

Client Terms of Business

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

Pound Gates of Hyde Park House, Crown Street, Ipswich IP1 3LG 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 ("us/we").

We are authorised and regulated by the Financial Conduct Authority (FCA) and our FCA Firm Number is 304300. Our permitted activity is introducing, advising, arranging, dealing as agent, and assisting in the administration and performance of general insurance contracts and credit broking (and supplementary debt-related administration) in relation to insurance instalment facilities. This information can be checked on the FCA's Register by visiting the FCA's website www.fca.org.uk/register

We comply with the FCA 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.

Our Services

We are an independent intermediary who acts on your behalf and subject to the terms and conditions of this agreement accepts responsibility for advice given and for arranging your insurance. Our role is to advise you, and after we have assessed your needs, to provide you with a personal recommendation explaining why the product best meets your requirements, providing assistance in the event of a claim and helping you with any ongoing changes you wish to make. In some circumstances, when arranging certain classes of insurance, we do not provide advice or recommendations. We will always confirm in separate documentation whether or not any advice or recommendation has been made before finalising your insurances.

We are subject to the law of agency which imposes various duties on us. In certain circumstances we may act and owe duties of care to other parties. In providing our services, we may sometimes act as an agent of the insurer. We will advise you when these circumstances occur so you will be aware of any possible conflict of interest.

It is our policy to provide advice or information based on

- a general inquiry of the market, or;
- a panel of a limited number of insurers, or;
- terms provided by a single insurer

For certain types of insurance where we offer advice or information from a limited number of insurers, or a single insurer, we will provide you with access to a list of the insurers.

We may also provide you with other types of ancillary services, the precise nature of which would be agreed in writing between us, and which would be subject to agreed administration fees.

Documentation – how we will communicate with you

In providing us with your email address, we consider this to be your consent to receiving any correspondence and documentation by email. If you would like to receive any of the documentation in paper or other format, please let us know. Please note we do not operate a fax machine

Your duty of disclosure

You have a duty to disclose all material information to insurers, whether or not you have completed a proposal form. If you are a commercial client, or someone buying insurance mainly for purposes related to your trade, business or profession, you have a duty to give a 'fair presentation' of risk to insurers. This means you must disclose every material circumstance which you, your senior management or persons responsible for arranging your insurance, know or ought to know following a reasonable search within your business to identify and verify such information. This obligation arises before your cover is placed, when it is renewed and at any time that it is varied. You should declare all information that would influence the judgement of the insurer or that would put the insurer on notice that it needs to make further enquiries.

Examples of material information could include:

- Special or unusual circumstances relating to the risk;
- Any particular concerns which led you to seek insurance cover for the risk;
- Anything which those concerned with the class of insurance and field of activity in question would generally understand as being something that would be dealt with in a fair presentation of risks for this type of insurance.

More specific examples would include:

- Change in use of premises;
- Change in business activities;
- Alterations to premises or changes to security.

The information must be presented in a way which is reasonably clear and accessible to a prudent insurer. If you are in any doubt as to whether information is material you should disclose it as a matter of precaution.

Failure to provide a 'fair representation' may result in a number of remedies by an insurer. If the breach was deliberate or reckless the insurer can void the contract and keep the premium. If the breach was not deliberate or reckless the insurer can void the contract, proportionately reduce a claim settlement or amend the insurance policy terms and conditions, then review the merits of a claim on this basis.

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.

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 five working days of the date when cover commences.

Your responsibilities - insurance documents

You agree to review all insurance documents 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. Particular attention should be paid to any policy conditions, special terms, exclusions, warranties and claims provisions as failure to comply may invalidate your coverage. If you are concerned or unsure what the implications of any of these are you should contact us for advice.

At all times it is your responsibility to ensure the insured values and policy limits are adequate. 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 seek approval of the changes from your insurers and establish details of any further information that may be required.

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.

For some claim types insurers may seek to deal with you directly and for others we may contract another party to manage aspects of the claim. Where we are involved in providing a claims handling service we will:

- provide guidance to assist you in pursuing the claim, including advising on aspect(s) that may not be insured;
- keep you informed about progress and negotiate with your insurers on your behalf.

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.

