



October 2024



KBIS TERMS OF BUSINESS AGREEMENT

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The purpose of this document is to set out the basis of the way in which we conduct our business for our consumer clients. What follows is a summary of the principles and practices which govern the way we operate. By asking us to quote for, arrange or handle your insurances, you are providing your informed agreement to these terms of business.

KBIS is authorised and regulated by the Financial Conduct Authority (FCA). This can be checked on the FCA register at <https://register.fca.org.uk/> or telephone 0800 111 6768.

Please read this document carefully. It provides you with information about the basis on which we agree to act for you in arranging insurance on your behalf. We specifically draw your attention to the sections on handling your money and in particular the treatment of interest or other investment income earned on client money and the payment of client money to third parties. Please contact us immediately if there is anything in these terms of business that you do not understand or with which you disagree as proceeding with a quotation or renewal will be taken as your acceptance of these terms of business.

We specifically draw your attention to the following sections:

- (a) Our service
- (b) Honest disclosure
- (c) How we handle your money
- (d) How we are paid for our services
- (e) Cancellation of your insurance
- (f) Conflicts of interest
- (g) Claims
- (h) Complaints
- (i) Limitation of liability

The principles of utmost good faith and integrity have been enshrined within the London insurance market for over 300 years. These same principles form the basis of our business culture.

OUR SERVICE

We are an insurance intermediary and the permissions granted to us by the FCA allow us to deal with non-investment insurance contracts. We deal with both advised and non-advised sales. We shall let you know in writing if we arrange insurance for you but do not offer advice. We aim to treat our customers fairly at all times. In providing our service, we may sometimes act as an agent of the insurer. We will inform you if this situation arises.

In the event that our interests conflict with a duty we owe to you, we shall refrain from taking any action until we have received your informed consent to our intended course of action.

If you are unsure about any aspect of our terms of business or have any questions regarding our relationship with you, please contact us.

HONEST DISCLOSURE

You must take reasonable care to provide complete and accurate answers to the questions we ask when you take out, make changes to and renew your policy. If you are in doubt, please contact us. If the information provided by you is not complete and accurate:

- The insurer may cancel your policy and refuse to pay any claims.
- The insurer may not pay any claim in full or your premium may be revised, or an excess imposed, or
- The extent of the cover may be affected.

For certain types of insurance covers you may be required to complete and sign a proposal form or questionnaire. Take care to ensure that the information you provide is complete and accurate. Note that if you are aware of anything that you feel may be material to the proposed policy of insurance you should disclose it, even if there does not appear to be a question on the proposal form or questionnaire that covers the particular point. If you are in any doubt as to whether the information is material, you should disclose it.

INSURERS

In finding an insurance solution that meets your demands and needs, we may either conduct a market analysis of potential insurers, or we may only consider a specific product from a single insurer, or products from a panel of insurers. We may also place your insurance using alternative access to insurers, including through our managing general agents, which may include our group managing general agent, or other group companies who may have similar arrangements with insurers.

We use publicly available information, including information produced by credit rating agencies, to identify insurers with whom we will consider placing your business. We do not guarantee the financial status of any insurer. You may require us to use an insurer that we would not ordinarily recommend due to their credit rating. In the event of an insurer experiencing financial difficulties, you may still have a liability to pay any outstanding premium and we are not responsible for any shortfall in amounts due to you in respect of any claims. We are available to discuss with you any concerns you have with the insurer you have chosen for your insurance policy(ies).

DOCUMENTATION

We will confirm in writing details of all the insurance coverage taken out through us including the identity of the insurer.

It is important that you read all insurance documents issued to you and ensure that you are aware of the cover, limits, exclusions and other terms that apply.

Particular attention must be paid to any warranties and conditions as failure to comply with them could invalidate your policy and claims may not be paid. In the event of any remaining areas of uncertainty, please contact us. Our staff are always happy to clarify the cover provided.

You must check the documentation sent to you in relation to each insurance contract and satisfy yourself that it is entirely in accordance with your understanding and instructions. You should advise us promptly of any incorrect points or changes required. Otherwise, we will assume that the documentation and insurance contract once received by you, satisfies your requirements.

