

The STM Malta (US) Retirement Plan

PLAN PARTICULARS

FOR USE BY US EXPATS

Particulars of the STM Malta (US) Retirement Plan



- **A Defined Contribution Retirement Plan**
- **Registered with the Malta Financial Services Authority (MFSA)**
- **A Malta Resident Pension Fund in accordance with the Double Tax Agreement (DTA) between Malta and the USA**
- **Full Data Protection**

The Plan

The STM Malta (US) Retirement Plan (The Plan) is a defined contribution scheme written under a Trust Instrument with STM Malta Trust & Company Management Ltd (STM Malta) acting as the Retirement Scheme Administrator and Trustee.

The Plan is registered with the Malta Financial Services Authority (MFSA) as a Retirement Scheme – reference no: RS/014. STM Malta, incorporated and based in Malta, is registered with the MFSA as a Retirement Scheme Administrator and as Trustees – reference no: C51028. Registration is not an endorsement by the MFSA.

The Plan is provided in accordance with the Special Funds (Regulation) Act, Chapter 450 of the laws of Malta.

The Plan's Auditor is required to produce an annual report of the Scheme in the format approved by the MFSA. Such reports may be made available by STM Malta on request.

The Plan accepts contributions and assets with a view to providing retirement benefits to the Member and the fund available at retirement will be dependent on the level of contributions and the value of the assets held. The Plan should not be considered as the only source of retirement provision and should be considered in the light of other retirement provisions including mandatory or voluntary occupational schemes that may be available to an individual from time to time. Attention should be given to any regulatory reforms introduced in due course. Potential members should seek professional advice as to the suitability of the Plan for their personal circumstances.

The Plan is specifically designed and administered to be recognised as a Malta Resident Pension Fund in accordance with the Double Tax Agreement between Malta and the United States of America (USA) which entered into force on 23 November 2010 (the DTA).

The Plan has been established to be recognised as a Qualifying Recognised Overseas Pension Scheme (QROPS) within the meaning of Sub-Sections 150(8) and 169(2) of the UK Finance Act 2004 and therefore is recognised by UK HM Revenue & Customs (HMRC) as being eligible to receive an authorised payment in the form of a recognised transfer from registered UK pension schemes. The STM Malta (US) Retirement Plan is registered with HMRC as a QROPS with effect from 19 January 2012 ref: QROPS 504131. (A full listing of all QROPS schemes is available on the HMRC website at www.hmrc.gov.uk/pensionschemes/qrops-list.htm.)

Plan Membership

The Plan is open exclusively to individuals who are residents of Malta or the USA (where "resident" is as per the DTA definition, Article 4.1, which includes any person who is liable to tax in either Malta or the USA by reason of domicile, residence or citizenship) and who wish to make additional provision for their retirement.

Becoming a Member:

- A simple application process provides admittance to the Plan
- No residency required in Malta
- No employment status required

STM Malta will require full due diligence and verification of identity documents on each new Member. An application may be declined at STM Malta's discretion.

Contributions/Transfers to the Plan

The Plan has no limit on the number or value of initial, single and regular contributions that can be made.

Contributions in to the Plan may be made from post-tax earnings and/or accumulated personal capital, subject to any local restrictions/limitations in the jurisdiction of transfer. Contributions may be monetary, via bank transfer, or *in specie* transfers of assets such as traded investment portfolios, commercial property or private company shares. Asset transfers are likely to be more complex than monetary transfers and therefore may attract additional charges.

Contributions are unlikely to qualify for tax relief.

All contributions/transfers are subject to pre-approval by STM Malta and in accordance with current regulations. Evidence of both the source of funds of each contribution and the overall wealth of the Member will be required.

Cash received into the Plan will be retained in an account with the appointed bankers or custodians until such time as an approved investment adviser has provided investment advice directly to, and which is accepted by, the Trustee.

A transfer of personal assets into the Plan may result in a taxable gain and should be discussed with your adviser prior to transfer. The level of contributions should be reasonable in comparison to factors such as the person's level of earnings, wealth and retirement funding expectations. Where an actuarial calculation is required to assess a suitable level of

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contributions for the Plan, third party qualified actuaries will be used and an additional charge will be incurred.

