

## **TERMS OF BUSINESS AGREEMENT – MARCH 2017**

### **Introduction**

This terms of business agreement (the “Agreement”) sets out the nature and scope of the services The Britannia Steam Ship Insurance Association Ltd (Britannia or the Association) will be providing to you in respect of your insurance requirements that do not fall under the Rules of the Association and other information required by law.

We will provide our services to you fairly, with integrity, with due skill care and diligence and in accordance with Financial Conduct Authority rules.

Please read this document carefully. It 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.

By instructing us to act you will be deemed to have accepted this Agreement and to have requested to deal with us in English unless we specifically agree with you otherwise. This Agreement can only be varied by agreement in writing by us.

### **ABOUT US**

Britannia is a mutual insurance company, authorised and regulated in the UK by the Prudential Regulation Authority (the PRA) (Firm Reference Number 202047) and by the Financial Conduct Authority (The FCA). Tindall Riley (Britannia) Ltd (“the Managers”) are the Managers and Appointed Representatives of the Association. These details can be checked by contacting the FCA on +44 (0) 20 7066 1000 or by visiting the Financial Services Register at <http://www.fsa.gov.uk/register/home.do>.

### **Relationships**

In performing the services set out in this Agreement, the Association will act as your agent. The law of agency imposes various duties on an agent. However, in certain circumstances the agent may also act for and owe duties of care to other parties. We will inform you when these circumstances occur so you will be aware of any possible conflict of interest.

### **Our Services**

We will inform you of the type of service we provide for different insurances and whether the information provided to you is:

1. on the basis of a fair analysis of the market or
2. from a limited number of insurers or
3. from a single insurer

We will inform you of our suggestions after we have assessed your needs. This will include the type of cover available together with the costs. We will appoint an Insurance broker (“broker”) on your behalf to obtain quotations. All quotations are subject to subsequent acceptance by insurers, unless otherwise stated.

Upon receipt of your instructions we will instruct the broker to place the insurance with insurers and we will keep you informed of the progress of negotiations. We will inform you of any inability to place your insurance.

### **Market Security**

Although we set minimum security standards for insurers with whom insurance is placed on behalf of clients, we do not guarantee the solvency of any insurer with whom your business is placed. The decision regarding suitability of any insurer or market rests with you. If you have any concerns

regarding any insurers chosen for your insurance requirements, you must advise us as soon as possible and we will discuss them with you.

### **Cover / Policy Documentation**

We will forward your cover / policy documentation and any amendments to your policy together with other documentation which may be required by law in a timely manner and as soon as reasonably practicable.

Your policy documentation will confirm the basis of the cover, give details of the insurers and be accompanied by a policy summary (where this is a legal requirement) and a debit note or premium billing. The dates that the premium is due, together with any penalties, will be clearly shown.

You are responsible for reviewing the insurance documents sent to you to confirm that they accurately reflect 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.

### **Renewals and Mid-Term Changes**

You will be provided with renewal terms in accordance with applicable regulatory requirements or notified that renewal is not being invited. Attached to the renewal terms will be a statement of any changes to the terms of the policy or changes to insurer details, a statement of price and information about cancellation or complaints as appropriate. You will be informed of your right to request a new policy document.

You will be given in good time an explanation of any mid-term changes, which may appear in your policy.

It is our policy to retain documents for business effected on your behalf in electronic or paper format for up to 7 years. 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 such documents safely.

### **Claims**

You must notify us as soon as possible of a claim, or circumstances which may give rise to a claim. In the event of a claim you should contact the claims director or manager at the Managers responsible for your account.

We will provide you with every reasonable 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.

### **Disclosure of Information**

You have a duty to make a "fair presentation" of the risk when providing disclosure to us/brokers/insurers, before the placing of your insurance is completed. This includes disclosing a fact or circumstance which is known to you (or which ought to be known to you) in the ordinary course of your business, and which is material to the risk, or by disclosing sufficient information to us/brokers/insurers to put them on notice of the need to make further enquiries before determining if they would take the risk and at what price.

Your duty of disclosure arises at placing, renewal and extension of the policy, unless otherwise stated in the policy itself. You also have a duty during the period of the policy to disclose any change that may substantially alter the risk. Should you not act with utmost good faith, or should you breach your duty of disclosure, insurers may be entitled to avoid the policy.

