

# Terms of Business Agreement

## Introduction

**BHIB Insurance Brokers is a trading name of BHIB Limited**, an insurance intermediary. Our registered address is: **AGM House, 3 Barton Close, Grove Park, Enderby, Leicester LE19 1SJ**.

e-mail: [enquiries@bhbinsurance.co.uk](mailto:enquiries@bhbinsurance.co.uk). BHIB Limited is registered in England and Wales, number 829660 and is a wholly owned subsidiary of Brokerbilty Holdings Limited. This Terms of Business Agreement comes into force on the day you receive it from us and will remain in force until you are provided with revised terms.

## Regulation

We are authorised and regulated by the Financial Conduct Authority (FCA), number 116675. Our permitted business is introducing, advising, arranging, dealing as agent and assisting in the administration and performance of general insurance contracts and credit broking. This can be verified by contacting the FCA, 12 Endeavour Square, London E20 1JN, telephone number 0800 111 6768, website [www.fca.org.uk](http://www.fca.org.uk). We abide by the FCA Rules and Guidance for General Insurance. We hold and maintain Professional Indemnity insurance, as required by the FCA.

## Our Service

As an insurance intermediary, acting on your behalf, our role is to advise you and make a suitable recommendation after we have assessed your insurance and premium finance needs. We advise on all types of general insurance products and we are not tied to any one insurance company. Generally, we provide a fair and personal analysis of the market, however, for certain products we may only deal with a single insurer or select from a limited number of insurers as advised to you. We will discuss your insurance requirements with you, including the scope of cover required, limits to be sought and pricing. Upon receipt of your instructions, whether written or verbal, we will endeavour to satisfy your requirements in your best interests. However, we will not in any circumstances act as an insurer nor will we guarantee or otherwise warrant the solvency of any insurer. We constantly monitor the insurers available to us and we will discuss with you any concerns that may arise. Alternatively, if you confirm it in writing to us, we can place your risk without providing any advice. We will also provide advice on your payment options and, if premium finance is required, we can arrange this with your insurer or a specialist provider, as agreed with you.

During the course of the placement of your insurance we will keep you informed about the progress of our negotiations and will identify any inability to fulfil your requirements. We will take all reasonable steps to confirm your insurance requirements before the intended date of inception, renewal or extension of cover (whichever is appropriate). We will provide you with all relevant information about the insurance cover we recommend, including the basis on which the product and the provider have been selected, enabling you to make an informed decision about whether or not to proceed. We do not act for every insurance company and therefore cannot guarantee that the cost of your insurance cover will be the cheapest in the market or that the policy wordings will provide the widest cover. However, we endeavour to provide cover commensurate with your risks and requirements. We will advise you if the product recommended is not regulated by the FCA.

Our service will extend to dealing with mid-term alterations, claims assistance and renewal advice and processing. We act on your behalf in selecting an appropriate policy, and associated premium finance, to meet your needs and in assisting you with claims matters. We may either act on your behalf, or on behalf of the insurer, in arranging your cover. Please let us know if you would like confirmation of the situation for any policies arranged for you.

### **Conflicts of Interest**

Subject to regulatory and legal requirements, BHIB will endeavour to find a suitable insurance solution to meet your requirements and will act in the best interests of its clients, and treat all customers fairly, as required by the FCA.

BHIB is not tied to any particular insurer or group of insurers, and dependant on the insurance cover required and indemnity limits sought by a client, BHIB may consider a specific product from a single insurer and/or advise you to place business through an insurance scheme with a particular insurer, or to purchase products from a selection of relevant insurers.

An insurance scheme for a particular product, or a range of products, may be made available to BHIB through chosen markets with particular insurers, or through BIG (Brokerbility Insurance Gateway Limited), which is an Appointed Representative of Brokerbility Limited, and of which BHIB is a shareholder. BHIB is also a member of the Brokerbility group of companies.

### **Treating Customers Fairly**

BHIB Insurance Brokers is committed to a policy of Treating Customers Fairly and places the interests of the customer at the heart of the firm's business strategy. Our commitments to you are:

- To treat you as an individual and listen to you;
- To act at all times with integrity;
- To have qualified staff to provide guidance and assistance in helping you select the appropriate insurance product;
- To give you correct and clear information to enable you to make informed choices;
- To address your concerns in a sympathetic and understanding manner.

If you have any feedback, whether good or bad, let us know as we value your views to help us shape the future of our company.

### **Terms relating to disclosure (Providing information to your insurer)**

Your insurance is based upon the information provided to the insurance company.

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.

All other clients must present the risk (i.e. the subject matter of the proposed insurance) fairly. This means that you must disclose to insurers, before the setting up or renewal of your insurance policy is concluded, anything that might influence the judgement of an insurer in fixing 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. Failure to provide accurate and up to date information may invalidate your insurance cover and mean that a claim may not be paid.

