

# TERMS OF BUSINESS AGREEMENT

**Please read this document carefully**

This document sets out the terms on which we agree to act for our clients and contains details of our regulatory and statutory responsibilities.

Please contact us immediately if there is anything in these terms of business which you do not understand or with which you disagree.

## TERMS OF BUSINESS AGREEMENT

### Broker Information

Genavco Insurance Limited of Michael's House, 10-12 Alie Street, London E1 8DE is an independent Lloyd's Broker and Risk Manager.

We are authorised and regulated by the Financial Services Authority (FSA). Our permitted business is general insurance mediation. Our FSA Register number is 311903.

These details can be checked on the FSA's Register by visiting the FSA's website <http://www.fsa.gov.uk/register> or by contacting the FSA on 0845 6061234.

We are required to comply with the FSA Regulations relevant to an insurance intermediary. These include the following:

- a firm must conduct its business with integrity, and pay due regard to the interests of its customers and treat them fairly;
- a firm must conduct its business with due skill, care and diligence;
- a firm must pay due regard to the information needs of its clients and communicate information to them in a way which is clear, fair and not misleading;
- a firm must manage conflicts of interest fairly, both between itself and its customers and between a customer and another client;
- a firm which holds client money has to meet certain specified conditions;
- a firm must take reasonable care to establish and maintain such systems and controls as are appropriate to its business; and
- a firm must maintain and keep up to date a list of the insurance undertakings it selects from and be able to provide a copy of this list in a durable medium to a customer on request.

### Services

Our services include (should you so instruct us):

- advising you on your general insurance needs;
- arranging your insurance cover with insurers in accordance with your instructions and to meet your requirements;
- helping you with any subsequent event or alteration to your insurance and at renewal; and
- assisting you with any claim you may need to make under a policy that we have arranged for you.

We place insurances with a range of insurers, companies and Lloyd's syndicates, and will advise you should we have any special arrangements with them; should you have to deal directly with the insurer for ongoing policy administration; or should you have to contact them directly in the event of a claim.

We may issue policies or certificates and handle claims on behalf of some insurers. If that situation arises in connection with an insurer we recommend to you, we will inform you before you proceed.

We can place, on your behalf, personal lines policies such as:

- household - buildings, contents, high net worth, tenanted;
- motor - private car, motorcycle;
- travel - single trip, multi-trip;
- personal accident and sickness; and
- private healthcare.

and commercial policies such as:

- liabilities – employers' liability, public liability;
- motor - cars, vans and lorries, single vehicle or fleet;
- damage to property - commercial all risks, specified perils, goods in transit, money;
- interruption - loss of rent, loss of profits, increased cost of working;
- fraud; and
- legal expenses.

Should our services extend beyond general insurance broking, different terms of business and charging structures will apply.

## **Relationships**

As an independent insurance intermediary we act as the agent of our client. We are subject to the law of agency, which imposes various duties on us. However, in certain circumstances we may act for and owe duties of care to other parties. We hold money as agent of the insurer in respect of premiums received and premium refunds.

We endeavour to avoid conflicts of interest but where such conflicts do arise we will manage the situation fairly and advise you of the circumstances and our proposed action so that you make an informed decision.

We offer products from a range of insurers. A list of insurers we approach for each type of contract is available on request.

We will advise and make a recommendation for you after we have assessed your needs. This will include the type of cover you seek together with the costs.

Upon receipt of your instructions we will place insurance with insurers, and keep you informed of the progress of our negotiations.

We will advise you if for any reason we are unable to place your insurance.

## **Duty of Disclosure to Insurers**

It is important you understand that any information, statements or answers made by you to us or your insurers are your responsibility and must be full, complete and correct. Your attention is drawn particularly to the importance of the declaration and signature on proposal forms or statements of fact. Any failure to disclose facts material to the insurance or any inaccuracies in your answers to questions asked, may invalidate your insurance cover in whole or in part. Consequently you could find yourself subject to prosecution, for example, for driving without insurance. If your property is the subject of a mortgage, you could be in breach of the terms of a mortgage agreement.