Pension Transfers:

- The Plan accepts transfers from existing UK & EU Pension Schemes as long as their rules and local laws permit
- Transfers in from other approved schemes can be added at any time and not just on establishment
- Pension transfers are often subject to specific, initial and on-going rules and requirements of the country from which the pension is transferring. The decision to transfer pension assets out of an existing scheme requires detailed professional advice, which STM Malta recommends is always taken. (STM Malta does not provide pension transfer or any other advice.)
- Existing pension assets may be liquidated and converted into cash before transfer to the Plan.
- Transfers from pension schemes funded by tax-relieved contributions may require separate administration from other contributions and therefore attract additional fees.

Investments

Contributions received, less any pensions commencement lump sum payments and charges, will normally be invested in accordance with advice given by third party qualified investment advisers. Where no such advice is received, the contributions will be held in an account with Lombard Bank Malta Plc.

Contributions which are complex asset transfers will be subject to tailored investment policies agreed with the Member's Adviser(s).

Investment selection:

- Flexible investment options for your personal account subject to approval and advice provided by the relevant financial adviser (STM Malta does not and cannot provide investment advice. A Statement of Investment Principles is available separately).
- Investment assets are held in the name of STM Malta.
- Malta regulatory restrictions mean that investments may not include loans to members or connected parties, borrowing in connection with property purchases on behalf of members or connected parties, transactions with members or connected parties, or any other contributor related investments. No leveraging is permitted.

The asset manager for the Plan is Lombard Bank Malta Plc, a

company registered with the Malta FSA for this purpose. The role of Lombard is to liaise with STM Malta to ensure that the asset allocation of the Plan as a whole satisfies the Malta regulations for Pension Schemes.

Details of the assets held for a Member's Plan may be forwarded to the Member or their nominated Adviser on an annual basis.

Members may indicate their investment preferences and STM Malta will have regard to those stated preferences. However, Maltese laws and regulations prevent "member-directed schemes" whereby a member has control over the investments of pension assets. STM Malta retains the ultimate responsibility regarding the selection and ownership of the Plan's investments but makes such decisions on the basis of advice received from third party qualified, pre-approved investment advisers in accordance with the Scheme Trust Instrument Rules and taking into account any investment preferences expressed by the Member. STM Malta does not provide investment advice.

Where an investment requires a life assured then two Trustee representatives may act as life assured but will have no other responsibility.

All forms of investment involve risk and the value of investments as well as the income derived from them is not guaranteed and it can fall as well as rise. The value of or income from investments can be affected by many factors including market fluctuations, inflation, exchange rates, taxation, counterparty failure, provider charges and many others.

The Administrator provides no protection against biometrical or investment risks to the assets of the fund or, therefore, to the ultimate income stream available to the Members of the Plan.

There is no statutory provision for compensation available if the Plan is unable to satisfy its liabilities.

The Administrator must act in the best interests of the Scheme and the Members and may not use the assets of the fund for purposes other than the provision of retirement benefits to the Members. Assets held within the Plan for the purpose of providing a Member with retirement benefits cannot be used to provide any other Member with retirement benefits nor to satisfy any creditor of STM Malta. The Administrator is bound to disclose any conflict of interest relating to a Member. This may be in relation to common shareholders or directors between STM Malta and other parties.

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Retirement Age

Members may elect to retire at any age between 50 and 70, in accordance with Malta Law. Pension transfers from some jurisdictions may restrict these ages further.

Retirement Benefits

Although Members do not have ownership of the underlying assets of the Plan, they do have the right to receive retirement benefits derived from those assets. The value of those retirement benefits is not guaranteed but is contingent upon the value of the underlying assets when benefits are taken, subject to allowable limits. STM Malta provides no guarantees nor protection as regards the value of the Plan's assets nor the level of retirement benefits for any Member.

