

LANCASTER

GUERNSEY

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**TERMS OF BUSINESS**



# TERMS OF BUSINESS

These Terms of Business apply to the Services provided to you by Lancaster Guernsey. Together with your Application(s), any additional terms agreed in writing in relation to the Services and the Fee Schedule, these Terms of Business constitute a legal agreement with you in relation to the performance of the Services (the "Agreement"). The Agreement will prevail over all future applications to receive a further Service or Services from Lancaster Guernsey.

## 1. Services

- 1.1 The Services shall be provided to the Client by Lancaster Guernsey.
- 1.2 Lancaster Guernsey does not provide tax or legal advice and the Client acknowledges that the Client is not relying on Lancaster Guernsey for the provision of such advice.
- 1.3 Lancaster Guernsey may obtain such tax, legal or investment advice in relation to the Services or otherwise on behalf of a Client Entity as its directors, officers and employees consider is reasonably necessary in all the circumstances. The Client shall be responsible for any professional fees or expenses so incurred by Lancaster Guernsey.
- 1.4 Lancaster Guernsey will exercise due care in the choice of any adviser to advise or act on behalf of the Client or a Client Entity but shall not be liable for the acts or omissions of any such third party or any further third party engaged by it or any of their employees or agents.
- 1.5 Lancaster Guernsey may pay out of the assets of any Client Entity any taxes of any kind which become payable anywhere in the world in respect of any Client Entity or its assets whether or not enforceable against it and notwithstanding that the payment of such taxes may be prejudicial to the beneficiaries/beneficial owners of such Client Entity.
- 1.6 To assist Lancaster Guernsey in carrying out the Services, to help Lancaster Guernsey to improve its service and in the interests of security, Lancaster Guernsey may monitor and/or record telephone calls and the Client consents to such monitoring and/or recording, and such consent may be withdrawn at any time. Recordings shall be and remain Lancaster Guernsey's sole property and Lancaster Guernsey shall have authority, and the Client consents to Lancaster Guernsey having the authority, to deliver copies or transcripts of such recordings to any court, tribunal, arbitrator or regulatory authority of competent jurisdiction as it sees fit or as it is obliged by applicable law or regulation to do so.

## 2. Fees and expenses

- 2.1 Lancaster Guernsey shall be entitled to be remunerated for the provision of the Services. The amount of remuneration for the Services shall be determined in accordance with any bespoke fee arrangement agreed between Lancaster Guernsey and the Client in writing or in default of agreement in accordance with the Fee Schedule.
- 2.2 All additional operational work carried out by Lancaster Guernsey at the request of the Client will be charged separately and additionally on a time plus costs (disbursements) basis or otherwise in accordance with the Fee Schedule. In particular, Lancaster Guernsey shall be entitled to charge and be paid in accordance with the Fee Schedule for all time spent in complying with any order or request of a court or governmental or administrative tribunal or regulatory or tax authority relating to the Client or any Client Entity.
- 2.3 Fees for the Services shall be free of all taxes and withholdings, and VAT or any other government or local tax, levy or excise will be charged additionally, where applicable.
- 2.4 Should the Client no longer require the Services, the fee relevant for the full financial year shall remain payable and no element of that fee shall be reimbursed or otherwise reduced or returned. In the event that the fee has not been paid it shall remain payable forthwith in full. A termination fee may apply in accordance with the Fee Schedule agreed.

- 2.5 Should any Client Entity be moved to another service provider and Lancaster Guernsey be requested or wish itself to retire in favour of such other service provider, Lancaster Guernsey will charge on a time basis for the work involved in effecting the transfer.
- 2.6 All third party expenses, costs and disbursements incurred by Lancaster Guernsey in the provision of the Services shall be added to the Client's account and payable in addition to Lancaster Guernsey's remuneration as a reimbursement of expenses.
- 2.7 Notwithstanding the above, Lancaster Guernsey shall not be required to incur any expenses or make any payments in the course of providing the Services unless it is in receipt of sufficient funds in advance.

