

## **Coverwell Financial Solutions Limited**

### **Terms of Business for non-advised direct insurance services**

Coverwell Financial Solutions Limited ("COVERWELL") of 11 Pipers Field, Ridgewood, Uckfield, East Sussex TN22 5SD will provide insurance services and this document sets out the terms on which we agree to act for you as our client and replaces any previous agreement between us and accordingly it also relates to the renewal, adjustment and cancellation of policies as well as to new insurance enquiries, orders and claims.

We understand that all insurance enquiries and orders you will submit to us are for your own benefit and not on behalf of another prospective policy holder.

Please read the terms carefully, as they set out our commercial and regulatory obligations and undertakings to you, including limitations on our liability, and also identify your own responsibilities both to us and to insurers. If there is anything in these terms which you do not understand or with which you disagree, please contact us immediately.

#### **About COVERWELL**

COVERWELL is An Appointed Representative of Bannerman Rendell Limited, Authorised and Regulated by the Financial Services Authority ("FSA") in the United Kingdom. Their FSA Firm Reference Number is 308692 and their status can be verified by contacting the FSA by telephone on 0845-606-1234 (Overseas: +44 20 7066 1000) or by visiting the FSA website at <http://www.fsa.gov.uk/register>. Their Registered Office is as shown below.

As independent insurance intermediaries, each firm act as agents and are subject to the laws of agency, which imposes various duties on us. We will take reasonable steps to ensure that our communications are clear, fair and not misleading.

#### **Scope of Services**

COVERWELL will provide the following services or such of them as may be applicable in each case: explaining insurance contract terms when requested; selecting suitable Insurers for your insurance requirements; presenting proposals to prospective Insurers. Under this appointment we will not provide advice, but in each case we will make clear our understanding of the cover you require at the time we issue any indication, quotation or confirmation of coverage. Please inform us promptly if we misunderstand your requirements at any stage.

Where we are to be remunerated by a fee, this will be negotiated and agreed with you, in each case. Usually we will work for commission allowed to us by Insurers and we retain our commission from the respective premiums due to them. It is understood that you will pay to us and to no other all the premiums arising on contracts of insurance arranged under the engagement. If we are remunerated by fees you will pay them to us. We are entitled to retain for our own account any interest arising from premium funds held by us.

We may receive and retain commission from premium finance providers and additional remuneration from insurers based on administration services that we provide to them and/or the profitability of the business we introduce to them.

#### **Costs Estimates**

Prior to handling any specific enquiry we may indicate to you a willingness or ability to quote and/or place certain classes of business, or give you indications of rates or premiums that may be obtainable in respect of enquiries or orders you may send to us. These expressions are not based on any specific coverage being obtainable nor on any undertaking that we are able to arrange such cover in any particular instance. Any rates or terms of coverage indicated to you in such circumstances must not be considered as firm quotations and nor may coverage be assumed to be in force until the individual risk has been accepted by insurers and explicitly confirmed by us in writing to you.

#### **Selection of insurers**

At the time of quotation and confirmation of cover we will inform you which insurer(s) have provided terms.

In respect of certain classes of insurance, BANNERMAN RENDELL has the authority of Underwriters to accept proposals for insurance on their behalf from our Clients (binding authority). BANNERMAN RENDELL may provide a quotation from such a facility and in doing so will be acting as agent of the Underwriter alone. BANNERMAN RENDELL may accept or decline in any particular case. We may also be authorised by Underwriters to settle valid claims on their behalf, and as such we act as an agent of the Underwriter.

As a result, there could be a conflict of interest in our relationship with you and so we need your informed consent to this arrangement. In such cases, the arrangement will be advised on our quotation, renewal invitation and on any evidence of coverage provided. Accordingly, your acceptance of any Quotation or renewal invitation will be deemed consent for us to act in this way.

Whilst we monitor the financial standing of insurers, using the services of specialist rating agencies, we do not guarantee the solvency of any insurer we place business with.

