

TERMS OF BUSINESS STATEMENT for

Allsopp Kanabar Commercial Insurance Consultants, 2 Mill Hill Lane, Off London Road, Leicester LE2 1AH.

Please read this document carefully. It sets out the terms and conditions on which Allsopp Kanabar agree to act for our customers and contains details of our respective responsibilities. If there is anything in this document with which you disagree or which you do not understand, please contact us immediately.

Our role and status

As valued customers, it is our aim that you should benefit from our expertise and experience, and our commitment to providing you with a quality service. We are an independent intermediary and authorised and regulated by the Financial Conduct Authority (reference number 309115), which is the independent watchdog that regulates the insurance industry, and aims to ensure that insurance customers are treated fairly. We are required to observe and comply with their regulations. You will be able to check our name and address and that we have been included on the FCA's Register by contacting the FCA on 0845 606 1234 or by checking on their website at www.fca.gov.uk/register.

As an Independent Intermediary, we represent a number of insurers, and in our capacity as your chosen insurance representative we may act as your agent in negotiating and placing a contract of insurance between yourself and insurers and in making amendments to such policies at your request. We can offer advice to you on your insurances, and may discuss other (including non-regulated) associated issues with you. We may be involved in handling claims made on policies we have placed on your behalf whilst we are appointed as your insurance representative. If you require us to be involved once our appointment has ceased, a separate fee will need to be agreed. Please note that it is the standard practice and requirement of some insurers to deal directly with you for the purpose of handling claims, and you may expect any such verbal contacts with them to be recorded and retained. As an intermediary, we cannot guarantee that the insurers chosen for your business will meet any or all claims which you may incur. We will keep any documentation issued by your insurers for at least the period required by FCA regulations, after which it may be destroyed. We may collect premiums from you and pay them on to your insurers, where payment is not by direct means. Please bear in mind that you may still be responsible for payment of premiums in the event of an insurer becoming insolvent.

We will put your interests foremost. We will seek to avoid conflicts of interest*, but where this is unavoidable or does arise, we act to avoid prejudice to any party. We will carry out your instructions and act within the terms of authority you have given to us. We will exercise proper care, skill and diligence in the performance of our role. We will observe high standards of integrity and our dealings with you will be open and fair. We will not give you advice on matters in which we are not knowledgeable.

* There are times in placing your insurances, or handling your monies or claims where we may be acting on behalf of your insurer as well, but this will not prevent us from advising you independently on the insurer and/or policy most appropriate to your requirements.

We will take appropriate steps to understand your awareness of risk and will take this into account in our dealings with you. We will seek from you such information about your circumstances and objectives as might reasonably be expected to be relevant in enabling us to identify your requirements.

When we offer information and/or advice, FCA regulations draw a distinction between doing so on the basis of the terms offered by a single Insurer, or an evaluation of a limited number of insurers, or what they term a "fair analysis" of the market. If it is our view that you are already with the right insurer, we may choose to offer you their terms only. Alternatively, we may use our expertise to select a limited number of the most suitable insurers to verify the best terms available. However, at times when the insurance market is unstable, or where we are uncertain of any aspect of your business or requirements, we may approach a wider number of markets to enable us to provide the advice and/or information you require.

Information about the proposed insurance

If it is not possible to obtain the cover you require, we will promptly inform you. We will provide you with adequate information in a comprehensive and timely way to enable you to make an informed decision about the proposed insurance. When providing an insurer's quotation, we will ensure that it is accurately presented

and that we can place the insurance at the quoted terms. If we cannot fully meet your requirements but can propose an alternative, we will explain to you the differences between them. We will advise you of the key features of the insurance proposed and draw your attention to any significant or unusual restrictions, exclusions, conditions or obligations.

We will make a fair presentation of the risk to the insurer. When choosing insurers we will use our skill and judgement objectively and in your best interests. Once cover has been placed we will send you prompt written confirmation detailing the cover that has been effected and the names of the insurers. Your full policy documentation will then be forwarded without avoidable delay. We will notify you of the expiry of your insurance cover in time to allow you to consider and arrange any continuation of cover that you require.

