

# UnoRe Quota Share Cover terms (the “UnoRe Quota Share Terms”)

These UnoRe Quota Share Terms govern the use of the UnoRe Quota Share Cover.

In consideration of payment by the Member, and subject to these UnoRe Quota Share Terms, the parties agree as follows:

## Cover

1. Nexus Mutual *may* pay a Claim under this UnoRe Quota Share Cover if:
  - 1.1. During the Cover Period the UnoRe Protocol makes an Underlying Claim Payment; and
  - 1.2. The UnoRe Protocol submits a Claim during the Cover Period or within 35 days of the Cover Period ending.
2. Subject to clause 1 and Claim Assessors approval of a Claim, Nexus Mutual will reimburse the Quota Share Percentage of Underlying Claim Payments up to a maximum of the Cover Amount.

## Cover Termination

3. Cover ends when:
  - 3.1. the full Cover Amount has been redeemed in Claims; or
  - 3.2. the Cover Period specified at purchase has ended;whichever is earlier.

## Reimbursements

4. In the event the Claim made by the UnoRe Protocol is approved and redeemed under these UnoRe Quota Share Terms the UnoRe Protocol agrees to:
  - 4.1. assign all rights over any recoveries or Reimbursements, as further described in Note 2, to Nexus Mutual DAO and/or the Foundation; and
  - 4.2. forward any recoveries or Reimbursements received by the UnoRe Protocol to Nexus Mutual DAO and/or the Foundation upon receipt.

## Transferability

5. This Cover is only valid if it is purchased by the UnoRe Protocol and becomes entirely void if it is transferred to another address that is not owned by the UnoRe Protocol.
6. If this Cover is transferred to a different address owned by the UnoRe Protocol, sufficient Cryptographic Evidence must be provided that proves both the purchasing address and the transferred address are owned by the UnoRe Protocol.

## Entire Cover Terms

7. These UnoRe Quota Share Terms constitute the entire agreement between Nexus Mutual and the UnoRe Protocol relating to the subject matter hereof and supersede all prior agreements, arrangements and understandings between the parties relating to that subject matter. No other Member or the Nexus Mutual as a whole shall be liable or bound to the UnoRe Protocol in any manner by any warranties, representations or covenants relating to the subject matter hereof outside of these UnoRe Quota Share Terms.

## Definitions

**"Claim"** means a request by the UnoRe Protocol of a Claim Amount suffered due to an Underlying Claim Payment, to be reviewed, discussed and voted on the validity of a submission by the Claim Assessors.

**"Claim Amount"** means the amount claimed by the UnoRe Protocol under this UnoRe Quota Share Cover, subject to a maximum of the Cover Amount.

**"Claim Assessor"** means a Member who assesses the UnoRe Protocol's Claim under these UnoRe Quota Share Terms.

**"Cover"** means the events which are the subject of the discretionary cover provided by Nexus Mutual as set out in the Member Smart Contract Data and these UnoRe Quota Share Terms.

**"Cover Amount"** means the maximum Claim Amount payable under the Cover and must be equal to the Quota Share Percentage of the Total Cover Amount of the Underlying Risk. See *Note 1 on underlying risks*.

**"Cover NFT"** means the NFT token generated by the Nexus Mutual protocol that represents the Cover.

**"Cover Period"** means the period of time that the UnoRe Protocol is protected under this UnoRe Quota Share Cover, specified by the UnoRe Protocol when purchasing Cover and stated in the Member Smart Contract Data.

**"Cryptographic Evidence"** means:

- where cryptographic evidence is required due to the Cover NFT being transferred post the Underlying Claim Payment, sufficient cryptographic proof that links both the sender and the receiver which could include a cryptographically signed message from the sender that references the receiver address or other equivalent cryptographically signed evidence.

**"Foundation"** means Terrapin International Foundation.

**"Member"** means an individual or entity who has paid their Membership Fee and is entered in the Mutual's register of members and, where the context requires, a former member.

**"Member Address"** means the designated Ethereum blockchain address that is associated with the UnoRe Protocol, where the membership is active.

**"Member Smart Contract Data"** means data held on the Ethereum Network in relation to a specific Member Address.

**"Quota Share Percentage"** means the value specified in the Member Smart Contract Data provided by the UnoRe Protocol when the Cover was purchased, or 90%, whichever is less.

**"Reimbursement"** means any current, past, or future reimbursement or recovery of an approved and redeemed Claim made, or promised to be made, or made available to the UnoRe Protocol by any third party.

**"Total Cover Amount"** means the underlying cover amount purchased by the client and includes both the Nexus Mutual portion and the UnoRe Protocol portion of cover.

**"Underlying Claim Payments"** means claim payments made by the UnoRe Protocol in line with the UnoRe protocols' terms and conditions on the Underlying Risk.

**"Underlying Risk"** means the specified protocol in the cover listing which is covered by the UnoRe Protocol.

**"UnoRe Protocol"** means the Member who purchased this Cover under these UnoRe Quota Share Terms.

## Notes:

### **Note 1 - Underlying Risk and Cover Amount Inconsistency (the "Note 1")**

If there is an inconsistency between the Cover Amount purchased and the Quota Share Percentage of the Total Cover Amount, then:

- a) Claim Amounts can not exceed the Quota Share Percentage of the Underlying Claim Payments; and
- b) The Quota Share Percentage will be proportionally reduced if the Cover Amount is less than the Quota Share Percentage multiplied by the total coverage of the Underlying Risk.

### **Note 2 - Prorating of Reimbursements (the "Note 2")**

Should a Claim be paid out under these UnoRe Quota Share Terms and a recovery or reimbursement subsequently be made by UnoRe, then any recovery or reimbursement in excess of any deductible UnoRe applies to its Underlying Claim Payments shall be shared proportionately between UnoRe and Nexus Mutual consistently with the Quota Share Percentage.

For example:

- Assume UnoRe apply a \$100,00 deductible to losses on Underlying Claim Payments
- Assume Quota Share Percentage is 40% and Total Cover Amount is \$1,000,000
- A loss of \$700,000 is incurred with UnoRe pays 60% of  $(\$700,000 - \$100,000) = \$360,000$ , and Nexus Mutual pays \$240,000
- Subsequently a recovery of \$500,000 is made.
- Nexus Mutual is due a recovery of  $40\% \times (\$500,000 - \$100,000) = \$160,000$