

Lycett, Browne-Swinburne & Douglass Ltd

Terms of Business

This document sets out the Terms of Business under which Lycett, Browne Swinburne & Douglass Limited and its trading divisions (hereinafter “Lycetts”, “we”, “our” or “us”) conduct business and offers its services to you. You should keep a copy of this agreement with your insurance papers.

Lycetts is a trading name of Lycett, Browne-Swinburne & Douglass Limited. Lycetts is a wholly owned subsidiary of Lycetts Holdings Limited. Lycetts Financial Services Limited is a wholly owned subsidiary of Lycett, Browne-Swinburne & Douglass Limited. For full details of the Lycetts group of companies please see our website www.lycetts.co.uk.

Lycetts Holdings Limited is a wholly owned subsidiary of Benefact Group Plc. However, this does not prejudice in any way Lycetts ability to act as an independent broker and to represent exclusively its clients’ interests with the insurers most appropriate to their requirements.

It is important that you read this document carefully as it contains details of our statutory and regulatory responsibilities and your contractual rights. Please contact us if there is anything in this document which you do not understand.

Your placement of business with us is deemed to confirm your acceptance of these Terms of Business.

Regulatory Status

We act as an independent insurance broker working on your behalf. We are authorised and regulated by the Financial Conduct Authority and our registered number is 310623. Registration number and details can be checked on the FCA’s register by visiting the FCA’s website at www.fca.gov.uk/register or by contacting the FCA on 0845 606 1234. Our permitted business is arranging general insurance contracts and credit broking.

Data Protection and Confidentiality

Your privacy is important to us. We will process your personal data in accordance with data protection laws.

We are the data controller in respect of any personal data which you provide to us or which we hold about you and any personal data which is processed in connection with the services we provide to you.

Where you provide us with personal data about a person other than yourself (such as a dependant or named person under a policy), you must inform them that you are providing their personal data to us and refer them to this notice.

To provide our insurance related services we will collect and process your personal data such as your name, contact details, financial information and any information which is relevant to the insurance policy we are providing. In order to provide your insurance policy or when making a claim, we may also need to collect or process 'special categories of personal data' such as information relating to your health or criminal convictions.

We process your personal data for the purposes of offering and carrying out insurance related services to you or to an organisation or other persons which you represent. Your personal data is also used for business purposes such as fraud prevention and business management, systems development and carrying out statistical and strategic analysis.

Providing our services will involve sharing your personal data with, and obtaining information about you from our group companies and third parties such as insurers, loss adjusters, other brokers, finance providers, credit reference agencies, our service providers and professional advisors, external independent financial advisers (IFAs), our business partners and our regulators.

In some circumstances we may transfer your personal data to countries outside of the UK or the European Economic Area. Where we do so we will take appropriate steps and put appropriate safeguards in place to ensure that your personal data is protected.

Where we have your consent, we may market our services to you or provide your personal data to our related companies or business partners for marketing purposes. You can opt out of marketing communications at any time by clicking on the link at the bottom of any email or by contacting us.

Further Information

For further information on how your personal data is used and your rights in relation to your personal data please refer to our Privacy Policy at www.lycetts.co.uk/privacypolicy or contact us at Milburn House, Dean Street, Newcastle upon

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Tyne, NE1 1PP or on 0191 232 1151 or email privacy@lycetts.co.uk.

Service Standards

Lycetts provides information and advice to suit clients' specific needs at new business, renewal and midterm adjustment. Where we source and arrange products but do not offer advice or make recommendations, we may ask some questions to narrow down the selection of products on which we will provide details; you will then need to make your own choice about how to proceed. There are instances when we will not provide further advice or recommendations following the arrangement of insurance cover, unless you notify us of a material change of circumstance or formally request that we review your insurance arrangements.

We select personal and commercial insurances on the basis of a full and fair analysis of the insurance market or a limited range of insurers or with one specific insurer. You will be advised in your suitability letter as to the scope of the service provided. If we have provided advice to you from a limited range of insurers, at your request we will provide you with the current list of insurance undertakings that we hold for each type of insurance contract recommended. If we propose using another intermediary to help place your business, we will confirm this to you in good time before any arrangements are finalised.

