

Monmouthshire Insurance Services Ltd

Terms of Insurance Business Agreement

Our Service - Monmouthshire Insurance Services Ltd, Monmouthshire House, John Frost Square, Newport, NP20 1PX is authorised and regulated by the Financial Services Authority. We are permitted to arrange, advise on, deal as an agent of insurers, assist in claims handling with respect to non-investment insurance policies on behalf of customers:- We deal with a number of Insurers. For some risks we may only deal or obtain quotations from a single Insurer and we will make this clear to you when presenting terms. We may use a wholesale broker or managing general agent to place insurance policies and we will make this clear to you when presenting terms. You may ask us for a list of The Insurers we deal with and or select products from. We are not contractually obliged to represent any of these Insurers.

Financial Services Authority - You can check our authorisation, on the FSA's Register by visiting the website www.fsa.gov.uk/register or by contacting the FSA on 0845 6061234

Important disclosure of information by you - Your insurance is based upon the information provided to the insurance company and you must ensure that all such information is complete and accurate, and that any facts that may influence the insurer's decision to accept and pay a valid claim are disclosed. Failure to disclose material information may invalidate your insurance cover and could mean that part, or all, of a claim may not be paid.

Confidentiality of 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, with your consent, in relation to administering your insurance or where law requires us. We may pass information about you to credit agencies for the purpose of arranging payments by instalments, and may also pass to them your payment record with us. As part of the FSA's duties, we may be asked to provide them with access to our customer records in order that they may carry out a review of our activities. Monmouthshire Insurance Services may pass your information to our parent company Monmouthshire Building Society or our sister company Monmouthshire Independent Financial Advisers.

This Terms of Business document constitutes both your acceptance that we may do this and your prior request for us so to do.

Data Protection Act - Some or all of the information you supply to us in connection with your insurance proposal will be held on computer and may be passed to other insurance companies for underwriting and claims purposes. Under the Data Protection Act 1998 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 the Principal at the above address.

Notification of Claims - Refer to the policy summary or policy document if you wish to notify a claim. You may also contact us for help and assistance. If you have occasion to claim on your policy you must notify your Insurer or us immediately and we will promptly advise you and, if appropriate, issue you with a claim form and pass all details to your Insurer. You should not admit liability nor agree to any course of action other than emergency measures carried out to minimise the loss, until you have agreement from your Insurer.

Cancellation Rights - There is the possibility of a 14 or 30 day cancellation right, depending on the type of insurance. Details of this should be contained in your policy summary or policy document. If you have any queries please direct them to us in the first instance

Our Fees and Charges - We reserve the right to make charges in addition to any commissions we may receive. Our fees are determined on an individual basis for both Commercial & Retail customers. You will be advised of our fees and charges before any cover commences. For commercial Clients prior to the conclusion of each insurance contract, or upon renewal, we will remind you of your right to be advised of the level of commission which we receive from underwriters. You are entitled, at any time, to request information regarding any commission which we may have received as a result of placing your insurance business.

Security of your money - Prior to your premium being forwarded to the insurer, and for your protection, we hold your money as an agent of the insurer. We may need to transfer your money to another intermediary in some cases. However, your money will be protected at all times because of our requirements under FSA rules. We also reserve the right to retain interest earned on this account.

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

Complaints procedure - It is our intention to provide a high level of service at all times. If, however, you have reason to make a complaint about our service you should contact Robin Spencer-Smith in writing or by telephone. You may be entitled to refer it to the Financial Ombudsman Service. Further information is available at: <http://www.financial-ombudsman.org.uk/> or by contacting them on 0845 080 1800.

Financial Services Compensation Scheme - We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we cannot meet our insurance obligations. This depends on the type of business and the circumstances of the claim. Insurance advising and arranging is covered for 90% of the claim with no upper limit. Advising and arranging for compulsory insurance such as employers' liability insurance is covered for 100% of the claim with no upper limit. Further information about compensation scheme arrangements is available at: <http://www.fscs.org.uk/> or by contacting them on 020 7892 7300.

Block Transfers - In respect of some classes of insurance we may operate block insurance arrangements in order to provide competitive terms. On occasions it will be necessary for us to transfer such blocks from one Insurer to another where this is beneficial for our clients.

