



Abaco

Insurance Brokers

CLIENT TERMS OF BUSINESS

INFORMATION ABOUT US

Abaco Insurance Brokers Ltd are an independent insurance broker registered in England & Wales. Our Head Office address is: 1 Lewis Court, Grove Park, Enderby, Leicester, LE19 1SD.

Abaco Insurance Brokers Ltd has no holding direct or indirect that represents voting rights in any insurance undertaking and no insurance undertaking has any voting rights or capital in Abaco Insurance Brokers Ltd.

Abaco Insurance Brokers Ltd is authorised and regulated by the Financial Conduct Authority ("FCA"), the independent watchdog that regulates financial services. Our permitted business includes insurance advising and arranging and credit broking. You can check this by visiting the FCA's website www.fca.org.uk/firms/financial-services-register or by contacting the FCA on 0800 111 6768. Our Firms Registration Number is 582573

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. Contact us immediately if there is anything which you do not understand.

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

- Providing Information to Your Insurer
- Premium Payment
- Cancellation
- Client Money Arrangements

HOURS OF BUSINESS AND INSTRUCTIONS

09.00 - 17.30 Monday to Friday other than Bank and Public Holidays. We cannot accept instructions from you outside of these times and we will still require time after your instructions to obtain cover if possible from Insurers.

OUR SERVICES

We are an independent insurance intermediary. We place insurance and insurance-related services with a number of insurance companies, not just one, and with a number of insurance-related service providers. When you appoint us to work for you, we become your agent. This means that we are acting in your interests and upon your instructions, to secure the agreed outcome for you. There are occasions where we undertake certain duties on behalf of an insurer (for example, we issue policy documentation), and when this takes place the legal position is that we are acting on behalf of the insurer only for that specific task. We will clearly identify these circumstances to you so that you are correctly informed.

When we arrange your insurance, we'll inform you of the nature of the service we provide. This will usually be one of the following:
(a) a personal recommendation to buy the policy, on the basis of a fair and personal analysis of the market.
(b) a personal recommendation to buy a policy we select from one or more insurance undertakings (not on the basis of a fair and personal analysis of the market) in which case we will provide the names of those insurance undertakings.

So that we avoid any perceived conflict of interest or questions of propriety we do not hold agreements with insurers to settle claims. We will consult with you about the risks that you face. We will talk with you about how you might insure against those risks. For those risks that you want to insure against, we will take your instructions and endeavour to obtain quotations. We will consider solvency of insurers, premiums, policy cover, and any other factors we consider relevant when deciding which options to recommend for you. We will draw to your attention any onerous or unusual terms as soon as we are made aware of them. We will provide you with relevant documentation as soon as possible. Where this documentation is produced by insurers, delays may be experienced. Specimen or standard policy wordings will be made available to you at your request.

When you tell us of an incident where you want to claim under an insurance policy we have arranged or we have agreed will become part of the portfolio of policies we manage on your behalf, we will alert the relevant insurance company. Where applicable, we will produce for you a claim form. We will guide you through what you need to do to make a claim. We will submit your documentation to insurers. We will act as your agent to help you negotiate with a view to achieving a satisfactory outcome for you in accordance with your policy wording. If an incident cannot be the subject of a claim (if it is not covered) then we will tell you as soon as we become aware. If you reasonably disagree with an insurer's decision following a claim that you have made, we will help you to complain. We may recommend that you instruct a solicitor, and if you do, this will be at your own expense.

When policies that we have arranged become due for renewal, we will prepare quotations in accordance with your revised instructions. In the absence of revised instructions, we will prepare quotations on the existing basis. We will discuss quotations with you in advance of renewal to ensure that you have sufficient time to consider our terms or make an alternate arrangement. If insurers do not offer renewal terms in good time then we will endeavour to secure an extension of cover for you. If it is likely that cover will not be available after expiry of the present period of insurance then we will let you know of this possibility as soon as we think that it is likely. Please note that if this agreement is terminated, we will not prepare renewal quotations for you and cover will expire. You will need to make an alternate arrangement.

