



Important Information and Terms of Business

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Duty of Fair Presentation

Please read this document carefully as any failure to comply with the duty to make a fair presentation of the risk may entitle the insurer to avoid the insurance contract or to seek some other remedy. If you have any questions, please do not hesitate to contact your account executive in the first instance. Please note that this memorandum does not purport to constitute legal advice. If appropriate you should, in addition to speaking with your account executive, consider taking your own independent legal advice on this subject.

Duty of Fair Presentation

The Insurance Act 2015 imposes an obligation on all policyholders to 'make a fair presentation of the risk' prior to the policy commencing. A fair presentation is one that discloses, in a manner that is reasonably clear and accessible, every material circumstance which is known or ought to be known by the policyholder's senior management, or those responsible for arranging insurance, following a reasonable search.

The key elements of this obligation are explained below:

Material circumstance: This is anything which would influence the judgement of a prudent insurer in determining whether to take the risk and, if so, on what terms. There is no specific limitation on what constitutes a material circumstance, but it would typically include any factors pertaining to the risk to be insured including prior claims, your financial history, convictions of key personnel and your business activities. You are not obliged to disclose something that reduces the risk to be insured.

Known or ought to be known: you are obliged to disclose material circumstances that you actually know but also those that you ought to know. This means that if the information is readily available to you but you fail to disclose it owing to either a lack of enquiry or by 'turning a blind eye', you will have breached your duty to fairly present the risk. Equally, any relevant knowledge we have as your broker must also be presented to insurers. We must therefore make you aware that all information you provide to us must form part of the presentation of the risk, if relevant. This includes any information you provide to us in a social or informal setting.

Senior management : your knowledge, for the purposes of the Act, includes (but is not limited to) that of all senior management. Senior management includes anyone who has a key role in making decisions on behalf of the business, even if they do not sit on the board or if they do not officially have a management role. If you are a sole trader you will be treated as knowing both what you know and what is known to the individuals responsible for arranging your insurance.

Reasonable search: you are obliged to undertake a reasonable search. What is reasonable will depend upon the nature of your business and the policy you are purchasing. We will provide you with advice as to what might be reasonable. When considering the extent of your search, you should take into account the nature of the insurance you wish to purchase and who within your organisation is best placed to provide relevant information.

Reasonably clear and accessible: all information must be provided to insurers in a reasonably clear and accessible manner. This means that information must not be provided in an ambiguous way. The new rules also prevent policyholders from concealing key facts amongst large volumes of less relevant or immaterial information.

What does this mean in practice?

The amount of information to be provided will depend upon the nature of the risk and the insurance you are purchasing. We will guide you through that process, although you should take the time to carefully identify who within your business is best placed to identify any information that may be relevant to insurers when considering the particular risk and type of policy. You must consult with anyone who has particular knowledge about the risk to be insured. This will include your employees such as risk managers or the employees who are involved in negotiating the insurance.

Presentation of information

It is your responsibility to make sure that the information to be submitted to the insurer is presented in a way that the insurer will find reasonably clear and accessible. Where a large amount of information is provided you will need to ensure that it is organised in a structured way with appropriate indexing and signposting to enable the insurer to navigate to what is important.

All statements and facts disclosed on proposal forms, statement of facts, claim forms and other documents should be full, true and accurate and must be given after undertaking a reasonable search, including consulting with your senior management.

When to disclose

You are required to disclose the relevant information to insurers during the negotiations preceding the conclusion of the original contract of insurance and all subsequent renewals of that contract. During the period of the policy you are also required to disclose relevant information when:

- you want to vary terms of the original insurance contract so the insurer takes on additional risk;
- if there is an increase or alteration in risk;
- an extension to the policy period.

Duty of Fair Presentation

What happens if you do not fairly present the risk?

If you fail to comply with your obligations, insurers have differing remedies depending upon the nature of the breach and what would have happened had you fairly presented the risk.

If you deliberately or recklessly (i.e. without care) fail to present the risk fairly, insurers may avoid the policy. This means they can retain all premiums and treat the policy as if it never existed and refuse to make any claims payments. You could also be obliged to repay any claims payments that had already been made.

If you fail to present the risk fairly, but your failure was neither deliberate nor reckless, insurer's response will depend upon what would have happened if you had complied with your obligations:

- a) if insurers would not have provided the policy, they may treat the policy as if it never existed, refuse to make any claims payments and demand the return of any claims payments already made. However, insurers would have to return any premium payments already made;
- b) if insurers would have provided the policy but on different terms, the policy will remain in force but will be treated as if those different terms applied from the start of the policy. This could result in a claim not being met in part or in full (e.g. if insurers would have excluded that particular activity or imposed additional conditions which you did not comply with);
- c) if insurers would have provided the policy but charged a higher premium, insurers may reduce any payment in proportion to the difference between the premium charged and the premium that would have been charged if you had fairly presented the risk. This could result in a significant reduction to the amount of any payment under the policy. By way of example, if a fair presentation would have resulted in the premium doubling, any claims payment under the policy would be halved. This remedy applies regardless of whether there is any connection between the shortcoming in the presentation of the risk and the subject matter of the claim.

Examples of material information:

- business activity (or change to business activity) including processes, products and geographic presence;
- new companies, markets, acquisitions, disposals;
- new processes such as a new machine or new method;
- additional premises / insurable items;
- change to premises;
- unoccupancy of premises;
- letting part of your premises to a third party;
- business financial status;
- loss history/experience including potential claims circumstances/incidents. This may apply to uninsured and insured matters;
- criminal conviction / regulatory investigation or enforcement / Health and Safety investigation or prosecution;
- insurer previous declinature, refusal to renew, imposed terms / restrictions in cover, mid-term cancellations.

THE ABOVE LIST PROVIDES A FEW EXAMPLES ONLY. IT IS NOT INTENDED TO BE AN EXHAUSTIVE LIST. IF YOU ARE IN ANY DOUBT ABOUT ANY INFORMATION, DISCLOSE IT.

Duty of Care

In addition to a duty of fair presentation, there is a common law duty on all insurance policyholders to act as if uninsured and to take all prudent and reasonable steps to both prevent injury or damage of the type covered by the insurance and also to take all such actions after the event as are sensible to minimise a loss.

This duty is reinforced in many policies by the incorporation of an explicit "reasonable precautions" condition. With or without this explicit condition, failure to act in a reasonable manner may invalidate cover.

The list below provides examples of steps which should be taken to prevent losses. It is not intended to be an exhaustive list.

- Maintain buildings, machinery, plant and vehicles in good condition and in accordance with manufacturer's recommendations.
- Put into operation all security devices, locks and alarms whenever premises and motor vehicles are unattended and ensure all keys removed. Maintain all fire prevention and detection systems, and ensure adequate maintenance contracts in place.
- Carry out full risk assessments in respect of all processes to ensure compliance with appropriate legislation, especially with regards to hazardous materials or processes. This includes steps to minimising damage to the environment.
- To ensure adequate quality control and documentation of goods and services supplied.
- To take all steps necessary to protect all employees and visitors on site, authorised or not and comply with all Health and Safety legislation. Ensure and document that all suppliers and contractors used are adequately insured.
- Ensure adequate packing of goods for transit and secure full documentation in respect of these transits.

If you require any further guidance please do not hesitate in contacting us.

