

Belgravia Insurance Consultants

Client Terms of Business Agreement

Please read this document carefully as it sets out the terms on which we agree to act for you our client. It contains details of our Regulatory and Statutory responsibilities. If there are any terms which you do not understand or which you disagree please contact us immediately.

1. Who we are

Belgravia Insurance Consultants is an independent insurance intermediary and is a trading style of LND Services Limited, which is authorised and regulated by the Financial Services Authority (FSA). Our permitted business is arranging general insurance contracts and our FSA Registration Number is 401265. These details can be checked on the FSA's Register by visiting their website – www.fsa.gov.uk or by contacting the FSA on 0845 606 1234. We are required to comply with the FSA Regulations relevant to an insurance intermediary which include the following:

- To conduct our business with integrity and pay due regard to the interests of our clients and treat them fairly.
- To conduct our business with due skill, care and diligence.
- To pay due regard to the information needs of our clients and communicate information to them in a way which is clear, fair and not misleading.
- To manage conflicts of interest both between ourselves, our clients and also between a client and another client.
- To hold client money to meet certain specified conditions.
- To take reasonable care to establish and maintain such systems and controls as are appropriate to our business.
- To maintain and keep up to date a list of the insurance undertakings we select from and be able to provide a copy of this list in a durable medium to a customer on request.

Belgravia Insurance Consultants conforms to FSA requirements in respect of Professional Indemnity Insurance.

2. Scope of Agreement

This agreement records the scope of the services that Belgravia Insurance Consultants is to provide to you as well as other terms and conditions that shall form part of the basis of our appointment as your insurance intermediary.

3. Our Responsibilities

a. Our Role & Service

As independent insurance intermediaries we act as the agent of our client. We are subject to the law of agency. In certain circumstances we may act for and owe duty of care to other parties. We will advise you when such circumstances occur so you will be aware of any possible conflict of interest. We seek insurance from insurers who meet our minimum financial guidelines for usage, and will not utilise any other security unless we receive written instructions from you. We cannot and do not guarantee the solvency or continuing solvency of any insurer used and do not accept liability for any losses arising in this regard. A liability for the premium, whether in full or pro rata, may arise under policies where a participating insurer becomes insolvent. Our Service includes -

- Advising you and making a recommendation to you after we have assessed your needs. This will include the type of cover you seek together with costs, where required you will be provided with a statement of your demands and needs prior to conclusion of the contract.
- Preparing market presentations and negotiating the most appropriate terms.
- Arranging cover to meet your specific requirements.
- Preparing documentation where this is our responsibility.
- Checking the accuracy of those policies received from your Insurers, relating specifically to our placement.
- Notifying your insurers of any alterations to an insurance policy we have placed on your behalf, that you have instructed us to make.
- Discussing your renewal requirements.
- Implementing an appropriate claims recording system to meet your requirements.
- Upon notification from you, promptly process claims, or record circumstances, which might result in a claim where the insurer has not taken that responsibility.
- Reviewing claims with you and your Insurers.

b. Quotations

Unless otherwise agreed or specified, any quotations given by us will remain available for acceptance for a period of thirty days from the date of issue of the quotation.

c. Our Charges

Our remuneration may be as a fee, or as a brokerage, which is a percentage of the insurance premium paid by you and allowed by the insurer with whom the insurance is placed. You will be advised if we are charging you a fee, prior to your acceptance of the insurance contract. We reserve the right to make charges in addition to any insurance premiums, for arranging, amending, renewing and cancellation of any policy of insurance or any significant work we might undertake on your behalf. These charges will always be advised to you before the purchase of insurance and shown separately on our invoices. Brokerage and fees are earned for the policy period and we reserve the right to retain all or part of the commission earned on any premiums subsequently returned. In addition we may benefit from income which is not identifiable to any specific account – interest which we are able to generate through cash management of balances held on behalf of Insurers and clients as well as income from premium finance companies.

d. Confirmation of Cover

Cover under an insurance policy will be effective from the date Belgravia Insurance Consultants confirms to you that the cover is in force. We will provide you with written confirmation and details of the insurance that has been affected on your behalf, as well as the Insurers who are covering the risk.