These are our core services. We may undertake additional specific work on your behalf by agreement. In this event, these Insurance Broking Terms of Business shall continue to apply in respect of additional work unless otherwise agreed in writing.

Upon receipt of your instructions we will place insurance with insurers and keep you informed of progress of our negotiations. We will advise you of any inability to place your insurance.

SECURITY

We will advise you of the insurers with whom it is proposed to place any insurance on your behalf. However, we cannot and do not 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 been accepted.

A liability may arise to pay the premium in part or in full under policies where a participating insurer becomes insolvent.

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 without further notice.

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.

PAYMENT OPTIONS

We will provide you with full details of all the payment options available to you when we provide you with your insurance premium. If you choose to enter in a finance arrangement, this will be subject to interest charges that we will confirm to you when providing the full details. Importantly, the arrangement you will enter into will be with the finance company not us. It is an entirely separate contract irrespective of the insurance contract. In the event of your failure to meet with the contractual obligations regarding payment the finance provider could approach the insurer to seek a termination of the insurance contract to recoup their outstanding finance arrears. You will be liable to pay their costs and charges if you do not keep up your repayments and cover is cancelled under your policy. This is because the agreement is between you, the policyholder, and the finance company direct, not us or the insurer.

Please note that we are able to offer alternative credit providers for the provision of premium finance facilities.

FEES & CHARGES

We reserve the right to charge you £15 if you issue a cheque to us which does not clear on the first presentation, and £25 for all mid-term adjustments, replacement policies, certificates, cover notes or other documents. Any other fees will be notified to you before an insurance contract commences. Interest on the outstanding sum at 2% AER over the Bank of England base borrowing rate, (minimum 3%) will be charged to you in the event that you do not pay any premium due to us within our credit terms as shown above. No fee charged is refundable.

HOW TO CANCEL

You may have a statutory right to cancel this insurance within a short period. Please refer to your policy summary, insurance product information document (IPID) or your policy document for further details. If you cancel you may receive a refund of premium from the insurer. We may retain an amount that reflects our administrative costs of arranging and cancelling the insurance, and we reserve the right to retain our brokerage and/or fees in full.

If you wish to cancel outside this period you may receive a refund of premium from the insurer. We may retain an amount that reflects our administrative costs of arranging and cancelling the insurance, and we reserve the right to retain our brokerage and/or fees in full.

MID-TERM ADJUSTMENTS

In the event of a mid-term adjustment, insurers may return some, or the entire premium to us. In such circumstances we reserve the right to retain our brokerage and/or fees in full.

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; and/or a fee previously agreed with you.

For arranging premium instalment facilities we earn a variable amount of commission from our premium finance provider(s) which is usually a percentage of the individual loan. This means that the amount you pay for credit and the overall cost of arranging your insurance will vary according to the interest charged by the lender and the amount of commission we earn.

Using premium finance makes the overall cost of the insurance more expensive.

Our remuneration is earned at the inception of the policy and each successive renewal date and brokerage and/or fees will not usually be returnable.

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
- 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 service we provide to insurer(s) as part of the Placing or claims process

We will deal with you openly and when requested, we will disclose the amount of any additional income (or where that is not feasible a reasonable estimate of the additional income or its basis of calculation) from the above and any other sources which we may receive in relation to insurance which we arrange.

PROVIDING INFORMATION TO YOUR INSURER

Your insurance is based upon the information provided to the insurance company. Unless otherwise indicated by the specific insurer underwriting your particular policy, the following circumstances apply.

For Consumers (individuals buying insurance wholly or mainly for purposes unrelated to their trade, business or profession) this means that you must take reasonable care to answer all questions fully and accurately. Once cover has been arranged, you must immediately notify us of any changes to the information that has been provided to your insurers. Failure to provide accurate and up to date information may invalidate your insurance cover and mean that a claim may not be paid.