Guide to Insurable Risks

No business can insure every risk of accidental loss or injury to its assets, income and personnel, and indeed would find all embracing premiums to be far too costly. The following list may include risks which you currently insure or have made a conscious decision to self insure and is intended merely as a guide to what can be insured in broad terms. This list can never be absolute, but will assist with decision making.

Material Damage and Theft

Loss of or damage to insured property by an insured peril including theft following forcible and violent entry to a building. In some circumstances 'Full Theft' cover can also be purchased.

Other insured perils are typically Fire, Lightning, Aircraft, Explosion, Earthquake, Riot, Civil Commotion, Malicious Damage, Storm, Flood, Escape of Water, Impact, Accidental Damage, Subsidence Landslip or Heave.

Computers

Loss or damage to computer equipment and usually extends to include breakdown, reinstatement of data and other increases in your cost of working.

All Risks

Loss or damage to specified property anywhere within the geographical limits for any reason not otherwise specifically excluded.

Deterioration of Stock

Loss or damage to stock stored in temperature controlled conditions following breakdown of the refrigeration plant or leakage of refrigerant.

Business Interruption

Loss following interruption to your business in consequence of damage to your property by an insured peril resulting in

- an increase in the cost of working
- loss of gross profit following reduction in turnover
- loss of revenue
- loss of rent receivable

Loss of Licence

Financial loss in the event of non-renewal or withdrawal by the authorities of a licence required for a business.

Book Debts/Debtor Records

Loss following your inability to collect outstanding book debts due to the destruction of records.

Advance Profits

Cover for loss of anticipated earnings from new developments following damage during construction.

Money

Loss of Money in transit, on your premises, in safes, or in the homes of your Directors or Employees.

Terrorism

Cover to protect against loss, damage or liabilities resulting from acts of terrorism. This is not automatically covered under a Material Damage and Business Interruption policy

Latent Defects

Insurance for a period of 10 years against physical damage to a building caused by an inherent defect in the design, materials or construction of the structure.

Contract Works

Physical loss or damage by an insured peril to buildings in course or erection and the materials, plant, works and equipment associated with the constructions. Policies can be extended to comply with the varying conditions imposed by JCT and other contract wordings.

Employers' Liability

Legal liability for death or injury to employees caused in the course of their employment. This cover is a legal requirement for most businesses.

Public Liability

Legal liability for accidental injury to third parties or for damage to third party property arising from the business, but excluding liability caused by goods or products sold or supplied.

Products Liability

Legal liability for accidental injury to third parties or for damage to third party property arising out of goods or products sold or supplied.

Financial Loss

Cover for financial losses arising from your business activities NOT as a direct consequence of accidental injury to third parties or for damage to third party property. Can be an extension to a public and products liability cover.

Product Guarantee and Recall

Costs involved in recalling a product which has a potential fault which could result in injury or damage to third party persons or property.

Guide to Insurable Risks

Product Contamination

Cover for costs arising from accidental and malicious contamination or from product tamper and extortion.

Pollution and Environmental Liability

Cover for costs incurred for cleaning your own site as well as liabilities to third parties. These are usually enforceable by law. You are at risk of incurring costs to clean your site even though the pollution may have been caused by a previous occupier.

Professional Indemnity

Legal liability for damages for breach of professional duty by reason of any negligent act, error or omission.

Directors and Officers Liability

Legal liability to pay damages and claimants costs in respect of claims made against Directors and Officers personally, arising from "wrongful acts" committed in the conduct of their duties.

Employment Practices Liability

Liability to pay damages, compensation and costs in respect of claims made against an employer, its senior management or employees on employment related matters.

Pension Trustee Liability

Trustees of the pension fund are exposed to the risks of claims through alleged negligence or breach of duty in the handling of funds. A policy covers the costs and expenses incurred in defending a claim.

Trustees must act within the authority of the trust deed and rules of the pension fund, and in accordance with the general principles of trust law. They will be liable for any act, which is negligent, outside their authority or in breach of trust. An "indemnity clause" under the trust deed or under the Trustee Act may afford some protection to the trustee, although neither provides any protection to the beneficiaries. A Trustees Indemnity policy would usually also reimburse the trust fund for losses suffered for which the trustees are not liable due to the application of an indemnity clause of the Trustee Act, so that beneficiaries are protected.

Cyber Liability

Cover is available for negligent acts, errors and omission, breach of confidentiality, libel and slander, downloading of virus to third parties, infringement of third party copyright and liability arising out of data protection legislation, damage to your computer network and loss of revenue and theft of money.

Excess of Loss

'Top up' cover for liability policies, most commonly Public and Products Liability.

Crime

Cover for criminal or fraudulent taking, obtaining or appropriation of an organisation's money, securities, funds or property by an employee or third-party.

Engineering

Breakdown of or accidental damage to key items of plant.

Engineering Business Interruption

Loss following interruption to your business in consequence of damage to or breakdown of key items of plant.

Hired In Plant

Liability under a hiring agreement for loss of or damage to hired in plant, and the continuing hire charges incurred following such loss or damage.

Engineering Inspection

Inspection services to satisfy statutory requirements relating to plant such as pressure vessels and lifting equipment. Inspection services can also be provided for most other types of plant and for electrical installations.

Machinery Movement

Covers loss of or damage to insured property during the operations specified, which can be all or a combination of dismantling, loading, transit, unloading, erection, testing and commissioning. Cover can be arranged on an annual basis of or for single movements.

Goods In Transit

Loss or damage to stock and other property specified whilst in transit or temporarily stored in the course of transit in the UK.

Marine Cargo

Loss or damage to stock and other property outside the UK and/or within the UK in transit or temporarily stored in the course of transit.

Personal Accident

The payment of agreed amounts following death, permanent and/or temporary disablement of an insured person by an insured event.

Business Travel

Medical expenses, personal accident, cancellation, personal effects and/or money whilst travelling on business.

Kidnap and Ransom

Cover is available for kidnap, ransom and extortion for specific employee and individuals.

Guide to Insurable Risks

Motor

Statutory liability under the Road Traffic Act for injury and/or damage to third parties as a result of operating motor vehicles and can include damage to own vehicles.

Residual Value Shortfall (Gap)

Most insurers will only settle a total loss claim up to a maximum of the market value of the vehicle. In some cases, this may be significantly lower than the total settlement required by a lease company. Additional cover may be available to bridge the gap between the two amounts.

Motor Legal Expenses

Legal expenses insurance to recover uninsured losses and employ solicitors to handle any injury claims as a result of motor incidents.

Occasional Business Use

Cover on cars owned by employees whilst they are being used on the business of the employer.

Excess Motor

'Top up' motor third party liability cover.

Sales and Servicing Indemnity / Defective Workmanship (Motor Trade)

Legal liability for injury or damage sustained by your customers arising from defects in the goods (vehicles) sold or supplied by you and/or defective workmanship performed by you on their vehicles.

Wrongful Conversion

Provides cover if you purchase a vehicle from someone who is not the true owner and the true owner subsequently makes a claim upon you for return of the vehicle or its cash value. Conversely, if you sell a vehicle and the purchaser finds that he does not have a valid title to the vehicle; cover is provided should they claim against you as the motor trader for its value.

