

## TERMS OF BUSINESS

We are an independent insurance intermediary, Authorised and Regulated by the Financial Services Authority (FSA), the independent watchdog that regulates financial services. You are able to check on our status by consulting the FSA's Register by visiting the FSA's website <http://www.fsa.gov.uk/register> or by contacting the FSA on 0845 606 1234.

We do not hold any voting rights or capital in any other insurance undertaking. The shares in our company are owned by a holding company, which is in turn wholly owned by members of the managing board of directors. No other person or firm has any rights to acquire shares in our company.

### Explaining our Services

We are committed to providing a high standard of professional service to Commercial Customers and Consumers. This document sets out the details of how our service operates.

In arranging General Insurance we are required to comply with FSA Conduct of Business Rules. We will act on your behalf by: issuing you with a demands and needs statement, following our initial enquiries, arranging your insurance cover to meet your requirements, providing advice objectively and independently, helping with any ongoing changes you have to make, assisting with the processing of claims.

We will generally provide advice or information on the basis of a fair analysis of the market. On occasions we may have only a limited market in which to place specialised risks, but we are not contractually obliged to deal with either a limited number of insurers or only with a single insurer for any class of insurance business.

### Instructions

Please send your instructions to us in writing (by letter, by facsimile or by e-mail) to avoid any misunderstanding regarding the cover you have requested. In urgent cases we will accept verbal instructions, but you must confirm them in writing immediately afterwards.

### Proposal Form

With certain classes of insurance a completed proposal form may be an insurers requirement. You must verify the accuracy and completeness of the answers before signing the form. Policy cover may also be subject to additional information including sight of authenticated claims experience from your previous providers and a survey of your property or premises.

### Duty of Disclosure

We refer you to your duty of disclosure as set out below; it is essential that your insurers and be advised of all material facts prior to completing the placement of cover on your behalf. It is your responsibility to disclose to insurers all material information when obtaining cover, whether or not proposal forms are applicable or completed.

Information is material if it would affect the mind of a prudent underwriter in estimating the risk, or if it would affect the judgement of an insurer in that the misrepresentation/non-disclosure induced the insurer to enter into the contract of insurance on the relevant terms.

There is no duty on the insurer to make enquiries. The burden falls on you as the proposer and as the insured. 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. It is therefore essential that attention be paid to the accuracy and completeness of the information, which is provided.

The duty of disclosure arises when the insurance is first taken out, is continuous throughout the period the policy remains operative and at each subsequent renewal or amendment of it. Your insurer will require to be advised of any changes in circumstances that occur during the term of the policy. Therefore, please contact us immediately if changes in circumstances occur so that we may obtain insurers confirmation that cover is unaffected.

### Settlement Terms

We will be responsible for issuing invoices for all new and renewal premiums and mid-term premium adjustments as soon as practicable after inception, renewal or adjustment. Alternatively, we will issue renewal reminders with an invitation to pay the required premium. We will remit premiums to insurers in accordance with our agreed terms of trade. Our normal payment terms are for full payment to be made within 30 days from the date of the invoice or, in the case of a renewal invitation, by the policy renewal date. However, there will be instances where insurers require payment within a shorter period and we may therefore request payment earlier to ensure cover is continued. We normally accept payment by cheque or credit card and electronic transfer. In many cases there will be facilities available to enable payment by monthly instalments. We can provide information about the payment options when we discuss your insurances in detail. Policy documentation will not be released until the full premium has been paid or a method of payment has been arranged.

**If payment is not received within the required period, insurers will reserve the right to cancel cover.**

### Client Money

When we receive any monies from you or for payment to you, they will be held by us on one of two bases:

- (a) as agent for the insurer concerned or
- (b) on your behalf within a non-statutory trust client bank account, governed by a trust deed as required by the Client Asset Sourcebook Section 5 of the FSA Handbook of rules and guidance.

The aim of the trust is to protect clients in the event of the failure of the insurance intermediary, bank or other third party who may hold client money. In such circumstances the insurance intermediary's general creditors should not be able to make claims on client money as it will not form part of the insurance intermediary's property.

The trust enables us to pay claims and premium refunds to another client before we receive payment from the insurer. However, we are not entitled to deduct our commission from client money until the relevant premium(s) have been paid by you.

For the avoidance of doubt, we are not under any obligation to fund any premiums, fees or taxes on your behalf and have no responsibility for any loss, which you may suffer as a result of the insurers cancelling the policy or taking any other prejudicial steps as a result of late payment, if delays are attributable to you. Settlement of premiums within our credit terms is your responsibility, because of the limited period of credit allowed to us by insurers; we do not pay interest on client money balances in our care.