### 3. Client Monies

- 3.1 Lancaster Guernsey is not licensed to undertake banking activity and does not accept deposits.
- 3.2 Whilst every care is taken to ensure that Fiduciary Client Money is placed with an Approved Bank, Lancaster Guernsey does not accept responsibility for the failure of the Approved Bank including failure of the bank to honour its obligations to its clients (whether as to principal or interest).
- 3.3 Where practicable, Lancaster Guernsey will assist all Client Entities in setting up their own bank accounts over which Lancaster Guernsey will have control of day to day transactions, unless otherwise agreed with the Client.
- 3.4 Lancaster Guernsey agrees that Fiduciary Client Money will be held: -
- 3.5 (a) separately from its own money; and
- 3.6 (b) separately from another client's money
- 3.7 Section 3.6 (b) does not apply to monies held for:
  - Multi-member pension schemes, including occupational pension schemes; and
  - Pooled Accounts
- 3.8 Where the Client's money is accepted by Lancaster Guernsey and no account has been set up on the Client's or Client Entity's behalf by Lancaster Guernsey in accordance with clause 3.2 above, or due to exceptional circumstances where Lancaster Guernsey is unable to segregate the money of one Client Entity from that of another Client Entity, the money will be held by Lancaster Guernsey on trust for the Client or Client Entity in a specially designated Pooled Account.
- 3.9 Lancaster Guernsey will only accept EUR, USD or GBP monies into its Pooled Account.
- 3.10 No interest is applied to Fiduciary Client Money held in a Pooled Account
- 3.11 Bank charges will be deducted from Fiduciary Client Money held in a Pooled Account and payments will be net of the charges applied.
- 3.12 Lancaster Guernsey reserves the right to change its clearing bank without notice. Any funds of the Client held in the Pooled Account will be paid into, and held by, any clearing bank which Lancaster Guernsey uses. Lancaster Guernsey accepts no liability as to the performance of whichever bank holds the funds.
- 3.13 Lancaster Guernsey'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 Lancaster Guernsey.

### 4. Invoicing and outstanding fees

- 4.1 Invoices for fees and expenses will be rendered on a quarterly basis and are payable immediately on receipt. Lancaster Guernsey reserves the right to submit invoices in writing or by e-mail.

- 4.2 In the event that an invoice remains unpaid for more than 30 days after the date of issue interest shall accrue from that date on the balance outstanding at 5% per month above the base lending rate of the Bank of England Base Rate from time to time until such time as full and final settlement of the invoice is made.
- 4.3 Where funds are available, payment of fees and expenses may be made by Lancaster Guernsey from assets in its control held by or for any Client Entity without further reference to the Client. Lancaster Guernsey reserves the right where there are insufficient funds to pay the creditors of a Client Entity to sell the assets of that Client Entity or to arrange an overdraft for the relevant Client Entity.
- 4.4 Notwithstanding the above and for the avoidance of doubt, the Client shall remain liable in respect of all obligations in relation to the payment of fees and shall be personally responsible for payment of outstanding invoices where the Client Entities have insufficient funds and/or assets to meet outstanding invoices for fees and expenses.
- 4.5 Lancaster Guernsey reserves the right where fees or expenses have been invoiced and are outstanding to exercise a lien in respect of them over any documents, moneys or property of the relevant Client Entity in the possession of Lancaster Guernsey.
- 4.6 Lancaster Guernsey is entitled to recover from the Client on demand on a full indemnity basis all costs and expenses (both before and after judgment) as are incurred by Lancaster Guernsey in securing payment of its fees and expenses.
- 4.7 In the event of any complaint being raised in relation to an invoice which cannot be resolved between Lancaster Guernsey and the Client, Lancaster Guernsey shall follow the Complaints process as referred to at clause 11.

