

## Standard Terms and Conditions of Business

The following Terms and Conditions will govern the basis on which NSM will provide the Services to the Contracting Party and will be deemed to have been agreed by the Contracting Party by its acceptance of any of the Services. NSM contracts on the basis of these Terms and Conditions only, and acceptance by NSM of any instructions from the Contracting Party shall be upon such Terms and Conditions and shall override any other terms and conditions stipulated or incorporated by the Contracting Party in its instructions or any negotiations, unless expressly agreed in writing by NSM.

These Terms and Conditions, and any updates thereto, are published on NSM's website. Upon request, a copy of these Terms and Conditions will be sent by ordinary post or e-mail to the Contracting Party. A current copy of these Terms and Conditions is available for inspection at NSM's registered office during normal business hours.

### 1. Definitions and Interpretation

#### 1.1 Definitions

In these Terms and Conditions (unless the context otherwise requires) the following words and expressions shall have the following meanings:

**Application Documentation:** the relevant NSM application form and the Schedule of Fees, or Special Fee Agreement completed and executed by the Contracting Party setting out the scope of the Services that it is agreed NSM will provide and details of the set up and annual responsibility and administration costs that NSM may charge in relation to the Services as recorded in the Schedule of Fees (or Special Fee Agreement).

**Approved Bank:** has the meaning given to it in the Fiduciary Rules 2021 issued by the GFSC.

**Agreement:** these Terms and Conditions, the Application Form and, Schedule of Fees (or Special Fee Agreement if applicable) as they may be varied from time to time and at any time.

**Contracting Party:** any person with whom an NSM entity has entered into the Application Documentation and at whose request it is providing the Services and, in the case of an individual, includes that individual's heirs, personal representatives and assigns and, in the case of a body corporate, includes its successors and assigns.

**Corporate Documentation:** the documentation of the company or foundation which is the Managed Entity and includes the charter, regulations or articles (howsoever named) and any and all documents ancillary thereto or which vary or amend such documents.

**Corporate Services:** such of:

- (a) the management and administration (and may mean formation or foundation) of a company (including incorporated cell companies and protected cell companies), partnership or foundation (being the Managed Entity) including, without limitation, the provision of directors and other officers, nominees, registered agent, administrative office or registered office to a company, general and limited partners to partnerships and council members, guardian or registered agent to a foundation or any other services as agreed between NSM and the Contracting Party;
- (b) the services referred to in clauses 3.1 to 3.4 inclusive of these Terms and Conditions; and



- (c) such other activities including, without limitation, the maintenance of statutory registers and minute books, filing of annual returns or verification notices, liaison with registered agents and company registrars on behalf of a company, making statutory filings, sending notices required in connection with general meetings or shareholder resolutions, provision of nominee shareholders, book-keeping, preparation of management reporting and financial statements as are required to be performed in connection with the administration of the affairs of the Managed Entity, as have been agreed in the Letter of Engagement, or otherwise in writing between the Parties.

**CRS:** applicable law and regulation implementing the Common Reporting Standard issued by the Organisation of Economic Co-operation and Development.

**Data:** has the meaning given to the term in the Data Protection Law.

**Data Protection Law:** applicable law and regulation relating to data protection (including where the context requires, the Data Protection (Bailiwick of Guernsey) Law, 2017 and the Data Protection Act 2018).

**Data Protection Privacy Statement:** the NSM privacy statement which NSM will provide or make available to the Contracting Party, as modified from time to time.

**Default Interest:** interest at a rate of two per cent 2% per month above the base lending rate of the Bank of England from time to time.

**Event of Default:** any of the following events:

- (a) the Contracting Party fails to pay any amount due under these Terms and Conditions (or as otherwise agreed between the Parties) on the due date for payment and remains in default not less than two months of such amount becoming due; or
- (b) circumstances surrounding the operation and/or ownership of the Managed Entity which in the sole opinion of NSM render the continued provision of Services impracticable, unlawful or undesirable, including (but not limited to):
- (i) any breach or potential breach by the Managed Entity of any regulation or law;
  - (ii) where NSM becomes aware that a Managed Entity is under investigation by a judicial or regulatory authority or is being prosecuted for a criminal offence;
  - (iii) through no fault of NSM, the Managed Entity or the business or assets thereof are carried on or managed in such manner as is likely to bring NSM into disrepute; or
  - (iv) NSM is unable to obtain proper instruction from the Contracting Party.
- (c) either of the Parties commits a breach of any of the material terms of these Terms and Conditions and (if such a breach is remediable) fails to remedy that breach within thirty (30) days of that party being notified in writing of the breach; or
- (d) either of the Parties repeatedly breaches any of the terms of these Terms and Conditions in such a manner as to reasonably justify the opinion that its conduct is inconsistent with it having the intention or ability to give effect to these Terms and Conditions; or
- (e) the Contracting Party fails, upon request from any NSM company, to provide to it (within a timeframe considered by NSM to be reasonable in all the circumstances prevailing at the time of such request but which timeframe may be less than twenty four (24) hours from the date or time of the request) such documents or information as NSM shall in its sole discretion consider that it



requires to comply with the Law including in particular but not limited to documents or information that it requires in order to fulfil its obligations under applicable due diligence Law; or

- (f) the other Party suspends, or threatens to suspend, payment of its debts, is unable to pay its debts as they fall due, admits its inability to pay its debts, or has no reasonable prospect of paying its debts; or
- (g) the other Party commences negotiations with all, or any class of, its creditors with a view to rescheduling any of its debts, or makes a proposal for, or enters into any compromise or arrangement with, its creditors; or
- (h) (being a company) a petition is filed, a notice is given, a resolution is passed, or an order is made, for or on connection with the winding up of the other Party, or (being a natural person) the other Party is declared bankrupt; or
- (i) an application is made to court, or an order is made, for the appointment of an administrator, a notice of intention to appoint an administrator is given, or an administrator is appointed over the other Party; or
- (j) a person becomes entitled to appoint a receiver over the assets of the other Party, or a receiver is appointed over the assets of the other Party; or
- (k) a creditor or encumbrancer of the other Party attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced upon or commenced against, the whole or any part of its assets and such attachment or process is not discharged within fourteen (14) days; or the property of either of the Contracting Parties is declared *en désastre* or becomes insolvent or goes into liquidation (other than a voluntary liquidation for the purpose of reconstruction or amalgamation); or
- (l) any event occurs, or proceeding is taken, with respect to the other Party in any jurisdiction to which it is subject that has an effect equivalent or similar to any of the events mentioned in (d) to (l) hereto.

**FATCA:** applicable law and regulation implementing intergovernmental agreements relating to the US Foreign Account Tax Compliance Act, including the Income Tax (Approved International Agreements) (Implementation) (United Kingdom and United States of America) Regulations 2014, as amended

**Fiduciary Client Money:** money which is –

- (a) held or received on behalf of a Contracting Party; or
- (b) controlled by NSM in accordance with the responsibilities NSM has agreed to undertake in the course of carrying out Corporate Services

**Fiduciary Law:** The Regulation of Fiduciaries, Administration Businesses and Company Directors, etc. (Bailiwick of Guernsey) Law, 2000 and any regulations made there under and codes issued in connection therewith.

**GFSC:** the Guernsey Financial Services Commission.

**Guernsey:** the Bailiwick of Guernsey.

**Indemnified Parties:** the former, present and future Staff of NSM and each of them and any person appointed by NSM and the personal representatives of such Staff and/or persons appointed.



**Insolvency Event:** in respect of the Managed Entity, the occurrence of any of the following events:

- (a) that the Managed Entity is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;
- (b) any corporate action, legal proceedings or other procedure or step is taken in relation to or with a view to:
  - (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration, bankruptcy or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of that person;
  - (ii) a composition, assignment or arrangement with any creditor of that Managed Entity;
  - (iii) the appointment of a liquidator, receiver, administrator, administrative receiver, trustee in bankruptcy, compulsory manager or other similar officer in respect of that Managed Entity or any of its assets; or
  - (iv) enforcement of any security over any assets of that Managed Entity; or
- (c) or any analogous procedure or step taken in any jurisdiction.

**Key Contact:** the NSM Staff member having charge of supervising the provision of the Services under these Terms and Conditions, the name of such person having been provided to the Contracting Party.

**Law:** all laws, ordinances, statutory instruments, regulations, codes and regulatory requirements (including rules, codes of conduct or guidance) of any jurisdiction to which NSM and/or the Managed Entity is subject.

**Liabilities:** all liabilities, actions, proceedings, claims, demands, taxes and duties and all associated interest, penalties and costs and all other expenses whatever.

**Managed Entity:** the company, partnership, limited partnership, limited liability partnership, foundation, trust or pension arrangement as the case may be to which the Services are provided by NSM pursuant to the Agreement with the Contracting Party.

