

TERMS OF BUSINESS (V.5) – RHA INSURANCE SERVICES, 129 HIGH STREET, BILLERICAY, ESSEX, CM12 9AH.

Please note that if you have received this documentation by email, you do have the option to be sent a paper copy free of charge. If you wish to receive paper documentation, please contact us and we will be happy to arrange this.

The Financial Conduct Authority (FCA) is the independent watchdog that regulates financial services. Use this information to decide if our services are right for you. Please read these terms carefully. If you have any questions about this Terms of Business document or have any questions regarding our relationship with you, please contact us.

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. We draw your particular attention to:

- the section headed 'Use of personal data', and specifically the paragraph explaining how 'sensitive personal data' will be used and the sub-section titled 'Credit checks';
- the section headed 'Handling money', which explains our terms for handling client money in a Non-Statutory Trust account.

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 at the above address.

The Financial Conduct Authority

RHA Insurance Services is a trading name of Direct Corporate Risks Ltd an appointed representative of Business Choice Direct Insurance Services Ltd who are authorised and regulated by the Financial Conduct Authority. FRN 927512. Registered in England No. 10301653. Registered office: Affinity House, Bindon Road, Taunton, Somerset, TA2 6AA.

Our permitted business is introducing, advising, arranging, dealing as agent, assisting in the administration and performance of general insurance contracts and credit broking including supplementary debt-related administration in relation to insurance instalment facilities. You can confirm this on the FCA's Register by visiting the FCA's website <http://www.fca.org.uk/register> or by contacting the FCA on 0800 111 6768.

Our Service

Our role is to advise you and to make a suitable recommendation based on a fair and personal analysis. We will fully explain the basis of any advice or recommendation we give to you in order to ensure that the product you have selected meets your demands and needs. We may be able to offer a credit facility for you to pay your insurance premium via multiple instalments through the insurer or one of the following Premium Finance providers; Premium Credit Ltd, Close Brothers Ltd, BNP Paribas. Where we can offer such an instalment facility, we do not offer advice in relation to this but we may ask some questions to narrow down the selection of options available; you will then need to make your own informed choice about how to proceed.

We will not provide further advice or recommendations following the arrangement of insurance cover, unless you notify us of a material change of circumstances or formally request that we review your insurance arrangements. At renewal, unless we give you a quote for cover with an alternative insurer, we will not offer advice or make recommendations unless you request this during the renewal process.

We will typically select personal and commercial insurances from a range of insurers to find you the most appropriate product to suit your needs. However, depending on your demands and needs, we might only consider a specific product from a single insurer, or products from a limited number of relevant providers. We may limit the number of providers we ask to those we use for selected types of insurance, through our own specialist facilities, or via a specialist intermediary. We will confirm to you which approach we have used for your policy in good time before any arrangements are finalised, including whether or not we propose using another intermediary to help place your business.

We may also choose to use a 'delegated authority' arrangement, which means that we have the authority to do certain things on behalf of the insurer. That could include calculating your premiums and issuing your policy documents. In this capacity, and when collecting your premiums, we will be acting as agent of the insurer. Typically, we will act on your behalf in all other circumstances. However, should this not be the case, we will confirm the capacity in which we are acting before undertaking any relevant transactions. We will not in any circumstances act as an insurer nor guarantee or warrant the solvency of any insurer, and we do not hold voting rights or capital in any insurer.

Receipt of Instructions / Changes to Cover

We will normally deal with any requests to increase or amend cover on the day your instructions are received, or the next working day if a weekend or public holiday. Sometimes changes cannot be processed without obtaining additional information. If additional information is required we will contact you as quickly as possible. We will confirm changes to your policy, once agreed, in writing. We will also advise you of any extra premiums you must pay or premiums we must return to you. We do not consider instructions to arrange or change cover which are sent to us by post, electronic mail or facsimile, or left on voicemail, to have been received until they reach the relevant personnel in our offices. We do not accept responsibility for instructions which do not reach us at all due to failures in the postal, electronic or telecommunications systems.

Transferred Business

If we take over the servicing of insurance policies mid-term which were originally arranged through another insurance broker or intermediary or directly with an insurer, we do not accept liability for any claim arising out of the advice given by that broker, intermediary

or insurer, nor for any errors, omissions or gaps in your current insurance protection. We would ask you to contact us without delay should any aspect of a policy, which has been transferred to us, causes you concern or if you need an immediate review. Otherwise we will endeavour to review all transferred policies as they fall due for renewal.