Benefit payments may include the following:

Lump sum provision:

- Up to 30% pension commencement lump sum allowed in Malta at retirement (subject to any local residency requirements)
- Lump sum payments are only permitted at the nominated retirement date, unless also allowed in accordance with Malta's Programmed Withdrawal Arrangement Rules.
- Where funded by a transfer from an EU pension scheme, lump sum withdrawals may be restricted or even prevented

Income at retirement:

- It is a primary objective of the Plan to provide a life-time income to the Member at retirement and at least 70% of the fund must be used for this purpose.
- The life-time income may be payable by STM Malta as an annuity, calculated in accordance with UK GAD rates (Government Actuary Department) and normally reviewed every three years (a Member may request a separate review if his/her circumstances change significantly). Once the annuity has commenced payment, the Member cannot change to another income option unless the assets are depleted to zero or on death. A risk associated with this option is that the plan assets may be depleted through withdrawals and/or lower-than-expected market performance such that they can no longer finance the necessary income levels.
- The Member may instead elect to use the fund to purchase an annuity from an insurance company (subject to pre-approval by STM Malta) which will pay him/her a fixed annual income until death. Risks associated with this option are that a lower level of income will be received

than was expected and there will be no remaining assets to pass to heirs if death is earlier than anticipated.

- For high value funds, income draw down may also be assessed in accordance with the MFSA's Programmed Withdrawal Arrangements.

Benefits on incapacity:

- Up to 30% pension commencement lump sum and/or income stream for life
- Subject to the agreement of the MFSA

Death benefits:

- The Member may nominate beneficiaries to receive the value of the fund in the event of death
- The Member may change the ultimate beneficiaries from time to time through written request to STM Malta. Any specific instructions/requests should be provided under separate written cover addressed to STM Malta

STM Malta will not facilitate withdrawals which exceed those permitted by Malta Pensions Legislation.

Tax

- The Plan is designed to offer a tax-efficient vehicle for retirement planning by US Expats, however, the tax implications of Plan membership and benefits are dependant on personal circumstances and each Member is responsible for obtaining their own tax advice and for fulfilling their own tax compliance obligations. STM Malta recommends that clients take expert tax advice specific to their personal circumstances, including before applying for membership of the Plan and before taking benefits from the Plan. STM Malta does not and cannot provide tax advice or any client-specific tax compliance support beyond provision of our standard client reporting information and certain local Maltese compliance matters.
- The Plan is a treaty qualified pension fund and is exempt from the registration and reporting obligations under FATCA.
- Recognition under the DTA does not preclude Members from disclosing their interest in the Plan and/or any benefits received from the Plan in their personal tax declarations.
- Members taking an income should declare this in their country or countries of tax residency and be aware that this may incur a tax charge in their country of tax residency. Where that country has no Double Taxation Agreement with Malta, tax may also be payable in Malta

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and withheld by STM Malta.

- When benefits are taken then tax returns must be completed in Malta even where the recipient is not resident in Malta.
- Any UK pension transfers are likely to remain under UK Pension Rules for up to 5 full tax years from the date the member leaves the UK.

STM Malta has no duties or responsibilities as regards the tax disclosures or liabilities of the Members (or any other beneficiary) which may relate to the Plan, any transfer of pension rights or any payment made from the Plan.

Fees

The Fees chargeable by STM Malta are set out within the application form.

STM Malta has the right to review and amend its fees, providing one month's notice of any changes which will then be binding.

STM Malta's fees are commensurate with the services it will be providing and are not based on or connected to the value of the Plan's investments. STM Malta does not retain any commissions or retrocessions in connection with the assets of the Plan.

Different types of investment assets and/or a high frequency

of trades will result in a high level of time-based fees charged by STM Malta and should therefore always be considered by the Member, especially where the total fund value is relatively low and/or in low or falling market conditions.

STM Malta takes its fees directly from the Plan assets, typically once per annum unless activity is high. Details of fees taken by STM Malta are fully disclosed in the annual statement sent to the Member.

Data Protection

STM Malta is registered with the Malta Regulatory Authority as Data Controllers in order to comply with the Data Protection Act 2001 regarding the collection, use and distribution of personally identifiable information (registration number: 10306). STM Malta treats your completion of the application as your approval for STM Malta, its officers and employees to share personal data with third parties in circumstances where it is reasonable for that data to be shared for prudential or commercial management purposes. STM Malta may transfer personal data outside of the European Economic Area in order to facilitate processing.