This Terms of Business document constitutes both your acceptance that we may do this and your prior request for us so to do.

Customers Duty to Give and Disclose Information - It is important that you understand that any information, statements or answers made by you to us or your Insurer are your responsibility and must be correct and truthful. Your attention is particularly drawn to the importance of the declaration and signature on any Insurers' Proposal forms or Statement of Facts as any failure to disclose facts material to the insurance or any inaccuracies in your answers may invalidate your insurance cover in part or in whole. Facts material to the insurance are matters or information which may influence your Insurers' decision regarding the acceptability or otherwise of your proposal or continuance of the insurance. This duty of disclosure exists throughout the life of the insurance. You are advised to keep copies of documentation sent to or received from us for your own protection. If in doubt, please contact us immediately. If you do not disclose material facts (facts relevant to Insurers in assessing the risk) your insurance cover could be invalidated and all, or part, of a claim may not be paid. If you are in any doubt about whether to disclose something, disclose it anyway. Common examples of non-disclosure are not disclosing claims made and losses occurring in the past, not describing your business or circumstances accurately (misrepresentation), the existence of criminal records (not 'spent' under the Rehabilitation of Offenders Act) this list is not exhaustive. Make sure that any information you supply at any time is full and accurate.

Important Obligations - Please read your policy carefully and tell us if you have any questions or there is anything you do not understand. We would like to highlight now three obligations that are often ignored by customers;

- The Increase of Risk Clause - You must tell us if the nature of your circumstances or business changes.
- Immediate Notification of Circumstances that might give Rise to a Claim - You must tell us in writing immediately a circumstance arises that might lead to a claim against you that might also lead to a claim under the policy.
- Making Enquiries of Staff, Partners and Directors about Possible Claims - Both at inception of the policy and before each renewal, if you are not a sole trader, you should make a written enquiry to relevant people in your organisation as to whether they know of any circumstances that might give rise to a claim. You should ask the relevant individuals to sign a declaration to that effect.

We would stress that Insurers have every intention to be fair and reasonable with our customers, but where a breach of obligations or policy conditions on the insured's part exposes them to risks they were not aware of or prejudices their ability to recover money from third parties (or increases the amount that has to be paid due to the breach) then they may exercise their rights to repudiate a claim, reduce the claim payment or avoid the policy. Insurers want to be fair and so that the premiums for the vast majority of our customers do not have to rise unnecessarily we have to be firm with customers who do not meet their obligations.
PLEASE READ YOUR POLICY CAREFULLY.

Awareness of Policy Terms - When a policy is issued you must read it carefully, as it is that document, the schedule and any certificate of insurance that is the basis of the insurance contract you have purchased. If you are in doubt over any of the policy terms or conditions, please seek our advice promptly. We recognise that some customers will be more used to insurance wordings than others. Whatever your understanding of insurance, we will assume that you have read and understood the policy unless we hear from you. We will be only too pleased to explain any aspect of the policy at any time before or after inception of the policy.

Averaging & Warranties/Conditions - Please satisfy yourself that the sums insured meet your needs. If you make a claim and your sums insured do not represent the replacement value as new then the amount paid will be reduced. For example if the present sum insured is £8,000 and at the time of loss the replacement cost should have been £10,000 a claim of £5,000 will be reduced to £4,000 leaving you to find the balance of £1,000 as well as the policy excess. You must comply with all warranties and conditions. If you do not, this will invalidate your insurance policy. If you make a claim that is not connected to the warranty or condition your Insurers may not respond due to associated warranty/condition.

Documentation & Correspondence - We will reply promptly or use our best endeavours to obtain a prompt reply to all correspondence. Generally, we will forward documentation without avoidable delay. We may keep certain documents such as your insurance policy document and certificate while we await payment of premium or charges. In these circumstances, we will ensure that you receive full details of your insurance cover and will provide you with any documents you are required to have by law.

Notice - Insurers pass information to the Claims and Underwriting Exchange run by Database Services Ltd and the Motor Insurance Anti-Fraud and 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 Motor Insurers' Information Centre which has been found to help identify uninsured drivers and may be searched by the Police to help confirm who is insured to drive. In the event of an accident insurers and the Motor Insurers Bureau to identify relevant policy information may use the database.