We recommend that you retain all paperwork relevant to your insurance, as this may be useful for future reference.

PAYMENT

We will provide you with a quotation before your insurance arrangements are concluded. This will tell you the total price to be paid and identify any fees, taxes and charges separately from the premium. We will provide you with a debit note detailing the amounts due and the terms of payment.

Some insurers include terms of settlement on certain contracts; others require that the premium be paid within certain strict guidelines. This is a condition of the policy and must be complied with to ensure that payment schedules are met in full. Failure to meet deadlines can lead to a policy being cancelled and render the contract void.

STATEMENT OF ACCOUNT

It is our practice to send a statement to our clients on a regular basis with details of debit and credit notes included. All balances must be settled within the terms of credit. In the event of any uncertainty with regard to any item, please notify us as soon as possible to allow such matters to be resolved.

HOW WE HANDLE YOUR MONEY

How do we handle your money?

In our role as an intermediary between you and your insurers we may hold money:

- paid by you to be passed on to insurers
- paid to us by your insurers, to be passed on to you
- paid by you to us for our services, but which we have not yet reconciled.

For your protection, the way that we handle your money is designed to protect your interests in the event of our financial failure.

Insurer Money (money we hold as agent of an insurer):

Where we have an agreement with your insurer to hold money as their agent, any premiums you pay to us are treated as having been received by the insurer as soon as they are received by us. Claims payments and/or premium refunds are treated as received by you when they are actually paid to you. Where we receive monies as agent of your insurer, we can only deal with that money in accordance with the instructions of the insurer. This means that, for example, if you want us to return such monies to you, we can only do so with the agreement of the insurer.

Payment to third parties:

When acting for you Specialist Risk Insurance Solutions (SRIS) may transfer Client Money to another person, such as another broker or settlement agent, for the purpose of carrying out a transaction on your behalf through that person, this could also be outside the United Kingdom. The rules regarding your money outside the United Kingdom may be different. You may notify us if you do not wish us to pass your money to a person in a particular jurisdiction.

To improve the efficiency of our business we may wish to transfer your policy between companies within the Specialist Risk Group group of companies. In such circumstances, we may transfer any money we hold on your behalf to a new bank account with the same trust protections as the existing account to ensure that the protection afforded to your money remains in place at all times. We will retain any interest or income accrued.

HOW WE ARE PAID FOR OUR SERVICES

We are paid for our services by receiving a percentage of the insurance premium by way of commission or brokerage or fee. Our commission is paid after payment of your premium.

We may earn income in a number of other ways, such as lump sums for providing additional services, or sharing in insurer profits. We can also earn interest on the client money we hold from customers. On request we will be pleased to provide information about any remuneration and other earnings received by us in the handling of your insurances.

Where we arrange premium finance (i.e. you are provided credit for taking out the insurance policy) on your behalf we may be remunerated for our assistance in putting this financing in place. We can provide details of our remuneration on request. Our preferred provider of premium finance is Close Brothers Limited (trading as Close Brothers Premium Finance). However, whilst we may recommend a provider to you, you remain free to make your own choice of premium finance provider and insurer's own credit facilities may be available.

CANCELLATION OF YOUR INSURANCE, THE 'COOLING-OFF' PERIOD AND REFUNDS

Your insurance contract may include a cancellation clause. The terms of your policy may allow insurers to retain the premium in full or in part in the event of cancellation before the policy expires. In the event of a refund of premium due to cancellation or otherwise when our remuneration has been earned, our brokerage or fees will not normally be returnable but are always in line with our remuneration policy detailed above.

You are also entitled to a statutory 'cooling-off' period which ends 14 days after you receive your policy documents. This gives you the opportunity to reconsider whether or not this policy is right for you and whether or not it fulfils your insurance needs. During this time you can cancel the policy by giving us written notice, either by post or by email. You will be charged by the insurer for the period of time you have been insured, but if you have already paid the full annual premium, you will be entitled to a refund of this amount less the charge for the time when the policy was in force. If you make a claim within the 'cooling-off' period, your insurer may refuse a refund. The statutory right to cancel does not apply to a short-term policy of less than one-month's duration. If you do not exercise this right to cancel, you will still retain the ability to cancel your insurance in accordance with the insurer's cancellation provision.

