

SAFEGUARD INSURANCE SERVICES LIMITED

Registered Office: Suite 31 & 32, 50 Churchill Square, Kings Hill, West Malling, Kent ME19 4YU

TERMS OF BUSINESS AGREEMENT

Applying to General Insurance customers

By asking us to quote for, arrange or handle your insurances, you are providing your informed agreement to these Terms of Business and you are giving your consent to the actions described in the following sections. For your own benefit and protection, we ask you to read this document carefully.

Safeguard Insurance Services Ltd is authorised and regulated by the Financial Conduct Authority. Our Firm Reference Number is 306226 and this can be verified by visiting the FCA's website www.fca.org.uk or by telephone on 0800 111 6768. In conjunction with our in-house finance company Heath Finance Company Limited, firm reference number 718225.

OUR SERVICE

As an Independent Insurance Broker and Advisors we act on your behalf when arranging your insurance. We offer a wide range of insurance products, a huge capacity for advisory services and risk management services. We have access to leading insurers in the marketplace. We specialise in placing difficult to place risks. The advice given by the firm is on a personal recommendation based on a fair, wide reaching, bespoke and personal analysis of the market, in a transparent manner.

However for some types of insurance we deal predominantly with a single or limited number of insurers which we have selected as offering value for money and quality service. In circumstances which the firm does not give a personal recommendation on the basis of a fair and personal analysis, we will provide you with the name of the insurers which the firm may and does conduct business with. We will give you details of these arrangements before you make any commitment on any product we offer you.

We will explain the main features of the products cover and benefits, any unusual restrictions or exclusions, any significant conditions or obligations and the period of cover. We will make a recommendation for you after we have assessed your needs, or advise you if we are unable to place your insurance. In the very rare circumstances we provide information only / execution only i.e private medical where documentation goes to you direct or you go against our clear advice and do not therefore make a personal recommendation. The documentation we provide will make it clear whether the sale is provided on an advised or non-advised basis. We will also make clear in our documentation prior to conclusion of the contract areas where we are acting as agent for the customer, the insurer or both.

LIMITATIONS AND EXCLUSION OF OUR LIABILITY

The following provisions set out our entire financial liability to you. You acknowledge and agree that you shall only be entitled to make a claim against us and not against any individual employee or consultant engaged by us. Our liability for losses suffered by you arising under or in connection with the provision of our services, whether in contract, tort (including negligence), breach of statutory duty, or otherwise (including our liability for the acts or omissions of our senior management and employees shall be limited to £5,000,000 per claim, however, our liability for multiple negligence claims arising out of one single cause, is limited to an aggregate amount of £5,000,000. Any claim or series of claims arising from one act, error, omission, incident, or original cause shall be considered to be one claim. We shall not be liable to you for any loss of profit or loss of business whether directly or indirectly occurring and which arises out of or in connection with the provision of our services. Nothing in this paragraph shall exclude or limit our liability for death or personal injury caused by our negligence or for loss by our fraud, fraudulent misrepresentation or breach of regulatory obligations owed to you. You are welcome to contact us to discuss increasing the limitations of our liability and or varying the exclusions set out above.

CONFIDENTIALITY AND DATA PROTECTION

We are a data controller for the information you provide to us including individual, identification and financial details, policy history and special category data (such as medical or criminal history).

Details of our legal basis for processing your information, along with details of any third party recipient whom it may be necessary to share your personal data with in order to fulfil the contract, retention period for data held, security of your data, your rights under the General Data Protection Regulations (GDPR) including the right to complain can be found in our full 'Privacy Notice' on our website at www.safeguardinsurance.co.uk

SOLVENCY OF INSURERS

We cannot guarantee the solvency of any Insurer with which we place business. This means that you may still be liable for any premium due and not be able to recover the premium paid, whether in full or in part, should an insurer become insolvent.