**If any event or change of circumstance should occur which may affect your ability to comply with any warranty or condition of the policy you should advise us immediately. Breach by you of a condition or a warranty may also entitle insurers to avoid the policy, potentially from its inception.**

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

### **Premium**

You must provide the premium due in cleared funds in accordance with the amounts and payment dates specified in the broker's debit note. Failure to meet the payment date may lead to insurers cancelling your policy.

Where insurers have specified that the premium must be received by a certain date, failure to comply can result in the automatic termination of your insurance contract.

### **Remuneration**

Neither Britannia or the Managers will earn any fees, brokerage or commission in respect of business placed under this Agreement, The remuneration of the broker appointed by us on your behalf will be as brokerage, which is a percentage of the insurance premium paid by you and allowed by the insurer with whom the insurance is placed. Brokerage is earned for the policy period and the broker will be entitled to retain all brokerage in respect of the full policy period in relation to policies placed by us, on your behalf.

Should the broker be remunerated on a fee basis, rather than by brokerage, the terms of the fee this will be agreed in writing beforehand.

In addition to any fee and/or brokerage, the broker may receive remuneration by way of administrative fees or commissions for services provided to underwriters. The broker may also act as reinsurance broker to underwriters with whom they have placed insurance or reinsurance. The broker is obliged to disclose on request details of any additional remuneration it receives as a result of placing insurance on your behalf.

### **Client Money**

We are not authorised to hold client money. Clients must therefore remit monies direct to the broker as shown on the cover/policy documents.

### **Cancellation Clause**

Your insurance contract may include a cancellation clause. In the event that you fail to pay your premium by the due date, the insurance may be cancelled forthwith, or by insurers giving notice of the cancellation. In the event of cancellation of the insurance contract, insurers may return a pro-rata premium.

In the event that the insurance is cancelled after inception, brokerage will not usually be returnable. Whether any fee is returnable will depend on the terms on which it has been agreed.

### **Cancellation of this Agreement**

This Agreement may be terminated by one of us giving thirty days' notice in writing to the other. In the event that you terminate our services, the broker instructed by us on your behalf will be entitled to receive any fees or brokerage payable.

### **If you are not happy with our service**

It is our intention to provide you at all times with a high level of client service. However if you have any reason to be unhappy with our service please contact Mr Andrew Cutler, either, in

writing via email at [acutler@triley.co.uk](mailto:acutler@triley.co.uk) or at the following address: The Britannia Steam Ship Insurance Association, Regis House, 45 King William Street, London EC4R 9AN, UK or by telephone on: +44(0) 207 7407 3588.

We will acknowledge your complaint within five working days. You will be advised of the person who will be dealing with your concerns and when you can expect a response. We will provide you with a full written response within 20 working days or update you on progress and advise you of our final decision no later than a further 20 working days.

If you are still dissatisfied with us and are an eligible complainant, you may be entitled to refer the matter to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR or by telephone on +44(0) 800 023 4567 or [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

### **Money Laundering/Financial Crime/Bribery**

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. For companies other than listed ones, evidence of identity will usually comprise copies of the certificate of Incorporation.

We are obliged to report to the National Crime Agency any evidence or suspicion of money laundering at the first opportunity and are prohibited from disclosing the existence or nature of any such report.

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

We will not be involved in the offering, promising or giving / receiving of any financial or other advantage to any person in breach of any law against bribery. We are required to maintain on an on-going basis anti-corruption / bribery policies and procedures, including but not limited to adequate procedures under the Bribery Act 2010, to prevent corruption / bribery offences and will enforce them where applicable. We look to you to maintain similar anti-corruption / bribery policies and procedures appropriate to your business, particularly as they relate to your capacity to enter into a contract of insurance.

### **Sanctions**

We are obliged to pay due regard to, and cooperate in respect of the observance of, any applicable national or international, economic, financial or trade sanctions legislation. We look to you to do the same as far as applicable to the circumstances, location and jurisdiction of your business; furthermore we look to you not to place us in a position where to contract business on your behalf would place us in breach of sanctions legislation.

### **Data Protection**

We are registered under the Data Protection Act 1998 and undertake to comply with the Act in all our dealings with your personal data. Your personal information will be kept secure.

### **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 non-exclusive jurisdiction of the English courts.