If you cancel your insurance arrangement after the end of the cooling off period, we reserve the right to charge an additional or separate fee, agreed with you in advance and/or retain any fees charged by us for the arrangement of your insurance and the work undertaken in doing so.

We would also draw your attention to the section headed 'Ending your relationship with us', which you will find towards the end of the document.

CONFLICT OF INTERESTS

Sometimes an occasion can arise where we, one of our associated companies, clients, or insurers, may have a potential conflict of interest with business being transacted for you, such as where we act for more than one person or firm at the same time. If this happens, and we become aware that a potential conflict exists, we will advise you of the potential conflict and explain how it has arisen. We will also take appropriate action to avoid any detriment to you.

We may arrange insurance for you through another company in the Specialist Risk Group which acts on behalf of one or more insurers. In arranging an insurance solution that meets your demands and needs, we will ensure

that our duty to you does not conflict with the duties that a Specialist Risk Group company owes to the insurers that it represents.

CONFIDENTIALITY AND DATA PROTECTION

This is a summary of how we use relevant information about you to arrange and administer your insurance. This information includes details such as your name, address and contact details and other information that we collect about you in connection with arranging and administering your insurance. This information may also include more sensitive details such as information about your health and any criminal convictions you may have and other sensitive information. Our full privacy statement can be found on our website, www.kbis.co.uk, or can be provided on request. You should review our privacy statement to ensure that you understand how we use data and your rights in respect of that data.

We will process any personal information we obtain in the course of providing our services in accordance with Data Protection Law and we have policies and procedures in place to protect and manage that information. We treat all information provided by our clients as private and confidential and we will always work to ensure that personal data is processed lawfully, fairly and in a transparent manner and in compliance with Data Protection Law. This may require us to enter into other written agreements with you to enable us to comply with Data Protection Law.

Personal data that we collect will only be disclosed in the normal course of negotiating insurance transactions undertaken on behalf of our clients and administering insurance. We will however need to use and disclose information provided by our clients which may include personal and sensitive personal data in order to obtain insurance quotations and in the course of arranging, placing or administering insurance. This may involve passing information on to insurer(s), other intermediaries and other product or service providers which supply us with business and compliance support in relation to such insurance. We may also need to pass such information on to industry regulators, auditors or in the event that the information is requested by a court of competent jurisdiction. The use and disclosure of your personal data by various insurance market participants such as intermediaries, insurers and reinsurers is further explained in The Lloyd's and London Insurance Market Core Information Notice. Our core uses and disclosures are consistent with this notice and we recommend that you review this document which can be accessed via the link in our privacy notice.

Depending on the circumstances or nature of the insurance we may need to transfer personal data out of the jurisdiction of the European Economic Area. If this is necessary we will always ensure that your data is protected as required by Data Protection Law.

We may use your data for research, statistical analysis and crime prevention including the investigation of fraud. Sometimes we will also contact you or pass your details to other companies associated with us in order to promote products or services which may be of interest to you. We will only do this however in accordance with our obligations under Data Protection Law.

In some circumstances, we will need to pass information about you on to credit reference agencies and premium finance providers in connection with the assessment of your financial standing generally and in particular where you have requested a premium instalment plan. This may include details of your payment record to us.

Where using personal data relies on your consent, we will obtain that consent or ensure that the consent is obtained from you in accordance with Data Protection Law. Where this is the case, you will be entitled to withdraw that consent. That may mean however that we are unable to arrange, place or administer your insurance properly.

In some cases you will have the right to ask us to stop using your personal data, to tell us that you no longer want to receive information from us, to ask us to correct information we have about you or to ask us for the information we hold about you. Full details of your rights under Data Protection Law and how to enforce those rights are set out in our privacy statement on our website.

If at any time you want us, or any company associated with us, to cease processing any personal data or sensitive personal data we hold about you, or to cease contacting you about products and services, you should write to our Compliance Officer.

