

## Kingsbridge Risk Solutions Limited

### General Terms of Business Agreement

#### Introduction

Kingsbridge Risk Solutions Limited (KRS) is authorised and regulated by the Financial Services Authority (FSA). It is permitted to advise on, and arrange General Insurance Contracts

Our FSA Reference Number 309149

Our name, address and status may be checked at the FSA's website at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register), or by phoning 0845 606 1234

KRS is an independent insurance intermediary and risk management consultancy. Our aim is to provide solutions to your insurance needs in a timely and professional manner. We advise on all types of non-life general insurance products and we are not tied to any one insurer. We follow the rules and principles established by the FSA for our general business activities.

In the absence of an agreement to the contrary this document sets out the terms of our relationship with you (our 'client') for our services set out herein.

From time to time we may need to update and re-issue our General Terms of Business Agreement to reflect changes in the legal and regulatory environment in which we operate and to ensure that any pertinent information contained therein remains current.

#### 1.0 Our Responsibilities

To ensure that we provide you with the most appropriate service and, where required, each of our clients will have a nominated account executive allocated to take responsibility for all of their insurance and risk management requirements. Nominated account servicing and claims staff will support the account executive.

#### 1.1 Preparation/gathering information

In our discussions with you we will gain an understanding of your business and its insurance and risk management requirements.

We will seek quotations for our recommended insurance programme based on your business needs/requirements. During the course of the placement we will endeavor to keep you informed of the progress of our negotiations and identify any inability to obtain the coverage sought by you. We will

then present our proposals to you in detail to enable you to make an informed decision on the cover being proposed. We will answer any questions you may have on the proposed cover, its benefits, restrictions, exclusions and conditions.

#### 1.2 Placing Insurance

We will use reasonable endeavors to implement your insurance programme, subject to available insurers, before the intended date of inception, renewal or extension of cover (whichever is appropriate). We will confirm all cover arranged on your behalf in writing and identify the insurer(s). If we are unable to fulfill your instructions, for any reason, we will bring this to your immediate attention.

#### 1.3 Market Security Questions (you may have on the proposed cover)

We will assess the financial soundness of the proposed insurers and markets we recommend for your requirements using public information including that provided by recognised rating agencies. However, we will not in any circumstances guarantee or otherwise warrant the solvency of any insurer or market. As a consequence the decision regarding the suitability of any insurer or market rests with you. If you have any concerns regarding any insurers chosen for your insurance requirements you must advise us as soon as possible and we will discuss them with you.

#### 1.4 Documentation

Unless otherwise agreed we will send you documentation confirming the basis of cover secured on your behalf, including details of the insurers, with a debit note, where applicable, showing separately all amounts payable. The dates that the money is due together with any penalties for late payment will be clearly stated to you. We will forward any policy documents, if applicable, and any amendments or endorsements to your policy as soon as reasonably practicable.

#### 1.5 Claims

Except where we agree with you, or because insurance market practice determines otherwise, we will provide our claims handling

services during the policy period for the policies placed by us. Our claims handling services include, upon us receiving the required information from you, the notification of the claim or circumstances to insurers, representing you in the resolution of the claim and arranging the collection and/or settlement of the claim in accordance with market practice and policy terms and conditions. Where claims are to be dealt with by you with insurers directly we will provide advice and support as requested.

Where we collect claims payments these will be remitted to you as quickly as possible. However, we will not remit claims money to you before we have received it from insurers.

#### **1.6 Electronic Communications**

We may communicate with each other by electronic mail, sometimes attaching further electronic data, where we have each expressed a wish for that to happen. By consenting to this method of communication you and we accept the inherent risks (including the security risks of interception of or unauthorised access to such communications, the risks of corruption of such communications and the risks of viruses or other harmful devices). Notwithstanding that we and you have reasonable virus checking procedures on our system you will be responsible for virus checking all electronic communications sent to you. You will also be responsible for checking that messages received are complete. In the event of a dispute neither of us will challenge the legal evidential standing of an electronic document and the Kingsbridge system shall be deemed the definitive record of electronic communications and documentation.

#### **2.0 Your Responsibilities**

##### **2.1 Proposal forms**

For certain classes of insurance you may be required to complete a proposal form, questionnaire or similar document. We will provide guidance but we are not able to complete the document for you.

##### **2.2 Disclosure of information**

You are responsible for providing us with the information we request from you to enable us to seek the cover sought. We will not be responsible for any consequences, which may arise, from the delay or failure by you to do so. You remain responsible for any decisions you make.

Further, all information which is material to your coverage requirements or which might influence insurers in deciding to accept your business, finalising terms to apply and/or the cost of cover must be disclosed. There is no duty on insurers to make enquiries of you. Failure to make such disclosure allows insurers to avoid the policy. This duty of disclosure applies equally at renewal of your

policies and on taking out new insurance policies.

Please discuss with us if you have any doubts about what is material or have any concerns that we may not be aware of material information.

#### **2.3 Your policy**

You are responsible for reviewing the evidence of insurance cover to confirm that it accurately reflects the cover, conditions, limits and other terms that you require. Particular attention should be paid to any policy conditions and warranties, as failure to comply may invalidate your coverage, and the claims notification provisions. If there are any discrepancies you should consult us immediately. Claims may be made against a policy long after its expiry date. It is important therefore, that you keep your policy documents in a secure place.

