

British Kite Flying Association  
Howardian View  
Great Barugh  
Malton  
North Yorkshire  
YO17 6UZ

Client Number 633227  
26-July-2022

Dear Mr Swift

**Insured:** British Kite Flying Association  
**Renewal Date:** 1st May 2022

We are pleased to invite renewal of the above insurance policy, due on the date shown. Subject to your compliance with the "Duty of Fair Presentation statement as detailed in the Important Information document enclosed

Terms have been prepared on the basis of the risk information we hold, namely:

#### **Risk Information**

It is still incumbent upon you to notify your Insurers of any changes that have occurred to your business, including any material facts that must be disclosed

- Your business description is Sports Club
- There are no material changes to the business activities
- Your annual turnover for the last completed financial year did not exceed £1,000
- There have been no mergers or changes of ownership
- Your continued adherence to the Hiscox statement of fact and Duty of Disclosure
- After enquiry no partner, principal, director or employee is aware of any circumstances or matters, however trivial spurious or unfounded, which might give rise to a claim

**It is essential that you review the risk information above and contact us immediately if any of the details are incorrect, since any misrepresentation made by you may affect the premium/cover or the insurers' decision to offer cover.**

#### **Premium**

The annual premium to renew your cover is **£1,686.48** Inclusive of Insurance Premium Tax at the current rate

#### **Insurance Premium Tax**

Please note that the Insurance Premium Tax is charged at the current rate

## Policy Cover

We are pleased to advise there have been no changes to the policy terms we have previously negotiated on your behalf with your insurer, Hiscox

Cover	Limit of Indemnity / Sum Insured	Excess
Public & Product Liability	£5,000,000	Nil

## We also draw your attention to the following Important Terms that apply to your policy:

Full details are contained in your policy wording which is available on request

## Endorsement

6167.0 Public and products liability: retroactive date (PS SCH7)

6735.0 Removal of cover: cyber claims

6727.0 Additional definitions: cyber

8500.0 Insurance Act 2015 endorsement for annual policies

603.1 Commercial assistance and legal advice helpline

The following documentation is enclosed for your attention:

- **Duty of Disclosure**
- **Important Information for Clients** – provides important information that is not included elsewhere within your renewal invitation.
- **How we are remunerated**
- **Renewal Confirmation Form** – to be completed by you to confirm that there are no material changes to be notified and return together with your payment prior to renewal date. Details are included of the payment options available to you. If you wish to settle your premium by debit or credit card please do not send card details to us, to make a secure payment please simply call our cashier team on 01234 408800 or email them at [cashiers@rkhgroup.com](mailto:cashiers@rkhgroup.com) requesting a call back.
- **Statement of Fact** - the insurer requires your agreement that all statements therein are true before agreeing to provide cover
- **Insurer Policy Wordings** - contain full details of the cover, limitations and exclusions. These documents should be read in conjunction with your policy schedule (once prepared) and retained for your records
- **Invoice** – providing a breakdown of the premium due

## How to renew your Insurance

Please read the following:

- Risk information detailed above
- Important Information for Clients
- Commercial Client Terms of Business Agreement
- Statement of Fact

**Complete and return:**

The Renewal Confirmation Form together with your payment prior to renewal date to ensure continuity of cover. If you have any queries, or if we can be of any further help, please do contact us immediately.

We look forward to continuing to provide your Liability Insurance for the forthcoming year and wish you a successful year ahead.

Yours sincerely

Sports Commercial Team  
Telephone: 0121 698 8050

**CLAIMS ADVICE**

Should you have need to make a claim under the policy, please contact our claims department immediately on 0121 698 8000. We will advise you of the necessary course of action.

You are required to report ANY incident that may give rise to an insurance claim particularly in cases involving personal injury, please refer to the incident Notification & Recording Guidelines

## INCIDENT NOTIFICATION GUIDELINES

It is important that all incidents that may give rise to a claim are reported to us as soon as possible after the event. This will enable Insurers to carry out investigations at an early stage whilst information relating to the claim remains fresh in the mind. This will also ensure that you are complying fully with your policy terms and conditions.

Additionally you are also required to comply with the amendments to the Ministry of Justice procedures which came into effect on 31st July 2013. These require disclosure of insurance details within 24 hours of contact by Third Party solicitors following an injury where you may be liable. Failure to comply with the revised procedures will result in a sharp increase in costs.

In order to achieve this, we ask that you notify Howden immediately of any incident that involves:

- a fatal accident.
- an injury involving either referral to or actual hospital treatment.
- any allegations of libel/slander.
- any allegations of Professional Negligence i.e. arising out of tuition, coaching or advice given.
- any investigation under any child protection legislation.
- any circumstance involving damage to third party property.

