Mourant Governance Services

Product Terms Foundation Company Services

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1. INTRODUCTION

1.1. These product terms apply when we agree to provide services to a Cayman foundation company as either: (a) supervisor (**Supervisor Services**), or (b) company secretary (**Secretary Services**).

1.2. The definitions and interpretation rules in our General Terms (available at www.mourant.com) apply to these product terms as if set out here. In addition:

AML Services means anti-money laundering, counter-terrorist financing, counter-proliferation financing and/or sanctions services;

Beneficiary means a person designated as a beneficiary in accordance with the Constitution;

Constitution means your memorandum and articles of association and any by-laws;

Foundation Companies Act means the Foundation Companies Act (2025 Revision) as amended from time to time;

Foundation Company Services means the Secretary Services and/or the Supervisor Services as applicable;

D&O means directors' and officers' liability insurance;

Qualified Person has the meaning given to it in the Foundation Companies Act;

PII means professional indemnity insurance;

Secretary means the Mourant Person that agrees to act as a foundation company secretary;

Service Provider means the Secretary and/or the Supervisor as applicable; and

Supervisor means the Mourant Person that agrees to act as a supervisor.

1.3. The Engagement Terms for Foundation Company Services are made up of:

1.3.1. an engagement letter between us and you (the **EL**);

1.3.2. these product terms;

1.3.3. any applicable jurisdiction terms;

1.3.4. our General Terms and any document referred to in it that is not already mentioned in this Clause 1.3; and

1.3.5. any other document that expressly forms part of the Engagement Terms.

1.4. If there is any conflict or ambiguity between the documents that make up the Engagement Terms, the document listed higher in Clause 1.3 will take priority over a document listed lower.

1.4. We may change these product terms at any time. We will notify you of changes via Clause 34 (*Notices*) of our General Terms.

2. NATURE OF RELATIONSHIPS

2.1. The relationship between us and you is based on contract only. Nothing in these terms creates a partnership, agency, or fiduciary relationship between us unless expressly stated.

3. SUPERVISOR SERVICES

3.1. This Section 3 only applies when we agree to provide Supervisor Services.

3.2. We will only provide Supervisor Services if we also provide registered office services. If we stop providing registered office services, we must resign as Supervisor, and the Supervisor Services will automatically end with immediate effect under Clause 31.2 (*Ending the Engagement Terms*) of our General Terms.

3.3. If the Supervisor is asked to vote on a resolution about the appointment, terms of business, fees, performance, or removal of any Mourant Person, the Supervisor may have a conflict of interest and may choose not to vote on that resolution.

3.4. The Supervisor is not required to work on your affairs full time. The Supervisor will spend as much time as it reasonably thinks is needed to carry out its responsibilities, which may include:

3.4.1. attending scheduled or ad hoc meetings of directors, supervisors, or any other persons who are entitled to attend and vote at general meetings;

3.4.2. reviewing all documents and materials to be considered at those meetings, or by written resolution of the directors, supervisors, or any other persons entitled to attend and vote at general meetings;

3.4.3. acting in line with the Constitution; and

3.4.4. acting in line with any fiduciary and legal duties that apply to the Supervisor's role.

3.5. The Supervisor will use reasonable efforts to attend the meetings listed above, provided it receives notice in line with the Constitution.

3.6. You will give the Supervisor:

3.6.1. notice of any supervisor/general or board meeting as may be required in line with the requirements of the Constitution;

3.6.2. a reasonable opportunity to review any documents to be considered at those supervisor/general or board meetings or by written resolution of the directors, supervisors or of any other persons entitled to attend and vote at general meetings;

3.6.3. fully signed and dated copies of any document executed by the Supervisor; and

3.6.4. prior notice of any proposed change to the Constitution that seeks to alter or add to the Supervisor's obligations or liabilities.

3.7. We may request any information about you, your assets and your business to enable the Supervisor to meet the fiduciary and legal duties that apply to the Supervisor's role.

3.8. Mourant Ozannes will be appointed as your legal adviser while we act as Supervisor. If Mourant Ozannes resigns or is removed as your legal adviser, we may need to resign as Supervisor, and this would be grounds for ending the Supervisor Services under Clause 31 (*Ending the Engagement Terms*) of our General Terms.

3.9. If you breach Clause 3.6.4 of these product terms, we may end the Supervisor Services with immediate effect under Clause 31.2 (*Ending the Engagement Terms*) of our General Terms.

4. SECRETARY SERVICES

4.1. This Section 4 only applies when we agree to provide Secretary Services.

4.2. We will only provide Secretary Services if we also provide registered office services. If we stop providing registered office services, we must resign as Secretary. This will automatically end the Secretary Services with immediate effect under Clause 31.2 (*Ending the Engagement Terms*) of our General Terms.