Negotiation and Placing

We will discuss with you your insurance requirements, the scope of cover, limits to be sought and potential prices. We will assess the financial soundness of the proposed insurance markets, using industry recognised criteria and will discuss with you any concerns that may arise. However, we will not in any circumstances, act as an insurer, nor will we guarantee or otherwise warrant the solvency of any insurer or market. In providing our service, we may sometimes act as an agent of the insurer. We will confirm the capacity in which we will act for you before entering any relevant transactions on your behalf.

We will provide you with a 'Demands and Needs Statement' setting out your insurance requirements based on the information you have provided to us. We will only take into account your current circumstances and objectives as might reasonably be expected to be relevant,

enabling us to identify your requirements and to meet them.

We will arrange the most suitable insurance for you in order to meet your demands and needs, ensure that the level of cover is sufficient for the risks that you wish to insure, that the cost is clear, and that the relevance of any exclusions, excesses, limitations or conditions are explained to you.

During the course of the placement of your insurance we will keep you informed of the progress of our negotiations and identify promptly any inability to fulfil the proposed programme. We will use all reasonable endeavours to complete placement before the intended date of inception, renewal or extension of cover (whichever is appropriate) in order to meet the prescribed FCA timescales and our own service standards.

Insurers may sometimes grant us a binding authority or similar facility under which we are enabled to accept business on their behalf and issue the policy. We may place your insurance under such a facility which assists us in the prompt and efficient placement of risks, facilitates the servicing of your business and will be used where the terms suit your insurance requirements or instructions.

If appropriate a 'Policy Summary' will be provided to you before you conclude your insurance instructions.

Where we have given you advice, we will provide a 'Suitability Statement' setting out the reasons for any advice or recommendation which we have given. If we have not given you any such advice we will say so.

On conclusion of the insurance contract we will confirm to you in writing all details of the cover effected and provide you with a policy document. Although we will check the policy documents that we send to you, you should carefully examine your policy and other insurance documentation to ensure that the cover arranged on your behalf meets with your requirements. Should it not do so you should advise us immediately. Particular attention should be paid to any policy conditions, warranties and the claims notification provisions, as failure to comply with them may invalidate your cover.

You will provide settlement with cleared funds of all monies due in accordance with the terms of credit specified on our invoice, which will detail

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premiums due and any taxes that the insurers may be obliged to collect. We will not make any additional charge for fees for our services unless these are fully explained to you in writing beforehand. Should it be necessary to charge a fee for any of our services, we will show this clearly in the documentation.

It is imperative that you meet all payment dates as failure to do so may lead to insurers cancelling your policy. We are under no obligation to pay the premium to insurers on your behalf by the payment date if we have not already received it from you.

Your Duty to Disclose Information

If you are a **consumer customer**, defined as an individual who enters into an insurance contract wholly or mainly for purposes unrelated to the individual's trade business or profession, under the Consumer Insurance (Disclosure and Representation) Act 2012 it is your duty to **take reasonable care** not to make a misrepresentation to an insurer.

A failure by a consumer to comply with an insurer's request to confirm or amend particulars previously given could be deemed a misrepresentation for the purpose of this act. It is important that you ensure all statements you make on proposal forms, mid term adjustment notifications, claim forms and other documents are full and accurate and we recommend that you keep a copy of all correspondence in relation to the arrangement of your insurance. This obligation exists throughout the life of the policy and at renewal.

Please note that under the act an insurer has a remedy against a consumer in respect of qualifying misrepresentations in breach of the consumer's duty of reasonable care where the insurer deems the misrepresentation to be deliberate, reckless or careless.

If you are a **commercial customer** i.e. not a consumer customer, it is your responsibility under the Insurance Act 2015 to provide complete and accurate information to insurers when you take out an insurance policy, throughout the life of the policy and when you renew your insurance.

You must make a fair presentation of the risk that you wish to be insured. This means that you must disclose to us and to the insurer in a clear and accessible way every material circumstance of which you are aware regarding the risk including matters known to your senior

management or those people within your organisation who are responsible for buying your insurance.

You must also disclose information of which you ought to be aware by carrying out a reasonable search for that information including any information held by a third party on your behalf.

