



CLIENT TERMS OF BUSINESS

INFORMATION ABOUT US

Precision Broking Limited 59 Prince St, Bristol, Avon, BS1 4QH is an independent insurance intermediary registered in England & Wales.

Precision Broking Limited is authorised and regulated by the Financial Services Authority (FSA) to transact general insurance business. Our FSA Register number is 502742. . You can check this by visiting the FSA's website www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

Please read this document carefully. It sets out the terms on which we agree to act for you and contains details of our regulatory and statutory responsibilities. Please read it carefully and contact us immediately if there is anything which you do not understand. This document is effective from 1 March 2010

We would particularly draw your attention to the following sections of these Terms Of Business:

- Duty of Disclosure
- Premium Payment
- Cancellation
- Client Money Arrangements

OUR PRODUCTS AND SERVICES

For personal insurances we select products from a wide range of insurers.

For business insurances we will inform you at inception and at every renewal how we made our product selection and the capacity in which we are acting.

Our service includes:

- Advising you and making a recommendation on your risk exposure and insurance needs
- Arranging cover to meet requirements
- Help with ongoing changes
- Assistance with claims made on insurance policies we have arranged

For certain types of insurance we are also authorised to issue policy documentation and/or certificates on behalf of the insurers.

Unless you tell us otherwise we will act on the understanding that we have your authority to agree to insurance policy wordings on your behalf.

METHODS OF COMMUNICATION

We will normally communicate with you by post, telephone and, where available, fax or e-mail, in addition to any meetings we may have with you. Please let us know if you would prefer not to receive communications by any particular medium.

INSURER SECURITY

We will advise you of the insurers with whom we propose to place any insurance on your behalf. However, whilst we monitor the financial strength of the insurers with whom we place business it should be noted that the claims-paying ability of even the strongest insurers could be affected by adverse business conditions. We cannot therefore guarantee the solvency or continuing solvency of any insurer used. You should note that the financial position of an insurer can change after cover has inceptioned.

A liability for the premium, whether in full or pro-rata, may arise under policies where a participating insurer becomes insolvent.

DUTY OF DISCLOSURE

You are responsible, on an ongoing basis, for providing us/or your insurers with all material facts relating to the insurance covers we arrange on your behalf. Material facts are those which are likely to affect the assessment and acceptance of risks being insured. Failure to provide full and accurate information may mean that your cover is invalid. If you are in any doubt as to what facts are considered to be material then you should disclose them to us or your insurers.

It is very important that information given in proposal forms, claim forms and declarations to insurers is correct. If a form or declaration is completed on your behalf, it is your responsibility to check that the answers given to all questions are true and complete.

You are advised to keep copies of any correspondence you send to us or direct to your insurers.

REMUNERATION

Our remuneration for our services is normally in the form of commission or brokerage which is a percentage of the insurance premium paid by you and allowed by the insurer(s) with whom the insurance is placed; or a fee previously agreed with you.

Brokerage and fees are earned for the policy period and we will be entitled to retain fees and brokerage in respect of the full policy period in relation to policies placed by us.

In the event of mid-term adjustments we will be entitled to the same rate of brokerage.

In addition to client fees and/or brokerage payments we may also receive remuneration by way of:

- interest earned on insurance monies passing through our bank accounts
- expense allowances or commissions from insurers for managing and administering certain covers, binding authorities and other similar facilities
- profit commissions or profit shares paid by insurers on specific facilities and arrangements for a limited class of business
- administrative service fees which may be paid for limited specific services we provide to insurer(s) as part of the placing or claims process
- We may sometimes also receive income from providers of premium financing facilities where, with your agreement, we have made such arrangements on your behalf.

We may sometimes also earn income for the provision of other services to you, which will be agreed with you on an individual basis.

For each insurance policy, including any subsequent renewal, you have a right to request information regarding any remuneration that we have received as a result of placing your insurance business.

CHARGES

Unless we tell you otherwise when you take out or renew a policy with us we make no charges in addition to the insurer's premium

In the event of a policy being cancelled mid term, and not replaced by another policy, we reserve the right to retain the commission earned on the original transaction.

PREMIUM PAYMENT

You must provide the premium due in cleared funds in accordance with the amounts and payment dates specified in our debit notes. Failure to meet the payment dates may lead to insurers cancelling your policy.

We normally accept payments by cash (maximum of £1,000), cheque or by bank transfer. It is often possible to spread payments through insurers' instalment schemes or a credit facility we have arranged with a specialist premium finance provider. We will give full information about premium payment options when we provide quotations and at renewal.

In the absence of your instructions to the contrary before expiry date we will automatically renew your policy if payment is usually made direct to the insurer by direct debit.

Where insurers have specified that the premium must be received by a certain date, failure to comply can result in the automatic termination of your insurance.

