



IMPORTANT NOTICE TO COMMERCIAL CLIENTS OF

DAWSON WHYTE LTD

EXPLAINING OUR TERMS OF BUSINESS

1. DEFINITIONS

- A) "we/us" means Dawson Whyte Ltd, 43 Malone Road, Belfast, BT9 6RX. Telephone 028 9066 4414.
B) "you" means the client of Dawson Whyte Ltd.

2. STATUS DISCLOSURE

Dawson Whyte Limited is authorised and regulated by the Financial Services Authority (FSA). Our permitted business is introducing, advising, arranging, dealing as agent and assisting in the administration and performance of general insurance contracts. You can check these details on the FSA's Register by visiting the FSA's website <http://www.fsa.gov.uk/register> or by contacting the FSA on 0845 606 1234. Our FSA Firm Reference Number is 308693.

3. INSTRUCTIONS

Please provide your instructions to us in writing (by letter or fax) in order to avoid any misunderstandings about the cover which you have requested. In urgent cases, we will of course accept verbal instructions, but you must confirm these in writing immediately. Since we as brokers are not able to grant or amend cover on behalf of insurers, any instructions that you give us as your agent must of necessity be to approach insurers and inform them of your instructions to us. Until your insurers have confirmed cover or the alterations in cover to us you cannot assume that your instructions have been fully implemented. When the insurers have confirmed cover or any alteration to cover to us we will confirm this to you. We do not accept instructions by e-mail until further notice.

4. PLACING OF YOUR INSURANCE

For the majority of insurances, we offer products from a range of insurers. For Travel insurance we offer products from a limited number of insurers and you can ask us for a list of insurers that we deal with, if required. For Legal expenses and credit insurance we place all covers with a single insurer as advised to you at the time of quotation. We will advise you should we arrange cover via another intermediary. We will discuss with you your insurance requirements including, but not exclusive to, the scope of cover required, limits to be sought and pricing. Upon receipt of your written instructions, we will endeavour to satisfy your requirements in your best interests. In selecting insurers a wide variety of factors are taken into account including the financial security of the underwriter as evidenced by their financial rating and we will endeavour to place your insurances with an insurer which has a Standard & Poors rating within their 'secure' range of ratings (AAA to BBB) or an AM Best rating within their 'secure' range of ratings (A++ to B+). If we are offering a quotation from an insurer with a lower rating than this, or a quotation from an insurer which has not been granted any rating, then we will inform you of this and allow you to make your own decision whether or not to place your insurances with such an insurer. However, we cannot guarantee the solvency or the future ability of any insurer to meet policyholder obligations and therefore the final decision on the suitability of any insurer rests with you. In the event of an insurer's insolvency, policyholders may still have a liability to pay premiums. In some circumstances, we may recommend that you arrange cover with an insurer that does not have its own financial rating, provided that the insurer is part of a group where the parent company has a satisfactory financial rating. If you have any concerns about the security offered please contact us immediately to discuss the matter. During the course of the placing of your insurance we will keep you informed of the progress of our negotiations and identify any inability to fulfil your requirements. We will use reasonable endeavours to implement your insurance requirements before the intended date of inception, renewal or extension of cover (whichever is appropriate). We will provide you with relevant information about the insurance cover to be recommended to you to enable you to make an informed decision about whether or not to proceed. However until we have been offered terms by insurers and these terms have been accepted by you and you have given us written instructions to ask the insurers to proceed with the cover no cover will be in force. We also cannot guarantee that insurers will in fact offer terms for your insurances and we would remind you that the responsibility to have insurance cover in place for your business activities at all times remains your sole responsibility. In most circumstances we act as your agent in the placing of your insurances, however in some circumstances, we may act as the agent of the insurer in arranging cover (where we have authority to place the insurer 'on risk') or in issuing certain documentation. If you would like a detailed explanation of our role in any transaction, please contact us.

5. COMMISSION AND CHARGES

Our remuneration is mainly by commission paid by the insurers. However we may offer services which require a higher level of remuneration than the commission which some insurers pay or we may have to place your insurances through an insurer who pays a lower rate of commission. We may also use an underwriting agency or Lloyd's broker who will only pay us a percentage of the insurer's commission that they receive. In such circumstances we reserve the right to charge fees in addition to any insurance premiums, for the arranging, amending, renewing and cancellation of any policy of insurance. We will advise you in writing of these fees before you purchase the insurance and the fees will be clearly shown in our letter advising you of the insurer's terms and on any invoice. Commission and fees are earned for the policy period and we will be entitled to retain all commission and fees for the full policy period in respect of any policies which are cancelled mid-term. We may also earn commission from insurers or premium finance providers based on the overall performance of our account and not directly related to your insurances. **You may ask us to explain our total earnings on any transaction completed for you.**

6. PROFESSIONAL INDEMNITY

As a business authorised and regulated by the Financial Services Authority, we maintain Professional Indemnity Insurance that meets the requirements of the FSA.