As part of your obligations, it is important that you tell us and the insurer about any special or unusual facts relating to the risk and about any particular concerns which led you to seek insurance cover for the risk.

It is also important that you ensure all statements you make on proposal forms, claim forms and other documents are full and accurate and we recommend that you keep a copy of all correspondence in relation to the arrangement of your insurance. Any renewal of insurance will be made in reliance upon the information provided by you in connection with your previous insurance policy – we will assume that such information remains correct unless you tell us otherwise. Please note that if you fail to disclose any material information to us and your insurers this could, depending on the circumstances, invalidate your insurance cover and could mean that part or all of a claim may not be paid or that the insurer is able to apply different and/or less favourable contract terms. You should take particular care to check the accuracy of all information you provide.

Cancellation Rights

Your policy document will detail your rights to cancel your insurance once you have taken it out. Depending on the type of policy you have purchased, you may be entitled to cancel within 14 or 30 days of either conclusion of the contract or receiving your policy documentation, whichever occurs later. This is often referred to as a cooling off period.

Where you cancel a policy you may be responsible for paying a charge to meet the cost of cover provided as further detailed in the 'Remuneration' section below.

To enable your insurer to process the cancellation, you may need to return certificates and any official documents to our office within 30 days of your notice to cancel.

Claims

If you need to claim on your policy you must notify us immediately, either in writing, by

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telephone, by e-mail or fax. Please use the address and numbers set out at the foot of this document and on your Policy Summary. Our claims handling services include, upon receipt of the required information from you, notification of the claim or circumstances to insurers; representing you in the resolution of the claim; and arranging for the settlement and collection of the claims proceeds in accordance with market practice and your policy terms and conditions. Where claims are to be dealt with by insurers directly with you, we will provide advice and support as necessary. Where we receive claims payments from insurers, these will be remitted to you as quickly as possible following receipt of the funds.

We may act as agent for the insurer where we have been granted claims settlement authority. We will advise you if this applies to your claim.

In the event of an incident giving rise to a potential claim, you should not admit liability or agree to any course of action, other than where emergency measures are needed to be carried out to minimise the loss, until you have agreement from your insurers.

You should note that you are responsible for notifying claims or potential circumstances that may give rise to a claim. In order to ensure full protection under the policy, it is essential that claims are notified to us promptly as failure to adhere to the notification requirements may entitle insurers to deny liability. In presenting a claim it is your responsibility to ensure that all material facts relating to the claim are disclosed.

Claims may be made against the policy long after its expiry date for certain classes of business. It is important that you keep your policy documents in a secure place.

Complaints

It is our intention to provide you with the highest possible level of customer service at all times. However we recognise that things can go wrong occasionally and if this occurs we are committed to resolving matters promptly and fairly. Should you wish to complain then please let us know by informing your usual contact at Lycetts, either orally or in writing. Alternatively you can make a complaint to the Compliance Manager: by email to complaints@lycetts.co.uk, by telephone on +44 (0)191 232 1151 or in writing to Lycett, Browne-Swinburne & Douglass Limited, Milburn House, Dean Street, Newcastle upon Tyne, NE1 1PP.

Your complaint will be acknowledged within five working days, advising you who is dealing with the complaint and setting out our complaint handling procedures. You will be advised within eight weeks as to the resolution of your complaint but, if it cannot be resolved within that period, we will keep you informed of progress and the likely timescale involved.

If you are a **Lloyd's policyholder** you may, if you wish, refer your complaint to Lloyd's. In that event, Lloyd's will investigate the matter and provide a final response. Lloyd's contact details are as follows:

Complaints
Lloyd's
One Lime Street
London EC3M 7HA

T: +44 (0)20 7327 5693
E: complaints@lloyds.com
W: www.lloyds.com/complaints

Should you not be satisfied with our final response or, if applicable, with the final response from the Lloyd's complaints team, you may be entitled to refer the matter to the Financial Ombudsman Service (FOS). Their contact details are as follows:

Financial Ombudsman Service
Exchange Tower
London
E14 9SR

T: +44 (0)800 023 4567 or +44 (0)300 123 9123
E: complaint.info@financial-ombudsman.org.uk
W: www.financial-ombudsman.org.uk

The FOS will normally only consider a complaint from:

- (i) private individuals;
- (ii) micro-enterprises, which are businesses that have:
 - a. an annual turnover of less than 2 million Euros; and
 - b. fewer than 10 employees; or
- (iii) where the complaint relates to circumstances arising after 1 April 2019, small and medium-sized enterprises that have:
 - a. an annual turnover of less than 6.5 million pounds (or its equivalent in any other currency); and
 - b. either:
 - i. a balance sheet of less than 5 million pounds (or its equivalent in any other currency); or
 - ii. fewer than 50 employees.