Intellectual Property

Cover for legal expenses incurred to defend or pursue infringement of a trademark, copyright or registered design.

Credit Insurance

Protection against losses arising from customers bad debts.

Legal Expenses

Cover is available for insuring the cost of pursuing or defending types of legal action in the commercial world such as:

- Contractual disputes
- Property disputes
- Landlord and tenant disputes
- Licence and franchise disputes
- Nuisance actions
- Taxation proceedings
- Employment disputes

Loss Recovery/Loss Assist

Whilst we are always available to help prepare a claim and manage it on your behalf, sometimes specialist attention is required to maximise payment. Rather than discovering this following a claim and having to pay in full for the service, you can insure against the risk and have an assessor working on all your claims.

Important Advice and Terminology

Instructions regarding changes of cover

Please note urgent instructions regarding new covers, increases to sum insureds and limits and changes in circumstances etc., should be given by telephone. Such alterations will not be effective until instructions have been provided to Insurers and they have responded positively that cover is operative.

Average

Average is a clause used by all Insurers to counteract under insurance whereby you are made responsible for a percentage of the loss proportionate to the degree of under insurance.

Average is applied differently depending on the basis of cover:

Day One Reinstatement: Average will apply if the Declared Value at the time of the loss is less than the cost of reinstatement at inception (Day One) of the period of insurance.

Reinstatement: Average will apply if the sum insured at the time of reinstatement is inadequate. In some policies this will only apply if the sum insured is less than 85% of the cost of reinstatement.

Indemnity: Average will apply if the sum insured is inadequate at the time of the loss.

If you are in any doubt as to the adequacy of the sums insured you have selected you should seek professional advice from a qualified valuer who can assess the figure that you should insure your property, whatever its nature (building, contents etc.). If an insurer can demonstrate that average applies to a claim they will deduct the degree of under insurance from the amount that they pay you. For example, if the insurer believes that you have only insured for half of the correct "new for old" cost to replace your assets they will only pay half of the reinstatement costs.

It is essential, therefore, that the sums insured (or declared value) represents the full reinstatement cost as new and that adequate provision is made for additional costs such as architects' or other professional fees, the additional costs of complying with local authority building regulations and site clearance.

Some policies incorporate provisions for inflation but values must be regularly reviewed.

Example:	Policy sum Insured	£ 100,000
	Actual value at risk	£ 150,000
	Loss	£ 30,000
	Insurer pays	$\frac{£100,000}{£150,000} \times £30,000 =$ £ 20,000

Betterment

The amount of the increase in the value of property after it has been reinstated or repaired by the insurer under a contract of indemnity. Insurers make a deduction from the claims payment as the insured's contribution to 'betterment'.

Business Description

Insurance policies cover losses arising from your normal business activities as declared to the insurer. If this description is not accurate on your documentation you must advise us immediately. It is important that this description is kept up to date e.g. following acquisitions or disposals. It is also important that you notify us of any proposed activity that does not fall within your business description.

Claims

Insurance policies contain limitations on the time within which claims must be reported to Insurers. To avoid any possibility of a claim being refused on the grounds of late notification, we recommend that all circumstances that might give rise to a claim are reported immediately.

Claims made policies

Some policies (typically Directors and Officers Liability and Professional Indemnity policies) stipulate that claims can only be made if the policy is still current. These are referred to as Claims Made policies. These policies allow for claims made during their currency in relation to incidents that have occurred prior to cover, subject to a retro active date.

Co-Insurance

An amount, usually expressed as a percentage, that a policyholder has to bear of any claim made against a policy.

Contribution

A corollary of indemnity meaning an equitable division between insurers where two or more insurers cover the same insured and the same risk. Each insurer pays a rateable proportion of the loss either in proportion to the sums insured (the maximum liability method) or in proportion to their respective independent liabilities (the independent liability method). Insurers may avoid contributing to 'doubly' insured losses by using a non-contribution clause.

Contributory Negligence

Negligence by which a person contributes to the happening of an accident to him or contributes to the injury or damage he sustains. He is part author of his own misfortune and, under the Law Reform (Contributory Negligence) Act 1945, his damages will be reduced according to his share of the blame.

Day One

This is a clause applied to material damage covers and makes provision for the impact inflation may have upon the value of your assets. You are required to provide an accurate assessment of the value at risk at inception (day one) of the policy cover. The provision allows for an uplift in the sums insured as a result of inflation.

Important Advice and Terminology

Declaration Linked Basis - Property

Declaration based policies on stock that permit the insured to maintain a full insurance on fluctuating values without over-insuring. The insured selects the full amount at risk and pays a deposit premium based on 75 per cent of that figure. Following a series of stock declarations the premium paid is adjusted up or down up to 33 1/3 per cent of the deposit premium at the end of the year.

Declaration Linked Basis - Business interruption

When insured on a 'sum insured' basis it works in the same way as property but the adjustment is based on a comparison between the projected gross profit and the audited gross profit figure. Under a declaration-linked policy the insurer provides cover up to 133 1/3 per cent of the estimated gross profit. The deposit premium is based on 75 per cent of the estimate and the premium adjusted up or down at the end of the year subject to a minimum premium of 50 per cent of the deposit.

Employers' Liability Certificate

A copy of your Employers' Liability Certificate should be readily available to all employees either in an electronic or paper format in each place of business where your employees work. Failure to confirm details of your Employers' Liability insurance may result in you, as an employer, being made responsible for payment of a future claim, and as such, you are advised to retain a complete record of historical Employers' Liability insurance policies, as far as is possible. We would always recommend that you continue to retain a copy of each Employers' Liability Certificate for a minimum period of 40 years.

E- Risks

Insurers may reduce or exclude their exposure on various types of cover where a loss can be attributed to failure of or damage to a computer system including any other equipment or component that processes, stores, transmits or receives data where such failure is due to a virus or hacking.

Excess

Before insurers settle most claims it is likely you will be required to bear a specified amount, which is referred to as an excess. The amount generally varies depending on the type of loss and is deducted from any final settlement.

Franchise

These also represent an amount that you must bear in the event of a loss in much the same way as an excess. However they may be expressed as a period of time or as a monetary limit. You are only responsible for losses which do not exceed the franchised time period or monetary limit, and once the loss extends beyond these limits it is paid in full.

Group Policies

Where you arrange a policy for which another party may receive the benefit (such as a personal accident or directors and officers policies) then you are required to provide those persons with a summary of the cover.

Indemnity

This is a basis of settlement. Claims for property insured on this basis will be settled on the value of the property at the time of loss including an allowance for wear, tear, age and depreciation. Commonly used for stock or property which is unlikely to be replaced such as dilapidated buildings or obsolete plant.

Material Fact

You are under a continuing obligation to notify insurers of any material facts. A material fact is any fact which would influence the judgement of a prudent insurer in fixing the premium or determining whether they will take the risk. Examples include:

- Previous losses
- Changes in business activities, acquisitions or disposals
- New products or services
- Additional or change in use of premises, including a premises becoming unoccupied
- Changes to fire and security protections
- Onerous contract conditions

In addition you may be asked from time to time to complete a proposal form for insurers or provide other written information. When provided such documents it is important to understand that all answers given or statement made are your responsibility and that if incorrect or incomplete information is provided it could result in a claim being repudiated on the basis of non-disclosure or misrepresentation, or even lead to the policy being voided "ab initio". If insurers are successful in avoiding the policy, it means that cover was never in place, all premises are returnable by the insurer and the insured must repay any past claims payments. This is a very serious course of action and has detrimental implications for obtaining insurance cover in the future.