Following receipt of your specific enquiries we will normally issue a quotation of terms and premium based on the information supplied to us. Such a quotation is not a confirmation that coverage is in place nor is it a promise that we will be able to complete your order, although usually we would expect to be able to do so.

We require your confirmed final instructions to seek to place on the terms quoted before a risk will be bound.

Coverage and amendments or cancellations through this office should only be treated as bound and in force when we have confirmed in writing, by mail, e-mail or facsimile that it has been done.

### **Your duty of disclosure**

You must act with the utmost good faith towards ourselves and insurers at all times. Before the contract is concluded, you must disclose to insurers, via ourselves, any and all information which is known to you, or ought to be known by you, which in the ordinary course of business is material to the risk. Material information is that which would influence the judgement of a prudent insurer in setting the premium and/or term of the policy.

The requirement to act in utmost good faith and make full disclosure continues during the policy period and at changes or extension to the policy, together with claims notifications. Breach of the duty may entitle the insurers to avoid the contract with effect from inception, or some other date, and/or to repudiate any liability for claims arising under the policy. The accuracy of any statements or information provided to the insurers is your sole responsibility and we are entirely reliant on you to fully discharge it.

### **Documentation**

It is our intention to promptly provide you with written confirmation of the cover we have arranged. We will provide policy documents as soon as possible but in many cases we are dependent upon insurers to provide these. If you do not think the cover described in these documents fully meets your requirements, please inform us immediately. Otherwise we will assume that the documentation is in order.

You should be particularly attentive to anything described as a Warranty or a Subjectivity as any failure to comply with these may enable an insurer to terminate the cover immediately or from the beginning of the policy period.

For some types of insurance cover it is possible for claims to arise long after the policy has expired and it is therefore important that you retain your insurance documents safely. We reserve the right to destroy all records relating to your affairs as early as may be permitted by applicable regulatory or legal provisions.

We will use our best endeavours to provide you with renewal terms, where appropriate, in writing in good time before the expiry of the insurances, or notify you that renewal is not being invited by your insurers. Similarly, mid-term changes to your policy will, where possible, be provided to you in good time before they take effect.

### **Payment of premiums (including our brokerage) and fees**

It is your responsibility to pay the premium for your insurances and remit funds to us in good time to meet Insurers' credit terms and, accordingly, we rely upon you to settle all invoices to us by return following our debit note or before the date of Insurers' payment warranty terms, if applicable. Payments received after this credit period will attract interest at a rate of 4% over National Westminster Bank plc base rate. Where insurers have specified that the premium must be received by a certain date, failure to comply can result in automatic termination of your insurance contract.

Deductions are not to be made from settlements to you for claims, return premiums etc. We reserve the right to defer settlement of any return premiums or other amounts until insurers have paid us.

If premiums are not settled in accordance with this agreement we reserve the right to increased remuneration on such business to reflect additional effort made by us, and/or to suspend this agreement until the account is brought up to date. Repeated failure to settle accounts on time will entitle us to cancel this agreement on fourteen days notice and with prejudice.

Cheques sent to us must be honoured on first presentation. Unless specifically agreed otherwise, we require non-sterling

payments to be made by bank transfer direct to our bank account in the currency of the debit note.

### **Banking arrangements**

As we hold client money, we owe fiduciary duties to you until the client money reaches the insurer. All monies received by us will be held in a non-statutory trust in accordance with the FSA rules. The aim of the non-statutory trust account is to protect clients in the event of the failure of the insurance intermediary, bank or other third party who may hold client money. In such circumstances, the intermediary's general creditors should not be able to make a claim on client money as it will not form part of the intermediary's assets.

Any interest arising on client monies and any investment returns on any segregated investments will be retained by us for our own use.

There may be occasion where the insurer has appointed us as their agent for the collection of premiums and, as such, when the premium is received by us it is deemed to have been received by the insurer. These premiums may still be deposited in the non-statutory trust account but, in the event of our failure to pay the insurer your cover will still be in force. We will notify you if this arrangement applies to your policy.