Further Information

If you would like further information concerning the Plan, please refer to your financial adviser or contact us direct at: pensions@stmmalta.com

This document is intended as a reasonable summary of the Plan. Full details are contained in the Trust Instrument and Rules which are available on request from the Scheme Administrator. Every effort is made to ensure the accuracy of the information appearing herein, but accuracy and completeness cannot be guaranteed.

About Malta

- Malta gained independence from the United Kingdom in 1964 and became a republic in 1974, whilst retaining membership in the Commonwealth of Nations. Malta was admitted to the United Nations in 1964 and to the European Union in 2004. Malta is also party to the Schengen Agreement and in 2008 it became part of the eurozone.
- Malta is an island nation in the Mediterranean Sea of Southern Europe and is made up of seven islands. It became a member of the European Union in May 2004.
- The Malta Financial Services Authority (MFSA) was established in July 2002 and is an autonomous public institution reporting to Parliament annually. It has supervisory functions for the

Malta financial sector, including banking, investment and insurance as well as managing the Registry of Companies.

- Financial services is one of the fastest growing sectors of the Maltese economy and one of the most important employers of trained professional staff.
- Malta's infrastructure has good telecommunications, well equipped ports, a well-developed manufacturing industry and a sophisticated European business environment.
- The main languages spoken are English and Maltese, Many Maltese are also fluent in Italian, and also speak Arabic, German and French. Major world languages are spoken by many residents of Malta.

Why STM Group QROPS

LISTED ON THE AIM OF THE LONDON STOCK EXCHANGE	When transferring a pension, considerable thought should be given to the receiving scheme. As a listed company STM Group are required to abide by strict financial and corporate governance guidelines, giving clients and intermediaries comfort that the administration of their pension is in safe hands.
NO HIDDEN CHARGES	We provide a high quality service with all fees included and made clear from the start of the process.
INDEPENDENCE	We do not provide investment advice or management. As a truly independent multi-jurisdictional administrator and trustee our concern is only for our clients and intermediaries who are free to choose who looks after their investments.
EXPERTISE	As one of the first multi-jurisdictional QROPS providers we are experts and pioneers in our field. We work closely with regulatory, tax and other authorities to produce products that will stand the test of time and meet regulatory changes. The STM Malta (US) Retirement Plan was developed after extensive analysis of the Malta US double tax treaty, helping to reaffirm our position as a pensions innovator.
CLIENT FOCUS	We are at the forefront of developing best practices in administration and service delivery. The service we deliver to our clients is at the heart of everything we do. Our business model and processes are built around our clients to ensure we deliver only the highest standards of customer service.
STM GROUP	As a multi-jurisdictional fiduciary services provider we are able to offer intermediaries and their clients a true one stop shop. Where a client's requirements are more complex, we are able to offer other solutions such as Trusts, Companies or Life Bonds. We have the ability to do all of this in-house, helping to keep the costs proportionate with the workload and maintaining a seamless service delivery.

STM GROUP PLC


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STM MALTA GROUP OF COMPANIES

MALTA TERMS & CONDITIONS

DEFINITIONS

"Client"/"you"/"your" mean the person who has requested us to provide Services, or has agreed to pay for Services or has previously remitted payment for Services (and where persons are provided Services jointly, each shall be a Client on a joint and several basis).

"Client Entity" means any company, trust, foundation, partnership or other legal entity to which STM provide services for or on behalf of you or at your request.

"Group" means STM Group PLC, its subsidiary companies and their agents, successors, receivers and assigns.

"Person" shall include any individual, company or other entity incorporated or unincorporated, so far as the context admits.

"STM"/"us"/"STM" means STM Malta Limited and all its subsidiary companies.

"Service" means any service provided by us to you or your Client Entity.

"T&Cs" means these Terms and Conditions.

"Trusts Committee" means the Trusts Committee set up to administer Trusts in terms of the Trust and Trustees Act.

Words in the singular shall include the plural and vice versa, and the masculine shall include the feminine and vice versa.