4.3. Clause 31.2.2 of our General Terms is amended by these Product Terms to the following: "*We may end the Secretary Services with immediate effect (subject to any regulatory notifications required under the Foundation Companies Act) by giving you notice, if:*"

4.4. We will decide which entity within the MourantGS Group will provide the Secretary Services, provided always that such entity

will be a Qualified Person.

4.5. The Secretary is not required to work on your business and affairs full time. The Secretary will spend as much time as it reasonably thinks is needed to carry out its responsibilities under the Foundation Companies Act.

4.6. Under section 17 of the Foundation Companies Act, the Secretary will review proposed contributions only in line with its internal AML, CFT and CPF policies and procedures, and based on the information and documents you provide. The Secretary has no duty to investigate or verify matters beyond those policies and procedures. To be clear, the Secretary's role under section 17 is limited to deciding whether to issue the notice referred to in that section. The Secretary is not responsible for deciding whether a contribution complies with applicable law.

4.7. You must not accept an asset contribution that is gratuitous or given in exchange for a share issue unless the Secretary has first issued a "notice of no objection" under section 17 of the Foundation Companies Act.

4.8. You will give the Secretary:

4.8.1. any transaction documents to be entered into by the foundation company in a timely manner;

4.8.2. any other documents or information concerning the foundation company that the Secretary may request for the foundation company to comply with:

(a) the Proceeds of Crime Act (2025 Revision);

(b) the Terrorism Act (2018 Revision); and

(c) the Anti-Money Laundering Regulations (2025 Revision);

4.8.3. prior notice of any proposed director changes (including, but not limited to, a director resignation). You also agree to make all reasonable endeavours to ensure that the directors will do the same;

4.8.4. fully signed and dated copies of any document executed by the foundation company or its officers; and

4.8.5. prior notice of any proposed change to the Constitution that seeks to alter or add to the Secretary's obligations or liabilities.

4.9. We may ask for any information about you, your assets, and your business that the Secretary needs to carry out its legal and other duties in its role.

4.10. The foundation company must, at all times, have at least one director and at least one of either a member or a supervisor. We will only provide Secretary Services while the foundation company has at least one director and at least one of either a member or a supervisor.

4.11. If you breach Clause 4.8.5, 4.9, or 4.10 of these product terms, we may end the Secretary Services with immediate effect under Clause 31.2 (*Ending the Engagement Terms*) of our General Terms.

5. GENERAL PROVISIONS

5.1. We may arrange for any part of a Foundation Company Services to be carried out by another party, as long as we comply with applicable laws and rules. Doing so will not reduce our responsibility to you to ensure the Services are provided in line with the Engagement Terms.

5.2. If we arrange for any part of a Foundation Company Services to be provided by a subsidiary of ours, we contract on our own behalf and as agent for that subsidiary.

5.3. We will make all filings required of a Service Provider pursuant to the Foundation Companies Act in connection with our appointment.

5.4. Neither we nor any Service Provider is able to provide legal advice.

5.5. Our fees for the Foundation Company Services will be set out in the engagement letter. We may charge extra for work that falls outside the normal course of your business, or where a matter is particularly complex, involves significant responsibility, or requires the Service Provider to spend more than 15 hours in any year. Any additional work will be charged at the Service Provider's current hourly rates, unless we agree otherwise with you. Examples of such additional work include credit default or financing matters, litigation, restructurings, crisis management, and regulatory, law enforcement, or other investigations.

5.6. If the Service Provider considers it necessary or appropriate to obtain legal advice in order to provide the Foundation Company Services, it may refer any legal question to your solicitors or attorneys, or instruct solicitors or attorneys if you have not appointed any. Any costs incurred will be at your expense.

5.7. You indemnify the Service Provider under the indemnity in our General Terms. For the avoidance of doubt, "costs" in that indemnity includes all legal costs. The Service Provider may enforce that indemnity directly against you under Clause 38.2 of our General Terms. This indemnity is in addition to any other indemnity in the Service Provider's favour, including any indemnity in the Constitution or elsewhere in the Engagement Terms.

5.8. In addition to the provisions in our General Terms about ending the Engagement Terms, and subject to the requirements of the Foundation Companies Act, the Service Provider may be removed from office under the Constitution, or may resign at any time, without incurring any liability or penalty. We are entitled to all fees, costs, and expenses that have built up to the date of that termination, resignation, or removal.

5.9. We will make all filings required of a Service Provider pursuant to the Foundation Companies Act in connection with that termination, resignation or removal.

5.10. If Mourant Ozannes is your legal adviser and legal proceedings are later brought against you that individually name the Service Provider, Mourant Ozannes may need to resign as your legal adviser.