Your obligations

You should act as if you are uninsured, and take all prudent and reasonable steps to prevent an insurance loss occurring, and to minimise the loss, should one occur.

You must disclose any material facts. This requirement applies at the inception of your policy, and at all times whilst your cover is in force. Any failure to disclose facts material to the insurance or any inaccuracies in your answers could invalidate your cover. All material information must be disclosed to insurers. Material information is information that would influence the judgement of a prudent insurer in fixing the premium or determining whether to accept the risk. Failure to disclose material information or any change to information previously advised will entitle the insurer to avoid the policy of insurance from inception and to demand repayment of any claims previously paid to you under the policy. If you are in any doubt as to whether information is material, you should disclose it.

All answers or statements given on a proposal form, claim form or other document relevant to your insurances will be your responsibility and you should always check the accuracy of the information you provide to us and/or insurers. You must advise us without delay of any claim or circumstances likely to give rise to a claim under your insurances. Delay in notifying a claim may entitle insurers to avoid payment.

Invoices must be settled within the period of time stipulated. Failure to do this may lead to cancellation of your insurances. Failure to pay premiums in accordance with a premium payment warranty or condition can also result in automatic termination of your insurances. We may be required by some insurers to retain any official policy documentation until cleared funds have been received from you. If you have any objections to your insurances being placed with certain insurers you should let us know immediately.

Handling money

The client money rules set by the FCA require us to keep client money separate from our own money, which we do by paying money into a client bank account. Owing to arrangements with particular insurers, we will sometimes hold premiums received from you, premium refunds or claims monies as agent for insurers, not as client money. Premiums we receive from you and refunds or claims monies we receive from insurers on your behalf will be paid into a client bank account, and this account will be used for handling premiums and claims monies for other customers' insurances.

We will hold client money subject to a statutory trust, which means that we can only use your money (cleared funds) to pay your premium to insurers, and that we cannot use other client money in respect of any premiums or refunds due to or from you. We may transfer client money to another person, such as another broker or underwriting agent engaging in wholesaling activities, for the purpose of effecting a transaction on your behalf through that person. If located in the UK, that person will also be subject to FCA regulations, and must follow the FCA rules in terms of handling your money. If the person is located outside the UK, regulations may be different, and the protection offered to you may be less. You must let us know if there are specific restrictions you wish to apply in respect of where we may place your business.

Any interest earned on client money held by us will be retained by us rather than paid to you. Payment of your premium to us, either directly or indirectly by use of a third party finance provider (such as Close Premium Finance) will be regarded as consent to your money being handled in the manner described, and to the terms set out above.

Limitation of liability

Unless we have otherwise agreed with you in writing, your instructions to us to place or renew your insurances will be treated as acceptance of the limitation of our liability to you (and to any other interested party) in contract, tort (including, without limitation, negligence) or otherwise to £2,000,000 in respect of all services we provide to you over a twelve month period. This does not include any liability which cannot be lawfully excluded or limited, or liability for death or personal injury resulting from our negligence, or claims resulting from our fraudulent acts or acts deliberately contrary to our agreement with you.

Confidentiality and your personal data

We will treat all of the information you provide to us as private and confidential to us. Unless you advise to the contrary, we have your permission to disclose your personal information to anyone involved in the providing or servicing of your insurances, or in the securing of competitive quotations. We will not give anyone else information about you except where required by law or by regulation, or where you ask us to or give us permission.

Money Laundering/Proceeds of Crime Act

We may ask for evidence of your identity at the start of our business relationship. In the absence of such evidence, we may be unable to act for you. In accordance with our obligations under the Proceeds of Crime Act 2002 and other anti-money laundering legislation, where knowledge or suspicion of money laundering arises, we may pass certain information known to, or suspected by, us to the appropriate authorities. This may result in a delay to a transaction and/or a decision that we will cease acting for you.

Claims payments will normally be made to you, unless payment is made to a third party with a disclosed interest in your policy or in the claim settlement. If you require payment to a third party, you must provide the necessary details, together with a brief explanation of the reasons for your request.

