

COVERHOLDER'S OMC UNDERTAKING

To: (1) The Society of Lloyd's, One Lime Street, London EC3M 7HA, England
("Lloyd's");

and

(2) Lloyd's Underwriters' Attorney in Fact in Canada¹, of [address] ("the Attorney in Fact")

Whereas, you are an approved Lloyd's coverholder that may, in accordance with your terms of your approval by Lloyd's, be party to a binding authority with Lloyd's underwriters; and

Whereas from time to time you may be required to place a contract of insurance for and on behalf of a policyholder with Lloyd's underwriters on an open market basis and in that respect you are required to be registered by Lloyd's as an open market correspondent a condition of which is that you provide the following undertakings..

Undertakings

In consideration of our registration by Lloyd's as an open market correspondent permitted to place (re)insurance business with Lloyd's underwriters we, [Canadian Coverholder name] ("the Firm"), undertake that from the date hereof until you formally release us from doing so, we will:

1. Keep proper accounts and other records relating to our activities as an open market correspondent acting as a (re)insurance intermediary;
2. Cooperate with you and provide you with all documents, information and other materials that you may require relating to our activities as a (re)insurance intermediary in order that you may discharge any legal or regulatory requirement that may be imposed on you;
3. Permit you or your appointed agent at reasonable notice to inspect and, where appropriate, to take copies, of accounts and other records relating to our activities as a (re)insurance intermediary at our offices during normal office hours for the purpose of enabling you to discharge any legal or regulatory requirement that may be imposed on you;
4. Act as agent for Lloyd's underwriters in respect of the following:
 - (a) communicating to the policyholder Lloyd's underwriters' decision to enter into contracts of (re)insurance by forwarding (via post, fax or such other means as Lloyd's underwriters may permit) the policy or other evidence of (re)insurance issued by or on behalf of Lloyd's underwriters to the policyholder;
 - (b) receiving premiums from policyholders, which premiums we shall immediately upon receipt deposit into a bank account which is separate from the operating funds of the firm and is labelled as being fiduciary or premium trust. Assets held in that bank account shall be held in a fiduciary capacity

¹ Lloyd's underwriters' Attorney in Fact is the person appointed on behalf of Lloyd's underwriters as chief agent pursuant to section 579(3) of the Insurance Companies Act 1991 of Canada

on behalf of (re)insurers for the purpose of the onwards transmission of those monies to (re)insurers and the monies shall not be otherwise held or retained by us;

- (c) other than in respect of the activities specified above, we acknowledge that we are not, and undertake that we shall not act or hold ourselves out as, agents for Lloyd's underwriters.

5. In respect of any contract of insurance that you may enter into under the terms of a binding authority subscribed to by Lloyd's underwriters, you will in that regard comply at all times with -

- (a) the terms of the "Coverholder Undertaking" you have provided to Lloyd's; and
- (b) the terms of the relevant binding authority in accordance with which you entered into the contract of insurance."

This Undertaking may be varied only by the prior written agreement of each party hereto.

We understand that any breach of this Undertaking may affect our registration as an open market correspondent and our suitability to be permitted by Lloyd's to place (re)insurance business with Lloyd's underwriters.

This Undertaking shall be governed by the laws of Canada and the parties hereby irrevocably and unconditionally accept and agree to submit to the exclusive jurisdiction of the courts of Quebec to hear any dispute relating to this Undertaking.

Each party, on behalf of itself and its affiliates, also agrees not to include any employee, officer or director of the other party or its affiliates as a party in any such action or proceeding.

I confirm that I am duly authorised to sign this Undertaking on behalf of the Firm.

Signed:.....

Full name of signatory:.....

Position of signatory with the firm:.....

Dated theday of