

PART D

APPENDICES

“Financial Resources Requirements” means the financial resources requirements which the Principal is, pursuant to its Licence, required to maintain at any particular time;

2. (a) In consideration of the MFSA agreeing to take this Undertaking into account for the purpose of determining compliance by the Principal with its Financial Resources Requirements, the Guarantor HEREBY UNDERTAKES with and to the MFSA and the Principal that at any time after the occurrence of any Event of Default specified below and notwithstanding that any other Event of Default may have occurred prior thereto the Guarantor will on demand in writing made upon it by the MFSA pay to the Principal the sum of [] into such account of the Principal as the MFSA may specify.

(b) The following shall be Events of Default for the purposes of this Agreement:

 - (i) the Principal is unable or admits its inability to pay its debts as they fall due or makes a general assignment for the benefit of, or a composition with, its creditors;
 - (ii) a liquidator or curator in bankruptcy or administrator, or similar officer is appointed, of all or any part of the undertaking or assets of the Principal;
 - (iii) the Principal shall, in the opinion of the MFSA, be in breach of its Financial Resources Requirements and, in the opinion of the MFSA, shall not have remedied such breach within 5 working days after being required by the MFSA to restore the deficiency.
3. The MFSA may without notification to or the consent of the Guarantor and without affecting or discharging the Guarantor's liability or releasing the Guarantor from its obligations from time to time waive or omit or fail to exercise or delay exercising its rights in respect of any Event of Default and any such waiver, omission, failure or delay shall not prejudice or affect the MFSA's rights in this Agreement in respect of that Event of Default (except in the case of a waiver) or any other or further Event of Default.
4. This Undertaking shall be a continuing undertaking and shall apply irrespective of, and shall not be affected or discharged by, any matter relating to the compliance at any time by the Principal with its Financial Resources Requirements or that the Principal at any time complies or is able to comply with the Financial Resources Requirements without making use of this Undertaking or taking the same into account for the purposes of its Financial Resources Requirements.
5. This Undertaking shall apply in relation to any Event of Default occurring at or before the close of business on the termination date, being a date specified by the Guarantor giving the MFSA not less than six months' written notice of

its desire to terminate this Undertaking. Such notice shall only be able to be given on or after the second anniversary of the signing of this Undertaking.

Provided that no demand may be made upon the Guarantor under this Agreement later than midnight on the thirtieth Business Day after the Termination Date.

- 6.** If the MFSA requires the Principal to remedy a breach of its Financial Resources Requirements as referred to in paragraph 2(b)(iii) hereof, it shall notify the Guarantor thereof as soon as reasonably practicable thereafter.
- 7.** The rights of the Guarantor to repayment of any sums paid to the Principal under the terms of this Undertaking are subordinated to the other Liabilities and accordingly repayment of any such sums is conditional upon the prior payment of the other Liabilities.
- 8.** This Undertaking forms the entire Agreement as to the agreement of the Guarantor to provide an undertaking in relation to the Principal's Financial Resources Requirement. If there are any other terms relating thereto existing at the date hereof and not comprised in this Undertaking such terms shall be of no further force and effect. No variation of or amendment to this Undertaking shall be of any effect unless it is in writing subscribed by all the parties hereto. Any amendment to this Undertaking made or purported to be made without the consent of MFSA shall be void.

The parties hereby signify their consent and understanding of the above provisions.

Note:-

Where the Principal is not a company, the provisions of the Undertaking should (in agreement with the MFSA) be amended as appropriate to reflect the legal status of the Principal.