Instalments by Premium Credit - If you wish to pay by Premium Credit instalments your details will be passed to our third party instalment provider, Premium Credit Limited (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 Premium Credit on 0844 736 9836. On renewal of your policy we will continue to pass your details to Premium Credit unless you instruct us otherwise. If any direct debit or other payment due in respect of the credit agreement you enter into with Premium Credit Limited (PCL) 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 other 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 premium 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.

Insurer Solvency – We will always endeavour to place business with insurers who are able to demonstrate an adequate level of financial solvency, and a minimum level of capital as stipulated by their regulator. However, we are unable to provide any guarantees as to the solvency of any insurer with whom we place business.

Terms of Payment – Unless we agree with you in writing any alternative terms (such as payment by instalment), the following represent our payment terms:

- New policy – full payment of premium and fees on or before the policy's start date;
- Mid-term adjustments to an existing policy – full payment of any additional premium and fees on or before the date when the adjustment become effective;
- Renewals – full payment of premium and fees prior to the policy's renewal date.

We can accept payment by cheque, debit or credit card or in monthly instalments (full details available on request). Should you fail to pay any premium and/or fees when due, then your policy could be cancelled by the insurer, and any claims you make rejected.

If we accept payment from you (including the encashment of cheques), then this does not constitute the acceptance of any risk by insurers nor a commitment by us to arrange insurance cover on your behalf. Equally, until you receive written confirmation of cover, such as a cover note or policy certificate, then you should not assume that insurance cover is in place.

Important Information Relating to Renewal of Policies - When your policy is due for renewal, we will endeavour to send you details of the cost to do so, and the terms involved. In the event that we do not receive any instructions and payment prior to your renewal date, and in the interests of protecting you for the risks/property for which you have arranged insurance cover, we reserve the right (but without obligation) to renew your policy and to continue to accept payment from you unless you notify us and/or your insurance company in writing that you wish to cancel your policy. In such circumstances where we have assumed that renewal is required (in the absence of any instructions to the contrary), you may then be liable to make payment to us and/or your insurance company.

References & Credit Checks - To make sure you get the best offer from insurers/brokers/underwriting managing agents, now or at any renewal or at any time and to protect their customers from fraud and to verify your identity, they may use publicly available data which they obtain from a variety of sources, including a credit reference agency and other external organisations. Their search will appear on your credit report whether or not your application(s) proceed. As well as these searches they may use a credit check to ascertain the most appropriate payment options for you. This credit check will also appear on your credit report whether or not your applications proceed. This Terms of Business document confirms that you agree to these uses of your information.

Monmouthshire Insurance Services Ltd Service

What can we offer

- A range of general insurance services for both commercial and consumer markets
- Cover is provided through a variety of different FSA regulated companies to find the most appropriate product to suit your needs
- An insurance 'health check' and quotation service are provided by professional staff dedicated to offering an excellent service

What does this mean to you

- At inception and renewal we complete a risk assessment
- Dedicated staff will be assigned to you to ensure continuity
- All staff are trained to provide technical expertise with a high level of service
- You can communicate with us in person by telephone, facsimile, email or post
- We offer a complete protection for the data we hold about you and the money we handle. Our computer hardware and software platforms have been selected to offer complete efficiency

What this means in practice

- We make sure risks are identified and discussed with you to assess the potential impact
- By assessing your circumstances each year we make sure costs remain competitive
- Dealing with staff that know you and your business will result in a helpful fast and efficient process
- All staff receive training in administrative & technical matters depending on their position
- We make it as easy as possible for you to contact us
- Software systems are backed up and information secured on and off site to ensure seamless service in the event of failure. Our software is the most efficient currently available in the insurance industry for transacting business

Summary

- We will design & place your insurance
- Identify and evaluate insurable risk exposures
- Identify any appropriate additional covers
- Negotiate competitive insurance terms
- Provide advice on insurer security
- Manage your account
- Keep you advised of changes in the insurance market that could effect risk exposure or your insurance
- Review opportunities for risk avoidance or reduction

Monmouthshire
Insurance Services

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