## 5. Instructions

- 5.1 In the provision of the Services Lancaster Guernsey may accept instructions from and communicate with the Client or its Agent by e-mail, by facsimile transmission, in writing or by telephone. Where the Client is more than one person Lancaster Guernsey may accept instructions from any one of them acting alone. The Client agrees to accept the risks associated with e-mail including the risk that e-mail communication may not be secure and reliable.
- 5.2 Lancaster Guernsey (and the directors, officers and employees of any group company) are under no obligation to verify the validity of any instructions, requests or directions made by the Client or an Agent.
- 5.3 Lancaster Guernsey shall not be liable for any Liabilities arising as a result of:
  - (a) acting in response to instructions, requests or directions which purportedly originate from the Client or an Agent; or
  - (b) the non-receipt of any instructions, requests or directions; or
  - (c) a failure to act upon any instruction which Lancaster Guernsey considers, in its sole and absolute discretion, to be ambiguous or likely to contravene any legal or regulatory obligations to which Lancaster Guernsey may be subject from time to time; or
  - (d) any breach of confidentiality occasioned by communicating with the Client by e-mail, facsimile or by telephone.
- 5.4 Lancaster Guernsey may, in its sole and absolute discretion and without giving any reason, or being liable for any loss that may be occasioned thereby, refuse to act upon instructions given by the Client or an Agent.
- 5.5 Lancaster Guernsey shall not be bound to do anything which in its opinion is contrary to law, accepted ethical standards or which it reasonably considers improper to do.

## 6. Liability and Indemnity

- 6.1 Lancaster Guernsey shall not have any liability for any Liabilities which the Client or any Client Entity may suffer or incur arising out of the provision of the Services unless such loss arises from fraud or wilful misconduct or gross negligence on the part of Lancaster Guernsey.
- 6.2 The Client shall release the Indemnified Persons from and shall fully and effectually indemnify the Indemnified Persons on demand from and against all Liabilities suffered or incurred by the Indemnified Persons in providing the Services (including without limitation in reliance upon any statement made by the Client which proves to be inaccurate, incomplete or misleading) provided that this indemnity shall not apply to any Liabilities occasioned by the fraud or wilful misconduct or gross negligence of such Indemnified Person.
- 6.3 The Client shall fully and effectually indemnify the Indemnified Persons on demand from and against all Liabilities suffered or incurred by the Indemnified Persons in acting as a director, secretary, other officer or administrator of a Client Entity except in so far as the same arises or occurs as a result of the fraud or wilful misconduct or gross negligence of such Indemnified Person.
- 6.4 The Client undertakes to ensure at all times that any Client Entity has sufficient funds to discharge all its obligations and Liabilities as and when they fall due and agrees to fully and effectually indemnify the Indemnified Persons from time to time on demand from and against any Liabilities it may suffer or incur in acting in reliance upon this undertaking.
- 6.5 Lancaster Guernsey shall not be required to take any legal action on behalf of the Client or in respect of any Client Entity unless fully indemnified to its satisfaction for all Liabilities that may be incurred or suffered in that connection.
- 6.6 The releases and indemnities set out in this clause 6 shall survive the termination of the Agreement.

## 7. Representations and warranties

- 7.1 The Client represents and warrants to Lancaster Guernsey that:
  - (a) all information and documentation provided by the Client (or an Agent on the Client's behalf) to Lancaster Guernsey is and will be materially accurate and complete and not misleading;
  - (b) the provision of the Services and each and every transfer of assets by or on behalf of the Client to Lancaster Guernsey or to any Client Entity will not breach any law or regulation to which the Client is subject;
  - (c) none of the assets to be transferred, either initially or subsequently, to Lancaster Guernsey or to a Client Entity by or on behalf of the Client, and none of the Client's net worth, income or activities, are derived from any activities that contravene (or would contravene if carried out in Guernsey) proceeds of crime, bribery, terrorism, anti-money laundering laws or regulations in Guernsey or in any other jurisdiction;
  - (d) it is the beneficial owner of all assets from time to time to be transferred to Lancaster Guernsey or to a Client Entity, which assets are free from any liens, charges or other encumbrances;
  - (e) no Client Entity will be engaged or involved directly or indirectly in any unlawful activity or be used for any unlawful purpose and no instructions given to or requests made of Lancaster Guernsey will involve any unlawful act;
  - (f) no Client Entity will be engaged or involved directly or indirectly in any arrangement to hinder, delay or defraud any creditors or to engage in any unlawful conduct in relation to creditors;
  - (g) it will provide any information deemed necessary by Lancaster Guernsey to comply with the Lancaster Guernsey's anti-money laundering programmes and related responsibilities from time to time;

