

COVERWELL FINANCIAL SOLUTIONS LTD

Terms of Business Agreement

Retail Customers (Consumer ToBA)



my family guard

This agreement is intended for 'Consumer' (retail) customers rather than 'Commercial' customers; Consumer customers are those that are purchasing cover other than for / within their trade, business or profession. If you are not a Consumer customer, ask us for our Commercial TOBA."

Acceptance

The purpose of this agreement is to set out our professional relationship and detail the services we will provide to you. For your own benefit and protection, you should read all of the information carefully and in particular, we would like to draw your attention to the "**IMPORTANT INFORMATION**" section. 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.

Who regulates us?

Coverwell Financial Solutions Ltd is an appointed representative of James Hallam Limited which is authorised and regulated by the Financial Conduct Authority (FCA). Our firms registration Number is 509958 and these details may be confirmed on the FCA Register at www.fca.gov.uk or by calling 0800 111 6768.

Company Details

Our Registered Office is: Unit 116A, Seaside, Eastbourne, East Sussex BN22 7QP. Registered in England No: 05228641; Data Protection Act Registration Z1278643.

Our Service

The activities for which the FCA has given us authority 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 regulated activities in respect of General Insurance and Pure Protection products.

We are committed to providing you with a quality service; where we give advice, we will provide quality advice. We only select from insurance products which we have confidence meet the needs of our clients.

As a broker, we normally act as your agent; accordingly we owe responsibilities to you. On occasions we may act as an agent of the insurance company. We will let you know if this is the case.

Where we advise you concerning your insurance requirements, we will 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.

Where we are not advising you concerning your insurance requirements, we will state that this is the case however we will provide you with as much information as possible so that you can make your own informed decision.

Upon receipt of your instruction we will place, amend or renew insurance cover on your behalf with insurers. As your agent – and unless we hear from you otherwise – we have your authority for 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 should not 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 you will risk a loss you suffer not being paid in part or in full.

Law and Jurisdiction

These Terms of Business 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.

Unless your policy confirms otherwise, the rights under your policy may only be pursued in an English court.

If you are 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 (FOS) and any rights or benefits there under may not apply. **Notification of Changes and Alterations**

Amendments to policies after inception may be arranged upon receipt of full details (see **IMPORTANT INFORMATION**) 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 Insurance Premium Tax (IPT). A transaction charge payable to us may be added to any additional premium payable. **(Also see Our Remuneration and Transaction Charges).**

Insurer Security

Insurers are subject to FCA regulation and are 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 wherever possible insuring with those firms with higher credit ratings. Should you be concerned or require any 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 there have been no changes in the risk other than those specifically notified to us or your insurers (see **IMPORTANT INFORMATION** and **Notification of Changes and Alterations**).

Documentation

It is your responsibility to read all documentation upon receipt and raise any query regarding it otherwise you risk any 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 the 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.

Payment of Premium

We must receive your payment, unless it is made by you directly to the insurer, by cheque, credit or debit card or be in receipt of a completed Direct Debit Mandate (with deposit if required) 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 payments 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. A charge may apply to payments made by credit card and this will be confirmed to you in writing at the time of incepting or renewing your insurance.

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 or none 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. You will also be responsible for any collection costs, legal fees and court costs we may incur in recovering debts from you.

Transferred Business

When we are appointed to service insurance policies other than at their inception or renewal and which were originally arranged by 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 return 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. 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.

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 or being paid in part only.

You must not in any circumstances admit liability for a loss or agree to any course of action, other than emergency measures carried out to minimise the loss, as you risk a loss you suffer not being paid or being paid in part only. 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.

We will remit claims payments received on your behalf to you as soon as practicable after confirmation of receipt of cleared funds in our bank account. In the event that an insurer becomes insolvent or

delays making settlement, we do not accept liability for any unpaid amounts. Where we have a delegated authority from an insurer to settle claims on their behalf, we shall make you aware of this on notification of the claim and obtain your informed consent to proceed. 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 are entitled, at any time, to request information regarding any commission which we may have received as a result of placing your business.

Some insurers will make additional payments to us depending upon the volume of our account with them or the profitability of that account. We may also receive payments from companies other than insurance companies – for example premium finance houses or risk management firms.

We may require you to pay a fee, but this will always be agreed with you in advance.

In certain circumstances, we may charge an administration fee to you for arranging your policy – these will be reflected separately.

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)

Client and Insurer Money

Prior to your premium being forwarded to the insurer, and for your protection, we receive and hold your money in a segregated bank account. We will then pass this money to our Principal, James Hallam Limited who will hold this money in its non-Statutory Client Trust Account, affording you the appropriate protection under the regulatory system. The account in which James Hallam holds these funds are kept in a non-Statutory Trust Account (as defined by the FCA Rules). This means that they may extend credit to other customers from this account.

