

## TERMS OF BUSINESS

**Accepting our Terms of Business** By asking us to quote for, arrange or handle your insurances, you are providing your informed agreement to these Terms of Business. For your own benefit and protection, you should read these terms carefully. If you are unsure about any aspect of our Terms of Business or have any questions regarding our relationship with you, please contact us.

**Our status** NDML is a trading style of Club Insure Ltd that is authorised and regulated by the Financial Conduct Authority. We are authorised to advise on, arrange and administer contracts of insurance. You may check the scope of our permissions on the Financial Services Register by visiting, <https://register.fca.org.uk/> or by contacting the FCA on 0800 111 6768. Our Firm Reference Number is: 304875. Our registered office address is: Romero House, 8 Airport West, Lancaster Way, Yeadon, Leeds LS19 7ZA, registered number: 03535054.

**Level of Service and Products Offered** We offer insurances sourced from a wide range of insurers and products aimed specifically at the Leisure and Hospitality industry and related entertainment venues where special trade considerations and/or special circumstances apply. We will normally make a personal recommendation for you unless otherwise stated.

**Your status** We only offer commercial insurance products and will therefore consider that you are a Commercial Customer transacting insurance with us wholly or predominantly for business purposes. If for any reason you do not believe this to be the case, please advise us accordingly and we will, if appropriate, amend the terms on which we do business with you.

### **Important – duty of fair disclosure for commercial insurance customers**

From 12 August 2016 the duty of disclosure for commercial Insurance contracts changed with the implementation of the Insurance Act 2015 (“the Act”). For policies incepting or renewing on or after 12 August 2016 you have a new duty to make “a fair presentation of the risk”. To meet this duty you still need to disclose all material information to insurers that is known to you (or which ought to be known to you). Information is material if it would influence the judgment of a prudent insurer in establishing the premium or determining whether to underwrite the risk and, if so, on what terms. Material information does not necessarily have to actually increase the risk of the insurance under consideration.

Under the Act you will be deemed to know information if it is known to any individuals in either of the categories below:

- Anyone within your business in a senior management or decision making role, and
- Anyone responsible for arranging the insurances,

Furthermore, under the Act, you “ought to know” what should reasonably have been revealed by a reasonable search for information held internally or externally (including by any third parties to whom services are outsourced, including insurance agents). In order to be able to argue that you have satisfied the duty, should an insurer allege that you have not in the future, you should do the following:

- Carefully consider who are the individuals who may fall into categories above, record this in writing and explain your reasoning;
- Make enquiries of those individuals as to whether they are aware of any material information (having explained to them what this means);
- Record the results of these enquiries in writing; and
- Consider whether any material information could be held anywhere other than with the individuals identified. If so, you will need to carry out a reasonable search. This could mean making enquiries of individuals or may in some circumstances mean having to carry out an electronic and/or physical search of records.

It is important to bear in mind that if material information is held by third parties such as accountants or lawyers, or internally by branch offices, even if it is not known to the individuals you have identified, it may need to be disclosed. Your enquiries must cover all relevant group companies, branch offices etc. and the relevant personnel within them. You must ensure you make a full written record of the search made and the responses provided to ensure that you have evidence in the event of any claim being made. In completing an application for insurance, mid term change to your insurance or renewal of insurance, the accuracy and completeness of all answers, statements and /or information is your responsibility and it is of paramount importance that all relevant information is provided and that it is accurate. If you become aware of any material information that you supplied before the contract of insurance is finalised is incorrect or has been omitted, you should inform us immediately. If you are unsure if information is material you should disclose it.

Under the Act, in the event that there is a breach of duty to make a fair presentation of the risk, the remedies available to insurers will vary dependent on whether the breach is deliberate or reckless or otherwise. For deliberate or reckless breaches the insurer may avoid the contract, refuse all claims and retain the premium paid.

For other, non-fraudulent or non-reckless, breaches the remedy will depend on what the insurer would have done had a fair presentation of the risk been made. Here are the main examples.