SETTLEMENT TERMS

You are responsible for the prompt settlement of insurance premiums so that we can make the necessary payments to your insurers.

We have no obligation to fund any premiums on your behalf and cannot be held responsible for any loss which you may suffer as a result of a policy being cancelled or otherwise prejudiced due to the late payment of a premium where the delay is attributable to you.

HANDLING CLIENT AND INSURER MONEY

We hold all client money collected for onward transmission to insurers and return premiums (and claims payments) due to clients from insurers in a Client Bank Account under a Statutory Trust in accordance with FSA rules.

For the purpose of some transactions, please note that client money may pass through other authorised intermediaries before the insurer receives it.

Where we collect or hold money as agent of the insurer we may also hold that money in the same Client Bank Account.

Client money will be deposited with one or more approved banks, a list of which is available on request. Please notify us immediately if you do not wish us to use any bank or banks on this list.

Interest will not be paid to clients in respect of money held in client bank accounts.

*Please note: In accepting these Terms Of Business you are giving your consent for us to hold your money in a statutory trust and for us to retain any interest or exchange gains, as described above.

CONFIDENTIALITY

All information provided by our clients is treated as confidential and only disclosed in the normal course of negotiating, arranging and administering your insurance. This may include disclosing information to agents and service providers such as loss adjusters and approved contractors.

With a few exceptions, for example information requested by a court, a regulatory body, or information which is already in the public domain, we will not release information to any other party without your consent.

We may also use the data we hold about you to provide you with information about other products and services which we feel are appropriate. You are requested to let us know if you do not want to receive this information.

We are registered under the Data Protection Act 1998 and undertake to comply with the Act in all our dealings with personal data.

QUOTATIONS

Unless stated otherwise in our documentation all quotations provided for new insurances are:

- valid only for a period of 30 days from the date of issue and
- subject to satisfactory completion of the insurer's Proposal Form or a signed and dated Statement of Facts.

You should be aware that quotations may change or be withdrawn if the information given to us or your insurers in proposal forms or declarations differs from that provided at the time the quotation was issued.

CHANGES TO YOUR COVER

We will normally deal with any requests to increase or amend cover on the day your instructions are received, or the next working day if a weekend or public holiday. Sometimes changes cannot be processed without obtaining additional information. If additional information is required we will contact you as quickly as possible.

We will confirm changes to your policy, once agreed, in writing. We will also advise you of any extra premiums you must pay or premiums we must return to you. Refunds of less than £50 will be held to your credit and offset against future premium payments unless you specifically requested otherwise.

RECEIPT OF INSTRUCTIONS

We do not consider instructions to arrange or change cover which are sent to us by post, electronic mail or facsimile, or left on answering equipment, to have been received until they reach the relevant personnel in our offices.

We do not accept responsibility for instructions which do not reach us at all due to failures in the postal, electronic or telecommunications systems.

DOCUMENTATION

Our aim is to produce documentation and issue correspondence in a clear and understandable format. In the event of any uncertainty we would ask you to let us know immediately. Our staff are always happy to clarify the cover provided.

You should check all policy documentation to ensure that the details are correct and the cover provided meets with your requirements. Any errors should be notified to us immediately.

All policies contain conditions and exclusions and some contain warranties and excesses. It is your responsibility to examine the document to familiarise yourself with these. A breach of a policy condition may result in non-payment of a claim and breach of a warranty may invalidate the cover if it not complied with precisely.

We recommend that you keep policy documents for as long as a claim is possible under the policy. If your policy includes Employers' Liability insurance it is prudent to keep a copy of all Employers' Liability Certificates issued.

TRANSFERRED BUSINESS

If we take over the servicing of insurance policies which were originally arranged through another insurance broker or intermediary or directly with an insurer we do not accept liability for any claim arising out of the advice given by that broker, intermediary or insurer, nor for any errors, omissions or gaps in your current insurance protection.

We would ask you to contact us without delay should any aspect of a policy which has been transferred to us cause you concern or if you need an immediate review. Otherwise we will endeavour to review all transferred policies as they fall due for renewal.

CLAIMS

You must notify us as soon as possible of a claim or circumstances which may give rise to a claim. We will advise you what you need to do to pursue your claim; you should note you will need to state all material facts concerning the claim.

If the claim involves damage to your property, please do not:

- Dispose of damaged items and/or
- Authorise repair work (except in an emergency or to prevent further damage) until your insurers or we advise that you can.

If your claim involves damage to third party property or injury to persons please pass copies of all correspondence, including solicitors' letters, to us immediately and unanswered. Any attempt to negotiate or respond to the incident without prior reference to your insurers or us might prejudice your cover.

