

DISCLOSURE INFORMATION & TERMS OF BUSINESS

1. Disclosure Information & Terms of Business ("Terms")

In these Terms references to "we" or "us" are to the company whose details are set out in the covering letter that accompanies these Terms or as detailed on our web-site. By asking us to quote for, arrange or handle your insurances, you are providing your informed agreement to these Terms of Business. We draw your particular attention to the Section headed Confidentiality and Data Protection and specifically the paragraph explaining how Data will be used

For your own benefit and protection, you should read these Terms carefully. If you are unsure about any aspect of our Terms of Business or have any questions regarding our relationship with you, please contact us at the address detailed in the covering letter or as detailed on our web-site.

2. Who are we regulated by?

The Financial Services Authority ("FSA") is the independent watchdog that regulates financial services. We are authorised and regulated by the FSA and you can check this by visiting the FSA's website <http://www.fsa.gov.uk/register> or by contacting the FSA on 0845 606 1234.

Permitted Business: Our permitted activities are recommending insurance policies (and in cases where we do not give a recommendation we will tell you); arranging insurance cover; dealing as agent and assisting with the administration and performance of policies – all in connection with general insurance.

3. Are we covered by the Financial Services Compensation Scheme ("FSCS")?

Yes. You may be entitled to compensation from the scheme if we cannot meet our obligations, depending on the type of customer you are and, in the case of a business, the size of that business and the circumstances of the claim. Further information about compensation scheme arrangements is available from the FSCS.

4. Complaints

Our objective is to provide a high standard of service to you at all times. However we recognise that things can go wrong occasionally and if this occurs we are committed to resolving matters promptly and fairly. If you wish to register a complaint please contact us:

- in writing, to the Managing Director at the address shown on the letter that accompanies this document or as detailed on our web-site, and/or;
- by telephone, using the number shown on the letter document that accompanies this document or as detailed on our web-site, and/or;
- in person, at the address shown on the letter that accompanies this document or as detailed on our web-site.

When dealing with your complaint, we will follow our complaint handling procedures; a summary of these procedures is available on request. In all cases please quote your policy number or other reference we have given you. If you cannot settle your complaint with us you may be entitled to refer it to the Financial Ombudsman Service.

5. Which insurance companies do we use to select your insurance?

- Unless specified otherwise, for the type of insurance for which you have been quoted, we will offer you a policy from a limited number of selected insurance companies. On request, we will give you a list of the companies used.

6. Our Service

We are an insurance intermediary acting on your behalf as your agent in arranging your insurance cover. Our service may include advising you on your general insurance needs, arranging insurance cover with insurers to meet your requirements, issuing policy documentation to you in a timely manner and helping you with any ongoing changes you wish to make to your insurance. We will endeavour to ensure that the products or services we offer you match your stated requirements. We will seek to identify your insurance needs in reliance upon information which you provide to us. If we cannot match your requirements, we will explain the differences in the product or service that we can offer you. If we cannot match all your requirements, we will seek to provide you with enough information so that you can make an informed decision about your insurance. We will explain the main features of the products and services that we offer you including details of the insurer, main details of cover and benefits, any unusual restrictions or exclusions, any significant conditions or obligations which you must meet and the period of cover. If you need extra time to consider the products or services we have offered you, we will endeavour to confirm: (a) how long you have to accept the insurance on the terms we have offered, and/or; (b) give you a written quote if you request one, including all the information we believe you need to make an informed decision, and/or; provide you with a sample policy if you ask for one.

7. The fees we charge for our services

Insurance companies and other third parties pay us commission for arranging your insurance with or through them. We will also usually charge a fee for our services (typically when you buy or renew a policy) but you will always be informed of any such charge before you purchase a policy. Our fees are non-refundable even if you cancel your policy. All fees are exclusive of any applicable tax that may be levied from time to time. In addition, if you are a Retail customer (as defined by FSA), we will charge you a fee of £10 for any mid-term changes made to your Policy after Renewal/Inception.