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DAWSON WHYTE LTD, 43 MALONE ROAD, BELFAST BT9 6RX
COMMERCIAL INSURANCES TEL: 028 9068 1338 FAX: 028 9066 7423 ~ PERSONAL INSURANCES TEL: 028 9066 4414 FAX: 028 9068 3959
Registered Number N.I. 45854 Registered in Northern Ireland at 43 Malone Road, Belfast BT9 6RX
www.dawson-whyte.com



7. CONFIDENTIALITY

Unless required by law, by public interest, or you give your consent otherwise, all information you supply will be kept confidential to us and parties involved in the normal course of arranging and administering your insurance. Information may be shared with other associated companies. 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 us at the above address.

8. DISCLOSURE OF INFORMATION

It is important that you understand that the accuracy of any information, statements or answers, either verbal or written, made by you to your insurers, or to us for onward transmission to your insurers, is your responsibility and must be in full and correct. Any failure to disclose facts material to the insurance or any inaccuracies in your answers may invalidate your insurance cover in part or in whole. Your attention is particularly drawn to the importance of the declaration and signature on any submission or any Insurers' proposal form. Facts material to the insurance are such matters, or any information, which may influence your Insurer as to the acceptability or otherwise of your Proposal or Renewal or as to the amount of the premium charged by the insurer and must be disclosed before the inception of the insurance, throughout the term of your Policy and at each Renewal. You are advised to keep copies of documentation sent to or received from us for your own protection. Please do consult us if you are in doubt on any aspect but if you are in doubt as to whether or not a fact is material then you should disclose it anyway. There is no duty on the insurer to make enquiries and the burden of full disclosure falls upon you as the insured. If any material facts or information are omitted or misrepresented, Insurers have the right to void the policy and return the premium and refuse to deal with any claims that have occurred. You must be particularly careful to keep insurers informed when making any changes at your premises, business activities or any other property or activities covered under your policy.

9. ADEQUACY OF SUMS INSURED

We are not able to offer any advice on the adequacy of sums insured. It is your responsibility to make sure that sums insured are adequate. If sums insured are not adequate then insurers may apply average and claim payments will be reduced in proportion to the percentage inadequacy. If sums declared in respect of wages or turnover are inadequate then insurers may charge additional premiums or even refuse to deal with a claim if they consider that the incorrect sums declared amount to non-disclosure.

10. AWARENESS OF POLICY TERMS

All information submitted to insurers together with your proposal form and the policy represents the basis of the contract between you and the insurance company. When the policy (including the schedule and any Certificate of Insurance) is issued you must read it because this document shows the terms, conditions, warranties, exclusions and limitations of the insurance contract that you have purchased. You agree to read the policy to check that it contains the sums insured, cover, conditions and limits and any other details that you require. You agree to review all the policy information and advise us immediately if the details of the cover or the participating Insurers do not meet with your approval or do not reflect the instructions previously given to us, and particularly if any cover you require is excluded. All policies have terms, conditions, warranties, exclusions and limitations and areas and situations that insurers do not wish to cover. These terms, conditions, warranties, exclusions and limitations require you to take certain actions to comply with the policy terms and equally require you to avoid other actions which could cause the insurers to repudiate the insurance. These should be clear when you read the policy and it is a condition of these terms of business that you agree to do this.

11. CLAIMS

If a claim occurs or you become aware of any circumstance which might result in a claim on the policy you must notify your insurers immediately and pass all details to your insurer. Failure to advise your Insurers immediately could result in your claim being rejected. You should not admit liability nor agree to any course of action other than emergency measures carried out to minimise the loss, until you have agreement from the Insurer. The policy wording will describe in detail the procedures and conditions attached to making a claim and the time limits involved. We will provide claims handling services during the policy period where policies are placed by us and a claim is notified to us by you. Our services include notification of the claim or circumstances to insurers in accordance with coverage requirements. If you have a doubt about whether a matter constitutes a notifiable claim or circumstance contact us immediately. Since it is a condition of most insurance policies that claims are notified immediately, any delay could result in the claim being turned down.

12. COMPLAINTS AND COMPENSATION

It is always our intention to provide a first class service. However, should you have cause for complaint you should in the first instance contact Mr Brian Dawson at the above address. Your complaint will be acknowledged within five business days. We will keep you informed throughout the complaints handling process. If we are unable to resolve your complaint within eight weeks we will advise you of when you may expect a final response and the reasons for any delay. If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service (FOS). Further information is available at: <http://www.financial-ombudsman.org.uk/> or by calling the FOS on **0845 080 1800**. We are also 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. Insurance advising and arranging is covered for 90% of the claim, without any upper limit apart from compulsory classes of insurance (such as Third Party Motor or Employers Liability), which are covered for 100% of the claim without any upper limit. Further information about compensation scheme arrangements is available from the FSCS at <http://www.fscs.org.uk/> or by calling them on 020 7892 7300.