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. A senior manager is 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.

If you deliberately or recklessly (i.e. without care) fail to comply with your obligations to present the risk fairly, insurers may avoid the policy. This means they can retain all premiums and treat the policy as if it never existed and refuse to make any claims payments. You could also be obliged to repay any claims payments that had already been made. If you fail to present the risk fairly, but your failure was neither deliberate nor reckless, the insurers response will depend upon what would have happened if you had complied with your obligations:

- a) if insurers would not have provided the policy, they may treat the policy as if it never existed, refuse to make any claims payments and demand the return of any claims payments already made. However, insurers would have to return any premium payments already made;
- b) if insurers would have provided the policy but on different terms, the policy will remain in force but will be treated as if those different terms applied from the start of the policy. This could result in a claim not being met in part or in full;
- c) if insurers would have provided the policy but charged a higher premium, insurers may reduce any payment in proportion to the difference between the premium charged and the premium that would have been charged if you had fairly presented the risk. This could result in a significant reduction to the amount of any payment under the policy.

All statements and facts disclosed on proposal forms, statement of facts, claim forms and other documents should be full, true and accurate and must be given after undertaking a reasonable search, including consulting with your senior management. 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.

### **Data Protection and Confidentiality**

We are the Data Controller for the data you provide to us. We need to use your data in order to arrange your insurance and associated products when you are obliged to provide information without which we will be unable to provide a service to you. We may also use data for marketing purposes (please let us know if you would prefer not to receive marketing information from us).

You have a right to request access to any personal data held by us by writing to our Compliance Officer. You can request copies of the data we hold, have it corrected, sent to a third party or deleted (subject to our need to hold data for legal reasons).

We process all data in the UK but where we need to disclose data to parties outside the European Economic Area (EEA) we will take reasonable steps to ensure the privacy of your data. In order to protect our legal position, we will retain your data for a minimum of 7 years. We have a Data Protection regime in place to oversee the effective and secure processing of your data.

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

- a) pass your data to other organisations, such as insurers, auditors, external consultants, credit providers, banks, financial transaction processors, crime and fraud prevention agencies and databases and regulators.

b) share such 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 or becomes known to us independently of you, or if you authorise us to disclose such information.

If you wish to complain about how we have handled your data, you can contact us and we will investigate the matter. If you are not satisfied with our response or believe we are processing your data incorrectly you can complain to the Information Commissioner's Office Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF Tel: 0303 123 1113

### **Access to Premises**

By prior arrangement, access to your premises must be allowed, when required for underwriting or claims purposes.

### **Credit Referencing**

In order to be able to offer premium finance and more favourable terms, certain insurers may, from time to time, carry out credit checks using external credit agencies. Such checks will appear on your credit file regardless of whether or not your application for cover proceeds. If you require clarification on this matter or would prefer such checks to not be carried out, please contact the office.

### **Documentation**

We will issue documentation in a timely manner confirming the basis of the cover including commencement date, period of cover, certificates, policy documents, a statement of demands and needs and payment details. You should ensure that the cover meets your requirements and that documentation is kept safe and secure. We will aim to ensure that Consumers receive details of renewal terms no less than 21 days before expiry of the policy. For commercial customers this period will be 14 days. Any changes will be explained and if you are a Consumer, you have the right to request a new policy document at renewal.

### **Awareness of policy terms**

It is your responsibility to read your policy document to satisfy yourself that the cover meets your requirements. Should you have any queries, or concerns, please contact us immediately.

### **Settlement Terms**

We will be responsible for issuing invoices and/or arranging finance for all new, renewal or mid-term alterations within appropriate timescales and will make it clear when payment is due. You will be responsible for prompt payment of premiums due to enable us to make payments to insurers in accordance with the agreed terms of business. We normally accept payment by cheque, debit or credit card, or by BACS transfer. We reserve the right to apply a charge of £10 should your bank refuse to honour a cheque provided by you. Where any part of a Premium or IPT is outstanding, we may withhold any Policy documents, Certificates, No Claims Discounts proof or other documentation pending full payment of such outstanding Premium and IPT. We will ensure that you have full details of your insurance cover and any documents you are required to have by law. Please note that, should you choose to pay using a third party premium finance provider, any default on your part may incur

additional charges. Should the finance provider cancel the arrangement, following default, they may then invoice us for the outstanding premium. In these circumstances, we may cancel your policy, retain the return premium from the insurer and pursue you directly for any outstanding balance.

### **Handling client money**

Client money is money of any currency that we receive and hold in the course of carrying on insurance mediation on your behalf (e.g. premiums, claim settlements and refunds). We hold client money in a Client Bank Account under a Statutory Trust. For the purpose of some transactions, client money may pass through other authorised intermediaries before the insurer receives it. In order to complete an insurance transaction for you, your money may be passed to a third party outside the UK. Differences in the legal and regulatory regime outside the UK mean that your money may not be treated in the same way as it is in the UK in the event of a third party failing. You may ask us not to transfer your money outside the UK. Any interest earned on client money will be retained by BHIB Insurance Brokers and will not be paid to customers. We may also collect and hold money as an agent of the insurer.

