

Terms of Business Agreement

BH&S Insurance Services Ltd. Head Office: Gotham Chambers, Hammett Square, Tiverton EX16 6LR Tel: 01884 256412 email info@bhsinsurance.co.uk

Law and Language

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

Acceptance

The purpose of this agreement is to set out our professional relationship and detail the services we will provide to you. If you do not agree to any part of the information, please tell us. We assume that you accept the terms of this agreement unless we hear from you.

Limit of Liability

This clause restricts the amount that may be recoverable as a result of our negligence. Other than injury or death of any person (that no cap on liability will apply), our liability to you for the services we provide shall not exceed £5,000,000 in connection with any one event or connected events.

The Regulator

The Financial Conduct Authority (FCA) is an independent watchdog that regulates financial services.

The FCA has authorised us to advise, arrange, deal in and assist with the placing and administration of all types of General Insurance policies and Pure Protection policies. We are also authorised to undertake certain Consumer Credit Act activities.

Our FCA Register number is 301273 and you can check our status and permissions at www.fca.org.uk/register or by contacting the FCA on 0845 606 1234.

Confidentiality and Data Protection

We will exchange the information that you provide to us with insurance companies and other brokers or agents for the purposes of obtaining quotations and arranging cover, this may result in a credit check to confirm your identity and minimise the risk of fraud. We will treat all information as private and confidential, and in strict accordance with the Data Protection Act 1998 (DPA), even when you are no longer a customer and only share information if we are required to do so by law, or regulation.

Under the DPA, you have a right to a copy of any personally identifiable information about you that we hold in our records, you can obtain details by writing to us at the usual address. A nominal charge might apply in providing the information to you.

We will, in addition use information for marketing similar products or services by us and carefully selected companies. Contact may include SMS text, post, telephone or e-mail. If you do not want us to use your information in this way, please let us know.

Our Fees, Commission and Charges

We usually receive a commission from the insurance provider with whom we place your business, and in such a case, the commission will be paid to us either when we are in receipt of cleared funds from you (or the premium finance company, if one has been used) or, when the insurer has received cleared funds from us in respect of the premium due under your policy. The individual agreements we have with each insurer will determine which of the two methods above is used to make this transfer of commission. We also receive commission for arranging finance agreements for the payment of insurance premiums and this is usually expressed as a percentage of the individual loan and is paid to us directly by the premium finance provider. We may also receive a commission or fee for passing introductions to other professional firms. In addition, we may make the following charges to cover the administration of your Insurance:

STANDARD CHARGES

Arranging new policies	Up to £35.00
Mid-term adjustments	Up to £15.00
Refunds (we refund NET of our commission)	Up to £15.00
Renewals	Up to £35.00
Cancellation (we refund NET of our commission)	Up to £15.00
Copy Documents	Up to £15.00
Data Protection Information Requests	£10.00
Bank charges as incurred per payment	Up to £25.00

Policies voided or cancelled from inception by insurers will be treated as a cancellation and we will retain any commission and fees before returning the net premium to you. By accepting these terms of business, you agree that we may retain the portion of the premium that relates to commission that would have been due to us.

Specific charges, which apply to individual policies, will be advised to you prior to the commencement of each contract applicable to that policy. The specific charge and purpose of any additional charges will always be advised to you in advance. Any Minor Errors on Payments will be treated as a fee. This applies for amounts of up to £2.00.

You are entitled to request at any time, information about the commissions that we may have received in connection with your insurance, if you want this information please contact us.

Our Service

We can act both as agent of insurer, and on behalf of you, the customer. We have in place management controls to deal with any conflicts of interest that might arise. Unless we advise you otherwise, we are acting on your behalf.

We also act on behalf of insurers when collecting premiums under risk transfer.

We will ask questions to enable us to assess reasonably your insurance requirements, this may include checking information that we already hold about you and your existing insurance arrangements with us and other parties.

We will provide you with advice and guidance, after assessing what you want and need and recommend a suitable policy based on our experience of dealing with similar risks. We sometimes offer additional associated products at the same time such as legal expenses or breakdown cover. We do not advise or recommend regards these products and you should carefully consider if the product is suitable for you.

We will confirm to you the level of service we are providing as part of our sales process.

In all cases our service will include arranging and administering your insurance, including helping you with on-going changes and assisting you if you need to make a claim, or where we outsource claims handling facilities to give you an enhanced service.

If we use the services of another intermediary to place your insurance we will advise you of the name of the intermediary we use and the name of the insurer.

If you mislay your policy at any time, we will arrange a replacement policy document, if you request it.

Our Selection (Fair Analysis)

We offer products from a wide range of insurance companies.