IMPORTANT INFORMATION (CONSUMER CUSTOMERS ONLY)

Under the Consumer Insurance (Disclosure and Representation) Act 2012 it is your duty as a consumer to **take reasonable care** not to make a misrepresentation to an insurer. Under the act, a consumer is defined as an individual who enters into an insurance contract wholly or mainly for purposes unrelated to the individual's trade, business or profession. A failure by the consumer to comply with the insurers request to confirm or amend particulars previously given is capable of being a misrepresentation for the purpose of this act. It is important that you ensure all statements you make on proposal forms, claim forms and other documents are full and accurate and we recommend that you keep a copy of all correspondence in relation to the arrangement of your insurance. Under the act an insurer has a remedy against a consumer in respect of qualifying misrepresentations in breach of the consumers' duty of reasonable care where the insurer deems the misrepresentation to be either deliberate, reckless or careless.

If in doubt about any point in relation to your duty to take reasonable care and subsequent qualifying misrepresentations please contact us immediately.

THE DUTY OF FAIR PRESENTATION (NON CONSUMER CUSTOMERS ONLY)

It is your responsibility to provide a fair presentation of the insurance risk based on you conducting a reasonable search for information. This could require you to obtain information from senior managers within your organisation or other parties to which the insurance relates or who carry out outsource functions for your business. You must disclose every material circumstance which you know or ought to know, or failing that, disclose sufficient information to put your insurer on notice that it needs to make further enquiries. You must ensure that any information you provide is correct to the best of your knowledge and representations that you make in expectation or belief must be made in good faith. If you fail to make a fair presentation of the risk this may result in additional terms or warranties being applied from inception of the policy or any claim payment being proportionately reduced. In some cases this could result in your policy being declared void by an insurer and your premiums returned. Any deliberate or reckless breach of the duty of fair presentation could result in your policy being declared void by an insurer with no refund of premium

If in doubt about any point in relation to material circumstances and reasonable search please contact us immediately

FINANCIAL CRIME

Please be aware that current UK money laundering regulations require us to obtain adequate 'Know Your Client' information about you. We are also required to cross check you against The Office of Financial Sanctions Implementation (OFSI) HM Treasury consolidated list of Financial Sanctions Targets in the UK as part of the information gathering process. Part of our information gathering may include other searches to complete our due diligence, which may be bespoke to Safeguard Insurance. We are obliged to report to the National Crime Agency and/or Serious Fraud Office any evidence or suspicion of financial crime at the first opportunity and we are prohibited from disclosing any such report.

We will not permit our employees or other persons engaged by them to be either influenced or influence others in respect of undue payments or privileges from or to insurers or clients.

CONSUMER CREDIT

We are authorised and regulated by the Financial Conduct Authority in respect of Consumer Credit.

FINANCIAL SERVICES COMPENSATION SCHEME (FSCS)

If we are unable to meet our financial obligations you may be eligible to receive compensation from the Financial Services Compensation Scheme. Further information about compensation scheme arrangements is available from the Financial Services Compensation Scheme. (www.fscs.org.uk).

COMPLAINTS

It is our intention to provide you with a high level of customer service at all times. Should we not meet your expectations, please contact Mr Stewart Johns at the address above or by telephone on 01322 337700 or by email at sj@safeguardinsurance.co.uk. We will acknowledge your complaint in writing, within 5 business days of receipt, advising you of who is dealing with it, and when you may receive a response. We will provide you with a full written response to your complaint within 20 business days of receiving it. If the written response cannot be given to you within 20 business days, we will inform you in writing of the reasons why and when you can expect to receive our final response. Should you not be satisfied with our final response, you may be entitled to refer the matter to the Financial Ombudsman Service (FOS), Exchange Tower, Harbour Exchange Square, London, E14 9SR. 0800 023 4567 More information is available on request or on their website www.financial-ombudsman.org.uk

FEES, CHARGES, COSTS AND REMUNERATION

In addition to the amount charged by insurers we also make charges to cover the administration of your insurance.

Safeguard Insurance seeks to offer the best possible cover to clients at the most competitive prices. We will reserve the right to charge for the work involved in setting up, renewing or processing any adjustments for your policy.

For Consumer Customers only, the following fee structure applies to all new business, renewals and mid-term adjustments:

Premiums up to £300	to the maximum of £100.00
Premiums between £301 to £1,000	to the maximum of £200.00
Premiums over £1,000	to the maximum of £300.00

For Commercial Customers only, our fees are fairly charged according to the work we undertake on your behalf. These will always be clearly disclosed to you in our new business / renewal reports. We charge a standard £100.00 admin fee per policy line.