**NSM:** New Street Management Limited and any of its joint licensees listed on the GFSC's website from time to time, all of whose registered office and place of business is Les Echelons Court, Les Echelons, St Peter Port, Guernsey Gy1 1AR, or NSM Corporate Services Limited whose registered office and place of business is 46-48 James Street, London, W1U 1EZ, and any other companies described as part of NSM's group and offering the Services whose details may be set out on NSM's website nsmtrust.com from time to time, as the context may require.

**Parties:** the Contracting Party and NSM.

**Pooled Account:** an account used to hold Fiduciary Client Money for or on behalf of one or more Contracting Parties or Managed Entities under the limited circumstances set out in Section 7.4.

**Proper Communication:** communications made in such form (whether, oral, written, telecopied, faxed, emailed, or by other electronic transmission) given signed or sent or purported to be given signed or sent by any person that NSM reasonably believes to have authority to give directions, requests, instructions, advice or recommendations on behalf of a Managed Entity under the terms



governing such Managed Entity including but not limited to its beneficial owners, appointed officials or directors of a company, or investment manager, settlor, trustee, protector or enforcer of a trust,.

**Services:** the Corporate Services and the Trust Services.

**Special Fee Agreement:** any special fee agreement between the Contracting Party and NSM setting out the set up and annual responsibility and administration costs that NSM may charge in relation to the Services provided.

**Staff:** directors, officers, employees and consultants

**Terms and Conditions:** these standard terms and conditions of business as amended or modified from time to time.

**Trust Documentation:** the documentation of the trust which is the Managed Entity and includes the settlement instrument or declaration of trust and any and all documents ancillary to the trust or which vary or amend the terms of the trust.

**Trust Services:** such of:

- (a) the management or administration of, or in connection with (whether before and/or including its establishment or after its establishment) a trust or pension arrangement;
- (b) providing such ancillary services to the management of the affairs and assets of the trust, or pension arrangement (including, without limitation, the provision of trustees, protectors, enforcers and other officers as necessary);
- (c) the services referred to in clause 3.5 of these Terms and Conditions; and
- (d) such other activities as require to be performed in connection with the administration of the affairs of the Managed Entity, as have been agreed in the Application Documentation or otherwise in writing between the Parties.

## 1.2 Interpretation

- (a) Headings in these Terms and Conditions are inserted for convenience only and shall be ignored in construing these Terms and Conditions.
- (b) Unless the context otherwise requires, words (including definitions) denoting the singular number only shall include the plural and vice versa.
- (c) Unless the context otherwise requires, words (including definitions) denoting the masculine gender only shall include the feminine or neuter and vice versa.
- (d) References to statutes and/or statutory provisions shall be construed as referring to such statutes or statutory provisions as subsequently modified or amended from time to time.
- (e) References to NSM or the Contracting Party shall include a reference to any successor or assigns.
- (f) The expression “person” shall be construed to include any individual person, firm, company, partnership, the partners of any partnership (whether unlimited or a limited liability partnership) corporation or any agency of it.
- (g) “£” and “Sterling” denotes the lawful currency of the United Kingdom.

## 2. Provision of Services

- 2.1 The provision of the Services by NSM is conditional upon it receiving:



- (a) sufficient funds from the Managed Entity or the Contracting Party to enable it to provide the Services and to be remunerated for the provision of the Services as contemplated in these Terms and Conditions; and
- (b) such satisfactory professional, bank or other references, proof of relevant persons' identification and address, and evidence of the source of the funds and such other information as NSM shall reasonably require to comply with applicable Law.

It is specifically noted that NSM is required to request, receive, obtain, verify and continually monitor such information in order to comply with applicable Law and regulation.

- 2.2 In providing the Services NSM may be subject to obligations beyond those contained in these Terms and Conditions. Other duties may be imposed either by the constitutional documents of the Managed Entity or by Law (including but not limited to fiduciary duties imposed on trustees or on directors and the obligation on a trustee of a non-purpose trust to act in the best interests of the beneficiaries of that trust) (the "Outside Duties"). Notwithstanding the obligations NSM owes to the Contracting Party in the Terms and Conditions these Outside Duties are paramount and in the event of conflict between the Terms and Conditions and the Outside Duties, the Outside Duties shall prevail.
- 2.3 The Contracting Party hereby acknowledges that NSM and its Group Companies are regulated companies and expressly agrees that:
  - (a) at no time shall an NSM company or its Staff be expected to break any applicable Law in order to provide the Services;
  - (b) at no time shall NSM be obliged to perform the Services in a manner which will or may tend to bring either NSM or Guernsey into disrepute as an international finance centre;
  - (c) should directions or an order be given to NSM by an applicable court, law enforcement agency, government body or government regulatory body (including but not limited to the Guernsey Financial Services Commission and the Channel Islands Financial Ombudsman) then NSM may comply with such directions or order without being liable to the Contracting Party for the consequences in NSM doing so; and
  - (d) notwithstanding any agreement herein or otherwise reached between NSM and the Contracting Party at no time shall any NSM company or employee be required to take any action which may jeopardise any licence, authorisation or registration issued by a relevant regulator (including without limitation the Guernsey Financial Services Commission) to any NSM company or which may cause censure of any NSM company by a relevant regulator.
- 2.4 NSM is in the business of providing support and services identical or similar to the Services to other managed entities and other contracting parties as the case may be. NSM shall be at liberty to provide support and services of an identical or similar nature to the Services and any other services to any other person without being under any obligation to account for any profit arising thereby or to advise the Contracting Party that NSM is providing such services. Any conflict of interest arising for NSM in providing services to different clients will be managed in accordance with paragraph 10 of these Terms and Conditions.
- 2.5 The Services may be provided by any NSM company and NSM may in its absolute discretion choose which of NSM companies shall provide the Services to the Contracting Party. Where the Services



include the provision of a trustee or protector (where the Managed Entity is a trust) or the provision of director(s) or a company secretary (where the Managed Entity is a company) then upon the Contracting Party's written request to NSM at any time NSM shall inform the Contracting Party as to which NSM company is acting as trustee, protector, director or company secretary (as applicable).

- 2.6 NSM may at any time in its sole discretion act or omit to act in relation to the Services (upon so advising if NSM deems it appropriate) and NSM shall not be liable to any person or entity for such exercise of its discretion.
- 2.7 NSM may in its discretion accept either directly or indirectly (from the Contracting Party or any person nominated in writing by the Contracting Party) instructions, advice, recommendations, directions and requests for action that it believes to be genuine, whether received orally or in written form, which shall include email and such instructions, advice, recommendations, directions or requests as may be sent by airmail, post, facsimile or email. Such instructions, advice, recommendations and requests for action shall be given to the Key Contact. If any such advice, recommendations, directions or requests for action are given otherwise than in writing then as soon as is reasonably possible such communication shall be sent to the Key Contact in written form.
- 2.8 In the absence of Proper Communications NSM has discretion to take such action in relation to any Managed Entity as it deems necessary.
- 2.9 Where the Contracting Party is constituted by two (2) or more persons then NSM may accept instructions from any of the persons unless agreed otherwise in writing between the Parties.
- 2.10 In the event of conflicting Proper Communications, NSM may either act on any of the Proper Communications or refrain from acting until such time as the Proper Communications are clarified without incurring any liability from the Managed Entity or Contracting Party.
- 2.11 Where any communication given in the form of Proper Communications by the Contracting Party to NSM is subsequently confirmed in original written form such confirmation shall clearly be marked "confirmation of instruction" so as to avoid duplication. The Contracting Party hereby agrees not to make any claim against NSM or any Indemnified Party in respect of any liability or loss suffered by the Contracting Party as a consequence of NSM acting twice on the same instruction if such confirmation is not clearly marked "confirmation of instruction".
- 2.12 NSM shall have no duty to seek directions at any time and shall have no liability for failing to implement Proper communications which are received too late to implement.
- 2.13 NSM's provision of the Services and the application of the Terms and Conditions shall commence on such date as is notified in writing by NSM to the Contracting Party and shall apply to all Managed Entities to which NSM provides Services.

### **3. Details of Services**

- 3.1 Where the Services include the provision of a director to a company or a council member to a foundation, NSM shall arrange the day-to-day administration of the affairs of that company or foundation.
- 3.2 NSM shall be entitled, in the discharge of the Services, subject to any provisions of the Law, to delegate any aspect or all aspects of the Services to any other person in such manner as NSM sees fit. The Services may, without limitation, be performed by any NSM company and any Staff thereof.



In the event that NSM delegates any Services it will remain responsible for the provision of the relevant Services under these Terms and Conditions.