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 our Customer Services Manager at the address shown above. 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) (except in the case of a business employing 10 persons or more and with a turnover or annual balance sheet total exceeding €2 million, a charity with an annual income of £1m or more or trustees of a trust with a net asset value of £1m or more).

You may contact FOS at:
The Financial Ombudsman Service
Exchange Tower
London E14 9SR

Tel: 0800 023 4567 (from a landline) or 0300 123 9 123 (from a mobile) Email: complaint.info@financial-ombudsman.org.uk
Website: www.financial-ombudsman.org.uk

We are covered by the Financial Services Compensation Scheme (FSCS) for our insurance mediation activities. 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. If you are eligible to claim from the FSCS, compensation is available in relation to insurance advising and arranging as follows:

- 90% of the claim, without any upper limit;
- 100% of the claim without any upper limit for;
 - compulsory classes of insurance (such as Third Party Motor or Employers Liability); and
 - pure protection' contracts, professional indemnity insurance, and general insurance claims arising from the death or incapacity of the policyholder owing to injury, sickness, or infirmity, all where the insurance intermediary has failed to pay money to an insurer, pay away money it has received from an insurer, or has failed to take steps to allow the insurer to affect the contract of insurance

Further information about compensation scheme arrangements is available from the FSCS on 0800 678 1100 (freephone) or 020 7741 4100 or www.fscs.org.uk

Payment for our services / Settlement Terms

We normally earn remuneration by receiving a commission payment from insurers or product providers and where applicable finance providers. This amount will typically be calculated as a percentage of the insurance premium and the percentage will have been contractually agreed with the insurance company. In good time before the conclusion of each insurance contract or, upon renewal, we will remind you of your right to be informed of the level of commission which we receive from insurers or product providers. On request we will be pleased to provide information about any commission received by us in the handling of your insurances.

We can also earn remuneration by charging you a fee for our services. Whenever we charge a fee in respect of new business or renewals, that amount will be agreed with you in advance and will be disclosed to you separately to the insurance premium. We therefore may charge you a fee and earn commission when placing your insurances. Commission and fees are earned for the policy period on placement and we will be entitled to retain all fees and commission in respect of the full policy period in relation to policies placed by us.

We also earn remuneration for mid-term adjustments made to your policy by you (mid-term adjustment fee = £25). The quote / renewal presentation 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 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. Failure to pay the premium due will mean that your insurance policy might not commence or that it will be cancelled. You are responsible for the prompt settlement of insurance premiums so that we can make the necessary payments to your insurers. We have no obligation to fund any premiums on your behalf and cannot be held responsible for any loss which you may suffer as a result of a policy being cancelled or otherwise prejudiced due to the late payment of a premium where the delay is attributable to you. We also draw your attention to the sections below headed 'Cancellation of Insurances' and 'Ending your relationship with us'.

Methods of Payment

We only accept payments by cheque, bank transfer, credit/debit card or arranged Premium Finance with a third party Premium Finance provider. We will give information about premium payment options when we provide quotations and at renewal.

Handling 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 as well as the transfer of claim monies. 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 then be held by us in a Non-Statutory Trust account pending payment. The establishment of the Non-Statutory Trust account follows FCA rules

introduced 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. 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.

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. For the purpose of some transactions, client money may pass through other authorised intermediaries before being paid to the insurer.

Cancellation of Insurances / Return Premiums

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 immediately.

If you are a consumer acting for purposes outside of your trade or profession, you may be entitled to cancel your insurance policy for any reason within 14 days of the policy start date or you receiving the full policy terms, whichever is the later. Should you cancel your policy within this period you will be entitled to a refund of premium less the pro-rata charge for the period of cover given. You may not be entitled to a refund of premium if a claim has been made against your insurance policy prior to the cancellation date. For full details of this entitlement and whether you are eligible, please refer to the insurance policy wording.

In the event of any cancellation outside the above entitlement, we will charge a cancellation fee of £75.00.

Any fees charged throughout the policy, as detailed under the above heading 'Payment for our services', are not refundable. You may be entitled to a refund of part of your premium as long as no claims have occurred during the time you have been on cover. The refund due may not necessarily be proportionate to the remaining period of cover and additionally you should note the following:

- 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.
- Insurers do not normally provide a refund where a 'minimum and deposit' premium has been charged.
- Cancellation may not be possible until you return your certificate of insurance to us or your insurers.
- Cancellation of a direct debit does not cancel a policy and any balance of premium owing may be due.

If you require any clarification regarding the cancellation of your policy please check with us before providing cancellation instructions.