All information requested on a proposal form is a material fact, and changes in that information should always be notified to us promptly.

Motor Insurance Database – Your Obligations

2003 saw the introduction of the 4th EU Motor Insurance Directive. The key objective of the directive is to improve the ease with which cross border claims in Europe can be handled. The directive requires that the insurers of all UK vehicles are readily identifiable by an information centre using only a registration number. In the UK this centre is called the Motor Insurers' Information Centre (MIIC), and was established by the insurance industry in 2000 to develop and manage the Motor Insurance Database (MID). The goal of the MID, which was built by the global information solutions provider, Experian, is to hold information on every insured vehicle in the UK.

You have a legal obligation to submit details of all vehicle you wish to be insured under your motor fleet (and/or motor trade) insurance policy for entry in to the MID, and to do so within the required time limits. The MIIC has powers to impose fines of up to £5,000 for not submitting data. Insurers may regard failure to comply with the requirements as a breach of policy conditions.

We will advise you of an Insurers' preferred method of submission of vehicle changes to the MID at each renewal.

Important Advice and Terminology

Reinstatement

Most policies covering buildings, contents, machinery and plant are arranged on a reinstatement basis i.e. new for old. Insurers undertake to settle a claim on the basis of the cost of replacing lost or damaged items by similar property equal to but not better or more extensive than when it was new. It is important that sums insured are selected to take account of this and that the sums insured must be adequate at the time of reinstatement. If you are in any doubt regarding the adequacy of the sums insured you should consult professional valuers.

Reasonable Care

There is a common law duty on all insurance policyholders to act as if uninsured and to take all prudent and reasonable steps to both prevent injury or damage of the type covered by the insurance and also to take all such actions after the event as are sensible to minimise a loss.

This duty is reinforced in many policies by the incorporation of an explicit "reasonable precautions" condition. With or without this explicit condition, failure to act in a reasonable manner may invalidate cover.

Insurers are increasingly seeking to rely on this condition as a way of repudiating claims. A practical example could involve property where the owner or tenant with full repairing lease obligations fails to properly maintain or promptly undertake damage repairs. A liability insurer may decline to provide indemnity in the event of third party injury or property damage caused by defective premises.

If you ever in doubt as to the extent of this duty you should discuss the circumstances with us immediately.

Retro Active Date

These appear on Claims Made policies. Claims cannot be made for incidents or events which have occurred prior to this date.

Several Liability Notice

Where a policy is placed with more than one insurer, each is responsible for its own proportion of the risk only. To emphasise this Insurers are obliged to include this or a similar clause within the policy and associated documentation:

The subscribing insurers' obligation under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscriptions. The subscribing insurers are not responsible for the subscription of any co-subscribing insurers who for any reason does not satisfy all or part of its obligations.

Subrogation

In the event of a claim of any description your insurers retain a right to pursue a third party for contribution towards their loss. Should you have an agreement with a third party where these rights have been waived (e.g. a hold harmless agreement) then it is essential that this is disclosed to insurers otherwise they may limit their liability for such a loss.

Sum Insured

When you take out an insurance policy; you are required to explain the value of the items that you want to insure. These values are known as the sums insured and are the maximum amounts your insurer will pay in the event of a claim. It is of vital importance that your sums insured are set correctly; if you are under insured then average will apply to any claim settlement or a claim may not be paid at all. If you are in any doubt as to the adequacy of the sums insured you have selected you should seek professional advice from a qualified valuer who can assess the figure that you should insure your property. As a general guide you should consider the following for these most commonly insured items:

- | | |
|---------------------------|--|
| Buildings sum insured: | This covers the fabric of the building including pipes, drains, outbuildings, annexes, walls, car parks and yard areas, and should include costs for site clearance, architects, surveyors and other professional fees and additional costs of complying with current building regulations. The sum insured will likely be considerably different to the market value. |
| Contents sum insured: | This should represent the total replacement value as new of all machinery, plant, equipment, furniture, shelving, racking, fixtures and fittings and all other contents of each and every one your premises. Where you lease a property you should also include any improvements you have made to the property. |
| Stock sum insured: | This sum insured should represent the value of all stock, including raw materials, work in progress and finished goods, belonging to you, or for which you are responsible, and also include sample stock and obsolete and slow moving stock. The stock sum insured should reflect the cost to replace the items and not the retail price. Consideration should be given to the maximum value at risk during seasonal or other peak trading periods. |
| Gross profit sum insured: | This is commonly calculated as the amount by which the sum of turnover and closing stock and work in progress exceeds the sum of the opening stock and work in progress and uninsured working expenses. Uninsured working expenses are usually purchases, carriage, packing and freight. Serious consideration should also be given to how long it will take to recover from a major loss, as cover is usually purchased to cover your loss of gross profit over a period of 12, 24 or 36 months, however other periods can be selected. |

In all cases you must declare the total value at risk across the whole of the business and at all premises. If there are any items that you do not wish to be insured these need to be specifically declared to the underwriter. Under no circumstances should you purposely under declare a sum insured, for example, on the basis that no loss could exceed a certain value – whilst this may be the case, without Underwriters prior agreement this will be considered under insurance.

Temporary Vehicles

The obligation to submit details to the Motor Insurance Database (MID) includes temporary vehicles if they are to be covered for more than a period of 14 days. In the case of vehicles covered for shorter periods you must keep a record of the relevant details and it must be retained for seven years after expiry of the policy. You may find it convenient to include all temporary vehicles in your submissions to the MID regardless of the period of cover as this satisfies your record keeping obligations and helps to avoid possible omissions.

Important Advice and Terminology

Title of Insured

Insurance policies indemnify only those parties named in the policy documentation. If the title used for your policies is inaccurate you must inform us immediately.

Uninsured Risks

Policies may carry specific conditions and warranties in addition to the regulatory imposed statutory duties and you should ensure that you are not in breach of these.

A guide to insurable risks is included within this document with further details provided under the individual risk summaries. Please contact us if you feel that there is any aspect of your business not adequately protected by the coverage arranged or if you require any additional information on any risk not mentioned.

Use of Sub Contractors

In the event that you employ the services of sub contractors it is essential that enquires are made as to the adequacy of such sub contractors insurance arrangements, if any exist. Failure to do this could prejudice the position under your own insurance policies in the event of a claim.

Under Insurance

When the values at risk exceed the sum insured on the policy. In the event of claim where you are under insured average will apply to any claim settlement. If you are grossly under insured this could be considered by an insurer as non-disclosure and may invalidate the whole policy.

Unoccupied Buildings

Any building or property or part thereof which is unoccupied or becomes unoccupied should be immediately disclosed to the Insurer. Failure to do so will be considered non-disclosure of a material fact and will mean cover will not be provided in the event of a claim. Whilst every Insurer is different, upon notification that a building is unoccupied, they will typically restrict the cover they provide, require that the property is inspected at regular intervals, services and utilities are shut down and all security measures are maintained.

Valuations

It is in your interest to obtain professional valuations for property and other physical assets as these will be helpful to you in negotiating a claim and in substantiating the adequacy of your sums insured.

