

Terms of Business & Client Service Agreement

Please read this document carefully. It sets out the basis on which we agree to act for you and contains some information about us and our regulatory responsibilities.

Pound Gates of St Vincent House, 1 Cutler Street, Ipswich IP1 1UQ United Kingdom, is an intermediary that provides risk management advice and arranges insurance solutions for businesses.

Pound Gates is the trading name of Pound Gates and Company Ltd.

We are regulated by the Financial Services Authority (FSA) and our FSA Firm Number is 304300. This information can be checked on the FSA's Register by visiting the FSA's website www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

In certain trade sectors, and for some policy/business types, it is our general practice to offer terms from our main scheme insurers only. For other forms of insurance we use a wider market approach. Our quotes will detail which insurance markets we have accessed.

We comply with the FSA Regulations relevant to our activities as an insurance intermediary. Including:

- conducting our business with integrity and paying due regard to the interests of our customers, treating them fairly;
- conducting our business with skill, care and diligence;
- taking care to establish and maintain systems and controls that are appropriate to the type and size of our business;
- managing any conflicts of interests in a fair manner, whether they arise between us and our clients or between clients;
- paying regard to the information needs of our clients and communicating information to them in a way which is clear, fair and not misleading;
- handling client money appropriately.

Instructions from you

In order to avoid any misunderstanding, on either side, we require full written instructions from our clients, detailing all relevant information and the required actions before we arrange insurance. In urgent cases we will accept verbal instructions provided that we receive prompt confirmation by letter, fax or email.

Proposal forms

In most cases, we ask our clients to complete, sign and date a proposal form. We are happy to help you complete the form, but the responsibility for accuracy and full disclosure rests with you.

Your duty of disclosure

You have a duty to disclose all material information to insurers, whether or not you have completed a proposal form. This duty arises when the insurance is first taken out and also every time you renew or amend it. You are also required to advise the insurer of changes throughout the term of the insurance.

In this respect, information is material if it would affect the insurer's assessment of the risk involved, or if misrepresentation/non disclosure leads the insurer to enter into the contract of insurance on particular terms. If you are in any doubt as to whether information is material you should disclose it as a matter of precaution.

If any material information is omitted or misrepresented by you, insurers have the right to charge additional premium, impose special terms, not pay a claim, void the insurance policy and return the premium or take other action as may be appropriate.

Please note in the event of insurers declining/refusing or cancelling cover as a consequence of non-disclosure or misrepresentation by you, we reserve the right to charge a fee for our services to cover the reasonable cost of making insurance arrangements on your behalf.

Information we provide

We aim to:

- provide you with quotes and terms in good time for you to make an informed decision regarding the insurance cover you require;
- give a summary of the options open to you – if, for example there's more than one relevant product or insurer, we will explain the differences in cover and cost;
- explain the key features of the insurance proposed including:
 - the basis of cover and benefits,
 - any significant, relevant or unusual restrictions, exclusions, conditions or obligations.

A copy of the full policy wordings are available on request.

Confirmation of cover

After receiving instructions from you to place or renew insurance cover we will provide you with cover notes and/or written confirmation that cover has been put in place. This will normally be sent to you within ten days of the date when cover commences.

You agree to review all information upon receipt and inform us immediately if the details of the cover or the participating insurers do not meet with your approval, or do not reflect the instructions you have given to us. In particular, you should advise us if any element of cover required is excluded.

Insurance documents

When you receive insurance documents from us, such as insurer policy wordings, please read and check them carefully. If any information is incorrect or not suited to your needs, please inform us as soon as possible. Failure to do this could mean that your cover is insufficient or incomplete and might not provide you with recompense in the event of a claim.

Please contact us immediately if you need to make any mid-term changes to your insurance so that we can obtain approval of the changes from your insurers and establish details of any further information that may be required.

Settlement terms

Prompt payment of our invoices for premiums, duties, fees and tax enables us to make the necessary payment to insurers within our terms of credit with them. Under certain circumstances, insurers may impose a specific condition requiring payment of premium by a certain date

If you pay for your insurance by credit agreement or insurer's payment scheme, you must return any signed credit agreement documentation within 7 days of receipt.

For other payment methods, our terms are 14 days (unless we agree something different in writing).

For the avoidance of doubt, we have no obligation to fund any monies owed by you to insurers and will have no responsibility for any loss which you may suffer as a consequence of insurers cancelling the insurance or taking any other steps as a result of the late or non-payment of such sums if this is attributable to you.

The settlement of premiums in good time is your responsibility.

Methods of payment

Cheque: Made payable to Pound Gates

BACS payment: Lloyds TSB Bank PLC
13 Cornhill, Ipswich, Suffolk IP1 1DG.

Sterling account: 01737598
US Dollar account: 11123017
Euro account: 86043279
Sort Code: 30-94-55

Premium payment may, on occasion, be by a credit arrangement. Generally the facility we use is provided by Premium Credit Ltd. Alternative arrangements may be available for you to consider depending on your financial status and the nature of the premium to be financed. Details of any available alternatives can be provided on request.

Client money

Client money is money of any currency that we receive and hold in the course of carrying on insurance mediation on behalf of our clients (including you) or which we treat as client money in accordance with the FSA's client money rules.