### Costs and Remuneration

We will be remunerated for arranging your insurances by way of commission paid to us by insurers and/or by charging a fee. In addition we may also be entitled to benefit from earnings which we are able to generate due to the value of our account placed with certain insurers and its underwriting performance which are not identifiable to specific policies. Commercial customers are entitled to request information regarding any commission we have earned as a result of placing your insurance business. We reserve the right to charge for policy amendments, claims handling or cancellations.

### Credit Reference Agencies

We/Insurers may obtain information about you, now and periodically from credit reference agencies to check your credit status and identity. The agencies will record enquiries, which may be seen by other companies who make their own credit enquiries. Some insurers when calculating premiums for your risk use credit-scoring methods. *If you do not wish insurers to carry out such checks, please let us know immediately.*

### Termination

Our services may be terminated for any reason by either of us giving notice in writing to the other. In the event of cancellation for any reason other than at the expiry of the relevant policy period or at renewal insurers will not necessarily make premium refunds. Where policy refunds are made we will be entitled to pay net of any commission and charges. Where cover is cancelled for whatever reason if the return of premium allowed by insurers is less than £10, the rebate will not be processed. In the event of cancellation due to non-payment, default, non-compliance with the policy terms and conditions or failure to return requested documentation, a time on risk charge will be levied in accordance with the endorsement issued by insurers plus our Professional Fee for the arrangement of the insurances.

### Awareness of Policy Terms

When any policy documentation is issued, you are strongly advised to read it carefully as it forms the basis of the insurance contract you have purchased. Insurance policies set out standard conditions, which need to be observed. There may be other conditions, warranties, clauses, memoranda, exceptions and exclusions added to your policy and it is essential that these be complied with to avoid cover becoming inoperative. If after you have thoroughly checked the documents you have any doubts regarding the policy terms and conditions, please seek our advice immediately.

### Market Security

We mainly utilise United Kingdom insurers and where possible take into account the financial strength of insurers or other wholesale insurance brokers that are involved in the supply chain but we cannot guarantee the future ability of any insurer or other supplier to meet the policyholder's obligations. The final decision on the suitability of any insurer rests with you the client. If you have any concerns about the security of your insurers or providers, please contact us immediately.

### Personal Data

In respect of the personal data you provide to us from time to time, we are your data controller for the purposes of the Data Protection Act 1998. The personal information you provide to us may be used by us for a number of different purposes, including: considering whether to complete a contract of insurance with you; completing a contract of insurance with you; managing and administering your contract of insurance

with us; and providing advice in relation to your contract of insurance with us. We may at times refer your details to selected third party providers to enhance the service we provide to customers. If you do not wish your information to be shared, please contact us.

The personal information provided may also be transferred to the Financial Services Authority in order to comply with any legal or regulatory requirements.

You have a right of access to your personal data held on our computer system and paper records subject to the payment of a fee. Details are available on request.

In the event that we undergo a group reorganisation or are sold to a third party, the personal information provided might be transferred to that reorganised entity or third party and used for the purposes that have been notified to you.

### Complaints

If you have a complaint about our service, please contact us by writing to The Compliance Officer, Hugh J. Boswell Limited, Carrow Hill, Norwich, NR1 2AH or telephoning 01603 626155, faxing 01603 610836 or e-mail: [enquiries@boswell-insurance.co.uk](mailto:enquiries@boswell-insurance.co.uk)

### Summary of Our Procedure

Each complaint will be dealt with promptly and fairly, provided it is made known to us by any reasonable means. Your complaint will be acknowledged promptly and a copy of our complaints procedure will be given to or sent to you. A Director or Senior Manager will be appointed to investigate your complaint. By the end of eight weeks we will issue a final response to your complaint, or, if it is not possible to complete the investigation within the period, an indication of when we expect to be able to issue the final response. You may, at this point, refer our complaint to the **Financial Ombudsman Service**.

If you are not satisfied with the way in which your complaint is dealt with, you may refer it to the **Financial Ombudsman Service**. The ombudsman's leaflet 'your complaint and the ombudsman' will be sent to you at the end of eight weeks or with our final response but you may obtain details by visiting the website at <http://www.financial-ombudsman.org.uk>

### Compensation Scheme

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 upon the type of business and the circumstances of the claim. Insurance advising and arranging is covered for 90% of the claim with no upper limit. For compulsory classes of insurance, advising and arranging is covered for 100% of the claim without any upper limit.

### Governing Law

In respect of policies issued in England and Wales, these terms and conditions of trading will be governed by and construed in accordance with the laws of England and Wales with the parties submitting to the exclusive jurisdiction of the Courts of England and Wales. In respect of policies issued in Scotland these terms and conditions of trading will be governed by and construed in accordance with the laws of Scotland with the parties submitting to the exclusive jurisdiction of the Courts of Scotland.

BY ACCEPTING THESE TERMS OF BUSINESS YOU ARE GIVING YOUR CONSENT TO OUR OPERATING IN THIS WAY.

October 2010.