'Data Protection Law' means all applicable statutes and regulations in any jurisdiction pertaining to the processing of Personal Data, including but not limited to the privacy and security of Personal Data.

YOUR PREMIUM PAYMENT OBLIGATIONS

Insurers require you to pay premium at or before the start date of each policy, or as otherwise specified under the policy terms. You must pay all monies due in cleared funds in accordance with the amounts and on or before the dates specified in our invoice(s).

If you do not make payment within that period, insurers may cancel your policy and may also require that you pay a premium in relation to the time that you have been on risk. It is therefore very important that you meet all payment dates.

Where you have instructed us to obtain insurance on your behalf, to the extent that we are required to meet your premium payment obligations, we reserve the right to recover those monies from you.

You may be offered the opportunity to pay premiums by instalments by bank transfer. Once established we are not permitted to change any schedule unless previously advised in writing. All premiums notified as part of an instalment plan must be completed as per the contract. Any failure to meet the financial requirements can prejudice the contract and render it voidable.

CLAIMS

To assist us to process any claim made by you it is vital that you notify us promptly when an incident, which may give rise to a claim, occurs. Delays may prejudice negotiations and entitle the insurer to repudiate the claim. In the event of uncertainty, the incident should always be reported.

At the conclusion of any claim we will issue confirmation notices to you detailing the settlement sum and any excess deducted. Should this amount appear on any statement of account in lieu of payment we will endeavour to settle this without delay. Any credit should not be taken until it is shown on the statement of account.

Our claims handling services include, upon receiving the required information from you, the notification of the claim or circumstances to insurers, the communication of reports and correspondence in connection with the claim between appropriate parties, and arranging the collection and/or settlement of the claim in accordance with market practice and the terms and conditions of your contract.

We will provide claims handling services for the period of our appointment as your Broker. These services can be continued beyond that point by mutual agreement but will be subject to additional fee. If we are unable to reach mutual agreement for ongoing claims handling services, any open claims files will be transferred to your newly appointed broker to service from the date of their appointment.

COMPLAINTS

In the event that our service does not meet your expectations, we ask you to make a complaint to us by contacting our Complaints team, by email at complaints@specialistrisk.com, or by telephone. We will acknowledge your complaint promptly, explain how we will handle it, and tell you what you need to do. We will keep you informed of the progress of your complaint.

We will handle your complaint fairly and, as part of our quality procedures, we will use it to maintain and improve our client service.

Should you remain dissatisfied with our handling of your complaint, or its outcome, you may have the right to refer the matter to the Financial Ombudsman Service (FOS). We enclose documentation detailing our Complaints Procedure. Their address and contact details are;

The Financial Ombudsman Service

Exchange Tower

London

E14 9SR

Telephone: 0800 0234 567 (from landline)

Telephone: 0300 123 9 123 (from mobile)

Email: complaint.info@financial-ombudsman.org.uk

Website: <http://www.financial-ombudsman.org.uk>

Whether or not you make a complaint to us and/or refer your complaint to the Financial Ombudsman Service, your right to take legal action will not be affected.

We enclose documentation detailing our Complaints Procedure.

FINANCIAL SERVICES COMPENSATION SCHEME

We are a member of the Financial Services Compensation Scheme (FSCS) which means you may be entitled to compensation from the scheme if we cannot meet our obligations, depending on the circumstances of the claim. Compulsory classes of insurance, insurance advising and arranging is covered for

- 100% of any claim, without upper limit.
- For other classes, coverage is 90% of any claim without upper limit.

Further details regarding the FSCS are available online at <https://www.fscs.org.uk/> or by calling 0800 678 1100 (+44 20 7741 4100 from overseas).

THIRD PARTY (RIGHTS AGAINST INSURERS) ACT 2010

Where an insured becomes insolvent and has incurred a liability to a third party, the third party may be entitled under the Third Party (Rights Against Insurers) Act 2010 ('the Act') to make a claim against the relevant insurer directly. Pursuant to this right the third party will be entitled under the Act to obtain policy information from any party it believes holds that information including the insured's broker. That party has twenty-eight days in which to comply with the request for information. Where we receive a request under the terms of the Act we will contact you and discuss the request before releasing any information. If we are unable to make contact with you we will not be in breach of our duty of confidentiality to you by releasing information in response to such request, even where it transpires that you are not insolvent, nor have you incurred a liability to the third party, provided we have made reasonable efforts to establish the facts.