### **Remuneration**

Our remuneration for the services we provide to you will either be in the form of commission from the insurers and premium finance providers with whom we place business (being a percentage of your payment), specific fees, payable by you, or a combination of the two. Any fees, and the reason for them, will be notified to you in advance and are non-refundable in the event of cancellation. We reserve the right to retain commission if you cancel or adjust a policy. We may also earn income from insurers based on the overall performance of our account with them and not directly related to your insurances and may additionally receive payment in return for the transfer of work involved in the administration of certain policies on behalf of insurers. If you would like details of any commission, remuneration or payment that we receive for arranging the insurance, finance and any additional general insurance related activities, please contact us.

### **Claims**

If you need to make a claim, please contact us immediately. If you are unsure whether or not to make a claim, please contact us for advice. Failure to adhere to the notification requirements of insurers, as set out in their policy document, may entitle insurers to refuse settlement of the claim, in whole or in part. Except where otherwise agreed, we will provide claims handling services during the policy period. These services can be continued beyond our appointment as your broker, subject to a separate fee to be agreed at the time. Our services include notification of the claim to insurers in accordance with the policy.

### **Complaints**

We intend to provide you with excellent customer service and are committed to ensuring that all our customers receive fair treatment. If we fall short of your expectations please contact our Compliance Officer, either in writing or by telephone to 0116 281 9100, who will take details of your complaint. If we cannot resolve your complaint by the close of business on the day after receipt, we will acknowledge your complaint, in writing, within 5 business days, and will advise you of when you may expect to receive a response. Your complaint will be dealt with by a senior and independent member of our management team who will ensure that the investigation will be fair and unbiased. If your complaint does not relate to a product or service that we have provided, or which should more appropriately be referred to another organisation, we will advise you of this fact, in writing, within 5 business days of receipt of your complaint and, where possible, provide details of to whom your

complaint should be redirected. We will provide you with a full written response to your complaint within 4 weeks of receiving it, unless your complaint is sufficiently complicated to warrant longer investigation. If the written response cannot be given to you within 4 weeks, we will inform you, in writing of the reasons why and when you can expect to receive our final response. If you are a Consumer or a Commercial Client with a turnover of less than €2million and fewer than 10 staff and are dissatisfied with our final response to your complaint, or if the investigation is not concluded within eight weeks, you have the right to refer the matter to the Financial Ombudsman Service (FOS) whose jurisdiction extends to cover general insurance mediation and consumer credit activities. They may be contacted at The Financial Ombudsman Service, Exchange Tower, Harbour Exchange Square London E14 9SR, telephone number 0800 023 4567 , e-mail: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk).

### **Financial Services Compensation Scheme**

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the FSCS should you incur a loss and if we cannot meet our obligations. This depends on the type of insurance transacted and the circumstances of the claim. Further details about the compensation scheme arrangements are available from the Financial Services Compensation Scheme (FSCS), PO Box 300, Mitcheldean, GL17 2DY, Telephone Number: 0800 678 1100 or 020 7741 4100 (Monday to Friday 08.30 to 17.30 excluding public holidays) and website [www.fscs.org.uk](http://www.fscs.org.uk)

### **Third Party Rights**

Unless otherwise agreed between us in writing, no term of this Agreement is enforceable under the Contracts (Rights of Third Parties) Act 1999. All activities undertaken by us as outlined in this Agreement are provided by us for your exclusive use and all data, recommendations, proposals, reports and other services are for your sole use. You agree not to permit access by any third party to this information without our express written permission.

### **Limitation of Liability**

In the event of any breach of these terms and or in the event of any representation, statement or 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 our negligence, or for any fraud, fraudulent misrepresentation or breach of any regulatory obligation on the part of BHIB insurance Brokers.

If you are categorised by the FCA as a "Consumer" (broadly, an individual acting for purposes outside your trade, business or profession), we will not be liable to you for any losses that you or anyone else may suffer that are not directly associated with either our negligence or failure to provide our services to you in accordance with our agreement. Our total liability to you for any reason whatsoever in connection with the performance or contemplated performance of our services to you shall be limited to the limit of our Professional Indemnity Insurance policy.

If you are not categorised as a "Consumer", then 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 relation to that claim shall be limited to the limit of our Professional Indemnity Insurance policy.

**Cancellation Rights**

You may have a statutory right to cancel your policy within a short period. Please refer to your policy document or renewal notice for further details. If you wish to cancel outside this period cancellation rights will be as detailed in your policy document.

**Governing Law**

This Agreement, which sets out our terms of business with you, will be governed by English Law.