VAT

Our understanding of the current UK VAT legislation is that risk management services are exempt from VAT as they are integral to our insurance broking function. However if HM Revenue and Customs rule that the services are not exempt or if other services are provided which do not qualify for exemption from VAT then VAT at the applicable rate will be charged on all or part of the relevant fees as appropriate.

War

As a general statement all non-life insurance policies contain some form of war exclusion clause, other than Employers' Liability. Even though the main forum of a war may be far away you are still a victim of the uncertainty which arises because of the difficulty in interpreting the war exclusion clause in the context of possible sponsored terrorism. Most insurers accept that there is a difference between terrorism and war, but are not prepared to define what the difference is or to confirm that their policies will definitely respond to any such attack away from the immediate war zone.

Warranties and Conditions Precedent

Any breach, however trivial, of a warranty or condition precedent may entitle the insurer to repudiate liability for a claim under that policy. The words of a warranty or a condition precedent mean exactly what they say. Non-compliance gives the insurer the ability to turn a claim down. It does not matter if the insured thinks there are extenuating circumstances, the insurer is not liable and it means that claims will not be paid where the insured has not strictly complied with the condition.

In respect of warranties, a breach will suspend cover under a policy until such time that the breach has been remedied. In the event of a claim during a period of cover suspension due to a breach of warranty, cover will not be provided by the Insurer.

In respect of both warranties and conditions precedent if a breach is unrelated to a loss then Insurers are not able to rely on the breach to avoid the claim. The onus is on the insured to demonstrate the loss is unrelated to any breach of warranty.

It is very important to note that most policies contain warranties and conditions precedent in some form, and we strongly recommend you review the policy documents to ensure that you are fully conversant with these terms.

Claims Guidance

Our service as your Insurance Broker includes full support and advice on all claims matters. Where necessary we will be involved in meeting with you, Insurers, loss adjusters and other parties involved with any claim, and we will maintain full liaison with Insurers on all ongoing matters.

All Insurance policies contain a condition which requires the policyholder to notify claims immediately. In some cases you are required to notify occurrences which might give risk to a claim. Please report all incidents and claims to us as soon as possible regardless of value or seriousness. The following are brief general guidelines on certain individual types of policy.

Material Damage and Consequential Loss

Initially, brief details should be provided promptly, and if the claim is likely to be serious or complicated, immediate notification should be given by telephone. These details should include an indication of the extent of the damage and any approximate idea of the costs which might be involved. An early decision can then be made with your Insurers on whether loss adjusters should be appointed and if an immediate meeting is required. Ensure you retain any damaged property as insurers may wish to carry out an inspection. In the case of theft or accidental loss, notify the policy immediately.

Personal Injury Claims (Motor, Employers' Liability, Public and Products Liability)

Personal injury claims for Motor, Employers' Liability, Public and Products Liability with a value of between £1,000 and £25,000 have to be dealt with through the Ministry of Justice Claims Portal System.

Insurers have very strict timescales in which to admit or deny liability and agree quantum. There are also some strict timescales with which you, the defendant of a claim, must comply.

If you receive a Claim Notification Form (CNF) then you must:

- **Immediately, and no later than one working day, send an electronic acknowledgment of receipt of the CNF to the claimant's solicitor.**
- **Immediately forward the CNF to your Insurers or Wentworth Alexander.**

Please also ensure you:

- Notify actual and potential claims immediately. This will allow insurers as much time as possible to investigate and respond within the MoJ timescales.
- Ensure all information provided is accurate and complete.
- Co-operate fully with the insurers' investigation.
- Support quick decisions on liability

Compliance with the reporting requirements is intended to cap legal costs and reduce claims spend. Claims falling outside of the portal will have no cost protection.

If you would like further information on these procedures please contact us.

Other Liability Claims

A claim for or letter explaining what has occurred should be sent in promptly. For serious occurrences or where advice is required brief details should be advised immediately by telephone.

Liability must never be admitted and any correspondence received from Third Parties, their Insurers or representatives must be forwarded to us or the Insurer unanswered.

Motor

Most Insurers provide a 24 hour notification telephone number and this should always be used in the first instance, on the road side at the scene of the accident if possible. Where relevant a completed claim form should be forwarded as soon as possible so that no delay occurs in arranging inspection and authorisation of repairs by Insurers. Should a major incident occur we should be advised promptly by telephone.

Any correspondence from third parties or their Insurer should be forwarded unanswered. Wherever possible the names and addresses of any independent witnesses should be obtained.

Other Classes of Policy

Notify us immediately and where relevant send a claim form. We will give you specific guidance depending upon the individual circumstances of each loss. Please always familiarise yourself with specific policy claims notification conditions.

Terms of Business

About Us

We are Wentworth Alexander Ltd, our registered office is Redlands, Cliftonville, Northampton NN1 5BE. We are authorised and regulated by the Financial Conduct Authority No: 541729. Registered in England No: 7509811. Data Protection Act Registration No: Z2883294. We are an Independent Insurance Broking Company.

Please read this document carefully. It sets out the terms and conditions on which we agree to act for you, contains details of our responsibilities together with your responsibilities both to us and to insurers. Please contact us immediately if there is anything in this document that you do not understand or with which you disagree. Your receipt of this document constitutes your informed consent to its contents.

Ownership

There is no direct or indirect holding or capital in Wentworth Alexander Ltd that is held by an insurance company.

Definitions

A Commercial customer means a customer who is acting within their trade, business or profession in respect of the insurance cover requested or arranged. Reference to 'you' or 'your' means you (and or your appointed agent whichever is the most appropriate party) and 'we' or 'us' or 'our' means Wentworth Alexander Limited.

Who regulates us

We are authorised and regulated by the Financial Conduct Authority (FCA) an independent body that regulates the UK financial services industry. Our details may be confirmed on the FCA's Register <https://register.fca.org.uk/> or by phoning the FCA on 0800 111 6768.

Our service

We are an insurance distributor (intermediary) and can act both as agent of the insurer and on behalf of you. We will, to the best of our ability, provide you with sound advice, service and insurance products. We offer products from a broad range of Insurers. As an intermediary and your agent we owe various duties to you. We will advise you as necessary if circumstances occur that may create a possible conflict of interest.

Our regulated business activities are advising, arranging (bringing about) deals, making arrangements with a view to transactions, dealing as agent, assisting in the administration and performance of a contract and agreeing to carry on a regulated activity in respect of Non-Investment Insurance contracts and Credit Broking.

We will advise you and if applicable, make a personal recommendation after we have assessed your insurance needs. This will include the type of cover you require together with the costs involved. We undertake to explain the main features of the products and services that we offer to you as well as the basis on which we have provided information and or advice.

Upon receipt of your instructions we will place, amend or renew insurance cover on your behalf with insurers. We shall assume unless you confirm to the contrary in writing, you have authorised us to agree the terms and conditions of your insurance policy with insurers consistent with your instructions. We will advise you of any inability to place your insurance.

You are not to rely on any insurance policy you have instructed us to place on cover until we have confirmed in writing to you that the insurer has agreed to such insurance cover being in place. Please note that you must comply with the terms and conditions of the insurance policy you purchase including any matters where the insurer makes cover subject to your compliance with conditions or with express or implied warranties. Failure to comply will entitle the insurer to cancel your insurance contract and risk a loss you suffer not being paid in part or in full. (Also see **Claims**).