Our admin fee covers the cost of regulation to keep our customers. We have costs imposed by regulators e.g. our own PI, file audits, regulatory fees, compliance support etc. This cost is divided by the number of policies we hold. This way, all our customers are treated fairly and in the same way.

Our professional fee is fairly charged and reflective of the work we undertake on your behalf.

In some circumstances, we would charge a professional fee in lieu of the commission received by insurers. This would be disclosed to you transparently prior to cover taking place on our documentation e.g. new business report and/or invoice

For both consumer and commercial customers, the following charges apply:

Mid Term Cancellations: £75.00 - additionally we will make a deduction to the value of 100% of the annual earned commission from the annual premium paid/payable.

Bounced Cheque/Refer to Draw: £35.00 per cheque. Our charges are non-refundable & will apply in addition to any charge your insurer/wholesaler makes. In the unfortunate event of a claim, any outstanding balance of premium on your account becomes payable immediately.

Our admin fees, charges and professional fees are non-refundable & will apply in addition to any charge your insurer/wholesaler makes.

In the unfortunate event of a claim, any outstanding balance of premium on your account becomes payable immediately. For certain commercial insurance policies, insurers will only provide cover where the premium is due in full on inception of the policy. This means that no refund will be paid if the policy is cancelled before renewal. We will advise you if this affects you. Where appropriate, fees may be agreed in advance for Commercial Clients.

Where we arrange low or non-commission paying products, we will charge an arrangement fee not exceeding 100% of the premium, and will advise you of the actual amount at the time of quotation or renewal.

We reserve the right to increase our charges in very special circumstances, where the work we do for you is different to that which we had anticipated (to reflect the additional complexity of a matter or where action must be taken extremely promptly). We will notify you of and discuss with you any intention to increase our charges before making the increase. If in our opinion any material facts come to light disclosed by yourself or by any third party information received by ourselves that would have a bearing on your policy or if we continue to negotiating on your behalf, after instructions to proceed have been received, a revised new business / renewal report would be issued before the inception of cover.

We are normally remunerated for arranging the insurance in the form of commission or brokerage paid to us by the Insurers underwriting the insurance, unless the arrangement which we had with you is that our services will be provided for an agreed fee. We are happy to disclose our remuneration, please contact us should you wish to be aware of our commission.

Where a policy is cancelled before renewal, insurers charge to cover their costs, with the balance refunded to you, subject to no claim having been made. Full details will be available in your policy. In the event of an adjustment giving rise to a return of premium the amount may be refunded or held to credit.

Your attention is specifically drawn to the following: Where you cancel your policy after the expiry of the cooling off period or where you request a mid-term adjustment which results in a refund of premium, we reserve the right to charge you for our time and costs. This will usually result in us reducing the amount refunded to you by the FULL amount of the commission and fees we would have received had you not cancelled. The reason for this is that the majority of our costs are incurred either in initially finding and setting up your policy or in the annual renewal process when we might check the ongoing suitability of the cover the policy offers. These costs are recovered through the commission we earn. If you cancel, this does not give us an opportunity to recover the costs we incurred and would often result in us making a loss. However, any charge made will not exceed the cost of the commission and fees we would have earned. For certain commercial insurance policies, insurers will only provide cover where the premium is due in full on inception of the policy. This means that no refund will be paid if the policy is cancelled before renewal. We will advise you if this affects you. In view of the costs involved in making changes to your policy, we will not issue refunds of less than £50.00. Bank details may be retained for the purposes of refunds and claims payments that may be made by BACS. We may ask you to confirm in writing your BACS details to help prevent fraud which may delay the refund back to you. All outstanding fees, charges and costs will be deducted from any return premiums issued by your insurer, to you, and/or any premium finance provider.

QUOTATIONS

Unless otherwise agreed, any quotation given will normally remain valid for a period of 30 days from the date it is provided to you. We reserve the right to withdraw or amend a quotation in certain circumstances, for example, where the insurer has altered their premium/terms for the insurance since the quotation was given, where there has been a change in the original risk information/material circumstances disclosed or if a claim/incident has occurred since the terms were offered.