OUR SERVICES

Your specific requirements will be discussed and agreed between STM and you in writing, prior to the provision of Service. STM reserves the right to refuse to provide any Service at its sole discretion. STM will not consider providing any service, for which it is not authorised or licensed to provide.

Any opinions, or similar comments made by STM that are not subject to a specific engagement or services do not constitute advice and should not be relied upon in making or refraining from making, any decision or action.

Nothing shall prevent us from providing Services that are the same or similar to the Services being provided to you and your Client Entity to other clients or client entities.

DUE DILIGENCE

Prior to providing any Service and on regular intervals thereafter the commencement of a service, STM is required by law to perform due diligence exercises on their clients. You shall be obliged to disclose or procure the disclosure to us of all information that STM may consider necessary or desirable so that STM may meet its legal obligations. STM may at its discretion after due consideration of the information provided decide to decline to offer the Services or to stop providing the Service.

YOUR CONFIRMATIONS

You confirm that:

- a. all funds or property transferred to us and/or your Client Entity have not originated and will not originate from activities or transactions which constitute a criminal offence in Malta or which, if carried out in Malta would be such an offence, or comprises property, the receipt, ownership or control of which would be an offence in terms of the Laws of Malta;
- b. you are not acting as nominee for any other person;
- c. save as previously disclosed in writing to us, neither you nor any business entity of which you have been officer, shareholder or manager have ever:
 - been convicted of any offence other than a minor traffic offence;
 - been adjudged bankrupt insolvent or otherwise unable to pay debts when they fall due;
 - been the subject of an investigation by a governmental, professional or other regulatory or statutory body;
 - made any compromise or arrangement with creditors;
- d. you are not currently the subject of legal proceedings other than those already disclosed to us in writing;
- e. all information provided to us by you is and will be accurate; and any material changes thereto will promptly be reported to us;
- f. you will take all reasonable steps to provide us with information which will assist us in providing the Services or to carry our obligations in terms of the Laws of Malta.

INSTRUCTIONS/RECOMMENDATIONS/REQUESTS

STM will at its discretion consider instructions, recommendations or requests to be your instructions, recommendations or requests after it verifies the authenticity of such instructions, recommendations and requests. Any communication by STM to any of the authorised agents of its clients will be considered and treated as direct communication with the client.

Where more than one person is provided Services jointly, the foregoing paragraph shall apply to each of the clients, unless and until any of the clients instructs us only to accept instructions, recommendations or requests from all of the Clients together. If any of the persons to whom Services are provided jointly, dies, the survivor/s alone shall be the Client.

STM may at its discretion accept verbal and/or written instructions, recommendations or requests.

All verbal or written instructions, recommendations or requests shall be confirmed by the originator in writing within two business days. In the case of a contradiction between the verbal communication and the subsequent written communication or, where no such written communication is received, STM shall be entitled to rely upon the verbal communication originally received and an email or memorandum prepared by us within a reasonable time summarising our understanding, to be conclusive proof of the contents of such communication.

If anyone from whom STM accepts instructions, recommendations or requests received via an email or fax, receives himself an email or fax, it should be considered as valid communication. However, you are reminded that emails and faxes may not be the most secure means of communication. Communications sent by email or fax may also be corrupted during transit. If Client does not agree to accept these risks he should notify STM in writing, informing us that email or fax messages should not be used in communication or to what extent such methods of communications may be used.

From time to time STM may confirm to the Client in writing any instructions, recommendations, requests or information that the Client has provided to STM and when STM does so, it is the Client's responsibility to correcting any errors or misunderstandings or to update any information that may have changed. Unless STM receives any communication to the contrary STM shall be entitled to proceed on the basis of the understanding of the instructions, recommendations, requests or information.

STM may from time to time request the Client to confirm addresses, email addresses and telephone numbers. It is the Client's responsibility to inform STM of any changes to his residential address or the address of the Client Entity or any email address or telephone or fax numbers used to communicate with the Client.

Notwithstanding the terms of the above paragraphs under this title, STM will not consider any instructions after the setting up of the Trust Deed in case of Trusts. However, settlors may appoint Protectors or send Letters of Wishes that may be considered at the sole discretion of the Trusts Committee.