Your claim may be dealt with by our own staff under a delegated claims handling authority on behalf of your Insurer. In these circumstances, any payment would be made by ourselves and then recovered from the Insurer (to speed up the claims process). However, you should note that where an insurer has delegated such authority to us, there may be a potential conflict of interest (in that we would be acting on behalf of the insurer rather than you as the client), and we will draw this to your attention when acknowledging your claim.

We will remit claims payments to you as soon as possible after they have been received on your behalf.

You should be aware that a claim arising after renewal of the policy been invited might affect the assessment and acceptance of renewal by your insurers.

We will provide you with every assistance in submitting a claim and seeking to obtain reimbursement. However in the event that an insurer becomes insolvent or delays making settlement we do not accept liability for any unpaid amounts.

CONFLICTS OF INTEREST

As independent insurance brokers we act as the agent of our client. We are subject to the law of agency which imposes certain duties on us. We also have proper regard for the interests of others, including the insurers for whom we also act.

Where we become aware of any actual or potential conflict of interest we will inform you of the situation, the options available to you and obtain your consent before we carry out your instructions.

COMPLAINTS

It is always our intention to provide a high standard of service. If our service falls below the standard our clients reasonably expect and they have cause for complaint, we endeavour to ensure that at the appropriate stage the matter is handled fairly and promptly by a suitably senior and independent member of staff.

If you wish to register a complaint then please contact the Compliance Officer in writing at the address shown above; or telephone 0117 922 0420; or email murray.torrible@precisionbroking.com

If we consider that your complaint does not relate to our services (for instance, if the matter concerns the performance of your insurer), we will put you in contact with an appropriate person to whom your complaint may be addressed.

We have a formal complaints procedure details of which we will send to you either on receipt of a complaint or on request. If we are unable to settle your complaint, you may be entitled to refer it to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR - Telephone 0845 080 1800
Website: www.financialombudsman.org.uk.

COMPENSATION

Depending on the type of business and the circumstances, you may be entitled to compensation from the Financial Services Compensation Scheme ("FSCS") if we cannot meet our obligations to you. Insurance advising and arranging is covered for 90% of the claim, without any upper limit. For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim, without any upper limit.

Full details and further information on the Scheme are available from the FSCS .

TERMINATION OF AUTHORITY

You may terminate our authority to act on your behalf with 14 days' written notice or as otherwise agreed. Notice of this termination must be given in writing and will take effect from the date of receipt. Termination is without prejudice to any transactions already initiated unless otherwise agreed in writing. You will be liable to pay for any transactions or adjustments effective prior to termination and we will be entitled to retain any and all fees or brokerage payable in relation to policies placed by us prior to the date of termination.

CANCELLATION RIGHT

If you take out a personal policy through us which lasts for more than one calendar month you may cancel the cover up to 14 days from the later of:

- The policy start date or the date you receive full policy documentation from us or your insurers
- The renewal date or the date you receive full renewal documentation from us or your insurers

You will be informed if you have such a Cancellation Right in separate documentation.

Should you decide to exercise the Cancellation Right you will be entitled to a refund of premium less an appropriate pro rata charge for the period of cover given before the cancellation right was invoked. If the premium has not been paid, a charge may be made for the period of cover given prior to the exercise of the Cancellation Right.

Should any claim occur prior to the exercise of the Cancellation Right where the claim terminates the insurance cover, your insurers may not allow a refund of any of the premium paid.

If this Cancellation Right is not exercised within the 14-day period as stated above, and you decide to cancel the policy at a later date, the amount of any premium refund will depend upon the cancellation terms of your insurance policy.

To exercise the Cancellation Right you should contact us at our normal address or your insurers at the address shown on your policy.

CANCELLATION OF POLICIES

If you wish to cancel your policy in circumstances other than as described in the section headed Cancellation Right, you may be entitled to a refund of part of your premium as long as no claims have occurred during the time you have been on cover. The refund due may not necessarily be proportionate to the remaining period of cover.

Additionally you should note the following:

- Insurers do not normally allow refunds in cases where a minimum and deposit premium has been charged
- Cancellation may not be possible until you return your certificate of insurance to us or your insurers
- Cancellation of a direct debit does not necessarily cancel a policy and any balance of premium owing may be requested by the insurers.

When your policy ends or is cancelled, we will send you any documentation and information to which you are entitled on request.

LAW AND JURISDICTION

These terms of business shall be governed by and construed in accordance with English law. In relation to any legal action or proceedings arising out of or in connection with these terms of business we both irrevocably submit to the non-exclusive jurisdiction of the English courts

YOU ARE DEEMED TO HAVE ACCEPTED THESE TERMS OF BUSINESS AND GIVE YOUR CONSENT FOR US TO OPERATE IN THE WAYS DESCRIBED UNLESS YOU ADVISE US OTHERWISE WITHIN 7 DAYS OF RECEIPT