



AssuredPartners

A Gallagher Company

ASSUREDPARTNERS LONDON LTD

Commercial & Retail Client Terms of Business Agreement

assuredpartners.co.uk



Power
through
Partnership

ASSUREDPARTNERS LONDON LIMITED COMMERCIAL AND RETAIL CLIENT TERMS OF BUSINESS AGREEMENT

AssuredPartners London Limited is an insurance intermediary, authorised and regulated by the Financial Conduct Authority (FCA), the independent watchdog that regulates financial services in the UK. Their Code of practice and Rules regulate sales, advisory and service standards to ensure general insurance customers are treated fairly. You can check our address and status on the FCA's Register by visiting the FCA's website www.fca.org.uk/register or by contacting the FCA on 0800 111 6768. Our FCA Register Number is 308598.

1. Law and Language

This Terms of Business Agreement is subject to English Law and the jurisdiction of the English Courts. We will use the English language for all communications, the contractual terms and conditions, and any information we are required to supply to you before and during the duration of the contract.

2. Our Duty

As an independent insurance intermediary we act as the agent of our client. We are subject to the law of agency, which imposes various duties on us. However, in certain circumstances we may act for and owe duties of care to other parties. We will advise you when these circumstances occur so you will be aware of any possible conflict of interest.

We act on your behalf in arranging your insurance and our duty to you is to always act honestly, fairly and professionally in accordance with your best interests and explore your insurance needs, arrange insurance covers with Insurers to meet those needs and help you with any ongoing changes you may require. We offer an advised service to our clients and the scope of our advice is to recommend the appropriate insurers available in the market based on your defined requirements. However on occasion we may operate on a non-advised basis. Where this becomes the basis of our agreement with you we will confirm the position in writing to you prior to the commencement of cover.

3. Our Responsibility

- We will discuss with you, your insurance requirements and advise you on the markets to be approached, the scope of cover and costs. On receipt of your instructions, whether oral or written, we will conduct negotiations on your behalf with insurers concerning cover, policy and premium.
- In relation to the non-investment insurance contract provided, at the point of confirmation of terms we will advise the number of insurers that have been approached and if applicable, you can request a copy of the list of the insurers we select from or deal with in relation to the contract provide.
- We will confirm details of cover effected in writing including the identity of the Insurer.
- We will provide an invoice detailing the premiums and any fees due, plus any taxes the Insurers have to collect.
- Where available we will offer payment terms provided by the Insurer or a third party. Conditions for credit terms vary and we will provide full details at the time of purchase.
- We will issue documentation as soon as possible and/or when payment have been agreed or met by you.
- We will advise you and assist you with any claim you need to make. You should not agree to any course of action until you have agreement from your Insurer.
- All information supplied by you is considered to be confidential and is only disclosed in the normal course of negotiation and maintenance of your insurance transactions. Under the Data Protection Act you have the right to see personal information we hold about you in our records. Further information relating to Data Protection is contained in item 4 herein and within our Privacy Policy.

4. Your Responsibility

It is your responsibility to provide complete and accurate information to AssuredPartners London Limited to enable us to advise you appropriately and inform the Insurers of your requirements.

- Material information needs to be furnished to us prior to the inception of the Policy, throughout the life of the policy, and when you renew your insurance. It is important that you ensure that all statements you make on proposal forms, claims forms and other documents are full and accurate.
- If you fail to disclose any material information to your Insurers, this could invalidate your insurance cover and mean that part or all of a claim may not be paid.
- You should carefully examine your policy and other insurance documentation to ensure that cover arranged on your behalf meets with your requirements. Should it not do so you should advise us immediately.
- You will pay all sums due to us by the dates specified in the invoices or insurance documentation requesting such payment.

- You should notify us as soon as possible, or in accordance with the terms contained in your insurance policy, of any occurrence which gives rise to or may give rise to a claim under your insurance policy.
- All activities undertaken by us are provided for your exclusive use and all data, recommendations, proposals, reports and other information provided by us in connection with our services are for your sole use only. You agree not to permit access by any third party to this information without our express written permission. Further information relating to Data Protection is contained in item 4 herein and within our Privacy Policy

5. Our Product Selection

We offer products from a wide range of product providers (i.e., insurance companies) and sometimes use other distributors (i.e., sub-agents) to access products. Our selection usually involves presenting to a reasonable number of insurance companies that will insure for the risk at hand, and this is called a fair and personal analysis of the market.