13. DOCUMENTS

With your consent we reserve the right to retain certificates or other policy documents at this office until all payments due under the policy have been made. Any agreed facilities for payment of premiums by instalments through us will be the subject of a written agreement, which will include authority to retain certificates of insurance or other policy documents until all payments have been received. By accepting this agreement, you agree that delivery of



any certificates of insurance to us shall constitute delivery to yourselves in accordance with statute law. Should we withhold any documents we will ensure you receive full details of the insurance cover.

14. NOTICE

Insurers pass information to the Claims and Underwriting Exchange run by Insurance Database Services Ltd and the Motor Insurance Anti-Fraud and Theft Register run by the Association of British Insurers. The aim is to check information provided and also prevent fraudulent claims. Motor insurance details are added to the Motor Insurance Database run by the Motor Insurers' Information Centre which has been formed to help identify uninsured drivers and may be searched by the Police to help confirm who is insured to drive. In the event of an accident the database may be used by insurers and the Motor Insurers Bureau to identify relevant policy information. We must draw your attention to the Motor Insurers Database (MID) requirements arising from the 4th EU directive. It is a legal requirement that all motor vehicle changes, temporary or permanent, occurring under this policy are notified to the MID within the appropriate timescale. To check you are complying with your responsibilities under the MID and obtain additional information on the purpose of the MID we would ask you to access the MID website on www.miiic.org.uk. Failure to comply with your MID requirements could invalidate your insurance policy and any person failing to supply this information correctly or maintain your records could, on conviction, make you liable for a fine up to £5,000.

15. INVOICING

Once the insurance cover has been placed, we will send you documentation confirming the basis of the cover secured on your behalf, including details of the insurers, together with an invoice showing the amounts payable including any fees or charges in addition to the insurance premium.

16. PAYMENT OF PREMIUM

We will advise you of premiums due from you to Insurers by means of an invoice when the placement of the risk has been completed at policy inception or renewal. The premium is due to Insurers in full at commencement of cover. In order that we can settle with Insurers we will require payment of the premium immediately. In certain circumstances Insurers may impose a specific Premium Term whereby they require payment of premium by a certain date. We must stress that breach of that term may enable Insurers to void the policy from inception of cover. You agree that once instructions are given to place cover you are responsible for the full premium and that the settlement of premiums in good time is your responsibility. Please note that credit card payments will be subject to a surcharge of 3%. Where your premium is paid by Direct Debit, for your protection, we will allow cover to continue beyond renewal date, and the Direct Debit mandate to continue, while we await your instructions on a renewal invitation. Prior to your premium being forwarded to the insurer, and for your protection, we either hold your money as an agent of the insurer (in which case your insurance is treated as being paid for), or we hold it in a client bank account on trust for you. We reserve the right to retain interest earned on this account. We may need to transfer your money to another UK intermediary in some cases in order to complete the arrangement of cover for you. However your money will be protected at all times because of our obligations under the FSA rules. In order to complete an insurance transaction for you, your money may be passed to a third party outside the UK. Differences in the legal and regulatory regime outside the UK mean that your money may not be treated in the same way as it is in the UK in the event of a third party failing. You may ask us not to transfer your money outside the UK. We will take your reading of these Terms of Business and your instructions to arrange cover to indicate that you understand and have given your consent for us to operate in this way.

17. POLICY WORDINGS

Full policy wordings are available on request if you require this prior to inception of the policy. The actual policy document will be issued to you as soon as this has been received from your insurers.

18. TERMINATION

Our services may be terminated by either of us in writing to the other or as otherwise agreed. In the event our services are terminated by you other than at the expiry of the policy period or at renewal we will be entitled to retain any and all fees or brokerage payable (whether or not the same have been received by us) in relation to policies placed by us prior to the date of termination. With effect from the date of termination and in the absence of express agreement to the contrary we will have no obligation to perform any further services (whether contained in this Agreement or otherwise) for you. The responsibility for handling claims reported after the date of termination shall cease in the absence of express agreement. Please be aware that the majority of insurance contracts are subject to a 'minimum and deposit' premium and that you will not receive a pro rata return of premium if you cancel mid-term. Even if insurers do decide to grant a return of premium, it may be calculated on a 'short term' basis rather than pro rata and you will not receive a return of premium on mid-term cancellation if you have made a claim.

19. 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.

20. GOVERNING LAW

This Agreement, which sets out the terms of our relationship with you, will be governed by and construed in accordance with the laws of Northern Ireland.

21. ACCEPTANCE OF THESE TERMS

These Terms of Business represent the contract which exists between us and you signify your acceptance of the Terms of Business by instructing us to place insurances on your behalf. (Note - Your acceptance of these Terms of Business does not affect your statutory rights).

22. RETENTION OF RECORDS

It is our company policy to keep client files for a period of six years.