

GENERAL TERMS OF BUSINESS AGREEMENT

Abbott & Bramwell Ltd t/a Abbott & Bramwell Insurance Brokers, London House, 320 London Road, hazel Grove, Stockport SK7 4RF. Registered in England and Wales No. 2929143. www.abbott-bramwell.co.uk

Incorporating Corporate Insurance Brokers Ltd.

Introduction

Abbott & Bramwell Limited is authorised and regulated by the Financial Services Authority (FSA), which is our regulator. We follow the rules and principles established by the FSA for our general insurance business activities. Our FSA registration number is 311672 and our permitted business activities are arranging and advising on non investment insurance contracts. This information can be checked by visiting the following website: www.fsa.gov.uk/register or contact the FSA on 0845 606 1234.

We are a leading independent intermediary. We offer transactional and/or advisory services for your (re)insurance requirements. We may advise and make recommendations on all types of non-life general insurance products and we are not tied to any one (re)insurer, with the exception of our freightcover.com product which is underwritten by one single insurer.

In the absence of an agreement to the contrary this document sets out the terms of our relationship with you (our 'client') for our provision to you of (re)insurance broking services as set out herein.

Our Services

Negotiation and Placing

- The FSA is a government body set up to regulate the sales, advisory, competence and service standards of Members (Insurers, Intermediaries (including Brokers), Agents and anyone acting for them). Its main purpose is to make sure that general insurance customers are treated fairly and have confidence in the financial services markets.
- Abbott & Bramwell are primarily Commercial Insurance brokers who, on occasion, are asked to arrange policies for Private Customers. Generally for Private Customers we will only approach one or a limited number of insurers who we would consider to be appropriate, this will be detailed to you at quoting stage.
- The FSA has two classifications for customers (clients), Consumer clients are those acting outside of their business activities, all other customers are classed as Commercial Clients.
- On occasions we may need to use the services of another Intermediary to access certain Insurers or Underwriters. Unless you advise to the contrary we will assume you have accepted this practice.
- We are unable to guarantee the solvency of any insurer we place business with. A liability for the premium, whether in full or pro rata, may arise under policies where a participating insurer becomes insolvent.
- We will explain your duty to give *Insurers* information before cover begins and during the policy, and what may happen if you do not.
- If you want to consider the products or services we have offered, we will;
- Confirm the period of cover and details of cover including any significant terms or conditions which apply.
- Provide our quotation in writing including all the information you need to make an informed decision.
- Provide full information regarding the premium payable including any Taxes and/or fees.

- Provide supporting information and policy documentation in accordance with the FSA rules.
- Under the FSA regulations, customers who are acting outside of their business activities are defined as 'Consumer' clients. Insurers are required to provide a 'cooling off period' of at least 14 days from conclusion of the contract or the date you received the contractual terms and conditions, should you wish to cancel cover insurers are entitled to charge a time on risk charge or administration charge.
- When you first become a Customer, we will give you detail of how you can make a claim and tell you what your responsibilities are in relation to making claims.
- Where you pay premium to us, and where we have received this money as agent of the insurer / underwriter we hold such monies in an approved bank account.
- All other Premiums held by us on behalf of clients pending payment to the Insurer or Underwriter will be held in a Non Statutory Trust. Such account allows us to make advances of credit to enable a client's premium obligations to be met before the premium has been paid by the client. To operate such account members must satisfy FSA solvency conditions. You consent to us to hold your premium in this account will be assumed if you do not contact us to the contrary.

Complaints

Should you have any cause for complaint about our services please raise the matter in the first instance with the person who handles your account. Alternatively, you may contact "Director responsible for Complaints" at London House, 320 London Road, Hazel Grove, Stockport SK7 4RF. We will acknowledge your complaint within five days of receipt and will advise you of the person dealing with it. Should you not be happy with the response to your complaint you have the right to take your complaint to the Financial Services Ombudsman Service.

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.

Servicing and Claims

Unless otherwise agreed we will send you documentation confirming the basis of the cover secured on your behalf, including details of the (re)insurers, with a debit note or premium billing, where applicable, showing separately all the amounts payable. The dates that the money is due together with any penalties for late payment will be clearly stated to you.

We will forward any policy documents, if applicable, and any amendments or endorsements to your policy as soon as reasonably practicable.

Except where we agree with you or, because market practice determines otherwise, we will provide our claims handling services during the policy period for the policies placed by us. Our claims handling services include, upon receiving the required information from you, the notification of the claim or circumstances to insurers; representing you in the resolution of the claim and arranging the collection and/or settlement of the claim in accordance with market practice and your policy terms and conditions. Where claims are to be dealt by you with insurers directly we will provide advice and support as requested.

Further, our claims handling services will cease where we are satisfied that you have instructed another entity to assume the claims servicing obligations for your (re)insurance.

