

DeNovo Underwriting Agencies Ltd

Terms of Business

1. Scope of Agreement

The purpose of this Agreement is to record the scope of the services we are able to provide to you and other terms & conditions that it is agreed shall form part of the basis of our appointment as your insurance intermediary and risk management advisors.

2. Our Role & Service

We act as an Independent General Insurance Intermediary for certain products and an Underwriting Agency for Certain Underwriters at Lloyd's of London for other products.

- For Corporate/Commercial business we offer the Quaysiders product for which security is provided by Certain Underwriters at Lloyd's of London. Where your needs and requirements are not met by the Quaysiders product we are able to offer a range of alternative products and have access to a number of leading Insurers. A list of Insurers that we are able to deal with is available on request.
- For Yachts we offer a tailor-made product, which is insured with Certain Underwriters at Lloyd's of London.
- For Personal Insurance, we generally represent only one Insurer for each product.

We cannot and do not guarantee the solvency or continuing solvency of any Insurer used.

We will advise you should you have to deal directly with the Insurer for ongoing policy administration.

Policy documentation will be issued in a timely manner and we may issue policies and handle claims on behalf of some Insurers.

Your policy documentation will confirm the basis of the cover, give details of Insurers, and be accompanied by a policy summary.

We will advise you should we place your insurance through any other intermediary regulated by the FSA.

Our service includes –

- Advising you on your insurance needs;
- Preparing market presentations and negotiating the most appropriate terms;
- Arranging cover to meet your specific requirements;
- Preparing documentation where this is our responsibility;
- Checking the accuracy of those policies received from your Insurers;
- Upon notification from you, promptly processing claims or circumstances which might result in a claim;
- Reviewing claims with you and your Insurers;
- Notifying your Insurers of any alteration(s) to an insurance policy, we have placed on your behalf, that you have instructed us to make;
- Discussing your renewal requirements.

"Retail" customers (as defined by the FSA) will be provided with renewal terms no less than 21 days before the expiry of the policy, or notified that renewal is not being invited. "Commercial" customers (as defined by the FSA) will be provided with renewal terms within a suitable time prior to renewal, or notified that renewal is not being invited.

3. Quotations

Unless otherwise agreed any quotation given will remain valid for a period of thirty (30) days from the date of issue of the quotation.

4. Disclosure of Information

It is important for you to understand that any information, statements or answers made to us or direct to Insurers are your responsibility and must be full and correct to the best of your knowledge and belief. Particular attention is drawn to the importance of the declaration and signature on any Proposal Form, whether the form is completed by you or on your behalf, as failure to disclose any facts material to the insurance may invalidate the insurance cover in part or in whole. In addition, supplying any inaccuracies in your answers may also invalidate the insurance cover in part or in whole. Either of these may result in any claim being rejected.

Facts material to the insurance are matters of information which may influence the Insurer as to the acceptability or otherwise of a Proposal or Renewal and any such facts or changes must be disclosed at the earliest opportunity throughout the life of the policy and at each Renewal. It is advisable for you to keep copies of documentation sent or received from us for your own records. Please consult us if there is any doubt about any aspect.

In addition, it is essential the sums insured or limits of indemnity you supply fully meet your requirements as inadequacy may affect sums recoverable in the event of a claim.

5. Awareness of Policy Terms

You are strongly advised to read all Policies issued very carefully, as it is these documents, the schedules, endorsements and any certificates of insurance that are the basis of the insurance contract purchased. If there is any doubt about policy terms and conditions, immediate advice should be sought from us.

6. Cancellation

Your insurance contract may include a cancellation clause. A cancellation clause is mandatory for all "Retail" customers. In the event that you fail to pay your premium by the due date the insurance may be cancelled forthwith or by Insurers, giving notice of the cancellation.

Private "Retail" Clients only

You may cancel your policy up to 14 days from the start of the contract. If you decide within this period that you do not want the policy your premium will be refunded (less a £25.00 administration fee) provided that you have not made a claim. After expiry of this 14 day period you will be able to cancel the policy as per the cancellation clause in the policy terms and conditions.

7. Claims

If you have occasion to claim under a policy we must be notified immediately. We will provide prompt advice and where necessary supply the relevant claim form. In addition, we will send details of the claim to your Insurers immediately. You must not admit liability nor agree to any course of action, other than emergency measures carried out to minimise the loss, until Insurers have given you their agreement. For all crime-related claims, you must notify the police immediately.

There may also be other claims requirements stated in your policy documents and these should be complied with fully to ensure any potential claim is not prejudiced.