Client money will be deposited, in most cases, with National Westminster Bank plc and/or Close Brothers Ltd.

### **Taxation**

Premiums charged will be subject to the taxes and rates applicable in each case, usually based in the territory of the insured risks. Our services will be supplied from the United Kingdom and any fees will be taxable accordingly. In general, according to our understanding of the law, our fees would not be subject to taxation for services supplied outside the European Economic Area. We do not provide tax advice services and so you must not rely on any expression of opinion from us as to the tax consequences of any transaction.

### **Claims services**

In the normal course of our relationship we will present to insurers any claims notifications you make to us but please be aware that some policies contain a requirement that you notify the insurer directly or in a specified time or manner. Claims should always be notified by you, without delay.

In those cases where you ask us to do so we will seek to collect your claims and remit them to you without deduction for any service fees. This undertaking is dependant on the following exclusions, following any of which we reserve the right to withhold a claims service:

- you do not continue our appointment as your broker for the insurance arrangement in question
- any amounts are unpaid more than 30 days after becoming due to us from you
- we have reasonable grounds to believe that full disclosure of any circumstance has not been made to insurers.
- claim notification requirements of the policy have not been met or notification is unreasonably delayed.

### **E-Mail**

While we will be happy to communicate with you and others by e-mail, please bear in mind that such communications may not always be confidential and receipt by us may be delayed by message carriers outside your or our control.

### **Security of information**

We will store and process personal data relating to you (and any of your management or employees who deal with us in respect of your insurance requirements) and we may share this data with other companies in our group for the purposes of policy or claims administration, business analysis and marketing. We are registered under the Data Protection Act 1998 and undertake to comply with the provisions of this Act in all our dealing with your personal data.

In the course of our business we receive, create and store documents and data which refer to the insurance affairs or risk profile of clients and prospective clients, both in paper and electronic form. We recognise our responsibility to protect this information and to disclose it only in the interests of our clients, within our company to those who require it for their work and otherwise in accordance with directions from duly authorised regulators or following due legal process.

COVERWELL reserves to itself the right to use such information for statistical and marketing purposes and to destroy all records relating to Clients' affairs as early as may be permitted by applicable regulatory or legal provisions.

## **Complaints**

We take all complaints seriously. If you wish to register a complaint then please contact the Compliance Officer at BANNERMAN RENDELL, either in writing to Peel House 20 Eastcheap London EC3M 1EB, by telephone to 020-7929-3400 or by email to [compliance@bannermanrendell.co.uk](mailto:compliance@bannermanrendell.co.uk). We will acknowledge your complaint within five working days.

If we are unable to settle your complaint, you may be entitled to refer it to the Financial Ombudsman Service ("FOS") at South Quay Plaza, 183 Marsh Wall, London E14 9SR, by email to [enquiries@financial-ombudsman.org.uk](mailto:enquiries@financial-ombudsman.org.uk) or telephone 0845-0801800. You may contact the FOS at any stage during a complaint.

Nothing in the procedures described above amends or changes your rights at law.

## **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 .

## **Money laundering and 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. For individuals this might, for example, be evidenced by sight of a current signed passport and two utility bills, bank statements etc. For companies (other than listed ones) evidence of identity will usually comprise a copy of the certificate of incorporation, a list of directors, a list of shareholders and the registered address.

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.

## **Termination of our Services**

Although it will be a disappointment to us, you may terminate our services by giving notice in writing. Similarly we may also terminate the service that we provide by giving you notice in writing. In the event that you terminate our services, other than at the expiry of a relevant policy, we will still be entitled to retain, or receive if not paid, any and all remuneration due in respect of any insurance policies placed by us on your behalf. In the event that you require transfer of your business to another intermediary, brokerage arrangements will be subject to agreement between the insurance intermediaries.

## **Governing Law**

This terms of business and any accompanying or associated letter and our business relationship with you shall be governed by and construed solely in accordance with English Law and the High Court in London shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with them.