Please also note unless your policy confirms otherwise, the rights under your policy may only be pursued in an English court.

Our services further extend to include arranging premium finance facilities. We will only offer arrangements available from two third party product providers: Close Premium Finance or Premium Credit Ltd. In addition, where such facility is available, we will also offer the Instalment Facility from the Insurer providing your Insurance. Please be aware that any credit agreement is between yourself and the third party finance provider or the Insurer. Using premium finance can make the overall cost of the insurance more expensive. A full breakdown of the cost of your insurance and the cost of credit will be provided before you make a decision whether to proceed.

If you choose to enter in a finance arrangement, your details will be passed to a third party (insurer or lender) to enable them to contact you and you should contact us at the address given in this document if you do not want your details passed to that party. This finance arrangement will be subject to interest charges that we will confirm to you when providing the full details. Importantly, the arrangement you will enter into will be with the finance company not us. It is an entirely separate contract irrespective of the insurance contract. In the event of your failure to meet with the contractual obligations regarding payment the finance provider could approach the insurer to seek a termination of the insurance contract to recoup their outstanding finance arrears. You will be liable to pay their costs and charges if you do not keep up your repayments and cover is cancelled under your policy. This is because the agreement is between you, the policyholder and the finance company direct, not us or the insurer.

Where there is an alternative premium finance arrangement available with a lower annual percentage rate, for example, with the insurer, we will make you aware of this so that you are able to make an informed choice as to which is most suitable for your needs.

If domiciled in a country other than the UK

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

Conflict Management

Where we act in the capacity of agents for our product providers (i.e., the insurance companies we do business with) we are required to have in place appropriate governance controls to help us meet our regulatory objectives. We have in place effective organisational controls, including appropriate supervision, to ensure we manage any and all conflicts of interests which may arise or may be identified from time to time, this includes gifts and benefits granted and accepted, which may damage the interests of our relationship with either our distributors or our customers.

Terms of Business

Our Customers Best Interests

Our primary aim is to ensure, for any customer (or potential customer) that we act honestly, fairly and professionally and in the customers best interest including giving customers information they might need to understand the relevance of any information we provide, as well as objectively giving that information when it is most useful to a customer to enable informed decision making.

Training

We maintain training to a minimum standard to ensure our workforce is appropriately skilled but where specialism in particular activities is required, we have in place more detailed requirements, including the need for our staff to attain a professional qualification where relevant.

Demands and Needs: Non-Consumers

If you are dealing with us in a commercial capacity, you will be under a duty to make a fair presentation. You are therefore required to disclose any matter which you know or ought to know that would influence the judgement of an insurer in deciding whether to insure the risk and on what terms.

If you are unsure whether matter is relevant or not you should provide sufficient information so as to put an insurer on notice that it needs to make further enquiries if necessary. We will make a specific personalised recommendation for product suitability based on our understanding and appraisal of your demands and needs requirements.

Where we provide you with specific advice, we will give you the relevant information you require, honestly, fairly, and professionally and in a way that is in your best interests (i.e., we will alert you to important terms and conditions about the contract of insurance, and we will provide you that information when it is most relevant). This may include information about comparable products between different product providers, all of which will help you to decide whether to go ahead with any particular contract of insurance.

Your Duty of Fair Presentation

Your insurance is based upon the information provided to the insurance company and you are required to present the risk (i.e. the subject matter of the proposed insurance) fairly. This means that you must disclose to insurers, before the setting up or renewal of any insurance policy is concluded, anything that might influence the judgement of an insurer in fixing the premium, setting the terms or determining whether they would take the risk. If you are uncertain whether anything is material, you should disclose it.

In order to identify what must be disclosed, you are obliged to carry out a reasonable search before presenting the risk to insurers. This includes (but is not limited to) consulting with all senior managers. A senior manager is anyone who plays a significant role in the making of decisions about how your activities are to be managed or organised, regardless of whether or not that individual is a member of your board or is formally in a management role. You must also consult with anyone who has particular knowledge about the risk to be insured.

If you deliberately or recklessly (i.e. without care) fail to comply with your obligations to present the risk fairly, insurers may avoid the policy. This means they can retain all premiums and treat the policy as if it never existed and refuse to make any claims payments. You could also be obliged to repay any claims payments that had already been made.

If you fail to present the risk fairly, but your failure was neither deliberate nor reckless, insurer's response will depend upon what would have happened if you had complied with your obligations:

- a) if insurers would not have provided the policy, they may treat the policy as if it never existed, refuse to make any claims payments and demand the return of any claims payments already made. However, insurers would have to return any premium payments already made;
- b) if insurers would have provided the policy but on different terms, the policy will remain in force but will be treated as if those different terms applied from the start of the policy. This could result in a claim not being met in part or in full;
- c) if insurers would have provided the policy but charged a higher premium, insurers may reduce any payment in proportion to the difference between the premium charged and the premium that would have been charged if you had fairly presented the risk. This could result in a significant reduction to the amount of any payment under the policy.

All statements and facts disclosed on proposal forms, statement of facts, claim forms and other documents should be full, true and accurate and must be given after undertaking a reasonable search, including consulting with your senior management.

It is your responsibility to make sure that the information to be submitted to the insurer is presented in a way that the insurer will find reasonably clear and accessible. Where a large amount of information is provided you will need to ensure that it is organised in a structured way with appropriate indexing and signposting to enable the insurer to navigate to what is important.

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.

Notification of changes and alterations

Amendments to policies after inception may be arranged upon receipt of full details (see **Your Duty of Fair Presentation**) and on return of the Certificate of Insurance (if applicable). Cover is subject to acceptance by insurers and payment of any additional premium required inclusive of IPT. A transaction charge payable to us may be added to any additional premium payable. (Also see **Our remuneration and transaction charges**).

Terms of Business

Insurer security

Insurers are subject to FCA regulation and required to have adequate capital resources. We carry out regular checks on all insurance markets used but cannot guarantee the solvency of any individual insurer. Your liability for the premium, whether in full or pro rata, may arise under policies where a participating insurer becomes insolvent. An insolvent insurer may also be unable to meet a proportion or all of any claim made. Consequently we recommend whenever possible insuring with those firms with higher credit ratings. Should you be concerned or require further information regarding your insurer then we will discuss this with you on request.

Quotations

Quotations are valid until the date cover commences up to a maximum of 30 days, unless otherwise stated. Specimen policy wordings are available upon request.

Renewals

Renewals are invited on the basis that we have confirmed to you or we will have assumed that there have been no changes in the risk other than those specifically notified to us or your insurers (see **Your Duty of Fair Presentation** and **Notification of changes and alterations**).

Documentation

Before sending any documents to you we will have checked them. Despite this, please note, **it is your responsibility to read all documentation upon receipt and raise any query regarding it otherwise you risk a loss you suffer not being paid in part or in full.** Documentation including your policy and certificate, if applicable will be issued to you upon receipt from insurers.

You must check all documentation issued to you to ensure the details are correct and the insurance cover provided meets your requirements. We will arrange insurance cover according to your instructions but only you can identify if it does not meet your intentions. If you are uncertain as to any meaning or have any concerns in respect of the insurance cover or if errors are discovered in the documentation then you must notify us immediately.