8. Charges & Settlement of Accounts

We reserve the right to make charges in addition to any insurance premiums, for the arranging, amending, renewing and cancellation of any policy of insurance. These charges will always be advised to you before the purchase of insurance and shown on our invoices.

We adhere to strict terms of credit on insurance premiums. Any renewal invitation received must be settled by the renewal date and invoices or statements must be settled by you no later than the settlement date stated and certainly no later than 30 days. Where Insurers have invoked a "Premium Warranty" settlement must be received by us no later than 7 days prior to the settlement date. Any premium instalment forms must be completed and returned to us within 7 days of receipt by you.

Failure to comply with these terms may result in the withdrawal of cover by your Insurers.

We normally accept payment by cheque, electronic transfer or credit / debit card. In many cases you will be able to pay by direct debit either through the Insurer's instalment plan or our own arrangement with Premium Finance Ltd. We will provide you with full information about your payment options at the appropriate time.

Client Money – is money of any currency that we receive and hold in the course of carrying on insurance mediation on behalf of our clients (including you) or which we treat as client money in accordance with the client money rules. Client money will be held on behalf of an Insurer or Underwriter in accordance with a written agency agreement and will be held in a statutory trust account with HSBC Bank.

Client money will be held in an approved bank account in one of the following ways –

- (a) subject to a statutory trust
- (b) subject to a non-statutory trust or
- (c) in accordance with the FSA Client Assets Source Book (Cass).

Non-Statutory Trust – the aim of the Trust is to protect the client in the event of the failure of the firm, or failure of the bank. In such a circumstance, the firm's general creditors should not be able to make claims on client money as it will not form a part of our property. When client money is held in a Non-Statutory Trust, this means that we are entitled to and may use client money on behalf of one client to pay another client's premium before premium is received from that other client, and to pay premium refunds to another client before we receive payment from the Insurer. However, we are not entitled to use client money to pay commissions before we receive the relevant premium from the client.

Statutory Trust – When client money is held in a Statutory Trust the ownership of the money remains with the client at all times, until payment is made to the Insurer. The fact that we hold money on trust gives rise to fiduciary duties, which will be owed to you until client money reaches the insurer or product provider.

Interest on Client Money

Any interest earned on client money held by us will be retained by us for our own use, rather than paid to you.

Payment to Third Parties

We may transfer client money to another person, such as another broker or settlement agency for the purpose of effecting a transaction on your behalf through that person. This money will be held in accordance with FSA regulations.

9. Remuneration

We normally receive our remuneration from Insurer's (known as commission or brokerage). This is normally a percentage of the premium payable. In some circumstances we may charge a fee instead of or in addition to any brokerage. We will agree any fee with you before you become responsible.

Brokerage and fees are earned for the policy period and we will be entitled to retain all fees and brokerage in respect of the full policy period in relation to policies placed with &/or by us.

In the event of a mid-term adjustment we will be entitled to deduct the amount of commission earned from the refund of premium.

We may also receive payments from Insurers reflecting our efficiency and profitability and from Finance Houses reflecting volume of sales.

10. Documents

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

11. Regulation

DeNovo Underwriting Agencies Ltd, Quay View, Admirals Court, Quay Road, Lymington, Hampshire, SO41 3ET is authorised and regulated by the Financial Services Authority (FSA).

You can check this on the FSA's Register by visiting the FSA's website www.fsa.gov.uk/register/main.html or by contacting the FSA on 0845 606 1234.

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

Insurance advising and arranging is covered for 100% of the first £2,000.00 and 90% of the remainder of the claim, without any upper limit.

Further information about compensation scheme arrangements is available from the FSCS.

12. Professional Indemnity

Professional Indemnity Insurance is mandatory under FSA rules and DeNovo Underwriting Agencies Ltd conforms to the rules in this respect.

13. Confidentiality

Unless required by law, public interest, or you giving consent, all information supplied will be kept confidential to us and parties involved in the normal course of arranging and administering insurance on your behalf. We may use this information to provide you with details of other products of services we offer.

We may provide information about you to other companies within the DeNovo Group in order that they may provide details of other appropriate products or services. If you do not wish us to do this please write to us at the aforementioned address.

Under the Data Protection Act 1998, you have the right to see any of your personal information that we hold in our records. If you have any queries, please write to us at the above address.

Insurers pass information to the Claims and Underwriting Exchange run by Insurance Database Services Ltd and the Motor Anti-Fraud & Theft Register run by the Association of British Insurers. The aim is to check information provided and also to prevent fraudulent claims.

Motor insurance details are added to the Motor Insurance Database run by the Motor Insurers' Information Centre which has been formed to help identify uninsured drivers and may be searched by Police to help confirm who is insured to drive. In the event of an accident the database may be used by Insurers and the Motor Insurers bureau to identify relevant policy information.

