

# Terms of Business Agreement - Effective 4th January 2008

This document is designed to inform you of how we transact business, to define the services that we will provide to you and to explain the business relationship that we will have with you. This information is provided for our mutual benefit and will enable you to understand many situations that may arise. **In entering into a trading relationship with us you are deemed to have accepted the terms and conditions of this agreement in full.** If you have any queries or need clarification in respect of any part of this agreement you must contact our office within 14 days of receipt of this document.

**This Terms of Business Agreement applies in respect of all business transacted with JSW Insurance Services Ltd or via any of our trading names described on our headed letter paper. From time to time we will update our Terms of Business Agreement. The agreement applicable in our dealings shall be the most recent one received by you and will supercede any previous agreement.**

## OUR SERVICE TO YOU

We act as an Independent Intermediary on your behalf. We will provide you with advice on your insurance needs and will arrange insurance cover to meet your requirements. We will also help you with any subsequent event or alteration to your policy. In most cases we offer products after completing a "Fair Analysis" of the market, which means that we select from a range of insurers to identify and recommend the product best suited to you. In certain circumstances, for example where there is only a single insurer prepared to offer cover for certain risks, we will not be able to complete a "Fair Analysis" of the market. In these circumstances we will not provide you with advice and will not provide you with a recommendation. You will be notified if this is the case.

## YOUR DUTY TO US

We will ask for and seek relevant information from you in order to recommend an appropriate policy. You must supply us with the requested information and with any further information which may be material. It is important that you understand that any information, statements or answers made by you to us, or to your insurers, are your responsibility and must be correct. Failure to provide accurate, complete and correct information may lead to you buying an inadequate product or worse, the insurer may not pay a claim. Insurers request all "material facts" to be disclosed, which may be described as any fact, if known, which may be likely to influence their decision in accepting or applying a rating to a risk. Such facts must be disclosed at the earliest opportunity, whether this is before commencement of the policy, during the course of the policy year or at each renewal, as any changes may influence the cover and policy terms and conditions.

*If you are unsure about whether any item of information should be disclosed, you should disclose the information or contact us for guidance. You are advised to keep copies of all letters that you send to us.*

## CONFIDENTIALITY/DATA PROTECTION

We will treat all customers' personal information in a confidential manner. Your data is held in compliance with legislative requirements. We are authorised under the Data Protection Act and a copy of our data user permissions is available upon request. We will only release information or accept instructions directly from a policyholder, or another person where direct authorisation has been provided to us (in an acceptable form) to do so.

## OUR REMUNERATION

In most circumstances we receive a commission as remuneration for arranging and administering your insurance. We will disclose the amount of any such commission to you upon request.

In addition to premiums charged by the Insurer we may, at our discretion, charge a fee at any time. In particular, this is likely to be the case where we are paid either a very small commission or no commission at all, or where you ask us to provide extended services. Where we charge such a fee we will disclose this to you and agree this with you at pre-contract stage.

## GENERAL INSURANCE REGULATION

From January 14th 2005, the Financial Services Authority (FSA) commenced regulation of General Insurance business. The purpose of FSA regulation is to provide insurance customers with improved and more consistent advice and protection. As a consequence of regulation we pay fees to the FSA, contributions to a compensation fund to cover failed businesses, together with a levy to cover an industry ombudsman scheme. In addition we are obliged to comply with other regulatory requirements, all of which add considerably to our overall operating costs.

Unfortunately we are unable to absorb all these costs and have no alternative but to pass some of them to you as a fee, which will be referred to as a "Compliance Fee". This "Compliance Fee" will be shown on your invoice within the "Total Fees" section and the charge will apply to all transactions as detailed below.

Where any additional fee is to be charged, this will be disclosed to you at pre-contract stage.

Compliance Fees	
Premium below £500	£15
Premium between £501-£1000	£25
Premium over £1000	£100
Mid term adjustments	£15 or the amount of commission due to be refunded to the insurers whichever is greater
Duplicate documentation	£15
Cancellation	£15 or the amount of commission due to be refunded to the insurers, whichever is greater

## CREDIT CARD CHARGES

Due to increased charges made by credit card suppliers, as from 1st January 2008, an additional charge of 2% of the amount to be paid will be applied for any payments made by credit card. Payments made by debit card will not be subject to any additional charge.

## MINIMUM PRICE LEVELS

In view of the increased costs incurred as a result of regulatory compliance requirements it has become uneconomic for us to transact very small premium new business cases. Therefore, with effect from the 1st November 2005 it's necessary for us to impose minimum price levels in respect of new policies as follows:

Commercial Business - £175.00 (inclusive of Insurance Premium Tax)

Retail Business - £150.00 (inclusive of Insurance Premium Tax)

In instances where the insurer premium charged falls below these levels we will agree with you at pre-contract stage the fee that we will impose to increase the overall amount charged to you up to these levels. This fee will then be shown on your invoice within the "total fees" section.

