

## Client Terms of Business Agreement

**This is Our Client Terms of Business Agreement ("ToBA") and supersedes all previous versions issued to you. It sets out the terms and conditions on which We agree to act for you, contains details of Our responsibilities together with your responsibilities both to Us, to insurers and to other third-party providers.**

**Please read this ToBA carefully and contact Us immediately if there is anything in it that you do not understand or with which you disagree. Your receipt of this ToBA constitutes your informed consent to its contents and by instructing Us you are accepting this ToBA. Please let Us know if you require this ToBA in a different format (e.g. large print).**

### Who We are

Pound Gates of Hyde Park House, Crown Street, Ipswich IP1 3LG United Kingdom, is an independent insurance 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/Us/Our"). We are registered in England and Wales and Our company registration number is 03097866.

### Who regulates Us

We are authorised and regulated by the Financial Conduct Authority (FCA) and our permitted business is to advise on, arrange, deal in, and assist in the administration and performance of general insurance contracts. We are also permitted to provide credit broking services in arranging premium finance. Our Firm's FCA reference number is 304300. You can check these details on the FCA's Register <https://register.fca.org.uk/s/> or by telephoning the FCA on 0800 111 6768.

### 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 another format, please let Us know.

### Our services

As an insurance intermediary We generally act as your agent. We are subject to the law of agency, which places various duties on Us. However, in certain circumstances We may act for and owe duties of care to other parties, including to insurers. We will tell you when these circumstances occur, so you will be aware of any conflicts of interest.

We offer a wide range of insurance products and services which may include:

- Offering you a single or range of products from which to choose a product that suits your insurance needs;
- Advising you on your insurance needs;
- Arranging a suitable insurance cover with insurers to meet your requirements;
- Helping you with any changes to your insurance you have to make;
- Providing all reasonable help with any claim you make.

In some cases, we act for insurers under a delegated authority agreement. This can allow Us to enter into insurance policies, issue policy documentation and/or settle claims on their behalf. Where We act on behalf of the insurer and not you, we will tell you, and in relation to claims We will advise you of this fact when you notify Us of a claim. In any case, we aim to always act in your best interest.

As an insurance intermediary We can offer a wide range of insurance products and have access to many leading insurance companies and the Lloyd's market. Depending on the type of cover you need, and where We have provided advice based on a personal recommendation, we will offer you a policy from either:

- A single insurer; or
- A limited range of insurers; or
- A fair analysis that is representative of the insurance market.

We will tell you which of these applies before We arrange your policy and, if We have not undertaken a fair analysis of the market, we will provide you with a list of insurers considered on request.

Before the insurance contract is concluded and after We have assessed your demands and needs, We will provide you with advice and make a personal recommendation of which policy is most suitable for you. This will include sufficient information to enable you to make an informed decision about the policy that We have recommended. We will give you a quotation which will itemise the cost of your insurance, including any fees that are payable in addition to the premium. This quotation will also include a statement of your demands and needs. You should read this carefully as it will explain our reasons for making the recommendation We have made.

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.

## Quotations

Unless otherwise agreed, any quotation given will normally remain valid for a period of 30 days from the date it is provided to you. We reserve the right to withdraw or amend a quotation in certain circumstances, for example, where the insurer has altered their premium/terms for the insurance since the quotation was given, where there has been a change in the original risk information/material circumstances disclosed, or if a claim/incident has occurred since the terms were offered.

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## Your responsibilities – insurance documentation

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 unusual restrictions or exclusions, any significant conditions or obligations 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.

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## 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. Any letter or claim received by you must be passed on immediately, without acknowledgement. Only by providing prompt notification of incidents can your insurance company take steps to protect your interests.

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.

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## Your duty to make a fair presentation

It is your responsibility to provide a fair presentation of the insurance risk based on you conducting a reasonable search for information. This could require you to obtain information from senior managers within your organisation or other parties to which the insurance relates or who carry out outsource functions for your business.

You must disclose every material circumstance which you know or ought to know, or failing that, disclose sufficient information to put your insurer on notice that it needs to make further enquiries. You must ensure that any information you provide is correct to the best of your knowledge and representations that you make in expectation or belief must be made in good faith. If you fail to make a fair presentation of the risk, this may result in additional terms or warranties being applied from inception of the policy or any claim payment being proportionately reduced. In some cases, this could result in your policy being declared void by an insurer and your premiums returned. Any deliberate or reckless breach of the duty of fair presentation could result in your policy being declared void by an insurer with no refund of premium.

If in doubt about any point in relation to material circumstances and reasonable search, please contact Us immediately.

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## Paying the premium on time

Once your contract of insurance has been arranged, we will send you an invoice (also referred to as a debit note). You must pay the premium amounts shown in the invoice within the timescales it sets out.

If you don't meet the payment date it may lead to the insurer cancelling your policy. We do not consider payment to have been received until We have received cleared funds into Our bank account. If the insurer has specified that the premium must be received by a certain date and you do not pay Us in time, it can result in automatic cancellation of your insurance policy.