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 analysis of the market.

Sometimes we may only approach two or three insurers and this is a limited Panel, or in some cases, we may only approach one insurer, in either case, we will tell you the basis as part of our selling process. You can also request a list of the companies that form the Panel we have approached.

Sometimes we will only approach one insurer, in which case we will tell you as part of our selling process.

Additional services

We also provide additional services such as risk management assistance and Health and Safety services. Please note these services are not regulated by the Financial Conduct Authority. In addition, these services do not benefit from the protection offered by The Financial Ombudsman Service or the Financial Services Compensation Scheme.

Motor Insurance Database

When we agree to update the Motor Insurance Database for our commercial clients for whom Insurer's do not provide this service we do so at the clients own risk. Any penalty or fines for not keeping the Database up to date are the sole responsibility of the client. Any changes to the vehicles or any errors or omissions must be confirmed to us as soon as possible and within 3 working days.

Financial Strength

Whilst we take care to deal with companies that maintain reasonable solvency margins, we cannot guarantee their financial ability to pay claims. Should you have any concerns please discuss these with us and we can usually confirm the financial ratings applied by independent rating agencies such as Standard & Poor's and A M Best published with other readily available information within industry guides, newsletters and press releases. If we are aware of any concerns regards an insurer these will be highlighted to you.

Money

We will hold money that you pay to us in accordance with the regulators rules or under a risk transfer agreement with insurers. This will include holding your money in the following way.

A **statutory trust client bank account** that only allows us to use the money held in trust on behalf of a customer for paying that customers' premium to an insurance company and to pay premium refunds or claims we receive from that insurance company to the customer, once the premium has been received from that insurance company. We **cannot** use that customer's money to pay another customers premium or refund. Also for this reason it is not possible for you to offset the refund against premiums owed on another policy. We do not pay any interest on premiums held by us in the course of arranging and administering your insurance, unless, in the case of consumer transactions we receive more than £20 per transaction, and then we will ask for your permission to retain the interest. Unless you tell us otherwise, you are consenting to us holding your money in this way.

By holding your money in this way, means that in the event that this firm becomes insolvent your money remain 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.

Payment Options

We will provide you with full details of all the payment options available to you when we provide you with your insurance premium.

If you choose to enter in a finance arrangement, this 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.

Please note that we only use Close Premium Finance for the provision of premium finance facilities.

Cancellation

Please contact us if you wish to cancel any policy that we have arranged for you. Customers acting outside their trade or profession (Consumers) will usually have a legal right to cancel policies for any reason, subject to no claims having occurred, within 14 days of receiving the full terms & conditions. You will always be advised where this Right applies. A charge may apply for the period of cover provided and, in addition, an administration charge will apply as shown in the charges section above, cancellation under this right must be in writing, prior to expiry of the 14-day cancellation period, to our usual office address.

Complaints

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 01884 256412, or write to Richard Smith, BH&S Insurance Services Limited, Gotham Chambers, Hammett Square, Tiverton, Devon EX16 6LR or email info@bhsinsurance.co.uk

If we are unable to resolve the issue to your satisfaction by the end of the next business day, 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 the position at no later than 4 weeks and 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 (FOS) for an independent assessment and opinion.

The FOS Consumer Helpline is on **0800 023 4567** (free from mobile or landlines) or **0300 123 9123** (free for mobile-phone users paying monthly charge for calls to No's starting 01 or 02). Alternatively you can contact them at Financial Ombudsman Service, Exchange Tower, Harbour Exchange Tower, London, E14 9GE. www.financial-ombudsman.org.uk

A full copy of our complaints procedure is available on request.

Financial Services Compensation Scheme (FSCS)

If we are unable to meet our obligations, you may be entitled to compensation from the FSCS. If we have advised or arranged insurance for you this will be covered for 90% of a claim, without any upper limit, however compulsory classes of insurance (such as motor insurance) is covered for 100% of a claim. Further information is available from the FSCS helpline on 0207 892 7300 and www.fscs.org.uk.

The FSCS is the UK's statutory fund of last resort for customers of authorised financial services firms. Compensation is usually payable if an authorised firm is unable or unlikely to pay claims usually because it has ceased trading or become insolvent

Insurance Premium Tax (IPT)

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

Some policies are subject to Value Added Tax (VAT) not IPT and should the rate of VAT be amended by the Government, your premium will be amended by the insurer to reflect the change.

Termination

You may cancel this agreement with us at any time. You must provide at least 14 days written notice of instructions. We also reserve the right to cancel this agreement at any time. In any event, we will provide you with reasonably sufficient time to re-arrange your insurance and we will notify you of termination in writing together with an explanation if appropriate.