

## DEPOSIT AGREEMENT

The present deposit Agreement is concluded between:

1. The Insurance Undertaking, ..... whose Head Office is established at ..... hereinafter called "the Company",

and

2. The Credit Institution ..... whose Head Office is established at ..... hereinafter called "the Bank".

The object of the present Agreement is to define the terms and conditions to be complied with in respect of the deposit of assets underlying the technical provisions constituted by the Company in accordance with Article 37 of the amended Luxembourg Law of December 6, 1991 regarding the insurance sector, hereinafter called the "Law".

Accordingly, the parties agree as follows:

### **Article 1**

The present Agreement allocates to the representation of the technical commitments of the Company as mentioned in article 39 of the Law all the deposit accounts in cash and/or in securities open or to be opened by the Company with the Bank with the exception of the accounts stated in the Appendix 1 to this Agreement, which forms an integral part thereof.

Any account covered by the present Agreement remains allocated to the representation of the technical provisions unless it is included in the appendix mentioned in the previous paragraph and approved by the Commissariat aux Assurances.

Any additional appendix 1 shall be made in the form of the entire reproduction of this Appendix.

### **Article 2**

The Company declares and the Bank takes note that the assets held in account(s) not referred to in the appendix are registered in a permanent inventory of assets underlying the technical provisions which the Company must keep in accordance with Article 37 of the Law, and shall constitute a segregated group of assets which, in accordance with the terms of Article 39 of the Law, shall be preferentially used for the payment of insurance commitments arising from article 25, point 1mm of the law<sup>1</sup>.

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<sup>1</sup> With regard to article 25 point 1mm) of the law, "insurance claim" means any sum owed by an insurance company to its lives assured, policyholders, beneficiaries or to any other party with a direct claim against the insurance company which arises from an insurance contract or from any insurance transaction cited at article 1, paragraph 2 and 3 of the directive 79/267/CEE including any sums owed to the above-mentioned parties which have not been finalised. The following are also included in the definition of "insurance claim": any premium owed by an insurance company as a result of the non-conclusion or the annulment of an insurance contract and any associated policy transaction in accordance with applicable law or any transaction in contemplation of a collective liquidation procedure.

This preferential right overrides any other right from the time the assets representative of technical provisions are recorded in the permanent inventory foreseen in article 37 of the Law.

### **Article 3**

In accordance with Article 15 of the Grand Ducal Regulation of 14th December 1994 by implementing the amended Law of 6 December 1991 on the insurance sector and defining the conditions of authorisation and operating of direct insurance undertakings, the deposits operated on the account(s) referred to in Article 1 must be clearly segregated from other liabilities and assets of the Company held at the Bank and cannot be subject to an offset with these latter. They may not be charged to preferential rights or guarantees other than those referred to in Article 39 of the Law.

The Bank acknowledges the obligation of segregation and the restriction on encumbrances referred to above and hereby agrees that any clause to the contrary contained in its general terms and conditions or in any other contractual document between the Bank and the Company is waived and shall be ineffective.

### **Article 4**

The Bank takes note that the account(s) referred to in Article 1 is (are) at the free disposal of the Company.

### **Article 5**

The Bank commits to:

- a) immediately provide to the Commissariat aux Assurances, at the latter's request, any information regarding the composition and the functioning of the accounts mentioned in Article 1;
- b) immediately upon its own initiative inform the Commissariat aux Assurances:
  - of any surety or preferential right brought to its knowledge relating to the assets of the accounts referred to in Article 1 and liable to prevent the exercise of the preferential right foreseen in Article 39 of the Law;
  - of any freezing or executing measure relating to the assets referred to above and not originating from the Commissariat aux Assurances;
- c) accept that this Agreement constitutes an irrevocable instruction from the Company to freeze, without delay, the assets as soon as the bank will be informed by the Commissariat aux Assurances that one of the situations described in Article 44, paragraph 4 of the Law applies to the Company. Such an information must be notified by the Commissariat aux Assurances to the Bank by any appropriate means and will be confirmed by registered letter or by legal notice. From the moment of the receipt of such notification until the freezing measure is lifted by the Commissariat aux Assurances, no withdrawal or reduction in value shall be made without the prior approval of the Commissariat aux Assurances.

To these ends the Company hereby irrevocably releases the Bank from its obligation of professional secrecy vis-à-vis the Commissariat aux Assurances.