RENEWALS

You will be provided with renewal terms in good time before expiry of the policy, or notified that renewal is not being invited. Unless you advise otherwise, renewals are invited on the basis that there have been no changes in the risk or cover required, other than those specifically notified to us or your insurers (see 'Important Information' and 'The Duty of Fair Presentation' sections).

It is very important that you check the information provided at renewal to confirm it remains accurate and complete. If any of the information is incorrect or if your circumstances have changed, you should contact us immediately so we can update your details.

MID-TERM TRANSFERRED OR RENEWAL 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 in writing. We reserve the right to charge an appropriate professional fee if the work involved is outside of the usual remit. This fee would be advised to you as soon as possible.

NOTIFICATION OF INCIDENTS/CLAIMS

It is essential to notify us immediately of all incidents that may result in a claim against your insurance policy. You must do so whether you believe you are liable or not. Any letter or claim received by you must be passed to us immediately, without acknowledgement. Only by providing prompt notification of incidents can your insurance company take steps to protect your interests. Your policy summary and/or policy document will provide you with details on who to contact to make a claim. Claims payment will be made in favour of you. If you require a payment to be made to a third party then you must confirm the required payee name and details and provide a brief explanation for your request. Please contact us for guidance on claiming under your policy.

CANCELLATION

Your policy document will detail your rights to cancel your insurance once you have taken it out. Depending on the type of policy you have purchased, you may be entitled to cancel within 14 or 30 days of either conclusion of the contract or receiving your policy documentation, whichever occurs later. This is often referred to as a cooling off period. Where you cancel a policy before renewal you will be responsible for paying a charge to meet the cost of cover provided and administration expenses. Please see the 'Fees, Charges, Costs and Remuneration' section. To enable your insurer to process the cancellation, you will need to return certificates and any official documents to our office within 30 days of your notice to cancel.

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, 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.

PAYMENT BY FINANCE COMPANIES

If you choose to pay for your insurance premium using a finance provider, your details will be passed onto them. We use a number of finance providers including an associated company. This company has a less than average interest rate and lower default charges. Administration is done in house and so we are able to provide a quicker and easier service if human error takes place. We will provide you with a breakdown of the costs of your monthly instalments and subsequently a document outlining key features of their credit agreement with you including any fees they apply and the cost of default charges. It is important that you take time to read this document and must contact us if you do not receive this. If you have any queries or questions, either about the service provided by the finance provider or their terms and conditions you should in the first instance contact them. Where your policy is paid via the finance provider and you choose to renew your cover, we will again continue to pass your details to them. If any direct debit or other payment due in respect of any credit agreement you enter into to pay insurance premiums is not met when presented for payment or if you end the credit agreement we will be informed of such events by the finance provider. In certain circumstances we may be contractually obliged by the finance provider to notify your insurer to cancel the policy. Where we are not contractually obliged to do so by the finance provider, if you do not make other arrangements with us to pay the insurance premiums you acknowledge and agree that we may, at any time after being informed of non-payment under the credit agreement, instruct on your behalf the relevant insurer to cancel the insurance and to collect any refund of premiums which may be made by the insurer and use this refund to offset the amount levied by the finance provider on the firm. If this amount is not sufficient to cover all our costs we reserve the right to pursue any additional debt owed to the firm through a due legal process. We will make a deduction to the value of 100% of the annual earned commission from the annual premium paid/payable, in line with our wording in the section above named FEES, CHARGES, COSTS AND REMUNERATION. You will be responsible for paying any time on risk charge and putting in place any alternative insurance and/or payment arrangements you need. Upon receiving your strict acceptance to pay for insurance premiums through the finance provider, we will instruct them to proceed with your application for credit. This process will involve the provider searching public information that a credit reference agency holds about you and any previous payment history you have with that provider. The credit reference agency will add details of your search and your application to their record about you whether or not your application is successful. Please read carefully the pre-contractual explanations and the information regarding the cost of credit (including any representative examples). Together they provide important information in relation to the credit facility available from the finance provider. To use the finance provider's facility you must be resident in the UK, aged 18 years or over and hold a bank or building society current account which can support direct debit payments. Credit is available subject to status.