## OUR QUOTATION TO YOU

Unless otherwise agreed, quotations are only valid within the month in which they are offered. In some instances, quotations are valid for a shorter period and this will be advised where appropriate.

All premiums quoted are inclusive of HM Government Insurance Premium Tax at the appropriate rate.

We reserve the right to withdraw premium indications before they are taken up and to apply any changes notified to us by underwriters after the indication has been given.

In respect of motor insurance policies you undertake to supply any documents required to support the quotation provided within fourteen days of cover commencing. Failure to provide required documentation is likely to lead to an increase in the premium, which must be paid immediately. In the event that documentation required and/or the additional premium due is not paid your policy will be cancelled and the time on risk charge may be based on the total gross premium plus a fee.

## PAYMENT OF PREMIUMS

**Commercial Policies** - Payment of premiums by you in respect of Commercial Policies is due within 14 days of the invoice date or the inception of cover or amendment of cover date, whichever the earlier.

**Retail Policies** - Payment of premiums by you in respect of Retail Policies is due either on invoice date or the inception of cover or amendment of cover date, whichever the earlier.

**All Policies** - Please note that regulatory requirements mean that we cannot pass payment to your insurers for your insurance until we have received payment from you. Therefore, your cover may be at risk if the premium is not paid to us by the due date.

It may be possible to fund payment of your premiums to us by instalments through a number of premium funding facilities to which we have access. Please contact us if you wish to discuss these facilities.

## POLICY TERMS AND CONDITIONS

When documentation in respect of your insurance is issued you are strongly advised to read it carefully. The policy document, schedule and any certificate of insurance forms the basis of the insurance contract you have purchased. If you are in doubt about any of the policy terms or conditions you must seek our advice promptly.

## MAKING A CLAIM

*Details of how to make a claim will normally be shown in your policy document.*

The procedures to follow in the event of a claim differ from insurer to insurer. In order to ensure that your claim is dealt with efficiently, we recommend that you follow the procedure outlined in your policy document. However, there are also some general points that you need to bear in mind if an incident arises which may lead to a claim:

- You must notify your insurer or ourselves immediately an incident occurs which may lead to a claim. Failure to do this may invalidate your insurance.
- In some cases a claim form may be required. Where this is the case please ensure that the form is fully and accurately completed and that you return the form promptly to avoid delays in the handling of your claim.
- You must not admit liability nor agree to any course of action with any third party (other than emergency measures carried out to minimise any loss) until you have agreement to do so from either your insurers or us.
- In some cases you will deal direct with the insurer in respect of your claim. Where this is the case please remember that we remain available to assist you at any stage should you have any queries.

## POLICY CANCELLATION RIGHTS

In respect of some policies you have certain rights of cancellation in the early stages of a policy life. Where appropriate these are shown in the insurer's Policy Summary document, which is included in your documentation with all Retail policies.

## COMPLAINTS PROCEDURES

We make every effort to treat our customers fairly and it is our intention to provide you with a high level of service at all times. However, should you have cause for complaints you should in the first instance write to the Managing Director, JSW Insurance Services Ltd., at the address shown on the reverse of this document. In the event that we are unable to resolve matters immediately, we will acknowledge your complaint within five working days, advising you of the person who will be investigating the circumstances. In the event that the complaint still remains outstanding after a further 20 days, we will write to you again advising you of the reasons for the delay and giving a timescale within which you will hear from us again.

Should you wish to take an unresolved complaint further you may refer your complaint to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR. 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 advising and arranging is covered for 100% of the first £2000 and 90% of the remainder of the claim without any upper limit. Further information about compensation scheme arrangements is available from the FSCS.

## TREATMENT OF MONIES RECEIVED

In respect of the insurances which we arrange for you we confirm that we will hold money received from you either as "client money" or as an agent of the insurer. All monies held as "client money" will be held in a segregated and designated Statutory Trust bank account with an approved banking institution.

In certain circumstances we may pass money held as "client money" to other authorised firms in **the event that we have arranged insurance for you through that authorised firm.**

## INTEREST ON "CLIENT MONEY"

In accordance with regulatory requirements we confirm that we will notify you in the event that we receive interest on any monies that we receive from you that we hold as client money that will exceed £15.00 for any single transaction.

## REGULATORY INFORMATION

JSW Insurance Services Ltd. of 11 Church St, Silverdale, Newcastle under Lyme, Staffs ST5 6JQ is authorised and regulated by the Financial Services Authority. Our FSA authorisation number is 304328. Our permitted business is arranging general insurance contracts. You can check this on the FSA's register by visiting the FSA's website [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FSA on 0845 6061234.