

## HAROLD WILSON (INSURANCES) LIMITED

### Terms of Business January 2010

This document sets out our commitment to you as our client and sets out the principles we seek to uphold at all times. We are authorised and regulated by the Financial Services Authority and you can check this by looking at the FSA Register on the website at <http://www.fsa.gov.uk/register> or by contacting the FSA on 0845 606 1234. Our FSA number is 303000. We are also members of the British Insurance Brokers Association.

Our service includes advising you on your insurance needs, arranging your insurance cover with insurers to meet your requirements and helping you with any ongoing changes you may need to make. Whilst we will usually act independently as an Intermediary on your behalf, there may be occasions when facilities or arrangements that we may have with a particular insurer or group of insurers are proposed to meet your requirements.

#### 1. Instructions

We prefer you to provide your instructions to us in writing (by letter or facsimile) in order to avoid any misunderstandings about the cover which you have requested. In urgent cases, we will of course accept verbal instructions, but would ask that they be confirmed in writing immediately. If you would like to communicate by email, please let us know.

#### 2. Proposal Form

With certain classes of insurance we will ask you to complete a proposal form. We will be happy to provide any advice and assistance as your insurance broker, but you are responsible for its accurate completion. Other contracts may be arranged electronically and based on a simple statement of facts. The accuracy and completeness is your responsibility. We would refer you to your duties of disclosure as set out below as it is essential that we and/or Insurers are advised of all material facts prior to completing the placement of cover on your behalf.

#### 3. Duty of Disclosure

- i) It is your responsibility as a proposed insured to disclose to Insurers all material information when obtaining cover, whether or not proposal forms are applicable or completed.
- ii) Information is material if it would have an effect on the mind of a prudent insurer in estimating the risk, or if it would affect the judgement of the Insurer in that the misrepresentation/non-disclosure induced the Insurer to enter into the contract of insurance on the relevant terms.
- iii) There is no duty on the Insurer to make enquiries and the burden falls upon you as the insured.
- iv) If any material information is omitted or misrepresented, Insurers have the right to void the policy and return the premium. The effect of this is that there is no longer an insurance policy and no claims will be paid.
- v) It is therefore extremely important that attention is paid to the information which is provided to enable the Insurers to consider the risk and to the accuracy and completeness of that information.
- vi) The duty of disclosure arises when the insurance is first taken out and also on each subsequent renewal or amendment of it. The Insurer may also include a requirement in the policy to advise of changes through the term of the policy.
- vii) Please contact us immediately if midterm amendments are required in order that approval of the changes can be sought from Insurers and any information provided.

If there is any doubt as to whether a fact is material or not it should be disclosed.

#### 4. Information about the Proposed Insurance

We will use reasonable endeavours to ensure that:

- i) We provide you with adequate information in a timely way to enable you to make an informed decision about the insurance being proposed.
- ii) We explain to you the differences in and the relative costs of the types of insurance which we think, will suit your needs.

iii) We explain the key features of the insurance proposed, including the essential cover and benefits, any significant or unusual restrictions, exclusions, conditions or obligations and the period of the cover.

iv) If we are unable to match your requirements, we will explain the differences between those requirements and the insurance that we are proposing.

v) You are aware of how long quotations and renewal terms are valid. If you are a retail client you may be able to cancel cover within 14 days if you change your mind about the product.

#### 5. Confirmation of Cover

We will provide you with cover notes and/or written confirmation that cover has been effected and the terms thereof as well as the Insurers involved.

You agree to review all information upon receipt and advise us immediately if the details of the cover or the participating Insurers, do not meet with your approval, or do not reflect the instructions previously given to us, and particularly if any cover you require is excluded.

Where a full policy wording is required, this will be forwarded as soon as practicable.

#### 6. Payment of Premium

We will advise you of premiums due from you to Insurers by means of a debit note/invoice.

The premium is due on or before attachment of cover. In order that we can settle with Insurers we will require payment of the premium within the terms of trade specified on the debit note/invoice or covering letter – this will be immediately where no terms are shown.

In certain circumstances Insurers may impose a specific Premium term whereby they require payment of premium by a certain date. We must stress that breach of that term may enable Insurers to void the policy from inception of cover. You agree that the settlement of premiums in good time is your responsibility. Please note that we will not be able to process a claim if the premium for the relevant period of cover is unpaid.

If you default in the payment of premium due, we have the right to pursue payment irrespective of whether we are contractually bound to do so by insurers.

Client money will be held by us in a non-statutory trust account in accordance with the practices permitted by regulation. The terms of this will allow us to make advances of credit to our clients to enable a client's premium obligation to be met before the premium is remitted to us and allows premium refunds to be paid before receiving remittance of those monies from the insurance undertaking. It also allows the transfer of premium to a third party such as another broker, who may have assisted in the placing of cover.

Please note; In accepting these Terms of Business you are giving your consent for us holding your monies in non statutory trust accounts, and for us retaining any interest or investment gains made.