- (h) it has taken such professional tax and other relevant advice in such jurisdictions as the Client considers necessary in order to properly consider the tax implications of Lancaster Guernsey providing the Services to the Client in respect of the Client Entities. Lancaster Guernsey accepts no responsibility for any tax consequences arising from the formation and administration of any Client Entity; and
- (i) no Client Entity will be used to evade (nor is any Client Entity being established with a view to evading) any tax or any other legal obligation of whatever nature and all income and capital gains and all such other details of whatever nature as are required by relevant legislation shall be declared by the Client as required under the laws of his jurisdiction.

## 8. Termination

- 8.1 Each of the Client and Lancaster Guernsey may terminate the Agreement on 30 days written notice to the other.
- 8.2 Lancaster Guernsey reserves the right to cease to provide Services and to terminate the Agreement with immediate effect by giving written notice to the Client if an invoice remains outstanding for more than 90 days.
- 8.3 Each of the Client and Lancaster Guernsey may terminate the Agreement with immediate effect by giving written notice to the other party if the other party commits a material breach of the Agreement and (if such breach is remediable) fails to remedy that breach within 14 days after being requested in writing to do so.
- 8.4 Lancaster Guernsey shall be entitled to terminate the Agreement with immediate effect by written notice to the Client in the event that any legal proceedings are commenced against the Client (including any injunction or investigative proceedings in respect of the Client).

## 9. Consequences of Termination

- 9.1 In the event of a notice of termination being served by either party on the other:
  - (a) the Client shall be obliged, within three months' of the service of the notice, to arrange for the transfer of the administration of any Client Entity from Lancaster Guernsey to a new administrator. Subject to payment of all amounts due to it, Lancaster Guernsey shall co-operate with the Client in relation to such appointments;
  - (b) Lancaster Guernsey may cease to provide the Services and take steps to effect the resignation of its representatives from all and any positions in respect of the Client Entities without penalty and without further notice; and
  - (c) all fees accrued in respect of the Services shall immediately become due and payable;
- 9.2 If insufficient information concerning the new administrator is given by the Client to Lancaster Guernsey to enable the transfer of administration or the Client does not pay all outstanding fees and expenses in full, Lancaster Guernsey shall not be obliged to procure the transfer of the administration of any Client Entity to the new administrator and instead shall be entitled:
  - (a) to make such arrangements for the administration of the Client's affairs as it considers necessary which may include (without limitation) finding a replacement administrator for any Client Entity or distributing any assets held by Lancaster Guernsey (whether in a fiduciary capacity or otherwise) to the Client;
  - (b) to procure the winding up, liquidation or dissolution of any Client Entity, and the costs of so doing shall be a debt due by the Client to Lancaster Guernsey payable on demand on a full indemnity basis.
- 9.3 The Client acknowledges that Lancaster Guernsey (and/or the officers, agents and employees of any group company) may have continuing regulatory/fiduciary duties under applicable law. Accordingly, without prejudice to its rights above, Lancaster Guernsey shall be entitled (but not obliged) to continue to provide the Services so as to discharge such duties and shall be entitled to charge its applicable fee for the provision thereof.

- 9.4 Notwithstanding termination, Lancaster Guernsey shall be entitled to retain copies of any books of account, records, correspondence and documents required to be retained by it by reason of any applicable law or regulation for such period as it may in its sole and absolute discretion think fit and shall not be obliged to deliver up the originals thereof until any money owed to Lancaster Guernsey in respect of the outstanding fees and expenses has been paid.
- 9.5 Termination shall not prejudice or affect any accrued rights and remedies of either party.

## 10. Delegates

- 10.1 Lancaster Guernsey shall be entitled to delegate any of the Services on such terms as it may in its sole and absolute discretion think fit.
- 10.2 Provided that Lancaster Guernsey has taken reasonable steps to satisfy itself, and to continue to be satisfied, as to the ability and competence of the delegate to perform the services delegated to it Lancaster Guernsey shall not be liable for any Liabilities of whatsoever nature occasioned by any act or omission of any delegate so appointed.
- 10.3 Any delegation shall be carried out in accordance with the provisions of the Data Protection Law.