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If you have bought your insurance online, you can also register your complaint on the Online Dispute Resolution website <http://ec.europa.eu/consumers/odr/>, which has been set up by the European Commission. This central site will forward your complaint to the correct Alternative Dispute Resolution scheme; which, for Lycetts, is the FOS, as per the contact details provided above.

Financial Services Compensation Scheme

Should Lycetts be unable to meet its liabilities, then you may be entitled to compensation from the Financial Services Compensation Scheme. Details are shown in your policy documentation.

Documents

We reserve the right to retain 'Certificates of Insurance' or other policy documents at this office until all payments due under the policy have been met. Any agreed facilities for payment of premiums by instalments through us will be the subject of a written agreement, which will include the authority to retain Certificates of Insurance or other policy documents until all payments have been received.

Should we withhold any documents we will ensure that you receive full details of your insurance cover.

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 to prevent fraudulent claims.

Motor insurance details are also added to the Motor Insurance Database, run by the Motor Insurers Information Centre and overseen by the Motor Insurance Bureau, 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 Motor Insurance Database may also be used by insurers and the Motor Insurers Bureau to identify relevant policy information.

Remuneration

Our remuneration will either be a fee as agreed with you, or a commission which is a percentage of the insurance premium paid by you and allowed to us by the insurer with whom the

insurance contract is placed, or where appropriate and with your consent, a combination of both. Dependent upon the terms of our agreement with the provider of your policy we may withdraw our commission prior to forwarding your payment to the insurer.

The majority of our costs are incurred either in initially finding and setting up your policy or in the annual renewal process when we might check the ongoing suitability of the cover the policy offers. These costs are recovered through the commission we earn. As such, unless we have specifically agreed otherwise, and subject to regulatory requirements, we earn our entire commission or fee upfront when we place the insurance policy for you.

If you cancel your policy, this does not give us an opportunity to recover the costs we incurred in setting up your policy and would often result in us making a loss. Therefore where you cancel your policy after the expiry of the cooling off period or where you request a mid-term adjustment which results in a refund of premium, we reserve the rights to charge you for our time and costs. This will usually result in us reducing the amount refunded to you by the FULL amount of the commission and fees we would have received had you not cancelled. However, any charge made will not exceed the cost of the commission and fees we would have earned.

For certain commercial insurance policies, insurers will only provide cover where the premium is due in full on inception of the policy. This means that no refund will be paid if the policy is cancelled before renewal.

For consumers, this does not affect any statutory cooling off rights you may have.

We accept payment by guaranteed cheque, most major credit and debit cards, and cash (subject to maximum amounts as agreed). You may be able to spread your payments through insurers' instalment schemes, or a credit scheme which you could arrange yourself through a finance provider. Payment terms are strictly thirty days unless by Direct Debit, or specified otherwise.

We provide services to insurers that are not directly related to the services provided to you and we receive usual and customary remuneration in recognition of those services.

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This remuneration may be a management or administration fee, or payments based upon the volume or profitability of insurance business placed with a given insurer over a specific period. Additionally we may receive payment from premium finance companies or credit card agencies for arranging transactions through them.

It may be appropriate and for your benefit for us to use another intermediary or managing agent to assist us in fulfilling your insurance requirements. These companies may receive usual and customary remuneration for the services they provide.

In addition to the amount charged by insurers, we may also charge an administration fee, payable at policy inception, any mid term adjustment and renewal. Both this and any applicable taxes will be clearly shown on the invoices that we provide to you.

Where we arrange non-commission paying products, we may charge an arrangement fee and we will advise you of the actual amount at the time of quotation or renewal.

Where we arrange finance for you with a third party finance provider to enable you to spread the cost of your premium we may receive commission from the finance company.