#### **2.4 Claims**

You are responsible for notifying claims or potential circumstances that may give rise to a claim. To ensure full protection under your policy or similar documentation provided you should familiarise yourself with coverage conditions or other procedures immediately relating to claims and the notification of those claims. Failure to adhere to the notification requirements particularly the timing of notification, as set out in the policy document, may entitle insurers to deny your claim. In presenting a claim it is your responsibility to disclose all facts, which are material to the claim.

#### **2.5 Changes in circumstances**

You will advise us as soon as reasonably practicable of any changes in your circumstances that may affect the services to be provided by us or the cover provided under your insurance policy.

#### **3.0 Provision of information**

All activities undertaken by us as outlined in this document are provided by us for your exclusive use and all data, recommendations, proposals, reports and other information provided by us in connection with our services are for your sole use. You agree not to permit access by any third party to this information without our express written permission. We reserve our rights too take action to protect proprietary information.

#### **4.0 Payment of premium**

You will provide settlement of all monies due in accordance with the payment date(s) specified in our debit note or other relevant payment documentation. Failure to meet the payment date may lead to insurers cancelling your policy. We are under no obligation to pay premium by the payment date to insurers on your behalf.

## 5.0

### **Client Monies**

We will hold client monies (generally premium and claims monies we receive and hold on behalf of our clients in the course of carrying on insurance mediation activities) in segregated non-statutory trust accounts, established and maintained in accordance with Client Assets rules of the Financial Services Authority, or as designated client money investments permitted by the rules. Where we consider it appropriate, the rules permit us to use monies from our non-statutory trust accounts for short-period funding of premium and claims settlements on behalf of clients.

We will retain for our own use, any interest we earn on client monies passing through our bank accounts and any investment returns we make on permitted designated investments.

In certain circumstance, we may receive and hold insurance monies as agent for the Underwriter(s), for example where business is accepted under a binding authority. We will advise you beforehand where this situation applies. Client Assets rules allow such insurance monies to be co-mingled with client monies subject to certain criteria being met, including inter-alia, that those Underwriters rank as a second preferred creditor in the event of a default.

## 6.0

### **Our Remuneration**

Our remuneration will be either a fee as agreed with you or brokerage, which is a percentage of insurance premiums, paid by you and allowed to us by the insurer with whom the insurance contract is placed. You have the right to request details of all commissions earned by us. If appropriate, and with your consent, we may receive a fee and brokerage. 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 by us

## 7.0

### **Other Revenue**

We provide services to insurers that are not directly related to the services provided to you and we receive usual and customary remuneration in recognition of those services. This remuneration may be a management or administration fee or revenue based upon the volume or profitability of insurance business placed with a given insurer over a specified period. These payments recognise the services we provide to the insurer over that given period. It may be appropriate and for you to benefit for us to use another Intermediary to assist us in fulfilling your insurance requirements. These companies may receive usual and customary remuneration for the services they provide.

## 8.0

### **Confidentiality**

We will treat any information in our possession, which relates to your business

as confidential. It will be necessary, however, for us to disclose information that you consider confidential to insurers or other parties, when acting on your behalf, where we reasonably consider such information to be material to the risks being covered. Likewise, we may disclose to third parties certain industry wide statistics or other information, which may include information relating to you. Any sensitive information will be handled appropriately and information specific to you will not be identified without your consent.

## 9.0

### **Complaints**

Should you have any cause for complaint about our services please raise the matter in the first instance with the person who handles your account. Alternatively, you may contact our Group Managing Director Steve Wynne at The Old Smithy, Stockton's Courtyard, Overbury, Gloucestershire GL20 7NT. If your complaint remains unresolved following the review and response from the Managing Director, we will provide you with details of the regulatory bodies and ombudsman to whom your complaint may be forwarded directly.

## 10.0

### **Financial Services Compensation Scheme (FSCS)**

We are covered by the 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.

Further information about compensation scheme arrangements is available from the FSCS. 7<sup>th</sup> Floor, Lloyds Chambers, 1 Portsoken Street, London E1 8BN.

## 11.0

### **Professional Indemnity Insurance**

We maintain Professional Indemnity Insurance, as required by the Regulator governing our business practices and our liability is limited to liability for direct losses arising in contract except where death or personal injury arises from our negligence or as otherwise preserved under statute.

## 12.0

### **Termination**

Our services may be terminated either by us or you upon the giving of one month's notice in writing to the other or as otherwise agreed. In the event our services are terminated by you we will be entitled to receive any and all fees or brokerage payable (whether or not the same has been received by us) in relation to the policies placed by us.

## 13.0

### **Third Party Rights**

Unless otherwise agreed between us in writing no terms of this Agreement is enforceable under the Contracts (Rights of Third parties) Act 1999, except by members of the Kingsbridge Group of Companies.

**14.0 Governing Law**

This Agreement, which sets out the terms of our relationship with you, will be governed and construed in accordance with English Law and any dispute arising under it shall be subject to the exclusive jurisdiction of the English Courts.

14 January 2009

**Kingsbridge Risks Solutions Limited**

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