## 11. Complaints

- 11.1 Lancaster Guernsey takes all complaints extremely seriously. Any complaints should be directed in writing in the first instance to a director at Lancaster Guernsey, who will use reasonable endeavours to negotiate in good faith and settle amicably any dispute arising from or in connection with these Terms of Business and the Application(s).
- 11.2 In the event that it is not possible to resolve the complaint to the Client's satisfaction, the Client may use the Lancaster Guernsey's Internal Complaints Procedure, details of which are available on our website [www.lancaster.gg](http://www.lancaster.gg), which may be amended from time to time by Lancaster Guernsey.

## 12. Anti-money laundering

- 12.1 The Client agrees to provide Lancaster Guernsey with such due diligence information and documentation as Lancaster Guernsey may in its absolute discretion require to enable it to comply with its obligations under:
- (a) The Criminal Justice (Proceeds of Crime)(Financial Services Businesses)(Bailiwick of Guernsey) Regulations, 2007;
  - (b) the Handbook for Financial Service Businesses on Countering Financial Crime and Terrorist Financing; and
  - (c) any other applicable legislation, regulation or guidance from time to time, (together, AML Obligations) and immediately to notify Lancaster Guernsey in writing of any change in any information which it has so provided.
- 12.2 The Client acknowledges and agrees that the obligation to provide due diligence information under clause 12.1 is a continuing obligation and that Lancaster Guernsey may require such further due diligence information or documentation as it considers necessary from time to time.
- 12.3 If Lancaster Guernsey is not satisfied with the result of such enquiries it may in its sole and absolute discretion decline to supply or continue to supply Services, or to accept monies or assets, until such time as all due diligence formalities have been completed to its satisfaction. Should Lancaster Guernsey decide to cease to provide the Services, it shall incur no liability for any Liabilities that the Client or any Client Entity may sustain.

- 12.4 The Client acknowledges and agrees that any action or inaction on the part of Lancaster Guernsey arising from its compliance with its AML Obligations shall not constitute a breach of Lancaster Guernsey's duties pursuant to the Agreement.
- 12.5 The Client undertakes that it will not sell, transfer, assign, charge, pledge, hypothecate or otherwise encumber any of its legal or beneficial interests in or rights against any Client Entity without Lancaster Guernsey's prior written consent.

### 13. Tax evasion

- 13.1 Lancaster Guernsey does not provide tax advice and it is the Client's responsibility to ensure that appropriate tax advice is taken and followed in order to meet any tax obligations.
- 13.2 Lancaster Guernsey complies with Regulations in connection with anti-tax evasion measures and will not provide any Services which may be connected with any form of tax evasion.
- 13.3 It is the Client's responsibility to ensure that appropriate tax advice is taken and followed in order to meet any tax obligations. It is the Client's responsibility to act in accordance with local and international tax evasion law at all times.
- 13.4 In signing the Agreement, the Client is confirming that it is not engaged in any form of tax evasion.

### 14. Bribery and Corruption

- 14.1 Lancaster Guernsey is committed to acting professionally and to guard against the all forms of bribery and corruption and within the confines of the Prevention of Corruption (Bailiwick of Guernsey) Law, 2003 and the UK Bribery Act 2010. It is the responsibility of the Client to ensure adherence to local and international anti-bribery and corruption laws at all times.
- 14.2 Lancaster Guernsey expects the Client to notify Lancaster Guernsey immediately in the event that the Client or any person connected to the Client is investigated, prosecuted, charged or convicted of any offence under local or international anti-bribery or corruption laws.
- 14.3 In the event Lancaster Guernsey becomes aware of or is suspicious of the occurrence of bribery or corruption in connection with the Client or any service provided to the Client, Lancaster Guernsey may decline to engage with or immediately terminate the contract with the Client at their discretion.