5.11. If you are administered by a third party or if a third party otherwise provides you with any AML Services:

5.11.1. you must give the Service Provider access to all relevant information about you, including your statutory books and records. This right of access continues even after the Engagement Terms have ended;

5.11.2. both we and the Service Provider may retain copies of any part of those statutory books and records to enable the Service Provider to meet applicable fiduciary, legal or other duties. Clause 21 (*Data retention*) of our General Terms applies to any such copies retained by us; and

5.11.3. you will ensure that copies of any client due diligence or "know your client" information about you, any of your Connected Persons or Beneficiaries, or any person who is subject to the AML Services, are provided to us promptly on request.

6. CONFLICTS OF INTEREST AND CONFIDENTIALITY

6.1. This Clause 6 supplements Clause 18 (Conflicts of Interest) and Clause 19 (Confidentiality) of the General Terms.

6.2. The Service Provider does not need to re-disclose a conflict of interest that has already been disclosed, unless there has been a material change. We are not liable for any disclosed conflict of interest, unless our negligence caused that liability.

6.3. Unless stated otherwise below, if the Service Provider receives information in a capacity other than as supervisor or secretary of the foundation company, and it owes a duty of confidentiality to someone else in relation to that information, the Service Provider is not required to:

6.3.1. to disclose that information to that foundation company or any Representative of that foundation company; or;

6.3.2. use or apply that information when carrying out its duties as supervisor or secretary (as applicable) of that foundation company.

6.4. Where a duty of confidentiality arises from a situation in which the Service Provider has, or may have, a direct or indirect interest that materially conflicts with your interests, Clause 6.2 will only apply if that conflict has been generally disclosed to you.

6.5. Clause 6.3 does not affect any legal rule that may excuse the Service Provider from disclosing information in circumstances where disclosure might otherwise be required under that clause.

7. INSURANCE

7.1. Mourant Group PII and D&O cover the Service Provider's exercise of duties in the ordinary course of the provision of the Foundation Company Services.

7.2. You should consider purchasing D&O cover for all of your officers. This could be beneficial to you for many reasons. For example, it could:

7.2.1. enable you to implement insurance with terms and conditions, a coverage limit and a retention amount that are tailored to your specific activities and particular risks and circumstances;

7.2.2. give you balance sheet protection by reimbursing you to the extent of any claim made by the officer under your indemnification of the officer; and

7.2.3. ensure any officer not provided by us has adequate insurance coverage.

7.3. In addition to the insurance coverage in Clauses 7.1 and 7.2, other forms of insurance may also apply. For example, officers provided to you by third parties may have their own D&O and PII coverage through their employers.

7.4. You acknowledge that the potential application of multiple insurance policies can cause problems. If all applicable policies state any other policy in place covering the same risks takes priority in the event of a claim, there is a risk that no policy provides any cover. If there is a specific D&O policy in place for your foundation company, you agree that:

7.4.1. the Service Provider will be a named beneficiary in your D&O policy and will benefit from coverage under that policy;

7.4.2. your D&O policy will include 'run off' cover for a period of at least six years after the Service Provider ceases to hold office;

7.4.3. your D&O policy will be called upon first to respond to any claim made against you and/or the Service Provider;

7.4.4. the Mourant Group D&O will only be called upon to the extent that:

(a) your D&O policy is exhausted by that claim; and

(b) the claim relates directly to an act or omission of the Service Provider;

7.4.5. if your D&O policy is arranged for you by any of your Connected Persons, you will use reasonable endeavours to procure that the D&O policy applicable to you gives effect to this Clause 7.4; and

7.4.6. you will provide copies of relevant policy documents to us on request.

8. YOUR UNDERTAKINGS

8.1. If any of your directors or supervisors are not Mourant Persons, you undertake for the duration of the Foundation Company Services that those directors and supervisors will:

8.1.1. comply with applicable laws and rules; and

8.1.2. have adequate insurance coverage based on market standard terms. You agree to provide us with evidence of that insurance coverage on request.

8.2. You will ensure that any required filings are submitted by any replacement supervisor, member, or other third party under the Foundation Companies Act in connection with our appointment, termination, resignation, or removal as Service Provider.

9. YOUR POLICIES AND PROCEDURES

9.1. When providing the Foundation Company Services, the Service Provider will follow Mourant Group policies and procedures. If you want us or the Service Provider to follow your own policies and procedures (Client P&P), we must agree this in writing. We and the Service Provider will not be liable for any breach of Client P&P unless we have agreed in writing to follow it. This applies even if the Service Provider:

9.1.1. is aware of the existence of any Client P&P which may apply or which purports to apply to the Service Provider; and/or

9.1.2. has been required to read or approve any Client P&P on your behalf in the course of performing the Foundation Company Services.

Last updated: 26 October 2026