Facts material to the insurance are matters, circumstances or information that may influence the judgement of a prudent insurer as to the acceptability or otherwise of your proposal or renewal or the terms or premium required and must be disclosed at the earliest

opportunity. You are advised to keep copies of documentation sent to or received from us or your insurers for your own protection. Please ask us if you are in any doubt.

Should you not act with the utmost good faith or fail to disclose any material fact or circumstance to insurers, insurers may avoid the contract.

## **Documentation**

We endeavour to ensure that documentation is issued in a timely manner. However, we are reliant on the administration of the insurers concerned.

Your policy documentation will confirm the basis of the cover, give details of the insurers, and be accompanied by a policy summary. The date that the premium is due will be shown clearly on the debit note.

Prior to the conclusion of the contract you will be given a statement of demands and needs. You should read this carefully. It will set out your demands and needs and confirm whether the contract has been personally recommended and, if so, the reasons for making that recommendation.

You will be provided with renewal terms in a durable medium in good time before expiry of the policy. Attached to the renewal terms will be a statement of any changes to the terms of the policy, and changes to directive-required information (information required under EU Directives), a statement of price and information about cancellation.

You will be given an explanation of any changes, where necessary and in good time, which may appear in your policy and you will be advised of your right to request a new policy document.

If renewal is not being offered you will be notified in good time before the expiry of the policy.

It is our policy to retain documents for business effected on your behalf in electronic or paper format for three years after expiry of each policy. For statutory, contractual, regulatory or other similar reasons we may retain documents for longer periods.

For some types of insurance cover it is possible that a claim may be made under a policy long after its expiry date and it is therefore important you keep the documents safely.

## **Security**

We do not guarantee the solvency of any insurer with whom we place business.

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

## **Claims**

You should notify us immediately of any claim or circumstance likely to give rise to a claim under your insurance policies and with as much information as to the circumstances as is currently available.

Please telephone us on 020 7977 1797. Our opening hours are 9am – 5pm, Monday to Friday. (For urgent claims outside these hours please consult your policy documents for details of your insurer’s claims procedure.)

We will advise you promptly of the action that is necessary. We will issue a claim form or give you details of your insurer’s claims helpline.

You should not admit liability nor agree to any course of action, other than emergency measures carried out to minimise any loss, until you have agreement from your insurer.

We will remit any claims payments received by us to you as soon as possible after they have been received on your behalf.

We will provide you with every assistance in submitting a claim and seek to obtain reimbursement for you. However, in the event that an insurer becomes insolvent or delays making settlement, we do not accept liability for any unpaid amounts.

## Remuneration

Details of our fees are shown below under “Charges”. Any amount which is not a premium is considered to be a fee. Any commission which is due is payable out of the premium. Our remuneration may be as a fee, and/or as commission, which is a percentage of the insurance premium paid by you and allowed by the insurer with whom the insurance is placed.

In addition to client fees and/or commission, we may receive remuneration by way of administrative fees or commissions for services provided to underwriters. We may also act as reinsurance brokers to underwriters with whom we have placed insurance or reinsurance.

You are entitled, at any time, to request information regarding any commission or other remuneration which we may have received as a result of placing your insurance business.

## Charges

For commercial policies:

We may need to make additional charges to cover the costs involved in providing services. You will be advised of those charges and all costs before you proceed.

For personal lines policies:

In addition to the premium charged by insurers (which includes commission) we make the following charges to cover the costs involved in the administration of your insurances. (The charges do not apply where the premium is paid under the insurer’s instalment scheme.)

- new policies £20
- mid-term adjustments £20
- mid-term cancellations £20
- replacement / duplicate certificates or cover notes £20
- renewals £20

Additionally there will normally be a service charge in respect of any premium paid by instalments. The exact amount of this charge will depend on a number of factors and will be advised to you should you wish to consider this option. Depending on the circumstances, this credit arrangement may be provided by the insurer or a separate company. You will be advised of the identity of the credit provider.



## **Interest on Client Money**

Any interest earned on client money held by us and any investment returns on any segregated designated investments will be retained by us for our own use, rather than paid to you.

## **Payment to Third Parties**

We may transfer client money to another person, such as another broker or settlement agent, for the purpose of effecting a transaction on your behalf through that person.