### 15. Confidentiality

- 15.1 Lancaster Guernsey shall use reasonable endeavours to protect any confidential information concerning the Client and shall not disclose such information to any person except as permitted by clauses 15.2 and 15.3.
- 15.2 Lancaster Guernsey may disclose confidential information relating to the Client to:
  - (a) its officers, directors, employees, representatives or advisers who need to know such information for the purposes of carrying out its obligations under the Agreement;
  - (b) any person where such disclosure is in the opinion of Lancaster Guernsey necessary for the proper performance of the Services or the proper administration of the Client Entity;
  - (c) any person where required by applicable law, court order, judicial process or any governmental or regulatory authority in any relevant jurisdiction;
  - (d) any person with the prior authorisation of the Client or the Agent.
- 15.3 The Client undertakes and agrees that upon written request from Lancaster Guernsey from time to time it will promptly provide, and complete, execute and deliver, all and any such information, documentation or certifications as reasonably may be required in the determination of Lancaster Guernsey to comply with statutory and other generally accepted principles in connection with anti-money laundering or

automatic international exchange of tax information and any rules and regulations promulgated thereunder, and consents that Lancaster Guernsey may from time to time disclose such information, documentation or certifications to any person where it is required to make disclosure under any laws, rules, regulations, codes of practice or guidance or where it is otherwise appropriate or desirable to make such disclosure.

## 16. Data protection

- 16.1 The Client consents to Lancaster Guernsey procuring, holding and otherwise processing the Client's personal data and sensitive personal data in accordance with the provisions of the Data Protection Law. The terms "personal data", "sensitive personal data" and "processing" shall have the meanings ascribed to them in the Data Protection Law.
- 16.2 Lancaster Guernsey shall (a) act in accordance with the requirements of the Data Protection Law to the extent that they apply in respect of Lancaster Guernsey's activities and (b) maintain such notifications with any relevant authorities as may be required under the Data Protection Law.
- 16.3 Lancaster Guernsey shall not use any personal data or privileged or confidential information relating to the Client or to any matter handled by Lancaster Guernsey on the Client's behalf ("Information"), unless and except if (a) it is for the purposes of performing Lancaster Guernsey's obligations under the Agreement (b) such use is permitted under the Agreement (c) Lancaster Guernsey otherwise has the Client's prior written consent to do so (d) Lancaster Guernsey considers it appropriate in the proper conduct of the matter (e) such Information is already in the public domain or (f) Lancaster Guernsey is required or permitted to do so by law, or by the rules of a professional body with jurisdiction over Lancaster Guernsey, or by a governmental, judicial or regulatory authority.
- 16.4 Lancaster Guernsey may use and process Information in accordance with such privacy notice as Lancaster Guernsey may publish from time to time on its website (at <http://www.lancaster.gg/privacy-policy>) (the "Privacy Notice") including for or in connection with, amongst other things (i) the provision of Lancaster Guernsey's services to the Client and any purpose ancillary to the provision of the Services (including, without limitation, performing appropriate anti money laundering/financing of terrorism procedures, undertaking conflict of interest checks, archiving, client and matter management) and/or (ii) otherwise in connection with Lancaster Guernsey's business (including, without limitation in connection with marketing, business development, know how, credit control and debt management, analysis of Lancaster Guernsey's business and generation of internal reports and accounts and assessment of legal and financial risks to Lancaster Guernsey's business).

## 17. Document retention

Lancaster Guernsey shall keep and preserve such records and documents as may be appropriate for it to reasonably comply with its obligations under The Regulation of Fiduciaries, Administration Businesses and Company Directors, etc (Bailiwick of Guernsey) Law, 2000 and any other applicable legislation or regulations.

## 18. Reputation

- 18.1 No party shall:
  - (a) publish, disseminate, or broadcast any advertisement, circular or other publicity material referring to the other without the prior written consent of the other;
  - (b) use, nor cause or permit to be used, the logo or trade mark of the other party in any document without the prior written consent of the other; or
  - (c) do or commit any act, matter, or thing which would or might prejudice or bring into disrepute in any manner the business or reputation of the other party or any of its directors.