INFORMATION AND DOCUMENTATION

The Client agrees to provide us with any information, documentation or other assistance which STM may reasonably request in order to provide its Services.

No information, documentation or advice provided by STM shall be communicated as promotion or otherwise by the Client to any third parties without our prior written consent. You may make copies of documentation for your own internal use.

The client may nonetheless seek advice or recommendations from third parties regarding advice or services already provided.

STM will keep paper records and documents for ten years after the termination of the Services and/or any other term in accordance with any Law or Regulation or directive by any Authority in Malta. STM may keep any records of the file in electronic format in accordance with the Laws of Malta in place at the time. All physical or electronic correspondence and other information in STM's possession or control which has been generated for its internal purposes or is addressed to it shall be its sole property.

The client shall provide accurate and complete information and advise us as is reasonably practical if anything occurs that renders information previously provided to STM incorrect, inaccurate or incomplete.

STM MALTA GROUP OF COMPANIES

MALTA TERMS & CONDITIONS

USE OF YOUR INFORMATION

Your information comprises all the financial and personal information STM holds about you and your transactions.

STM may use and share your information with other members of the Group and with third parties providing services to either the Client, the Client Entity or STM. Provided that this information assists STM or parties providing services to Clients or STM to:

- Assess and process applications, provide the Clients with services and manage STMs or the Service Providers relationship with the Client;
- Carry out financial (including credit) and insurance risk assessments;
- Recover debt; and
- Prevent crime.

STM may also use and share information about the Client and the Client's transactions with other members of STM to assist us to offer the you other products or services which STM or third parties can provide. Only STM will contact the Client in this way, and STM will only do so if STM believes that these will be of genuine interest to you. The Client may request STM to stop doing so by a request in writing.

STM shall not disclose the Client's information to anyone outside STM except:

- Where STM has your permission;
- Where STM is required or permitted to do so by law or a regulatory body;
- To third party service providers, agents and sub-contractors acting on STM's behalf;
- To debt collection agencies;
- To credit reference and fraud prevention agencies;
- To other companies that provide a service to the Client directly or on our behalf;
- Where STM may transfer rights and obligations under this agreement; or
- To government entities or regulatory bodies in order that the entities may discharge their responsibilities and obligations or exercise their powers or functions in terms of the Laws of Malta

STM may transfer your information to other countries on the basis that the receiver of the information has an adequate level of protection. However, such information may be accessed by law enforcement agencies and other authorities to prevent and detect crime or to investigate offences in terms of the Laws in Malta.

The processing of any personal data is governed by the Data Protection Act 2001 under which STM Malta Trust and Company Management Limited is registered. As such and by agreeing to these T&Cs, the Client agrees to give his consent in terms of the Data Protection Act (2001) to STM to hold and use information about him or the Client Entity.

Time spent by STM with respect to any requests made in connection therewith will normally be charged at the appropriate hourly rate.

USE OF CLIENT ACCOUNT FACILITIES

STM may, at its sole discretion, offer the services of a Client Account banking facility. Such a facility will be a pooled fiduciary account held with a reputable bank and the funds placed therein by the Client or by STM on behalf of the Client, or the Client Entity's behalf, will remain the client's property but subject to STM's banking controls and based on the Banking Laws in Malta. The funds may remain in a non-interest bearing account.

Accounts belonging to Trusts will be held separately and independently from any funds belonging to STM.

OUR FEES

A relevant charging structure can be found in the application form.

STM will not commence a service unless it is paid for the acceptance/take-on costs.

Fixed fees are due and payable at the beginning of the period for which they are levied, and typically include trustee responsibility fees, company director fees, registered office, company secretarial fees, and trustee shareholder fees. Such fees are non-refundable. Where a fixed fee is based on an asset value, any asset valuation will be at the Client's expense.

Variable fees are most typically costs related to the services rendered for management, administration, accountancy, director, compliance and/or advisory service areas. Such fees are normally calculated on the basis of time spent by the staff member(s) providing the Services. The hourly charge rates used will depend on the specialist skills and seniority of the staff member(s).