COMMERCIAL DECLARATION

The following Declaration is to be signed by you and returned to us after the issue of the policy documentation but if not so signed the same is binding on you.

"I confirm that I have received the full policy documents and schedule. The policy and schedule are free from any errors or omissions and the terms and conditions have been understood and accepted by myself. I understand that in the event of inaccuracies, false statements or failure to disclose facts material to the insurance, claims may not be paid or the policy voided. I confirm I have read and understood Safeguard's Terms of Business".

HANDLING CLIENT MONEY

All customer monies, whether under a risk transfer agreement with the insurance company or not, are held by us in a Non-Statutory Trust client bank account pending payment. The establishment of the Non-Statutory Trust account follows FCA rules introduced to protect money held by authorised intermediaries. However, you should be aware that, under the Non-Statutory Trust account rules, we are permitted to use such monies temporarily held to advance credit to clients generally. Your acceptance of these Terms of Business will constitute your informed consent to our holding your money in a Non-Statutory Trust account. Interest earned on monies held in such a Non-Statutory Trust account will be retained by us. We may pass the money you pay us to another intermediary. We will only do this where it is a necessary part of the process of arranging cover for you. Where this includes intermediaries outside the UK, the legal and regulatory regime may be different

from that of the UK. In the event of the intermediary failing, money may be treated differently than if it was held by an intermediary in the UK. You may notify us if you do not wish your money to be passed to a person in a particular jurisdiction.

PROFESSIONAL INDEMNITY

We maintain Professional Indemnity insurance as required by the FCA

THIRD PARTY RIGHTS

Unless otherwise agreed between us, in writing, no term of this Agreement is enforceable under the Contract (Rights of Third Parties) Act 1999. All activities undertaken by us as outlined in this Agreement are provided by us for your exclusive use and all data, recommendations, proposals, reports and other services are for your sole use. You agree not to permit access by any third party to this information without our express written permission.

ADVICE

We undertake to advise our customers on matters relating to personal and commercial insurance contracts and will do so without charge. This does not extend to legal advice. The advice given never supersedes specific advice provided by insurers in their policy documents and associated literature.

DOCUMENTATION

We will issue all documentation to you in a timely manner. Documentation relating to your insurance will confirm the basis of the cover and provide details of the relevant insurers. It is therefore important that the documentation is kept in a safe place, as you may need to refer to it or need it to make a claim. A new policy/policy booklet is not necessarily provided each year, although a duplicate can be provided at any time upon request. You should always check the documentation to ensure all the details are correct and if this is not the case you should contact us immediately. If documents are issued by electronic means or via an internet portal, paper documents are available free of charge on request.

EMAIL

Where correspondence and documents are sent to you using email, we will take anti-virus precautions to minimise the chance of files being infected. However, given the inherently insecure nature of the Internet we cannot guarantee that all transactions will be free from infection. You agree that Safeguard will not be liable if infection occurs. Similarly, we cannot guarantee the security or effectiveness of our electronic communications and will not be liable if they are intercepted, received by parties other than those to whom they are addressed, or for delays or non-delivery outside our reasonable control.

THIRD PARTY RIGHTS

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

GOVERNING LAW

This Agreement, which sets out our Terms of Business with you, will be governed by and construed in accordance with English Law.

If any provision of these Terms is found to be invalid or unenforceable in whole or in part, the validity of the other provisions of these Terms and the remainder of the provision in question will not be affected. These Terms shall be governed by the laws of England and Wales and the parties agree herewith that any dispute arising out of it shall be subject to the exclusive jurisdiction of the relevant court. These Terms supersede all proposals, prior discussions and representations (whether oral or written) between us relating to our appointment as your agent in connection with the arranging and administration of your insurance. These Terms constitute an offer by us to act on your behalf in the arranging and administration of your insurance. In the absence of any specific acceptance communicated to us by you (whether verbal or written) you are deemed to accept our offer to act for you on the basis of these Terms, by conduct, upon your instructing us to arrange, renew or otherwise act for you in connection with insurance matters.