- 3.3 The Contracting Party shall ensure that NSM is always provided with (except where such services are provided by NSM):
  - (a) current contact details for every director and other officer of any company ;
  - (b) current contact details for the founder, every council member and guardian of any foundation;
  - (c) current contact details for every trustee, protector, enforcer, settlor and beneficiary of any trust; and
  - (d) a true, fair and accurate view of the activities of the Managed Entity.
- 3.4 NSM may engage the services of lawyers, accountants, other professional advisers or agents of any kind at the expense of the relevant Managed Entity if and to the extent to which these are deemed appropriate or required by NSM. The costs of the provision of such services shall be borne by the Contracting Party or Managed Entity, as determined by NSM if not agreed in advance in writing between the Parties.
- 3.5 “Short form accounting” comprises an abbreviated statement of assets and capital and income accounts (for trusts) or an abbreviated balance sheet, profit and loss account and statement of reserves (for companies) prepared from accounting records which may rely on summaries of transactions recorded in detail by duly appointed custodians including, without limitation, investment portfolio managers. It is acknowledged that NSM may use short form accounting in respect of the Managed Entity (including foundations) and that short form accounts may not give sufficient detail to enable a full appreciation of all financial transactions occurring in the reporting period. Where accounts require to be audited, such auditing shall be at the expense of the Contracting Party or Managed Entity. The Contracting Party and or Managed Entity shall provide NSM with such information and explanations regarding the accounts as NSM or any auditor may reasonably require to ensure that the audit of the Managed Entity may be satisfactorily completed.
- 3.6 Except where NSM has provided or procured members of the board of directors of a company or the council of a foundation which is the Managed Entity, NSM shall not be bound or required to interfere in the management or conduct of the business of any such company or foundation. NSM does not provide investment advice of any nature. Any comments or views expressed by NSM in connection with investments shall not be construed as investment advice and shall be given without responsibility. In addition, so long as NSM has no actual notice of any act of dishonesty or misappropriation of monies or property on the part of the directors of that company, NSM may leave the conduct of its business (including the payment or non-payment of dividends or distributions) wholly to the directors.
- 3.7 NSM need not diversify the investment of any trust assets or foundation assets, nor shall NSM be liable for the consequences of investing, or keeping trust or foundation assets invested, in the shares or obligations of a single business, company, firm or entity, or in one asset or one type of asset.
- 3.8 NSM shall not be under any duty nor shall they be bound to interfere in the business of any company, firm or entity in which any company, trust or foundation assets are invested and in particular, NSM shall not be under any duty to exercise any control it as the director of a company,





trustees of a trust or council members of a foundation as the case may be may have over or to interfere in or become involved in the administration management or conduct of the business or affairs of any such company, firm or entity even if the directors, trustees or council members hold the whole or a majority of the shares carrying the control of the company and (without limiting the generality of the foregoing) NSM shall not be under any duty to exercise any voting powers or rights of representation or intervention conferred on the trustees or council members by any of the shares in respect of such company.

- 3.9 The Contracting Party acknowledges that NSM is subject to statutory due diligence obligations, and undertakes to make available to NSM at any time all documents that pertain to the Contracting Party's or the Managed Entity's business or where the Managed Entity is a trust or foundation, the assets (and activities in relation to such assets) of that trust or foundation. This applies in particular to documents that NSM requires in order to fulfil its obligations under applicable Law. This clause shall also apply to all other entities owned or controlled (whether partly or wholly, directly or indirectly) by such Contracting Party or Managed Entity.
- 3.10 Nothing in the preceding provisions of this clause 3, shall cause NSM to act in a manner which is or maybe contrary to Law, be ultra vires the Managed Entity, conflict with any of the provisions of the statutory or governing documents of the Managed Entity or expose the Managed Entity or NSM to any liability or risk of prosecution in any jurisdiction.

#### **4. Warranties from the Contracting Party**

The Contracting Party agrees and expressly warrants:

- 4.1 that all information supplied by or on behalf of or with the knowledge of the Contracting Party to NSM in connection with the Contracting Party, the Managed Entity and the Services before the date hereof and afterwards is and will be accurate and discloses a fair and true picture of the facts to which it relates (to an appropriate extent) and is not aware of any fact or circumstance which if known to NSM would affect the decision of NSM to enter into this agreement;
- 4.2 that all disclosures concerning the structure being established, if any, required by Law will be made;
- 4.3 that neither the Contracting Party's assets nor any assets to be settled into the Managed Entity (as applicable) represent the proceeds of crime nor relate to the funding of terrorism and/or the proliferation of weapons of mass destruction;
- 4.4 that it shall not sell, exchange or pledge or in any other way dispose of its interest in the Managed Entity without first giving NSM sixty (60) days prior written notice;
- 4.5 that it is and will be able to meet its outgoings and expenses to third parties as they fall due, is solvent at the date hereof and, notwithstanding the establishment of the Managed Entity, is able to meet its liabilities to existing, actual and contingent personal creditors;
- 4.6 that all assets transferred to the Managed Entity or to be held by NSM as an asset of a Managed Entity are unencumbered property unless otherwise disclosed to and agreed by NSM in writing;
- 4.7 that it shall advise NSM in a timely manner of all changes in address, residence, citizenship, profession or business activity of the Contracting Party and any beneficial owners of the Managed Entity or of any other changes of which NSM should be aware to enable NSM to comply with any applicable Law; and



4.8 that it shall explain to NSM any transaction considered or recommended to any Managed Entity, to the satisfaction of NSM.

**5. Indemnities from the Contracting Party and limitations on the liability of NSM**

5.1 Where NSM provides Services, the Contracting Party, his/her heirs and/or successors, assigns or administrators shall be liable to NSM not only as guarantor but also as principal for:

- (a) the fees charged by NSM for the Services; and
- (b) all disbursements and out of pocket expenses incurred by NSM in performing the Services, including but not limited to all statutory, filing, tax, agency, ancillary and other fees incurred by or in relation to the Managed Entity;

and shall indemnify NSM for and in respect of the fees in the event that such fees cannot be met from the assets of the Managed Entity.

5.2 The Contracting Party agrees that, in addition to any lien or right of security conferred by applicable Law, NSM shall have a lien over all assets, records and papers of the Managed Entity (including the Corporate Documentation and/or the Trust Documentation) or relating to the trust and in the possession of NSM and NSM's agents whilst any amount due (from fees or otherwise) remains unpaid to NSM. On termination of these Terms and Conditions, if the Contracting Party or Managed Entity omits to take receipt of its assets, records and papers or to arrange for a third party to take receipt of such documents held by NSM on behalf of the Contracting Party or Managed Entity, NSM shall be authorised to deposit such documents at a depositary at the Contracting Party's or Managed Entity's expense (as to which shall be in NSM's discretion) and NSM shall be discharged from all and any liability in regard to the preservation of such documents.

5.3 NSM shall not be obliged to incur any expense due to any third party or to commence any legal action on behalf of the Contracting Party or the Managed Entity unless fully indemnified in a form and amount satisfactory to NSM for such expenses and other costs and liabilities.

5.4 The Contracting Party hereby covenants with NSM, and as a separate covenant with NSM as trustee for the Indemnified Parties, that it will at all times fully and effectually indemnify and hold harmless each corporate entity which forms part of NSM's group and each of the Indemnified Parties against any and all Liabilities whatsoever for and in respect of which NSM or the Indemnified Party may be or become liable:

- (a) in connection with the performance of the Services save that such indemnity shall not extend to acts or omissions amounting to fraud, wilful misconduct or gross negligence on the part of NSM or the Indemnified Party;
- (b) in connection with any loss of profit or other adverse consequence (including, without limitation, any consequential, special, indirect or exemplary damages, costs or losses or damages, costs or losses attributable to lost profits or opportunities) sustained by the Contracting Party or the Managed Entity, the assets of the Contracting Party or the Managed Entity or the Contracting Party or the Managed Entity arising in the situations contemplated in clause 5.5 below; and
- (c) howsoever arising as a result, whether directly or indirectly, of NSM accepting in good faith instructions or requests given by letter, telephone, facsimile, e-mail or any other means of communication whether or not authenticated or confirmed in writing.