8. Fees in Lieu of Commission

This paragraph applies where we have, as an alternative to commission, agreed to charge fees in lieu ("FIL"). Where we have agreed to charge a FIL the services which we shall perform shall be set out in a separate service summary ("Service

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Summary). Any commission which we receive which is directly connected with the insurances placed by us on your behalf will be retained by us and set off against the FIL and any other amounts from time to time due and payable by you under this Agreement. Unless otherwise agreed by us the FIL will cover the period set out in the Service Summary. The FIL is calculated by reference to the full term of insurance policy or policies arranged for you. Unless we agree otherwise no refund of any FIL or other remuneration shall be payable in the event that (for whatever reason) the actual period of insurance is less than the full term or you terminate this Agreement before the expiry of any policy arranged by us on your behalf. In the event that, as a consequence of any insurance being for less than the full term, or your termination of this Agreement, we are obliged to refund any commission which has been paid to us and retained by us in lieu of all or part of the FIL we reserve the right to charge you for the amount of commission refunded. We reserve the right to charge fees in addition to the FIL where you request services which go beyond those specified in the Service Summary. We will endeavour to agree these additional charges with you before they are incurred, failing which the additional fee will be calculated by reference to the hourly charge out rate (from time to time) which applies to the staff involved in providing such additional services. The hourly charge out rate for any additional services is subject to any applicable tax which may be levied from time to time and does not include travelling or other expenses where the additional services are performed other than at our offices.

9. Refund of premiums

In certain circumstances your insurer may repay part of your insurance premium(s) to us. This can occur where, for example, the risk covered by your policy is reduced or the policy itself is cancelled.

10. Your legal duty to disclose information to us and insurance companies

It is your responsibility to provide complete and accurate information to insurers when you take out your insurance policy, throughout the life of the policy and when you renew it. It is important you ensure that all statements you make on the proposal form, claim forms and other documentation are full and accurate. Please note that if you fail to disclose any material information or change of circumstances to your insurers, this could invalidate your insurance cover and could mean that part or all of a claim may not be paid. We strongly recommend that the information provided is checked thoroughly prior to submission and that you keep a record of all correspondence supplied in relation to the arrangement of your insurance cover.

Please also note that any renewal of insurance will be made in reliance upon the information provided by you in connection with your previous insurance policy – we will assume that such information remains correct unless you tell us otherwise.

11. Cancellation Rights

You will find full details of your cancellation rights, and any related charges which may be levied by your insurer, in the documentation produced by your insurance company. In general, Retail customers (as defined by FSA) have 14 days to cancel their policy with effect from the later of: (a) the day they receive the full terms and conditions of their policy, or; (b) the day the policy is sold – but in either case this usually does not apply to policies of less than one month's duration, or single-trip travel policies. Please note that the above is by way of general guidance only – cancellation rights vary between insurers and you must make specific reference to your insurer's documentation if you are considering cancelling your policy. To exercise your right of cancellation, you should contact the insurance company which underwrites your policy, or contact us either by telephone or in writing in each case in the manner and within the time limits set out in your policy documentation. If you are a Retail customer and you exercise your right to cancel your policy within the 14 day cancellation period you will be charged for the period during which you were temporarily covered, and other charges may be applied to cover the insurer's and our costs in arranging the cancelled policy. Where cancellation occurs in any other circumstances (such as after the expiry of the 14 day cancellation period if you are a Retail customer or at any time for all other types of customers and policies), we will charge you for the commission we would have received had the policy remained in force for the full term, a £15 cancellation fee together with any fee we may have charged when we sold or renewed your policy.

12. Our right to set off monies you owe us

We shall be entitled (but not obliged) without notice to you to set off any amounts due to us from you against any amounts which we may receive on your behalf (such as claims monies, refunded premiums and other sums).

13. Credit Reference Agencies

To make sure you get our best deal and to ascertain the most appropriate payment options for you and to protect you from fraud, we use public and personal data from a variety of sources, including a credit reference agency and other organisations. Our search will appear on your credit report whether or not your application proceeds. By agreeing to the Terms of Business you agree to these uses of your information.

14. Information on our remuneration

Other companies (including members of our group of companies) may act as underwriting agents, intermediaries for insurers or Lloyd's/London Market placing brokers in connection with your insurance. Where such companies are involved in placing or servicing your business they may charge an administration fee or other payment which will be passed on to you and disclosed separately from the cost of your insurance.