Sometimes we may only approach a specified number of product providers (i.e., insurance companies) and this is a Panel, or in some cases, we may only approach one product provider, in either case, we will tell you the basis as part of our selling process.

The processes we have in place means that the characteristics of these products take account of our target customer's demands and needs and include sourcing products from one or more of the product providers we deal with.

6. Data Protection

- We acknowledge and agree that where we process Personal Data under or in connection with this Agreement we determine the purposes and means of such processing as a Controller.
- In respect of the Personal Data we process under or in connection with this Agreement, we:

- a) shall comply at all times with our obligations under the Data Protection Law;
- b) shall notify you without undue delay after becoming aware of a Personal Data Breach that is likely to result in a high risk to your rights and freedoms; and
- c) shall assist and co-operate fully with you to enable you to comply with your obligations under Data Protection Law, including but not limited to in respect of keeping Personal Data secure, dealing with Personal Data Breaches, complying with the rights of Data Subjects and carrying out data protection impact assessments.

- We shall ensure that we are able to process the Personal Data we process under or in connection with this Agreement for the purposes contemplated by this Agreement lawfully, fairly and in a transparent manner and in compliance with the Data Protection Law. This shall include but not be limited to entering into such other written agreements as may be required from time to time to enable us to comply with the Data Protection Law.
- For the purposes of this clause:

- a) "Controller" means the person which, alone or jointly with others, determines the purposes and means of the processing of Personal Data;
- b) "Data Protection Law" means all applicable statutes and regulations in any jurisdiction pertaining to the processing of Personal Data, including but not limited to the privacy and security of Personal Data;
- c) "Data Subject" means the identified or identifiable natural living person to whom the Personal Data relates;
- d) "Personal Data" means any information relating to the Data Subject;
- e) "Personal Data Breach" means a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, Personal Data transmitted, stored or otherwise processed;

7. Remuneration

We are remunerated by insurers for our service by receiving a percentage of the insurance premium by way of brokerage. Upon receipt of your advice to proceed you will be liable for our full brokerage deemed earned for the risk which we can disclose. Alternatively an agreed fee may be charged, or in some circumstances a combination of a fee and brokerage. In the event that we charge you a fee we will inform you of this in advance.

Some Insurers may make additional payments to us to reflect the aggregate income or profitability of our account with them; however, it is our policy to place business with an insurer solely on the principle of putting the clients' interests first.

We also receive commission for arranging finance agreements for the payment of insurance premiums and this is usually expressed as a percentage of the individual loan and is paid to us directly by the premium finance provider.

Our level of commission is not linked to the interest rate on the agreement but the amount of commission we receive does vary depending on which finance agreement you chose to enter in to.

8. Insurance Premium Tax (IPT)

Your premium detailed in the policy will include IPT at the prevailing rate. Should the rate of IPT be amended by the Government, your premium will be amended by the insurer to reflect the change.

9. Client Money

The FCA rules are designed to protect you in the event that an insurance intermediary fails or is unable to transfer:

- any premium money it has received from you to the insurer; or
- any claims or return premium monies that it has received from the insurer to you.

We are governed by strict rules pertaining to Client Money, set down by the FCA. Where we hold monies in a client bank account we may earn interest on monies held, which will be retained by us.

We act as agents for the Insurer for the collection of premiums and payment of claims and refunds of premiums. This means that premiums are treated as being received by the Insurer when received in our bank account and that any claims money or premium refund is treated as received by you when it is actually paid over to you. There are occasions where such transactions are restricted (for example, to receiving premiums only) and we will tell you if this is the case.

When we receive premium payments from you or claim payments or premium refunds from your insurer we hold these either on your behalf or on behalf of your insurer(s) as determined by the Terms of Business Agreement we have in place with each insurer.

Money held on your behalf is Client Money and is held in a Non-Statutory Trust bank account in accordance with the FCA Client Money rules. A copy of these rules is available at the FCA website www.fca.org.uk. The money on trust gives rise to fiduciary duties, which remain until your money reaches the insurer or another firm which has permission to hold moneys at the insurer's risk.