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 late or non-payment of such sums if attributable to you.

## How We are paid for Our services

In most cases We are paid a commission by the insurer but, in some circumstances, we may charge you a broking fee instead of earning commission, or a combination of both if the commission is insufficient to cover Our costs. We will tell you how We will be remunerated for each policy We place for you before We arrange cover.

There may be occasions when We need to charge an additional broking fee, for example changes to the risk that require significant further advice and placement of additional coverage, the provision of additional risk management services or substantial involvement in any large, difficult, or complex claims. We will agree the amount of any additional fee with you before you become liable to pay it.

We also usually charge you a standard administration fee when taking out a policy with Us. We don't charge administration fees for mid-term adjustments or policy cancellations.

Where We charge fees, this will not be liable for insurance premium tax or value added tax (insurance is a VAT exempt supply).

Our commission and fee(s) are earned on placement of your insurance. All fees will be clearly shown in any invoice We issue to you, and We will advise you of the amount of any fee before you become liable to pay it.

We have arrangements with some insurers to receive additional payments reflecting the size and/or profitability of Our account with them and/or in respect of work We undertake on their behalf. Where We arrange premium finance on your behalf, we do not charge you a fee for introducing you to the finance provider, but We will receive a commission from them for Our assistance in putting this financing in place.

You may at any time request information regarding any commission which We may have received as a result of placing your insurance business and any related premium finance.

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## Payment options including Premium Finance

We accept payment by cheque, BACS, debit and credit card. We do not accept payment by cash. Our bank account details are confirmed on all invoices issued to you.

You may be able to spread your payments through insurers' instalment schemes or a credit scheme, which We have arranged with an established insurance premium finance provider. In arranging premium finance, we act as a credit broker to provide you with a premium finance facility which is designed solely for the purposes of facilitating a loan for repayment of insurance premiums. Where both an insurer instalment scheme and a premium finance facility are available, or where there is more than one premium finance provider available, we will provide you with advice and make a recommendation for the best option for spreading your payments. This will include sufficient information to enable you to make an informed decision about the finance option that We have recommended, together with a breakdown of the finance charges that are payable in addition to the premium.

When arranging premium finance, the lender may undertake an enquiry with credit reference agencies who will add details of the search and the application to their record about you, whether the application proceeds or not. Further details will be provided when an application for finance is made. Insurer's own credit facilities may also be available if appropriate.

Where you pay your premium by instalments and use a premium finance facility, if any direct debit or other payment due is not met when presented for payment or if you end the credit agreement, we will be informed of such events by your premium finance provider. If you do not make other arrangements with Us or your premium finance provider to pay the insurance premiums you acknowledge and agree that We may, at any time after being so informed, instruct on your behalf the relevant insurer 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) and to collect any refund of premiums which may be made by the insurer. If any money is owed to the premium finance provider under your credit agreement or if they have debited Us with the amount outstanding, we will use any refund received to offset Our costs. You will be responsible for paying any remaining time on risk charge and putting in place any alternative insurance and/or payment agreements you need. You also agree that We may hold to the order of the premium finance provider any claims monies due to you if you are in default of your credit agreement.

## How We hold your money

When We receive premium from you, and until such time as the premium is paid to insurers, We normally hold such money as 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 the 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 Us.

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### Solvency of insurers

We cannot guarantee the solvency of any insurer with which We place business. This means that you may still be liable for any premium due and not be able to recover the premium paid, whether in full or in part, should an insurer become unable to cover its own financial obligations. If you have any concerns regarding any insurer chosen to meet your insurance requirements, you should inform Us as soon as possible.

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### Renewals

You will be provided with renewal terms in good time before expiry, or notified that renewal is not being invited.

Unless you advise otherwise, renewals are invited on the basis that there have been no changes in the risk or cover required, other than those specifically noted to us or your insurers (see '**Your duty to make a fair presentation**').

It is very important that you check the information provided at renewal to confirm it remains accurate and complete. If any of the information is incorrect or if your circumstances have changed, you should contact Us immediately so We can update your details.

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### Mid-term transferred business

Where We are appointed to service insurance policies other than at their inception or renewal and which were originally arranged via another party, we shall not be liable during the current insurance period for any loss arising from any errors or omissions or gaps in your insurance cover or advice not supplied by Us.

Should you have any concerns in respect of a policy, which has been transferred to Us, or if you require an immediate review of your insurance arrangements, you must notify Us immediately. Otherwise, we shall review your insurance arrangements and advise accordingly as each policy falls due for renewal.

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### Policy cancellation arrangements

Policies may be cancelled by notifying Us in writing confirming the reasons for and the date of cancellation (this cannot be backdated). 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 usually be retained.

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### Termination of Our authority to act on your behalf

You or We may terminate Our authority to act on your behalf by providing at least 14 days' notice in writing (or such other period We agree). Termination is without prejudice to any transactions already initiated by you, which will be completed according to this ToBA unless We agree otherwise in writing.