- If the insurer would not have accepted the risk it can avoid the contract entirely, but must refund premiums paid.
- If the insurer would have accepted the risk on other terms, the contract is treated as if those terms applied.
- In the event that a higher premium would have been charged, any claims payments can be reduced proportionately. This provision is especially important because if insurers can show that they would have charged only a modest additional premium, the impact on a claim could be disproportionately large.

Please answer all questions on any proposal form fully and avoid answers such as “As last year”, or “See survey”.

**Payment for our services** We normally receive commission from insurers or product providers; we may also charge you a fee for handling your insurances. You will receive a quotation that will tell you the total price to be paid, and which identifies any fees, taxes and charges separately from the premium, before your insurance arrangements are concluded. Full payment of the premium and fees is due before cover commences, or as otherwise stated under terms of credit, or in the debit note, invoice or statement issued to you. You may be able to spread your payments through a credit scheme with a third party finance provider or insurer. We will give you full information about your payment options when we discuss your insurance in detail. In order to be able to offer you credit facilities, we are authorised by the FCA to act as credit brokers to advise on arranging premium finance facilities for non-investment insurance contracts and to assist with changes to those contracts. We only offer third party credit facilities with Close Brothers Premium Finance and Premium Credit Ltd. Failure to make a payment or complete a credit agreement prior at commencement or renewal may result in the non-commencement, non-renewal or cancellation of your policy.

You are entitled, to request information about any commission received in the placing of your business or the provision of credit facilities, prior to the conclusion of the contract. We reserve the right to charge a fee of £50 for each Policy issued and £25 per Endorsement or Duplicate document issued. You will be invoiced accordingly if such a fee is deemed necessary.

**Handling client money** Our financial arrangements with most insurance companies are on a ‘Risk Transfer’ basis. This means that we act as agents of the insurer in collecting premiums and handling refunds due to clients. In these circumstances such monies are deemed to be held by the insurer(s) with which your insurance is arranged. If Risk Transfer does not apply, such monies will be held by us in a Non-Statutory Trust account pending payment. The establishment of the Non-Statutory Trust Account follows the rules to protect money held by authorised intermediaries. However, you should be

aware that, under the Non-Statutory Trust account rules, we are permitted to use such monies temporarily held to advance credit to clients generally. A copy of the Deed of Trust is available on request or may be inspected at our premises during normal office hours. If you object to your money being held in a Non-Statutory Trust account, you should advise us immediately. Otherwise, your agreement to pay the premium together with your acceptance of these Terms of Business will constitute your informed consent to our holding your money in a Non-Statutory Trust account. Interest earned on monies held in such a Non-Statutory Trust account will be retained by us.

**Cancellation of insurances** You should make any request for the cancellation of a policy in writing and any relevant certificate of insurance must be returned to us or to the insurer concerned. In the event of cancellation, charges for our services will apply (see Payment for Services above). The terms of your policy may allow insurers to retain the premium in full or to charge short-period premiums in the event of cancellation before the policy expires.

Commission and fees are earned are non-refundable. This entitles Club Insure Ltd to retain all commissions or fees in relation to policies and finance contracts placed through us even if the policy or finance contract is cancelled or transferred during the period of cover. If you instruct us to cancel or transfer your business within the period of a valid signed Long Term Agreement a cancellation charge of £250 will be payable to Club Insure Limited. Insurers may impose separate charges in respect of cancelling or transferring your contract of insurance within the period of a valid signed Long Term Agreement. We also draw your attention to the section headed 'Ending your relationship with us'.

**Complaints and compensation** We aim to provide you with a high level of customer service at all times but, if you are not satisfied, please contact the Complaints Director at the address shown above, telephone 0113 281110. When dealing with your complaint, we will follow our complaint handling procedures; a summary of these procedures is available on request. If you are still not satisfied, you may be entitled to refer the matter to the Financial Ombudsman Service (FOS). Further information about the service can be obtained from the FOS on 0800 023 4567 or [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk). 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. Further information about compensation scheme arrangements is available from the FSCS on 0800 678 1100 or [www.fscs.org.uk](http://www.fscs.org.uk).