All other customers must present the risk (i.e. the subject matter of the proposed insurance) fairly. This means that you must disclose to insurers, before arranging or renewing your insurance policy, and throughout the policy period, anything that might influence the judgement of an insurer in establishing the premium, setting the terms or determining whether they would take the risk. If you are uncertain whether anything is material, you should disclose it. In order to identify what must be disclosed, you are obliged to carry out a reasonable search before presenting the risk to insurers. This includes (but is not limited to) consulting with all senior managers (anyone who plays a significant role in the making of decisions about how your activities are to be managed or organised, regardless of whether or not that individual is a member of your board or is formally in a management role). You must also consult with anyone who has particular knowledge about the risk to be insured. Failure to disclose material information may invalidate your insurance cover and could mean that a claim may not be paid or an additional premium may be incurred.

All statements and facts disclosed on proposal forms, statement of facts, claim forms and other documents should be full, true and accurate. Where forms are completed on your behalf you must check them for accuracy and completeness before signing them. You must always read the declaration and make sure you understand it before you sign.. It is the responsibility of the insured to ensure that all sums insured and policy limits are adequate. It is strongly recommended that the appropriate Professional (e.g. Surveyor/Accountant) be consulted to ensure that the sums insured and limits under the policy are suitable.

TERMS RELATING TO CONFIDENTIALITY

We agree to keep all information provided by you to us confidential, save that you authorise us to;

- disclose such information to Insurers and their agents for the purposes of obtaining insurance quotations for you, Placing insurance on your behalf and all other matters relating to your insurances, including the making of claims
- share sure information with our own Insurers and professional advisors on terms that preserve confidentiality or where we are required by law or by order of the court to disclose such confidential information.

However, we will not be bound to keep any information confidential where it is or becomes in the public domain, it was already known to us independently of you, or if you authorise us to disclose such information.

DOCUMENTATION

We will issue documentation confirming details of the policy purchased, including the identity of your Insurers.

We will advise you of the date(s) on which any premiums are due, and if relevant, the consequence of late payment.

- Set out your demands and needs as understood by us
- Confirm whether the contract has been personally recommended and, if so, the reasons for making that recommendation
- Include a summary of the key aspects of your policy
- Provide you with the policy confirmation
- Provide you with renewal terms in good time before the expiry of your policy, or notify you that renewal is not being invited

Please read through any summaries of cover, letters, or registers of insurance which we issue. These documents attempt to provide you with a summary of the main points only of the policy. You should be aware that there will be other terms and conditions of the insurance which are not shown in such documents and which will restrict or exclude cover. It is most important that you read through the policy documentation in its entirety and ask us if any point is unclear or if additional or amended cover is required. If your cover includes Employers Liability insurance you are no longer required by the law to retain the certificates for 40 years, however you should maintain a record of your insurance policies held to ensure that any future claims can be met.

CLAIMS

Please refer to your policy documents if you need to notify a claim. You should contact the insurer direct as soon as possible using the contact details provided. If in doubt about whom you should contact, please contact us on 0116 281 5960.

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 your claim.

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

CLIENT MONEY ARRANGEMENTS-PROTECTING YOUR MONEY

Historically we have held premium and claims monies on behalf of our clients. Recently, some insurers have elected for risk transfer whereby we hold premium and claims money as agent of the insurer. In these circumstances premium paid to us is deemed to be paid to the insurer. It is therefore possible that on any risks placed by us there could be a combination of some insurers who have accepted risk transfer and some who have not. If you would like to know the exact position of any particular placement please let us know.

***Non-Statutory Trust**

We keep client money with NatWest; it is separate from our own money and subject to a non-statutory trust as prescribed by the FCA. This means that we are entitled to and may use client money held on behalf of one client to pay another client's premium before the premium is received from that other client and to pay claims and premium refunds to another client before we receive payment from the insurer. We only take our remuneration from client money when we receive the relevant premium from the client.

***Interest on Client Money**

Any interest or exchange gains or losses realised from client money held by us will be retained by us.

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

Payment to Third Parties

We may transfer client money to another person, such as another broker or settlement agent, for the purpose of effecting a transaction on your behalf through that person. This may include brokers and settlement agents outside the UK. The legal and regulatory regime applying to a broker or settlement agency outside the UK may be different to that of the UK, and, in the event of a failure of the broker or settlement agency, this money may be treated in a different manner from that which would apply if the money were held by a broker or settlement agent in the UK.