We will hold client money in an Approved Bank (as defined by the FCA), located in either the United Kingdom or in the United States of America. The legal and regulatory regime applying to the Approved Bank in the United States of America may treat the client money differently to if it were held in a bank in the United Kingdom in the event of a failure of that bank. The client should notify the firm in the event they do not wish their money to be held in a particular jurisdiction. If we receive notification from the client that they do not wish to hold their client money in a particular jurisdiction, we will either hold the client money in a client bank account in a jurisdiction which the client has not objected to or return the client money to the client.

We may not use it to pay ourselves commission before we receive the premium from our client. For the purpose of some transactions, client money may pass through other authorised intermediaries before being paid to the insurer. The legal and regulatory regime applying to a broker or intermediary outside the UK may be different from that of the UK and in the event of a business failure of that broker or intermediary, this money may be treated in a different manner from that which would apply if the money were held by a broker in the UK.

Any interest earned on your money held by us will be retained by us for our own use. Your money will be deposited in client accounts with banks meeting the FCA criteria for approved banks.

10. If a resident in a country other than the UK

The law or regulations in your country of residence may take precedence over any relevant UK legislation. Therefore references in this document to the FCA or Financial Ombudsman Services or Financial Services Compensation Scheme and any rights or benefits there under may not apply. If you wish to clarify your position in this respect then we will discuss this on request.

11. Evidence of cover and policy documentation

Once premium has been paid we will promptly send you evidence of cover in the form of a copy of the Market Reform Contract document or a cover note (broker insurance document), and/or a certificate and/or an insurance policy. You should examine any insurance documents very carefully to ensure they meet with your requirements. If the documents do not meet with your requirements, if you feel they are incorrect or if you are dissatisfied with the insurance security, please advise us immediately. Otherwise we will assume that the documentation is in order. You must keep all your insurance documents safe.

12. Cancellation of Insurances

Any request for the cancellation of a policy should be made in writing and any relevant certificate of insurance must be returned to us or the insurer concerned. The terms of your policy may allow insurers to retain the premium in full or charge short-period premiums before the policy expires. If no premium has been paid then a time on risk premium inclusive of Insurance Premium Tax (IPT) including any relevant administration costs may be charged.

13. Notification of changes and alterations

Until you receive written confirmation from us (by letter, by email or by fax), you should not assume that we have received or acted upon your instructions to arrange or change cover. We will in all cases endeavour to respond without undue delay.

14. Premium

Failure to pay your premium can result in the automatic termination of your insurance contract from policy inception.

15. Claims handling arrangements

You should take note of the required procedures in the event of a claim, which will be explained in the policy documentation. Generally, insurers require immediate notification of a claim or a circumstance which might lead to a claim. We will employ due care and skill if we act on your behalf in respect of a claim.

We will have the right to terminate automatically, or charge as an ongoing fee, any service which we have previously provided to you in the conduct or management of a claim, when our appointment as your insurance broker is terminated by either party.

16. Financial Strength

We regularly assess the financial strength of the Insurance Companies and other intermediaries that we deal with. The process usually involves general observation of the financial ratings applied by independent rating agencies such as Standard & Poor's and A M Best published with other readily available information within industry guides, newsletters, and press releases. Whilst we take care to deal with companies that maintain reasonable solvency margins, we cannot guarantee their financial ability to pay claims.

17. Conflicts of interest

Occasions can arise where we or one of our associated companies, clients or product providers may have a potential conflict of interest with business being transacted for you. If this happens, and we become aware that a potential conflict exists, we will write to you and obtain your consent before we carry out your instructions and we will detail the steps we will take to ensure fair treatment.

18. Financial Crime

- Each Party shall pay due regard to, and co-operate in respect of the observance of, any applicable financial crime and international economic, financial or trade sanctions laws and regulations which bind the relevant customer, the Broker or the Insurer.
- Neither Party shall take any action which facilitates the evasion of taxes anywhere in the world or which is contrary to any related financial crime laws and regulations (including without prejudice to the generality of the foregoing the Criminal Finances Act 2017).
- Neither Party shall be involved in the offering, promising or giving of any financial or other advantage to any person in breach of any laws and regulations against bribery (including without prejudice to the generality of the foregoing the Bribery Act 2010).
- The Parties shall insofar as required to do so, and whether or not either Party is an associated person of the other for the purposes of the Bribery Act 2010, the Criminal Finances Act 2017 or any other relevant laws and regulations, maintain on an ongoing basis appropriate systems, procedures and controls designed to prevent any breach of conditions of this Endorsement.
- "Parties" means both us as your broker and you as our client.