e. Claims Handling Service

Where we are to handle claims we will do so fairly and promptly and will keep you informed of progress. Upon receiving the required information from you, we will notify the claim or circumstances to Insurers, and represent you in the resolution of the claim and arranging the collection and/or settlement of the claim in accordance with market practice and your policy terms and conditions. Where

claims are to be dealt by you with Insurers directly we will provide advice and support as requested. Our claims service will cease if you instruct another entity to assume the claims servicing obligations for your Insurance. Once Insurers have agreed a claim, and the funds have been collected, we will arrange settlement to you without unnecessary delay. However we will not remit claims monies to you before we have received them from Insurers.

f. Force Majeure

Belgravia Insurance Consultants reserve the right to defer the date of commencement of a policy or to cancel the contract if it is prevented from or delayed in the carrying on of its business due to circumstances beyond its reasonable control including without limitation, acts of God, government actions, war or national emergency, acts of terrorism, civil commotion, fire, explosion, flood, lock-outs, strikes or other labour disputes whether or not relating to our workforce provided that, if the event in question continues for a continuous period in excess of 14 days, the Customer shall be entitled to give notice in writing to Belgravia Insurance Consultants to withdraw the offer to take the policy or to terminate the contract.

4. Your responsibilities

a. Proposal Forms

For certain classes of insurance you may be required to complete a proposal form, questionnaire or similar document. We can provide guidance but we are unable to complete the document for you. In completing the form/document all questions must be answered in full or by inserting "not applicable" or "none" in the space provided.

b. Disclosure of information

Under English Law it is your duty to disclose all material facts to insurers prior to inception of the policy and to keep them advised of any changes to such facts or any new facts throughout the cover of the policy and upon renewal of the policy. A material fact is one which may influence an insurer's judgement in their assessment of a risk. If you are in any doubt as to whether a fact is material, we recommend that it be disclosed. Failure to disclose material facts may entitle Insurers to void the policy from inception.

c. Your Policy

You are responsible for reviewing all Policies issued, as it is these documents, the schedules and any certificates of insurance that are the basis of the insurance contract purchased. Particular attention should be paid to any policy conditions, exclusions, warranties and claims provisions. Failure to comply may invalidate your coverage. If there is any doubt about these please seek our advice.

d. Claims

You are responsible for notifying claims or potential claims to us, or your insurers as soon as possible and within any time limits imposed on your policy. Failure to adhere to claims notification time limits may entitle Insurers to deny your claim. All material facts relating to the claim must be disclosed. Claims may be made against a policy long after its expiry date. It is therefore important that you keep your policy documents in a secure place. You must not admit liability nor agree to any course of action, other than emergency measures carried out to minimise the loss, until Insurers have given you their agreement. For all crime related claims, you must notify the police immediately.

e. Payment of Premium/Refunds

We adhere to strict terms of credit on insurance premiums. Any payment request must be paid by the settlement date stated on your invoice/debit note but in any event not later than 14 days after the invoice date where no specific terms have been agreed. Failure to do so may invalidate cover and entitle Insurers to cancel the policy. No payment shall be deemed to have been received until Belgravia Insurance Consultants or your Insurers if you are paying them direct are in cleared funds. Your insurance contract may include a cancellation clause. In the event that you fail to pay your premium by the due date the insurance may be cancelled forthwith or by Insurers. In this event Insurers may still require a pro rata premium to be paid. If we have not received the premium from yourselves, we are under no obligation to pay premium by the Payment Date to Insurers on your behalf. In the event that the insurance is cancelled after inception, our fees or brokerage will not usually be returnable. We will however, return any premiums net of commission refunded by Insurers without avoidable delay. You will make all payments due without any deduction whether by way of set-off, counter claim, discount abatement or otherwise unless you have a valid court order requiring an amount equal to such deduction to be paid by Belgravia Insurance Consultants to you.

f. Policy Cancellations

Should you wish to cancel a policy you must advise Belgravia Insurance Consultants in writing and return any requested documentation such as the Certificate of Insurance. Retail policies provide a "cooling off" period of usually 14 days from inception. If you decide not to continue with the insurance you may cancel the policy by notifying us in writing within the "cooling off" period and we will return any premium paid less any reasonable charges incurred in the arrangement unless you have made a claim under the policy. All policies are subject to the cancellation charges as defined in the policy documentation issued by the insurer. These may include 100% Minimum and Deposit charges for non-cancellation policies or short period charges.