If the provisions of national law as outlined in Annex 2 in this Agreement or any judicial or administrative orders arising from such provisions would prevent disclosure without delay stipulated in point b) above, the institution will conduct such communication on the first date on which those impediments have disappeared.

## **Article 6**

The Bank confirms:

- a) that the assets deposited other than cash deposits are not included in the bankrupt estate in the event of failure of the Bank and cannot be claimed by other creditors of the Bank in such circumstances;
- b) that there are no obstacles in its national legislation, other than those mentioned in annex 2, that would prevent or restrict the disclosure of information required by the Commissariat aux Assurances or the execution of blocking decisions taken under the first paragraph of article 5.

The Bank undertakes to immediately notify the Company and the Commissariat aux Assurances of any change in its national legislation which could affect the treatment of assets as certified according to the point a) above or rights to information and blocking referred to in b).

The Bank and the Insurance Company agree to continuously maintain and update, through an amendment to this Agreement, Annex 2 of the provisions of national law which would preclude the appointment of communication without delay as stipulated in Article 5 paragraph 1 b). The Bank undertakes to notify, without delay, the Insurance Company of any change, addition or deletion of the national provisions referred to in Annex 2.

Any appendix to annex 2 shall be made in the form of the entire reproduction of this annex and shall be submitted to the approval of the Commissariat Aux Assurances.

## **Article 7**

The Bank must inform without any delay and on its own initiative the Company and the Commissariat aux Assurances:

- of any change in its name, address of its headquarters and its approval as a credit institution;
- of any transfer to a third party of its depository obligations, including as a result of mergers and divisions

Any request or notification made by the Commissariat aux Assurances to the Bank are properly made at the last address notified to the Commissariat aux Assurances under the foregoing paragraph or, failing that stated in this agreement.

## **Article 8**

The Bank is not relieved of its responsibility of compliance with the provisions of this Agreement by the fact that it entrusts to a third party all or part of the assets in its custody.

The Bank undertakes to abstain from entrusting all or part of the assets in its care to any third party if the use of that third party is likely to affect the security of the deposit of the Company.

#### **Article 9**

The Bank certifies that it is aware of the obligation to allocate the assets representative of technical provisions into asset categories as defined by Article 11 of the Grand Ducal Regulation of December 14, 1994, by Article 9 of the Grand Ducal Regulation of August 31, 2000 and the instructions of the Commissariat aux Assurances as applicable.

The Company commits to inform the Bank of any modification of the relevant regulation.

#### **Article 10**

The Company and the Bank may each terminate this Agreement by registered letter giving three months notice to the other party and to the Commissariat aux Assurances.

However, this termination shall only take effect from its approval by the Commissariat aux Assurances.

#### **Article 11**

The Company and the Bank cannot amend any provision of this Agreement without the prior approval of the Commissariat aux Assurances.

#### **Article 12**

The Company and the Bank certify that no side-letter affecting the provisions of this Agreement exists and undertake not to sign any counter letter which could have the same purpose.

#### **Article 13**

The present Agreement will enter into force upon the date of its approval by the Commissariat aux Assurances.

It replaces all previously concluded Deposit Agreements between the Company and the Bank.

Made in three originals, in Luxembourg on \_\_\_\_\_

The Company

Represented by \_\_\_\_\_

The Bank  
Represented by

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Approved, Luxembourg, on

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The Commissariat aux Assurances  
Represented by its Director

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**Appendix 1**

**Accounts excluded from the allocation to the representation of technical provisions:**

Made in three originals, in Luxembourg on \_\_\_\_\_

The Company

Represented by \_\_\_\_\_

\_\_\_\_\_

The Bank

Represented by \_\_\_\_\_

\_\_\_\_\_

Approved, Luxembourg, on \_\_\_\_\_

The Commissariat aux Assurances

Represented by its Director \_\_\_\_\_

**Appendix 2**

**Provisions of national law representing an obstacle to the obligation of immediate communication as covered in article 5 b) of the agreement.**

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Made in three originals, in Luxembourg on \_\_\_\_\_

The Company

Represented by \_\_\_\_\_

The Bank

Represented by \_\_\_\_\_

Approved, Luxembourg, on \_\_\_\_\_

The Commissariat aux Assurances  
Represented by its Director \_\_\_\_\_