In accordance with the FSA client assets sourcebook, money will only be held on behalf of an insurer or underwriter in accordance with a written agency agreement between the insurer and ourselves.

Except where we inform you specifically to the contrary, when we receive premium from you and until such time as that premium is paid to insurers, we hold such money as an agent of the insurer.

Where we do hold money on your behalf it will be held in a statutory trust account designated in accordance with FSA client asset rules.

Costs and remuneration

We will:

- provide details of the premium costs of the insurances we offer;
- other than for arranging credit agreements, not impose any fees or charges in addition to the premium required by the insurer without first disclosing the amount and purpose of the charge;
- be paid for arranging the insurance in the form of commission or brokerage paid to us by the insurers underwriting the insurance, unless we have an arrangement with you that our services are provided for an agreed fee;
- in addition to such commission, or agreed fee basis of remuneration as appropriate, we are entitled to benefit from:
 - earnings we are able to generate due to the volume and/or profitability of business placed with certain insurers and premium finance providers, and,
 - earnings we generate through management of cash balances held on behalf of insurers and clients which are not identifiable to any specific account, and,
 - levies on premiums we handle, which are paid by certain insurers, for services we carry out on their behalf and that are not part of our services to our clients

On occasions we may charge an arrangement fee. This will be due to us either receiving limited or no commission from the insurer or the intermediary with whom the policy is placed. In all cases such arrangement fee will be disclosed to you in advance of placement of the policy,

We also reserve the right to make a fixed charge of £30 to cover administration of payment defaults such as bounced or stopped cheques or defaults of direct debit or premium instalment arrangements.

Should you cancel the insurance cover we have arranged on your behalf during the cover period, you should note that the element of premium relating to our commission as originally earned (or fees where applicable) will not normally be refunded.

Claims

It is essential that you notify us as soon as possible of any losses, claims, or circumstances which could give rise to a claim. Failure to do so in accordance with policy conditions may result in insurers declining a claim.

If you are in any doubt as to whether a circumstance exists that might give rise to a claim you should notify us as a precaution.

When you advise us or your insurer of a claim, you must provide all material facts. The insurance documents we provide to you will generally describe the procedures and conditions relevant to making a claim under your policy.

Where we agree to provide a claims handling service we will:

- provide guidance to assist you in pursuing the claim;
- handle claims fairly and promptly, keeping you informed of progress;
- inform you in writing if we are unable to deal with any part of a claim;
- advise you as soon as possible of claim settlement details.

In the event that an insurer becomes insolvent or delays making settlement, we will not accept liability for any unpaid amounts. Similarly we will not be responsible for any shortfall between the claimed amount and insurers settlement figure, unless it is due to an error on our part.

We reserve the right to charge a fee to continue handling any claim(s) for you on policies that you have not renewed, or replaced with equivalent covers, via ourselves.

Insurer financial stability

We monitor the quality of Insurers we use. However we do not guarantee the financial standing and solvency of any insurer that we access and we cannot guarantee the future stability of any insurer to meet its policyholder obligations.

The ultimate decision on the suitability of any insurer rests with you. If you have any concerns about the financial standing of your insurer please contact us immediately.

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

Data protection and confidentiality

We will treat any information received by us from you, about you, with due care and, where appropriate, in accordance with the Data Protection Act 1998.

Professional indemnity insurance

We carry professional indemnity insurance in accordance with the requirements of the FSA. Full details are available on request.

Complaints

We are dedicated to providing a prompt, efficient and professional service in all our dealings with you.

Maintaining the highest standard of customer service is of key importance to us, and your comments help us to identify areas for improvement in our service.

In the unlikely event that you have a complaint, in the first instance please contact:

Compliance and Client Services
Pound Gates
St Vincent House, 1 Cutler Street,
Ipswich, Suffolk IP1 1UQ
Telephone 01473 346046

We are committed to dealing with any complaints promptly and efficiently. We will:

- endeavour to acknowledge and initially respond to any complaint by return, but in any case no more than 2 working days after receipt of a complaint from you;
- provide you with details of our complaints procedure, which is available at any time on request, the name of the person who will be dealing with the complaint, and the date by which you can expect a more specific response;
- inform you in our first response if the complaint is in respect of the actions of a party other than ourselves, (for example an insurer).
- give a detailed response to you within 5 working days. However if this is not going to be possible, we will let you know before the 5 working day period expires;
- in all circumstances provide a final response to you within 4 weeks of your complaint being received.

If you are not satisfied by our response to your complaint you may be able to take the matter to the Financial Ombudsmen Service (FOS). When we respond to you we will provide you with information about the FOS.

Compensation

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.

The FSCS only applies to Retail Customers or Commercial Customers (as defined by the FSA) with a turnover under £1m that carry on business from an establishment in the United Kingdom.

Insurance advising and arranging is covered for 100% of the first £2,000 and 90% of the remainder of the claim, without any upper limit. For compulsory classes of insurance (such as Employers Liability), insurance advising and arranging is covered for 100% of the claim, without any upper limit.

Further information about compensation scheme arrangements is available from the FSCS.

Governing law

These terms of business shall be governed by and construed in accordance with the Law of England and Wales.