They may also transfer your money to another intermediary in some cases for the purposes of effecting your policy. However your money will be protected at all times because of the requirements of FCA rules. James Hallam Limited also reserve the right to retain interest earned on this account.

By accepting these Terms of Insurance Business document, you are giving your consent for us to operate in this way.

Protecting your information

All personal information about you will be treated as private and confidential (even when you are no longer a customer), except where the disclosure is made at your request or with your consent in relation to administering your insurance, or except where law requires us.

Some or all of the information you supply to us in connection with your insurance proposal may be passed to insurance and other companies for underwriting, claims and premium collection purposes. Your data will be held in accordance with the Data Protection Act 1998, under which you have a right of access to see personal information about you that is held in our records, whether electronically or manually. If you have any queries, please write to Andy Hearn (the Managing Director) AIM Risk Services Ltd. at Suite 23 The Courtyard 30 Worthing Road Horsham West Sussex RH12 1SL

In the interests of security and staff training, please be aware that phone calls may be monitored and recorded.

Complaints

It is our intention to provide a high level of service at all times. However if you have reason to make a complaint about our service you should contact Diana Bratt at the above address or ring Diana Bratt on 01245 204551. You may be entitled to refer the matter subsequently to the Financial Ombudsman Service (FOS). You will be able to do this if you are a private individual or a micro-enterprise. Whether you are so entitled will not affect the promptness and fairness with which we will strive to resolve any complaints. You can contact the FOS by telephone on **0800 023 4567** and further information is available at www.financial-ombudsman.org.uk If you do decide to refer any matter to the FOS your legal rights will not be affected. (If your complaint cannot be resolved immediately, you may be required to put this in writing for us to investigate further)

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

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.

Compensation

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, the size of your business and the circumstances of the claim. Insurance advising and arranging is covered for 90% of the claim for non-compulsory insurances, without any upper limit. For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim, without any upper limit. Further information about compensation scheme arrangements is available from the FSCS on **0800 678 1100** or by visiting 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

Assignment

We are entitled to assign the benefits of these Terms of Business (but not the burdens as set out in these Terms of Business) to any other company within the Group of Companies of which we are part but then only for so long as such Company remains a member of such Group.

We are entitled to transfer Client Monies to a similar bank account held in the name of any other company within the Group of Companies of which we are a part but the only for so long as such Company remains a member of such Group.

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.

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 information only; including generic comparisons between different insurers, you will need to make your own choice as we will not provide you with any advice or specific recommendations.

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 (Single Insurer)

We only offer this product from one insurer. Accident and Health

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.**

IMPORTANT INFORMATION

WARNING – CONSUMERS

WHERE THE MAIN PURPOSE OF THE CONTRACT IS FOR PRIVATE USE

Your duty to give information

When applying for or amending your insurance policy, we and / or your insurer will ask a number of questions to assess the risk prior to agreeing cover. It is your duty to ensure that you answer all questions raised by insurers or us honestly and reasonably. These questions are designed to enable us or the insurer to obtain a comprehensive picture of the nature of the risk to be insured, and only by asking such questions and receiving answers which are given honestly and with reasonable care, can we or the insurer be in a position to offer terms which are designed to meet your demands and needs.

The reason why this is vital and extremely important is that if you fail to tell us or the insurer something when asked, or, if you answer carelessly or act deliberately or recklessly in making misrepresentations when answering questions, your policy may leave you with no insurance protection; insurers may not pay a part or all of your claim and may cancel your policy. You may find it difficult to re-arrange cover because you did not tell an insurer everything when asked, and you will have to disclose this fact when you reapply for insurance.

FAILURE TO ANSWER QUESTIONS HONESTLY AND REASONABLY, WHEN ASKED, MAY LEAVE YOU WITH NO COVER AND A CLAIM NOT PAID.

WARNING

Warranties and Conditions Precedent

Your policy contains a number of WARRANTIES and CONDITIONS PRECEDENT. These are horrible terms which you must comply with word for word, otherwise the insurer might not pay any claims and might cancel your policy from the start. Even if there is no connection between a breach of these terms and the cause of the loss.

Failure to comply with these terms may leave you with no insurance cover and your claim not being paid!

An insurance warranty is not a good thing, it does not mean that it is a guarantee of something; it typically means that you must comply with terms in order that your insurance protection remains operative.

Conditions Precedent: Some conditions do impose a responsibility on you to have done something or completed something before a certain section of the policy will operate. If you do not do the thing stated, cover will not be in place.

FAILURE TO COMPLY MAY LEAVE YOU WITH NO COVER AND A CLAIM NOT PAID.