- 18.2 The Client shall immediately inform Lancaster Guernsey of any matters that might affect Lancaster Guernsey's willingness to provide, or continue to provide, any of the Services.

## 19. Variation

- 19.1 Lancaster Guernsey reserves the right to vary the Agreement at any time.
- 19.2 If there is any variation to the Agreement, Lancaster will give notice of that variation to that Client.

## 20. Miscellaneous

- 20.1 No failure or delay by Lancaster Guernsey to exercise any right or remedy provided in the Agreement or by law shall constitute a waiver of that or any other right or remedy, nor shall it preclude or restrict further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall preclude or restrict the further exercise of that or any other right or remedy.
- 20.2 Lancaster Guernsey shall not be in breach of the Agreement nor liable for delay in performing, or failure to perform, any of its obligations under the Agreement if such delay or failure results from events, circumstances or causes beyond Lancaster Guernsey's reasonable control.
- 20.3 Neither Lancaster Guernsey nor the Client shall assign, transfer or deal in any other manner with any of its rights and obligations under the Agreement without the prior written consent of the other party provided that Lancaster Guernsey shall be entitled to assign its rights under the Agreement to any person by giving not less than 28 days' notice to the Client.
- 20.4 The Agreement constitutes the entire agreement between Lancaster Guernsey and the Client and supersedes all previous agreements, arrangements and understandings between them, whether written or oral.
- 20.5 If any court or competent authority finds that any provision or part of any provision of the Agreement is invalid, illegal or unenforceable, that provision or part-provision shall, to the extent required, be deemed to be deleted, and the validity and enforceability of the other provisions of the Agreement shall not be affected.
- 20.6 If any invalid, unenforceable or illegal provision of the Agreement would be valid, enforceable and legal if some part of it were deleted, the provision shall apply with the minimum modification necessary to make it legal, valid and enforceable.
- 20.7 The services provided by Lancaster Guernsey under the Agreement are not and shall not be deemed to be exclusive and Lancaster Guernsey remains free to enter into any other agreements for the provision of Services to any other person notwithstanding the fact that the person may have interests which compete or conflict with those of the Client or any Client Entity and shall not be liable to account to the Client for any profits or other benefits made or derived from, or in connection with, those other services.

## 21. Governing law and jurisdiction

The Agreement between the Client and Lancaster Guernsey in respect of the Services shall be governed by the laws of the Island of Guernsey and the Client irrevocably submits to the exclusive jurisdiction of the courts of the Island of Guernsey.

## 22. Definitions and Interpretation

The following definitions and rules of interpretation shall apply throughout the Agreement:

Agent means any person appointed by a Client as agent, advisor or other intermediary for that Client and who interacts with Lancaster Guernsey on behalf of the Client in connection with the Services;

Agreement has the meaning given in the Agreement;

AML Obligations has the meaning given in the Agreement;

Application means the application for Services made by the Client to Lancaster Guernsey;

Approved Bank means an institution which is:-

- (a) licensed under the Banking Supervision (Bailiwick of Guernsey) Law 1994;
- (b) registered under the Banking Business (Jersey) Law 1991;
- (c) licensed under the Isle of Man Financial Services Act 2008 to carry on a regulated activity falling within Class 1 (deposit-taking businesses);
- (d) authorised under the Financial Service and Markets Act 2000 of the United Kingdom to carry on the regulated activity of deposit taking;
- (e) a building society, registered and incorporated under the Building Societies Act 1986 of the United Kingdom, which operates a deposit taking business without restriction;
- (f) a bank which is supervised by the central bank or other banking regulator of a member state of the Organisation for Economic Cooperation and Development ("OECD");
- (g) a credit institution established in a European Union ("EU") or European Economic Area ("EEA") state and duly authorised by the relevant home state regulator; or
- (h) any other bank where Lancaster Guernsey is satisfied with its capital adequacy and that the applicable laws and regulations governing such bank provides a similar level of protection of client money to institutions listed above;

Guidance Note: For (h), Lancaster Guernsey should ensure that the bank meets the following criteria:

- 1) is subject to regulation by a national banking regulator;
- 2) is required to provide audited accounts annually;
- 3) has minimum net assets of £5 million (or its equivalent in any other currency at the relevant time) and has a surplus of revenue over expenditure for the last 2 financial years; and
- 4) has an annual audit report which is not materially qualified.

