TAX

1. Liaise with parent the Company tax department and the Company counsel regarding queries from parent the Company tax department with respect to informational questions.
2. Arranging payment of all tax liabilities due, obtaining receipts and submitting same to the Company's Parent Tax Department.
3. Monitoring compliance with country of domicile, and if applicable state of domicile tax filing deadlines. Assist with taxing authority enquiries and/or audits.
4. Reconciling annual federal tax return to captive financial statements.

3. ADDITIONAL SERVICES

The following services are available for additional compensation.

ACTUARIAL SERVICES

- Coordinating preparation of annual actuarial analysis
- Arranging and attending planning meeting with actuary
- Reviewing analysis
- Coordinating preparation of actuarial opinion
- Filing actuarial opinion with Insurance Division
- Corresponding with regulators/auditors regarding analysis as necessary

TECHNOLOGY SERVICES

- Enhanced XYZ Management.com utilization
- Access to Investment & Accounting Reporting
- Custom Technology Solutions, as mutually agreed
- Outsourced access to technology tools such as BBBB

OFFICE SPACE

HUMAN RESOURCE SERVICES

- Limited to application filing and payroll processing.

CONSULTING

- Annual/every two years/every five years Strategy Review

OTHER

- Additional Risk Control / Risk Control Self Analysis requirements
- Customization of reports and deliverables that are required outside of XYZ's systems
- Deliverables/Meetings and transaction frequency that is in excess of what is agreed
- Customization of XYZ Management.com

XYZ's service obligations to the Company are limited to those set forth above. XYZ shall perform such other services as may from time to time be agreed upon between XYZ and the Company.

4. COMPENSATION AND EXPENSES

Fixed Fee

(a) Annual Fee.

(i) In consideration for the Services to be performed hereunder in A-H as stated above, the Company shall pay to XYZ a fee per contract year of eighty thousand pounds (£80,000) (the "Annual Fee") payable in advance. For the purposes hereof, a contract year shall mean a twelve-(12) month period commencing on each anniversary of the Effective Date.

(ii) If this Agreement is in effect for only a portion of any contract year, XYZ shall be entitled to fees commensurate with the Services rendered during such shorter period, such fees not to exceed the Annual Fee.

- (iii) Should XYZ personnel be required to attend meetings outside of the principal office of the Company, in connection with the business of the Company, and at the request of the Company, additional billings in excess of the Annual Fee will be made by XYZ, which will be payable by the Company in accordance with paragraph (d) below.
- (b) Adjusting the Annual Fee.** The Annual Fee will adjust in subsequent contract year at a rate of the published Guernsey rate of inflation to adjust for XYZ's increased costs of operations including but not limited to salaries, health care and other employee benefits.
- (c) Expenses.** All salaries and fringe benefits of XYZ personnel rendering services hereunder shall be at the expense of XYZ without reimbursement by the Company. XYZ shall charge the Company an additional amount equal to 3.5% of the fees payable in accordance with paragraph (a) above to cover out of pocket expenses, overhead costs, expenses and charges incurred by XYZ in, or incidental to, the Company's business. The Company shall be responsible for reimbursement to XYZ for all reasonable travel costs incurred by XYZ at the request of and on behalf of the Company.
- (d) Billing and Payments.** XYZ shall invoice the Company on the anniversary of the Effective Date, any fees and expenses which are due and payable in accordance with paragraphs (a) and (c) above in respect of the immediately preceding quarter. Payment of the amount set forth in the invoice shall be due ten (30) days subsequent to the date of the invoice.

Exhibit B

In this **Data Processing Annex (DPA)** the following expressions bear the following meanings unless the context otherwise requires:

“Controller” has the meaning set out in Data Protection Laws;

“DPA” means this DPA, including any and all subsequent amendments thereto, comprising the terms and conditions in the main body of this document, together with the schedules and any documents expressly incorporated by reference;

“Data Protection Laws” means GDPR and all other mandatory laws and regulations of the European Union, the EEA and their member states, the United Kingdom and the Bailiwick of Guernsey (the **Guernsey Law**), applicable to the parties’ Processing of Personal Data under the Agreement.