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 or the date of receipt of any outstanding premiums and fees. In circumstances where we feel we cannot continue providing services to you, we will give you a minimum of 7 days' notice.

Valid reasons may include but are not limited to non-payment of premium or fees, commission clawback by insurers where instructions are given to another party to handle the customer's insurance(s), failure to provide requested documentation or information, deliberate failure to comply with terms set out within the Terms of Business Agreement or insurer's documentation, deliberate misrepresentation or non-disclosure or attempted fraud, Use of threatening or abusive behaviour or language, or intimidation or bullying of our staff or suppliers.

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.

Your Responsibilities

If you are a consumer, you are responsible for answering any questions in relation to any proposal for insurance cover honestly and to the best of your knowledge, providing complete and accurate information which insurers will require. This also applies to your responses in relation to any assumptions you may agree to in the process of applying for insurance cover. This is particularly important before taking out a policy but also at renewal or if you make a mid-term amendment to your policy.

If you fail to disclose information, or misrepresent any fact which may influence the insurer's decision to accept the risk or the terms offered, this could invalidate the policy and mean that claims may not be paid.

If you are a commercial customer you have a duty to give a fair presentation of risk to the insurer. This means that you should disclose every material circumstance relevant to the risk being insured following a reasonable search within your business to identify and verify such information. This should include information which you and where applicable your senior management, persons responsible for arranging your insurance or other relevant third parties know or ought to know and should include 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 circumstances are:

- Special or unusual circumstances relating to the risk;
- Any particular concerns which led you to seek insurance cover for the risk; and
- 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.

The information must be presented in a way which would be reasonably clear and accessible to a prudent insurer. If you are unsure whether to disclose any information you should speak to us. You need to take into account the size and complexity of your business, and allow yourself sufficient time before your renewal date to consider and / or assess your insurance requirements.

Failure to provide a 'fair representation' may result in a number of remedies by the 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.

You should therefore always provide complete and accurate information to us when we ask you about the insurance risks your business faces before taking out a policy, at renewal and throughout the life of the policy. This also applies to your responses in relation to any assumptions you may agree to in the process of applying for insurance cover.

You must check all details on any proposal form or Statement of Facts and pay particular attention to any declaration you may be asked to sign. It is important that you read all insurance documents issued to you and ensure that you are aware of the cover, limits and other terms that apply. Particular attention must be paid to any warranties and conditions as failure to comply with them could invalidate your policy or mean that claims may not be paid.

You must inform us immediately of any changes in circumstances which may affect the services provided by us or the cover provided by your policy. If you are unsure about any matter, please contact us for guidance.

Use of Personal Data

In your dealings with us, you may provide information that includes data that is known as personal data. The personal data we collect may include data such as your name, address, and wider contact details and, depending on the nature of your policy, data relating to health.

We will process your personal data to allow us to provide you with our services as your insurance broker in quoting for, arranging and administering your insurances and in arranging insurance premium finance where applicable.

It will also be used to manage future communications between ourselves, communicate about our products and services and in certain circumstances, to market our services. You can opt out from receiving such communications by emailing DataProtectionTeam@lloydwhyte.com.

We will only use your data for the purpose for which it was collected. We will only grant access to or share your data within our firm and firms associated with us and with our market service providers, such as insurers and premium finance providers, where we are required or entitled to do so by law as part of our lawful data processing.

If you require further information on how we process your data and our lawful bases for doing so, please contact our data protection representative by emailingDataProtectionTeam@lloydwhyte.com or visit our online Privacy Policy at <http://www.dicr.co.uk/privacy-policy>. A paper copy of our Privacy Policy can be provided upon request.

Credit Checks

We, and other firms involved in arranging your insurance (insurers, other intermediaries or premium finance companies) may use public and personal data from a variety of sources including credit reference agencies and other organisations. The information is used to help tailor a price, to ascertain the most appropriate payment options for you and to help prevent fraud. Any credit reference search will appear on your credit report whether or not your application proceeds. If you have any questions about this or any other matter, please do not hesitate to contact us.

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.

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. Insurers require immediate notification of a claim or circumstances which might lead to a claim. Failure to notify insurers immediately can prejudice their position and investigation and result in the repudiation of the claim. Please notify us immediately within our office hours of any incident or accident that could result in a claim, we will inform the insurer without delay. Alternatively you can contact the Insurers directly as per the claim procedures contained within the policy documentation. We will employ due care and skill if we act on your behalf in respect of a claim.