19. Complaints

In the event that our service does not meet your expectations we ask you to contact us in writing or by telephone. We will acknowledge your complaint promptly, explain how we will handle it and keep you informed of the progress of your complaint. Full details of our Complaints Procedure are available on request. Please address your complaint in writing to:

AssuredPartners London Limited
The Walbrook Building,
25 Walbrook,
London,
EC4N 8AW

Or by phone on +44 (0) 20 7337 6800.

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service, their address is:

Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London, E14 9SR

We are covered by the Financial Services Compensation Scheme. 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. Further information about compensation scheme arrangements is available from the FSCS. If you have any queries regarding the arrangements above please inform us immediately.

20. Limit of Liability

This clause restricts the amount that may be recoverable because of our negligence. Other than injury or death of any person (for which no cap on liability will apply), our liability to you for the services we provide shall not exceed USD 50,000,000 about any one event or connected events.

21. Important Information

21.1. Consumers, where the main purpose of the contract is for private use, your duty to give information

When applying for or amending your insurance policy, we and / or your insurer will ask a number of questions to assess the risk prior to agreeing cover. It is your duty to ensure that you answer all questions raised by insurers or us honestly and reasonably. These questions are designed to enable us or the insurer to obtain a comprehensive picture of the nature of the risk to be insured, and only by asking such questions and receiving answers which are given honestly and with reasonable care, can we or the insurer be in a position to offer terms which are designed to meet your demands and needs.

The reason why this is vital and extremely important is that if you fail to tell us or the insurer something when asked, or, if you answer carelessly or act deliberately or recklessly in making misrepresentations when answering questions, your policy may leave you with no insurance protection; insurers may not pay a part or all of your claim and may cancel your policy. You may find it difficult to re-arrange cover because you did not tell an insurer everything when asked, and you will have to disclose this fact when you reapply for insurance.

Failure to answer questions honestly and reasonably, when asked, may leave you with no cover and a claim not paid.

21.2. Commercial Customers, or where the main purpose of the contract is not for private use, your duty to give information

It is important that you understand your duty to provide all materially important information, fully, completely and accurately to us and your insurers not only when you take out your insurance, but also throughout the life of your arrangement, at the annual renewal, or at any other time when changes occur.

Materially important information is any information that could influence an insurer's decision to accept your risk including the cost of your insurance. For example, details of previous insurance claims that you have made, or reported. Personal information about you, such as Criminal Convictions (you have a duty to give this information even when the insurance relates to a business and not you). General information about the risk, such as the construction of a building, (for example, concrete floor, timber frame with brick, stone, and a slate roof) if you are not sure how

The reason why this is vital and extremely important is that if you fail to tell us something, your policy will leave you with no insurance protection; insurers will not pay any claims and will cancel your policy. You will find it difficult to re-arrange cover because you did not tell an insurer everything, and you will have to disclose this fact when you reapply for insurance.

Failure to answer questions honestly and reasonably, when asked, may leave you with no cover and a claim not paid.

21.3. Warranties and Conditions

Your policy contains some Warranties and Conditions, the terms of which must be followed in order for the policies to operate with their agreed intent. A breach of these terms may give the insurer the right to avoid paying losses in the event of a claim. A reckless or deliberate breach will allow the insurer to void the policy as of the inception and retain the policy premium but a negligent breach without intent, such as the non-disclosure of a material circumstance will allow the insurer to either:

- Amend the terms of the policy in order to reflect the material circumstance; or
- Reduce the amount paid on a claim by the value of the additional premium that would have been charged to reflect the material circumstance had it been disclosed the remedy will depend on the nature of the breach.

Warranties are not always referred to as such within a policy and schedule. They may be referred to as conditions, endorsements, special terms as well as warranties. It is important that you look out for these and if you have any doubt about a particular statement, please ask us for advice.

Failure to answer questions honestly and reasonably, when asked, may leave you with no cover and a claim not paid.

Please contact AssuredPartners London Limited, with any queries regarding the terms of the policy.



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POWER THROUGH PARTNERSHIP

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