Alternative fee structures may be agreed in special circumstances.

Urgent transactions which require the rescheduling of other client work, or which require us to work outside normal office hours, may result in a reasonable increase of STM's hourly charge out rates.

Termination/Transfer fees apply where a Client Entity is wound up or transferred to another service provider. Such fees must be settled prior to the transfer or closure of the account.

Disbursements in addition to our fees STM shall issue an invoice for all directly attributable costs incurred in providing the Services, such as telephone, courier, travel, annual taxes, notary fees, legal fees, company registry and Government fees. Where such disbursements can be accurately anticipated they will be billed in advance, otherwise they will be billed as incurred in arrears.

STM may review its fees:

- In response to changes in the scale of fees charged by similar service providers;
- To reflect changes in the costs STM reasonably incur in providing the Services;
- To reflect changes in the law or a decision by a regulator;
- To meet changes in regulatory requirements; or
- To reflect changes in any applicable codes of practice

If we change our fees we will give you notice of the change not less than 30 days before the new charges come into effect by advertising the change on our website or by directly communicating the changes to you.

SETTLEMENT OF FEES AND COSTS

Any fees and/or disbursements payable to STM shall be payable on presentation to you of the invoice note.

It is STM's general practice to request a Client to provide an advance on fees and retain a minimum balance of cash or cash equivalent against which STM will subsequently offset invoices raised in respect of the Client or Client Entities.

An invoice raised in respect of the Client Entity may be settled at STM's discretion from the bank accounts or other assets of the Client Entity or, where insufficient, from the assets of any other Client Entity legally connected thereto. In all events the Client guarantees payment of such fee invoices.

Where any invoice remains unpaid after 30 days, STM may charge reasonable collection fees and disbursements. STM may cease to provide any services to Client or Client Entities until all outstanding fees and disbursements have been paid, and STM reserve the right to resign from any appointments held in your Client Entity. STM shall not be held liable where such actions result in a Client Entity being struck off or otherwise prejudiced.

If STM fail to take action against non payment of invoices (or delay in doing so) following a default of payment this shall not mean that STM has waived its rights against the Client. If STM does waive its rights, we will only do so in writing. Such waiver shall not be understood as an automatic waiver of its rights in respect of any later default by the Client.

Payments may be made by electronic transfer, major credit cards and cheques drawn on Malta or UK banks. Payment will only be considered to have been made upon confirmation of funds being cleared in STM's account.

If you decide to make payment via credit card you will be asked to complete and sign a Credit Card Payment Form which includes options for One-Off Payment or Automatic Recurring Billing (if applicable) and details the T&Cs specifically applicable to credit card payments and charge-backs.

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The Client should not send his bank, credit card or other account details to STM over the internet as STM do not have a secure facility for their transmission. Any such transmissions will be carried out entirely at the client's own risk and STM cannot guarantee that a third party will not intercept them.

Tender of any payment to us constitutes acceptance of these T&Cs even where you may not have formally agreed to them.

COMMISSIONS

STM reserve the right to retain any commission, brokerage, fee, interest or other profit arising incidental to the provision of the Services.

COMPLAINTS

Within seven days of receiving a complaint STM Malta will send an acknowledgement. In the case of oral complaints the acknowledgement letter will include a summary of the complaint, which the complainant will be asked to confirm. STM Malta will inform the complainant that it will investigate the complaint, that he will be informed of the outcome of the investigations and that it will send feedback if the complaint is not resolved within two months. The complaint may be referred to MFSA if not satisfied by the remedial action. Members are also referred to Section C.4 (Complaints Procedure) of the General Directives issued by the MFSA.

If the matter is not resolved to your satisfaction you can contact the Consumer Complaints Manager of the Malta Financial services authority (MFSA) who may be contacted at www.mfsa.com.mt or MFSA, Notabile Rd, BKR 3000, Attard, or by phoning from Malta on 8007 4924 (fee phone – landlines only). If calling from a mobile, the client can dial 21441155 (mobile operator charges only). If phoning from outside Malta, the client can dial +356 (or 00356) 21441155 (standard overseas cal charges apply).