- 5.5 NSM and the Indemnified Parties shall, to the extent permitted by Law, not be liable for loss or loss of profit or other adverse consequences including, without limitation, any consequential, special, indirect or exemplary damages, costs or losses or damages, costs or losses attributable to lost profits or opportunities, suffered by the Contracting Party, the Managed Entity, the assets of the Managed Entity or the Contracting Party arising out of:
- (a) the holding or sale of any investment by the Managed Entity;
  - (b) the holding or sale of any investment which forms or formed an asset of the Managed Entity;  
or
  - (c) failure to act, error of judgement, oversight or mistake in Law on the part of NSM or any duly appointed adviser or agent of NSM providing the Services.
- 5.6 With regard to telephone, facsimile, e-mail or other instructions or requests not in writing NSM shall be entitled to rely on such instructions or requests and the indemnity provided to NSM under this clause 5 shall cover any error or discrepancy arising therefrom including any conflict between NSM's interpretation of such instructions or requests and any subsequent confirmation in writing.
- 5.7 The Contracting Party shall, through the Managed Entity or otherwise, bear any loss or damage which results from the reliance by NSM upon any false, contradictory, forged or otherwise legally deficient advice, recommendation or request for action apparently from the Contracting Party or apparently from any person nominated by the Contracting Party as referred to above. Loss or damage shall include, but not be limited to, any fees incurred in taking advice from or otherwise instructing any professional adviser in connection with such false, contradictory, forged or otherwise legally deficient advice, recommendation or request for action whether in connection with the Managed Entity or in connection with NSM's obligations (whether legal or otherwise) or protecting its reputation.
- 5.8 The indemnities in this clause 5 are in addition to the indemnities contained (where the Managed Entity is a trust) within the Trust Documentation or (in the case of a Managed Entity other than a trust) in the memorandum and articles of association, charter, articles, partnership agreement, limited partnership agreement, limited liability partnership agreement or other constitutional documents or (in all cases) given by a third party (including but not limited to the beneficiaries, beneficial owners, shareholders, directors or council members of the Managed Entity).
- 5.9 Where NSM considers that the indemnities provided under these Terms and Conditions are insufficient and requests further indemnities or security from:
- (a) the Contracting Party, then the Contracting Party shall negotiate with NSM in good faith with the intent either that NSM shall be provided with such indemnities or other security as NSM requires or that NSM be satisfied that such additional indemnity or security is not required;
  - (b) any other person (including, for the avoidance of doubt but not limited to, a corporate person) then the Contracting Party will use its best endeavours to obtain such indemnities or security as NSM reasonably requires from such third party.

Until such further indemnities are given, security is provided or NSM is satisfied that such further indemnities or security is not needed NSM shall not be required to perform any of the Services if, in its absolute discretion, it considers such performance exposes it to Liabilities against which is it not sufficiently indemnified.



- 5.10 Where the Contracting Party is comprised of two (2) or more persons then the liability of such persons shall be joint and several with the other(s) meaning that if there is a default by a Contracting Party or a Contracting Party otherwise fails to meet its obligations under these Terms and Conditions then each other person comprising the Contracting Party will be liable to the full extent of the failure or default of that Contracting Party's liability.
- 5.11 NSM shall not be responsible for any loss suffered by or damage to the Contracting Party, the Managed Entity or any other party or property in the possession of such party or for any failure to fulfil its duties here under if such loss, damage or failure is caused by or directly or indirectly due to war damage, enemy action, the act of any government or other competent authority, riot, civil commotion, rebellion, storm, tempest, accident, fire, lock-out, strike, pandemic or epidemic, or other cause whether similar or not beyond the control of NSM provided that NSM shall use all reasonable efforts to minimise the effects of the same.
- 5.12 Other than where NSM has breached any duties which cannot be contracted out of or which are imposed on it by Law arising out of NSM acting as directors of a Managed Entity company or trustee of a Managed Entity trust, NSM will not be liable for any default or negligence on the part of a professional services firm, adviser, consultant or agent engaged or instructed by NSM on the Contracting Party's behalf.
- 5.13 The Contracting Party acknowledges and agrees that NSM and its Staff shall not be liable to the Contracting Party or Managed Entity for any loss, damage, expense, or liability suffered by the Contracting Party, or the Managed Entity in connection with the operation of the Managed Entity's account(s) and the performance or non-performance of any Services other than the loss, damage, expense or liability arising from the fraud, wilful misconduct, or gross negligence of NSM, or its Staff. NSM shall not be liable in respect of errors made by an external service provider. NSM shall not under any circumstance whatsoever be liable to the Contracting Party, whether in contract or tort (including negligence), breach of statutory duty or otherwise, for any loss of profit, or any indirect or consequential loss arising under or in connection with the provisions of the Services.
- 5.14 The provisions of this clause 5 are without prejudice to any other limitation on liability or indemnity and shall remain in full force and effect notwithstanding the termination of the Services and shall continue in full force and effect for the benefit of NSM and any Indemnified Party notwithstanding that the Indemnified Party is no longer a member of NSM's Staff.
- 5.15 NSM shall not be liable to the Contracting Party or Managed Entity for any failure, delay or interruption in the performance of its obligations which result from any occurrence not reasonably within NSM's control. This shall include, but not be limited to, industrial disputes, acts or regulations of any governmental bodies or authorities and breakdown, failure or malfunction of any telecommunication or computer service or systems. NSM shall have no responsibility of any kind for any loss or damage thereby incurred or suffered by the Contracting Party or Managed Entity. In any such case, all amounts due to NSM hereunder shall continue to be paid as and when due, NSM's remaining obligations shall continue in full force and effect and all NSM's obligations shall be performed or carried out as soon as legally and practically possible after the cessation of such events or circumstances.
- 5.16 To the extent applicable the undertakings warranties and confirmations given by the Contracting Party above are deemed to be repeated on each occasion Proper Communications are received from the Contracting Party.



- 5.17 Subject always to any legal restrictions on limitation of liability, the liability of NSM to the Contracting Party and/or Managed Entity shall be limited to £3,000,000 (three million pounds sterling) in total.

## **6. Costs, Fees and Disbursements**

- 6.1 The parties acknowledge and agree that the Managed Entity shall pay all fees to NSM for the Services in accordance with:
- (a) such scale and/or terms as has been agreed between the Parties in the Application Documentation, Schedule of Fees (or Special Fee Agreement) or any superseding written agreement; or
  - (b) in the absence of such agreement, NSM's standard scale of fees as amended and notified to the Contracting Party from time to time (for the avoidance of doubt, NSM may amend such provisions without seeking consent).
- 6.2 Fees under either scale may be incurred on an agreed fixed fee basis for certain specified projects and/or fixed annual responsibility fees (sometimes referred to as "annual responsibility fees").
- 6.3 Charge out rates on a time spent basis vary depending upon the level of experience and professional qualification of the staff and may also vary depending on the nature of the work. Details of NSM's rates on a time spent basis are available on request (NSM reserves the right to vary these from time to time in accordance with any new scale in force).
- 6.4 Where no fixed fee has been agreed or fees for a particular matter are not covered by the Application Documentation, Schedule of Fees (or Special Fee Agreement, if applicable) or any subsequent superseding agreement as to fees (for example, if NSM is asked to undertake additional, unusual or onerous further tasks), fees will be incurred on a time spent basis. NSM reserves the right to require from the Contracting Party its agreement in advance to a higher fee rate where the matter is of particular importance and urgency requiring NSM staff to work out of office hours.
- 6.5 Liability for NSM's fees commences from the moment that NSM is instructed. Fees for work carried out by NSM but not invoiced prior to any termination of the Agreement will continue to be payable as set out in this clause and will be subject to a minimum termination charge of £1,000 (one thousand pounds sterling). If a fixed fee was agreed, NSM in its sole discretion reserves the right to charge the full amount of the fee that would otherwise have been payable or instead fees for time spent prior to the termination, calculated on a time spent basis, subject to a minimum charge of £1,000 (one thousand pounds sterling). Where fixed annual responsibility fees have been paid in advance and the services or arrangements are terminated during the year, no refund of the pro rata fees for the remainder of that year shall be paid. External costs will be charged in addition and funds may be retained to meet such anticipated termination fees and external costs.
- 6.6 Where an estimate of fees is requested and given, it is only an indication of the amount anticipated as being the likely charge and shall not be regarded as an agreed fee for the work or transaction, unless specifically confirmed in writing by a director or duly authorised representative of NSM.
- 6.7 The Contracting Party shall ensure that NSM is reimbursed for all disbursements and out of pocket expenses incurred by NSM on behalf of the Managed Entity, the Contracting Party or in performing the Services. The following provisions shall apply:



- (a) disbursements incurred will be added to the applicable interim or final invoice rendered.
  - (b) by instructing NSM to provide the Services the Contracting Party authorises NSM to incur reasonable expenses on its behalf which the Contracting Party agrees to reimburse.
  - (c) depending upon the matter in question, NSM may request a payment on account of future costs to be incurred. For the avoidance of doubt, where such a request has been made but NSM has not received payment in cleared funds, it shall not be obliged to provide the relevant Services.
  - (d) disbursements may include, but are not limited to, filing fees, court fees, registration fees, document taxes, courier fees and publication costs. As a general policy NSM does not charge for administrative services such as photocopying. However, in the event that NSM is required to dedicate a significant amount of administrative resources to an individual matter, NSM reserves the right to charge for such administrative services.
  - (e) In circumstances where NSM instructs counsel (Guernsey or otherwise) or other advisors on the Contracting Party's behalf, it may, in its sole discretion, choose to do so as agent on the Contracting Party's behalf and on the basis that such counsel or advisor's fees will not be met by NSM or included as disbursements on the Contracting Party's invoice. Where this is the case, the Contracting Party will be responsible for the settlement of such fees directly with counsel and/or advisors as the case may be. Otherwise, such fees will be treated as disbursements payable by the Contracting Party in accordance with this clause 6.7.
  - (e) NSM shall be under no obligation to pay disbursement costs on behalf of a Contracting Party and may choose not to do so unless and until it has been put in funds.
- 6.8 Where NSM is providing Corporate Services to a body corporate or foundation, or is providing Trust Services it shall, to the extent permitted by the Corporate Documentation or the Trust Documentation and applicable Law, be remunerated or reimbursed out of the assets of the foundation or the trust as applicable without the prior consent of the Contracting Party and the Contracting Party hereby acknowledges this.
- 6.9 To the extent that the Managed Entity does not meet any payment or any payment in full then the Contracting Party shall remain liable to pay such outstanding amount of remuneration and reimbursement not only as guarantor but as principal in accordance with clause 5.1 of these Terms and Conditions. Unless otherwise agreed in writing between the Parties, the Contracting Party shall maintain or procure that a minimum balance of sufficient account is maintained either in an account held with NSM or in an amount held with the Managed Entity for the purpose of meeting all fees, disbursements or expenses payable by the Managed Entity.
- 6.10 The Contracting Party waives any and all rights it may have under the *droit de division* and the *droit de discussion* (being customary Guernsey law rights) in respect of payments due under these Terms and Conditions.
- 6.11 Unless NSM agrees to the contrary in writing, NSM will render regular interim invoices for NSM's administration fees and disbursements, usually on a quarterly basis in arrears. In addition, where NSM has agreed fixed annual responsibility fees, these will be invoiced and payable annually in advance and within 30 days of being rendered. Default Interest, compounded monthly, may be charged at NSM's discretion on unpaid invoices after 30 days of being rendered.