If you wish to pay your premium by instalments your details will be passed to our third party instalment provider, Premium Credit Ltd (PCL). They will send you a welcome pack detailing their full terms and conditions. If you have any questions about your instalments you should contact PCL on 0844 736 9836. On renewal of your policy we will continue to pass your details to PCL unless you instruct us otherwise.

We are registered under the Data Protection Act 1998 and we undertake to comply with the Act in all our dealings with your personal data

14. Complaints

If our service does not meet your expectations, please let us know about it either by telephone or in writing to the following address:-

DeNovo Underwriting Agencies Ltd, Quay View, Admirals Court, Quay Road, Lymington, Hampshire, SO41 3ET

If the complaint is by telephone, the member of staff with whom you are dealing will respond immediately if they have the experience and authority to do so. If they are unable to resolve the matter immediately the following steps will be taken. Alternatively you may contact Mr John Dodd (Managing Director) by telephone 01590 670055; by fax 01590 670155 or by e-mail to jd@denovo-group.com

What will happen next?

1. We will record your complaint in our Central register and retain all correspondence on the subject of your complaint
2. We will investigate your complaint and will respond to you within 5 working days. This may involve one or more of the following steps.
 - (i) We will deal with your complaint at the earliest possible opportunity and in any case we will let you have a written response within 20 working days of receipt of the complaint.
 - (ii) If however, the complaint is sufficiently complicated to warrant longer investigation or it requires a review of information outstanding from another party you will be advised accordingly.
 - (iii) If a response cannot be given within 20 working days you will be informed in writing of the reasons why we have been unable to resolve the complaint and need more time to do so.

(iv) We will advise you when you can expect to receive our final response.

3. If you are not satisfied once we have made a decision on your complaint you can write to us again. We will then arrange to review our decision.

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service or if applicable the Complaints Department at Lloyd's. Their contact details are as follows –

Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London, E14 9SR

Telephone 020 7964 1000
Fax 020 7964 1001
E-mail complaint.info@financial-ombudsman.org.uk

Complaints Department
Lloyd's
One Lime Street
London, EC3m 7HA

Telephone 020 7327 5693
Fax 020 7327 5225
E-mail complaints@lloyds.com

In the event that the Lloyd's Complaints Department is unable to resolve your complaint it may be possible for you to refer it to the Financial Ombudsman service at the above address.

15. Non-Related Complaints

If we receive a complaint which does not relate to the General Insurance Product or the General Insurance Activity related service that we have provided or should more appropriately be referred to a different Company or Organisation, we will advise you in writing within 5 business days of receipt of the complaint, and where possible, provide details as to whom the complaint should be re-directed.

16. Cancellation of this Agreement

Our agreement may be terminated by one of us giving seven (7) days notice in writing to the other. In the event that our services are terminated by you we will be entitled to receive any fees, brokerage or commissions payable.

17. Compensation

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

Full details and further information on the scheme are available from the FSCS.

18. Money Laundering / Proceeds of Crime Act

UK money laundering regulations require us to obtain evidence of the identity of clients for whom we act at the start of a business relationship. This might, for example be evidenced by sight of a current signed passport and two utility bills/bank statements. For companies (other than listed ones) evidence of identity will usually comprise a copy of certificate of incorporation, a list of directors, a list of shareholders and the registered address.

We are obliged to report to the National Criminal Intelligence Service any evidence or suspicion of money laundering at the first opportunity and we are prohibited from disclosing any such report.

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.

19. Law and Jurisdiction

These terms of business shall be governed by and construed in accordance with English law. In relation to any legal action or proceedings arising out of or in connection with these terms of business we both irrevocably submit to the non-exclusive jurisdiction of the English courts.

20. Defaults on credit/instalment agreements

If any direct debit or other payment due in respect of the credit agreement you, the customer, enter into with Premium Credit Ltd (PCL) (our third party instalment provider) to pay insurance premiums is not met when presented for payment or if you end the credit agreement with PCL or if you do not enter into a credit agreement with PCL we will be informed of such events by PCL.

If you do not make arrangements with us to pay the insurance premiums you acknowledge and agree that we may, at any time after being so informed, instruct on your behalf the relevant insurer to cancel the insurance (or, if this occurs shortly after the start or renewal of the insurance, to notify the insurer that the policy has not been taken up) and to collect any refund of premiums which may be made by the insurer and if any money is owed to PCL under your credit agreement pay it to PCL or if PCL have debited us with the amount outstanding use it to offset our costs.

You will be responsible for paying any time on risk charge and putting in place any alternative insurance and/or payment arrangements you need.