YOUR RESPONSIBILITY FOR LOSSES AND/OR EXPENSES

You shall be responsible for any losses and/or expenses incurred by us or our employees or agents which are the result of any action or failure to act of (a) you, or (b) any employee or agent (other than us) of your Client Entity appointed by you.

LIMITATIONS ON LIABILITY

STM will provide the Services with reasonable care, skill and diligence, with the proviso that our liability for breach is subject to your compliance with your obligations under these T&Cs.

STM are not responsible for losses or expenses which:

- Were not foreseeable to you or us when the contract was formed, ie loss not within the reasonable contemplation of any parties at the time the parties entered into the contract as a probable result of the breach;
- Were not caused by any gross negligence, wilful misconduct or fraud by us (or our employees or agents);
- Happen as a side effect (such as loss of profits, opportunity or goodwill etc) of any direct loss you suffer as a result of us (or our employees or agents) breaching (or failing to perform) the engagement (including by our gross negligence, wilful misconduct or fraud);
- Are the acts or omissions of any other person;
- Are due to the provision of incomplete, misleading or false information by you or your agents.

We shall not be obliged to act in any manner which:

- conflicts with any laws, regulations or guidelines which apply to us;
- exposes us to liability or risk of prosecution in any jurisdiction; or
- may be detrimental to our name and reputation.

TRANSFER

STM may transfer its rights and obligations under these T&Cs to another organisation. STM will only do this if STM reasonably thinks that you and your Client Entity are no less favourably treated after the transfer than you were beforehand and STM will give you notice not less than 30 days before the transfer comes into effect.

SEVERANCE

If any element of these T&Cs should be determined to be invalid, illegal or unenforceable for any reason by any court of competent jurisdiction then such element shall be severed and the remaining T&Cs shall survive and remain in full force and effect and continue to be binding and enforceable.

AMENDMENT

STM may alter these T&Cs to, in the event of, but not limited to:

- To respond proportionately to changes by similar service providers;
- To reflect changes in the costs STM reasonably incurs in providing the Services;
- To reflect changes in the law or a decision by an ombudsman;
- To meet changes in regulatory requirements; or
- To reflect changes in any applicable codes of practice

If STM alter these T&Cs STM will give you notice of the change not less than 30 days before the change comes into effect by advertising the change on our website or through direct communication.

TERMINATION

STM can terminate this engagement immediately if:

- STM reasonably suspects that you have given us false information;
- STM reasonably suspects that the Services are being used for an illegal purpose;
- You behave in a threatening or violent manner towards our staff;
- You or your Client Entity respectively have not settled our fee notes/ invoices within 60 days following presentation to you

STM can also terminate this engagement by giving you not less than 60 days' notice.

You can terminate this engagement at any time for any reason if:

- You have given us written notice that you wish to do so;
- You have paid the applicable termination/transfer fee; and
- STM have received any money you and your Client Entity owe us

Your liability to pay our fees and/or disbursements up to and including the date of termination shall survive termination.

APPLICABLE LAW

These T&Cs are governed by, and construed in accordance with Maltese Law. The Courts of Malta will have exclusive jurisdiction in relation to any claim, dispute or difference concerning these T&Cs and any matter arising from them. Each party irrevocably waives any right it may have to object to any action being brought in those Courts, to claim that the action has been brought in an inappropriate forum, or to claim that those Courts do not have jurisdiction.

The client/client entity and STM are also governed by those offences as set out in the Criminal Code Chapter (9) of the Laws of Malta and the Prevention of Money Laundering Act Chapter (373) of the Laws of Malta and subsidiary legislation. Malta has an all crime regime related to money laundering offences.

CONTACTING US

STM may be contacted during normal office hours, being 9.00 am to 5.30 pm, Central European Time, during normal working days in Malta, in the following ways:

- By Post or Courier: **Tagliaferro Business Centre, Level 2, Gaiety Lane, C/W High Street, Sliema, Malta, SLM1549**

- By Electronic Mail: **info@stm Malta.com**

- By Telephone: **+356 213 33210/1**

- By Facsimile: **+356 213 33220**