- 6.12 In the event that any monies due to be paid to NSM by the Managed Entity or the Contracting Party remain unpaid for a period of ninety (90) days of the issuing of the invoice, the Managed Entity or the Contracting Party shall be obliged to pay, on a full indemnity basis:
- (a) all legal costs incurred by NSM resulting from the institution of legal proceedings against the Managed Entity or the Contracting Party by NSM for the recovery of any monies due; and
  - (b) default Interest on any sum invoiced and outstanding, compounded monthly.
- 6.13 Should any fee due by the Contracting Party or Managed Entity be unpaid for a period of ninety (90) days, such debt (together with Default Interest as provided in clause 6.12) shall be deemed to be a debt due jointly and severally by the Contracting Party and the Managed Entity and NSM shall be entitled to procure that the Contracting Party or Managed Entity pays such debt to NSM including the realisation of the assets of the Managed Entity.
- 6.14 Should any fees or other amounts owing by the Contracting Party or Managed Entity not be paid by the agreed date and as a result statutory penalties or fines are incurred by the Managed Entity these shall be for the account of the Contracting Party or the Managed Entity and no liability whatsoever shall accrue to NSM for such payment or for any consequences arising as a result of non-payment except in the case of NSM's neglect. NSM is under no obligation whatsoever to advance sums to pay third party expenses where invoices to the Contracting Party or Managing Entity in respect of those services have not been paid.
- 6.15 NSM shall be entitled to be paid by the Contracting Party or the Managed Entity in connection with transactions other than the provision of the Services.
- 6.16 If any amounts (fees, duties, charges or otherwise) payable under these Terms and Conditions are not paid within two (2) months of becoming due then NSM shall not be under any further obligation, save as required by Law, to provide the Services or to keep the Managed Entity in good standing.
- 6.17 In the absence of manifest error the amounts set out in NSM's invoice as being due to NSM under these Terms and Conditions shall be conclusive.
- 6.18 In the event of any conflict between the Terms and Conditions and the terms of any written agreement with the Contracting Party, the written agreement where dated after the date of the Application Documentation or Special Fee Agreement shall prevail save that an existing written agreement that is silent on any matter found in the Terms and Conditions and Conditions is not considered a conflict.
- 6.19 NSM's charges are exclusive of any value added tax, goods and services tax or equivalent (VAT/GST). If NSM is obliged to charge VAT/GST, the appropriate amount shall be added to NSM's invoices so that NSM receives the full amount of the charges and VAT/GST.
- 6.20 NSM's charges are net of any bank charges and withholding taxes. If the Contracting Party is compelled to make any such deductions from payment on account of such charges or taxes, the Contracting Party must gross up the payment so NSM receives the full amount stated in the invoice.

## **7. Client Monies**

- 7.1 NSM is not licensed to undertake banking activity and does not accept deposits



- 7.2 Whilst every care is taken to ensure that Fiduciary Client Money is placed with an Approved Bank, NSM does not accept responsibility for the failure of the Approved Bank including failure of the bank to honour its obligations to its customers (whether as to principal or interest).
- 7.3 Where practicable, NSM will assist all Managed Entities in setting up their own bank accounts over which NSM will have control of day-to-day transactions, unless otherwise agreed with the Contracting Party.
- 7.4 NSM agrees that Fiduciary Client money will be held:
- (a) separately from its own money; and
  - (b) separately from another client's money.
- Section 7.4 (b) does not apply to monies held for:
- (i) Multi-member pension schemes, including occupational pension schemes; and
  - (ii) Pooled Accounts.
- 7.5 Where the Contracting Party's money is accepted by NSM and no account has been set up on the Contracting Party's or Managed Entity's behalf by NSM in accordance with clause 7.2 above, or due to exceptional circumstances where NSM is unable to segregate the money of one Managed Entity from that of another Managed Entity, the money may be held by NSM on trust for the Contracting Party or Managed Entity in a specially designated Pooled Account. In such cases the following provisions shall apply:
- (a) Fiduciary Client Money held in a Pooled Account will be held for a maximum period of thirty (30) days after which time, if no account has been established, the money will be returned to the account from which it was sent with or without notice to the remitter of the monies;
  - (b) during the thirty (30) day period in 7.4 (a) above, the monies will be frozen until they are either transferred to the Contracting Party / Managed Entity's account or returned to the sender. NSM reserves the right to refuse the use of its Pooled Account with or without explanation;
  - (c) If monies are unable to be returned after thirty (30) days of being held in the Pooled Account, NSM is obligated to inform the GFSC;
  - (d) NSM will only accept EUR, USD or GBP monies into its Pooled Account.
  - (e) No interest is applied to Fiduciary Client Money held in a Pooled Account.
  - (f) Bank charges will be deducted from Fiduciary Client Money held in a Pooled Account and payments will be net of the charges applied.
  - (g) Any funds of the Contracting Party held in the Pooled Account will be paid into, and held by, such clearing bank as NSM may from time to time use), unless the Contracting Party otherwise specifies. NSM accepts no liability as to the performance of whichever bank holds the funds.
  - (h) NSM's clearing bank is not entitled to combine the account with any other account or exercise any right of set-off or counterclaim against money in the Pooled Account in respect of a debt or other obligation owed to it by NSM.

## **8. Legal, taxation and regulatory matters**





- 8.1 The Contracting Party acknowledges that it has been advised by NSM to take independent legal, taxation and regulatory advice:
- (a) prior to accepting these Terms and Conditions; and
  - (b) in relation to the Managed Entity and any larger structure to which the Managed Entity relates or otherwise is connected or associated with,
- and that it has taken such advice or has freely declined to do so but has carefully read and considered the Application Documentation (including the Schedules to it), and these Terms and Conditions (and any documentation of the Managed Entity including, if applicable, any Trust Documentation or Corporate Documentation whether in draft or executed form) including in particular the terms of the indemnities contained in these Terms and Conditions.
- 8.2 The Contracting Party shall continue to acquaint itself with any legal, tax or regulatory obligations it may continue to have during the time that the Services are provided under these Terms and Conditions and notify NSM of any changes to such obligations which it wishes NSM to take account of in its provision of the Services.
- 8.3 No NSM company provides, nor shall it provide, investment advice. Where investment advice is required in relation to or by any Managed Entity then that advice must be obtained from a third-party investment manager who shall not be an NSM company nor an employee. Where a third-party investment manager is engaged on matters relating to the Contracting Party or to the Managed Entity then NSM may relay the advice received from such investment manager but at no time shall NSM be deemed to be giving such advice nor confirming it as being sound. This clause does not affect any obligations NSM may have under Law as regards NSM's duties as trustee to supervise the performance of investment managers.
- 8.3 NSM cannot advise the Contracting Party upon the merits of any transaction that the Contracting Party may be entering into and the Contracting Party will be responsible for any commercial decisions the Contracting Party makes.
- 8.4 The Contracting Party confirms that it has not been provided with any legal, taxation, regulatory or investment advice or advice in relation to the Managed Entity by NSM or its agents acting on NSM's behalf or advice in relation to the merits of any transaction.
- 8.5 NSM does not offer legal, tax or regulatory advice and at all times the Contracting Party and the Managed Entity (and beneficiaries, beneficial owners, council members, directors or officers as the case may be) must rely on their own legal, tax and regulatory advice.
- 8.6 If NSM draws to the attention of the Contracting Party or the Managed Entity (or the beneficiaries, beneficial owners, council members, directors or officers as the case may be) that a course of action or refraining from a course of action may or may not have tax, legal or regulatory implications then such communication by NSM shall not be considered tax, legal or regulatory advice and shall not be relied upon by the recipient of such communication. The recipient shall obtain such other tax advice as it considers necessary in these circumstances.
- 8.7 NSM accepts no liability whatsoever for the tax consequences of actions it takes in respect of the Managed Entity and the provision of the Services.
- 8.8 Upon:



- (a) any change in circumstances of the Contracting Party or the beneficiaries, beneficial owners, council members, directors or officers of the Managed Entity;
- (b) any distribution from the trust being effected; or
- (c) other activities being undertaken with resulting tax or adverse legal implications, the Contracting Party shall (if the Contracting Party deems it necessary) instruct NSM on making any necessary reporting and undertaking all other actions in order to comply with the requirements of applicable Law or any relevant tax, regulatory or governmental authority. NSM will not be responsible for any compliance with reporting or filing requirements (whether for tax or legal purposes, or otherwise) in relation to the Managed Entity other than where NSM has a statutory obligation or has expressly agreed to do so in writing.