**Ending your relationship with us** Subject to your immediate settlement of any outstanding premiums and fees, you may instruct us to stop acting for you and we will not impose a penalty. Your instructions must be given in writing and will take effect from the date of receipt. In circumstances where we feel we cannot continue providing services to you, we will give you a minimum of 7 days notice. Unless otherwise agreed in writing, if our relationship ends, any transactions previously initiated will be completed according to these Terms of Business. You will be liable to pay for any transactions concluded prior to the end of our relationship and we will be entitled to retain commission received for conducting these transactions, together with all fees charged by us for services provided.

**Data protection** We will process any personal information we obtain in the course of providing our services to you in accordance with current UK Data Protection law. In administering your insurances it may be necessary for us to pass personal data to insurers and other product or service providers that may provide us with business and compliance support. We may also disclose details to relevant parties, as necessary, to comply with regulatory or legal requirements. By giving us personal information, you signify your consent to its being processed by us in arranging and administering your insurances. We will keep records of all our business transactions for a minimum period of three years. We treat all our clients' records as confidential even when a client ceases to be a client. We cannot be held responsible for incorrect data held in the event of any non-disclosure or misrepresentation. You have the right of access to your personal records held on our files. This may incur a small administration fee and we will tell you what the fee is if you ask for a copy of your information. All telephone calls are recorded and monitored for training and quality control purposes. By accepting our Terms of Business you agree to such recording and monitoring of your telephone conversations with this company. If you cease to be a client we may contact you for feedback and to ascertain if you would like to revisit our services at the following renewal.

**Conflict of interests** Occasions can arise where we, or one of our associated companies clients or product providers, may have a potential conflict of interest with business being transacted for you. If this happens, and we become aware that a potential conflict exists, we will write to you and obtain your consent before we carry out your instructions and we will detail the steps we will take to ensure fair treatment.

**Credit and HM Treasury Sanctions List Checks** UK law requires us to check whether or not our customers appear on the Consolidated List of Sanctions Targets maintained by HM Treasury. Checks will be performed on the commencement of our business relationship with you and periodically whilst this relationship continues. Insurance and finance providers may complete a credit check before providing quotations or facilities; such checks may leave a footprint on your credit records. If you do not want this to happen you must tell us before we start to research insurance costs for you.

**Claims handling arrangements** You should take note of the required procedures in the event of a claim, which will be explained in the policy documentation. Generally, insurers require immediate notification of a claim or circumstances, which might lead to a claim. We will employ due care and skill if we act on your behalf in respect of a claim.

**Governing Law** In respect of Policies issued in England and Wales, these Terms and Conditions of Trading will be governed by, and construed in accordance with, the Laws of England and Wales and the parties submit to the exclusive jurisdiction of the courts of England and Wales. In respect of policies issued in Scotland, these Terms and Conditions of Trading will be governed by, and construed in accordance with the Laws of Scotland and the parties submit to the exclusive jurisdiction of the courts of Scotland.

**Limit of Liability** Our liability for losses suffered by you as a direct consequence of any negligent performance of our services shall be limited in all circumstances to £5,000,000 per claim. In respect of any other claim arising out of our performance or non-performance of the services hereunder our liability shall be limited to the amount of commission and fees which we have received for arranging your insurance cover during the 12 month prior to such claim arising. We shall not be liable to you for any pure economic loss, loss of profit or loss of business, in each case whether direct, indirect or consequential, or any claims for consequential compensation whatsoever (such as that listed above and howsoever caused) which arise out of or in connection with our services or this agreement. Nothing in this paragraph excludes or limits our liability for death or personal injury caused by our negligence, or for loss caused by or fraud, wilful misrepresentation or breach of regulatory obligations owed to you. You are welcome to contact us to discuss increasing the limitations of our liability and/or varying the exclusions set out above. Please note however that an additional charge and other terms may apply should we agree to amend this clause

**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 insolvent depending upon eligibility under the FSCS compensation scheme.

**Instructions - Corporate Customers** We will take instructions from any individual who purports to be authorised by you and we reasonably believe this to be the case. If you wish to restrict the individuals from whom we may take instruction then you must inform us in writing and we will act accordingly.