You will remain liable to pay for any transactions or adjustments effective prior to termination, and We shall be entitled to retain any and all commission and/or fees due in relation to insurance cover placed by Us prior to the date of written termination.

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### Complaints

It is Our intention to always provide you with the highest possible level of customer service. However, we recognise that things can go wrong occasionally and if this occurs, We are committed to resolving matters promptly and fairly.

Should you wish to complain you may do so:

- In writing to the Complaints Manager, Pound Gates, Hyde Park House, Crown Street, Ipswich, Suffolk, IP1 3LG
- By telephone on 01473 346046
- By e-mail at [info@poundgates.com](mailto:info@poundgates.com)

Your complaint will be handled in accordance with Our complaints procedure, a copy of which will be provided to you when We acknowledge your complaint. This document is also available on Our website at [www.poundgates.com/complaints/](http://www.poundgates.com/complaints/).

Should you not be satisfied with Our final response, you may be entitled to refer the matter to the Financial Ombudsman Service (FOS). More information is available on request or on their website [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk). Further details will be supplied at the time of responding to your complaint.

**Financial Services Compensation Scheme (FSCS)**

We are covered by the Financial Services Compensation Scheme, and you may be entitled to compensation from the scheme depending on the type of business and circumstances of the claim if We cannot meet Our obligations. Further information about compensation scheme arrangements is available from the Financial Services Compensation Scheme website at <https://www.fscs.org.uk>.

**Protecting and processing your personal data**

We will process your data responsibly, fairly and in strict accordance with the prevailing General Data Protection Regulations. These regulations require a broad disclosure of compliance, including (but not limited to):

- › Our lawful bases of processing;
- › The information We collect, and how We use and share that information;
- › How long We keep information, including the purposes (e.g. to administer your policy);
- › The technical and organisational measures We have in place to safeguard your information;
- › Your rights as an individual data subject, and
- › Our approach to marketing.

As with many organisations, and to ensure customer can easily access details on the areas listed above, we have developed a separate Privacy Notice. This can be found on Our website at [www.poundgates.com/privacy-notice](http://www.poundgates.com/privacy-notice). Alternatively, we can send you a copy on request. It is important to take time to read this document carefully as it contains full details of the basis on which We will process your personal data, such as collection, using, sharing, transferring, and storing your information. It is also your obligation to ensure you show this notice to all parties related to any insurance arrangement. If you have given Us information about someone else, you are deemed to have their permission to do so.

**Financial Crime**

Please be aware that current UK money laundering regulations require Us to obtain adequate 'Know Your Client' information about you. We are also required to cross check you against The Office of Financial Sanctions Implementation (OFSI) HM Treasury consolidated list of Financial Sanctions Targets in the UK as part of the information gathering process.

We are obliged to report to the National Crime Agency and/or Serious Fraud Office any evidence or suspicion of financial crime at the first opportunity and We are prohibited from disclosing any such report. We will not permit Our employees or other persons engaged by them to be either influenced or influence others in respect of undue payments or privileges from or to insurers or clients.

**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.

**Limitations of Our 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.



## Legal and jurisdiction

If any provision of these terms is found to be invalid or unenforceable in whole or in part, the validity of the other provisions of these terms and the remainder of the provision in question will not be affected.

These terms shall be governed by the laws of England and Wales and the parties agree herewith that any dispute arising out of it shall be subject to the exclusive jurisdiction of the English Courts.

These terms supersede all proposals, prior discussions, and representations (whether verbal or written) between Us relating to Our appointment as your agent in connection with the arranging and administration of your insurance.

In the absence of any specific acceptance communicated to Us by you (whether verbal or written) you are deemed to accept Our offer to act for you on the basis of these terms, by conduct, upon you instructing Us to arrange, renew or otherwise act for you in connection with insurance matters.

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### 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.

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### Confidentiality

Information provided by you may be held, processed, disclosed, and used by Us, our professional advisers and any affiliate companies in servicing Our relationship with you. Unless you notify Us otherwise, you agree to the storage, use and disclosure of such information. All the activities that We undertake on your behalf, as described in this ToBA, are provided for your exclusive use. All recommendations, proposals, reports, and other information supplied to you in connection with these services are for your sole use and you agree not to make this information available to any third party without our express written permission. We reserve the right to take action to protect proprietary information.

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### Variation

No variation of this ToBA shall be valid or effective unless it is in writing. We may amend this ToBA by sending you either a notice of amendment in writing or a revised ToBA. Our administration fees may be subject to change and, where this is the case, you will always be advised of the applicable fee prior to being charged.

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### Assignment

We are entitled to assign this ToBA or aspects of our responsibilities under this ToBA to an associated company and/or company under common ownership, for example, to undertake client money reconciliations and to make payments to insurers.

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### Entire agreement

This ToBA constitutes the entire agreement and supersedes all previous agreements, understandings and arrangements whether in writing or oral in respect of its subject matter.

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