8.9 Except where NSM has expressly agreed to provide a service, the Contracting Party or any other party associated with the Managed Entity or Services provide by NSM, has sole responsibility for the management of their legal, accounting and tax affairs including any required filings and payments and complying with any Applicable Law in any jurisdiction. NSM has not given any legal, accounting or regulatory advice (including tax advice) in any jurisdiction and no discussions held with or information provided by NSM should in anyway be construed as or relied upon as “advice” in this context.

8.10 NSM acting reasonably may insist on receiving legal or tax advice in respect of any Managed Entity at the expense of the Contracting Party or Managed Entity.

8.11 NSM is permitted to provide sponsor services to the qualifying Contracting Party and Managed Entities in respect of such Contracting Party's or Managed Entity's' reporting requirements under FATCA (Sponsor Services). A Contracting Party may engage NSM to provide Sponsor Services. Such Sponsor Services may be provided in addition to the existing Services provided by NSM or may be provided as a sole service to the Contracting Party or Managed Entity. Whether or not NSM has been engaged to provide Sponsor Services to a Contracting Party or a Managed Entity, NSM may disclose information in respect of such reporting requirements pursuant to clause 16.2(a). For the avoidance of doubt, NSM shall not provide Sponsor Services to the Contracting Party or Managed Entities unless it has expressly agreed to do so in writing to the Contracting Party or Managed Entity.

8.13 The Contracting Party undertakes to keep NSM fully informed and updated of any information relevant to any disclosures required under FATCA or the CRS. The Contracting Party undertakes to provide appropriate self-certifications where the Contracting Party is an Account Holder (as the term is defined in CRS and/or FATCA), and to use reasonable endeavours to procure the provision of appropriate self-certifications from other Account Holders. The Contracting Party hereby indemnifies NSM for any liability or loss whatsoever suffered by NSM in connection with NSM providing Sponsor Services to the Contracting Party or the Managed Entity, other than liability or loss arising from the gross negligence, grossly negligent misrepresentation, fraud or wilful default of NSM or its Staff.

## **9. Termination**

9.1 The Agreement shall continue in force until terminated:

- (a) by either party giving to the other not less than ninety (90) days' notice in writing (unless a shorter period is agreed); or



- (b) by NSM:
  - (i) immediately upon an Event of Default; or
  - (ii) at the expiry of the 60 days' notice given under clause 4.4 following the disposal of the Contracting Party's interest in the Managed Entity.

9.2 Where the Agreement is terminated by NSM upon an Event of Default, NSM shall as soon as reasonably practicable following NSM becoming aware of the Event of Default, confirm in writing to the Contracting Party the termination of the Agreement and the effective date of such termination.

9.3 Upon termination of this Agreement for any reason:

- (a) the Contracting Party shall immediately pay to NSM all of the Contracting Party's outstanding unpaid invoices and interest and, in respect of Services supplied but for which no invoice has been submitted (including any termination fee payable in accordance with clause 6.5), NSM may submit an invoice, which shall be payable immediately on receipt; and
- (b) where the Corporate Services include the provision of a director or a company secretary NSM will promptly take all steps necessary to effect the resignation of such director or company secretary (such resignation to be effective contemporaneously with the cessation of the provision of Corporate Services) in accordance with the constitutional documents of the company and applicable Law;
- (c) where NSM provides either Corporate Services to a foundation or Trust Services then these Terms and Conditions shall cease (in relation to the provision of those Services) upon NSM ceasing to provide such Services, such cessation being in accordance with the terms of the Trust Documentation or Corporate Documentation and applicable Law.

9.4 Upon cessation of the provision of the Corporate Services and subject to the terms hereof and provided it is not prohibited from doing so by applicable Law NSM shall deliver to the Contracting Party or to such other party as the Contracting Party instructs the records of the Managed Entity held by NSM and its agents, provided that NSM shall be entitled at the expense of the Contracting Party to make or have made and keep copies of such of the records as NSM wishes or as NSM is obliged to keep by applicable Law.

9.5 Upon the termination of NSM's involvement in the affairs of the Managed Entity:

- (a) NSM may arrange payment of any amounts due to it in respect of the provision of Services up to and including the date of termination from the assets of the Managed Entity in accordance with clause 6.8, or otherwise exercise a right of lien over such assets, notwithstanding that it may have been the practice of the Contracting Party to meet such fees and expenses;
- (b) NSM shall cause its Staff to resign from all positions of the Managed Entity;
- (c) where the Managed Entity is other than a trust or foundation, NSM shall be entitled to transfer or procure the transfer of the Managed Entity into the sole name of the Contracting Party and thereupon NSM shall be under no further obligation to provide management or administrative services to the Managed Entity or to maintain the same in good standing; and the Contracting Party shall be responsible for providing replacement directors and other officers as necessary who are eligible to act; and



(d) where the Managed Entity is a trust or foundation, the Contracting Party shall find a suitable replacement for NSM as trustee, protector, council member, guardian, resident agent or administrator as necessary. Should the Contracting Party fail to provide such replacement within sixty (60) days then NSM may find such a replacement (which includes making an application to a court in any jurisdiction) and, on behalf of (but without reference to) the Contracting Party, enter into agreement with such replacement as to the provision of the Services and payment therefor.

9.6 Subject to the terms of the relevant Trust Documentation or Corporate Documentation, NSM shall be entitled to, and where appropriate the Contracting Party shall procure without delay, an express indemnity from the continuing and/or new trustees, directors, council members or administrators in a form acceptable to NSM against all fiscal liabilities and all other liabilities whatsoever for which NSM and any other of the Indemnified Parties may be or become liable as provider of, or in connection with the provision of, the Services to the Managed Entity.

9.7 NSM shall retain documents of the Managed Entity in its possession for the period prescribed by Law. After such period has elapsed NSM shall be free to dispose of any documents as it thinks fit without further reference to the Contracting Party.

9.8 These Terms and Conditions shall remain in force, subject to the foregoing provisions or unless modified in writing by the Parties hereto.

## **10. Conflicts**

10.1 NSM provides a wide range of services to a large number of clients and whilst NSM has procedures in place to try to manage, if possible, or otherwise address any conflict of interest. It is possible that a conflict of interest may arise as a result either between:

(a) the Contracting Party and NSM; or

(b) the Contracting Party and another of NSM's clients, client companies or other Managed Entity.

10.2 If NSM becomes aware, or are notified of a possible conflict of interest, the Contracting Party shall be notified as appropriate and procedures will be put in place to ensure confidentiality and manage or address any conflict, which may if NSM considers it necessary in the circumstances, involve NSM ceasing to provide the Services.

## **11. Complaints**

11.1 Both NSM and the Contracting Party shall use all reasonable endeavours to negotiate in good faith and settle amicably any dispute arising from or in connection with these Terms and Conditions and the Application Documentation (including the Schedules to Application Documentation).

11.2 Where this it is not possible to resolve the dispute through liaison with the Key Contact, a Contracting Party may use NSM's Internal Complaints Procedure, details of which are available on our website [www.nsmtrust.com](http://www.nsmtrust.com), which may be amended from time to time by NSM.

## **12. Communication**

12.1 Subject to the requirements of clause 20, NSM will communicate with the Contracting Party by way of letter, fax, e-mail, telephone, other mutually agreed forms of electronic communication



or any combination of the above using the contact details last given to NSM by the Contracting Party in communication generally. NSM assumes that the Contracting Party is willing to receive all general correspondence sent by e-mail. The Contracting Party will inform NSM if it has specific confidentiality requirements, such as a requirement for encrypted e-mails. The cost of setting up any encryption facility on NSM's system may be added as a disbursement at NSM's discretion.

- 12.2 Should the Contracting Party not wish NSM to communicate with it via any particular method, it must instruct NSM accordingly.
- 12.3 Where the Contracting Party has provided an e-mail address to NSM, it agrees that NSM may send notices required to be sent to it in writing under the Terms and Conditions to the Contracting Party to that e-mail address. It is the Contracting Party's responsibility to ensure that the Contracting Party notifies NSM of any changes to that e-mail address.
- 12.4 NSM reserves the right to record telephone calls.