Client means the person or persons described as the "Client" in the Application for whom Services are provided in respect of a Client Entity and who has completed the Application individually or jointly as the context requires and "Client" includes the heirs and personal representatives of each individual Client and the successors of any Client which is a corporate body;

Client Entity means any company, trust, foundation or other entity or arrangement in respect of which Services are provided;

Company Services means the services provided by Lancaster Guernsey in respect of a Client Entity which is a company, which may include:

- Incorporation of the company;
- Provision of its director(s), secretary, (nominee) shareholders and/or registered agent;
- Provision of a registered office or accommodation, correspondence or administrative address for the company;
- Administration of the company on an on-going basis as required (to include maintaining its statutory and other records); and
- Winding up or strike off of the company;

CRS means the Common Reporting Standard for the Automatic Exchange of Information ("AEOI");

Data Protection Law means the Data Protection (Bailiwick of Guernsey) Law, 2017

FATCA means the US Foreign Account Tax Compliance Act;

Fee Schedule means the schedule of fees for Services updated from time to time and available on request from Lancaster Guernsey;

Fiduciary Client Money: means money which is –

- (a) held or received on behalf of a Client; or
- (b) controlled by Lancaster Guernsey in accordance with the responsibilities Lancaster Guernsey has agreed to undertake in the course of carrying out the Services

Fiduciary Law: means 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;

Foundation Services means the services provided by Lancaster Guernsey in respect of a Client Entity which is a foundation, which may include:

- Incorporation of the foundation;
- Provision of its council members and/or guardian;
- Provision of a registered office or accommodation, correspondence or administrative address for the foundation;
- Administration of the foundation on an on-going basis as required (to include maintaining its statutory and other records); and
- Termination or dissolution of the foundation;

GFSC: means the Guernsey Financial Services Commission;

Lancaster Guernsey means Lancaster Holdings Limited and each of its subsidiary companies (as defined in section 531 of The Companies (Guernsey) Law, 2008 but so that companies incorporated anywhere in the world shall be included);

Indemnified Persons means Lancaster Guernsey (and the directors, officers, shareholders and employees of any group company) and each of them and the respective assigns or agents heirs successors personal representatives and the estates of such directors, officers, its subsidiaries, associated companies, its directors, officers, shareholders, employees, assigns or agents and employees and each of them;

Liabilities means all liabilities, costs, expenses, damages, losses and Tax Liabilities including any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal and other professional costs and expenses;

Pooled Account means an account used to hold Fiduciary Client Money for or on behalf of one or more Clients or Client Entities under the limited circumstances set out in Section 3.8.

Privacy Notice has the meaning given in the Agreement;

Service or Services means the services to be provided by Lancaster Guernsey to, on behalf of, or for the benefit of, the Client or any Client Entity, as requested by way of an Application from the Client to Lancaster Guernsey, which may (as requested by the Client) be any or all of Company Services, Trust Services or Foundation Services;

Tax Liabilities means any tax liabilities, interest or penalties in any jurisdiction whether or not legally enforceable against Lancaster Guernsey;

Trust Services means the services provided by Lancaster in respect of a Client Entity which is a trust, which may include:

- Establishment of the trust;
- Provision of its trustees and/or protector;
- Provision of a correspondence or administrative address for the trust;
- Administration of the trust on an on-going basis as required (to include maintaining its statutory and other records); and
- Termination or dissolution of the trust;

A reference to a party means the Client or Lancaster Guernsey (as the case may be);

A reference to a statute or statutory provision and to the rules and regulations made thereunder is a reference to it as amended, extended, re-enacted or replaced from time to time (whether before or after the date of commencement of the Agreement);

A reference to the Agreement or any other documents (or to any specified provision of them) are to be construed as references to such documents (or that provision) as in force for the time being and as amended, supplemented or replaced from time to time;

Clause headings shall not affect the interpretation of the Agreement.