Method of Communication

Whilst you do have a choice in the way we communicate with you, we will principally provide you with information using electronic means (usually this will be e-mail or some other means to enable you to access information electronically). During the process of dealing with us you will be given an option to receive information in this way, meaning if you would like information in a paper format, we will be happy to provide it.

Insurance Premium Tax (IPT)

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

Payment of the premium

We must receive your payment, unless it is made by you directly to your insurer, by cheque or be in receipt of a completed Direct Debit Mandate (with deposit where requested) drawn on a bank or building society or UK financial institution account in the policyholder's name and before cover commences unless we agree otherwise in writing. We do not accept cash payment in any currency or payment by postal order but a bankers' draft or building society cheque is acceptable if it shows the policyholder's name as account holder. We are not able to accept payment by debit or credit card. If we agree to accept payment from someone other than the policyholder then this may risk the enforceability of the policy.

We have no obligation to fund any premium, taxes or fees (if applicable) on your behalf nor do we have any responsibility for any loss you may suffer as a result of cancellation of insurance cover or any other prejudicial steps taken as a result of late payment substantially attributable to you. If we decide to retain certain documents whilst awaiting full payment of premium, fees or administration charges we shall provide details of your insurance cover and any information or documents required by law.

We shall be entitled (but not obliged) without providing notice to you to set off any amounts due to us from you, against any amounts which we may receive on your behalf (i.e. claims moneys, refunded premiums and other sums). Please be aware that full or partial non-payment of a premium or default on a credit agreement may result in the cancellation or lapsing of your policy.

Transferred business

When we are appointed to service insurance policies other than at their inception or renewal and which were originally arranged via another party, we shall not be liable during the current insurance period for any loss arising from any errors or omissions or gaps in your insurance cover or advice not supplied by us. Should you have any concerns in respect of a policy, which has been transferred to us, or if you require an immediate review of your insurance arrangements, you must notify us immediately. Otherwise we shall review your insurance arrangements and advise accordingly as each policy falls due for renewal.

Short period and cancelled policies

If you wish to cancel your policy then you will need to destroy the policy document and current certificate of insurance (if applicable) and confirm your cancellation instructions. **Subject to the cancellation terms of your policy, a refund of premium may be available.** Details of any applicable cancellation terms and charges will be found in your policy documents. Our commission and where appropriate, fees are fully earned from the date insurance cover commences and may not be refundable in the event of cancellation, avoidance or early termination of a policy.

Termination of our authority to act on your behalf

You or we may terminate our authority to act on your behalf by providing at least 14 days notice in writing (or such other period we agree). Termination is without prejudice to any transactions already initiated by you and which will be completed according to these Terms of Business unless we agree otherwise in writing. You will remain liable to pay for any transactions or adjustments effective prior to termination and we shall be entitled to retain any and all commission and or fees payable in relation to insurance cover placed by us prior to the date of written termination of our authority to act on your behalf.

Health and Safety

We cannot be held responsible for any customer or other third party who fails to comply with current Health and Safety (or other relevant) legislation.

Terms of Business

Claims

We will assist you with advice when you make a claim under your policy but it remains your responsibility to have read, understood or queried all documentation upon receipt. All incidents that could possibly give rise to a claim must be notified to us or your insurer in accordance with the terms of your policy and a claim form completed where required. Delay on your part in notifying a claim and or completing required forms will risk a loss you suffer not being paid in part or in full.

You must not under any circumstance admit liability for a loss or agree to any course of action, other than emergency measures carried out to minimise the loss, as you will risk your claim not being met in part or in full. All correspondence, claims, writs, summonses etc. should be forwarded immediately, unanswered, either to us or to your insurer. You are also reminded of your duty to keep all losses and costs arising from an incident to a minimum and that failure to comply with policy terms and conditions may invalidate cover.

In the event that an insurer becomes insolvent or delays making settlement, we do not accept liability for any unpaid amounts. We reserve the right to charge for our claims service if you request this to extend beyond our appointment to your policy and this will be confirmed in writing before you incur any charge.

Our remuneration and transaction charges

We are usually remunerated by commission from your insurer. You may also pay a fee, in some cases this will be partly or wholly in lieu of commission, in that event this will be confirmed in writing to you at the time of incepting or renewing your insurance.

Some insurers may make additional payments to us reflecting the aggregate income and or profitability of our account with them and or in respect of work we undertake on their behalf. We may also receive payment from other firms where non-insurance products or services are supplied to you. However it is our policy to place business with an insurer solely upon the principle of putting the customer's interests first.

Our remuneration in whatever form and in respect of any policy shall be due on the date of inception or renewal of that policy. We shall be entitled to retain all commission and or agreed fees in respect of the full policy period including where you appoint another intermediary in our place during the currency of a policy or where a policy is cancelled after inception or renewal. (Also see **Short period and cancelled policies**).

Where we introduce you to a premium finance provider, we may receive additional remuneration for the administration services we provide for the premium finance provider. Our level of remuneration is not linked to the interest rate on the agreement, but the amount of remuneration we receive may vary depending on which finance agreement you choose to enter in to. You remain free to make your own choice of premium finance provider.

You are entitled, at any time, to request information regarding any commission which we may have received as a result of placing your insurance business.

Client and insurer money

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

Money held on behalf of your insurer is where your insurer has previously agreed that when we receive premium payment from you it is held by us on their behalf as their agent. This protects you against the risk of our insolvency as the money is deemed to have been immediately received by your insurer. However, the insurer will not have fulfilled their obligation to pay a claim or premium refund to you until we pay those moneys to you. Equally, once we have received a premium payment from you, we shall be unable to refund that premium to you without the insurer's consent.

We hold insurer money in a designated non-statutory trust bank account. Unless we receive your written instruction to the contrary, we shall treat receipt of payment from you and of any claim payment and or refund of premium which fall due to you, as being within your informed consent to the payment of those moneys into the non-statutory trust bank account. By holding your money in this way, means that in the event that this firm becomes insolvent your money remains protected.

In arranging your insurance, we may employ the services of other intermediaries who are regulated by the FCA and your premium may be passed to these intermediaries for payment to insurers. These firms are also required to hold clients' money in a separate trust account. We will also inform you if at any time we are required to pass your premium to firms that operate outside the UK where the protection may be different. Should you not wish us to pass premiums to a firm outside of the UK, please inform us.

Our liability to you

Unless we have otherwise agreed with you in writing, we shall treat your instructions to us to place or renew your insurance cover as acceptance of the limitation of our liability to you and to any other person with an interest in your insurance cover, as follows:

Except in respect of any claim: -

- resulting from our fraudulent act; or
- resulting from a breach by us of the FCA's rules or Principles of Business; or
- in relation to any liability for death or personal injury resulting from our negligence; or
- in relation to any other liability which cannot lawfully be excluded or limited

our liability to you (whether in contract, tort (including, without limitation, negligence) or otherwise) shall be limited to £10,000,000 in respect of any and all insurance mediation activities undertaken by us on your behalf over any 12-month period.