If you are a commercial client you are entitled, at any time, to request information regarding the remuneration which we may have received as a result of placing your insurance business.

Client Money

We act as trustees of our client's monies and must meet certain legal and regulatory conditions. We will hold client money separate from our own money with an approved bank, segregated in a client bank account designated as subject to a statutory trust.

Where we hold monies in a client bank account we may earn interest on monies held, which will be retained by us.

Insurers' Monies

On some occasions we will receive the premiums you pay to us, refunds or claims money as agent for the insurers. This will be the case where we place your insurance under a binding authority or where the insurer has agreed that payment of monies to us represents payment to the insurer. This means that, in

effect, premium has been paid to the insurer as soon as it is received by us. So, if for any reason, we do not pay those monies to the insurer, you cannot be obliged to pay again.

Such premiums will be co-mingled with other client money in our client bank accounts.

Payment to Third Parties

We may transfer client money to a third party, such as another broker or settlement agent, for the purpose of effecting a transaction on your behalf through that entity. We do, however, still remain responsible to you in respect of your money.

These parties may include brokers and settlement agents outside of the UK. The legal and regulatory regime applying to a broker or settlement agent outside the UK may be different from that of the UK and, in the event of a failure of the broker or settlement agent, this money may be treated in a different manner to that which would apply if the money were held by a broker or settlement agent in the UK. You may notify us if you do not wish your money to be passed to a party in a particular jurisdiction.

Conflicts of Interests

As an insurance broker we usually act for you. Circumstances may arise where we find that we have a conflict of interest, or otherwise have a material interest in, or related to, a matter in which we are acting. For example, we may be asked to act on behalf of an insurer in the appointment of a loss adjuster or we may find that the interests of two clients for whom we act, conflict.

We have conflict management procedures and we seek to avoid conflicts of interest, but where a conflict is unavoidable we will explain the position fully and manage the situation in such a way as to avoid prejudice to any party.

The insurance market is complex and there could be other relationships not described here which might create conflicts of interest. Whatever the circumstances, we will act in your best interests and, if a conflict arises for which there is no feasible solution, we will withdraw, unless you wish us to continue to act for you and provide us with your written consent to that effect.

Financial Crime

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Please be aware that current UK money laundering regulations require us to obtain adequate 'Know Your Client' information about you. We are required to cross check you against the HM Financial Sanctions List as part of the information gathering process. We are obliged to report to the National Crime Agency any evidence or suspicion of financial crime at the first opportunity and we are prohibited from disclosing any such report. We will not permit our employees or other persons engaged by them to be either influenced or influence others in respect of undue payments or privileges from or to insurers or clients.

Limitation of Liability

The following provisions set out our entire financial liability to you:

You acknowledge and agree that you shall only be entitled to make a claim against us and not against any individual employee or consultant engaged by us.

Any claim or series of claims arising from one act, error, omission, incident or original cause shall be considered to be one claim.

We shall not be liable to you for any loss of profit or loss of business whether directly or indirectly occurring and which arises out of or in connection with the provision of our services.

Nothing in this paragraph shall exclude or limit our liability for death or personal injury caused by our negligence or for loss by our fraud, fraudulent misrepresentation or breach of regulatory obligations owed to you.

Termination of our authority to act on your behalf

You or we may terminate our authority to act on your behalf by providing at least 14 days' notice in writing (or such other period we agree). Termination is without prejudice to any transactions already initiated by you, which will be completed according to these terms of business unless we agree otherwise in writing.

You will remain liable to pay for any transactions or adjustments effective prior to termination and we shall be entitled to retain any and all commission and /or fees payable in relation to insurance cover placed by us prior to the date of written termination.

Governing Law

This agreement, which sets out our relationship with you, will be governed and construed in accordance with the law of England and Wales and any dispute arising under it shall be subject to the exclusive jurisdiction of the English and Welsh courts.

**Lycett Browne-Swinburne & Douglass Ltd
Milburn House, Dean Street, Newcastle Upon Tyne, NE1 1PP**

Telephone: 0191 232 1151

Fax: 0191 232 1873

Email: info@lycetts.co.uk

Website: www.lycetts.co.uk