You may notify us if you do not wish your money to be passed to a particular person in a particular jurisdiction.

Funding

Notwithstanding the operation of the non-statutory trust as described above, our policy is not to generally fund premium on your behalf to insurers, nor to fund claims to you due from insurers. If this does occur you acknowledge that any funded amount whether arising as a result of a payment by us or a deduction by you from amounts payable to us is to be refunded to us immediately, and that for the duration of any funding such funded amounts are not considered to be a gift from us. We reserve the right to charge interest of any such funded items from the date the funding commenced to date of payment.

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 will 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 Manager in writing at our address; or telephone 0116 281 5960. 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 Exchange Tower, Harbour Exchange Square, London E14 9SR: telephone 0800 023 4567.
website www.financialombudsman.org.uk

COMPENSATION

We are covered by the Financial Services Compensation Scheme. 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. Most Insurance contracts are covered for 90% of the claim, without any upper limit. Compulsory insurances (for example, motor insurance and employers' liability insurance), are covered for 100% of the claim, without any upper limit Further information about the compensation scheme arrangements are available from the FSCS on 0800 678 1100 or by visiting <http://www.fscs.org.uk>

MONEY LAUNDERING/PROCEEDS OF CRIME ACT

We are obliged to report to the National Crime Agency any evidence or suspicion of money laundering at the first opportunity and we are prohibited from disclosing any such report.

STATUTORY REQUIREMENTS

We are registered under the Data Protection Act 2018 and Consumer Credit Act 1974.

LIMIT OF LIABILITY

In the event of any breach of these terms and or in the event of any representation, statement or tortuous act or omission including negligence arising under or in connection with all contracts between us then the following provisions set out our entire financial liability (including any liability for the acts or omissions of our employees, agents and sub-contractors) to you. Nothing in these terms excludes or limits our liability for death or personal injury caused by the Company's negligence, fraud, fraudulent misrepresentation or regulatory obligation.

We shall not be liable to you for any indirect or consequential loss or damage, these may be losses that are not reasonably foreseeable, (whether for loss of profit, loss of business, depletion of goodwill or otherwise), costs, expenses or other claims for consequential compensation whatsoever (howsoever caused) which arise out of or in connection with the services we provide to you.

Our total liability in contract, tort (including negligence or breach of statutory duty), misrepresentation or otherwise, arising in connection with the performance or contemplated performance of our services to you ("Claim") shall be limited to £1,200,000 (one million, two hundred thousand pounds).

If you are not a Consumer (as defined by the FCA) and our professional indemnity insurers refuse to indemnify us for any claim made by or on behalf of you then our total liability in relation to that claim shall be limited to £1,200,000 (one million, two hundred thousand pounds).

LIABILITY FOR DIRECTORS, OFFICERS OR EMPLOYEES

You acknowledge and agree not to make any claim personally against any employee, director or officer arising out of the work and services provided under this agreement. This clause does not in any way limit or affect our liability to you as detailed in the limitation of liability clause.

PROTECTING YOUR PERSONAL DATA

We take your privacy extremely seriously and we will only use your personal details in line with our Privacy Notice. Please read our Privacy Notice carefully <https://www.abacoinsurance.co.uk/privacy-policy> and contact us immediately if you have any queries. Where necessary, for example where we would like to use your data for some marketing purposes, we shall ask for your specific consent to do so. Your personal information includes all of the details you have given us to process your insurance policy (we will not ask for more information than is necessary). We may share your data with Third Parties for the provision and ongoing performance of your insurance policy. Your data may be transferred outside the UK. We will not sell, rent or trade your data under any circumstances. All of the personal information you supply to us will be handled strictly in accordance with the applicable Data Protection regulations and legislation.

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.



Abaco Insurance Brokers Ltd

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www.abacoinsurance.co.uk

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Authorised and regulated by the Financial Conduct Authority

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