### **13. Storage of Client Documents**

- 13.1 After the completion of any matter and subject to the terms of the Data Protection Privacy Statement, NSM is entitled to retain all papers and documents which have come into existence in the course of NSM acting for the Contracting Party until all fees and disbursements have been settled in full.
- 13.2 Thereafter and in accordance with the Data Protection Privacy Statement, NSM will keep all documents, correspondence, memoranda and notes which have been created in the course of the provision of the Services and ancillary services for such period as NSM considers being appropriate. NSM reserves the right, but has no obligation to make electronic copies of any such documents, correspondence, memoranda and notes and save for original signed documents, NSM reserves the right to destroy such documents.
- 13.3 Should NSM need to retrieve files from storage, either in relation to new instructions to act for the Contracting Party (where the archived files are relevant) or where the Contracting Party has asked NSM to retrieve specific documents or papers, NSM reserves the right to charge for such services.

### **14. Copyright**

- 14.1 All correspondence, files and records (other than statutory corporate records) and all information and data held by NSM on any computer system is the sole property of NSM for its own use and the Contracting Party acknowledges that the Contracting Party has no right of access or control over such information.
- 14.2 NSM's website ([www.nsmtrust.com](http://www.nsmtrust.com)) and all material contained in it provides general information only. None of its content constitutes legal or professional advice and it should not be relied upon as such. NSM does not accept responsibility for any loss which may arise from reliance on information contained in this website. NSM does not guarantee that documents or files within NSM's website are virus-free. As such, NSM accepts no liability or responsibility for any loss or damage, however caused, by any virus. NSM strongly recommends that the Contracting Party uses virus-checking software when using NSM's website. In addition, the Contracting Party is responsible for virus-checking any document or file attachment that the Contracting Party sends to NSM via the website. NSM is not responsible for the content or privacy policies of any external



internet websites linked to NSM's website. NSM does not endorse any information contained in any external internet sites and the links on NSM's website do not imply any association by NSM with the policies of the organisations responsible for such websites.

## **15. Data handling**

15.1 NSM is registered as a controller or processor of Data in relation to NSM's clients and contacts under the Data Protection Law.

15.2 During the course of the Contracting Party's relationship with NSM, NSM may collect Data and other information from the Contracting Party, the Managed Entity and / or any beneficial owner or settlor or founder or beneficiaries in connection with these Terms and Conditions. The Data Protection Privacy Statement describes how NSM may collect, use and share such Data.

## **16. Disclosure**

16.1 NSM shall not divulge or use for NSM's own benefit any confidential information which NSM may obtain in relation to the Contracting Party's affairs, except where required in the proper discharge of NSM's duties under these Terms and Conditions or to any person to whom NSM has properly delegated any of NSM's functions to enable NSM to perform NSM's duties diligently and properly.

16.2 Notwithstanding the provisions set out in clause 16.1 above, NSM may disclose information which would otherwise be confidential if, and to the extent that it is:

- (a) required by Law (including applicable Law implementing FATCA and the CRS);
- (b) required or reasonably requested by any securities exchange, listing authority or regulatory or governmental body to which NSM, the Contracting Party or the Managed Entity is subject or submits, wherever situated whether or not the requirement to provide the information has the force of law (and for this purpose NSM's determination of whether a request is reasonable shall be definitive, but NSM shall in making such determination have regard to what in its discretion it considers to be the best interests of NSM and the Managed Entity, and if NSM shall in its absolute discretion consider it lawful, practicable and appropriate in the circumstances, shall request and seek to take into consideration any representations from the Contracting Party);
- (c) disclosed to the Contracting Party's professional advisers, auditors and bankers;
- (d) information which has come into the public domain through no fault of NSM, where such information as was in NSM's possession prior to the date it was obtained in connection with the Services governed by these Terms and Conditions, or where such information was obtained or independently developed by NSM on a non-confidential basis.

## **17. Client Due Diligence, Anti-Money Laundering and Related Matters, Regulatory Obligations**

17.1 As part of NSM's take on procedures and to comply with the relevant legislation, NSM will be required by anti-money laundering regulations to obtain information and documentation to identify and verify the Contracting Party's identity and certain persons connected to the Contracting Party and the Managed Entity unless an exemption is available. NSM will inform the Contracting Party of what evidence, documentation and/or information NSM requires from time to time. Contracting Party acknowledges that the Contracting Party has no right of access or control over such information.



- 17.2 The Contracting Party agrees that if such evidence, information and/or documentation is not made available to NSM when required, by and in a form acceptable to us, NSM may without any liability terminate the engagement with the Contracting Party with immediate effect. The time at which such information and documentation is required and the form in which it shall be delivered to NSM shall be determined by NSM in its absolute discretion.
- 17.2 The Contracting Party acknowledges that NSM operates under a regulatory regime designed to prevent money laundering and the financing of terrorism and/or the proliferation of weapons of mass destruction. As a consequence, thereof NSM is at times restricted as to how NSM operates. The performance of the Services may also be affected or restricted by directions issued by a law enforcement, regulatory or other governmental agency and therefore NSM may be unable to perform the Services as the Contracting Party wishes. In such circumstances NSM shall not be liable for any losses to the Contracting Party or to the Managed Entity as a result of:
- (a) the manner of performing the Services; or
  - (b) NSM's failure to perform the Services as a result of such regime or the directions issued to NSM thereunder.
- 17.3 NSM is and is required to be subject to supervision by appropriate governmental or regulatory bodies (including where relevant, being supervised in the UK by HMRC for anti-money-laundering purposes, and licensed in Guernsey by the Guernsey Financial Services Commission).
- 17.4 In Guernsey, NSM is authorised to carry on by way of business any regulated activities under the Fiduciary Law, and NSM is obliged to comply with the terms of the Fiduciary Law.
- 17.5 At no time in the course of providing the Services shall NSM or any of its Staff be required to act or refrain from acting in such a matter as to breach the requirements of any applicable Law, disregard any direction from or not adhere to any rules or code of practice issued by, any regulatory, statutory or governmental authority or take any actions which might jeopardise any registration, authorisation or licence granted by any relevant regulatory body (including, without limitation, any licence granted by the Guernsey Financial Services Commission).
- 17.6 Any fees, charges or expense incurred by NSM in respect of any work that NSM undertakes in order to comply with its third parties obligations with regard to anti-money laundering, countering the financing of terror and/or the proliferation of weapons of mass destruction, and other regulatory requirements shall be reimbursed by the Contracting Party or Managed Entity.

## **18. Compliance with relevant requirements**

- 18.1 The Contracting Party shall:
- (a) comply with all applicable laws, statutes, regulations, and codes relating to anti-bribery and anti-corruption including but not limited to the UK Bribery Act 2010 (the "Relevant Requirements");
  - (b) not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the UK Bribery Act 2010 if such activity, practice or conduct had been carried out in the UK;
  - (c) have and shall maintain in place policies and procedures, including but not limited to adequate procedures under the UK Bribery Act 2010, to ensure compliance with the Relevant Requirements, and clause (b), and will enforce them where appropriate;



- (d) promptly report to NSM any request or demand for any undue financial or other advantage of any kind received by the Contracting Party in connection with the performance of the Services;
- (e) immediately notify NSM (in writing) if a foreign public official becomes an officer or employee of the Contracting Party or acquires a direct or indirect interest in the Contracting Party (and the Contracting Party warrants that it has no foreign public officials as Officers, employees or direct or indirect owners at the date of the Letter of Engagement).

18.2 The Contracting Party shall ensure that any person associated with the Contracting Party who is performing services does so only on the basis of a written contract which imposes on and secures from such person terms equivalent to those imposed on the Contracting Party in this clause 18 (the “Relevant Terms”). The Contracting Party shall be responsible for the observance and performance by such persons of the Relevant Terms, and shall be directly liable to NSM for any breach by such persons of any of the Relevant Terms.

18.3 Breach of this clause 18 shall be deemed a material breach constituting an Event of Default for the purposes of clause 9.1(b).

18.4 For the purpose of this clause 18, the meaning of adequate procedures and foreign public official and whether a person is associated with another person shall be determined in accordance with section 7(2) of the UK Bribery Act 2010 (and any guidance issued under section 9 of that Act), sections 6(5) and 6(6) of that Act and section 8 of that Act respectively. For the purposes of this clause 18 a person associated with the Contracting Party includes but is not limited to any director, officer, employee or contractor.

## **19. Amendments**

19.1 NSM may, in its discretion, unilaterally revise these Terms and Conditions and/or the Data Protection Privacy Statement from time to time without the Contracting Party’s prior written consent.

19.2 NSM may in its discretion, unilaterally revise the NSM Schedule of Fees as provided for in clause 6.1(b) of these Terms and Conditions from time to time without the Contracting Party’s prior written consent.