Our liability to you (whether in contract, tort (including, without limitation, negligence) or otherwise) shall be limited to £5,000,000 in respect of any and all insurance mediation activities undertaken by us on your behalf over any 12-month period in respect of any claim based on, in any way connected to or directly or indirectly arising out of the combustibility, fire safety requirements or fire protection performance of any façade materials, roof materials, cladding, core, filler, composite, insulation, glazing, balconies, terraces, doors, hatches, signage, decorative panels, roof voids, roof cavities, chimneys, flues, external wall system and/or internal wall system of any building or structure, external roof system and/or internal roof system above the ceiling level of the upper-most storey of any building or structure, including but not limited to any component or material used for the external cladding or façades or roofs of any building or structure, insulation, and signage, and the manufacture, assembly, fixing or construction thereof.

Terms of Business

Our liability to you (whether in contract, tort (including, without limitation, negligence) or otherwise) shall be limited to £5,000,000 in respect of any and all insurance mediation activities undertaken by us on your behalf over any 12-month period in respect of any claim based on, in any way connected to or directly or indirectly or any way involving:

- Coronavirus disease (COVID-19);
- Severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2);
- any mutation or variation of COVID-19 or SARS-CoV-2;
- any fear or threat (whether actual or perceived) of a), b) or c) above;
- any action taken to control, prevent, suppress, mitigate or in any way relating to any actual or suspected outbreak of any of a), b) or c).

This Agreement contains all obligations owed by us to you. Our liability shall be strictly limited to direct liability in contract. We expressly exclude any liability for indirect or consequential loss howsoever arising and any and all liability in tort save in relation to liability for our negligent acts causing personal injury or death or other liability expressly reserved by statute.

Compensation

We are covered by the Financial Services Compensation Scheme (FSCS) and you may be entitled to compensation from the FSCS if we cannot meet our obligations. Full details and further information on the scheme are available at www.fscs.org.uk.

Severability

If any provision of these Terms of Business is found to be invalid or unenforceable in whole or in part, the validity of the other provisions of these Terms of Business and the remainder of the provision in question will not be affected.

Law and jurisdiction

These Terms of Business which form our agreement with you shall be governed by and construed in accordance with the laws of England and the exclusive jurisdiction of the English courts unless we agree with you otherwise.

Rights of Third Parties

Unless otherwise agreed between us in writing no provision of this Terms of Business is enforceable under the Contracts (Rights of Third parties) Act 1999 by any person other than you or us.

Money Laundering Regulations and Proceeds of Crime Act

You agree to provide such evidence and information about your identity, and that of your associates, as we may reasonably require in order to comply with our obligations under money laundering legislation and regulations and associated Proceeds of Crime Act. We are obliged to report to the National Crime Agency and/or appropriate law enforcement agencies any evidence or suspicion of financial crime at the first opportunity and we are prohibited from disclosing any such report.

Anti-bribery and corruption

The parties agree that Bribery, as defined under the Bribery Act 2010, is prohibited. It is therefore agreed that neither party will request, accept, offer or provide any payment or other advantage, to or from any person, which, in the absence of documentation to demonstrate otherwise, can be perceived as capable of influencing any person connected with the activities of either party to act improperly in contravention of the Bribery Act 2010. It is also agreed that neither party will offer or provide payments or any other advantage to a government official or worker, in any country, with the intention to influence such official or worker in their capacity as such, and to obtain or retain a business advantage.

Economic or Trade Sanctions

Notwithstanding **Termination of our authority to act on your behalf**, we reserve the right to suspend or terminate these Terms of Business (in whole or in part) where we believe performance could be a breach of applicable economic or trade sanctions. We will not provide insurance or reinsurance broking, risk consulting, claims or other services or provide any benefit to the extent that the provision of such services or benefit would violate applicable law or expose us or our affiliates to any sanction, prohibition or restriction under UN Security Council Resolutions or under other trade or economic sanctions, laws or regulations.

Data Protection and Confidentiality

We aim to process your data responsibly, fairly and in strict accordance with the General Data Protection Regulations (GDPR) and The Data Protection Act (DPA) 2018.

The GDPR modernised data protection law requiring enhanced disclosures about what we do with your information including (but not limited to):

- Our lawful bases of processing;
- The information we collect, and how we use and share that information;
- How long we keep information, including the purposes (e.g., administer your policy);
- The technical and organisational measures we have in place to safeguard your information;
- Your individual rights; and
- Our approach to marketing

As with many organisations, and to ensure Customers can easily access details on the areas listed above, we have developed a separate Privacy Notice which can be found at www.waib.co.uk/privacy-policy-terms/

It is vitally important to take time to read our Privacy Notice carefully as it contains full details of the basis on which we will process (i.e., collect, use, share, and or transfer) and store your information. It is also your obligation to ensure you show our Privacy Notice to all parties related to this insurance arrangement. If you have given us information about someone else, you are deemed to have their permission to do so.

If you have any questions, including obtaining a copy of our Privacy Notice, or any further information about our approach to the GDPR you can write to us or email us using the contact details at the top of this document.

All information in any form, with the exception of policy documents and certificates issued on behalf of insurers, supplied by us to you must be treated as strictly private and confidential and not be released directly or indirectly to any other party, without our explicit, written consent. Please note that telephone conversations made to or from Wentworth Alexander Ltd maybe recorded for training and monitoring purposes.



Complaints

Making a complaint

Our aim is always to provide our customers with a first-class service; however, we are aware that, occasionally, it is possible that we may fail to meet your expectations. If for any reason we have not met your expectations, let us know as soon as possible, by calling our main office telephone on **01604 904 001**, or write to Lorraine Curtis, Complaints Officer, Wentworth Alexander Limited, Redlands, Cliftonville, Northampton, NN1 5BE or email complaints@waib.co.uk.

If we are unable to resolve the issue to your satisfaction by the end of the third business day following receipt, we will formally investigate the matter. You will receive an acknowledgement of the matter together with a copy of our complaints process promptly and certainly within 5 working days. We will then aim to investigate and provide a resolution as quickly as possible, informing you of a final response no later than 8 weeks.

If you are not happy with our response, or the position after a period of 8 weeks, you may be eligible to refer your complaint to the Financial Ombudsman Service for an independent assessment and opinion.

Our full complaint's procedure is available from us on request and can also be accessed at www.waib.co.uk/complaints/

Financial Ombudsman Service

You may be eligible to refer a complaint to the Service if you are:

- a consumer (a person acting for purposes which are outside their trade, business, craft or profession)
- a micro-enterprise (a business which employs less than 10 people and has a turnover or annual balance sheet of less than €2m)
- a charity which has an annual income of less than £6.5 million (or its equivalent in any other currency)
- a trustee of a trust which has a net asset value of less than £5 million (or its equivalent in any other currency)
- a small business (a business which has an annual turnover of less than £6.5 million (or its equivalent in any other currency); and (i) employs fewer than 50 people; or (ii) has a balance sheet total of less than £5 million (or its equivalent in any other currency))

Please note that if you wish to refer your complaint this must be done within 6 months of our Final Response letter, or you may lose that right. Details of this right and an explanatory leaflet will be provided.

The Financial Ombudsman Service can be contacted as follows:

Post: Financial Ombudsman Service, Exchange Tower, London E14 9SR

Telephone: 0800 023 4567 or 0300 123 9123

E-mail: complaint.info@financial-ombudsman.org.uk

Website: www.financial-ombudsman.org.uk