ENDING YOUR RELATIONSHIP WITH US

Subject to your immediate settlement of any outstanding premiums and fees, you may instruct us to stop acting for you and we will not impose a penalty. Your instructions must be given in writing and will take effect from the date of receipt.

In circumstances where we feel we cannot continue providing services to you, we will give you a minimum of seven days notice.

Unless otherwise agreed in writing, if our relationship ends, any transactions previously initiated will be completed according to these terms of business. You will be liable to pay for any transactions concluded prior to the end of our relationship and we will be entitled to retain commission received for conducting these transactions, together with all fees charged by us for services provided.

LIMITATION OF LIABILITY

This section shall apply to all services which we provide to you pursuant to this agreement. If we or any of our group companies are liable to you in respect of any losses, liabilities, damages, costs, expenses or claims arising out of or in connection with the services (collectively 'Losses') and (subject to the following paragraph) any other person is liable to you in respect of some or all of the same Losses (on any basis), our liability and that of our group companies in respect of such Losses shall be limited so as to be proportionate to the relative contribution of ourselves and our group companies having regard to the extent of responsibility of such other person for those Losses.

In determining the existence and extent of the responsibility of such other person for Losses for the purposes of the preceding paragraph, no account should be taken of any agreement limiting the amount of damages payable by such person or of any actual or possible shortfall in recovery of this amount (whether this is due to settling or limiting claims, or any other reason).

To the extent permissible under applicable laws, regulations or rules, the aggregate liability of ourselves and our group companies to you and your group companies in respect of all Losses however caused, including arising as a result of breach of contract or statutory duty, negligence or any other act or omission or breach of duty shall be limited to £5 million or such other amount in US \$ or any other currency that is specifically agreed with you in writing.

Notwithstanding the preceding paragraph, we and our group companies shall not be liable to you and your group companies, whether as a result of breach of contract or statutory duty, negligence or any other act or omission or breach of duty, for any loss of profit or any special, indirect or consequential Losses arising under or in connection with the services provided.

You agree that we and our group companies have a legitimate interest in limiting the exposure of our and our group companies' directors, officers and employees to litigation and that you will not bring or assist in bringing any claim against any of our or our group companies' directors, officers or employees in their personal capacity arising out of or in connection with the services provided.

The limitations of liability and exclusions contained in this section shall not apply to:

- any Losses or liabilities arising as a result of (a) fraud, wilful default or gross negligence by us or any of our group companies; or (b) death or personal injury, in each case in jurisdictions where such limitations or exclusions would not be permitted under applicable laws, regulations or rules; or
- any of our (or our group companies') Losses or liabilities to the extent that the limitation or exclusion of such Losses or liabilities would not otherwise be permissible under applicable laws, regulations or rules.

For the avoidance of doubt this section shall be for the benefit of ourselves and our group companies and any of our or their respective directors, officers, employees or consultants involved in the provision of the services. Any such person shall be entitled to rely upon and enforce its terms.

GOVERNING LAW AND JURISDICTION

The law of England and Wales will apply to this agreement unless, at the date of this agreement, your registered office or principal place of business is situated in Scotland, Northern Ireland, the Channel Islands or the Isle of Man, in which case the law of that jurisdiction will apply.

The parties irrevocably agree that the courts of England and Wales will have the necessary jurisdiction to settle any dispute or claim that arises out of or in connection with this agreement or its subject matter.

SRG A Specialist Risk
Group Company

KBIS Limited is authorised and regulated by the Financial
Conduct Authority (FRN:300861). Registered Address: 6th Floor,
One America Square, 17 Crosswall, London, EC3N 2LB.
Registered in England and Wales. (Company No. 2208091).
KBIS Limited is part of the Specialist Risk Group.

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