Claims

It is essential that insurers are notified immediately of any claim or circumstance that may give rise to a claim, as failure to do so may entitle insurers to deny liability for the claim. Where we undertake to handle or manage claims on your behalf:

- You must notify us immediately you become aware of a claim or any circumstance that may give rise to a claim.
- We will assist you in pursuing a claim under your policy.
- We will notify insurers on your behalf and will keep you informed of insurer's requirements in respect of your claim.
- We will promptly inform you of your insurer's decision on the settlement or otherwise of your claim.
- We will promptly forward to you monies that we collect from your insurers in settlement of your claim.

Our remuneration

We may receive remuneration from insurers in the form of commission or brokerage, which is a proportion of the insurance premium. Alternatively, the insurance policy may be 'net-rated', when there is no commission or brokerage payable. Where low or no commission is payable, a fee will be charged. Our remuneration for a policy is deemed due on the date of inception or renewal of that policy, and we are entitled to retain all agreed commissions and/or fees in respect of the full policy period, including where those policies are cancelled after inception. Please note that:

1. if cover has been arranged in accordance with your instructions or those of your appointed agents, and you withhold payment of the resulting premium (including any commissions/fees/administration charges and taxes where due), and/or
2. where a policy has been cancelled, or has been treated as void from its inception, whether this be due to non-payment or for any other reason,

we will be entitled to receive in full any commissions and/or fees due as a result of the arrangement of the cover, and you will be held responsible for payment of such commissions and/or fees. Legal action will be taken in the event of non-payment of any monies due.

It is our current policy to charge an amount of thirty pounds for transactions, including New Business, Renewals and Mid-Term amendments. Further charges may be raised at our discretion, and the amount and reason for any variation from this arrangement will first be agreed with you.

We may sometimes in the ordinary course of our business also earn income in a number of other ways, by providing services to the market or suppliers we deal with. The level of such remuneration is determined by the terms of confidential business agreements with them but may be, for example, in the form of management/administrative expenses allowed to us, or in the form of volume, growth or profitability payments made for the performance of services on their behalf. Where we arrange third party finance for your premiums, we may receive payments based on the levels of interest you pay.

Complaints

It is our intention to provide you with a high level of customer service at all times. However, if you have any queries, or you feel you have cause to be unhappy in any way with our services, please advise the person you normally deal with. If, after 48 hours, the matter remains unresolved, please contact our compliance officer - John Allsopp - who will be pleased to assist you. Your complaint will be acknowledged in writing within five working days, and you will be advised when you can expect a response. A more formalised complaints procedure will be found in your policy document, or is available on request.

We will give a written response within four weeks of receiving your complaint, unless outstanding information is required from a third party or your complaint is sufficiently complicated to warrant further investigation. We will then advise you of the reasons for the delay, and when you can expect a response. Our final response will state whether we accept or reject your complaint, giving the reasons for our decision. You may be entitled to refer your complaint to the Financial Ombudsman Service if you are dissatisfied with the response or the delay in our response. The Service may be contacted on 0845 080 1800 or on www.financial-ombudsman.org.uk.

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 and the circumstances of the claim. Insurance arranging and advising is covered by the FSCS for 100% of your claim if it relates to compulsory insurance. For other cases it is covered for 100% of the first £2,000 and 90% of the remainder of the claim, without any upper limit.

Cancellation

Either party may terminate the agreement for the provision of our services by giving at least 30 days notice in writing. In the event of cancellation, we shall be entitled to receive in full our commission and/or fee in respect of any policies we have placed on your behalf before the date of termination.

Governing Law

Our trading relationship is governed by English law. A dispute which cannot be resolved under our complaints procedure will only be dealt with in the courts of England and Wales. All communications for the duration of our appointment will be in English.

Severability

If any part of this Terms of Business Agreement is found to be invalid or unenforceable in whole or in part, the validity of the other provisions of this TOBA and the remainder of the provision in question will not be affected.

Rights of Third Parties

By virtue of the Contracts (Rights of Third Parties) Act 1999, no provision of this TOBA will be enforceable by any person other than you or us.