Where we have been given authority by an insurer to negotiate and settle claims on their behalf then we act as their agent in claims handling matters, rather than on your behalf.

Credit and other checks

We, and other firms involved in arranging your insurance (insurers, other intermediaries, premium finance companies

and the like) may use public and personal data from a variety of sources including credit reference agencies and other organisations. Any credit reference search may appear on your credit report whether or not your application proceeds.

UK money laundering regulations require us to obtain evidence of the identity of clients for whom we act at the start of a business relationship. We are also required to cross check you/your company/business name against the HM Treasury Office of Financial Sanctions consolidated list as part of this process. We are also obliged to report to the National Criminal Agency any evidence or suspicion of money laundering at the first opportunity and we are prohibited from disclosing any such report.

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).

If you do not make arrangements with us to pay the insurance premiums you acknowledge and agree that we may instruct the relevant insurers on your behalf to cancel the insurance (or if this occurs shortly after the start or renewal of the insurance, to notify the insurer that the policy has not been taken up). 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 attributable to you.

In the event of cancellation of the insurance contract due to non-payment then your insurer may still require a premium to be paid. This may be calculated pro-rata or, if a claim/loss has been notified, up to the full annual premium may be charged.

Policy cancellation arrangements

Policies may be cancelled by notifying us in writing confirming the reasons for and the date of cancellation (this cannot be back-dated). The basis of calculating any premium refund will be determined by your insurer and will be established by a range of issues including policy type, policy conditions, reason for cancellation and whether any claims have been paid under the policy.

It should be noted that not all policies refund a proportionate part of the unexpired premium. Once our remuneration has been earned, in the event that the insurance is cancelled after inception, our fees or commission will not usually be returnable.

Methods of payment

Cheque:	Made payable to Pound Gates
BACS payment:	Lloyds Bank PLC
	Sort Code: 30-94-55
	Sterling account: 01737598
	US Dollar account: 11123017
	Euro account: 86043279

Premium payment may, on occasion, be by a credit arrangement. When sourcing or placing finance we act as your credit broker. Generally the facility we use is provided by Close Brothers Premium Finance (Close Brothers Limited t/a). 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 lower cost options will be provided to you.

We do not accept any payment in cash.

Handling client money

When we receive premium from you, and until such time as that premium is paid to insurers, we normally hold such money as an agent of the insurer. This means the premium is deemed to be insurer monies as we hold 'risk transfer' status with most insurers. A few insurers or other parties may not grant us 'risk transfer', in which case the monies remain yours until paid to the insurer or other party with 'risk transfer'. On occasions we may also hold claims monies as agent of the insurer until paid to you.

Where we hold money on your behalf, as your agent, it will be held in a statutory trust account designated in accordance with FCA client asset rules. As a consequence of these rules we will not be able to allow a refund of premium until such time as we receive the credit of premium from the insurer.

In accordance with FCA client asset 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.

Charges and remuneration for our services

The remuneration we receive for our services will be commission (a percentage of the premium allowed by insurers) unless we have an arrangement with you that our services are provided for an agreed fee in lieu of commission. We may also earn commission as a result of placing your premium finance. At your request we will disclose to you the commission we earn as a result of placing or renewing your insurance cover and for arranging your premium finance (where applicable).

In addition 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 which are not identifiable to any specific account, 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;
- work transfer fees 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 occasion 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.

On occasions we may charge administration fees for ancillary services provided to you. These charges will always be advised to you before the purchase of insurance or provision of other services and shown separately on our invoices.

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.

Protecting and processing your personal data

The privacy and security of your personal data is very important to us. Our full privacy notice can be found on our website at www.poundgates.com/privacy-notice. Our privacy notice details how we handle your personal data, including special categories of personal data (which is subject to certain exemptions for the purposes of transacting insurance). Our privacy notice is also available in hard copy or electronic format 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: The Complaints Manager, Pound Gates, Hyde Park House, Crown Street, Ipswich, Suffolk, UK IP1 3LG Telephone +44 (0)1473 346046

We are committed to dealing with any complaints promptly and efficiently and will at all times comply with the FCA rules and any other rules we are subject to:

- If your complaint cannot be resolved by close of business on the third business day after receipt we will promptly issue written acknowledgement of receipt, advise you who is dealing with your complaint and provide details of our complaints procedure.
- We will then:
 - keep you informed thereafter of the progress of the measures being taken aimed at resolving your complaint;
 - 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 4 weeks (however if this is not going to be possible we will let you know before this period expires);
 - in all circumstances provide a final response to you within 8 weeks of your complaint being received.