5. Client Money

Client money is deemed to be money of any form of currency that we receive and hold from you our client in the course of carrying on insurance mediation on your behalf and is treated according to the FSA client money rules. These can be viewed at www.fsa.gov.uk/mgi. Client money can be held in one of the following ways:

- a) It can be subject to a statutory trust
- b) It can be subject to a non-statutory trust

Client money may be held on behalf of Insurers but only with a written agency agreement. Trust account

The aim of the trust account is to protect the client in the event of the failure of Belgravia Insurance Consultants or the failure of the bank at which the money is held. In such a circumstance Belgravia Insurance Consultants' general creditors should not be able to make claims on client money as it will not form part of their assets. The fact that we

hold money on trust gives rise to fiduciary duties which will be owed to you until the client money reaches the insurer or product provider. We hold money subject to statutory trust. We are not entitled to use client money to pay premiums before we receive the relevant premium from the client. Any monies due to you as a client will be paid to you within thirty days of receiving cleared funds. We will pay any monies due to you from claims or refunds or any other reason within the timescales laid down by the FSA. Client balances below £15 will be treated as de minimus and will either be used to offset future commissions charged to you, or held for our account. Any interest earned on client's money held by us and any investment returns will be retained by us for our own use and will not be paid to you unless you write to us requesting reconsideration should any such amount exceed £20.

6. Payment to Third Parties

We may transfer client monies to another person, such as another client who is connected to you on your request or to another intermediary for the purpose of effecting a transaction on your behalf through that person.

7. Banking Facilities

Client money will be deposited in an approved bank. Payments should be made in one of the following ways unless otherwise agreed. Please request a Payments Option list from us.

8. Correspondence

All communications between us about this contract although it may be done by telephone it must be followed in writing, by facsimile or electronic transmission. Our addresses are as shown on our letterhead.

9. Retention of Documents

We reserve the right to retain certificates and other policy documents at this office until all payments due under the policy have been made in accordance with our invoice or statement. Should any documents be withheld we will ensure that you are provided with full details of the cover.

10 Confidentiality and Data Protection

We are registered under the Data Protection Act 1998 and we undertake to comply with the Act in all our dealings with your personal data. Information provided to us by you will remain confidential and be used for the purpose of providing insurance services to you, or to others where we are required to fulfil a regulatory or legal obligation.

11. Complaints Procedure

We are committed to providing a high quality insurance service to all our clients. If anything goes wrong we need you to tell us about it. This will help us to improve our standards. If you have a complaint, you may raise the matter with the person who handles your policy or claim. Alternatively, you may contact our office and ask to speak to our Compliance Officer. You may contact us:

- in writing to Belgravia Insurance Consultants, 221 Regents Park Road, London N3 3LD
- by telephone on 020 8249 1003
- by fax on 020 8349 1221
- by email to info@belgravia-insurance.co.uk

Any complaint by telephone that is not resolved immediately should be followed up in writing. We will acknowledge your complaint within 5 working days, and confirm full details of the complaints procedure. In the case of private customers, and commercial customers with an annual turnover of less than £1 million, if we cannot settle your complaint to your satisfaction, you have the right to refer the matter to The Financial Ombudsman Scheme (FOS) within six months. Contact details are as follows: Insurance Division, The Financial Ombudsman Scheme, South Quay Plaza, 183 Marsh Wall, London, E14 9SR. Telephone: 020 7964 1000, facsimile: 020 7964 1001, website: www.financial-ombudsman.org.uk. Your Insurer also operates a complaints procedure, details of which are in your policy.

12. Compensation

We are covered by the Financial Compensation Scheme (FSCS). You may be entitled to compensation from the FSCS if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Full details and further information are available from the FSCS.

13. Money Laundering / Proceeds of Crime Act

We are required by the UK money laundering regulations to obtain evidence of identity of clients for whom we act at the start of a business relationship. Such evidence might be, sight of a current passport, two utility bills and or bank statements. For companies, other than listed ones, evidence of identity will usually be a copy of certificate of incorporation, a list of directors, a list of shareholders and the registered address. We are obliged to report to the National Criminal Intelligence Service any evidence or suspicion of money laundering at the first opportunity and we are prohibited from disclosing any such report to any one else. Claims payments will be made in favour of you. If you require a payment to be made to a third party then you must confirm the required payee name and details together with a brief explanation for your request.

14. Third Party Rights

Unless otherwise agreed between us in writing, no term of this agreement is enforceable under the Contracts (Rights of Third Parties) Act 1999.

15. Law and Jurisdiction

This agreement, which sets out the terms of our relationship with you, will be governed by and construed in accordance with English Law and any dispute arising under it shall be subject to the exclusive jurisdiction of the English courts.

16. General

These Terms of Business do not affect your normal legal rights.