“Data Subject” means an individual about whom the Personal Data relates;

“EEA” means European Economic Area (which for the purposes of this DPA includes the Bailiwick of Guernsey) and, in connection with the use of the Standard pursuant to clause 12, Switzerland;

“Model Clauses” means the standard contractual clauses for the transfer of Personal Data from the European Union to processors established in third countries (controller-to-processor transfers), as set out in the Annex to Commission Decision 2010/87/EU;

“Personal Data Breach” shall have the meaning set out in the GDPR;

“Processor”, **“Processing”**, **“Process”** and **“Personal Data”** shall have the meaning set out in Data Protection Laws;

“Services” means any services provided under the Master Services Agreement;

“Subprocessor” means any third party but excluding an employee or consultant of XYZ or any of its sub-contractors) appointed by or on behalf of XYZ to Process Personal Data on behalf of Company; and

“User Personal Data” means the Personal Data of Users of the Site.

1. Scope

- 1.1 The Company and XYZ acknowledge and agree that, in so far as XYZ is Processing Personal Data in its provision of the Services, XYZ shall be a Processor on behalf of the Company as Controller. This shall be without prejudice to XYZ’s role as a Controller in its Processing of Personal Data of the Company or its affiliates, personnel, being the name, the role and contact details of those persons who are authorised to transact and correspond with XYZ on behalf of the Company.
- 1.2 The Company and XYZ agree that Clauses 2 to 18 of this DPA shall apply only in so far as XYZ is Processing Personal Data as a Processor on behalf of the Company as Controller.

2. Personal Data

- 2.1 Through its use of the Services, the Company decides what Personal Data to collect from Data Subjects and how to use the information processed via the Services.
- 2.2 The Company shall, in its use of the Services, Process Personal Data in accordance with the requirements of Data Protection Laws.
- 2.3 Company shall ensure that Data Subjects and any relevant third parties have been informed of any Processing which the Company intends to perform as required by applicable Data Protection Laws.

3. Details of the Processing contemplated under this DPA

- 3.1 The subject matter of the Processing is the Processing of User Personal Data for the purpose of providing the Services.
- 3.2 The duration of the Processing is until such time as the Master Services Agreement is terminated.
- 3.3 Nature and purpose of the Processing is to provide the Services.
- 3.4 The type of Personal Data is identifying data, health data and claim information.
- 3.5 The categories of Personal Data may include: name, address, date of birth, data concerning physical and/or mental health and any incidents giving rise to a claim.
- 3.6 XYZ may provide notice of any change to this DPA where an update is required due to changes to the nature of the Services or due to applicable Data Protection Laws.

4. Permitted Processing and Disclosure of Personal Data

- 4.1 XYZ shall Process any such Personal Data held in connection with the Services only for the purposes of performing the Services and in accordance with relevant documented instructions of the Company (unless otherwise required to do so by an EU or EU Member State law to which XYZ is subject; in such a case XYZ shall inform the Company of that legal requirement before Processing, unless the law prohibits such information on important grounds of public interest).

5. Data Subject Rights

Taking into account the nature of the Processing, XYZ shall assist the Company by implementing appropriate technical and organisational measures, insofar as this is possible, to respond to requests to exercise Data Subject rights, where applicable under the Data Protection Laws. XYZ reserves the right to charge the Company any costs and expenses reasonably incurred in providing such assistance.

6. Security and Integrity of Personal Data

- 6.1 XYZ agrees to take appropriate technical and organisational measures to ensure that the Personal Data Processed on behalf of Company will meet the requirements of Article 32 of GDPR relating to security of processing.

- 6.2 If XYZ becomes aware of any Personal Data Breach, XYZ shall, where required by Data Protection Laws, notify the Company without undue delay.
- 6.3 XYZ agrees, where applicable, to make reasonable efforts to assist the Company in ensuring compliance with the obligations pursuant to Articles 33 to 36 of the GDPR taking into account the nature of the Processing and the information available to XYZ. XYZ reserves the right to charge the Company any costs and expenses reasonably incurred in providing such assistance.

7. Audits

- 7.1 XYZ will make available to the Company all information necessary to demonstrate compliance with the data processing obligations laid down in this DPA including by allowing for and contributing to reasonable audits to determine XYZ's compliance with its obligations under this DPA. These audits (of frequency of no more than once per year, except where there is reason to suspect a Personal Data Breach may have occurred) may be conducted by Company, auditors mandated by Company, subject to Company and its auditors (if relevant) undertaking reasonable and appropriate confidentiality obligations. XYZ reserves the right to arrange an independent audit of its Processing operations and to make such report available to Company in satisfaction of its obligations hereunder.
- 7.2 The scope of an audit will be limited to XYZ's systems, processes and documentation relevant to the Processing and protection of Personal Data that is Company's Data.