Your insurer also operates a complaints procedure, details of which will be in your policy documentation.

If you are not satisfied by our, or your insurers, response to your complaint you may be able to refer your complaint to the Financial Ombudsman Service (FOS) www.financial-ombudsman.org.uk

FOS has eligibility criteria and should you be eligible to take your complaint to them we will provide you with appropriate details.

Insurer financial stability

We monitor the financial standing of insurers we use however we do not guarantee their financial stability or ability to meet 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.

Financial Services Compensation Scheme (FSCS)

FSCS may be able to pay you compensation if your insurance firm fails and can't meet your claim. FSCS may also be able to compensate you if we fail and negligently advised or arranged your policy.

Your insurer must have been regulated by the Prudential Regulation Authority. To make a claim for compensation with FSCS you must be eligible under their rules. FSCS has compensation limits for each type of product they protect.

For further information about FSCS www.fscs.org.uk

Legal and jurisdiction

This agreement sets out the terms of our relationship with you and constitutes the entire agreement between the parties in respect of our engagement. All other terms, expressed or implied by statute or otherwise, are excluded to the fullest extent permitted by law. This agreement may not be varied except in writing between parties.

This agreement shall be governed by and construed in accordance with the Law of England and Wales. Any dispute arising under it shall be subject to the exclusive jurisdiction of the English Courts.

Unless agreed otherwise between us in writing no terms of this agreement are enforceable under the Contracts (Rights of Third Parties) Act 1999.

Your normal statutory rights are not affected by this agreement.

You are deemed to have accepted these terms of business and give your consent for us to operate in the ways described, unless you advise us otherwise in writing within 10 days of our appointment, a policy inception date or a policy renewal date.

Limitation of Liability

We acknowledge that we will be liable to you for loss, damage, costs and expenses ("losses") caused by our negligence or the negligence of any of our directors, employees, consultants, sub-contractors or agents for whose acts errors or omissions we are legally liable ("the specified persons"), subject to the following provisions of this clause.

We shall have no other liability of any nature, whether in contract, tort or otherwise, for any losses whatsoever and howsoever caused, arising from or in any way connected with the services and/or advice provided by us or our engagement by you. We shall not be liable in contract, tort (including negligence) or otherwise for:

- any increased costs or expenses, or
- any loss of profit, business, business contacts, business revenues or anticipated savings, or
- any special, indirect or consequential damage of any nature whatever.

We shall not be liable to the extent that losses are due to the provision of false, misleading, inaccurate, or incomplete information or documentation or your failure to inform us of any material information or if and to the extent losses are due to any act or omission of any person other than us or any of the specified persons. We shall not be liable to you or be deemed to be in breach of our contract with you by reason of any delay in performing, or any failure to perform any of our

obligations to you, or the delay or failure was due to any cause beyond our reasonable control.

Unless otherwise agreed by us with you in writing, our total liability to you (whether in contract, tort [including negligence] or otherwise) shall not exceed £5,000,000 in respect of any one claim.

We have professional indemnity insurance in accordance with the requirements of the FCA. Details are available on request.

Corporate entities

Where you are a commercial customer and a corporation or entity which is not a natural person, unless we are specifically advised to the contrary in writing, we will be entitled to assume that everyone within your organisation (which term for this purpose includes any parent, subsidiary or associated company) who gives instructions to us which we accept and act upon, has the requisite authority to do so on behalf of the organisation.

Termination

Our services may be terminated by us or by you upon giving the other one month's notice in writing, or as otherwise agreed.

In the event that our services are terminated by you, we will be entitled to receive all outstanding premiums, fees or commission payable (whether or not the same has been received by us) in relation to policies placed by us.

Any provision of this agreement which is expressly or by implication provided to come into or continue in force after termination of our services, shall survive such termination howsoever arising. Such termination shall be without prejudice to the accrued rights and liabilities and other remedies of either party.