## **Bank Accounts**

Client money will be deposited with one or more of the following approved banks:

- NatWest Bank plc City of London Branch, PO Box 12258, 1 Princes Street, London, EC2R 8PA; and
- Close Brothers Ltd 10 Crown Place, London, EC2A 4FT

## **If you Change your Mind**

Personal lines clients have the right to cancel a policy within 14 days of its start date or renewal, without giving any reason. You will be entitled to a pro rata refund of any premium paid, less the proportion of any fees charged or commission received, required to cover our costs.

This right does not apply to contracts of less than one month's duration, such as single trip travel policies.

Your policy document will provide details of what happens if you decide to cancel your insurance more than 14 days after its start or renewal. In this event we reserve the right to retain all fees and commission in respect of the full policy period.

## **Cancellation of this Agreement**

Our agreement may be terminated by one of us giving sixty days notice in writing to the other. In the event that our services are terminated by you we will be entitled to receive any fees or commission payable.

## **Money Laundering / Proceeds of Crime Act**

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. This might, for example be evidenced by sight of a current signed passport and two utility bills. For companies (other than listed ones) evidence of identity will usually comprise a copy of certificate of incorporation, a list of directors, a list of shareholders and the registered address.

We are obliged to report to the National Criminal Intelligence Service any evidence or suspicion of money laundering at the first opportunity and we are prohibited from disclosing any such report.

Return premiums, claims payments or other monies due to you 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 for your request.

## Complaints

Our aim is to satisfy our customers with the highest standards and to build long-term relationships. In the unfortunate event that we fail to meet your expectations we operate a complaints procedure.

If you feel dissatisfied, what should you do?

In the first instance, discuss any aspect of the manner in which your business is handled with your Account Manager.

If he or she is unable to resolve matters to your satisfaction please contact:

Managing Director  
Genavco Insurance Ltd  
Michael's House  
10-12 Alie Street  
London E1 8DE  
Telephone: 020 7702 4300  
Fax: 020 7702 4585.

A copy of our full complaints procedure is available on request.

## Compensation

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the FSCS if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim.

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, insurance advising and arranging is covered for 100% of the claim without any upper limit.

Full details and further information on the scheme are available from the FSCS at:

Financial Services Compensation Scheme  
7<sup>th</sup> Floor, Lloyd's Chambers  
Portsoken Street  
London E1 8BN  
Telephone: 020 7892 7300  
Fax: 020 7892 7301  
Website: <http://www.fscs.org.uk>

## **Data Protection**

We are registered under the Data Protection Act 1998 and we undertake to comply with the Act in all our dealings with your personal data.

Your personal information will be kept secure.

Unless required by law, by public interest, by virtue of our being regulated by the FSA or you give your consent to disclosure, all information you supply will be kept confidential to us and the parties involved in the services we provide or arrange for you. We may use the information we hold about you to provide information to you about other products and services that we offer.

If you do not wish to receive such information from us, please write to:

Compliance Officer  
Genavco Insurance Ltd  
Michael's House  
10-12 Alie Street  
London E1 8DE

Insurers pass information to the Claims and Underwriting Exchange and the Motor Insurance Anti-Fraud and Theft Registrar to check information and prevent fraudulent claims. Motor insurance details will be added to the Motor Insurance Database to identify uninsured drivers and to provide insurance details in the event of an accident.

Information may also be passed to credit reference agencies if you request to make payment by instalments.

Under the Data Protection Act 1998, you have the right to see personal information about you that we hold in our records. Should you have any queries please write to:

Compliance Officer  
Genavco Insurance Ltd  
Michael's House  
10-12 Alie Street  
London E1 8DE

## **Law and Jurisdiction**

These terms of business shall be governed by and construed in accordance with English Law. In relation to any legal action or proceedings arising out of or in connection with these terms of business we both irrevocably submit to the exclusive jurisdiction of the English courts.

## Note

Your acceptance of the Terms of Business does not affect your normal legal rights.

## Issued by

Genavco Insurance Limited  
Michael's House  
10-12 Alie Street  
London  
E1 8DE

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Fax: 020 7702 4585

Registered in England and Wales No. 00879931  
Registered Office: 87-135 Brompton Road London SW1X 7XL  
Member of the British Insurance Brokers Association  
**Authorised and regulated by the Financial Services Authority**