In addition to commission which is paid to us by insurers we may earn a "profit-share", management or administrative fees and other payments from insurers for efficiently managing business transacted with them. These payments may be calculated by reference to various criteria such as overall annual profitability of the insurance business transacted, taking into account the total amount of claims arising under policies we place with them. "Profit-share" payments are not directly referable to individual policies and consequently it is not possible to calculate such payments on an individual policy basis, meaning that we are unable to disclose to you how much your policy contributed to any "profit-

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share" payment we might receive. Ordinarily, and if such a "profit-share" payment is received (which is not guaranteed) it represents a small proportion of the normal commission we receive and will be retained by us.

Depending on the services which you have asked us to perform we may earn referral fees from third parties which are incidental to the insurance arranged for you. Such payments may be derived from a number of incidental activities including arranging premium financing, risk management, legal expenses cover and uninsured loss recovery services and will be retained by us. In limited circumstances additional amounts may also be paid to us by third parties where compensation for a personal injury claim is obtained or where a hire car is arranged following an accident. In each case we will retain these payments.

From time to time insurers may make loan facilities available to us on commercially advantageous terms as an incentive for us to efficiently and profitably manage business transacted with them. This may involve (for example) reduced or nil interest rates and extended repayment terms which apply to such loans provided we meet or exceed efficiency and profitability targets set by the insurers in respect of the business we have placed with them.

During the course of our appointment we may hold certain monies on your behalf. This may include premiums to be paid to insurers, commissions derived from your insurance, claims monies and other sums. Interest and investment returns which are derived from such sums whilst temporarily held on your or your insurer's behalf will belong to and be retained by us in addition to any other remuneration which we may earn in connection with the services which you have asked us to perform.

For each insurance contract, including any subsequent renewal, you have a right to request information regarding any remuneration that we may have received as a result of placing your insurance business.

15. Insurer Solvency

Whilst we will endeavour to place business with insurers who demonstrate an adequate level of financial solvency, and although their regulator requires them to maintain a minimum level of capital, we cannot guarantee the solvency of any insurer.

16. Notification of incidents

It is essential that you notify us immediately of all incidents or allegations that may result in a claim against your insurance policy. You must do so whether you believe you are liable or not. Any failure to do so may result in your insurer refusing to accept a claim. Any letter or other communication making allegations which could give rise to a claim which is received by you from any third party must be passed to us immediately, without acknowledgment. Only by providing prompt notification of incidents can your insurance company take steps to protect your interests.

17. How to make a claim

If you wish to report a claim or potential claim, please call the number shown on the headed paper that accompanies this document or as detailed on our web-site. Please quote your policy number or other reference we have given you. Your insurance documents will also provide details as to how to make a claim and to whom to contact.

For some policies, Insurers give us authority to act on their behalf in settling claims. In these circumstances, and in recognition of a potential conflict of interest, we will seek your permission for us to deal with such a claim.

18. Your insurance policy(ies)

As and when we feel it appropriate we may review your policy and look to enhance and/or extend the cover offered.

19. Terms of Payment

In the absence of any alternative terms which we agree with you in writing (such as payment by instalments which we can arrange for you) our payment terms are as follows:

- new policies – full payment of premium and fees on or before the inception date of the policy;
- mid-term adjustments to existing policies – full payment of any additional premium and fees on or before the effective date of the change;
- renewals – full payment of premium and fees prior to the renewal date.

We normally accept payment by cash, cheque, or monthly instalment (full details available on request). Time shall be of the essence, both as regards times, dates and periods specified in this paragraph and as to any times, dates or periods which we may agree can be substituted for any of them. In the event that you fail to pay any premium and/or fees when due your insurer may cancel your policy from the inception/renewal date and reject any claims there under.

The acceptance by us of any payment from you (including the encashment of cheques) does not constitute acceptance of any risk by insurers or any commitment by us to arrange insurance cover on your behalf. Accordingly you should not assume that insurance cover is in place until you have received written confirmation of cover in the form of a cover note, policy certificate or equivalent.