Where we collect claims payments these will be remitted to you as quickly as possible. However, we will not remit claims money to you before we have received it from (re)insurers.

Electronic Communications

We may communicate with each other by electronic mail, sometimes attaching further electronic data, we and you accept the inherent risks. You will be responsible for virus checking all electronic communications sent to you. You will also be responsible for checking that messages received are complete. In the event of a dispute neither of us will challenge the legal evidential standing of an electronic document and the Abbott & Bramwell system shall be deemed the definitive record of electronic communications and documentation.

Your Responsibilities

Proposal forms

For certain classes of (re)insurance you may be required to complete a proposal form, questionnaire or similar document. We will provide guidance but we are not able to complete the document for you.

Disclosure of information

You are responsible for providing us with the information we request from you to enable us to seek the cover sought. We will not be responsible for any consequences which may arise from any delay or failure by you to do so. You remain responsible for any decisions you make.

Further, all information which is material to your coverage requirements or which might influence (re)insurers in deciding to accept your business, finalising the terms to apply and/or the cost of cover must be disclosed. There is no duty on (re)insurers to make enquiries of you. Failure to make such disclosure allows (re)insurers to avoid the policy. This duty of disclosure applies equally at renewal of your policies and on taking out new (re)insurance policies.

Please discuss with us if you have any doubts about what is material or have any concerns that we may not be aware of material information.

Your policy

You are responsible for reviewing the evidence of (re)insurance cover to confirm that it accurately reflects the cover, conditions, limits and other terms that you require. Particular attention should be paid to any policy conditions and warranties, as failure to comply may invalidate your coverage, and the claims notification provisions. If there are any discrepancies you should consult us immediately.

Claims

You are responsible for notifying claims or potential circumstances that may give rise to a claim. To ensure full protection under your policy or similar documentation provided you should familiarise yourself with coverage conditions or other procedures immediately relating to claims and to the notification of those claims. Failure to adhere to the notification requirements particularly the timing of notification, as set out in the policy document, may entitle (re)insurers to deny your claim. In presenting a claim it is your responsibility to disclose all facts which are material to the claim.

Claims may be made against a policy long after its expiry date. It is important therefore, that you keep your policy documents in a secure place.

Change in circumstances

You will advise us as soon as reasonably practicable of any changes in your circumstances that may affect the services to be provided by us or the cover provided under your (re)insurance policy

Provision of information

All activities undertaken by us as outlined in this document are provided by us for your exclusive use and all data, recommendations, proposals, reports and other information provided by us in connection with our services are for your sole use.

Payment of premium

You will provide settlement with cleared funds of all monies due in accordance with the payment date(s) specified in our debit note or other documentation ("Payment Date"). Failure to meet the Payment Date may lead to (re)insurers cancelling your policy. We are under no obligation to pay premium by the Payment Date to (re)insurers on your behalf.

Our Remuneration

Our remuneration will be either a fee as agreed with you or brokerage which is a percentage of the (re)insurance premium paid by you. If appropriate, and with your consent, we may receive a fee and brokerage.

We provide services to (re)insurers that are not directly related to the services provided to you and we receive usual and customary remuneration in recognition of those services.

This remuneration may be a management or administration fee or revenue based upon the volume or profitability of (re)insurance business placed with a given (re)insurer over a specific period. These payments recognise the services we provide to the (re)insurer over that given period.

In certain circumstances we may recommend to you an additional general insurance activity related service, e.g. a hire car company. Any introductory payments we receive from them will be disclosed to you on request.

We are committed to ensuring transparency of our remuneration and we will, at your request, fully disclose our remuneration.

Monies held in our client premium bank accounts may attract interest, we do not expect this to exceed £20 per transaction in relation to 'Retail' clients.

Confidentiality

We will treat any information in our possession that relates to your business as confidential. It will be necessary, however, for us to disclose information that you consider confidential to (re)insurers or other parties, when acting on your behalf, where we reasonably consider such information to be material to the risks being covered..

Termination

Our services may be terminated either by us or you upon the giving of one month's notice in writing to the other or as otherwise agreed. In the event you terminate our services during the policy period we will be entitled retain all fees and commissions in relation to all policies placed by us.

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, except by members of the Abbott & Bramwell Group of companies.

Governing Law

This Agreement, which sets out the terms of our relationship with you, will be governed by and construed in accordance with English Law and any dispute arising under it shall be subject to the exclusive jurisdiction of the English courts.

Money laundering and Proceeds of Crime Act

We are obliged to report to the Serious Organised Crime Authority any evidence or suspicion of money laundering at the first opportunity and we are prohibited from disclosing any such report to anyone else.

Claims payments will be made in favour of you. If you require a payment to be made to a third party then you must confirm the required payee name and details and provide a brief explanation of your request.