## 7. Costs and Remuneration

We will:

- i) Provide details of the premium costs of each of the insurances offered.
- ii) Not impose any fees or charges in addition to the premium required by the Insurer without first disclosing the amount and purpose of the charge. We do reserve the right to charge for policy amendments, claims handling or cancellations. Please note that any return premium following cancellation, adjustment or alteration of a policy for a retail or commercial client, will be net of commission.
- iii) Be remunerated for arranging the insurance in the form of commission or brokerage paid to us by the Insurers underwriting the insurance, unless the arrangement which we have with you is that our services will be provided in return for an agreed fee. If you wish to know the amount of commission or brokerage we receive from placing your insurance business, please ask.
- iv) In addition to such brokerage or commission, or an agreed fee basis of remuneration as appropriate, be entitled to benefit from:
  - earnings which we are able to generate due to the weight of account placed with certain markets and its underwriting performance and premium finance houses
  - earnings which we are able to generate through management of cash balances held on behalf of Insurers and clients which are not identifiable to any specific account

In the normal course of operating, we sometimes ask other brokers to assist us in responding to your instructions where we believe this is to your benefit. Unless a fee arrangement has been agreed these brokers will usually be remunerated by brokerage which will be included in the premiums charged.

## 8. Claims

It is essential that claims, or circumstances which could give rise to a claim, are notified immediately. Such notification should include all material facts concerning the claim. The Policy wordings will describe in detail the procedures and conditions attaching to making a claim. Please contact us on 0115 9420111 or at 1/3 Waverley Street, Nottingham NG7 4HG for guidance.

We will provide a claims handling service for as long as you remain a client and we will:

- if you require us to do so, give you guidance in pursuing a claim under the policy
- handle claims fairly and promptly and keep you informed of their progress
- inform you in writing if we are unable to deal with any part of a claim
- account to you, without avoidable delay, once a claim has been agreed and settled

We reserve the right to charge a reasonable fee for our services if, for whatever reason, you cease to be a client but wish us to handle claims on your behalf and if we agree to handle such claims.

Claims settlement will be dependent upon collection from Insurers. Part payments may be made during the collection process and we cannot be responsible for the wrongful non-payment or delay in payment of any claim by Insurers.

## 9. Retention of Documentation

We will maintain records of the Insurance contract(s) that we arrange on your behalf and our policy is to maintain placing and claims records in accordance with best practice within the insurance industry. We will automatically destroy records after these periods unless you advise otherwise. We are happy to provide this service free of charge for as long as we remain your Broker. We will take appropriate steps to make sure that any documentation that we handle or hold for you is secure. The same applies to other property, money and information. We will not retain policy documents.

## 10. Market Security

In selecting security a wide variety of factors are taken into account. However, we cannot guarantee the future ability of any Insurer to meet policyholder obligations and therefore the final decision on the suitability of any Insurer rests with you. If you have any concerns about the security offered please contact us immediately to discuss the matter. Personal insurances and compulsory insurances are protected by the Financial Services Compensation Scheme.

## 11. Data Protection and Confidentiality

The information you have provided is subject to the Data Protection Act 1998 (the "Act"). By accepting this document you consent to us or any company associated with us for processing,

both manually and by electronic means, your personal data for the purposes of providing advice, administration and management.

"Processing" includes obtaining, recording or holding information or data, transferring it to other companies associated with us, product providers, the FSA or any other statutory, governmental or regulatory body for legitimate purposes including, where relevant, to solicitors and/or other debt collection agencies for debt collection purposes and carrying out operations on the information or data.

We may also contact you or pass your details to other companies associated with us to contact you (including by telephone) with details of any other similar products, promotions, or for related marketing purposes in which we think you may be interested.

The information provided may also contain sensitive personal data for the purposes of the Act, being information as to your physical or mental health or condition; the commission or alleged commission of any offence by you; any proceedings for an offence committed or alleged to have been committed by you, including the outcome or sentence in such proceedings; your political opinions, religious or similar beliefs, sexual life; or your membership of a Trade Union.

If at any time you wish us or any company associated with us to cease processing your personal data or sensitive personal data, or contacting you for marketing purposes, please contact The Data Protection Officer on 0115 9420111 or in writing to the Wilson Organisation.

You may be assured that we and any company associated with us will treat all personal data and sensitive personal data as confidential and will not process it other than for legitimate purposes. Steps will be taken to ensure that the information is accurate, kept up to date and not kept for longer than is necessary. Measures will also be taken to safeguard against unauthorised or unlawful processing and accidental loss or destruction or damage to the data.

Subject to certain exceptions, you are entitled to have access to your personal and sensitive personal data held by us. You may be charged a fee (subject to the statutory maximum) for supplying you with such data.

We may, to aid training and supervision, occasionally record telephone conversations for internal use.

## 12. Money Laundering

The law requires that we apply due diligence for potential money laundering. We may ask you for proof of identity and address.

## 13. Complaints

If at any time you have a complaint about the services that we provide for you, then you should initially place your objections in writing to the Managing Director. We will handle all complaints fairly and promptly.

If you make a complaint, we will acknowledge it promptly, explain how we will handle your complaint, tell you what you need to do, and how your complaint is progressing.

You can also complain directly to your Insurers as shown in the policy document.

## 14. Termination

- i) Our service may be terminated for any reason either by you or by us giving one month's notice in writing to the other.
- ii) In the event that our services are terminated by you other than at the expiry of the relevant policy period or at renewal, we will be entitled to retain any and all fees or commission or brokerage payable in relation to the relevant policy/policies placed by us prior to the date of termination.

## 15. Governing Law

In respect of policies issued in England and Wales, these Terms of Business will be 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. In respect of policies issued in Scotland, these Terms of Business will be governed by, and construed in accordance with the Laws of Scotland and the parties submit to the exclusive jurisdiction of the courts of Scotland.

## 16. Financial Services Compensation Scheme

We are covered by the FSCS. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Insurance advising and arranging is covered for 90% of the claim without any upper limit. For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim, without any upper limit. Further information about compensation scheme arrangements is available from the FSCS.