8. Confidentiality

XYZ shall, and shall procure that its Subprocessors if any shall, ensure that any persons to whom XYZ discloses Personal Data have committed themselves to confidentiality or are under an appropriate statutory obligation of confidentiality with respect to the Personal Data.

9. Appointment of Subprocessors

- 9.1 Subject to the terms at the Master Services Agreement, the Company consents to the engagement of the Subprocessors referred to in Clause 9.4.
- 9.2 XYZ agrees that any appointment of a Subprocessor shall be conditional on the Subprocessor being bound by equivalent data protection obligations as those set out under this DPA.
- 9.3 A list of Subprocessors, current as of January 2020, is included at Annex 1 of this DPA. In the event that XYZ appoints any additional or replacement Subprocessors, XYZ shall notify the Company of such appointment by posting an update on the Site. In the event that the Company objects to the appointment of any such additional or replacement Subprocessor, it accepts that its sole and exclusive remedy is the termination of its use of the Site.
- 9.4 Subject to the disclaimers, limitations and exclusions of liability as set out in the Master Services Agreement, XYZ shall remain liable to Company for Processing by such Subprocessors as if the Processing was being conducted by XYZ.

10. Transfer of Personal Data outside European Economic Area

- 10.1 The Company agrees that XYZ and/or its Subprocessors may transfer Personal Data processed through the Services outside the EEA from time to time. In such instances, the transfer shall take place subject to the parties entering into the Model Clauses for the transfer of Personal Data or other use of “appropriate safeguards” is in place for the transfer of any Personal Data outside the EEA.

11. Return of Personal Data

- 11.1 Subject to Clause 11.2, on termination or expiry of Company’s use of the Services, or otherwise on request by Company, XYZ shall, and shall procure that its Subprocessors shall, with a reasonable timeframe:

- (a) return all the Personal Data to Company; or
- (b) destroy all the Personal Data, in a manner agreed to by Company;

unless a law binding on XYZ or its Sub-processors prevents it from doing as requested.

- 11.2 The Company agrees that any copies of Personal Data that have been created pursuant to XYZ and/or a Subprocessor’s electronic archiving and back-up procedures may be retained until such computer records and files have been deleted in the ordinary course, in each case, pursuant to the bona fide archiving, document retention, electronic archiving and back-up policies of such persons and in such instances, XYZ shall continue to comply with its legal and contractual obligations under Data Protection Laws and this DPA.

12. Indemnity and Liability

- 12.1 Company agrees to indemnify and keep indemnified and defend at its own expense XYZ and its Subprocessors against all costs, losses, expenses, damages, fines, penalties, legal fees, liabilities, claims, demands, actions and settlement arising from or in connection with any failure by Company or its employees, contractors, or agents to comply with any of its data protection obligations under this DPA or pursuant to Data Protection Laws.
- 12.2 The liability of XYZ for any breach of this DPA, whether in contract, tort, or otherwise, causing loss and/or damage to the Company, shall be subject to exclusion and/or limitation as set out in the Master Services Agreement.

13. Order of Precedence

With regard to the subject matter of this DPA, in the event of inconsistencies between the provisions of this DPA and any other agreements between the parties, including the Master Services Agreement and any agreements entered into or purported to be entered into after the date of this DPA, the provisions of this DPA shall prevail.

14. Severance

- 14.1 Should any provision of this DPA be invalid or unenforceable, then the remainder of this DPA shall remain valid and in force. The invalid or unenforceable provision shall be either:

- (a) amended as necessary to ensure its validity and enforceability, while preserving the parties' intentions as closely as possible or, if this is not possible;
- (b) construed in a manner as if the invalid or unenforceable part had never been contained therein.

15. Governing Law

- 15.1 This DPA is governed by, and shall be construed in accordance with, the laws of Guernsey. The courts of Guernsey have exclusive jurisdiction to hear and decide any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with the DPA and, for these purposes, each party irrevocably submits to the exclusive jurisdiction of the courts of Guernsey.

ANNEX 1: DETAILS OF SUBPROCESSORS

INSERT DETAILS OF SUBCONTRACTORS USED BY XYZ TO PROCESS PERSONAL DATA