19.3 Subject to clause 19.4, any changes made to these Terms and Conditions shall take effect not less than one month after the date on which they are published on NSM’s website [www.nsmtrust.com](http://www.nsmtrust.com) and made available for inspection at NSM’s registered office. The Contracting Party agrees that shall periodically check the website. NSM shall clearly indicate any amendments for not less than one month before they take effect (subject to clause 19.5 and for a further period of three months after they take effect).

19.4 The Contracting Party shall be bound by any such amendment unless it shall have given notice in writing of termination to NSM (in which case the Terms and Conditions previously applying shall continue to apply as between NSM and the Contracting Party for the relevant notice period, provided that if for any reason the relationship between NSM and the Contracting Party shall extend beyond the end of that notice period, the new Terms and Conditions shall apply).

19.5 NSM reserves the right to amend these Terms and Conditions with effect from a date falling less than one month after publication on NSM’s website if in NSM’s reasonable opinion it is





necessary to do so to comply with applicable Law. NSM will take reasonable measures to inform the Contracting Party of any changes made on this basis, unless NSM reasonably considers the change not to have any material adverse effect upon the Contracting Party.

## **20. Miscellaneous Provisions**

- 20.1 No failure or omission on the part of NSM or the Contracting Party to exercise, and no delay on its part in exercising, any right or remedy under these Terms and Conditions or provided by Law will operate as a waiver thereof, nor will any single or partial exercise of any right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy.
- 20.2 Where the Contracting Party comprises of more than one person:
- (a) each such person hereby appoints the other such person(s) to act as his agent to exercise full power and authority in connection with the Services on his behalf; and
  - (b) the obligations and liabilities of the Contracting Party in connection with these Terms and Conditions shall be joint and several and all obligations, covenants, agreements, undertakings, representations and warranties made pursuant to these Terms and Conditions are entered into, agreed, given or made jointly and severally by those persons comprising the Contracting Party.
- 20.3 The rights and remedies provided in these Terms and Conditions are cumulative and not exclusive of any rights or remedies provided by Law or otherwise.
- 20.4 Any provision of these Terms and Conditions which is held invalid or unenforceable in any jurisdiction shall be ineffective to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining provisions hereof, and any such invalidity or unenforceability shall not invalidate or render unenforceable such provisions in any other jurisdiction.
- 20.5 Neither Party shall use, nor cause nor permit to be used, directly or indirectly, the other's name in any text or document or promotional literature without the prior written consent of that other Party.
- 20.6 Subject to and save as a consequence of any disclosure made under clause 19.15, neither of the Parties shall do or commit any act, matter or thing which would or might bring into disrepute in any manner the business or reputation of the other Party.
- 20.7 Where any of the obligations of NSM under these Terms and Conditions requires a licence from the Guernsey Financial Services Commission (or other applicable regulator) in order for NSM to lawfully fulfil those obligations then such obligations shall be binding on and may be fulfilled by only those members of NSM's group who hold the requisite licence.
- 20.8 The Contracting Party may not assign its rights or obligation under these Terms and Conditions without the written consent of NSM who may in its absolute discretion withhold such consent. NSM may assign any or all of its rights or obligations under the Agreement to any member of its group and need not obtain the consent of the Contracting Party to such assignment. NSM may assign its rights and obligations under the Agreement to a third party with the consent of the Contracting Party, such consent not to be unreasonably withheld.
- 20.9 The rights and powers of NSM shall remain valid and binding for all purposes notwithstanding any change which may be made at any time in the constitution of the entity by which the



business of NSM may be carried on and shall continue to be available to the entity carrying on that business.

- 20.10 The Contracting Party acknowledges that, over and above any obligations under Law relating to anti-money-laundering or the prevention of financing of terrorism or the proliferation of weapons of mass destruction, NSM is required by applicable Law to behave towards regulators in an open, honest and co-operative manner and is required to make disclosures on the occurrence of certain events. Such disclosures may involve confidential matters relating to the Contracting Party or the Managed Entity.
- 20.11 The Contracting Party further acknowledges that in providing the Services NSM will have obligations to third parties, including but not limited to beneficiaries of a trust or shareholders of a company. Where NSM's obligations to such third parties conflict with NSM's obligations under these Terms and Conditions then the Parties shall, in good faith and promptly, negotiate to resolve a course of action. Nothing in these Terms and Conditions shall be deemed to require NSM to break its fiduciary and/or corporate governance obligations arising out of the provision of the Services and, in the absence of resolution between the Parties as to the course of action, such fiduciary and/or corporate governance obligations shall prevail over these Terms and Conditions.
- 20.12 The Contracting Party shall promptly notify NSM of any dispute, conflict or litigation in which the Managed Entity may become involved.
- 20.13 The Parties hereby acknowledge that the Application Documentation and Special Fee Agreement is confidential and that neither Party shall disclose information to any third party about the Application Documentation and Special Fee Agreement, the Managed Entity or the Services except as set out in these Terms and Conditions or as required by applicable Law. NSM reserves the right to make such disclosure if it is in the commercial interests of NSM and the Managed Entity. Notwithstanding any provision of these Terms and Conditions the Parties may disclose the Application Documentation and Special Fee Agreement to their professional advisers (including but not limited to their lawyers, accountants and auditors) or to any relevant regulatory authority, law agency or supervisory body.
- 20.14 NSM may, in its sole discretion, take any action in relation to the Managed Entity where it is subject to an Insolvency Event.
- 20.15 Nothing in these Terms and conditions shall affect any other security or surety which NSM at any time might have in respect of the liabilities of the Contracting Party and any Managed Entity.
- 20.16 The Liabilities of any Managed Entity and the Contracting Party shall not be discharged by any part payment but shall continue until such time as all the liabilities of any Managed Entity and the Contracting Party to NSM have been discharged.
- 20.17 Each of the provisions of these Terms and Conditions shall be severable and distinct from one another, and if at any time any one or more of those provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

## **20. Notices**



- 21.1 Any communication, notice or other document (including any invoice) to be given under these Terms and Conditions shall be in writing (which may include communications by email) in English and shall be deemed duly given if signed by the Party giving notice and if left or sent by airmail post or by facsimile transmission, email or other means of telecommunication in permanent written form to the address of the party sending the notice, last notified to the Party sending such notice.
- 21.2 Any such notice or other communication shall be deemed to be given to and received by the addressee:
- (a) at the time the same is left at the address of or handed to a representative of the party to be served;
  - (b) where such notice is sent by post (first class if available) and the Contracting Party is in the United Kingdom, the Channel Islands or the Isle of Man: three (3) days following the date of posting;
  - (c) where such notice is sent by post (airmail) and the Contracting Party is elsewhere: seven (7) days following the date of posting; and
  - (d) in the case of an email, facsimile transmission or other means of telecommunication on the time given in the message receipt or, if such message receipt is given to NSM outside NSM's normal hours of business then at the beginning of the next business day when NSM is open for business.
- 21.3 In proving the giving of a notice it shall be sufficient to prove that the notice was left, or that the envelope containing the notice was properly addressed and posted, or that the applicable means of telecommunication was addressed and despatched and despatch of the transmission was confirmed and/or acknowledged as the case may be.

## **22. Arbitration**

- 22.1 Both NSM and the Contracting Party shall use all reasonable endeavours to negotiate in good faith and settle amicably any dispute arising from or in connection with these Terms and Conditions.
- 22.2 Either party may elect to submit any dispute between the parties arising from or in connection with this agreement, and which is not settled by agreement in writing between the parties within 30 days after it arises, to arbitration in accordance with the arbitration rules of the London Court of International Arbitration (Rules) as in effect on the date NSM and the Contracting Party enter into legal relations. If one party so elects to submit any dispute to arbitration, the other party will be bound by this election.
- 22.3 Any such arbitration shall be conducted:
- (a) in Guernsey in the English language;
  - (b) in accordance with the Rules; and
  - (c) by a single arbitrator to be agreed between the parties or, failing such agreement within 30 days of the election to submit the relevant dispute to arbitration in accordance with this clause, by a single arbitrator appointed by the president for the time being of the London Court of International Arbitration.



**23. Governing Law**

These Terms and Conditions and the Agreement, and any dispute or claim arising out of or in connection with them shall be governed by and construed and interpreted in accordance with the laws of the Island of Guernsey and NSM and the Contracting Party hereby submits to the non-exclusive jurisdiction of the Courts of Guernsey. Nothing in this clause shall limit the right of NSM to take proceedings against the Contracting Party in any other court of competent jurisdiction, nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdictions, whether concurrently or not, to the extent permitted by the law of such other jurisdiction.

**24. Counterparts**

Any agreement or document between NSM and the Contracting Party may be executed in one or more counterparts, and each should be deemed an original, but all of which shall constitute one and the same agreement or document. If there is more than one Contracting Party, it shall not be necessary for every Contracting Party to sign each counterpart but only that each Contracting Party shall sign at least one counterpart.