20. Important Information Relating to Renewal of Policies

Prior to the expiry of your policy where we will be inviting a renewal we (or your insurance company) will endeavour to send you details of the cost and terms to renew your policy. In order to protect your interests relating to the risks/property you have insured, and in the event that we do not receive your instructions and payment prior to the date of renewal, we reserve the right (but shall have no obligation) to renew your policy and (in the case of direct debit/instalment payments) to continue to accept payment from you unless and until you specifically notify us or your insurance company in writing that you wish to cancel your policy. In circumstances where we have assumed (in the absence of instructions to the contrary) that renewal is required you may be liable to make payment to us and/or your insurance company.

21. How we hold your money

Premium(s) and any other monies we may hold on your behalf (for example refund premiums and claim cheques received from an insurer) will be held in Trust until such time as they are remitted by us to your insurance company/to you. This may be a Statutory or Non-Statutory Trust account operated in accordance with FSA regulations. However, some (but not all) of the insurance companies we deal with have agreed to deem any premiums that you pay to us as having been received directly by themselves. This improves your protection against financial loss in the event of our insolvency. Please note that this is not the case for all the insurance companies we deal with and where this added protection does apply it may only extend to premiums, and not to any claim payment, refund or other monies that we may from time to time hold on your behalf. Should such an arrangement be agreed with an insurer(s) we may not hold your funds in Trust because of this added protection

Where we hold money in a non-statutory Trust we may use the funds in that account as a short term credit facility to fund another client's premium before it is received from that other client and/or to pay claims and premium refunds to another client before we receive the same from an insurer.

Occasionally as part of the process of finding a policy that suits your requirements, we may pass your premium to another insurance intermediary who will also be required to hold your money in Trust until the premium is deemed to have been received by the relevant insurer. Between receiving any money from you and us passing it on to insurers (and vice versa), we may remove it from the Trust account in which it is held to another account in order to earn interest or other investment income from it. In such an event the account in which it is placed will be set-up with the same Trust protection as the account from which it is removed. We will retain any interest or income accrued.

By accepting these terms you consent to the way we will hold your premium (and/or other insurance related money) in accordance with this paragraph.

22. Confidentiality and Data Protection

All information about you of a sensitive or personal nature will be treated as private and confidential. We will however use and disclose the information we have about you in the course of arranging, placing and administering your insurance. This may involve passing information about you to insurers, other intermediaries, risk management assessors, uninsured loss recovery agencies and other third parties involved (directly or indirectly) in your insurance.

We may also pass information about you to credit reference agencies and premium finance providers in connection with the assessment of your financial standing generally and, in particular, where you have requested a premium instalment plan – this may include details of your payment record with us.

We may also pass information about you to other Third Party companies. We or they may also use the information we hold about you to provide you with information on other products and services we or they can offer and which we or they feel may be of interest to you. If you do not wish to receive marketing information from us or them, or for us to disclose information about you to other parties for marketing purposes, please contact us immediately.

In the interests of security and to improve our service, telephone calls you make to us may be monitored and/or recorded.

23. No Waiver and Amendments

A failure at any time by us to enforce any right or obligation shall not be deemed to be a continuing waiver of such right or obligation. No amendment or variation of these Terms requested by you shall be valid unless confirmed in writing by our duly authorised officer or employee. We reserve the right to amend these Terms at any time during our appointment (including for the avoidance of doubt during the term of your insurance) by giving you not less than 7 days' notice. We may freely assign or delegate all or any part of these Terms and/or the services to any third party.

24. Prior Agreements and Acceptance

These Terms supersede all proposals, prior discussions and representations (whether oral or written) between us relating to our appointment as your agent in connection with the arranging and administration of your insurance. These Terms constitute an offer by us to act on your behalf in the arranging and administration of your insurance – in the absence of any specific acceptance communicated to us by you (whether verbal or written) you are deemed to accept our offer to act for you on the basis of these Terms by conduct upon your instructing us to arrange, renew or otherwise act for you in connection with insurance matters.

25. Governing Law

These Terms are governed by and construed in accordance with the Laws of England and Wales and the parties submit to the exclusive jurisdiction of the Courts of England and Wales.