An injury is defined as:

- any head injury that requires medical treatment [Doctor or Hospital].
- any fracture other than to fingers, thumbs or toes.
- any amputation, dislocation of the shoulder, hip, knee or spine.
- loss of sight [whether temporary or permanent].
- any injury resulting from electrical shock or burn, leading to unconsciousness or requiring resuscitation or admittance to hospital for more than 24 hours.
- any other injury leading to hypothermia, heat induced illness or to unconsciousness which requires resuscitation or admittance to hospital for more than 24 hours.
- loss of consciousness caused by asphyxia or by exposure to a harmful substance or biological agent.

Please note the above list is not exhaustive and if you are unsure as to whether an incident should be reported, then please do not hesitate to contact Howden Claims Department for further advice.

**We would remind you that in NO circumstances should you admit liability or agree to pay for any damage caused as this may prejudice the position of Insurers and COULD result in the withdrawal of any indemnity.**

Finally, please note that this is a Liability Policy where Insurers decide if negligence attaches to you. Therefore any payments you make to any third parties will not necessarily be reimbursed.

## INCIDENT RECORDING GUIDELINES

We would recommend that a designated person within your organisation is made responsible to record any reportable accident. Records must be kept for at least 6 years and longer where the incident involves a minor (guidance is 25 years or longer). Names and addresses of any possible witnesses should also be recorded.

Current legislation does not specify the format of an accident register but the Accident Book BI 510 obtainable from HMSO is frequently used and is approved by the Information Commissioner for D&A Compliance.

The register must contain the following information relating to all reportable accidents or dangerous occurrences:

- date and time of accident
- as regards a person at work - full name; occupation; nature of injury; age
- as regards a person not at work - full name; status [e.g. customer]; nature of injury; age
- place where accident occurred
- a brief description of the circumstances
- method by which the event was reported.

## REPORTING INCIDENT TO HEALTH & SAFETY EXECUTIVE

You may also have obligations under the RIDDOR regulations to report incidents to the HSE. For further information log onto the HSE website [www.hse.gov.uk/riddor](http://www.hse.gov.uk/riddor)

## IMPORTANT INFORMATION

### Regulatory Statement

Howden is a trading name of Howden UK Group Ltd registered at Companies House in England and Wales under Company Number 725875. Registered Office: One Creechurch Place, London EC3A 5AF.

Howden UK Group Limited is authorised and regulated by the Financial Conduct Authority. Financial Services Register number 309639. For more information visit [www.fca.org.uk](http://www.fca.org.uk) or call 0800 111 6768.

### Duty of Fair Presentation of risk

We take this opportunity to remind you that you owe a duty to make a fair presentation of the risk to the insurer. You have a duty to disclose to the insurer every material circumstance which you know or ought to know after a reasonable search or which is sufficient to put the insurer on notice that it needs to make further enquiries for the purpose of revealing those material circumstances. In addition, you have a duty to disclose information in a clear and accessible manner.

A circumstance is material if it would influence a prudent insurer's judgment in determining whether to take the risk and, if so, on what terms.

Failure to disclose a material circumstance may entitle an insurer to:

- in some circumstances, avoid the policy from inception and in this event any claims under the policy would not be paid;
- impose different terms on your cover; and/or
- reduce the amount of any claim payable.

This duty applies:

- before your cover is placed;
- when it is renewed; and
- at any time that it is varied.

If you are not sure whether a fact is material, you should disclose it. Please contact us immediately for assistance if you do not fully understand your duty of disclosure, if you are unsure whether information may be material or if it comes to your attention that you may have not disclosed full and accurate information.

### Client Agreement

Please find attached our Commercial Client Terms of Business Agreement

The intention of our Agreement is to clearly and concisely establish the basis of our relationship with you and the services that we will provide as well as detailing the important practices and procedures which need to be followed by both of us in relation to our appointment as your agent.

We wish to draw your attention to those sections specifically highlighted in:

Section 1, the terms of our Agreement will apply to all dealings between you and us with immediate effect, until and unless we send you a further revised agreement.

Section 3, highlights the Duty of Fair Presentation and the requirements contained within. This places a duty on you to make a fair presentation of the risk to the insurer.

Section 5, Confidentiality and Data Protection - As part of the work done to ensure our compliance with the General Data Protection Regulation which came into effect in May 2018, we have updated our client agreements to include reference to our, and your, obligations under this new framework.

Section 10, particularly the Limitation of Liability provision.

Our Client Agreements have been updated to reflect the Criminal Finances Act.

If you have any questions regarding our Commercial Client Terms of Business Agreement do not hesitate to contact us.

## **Nature of Sale**

We have presented this quote to you on an advised sales basis. This means that we will have provided you with advice and/or a recommendation in relation to the quote presented, and will have only presented to you those which we consider to best meet your demands and needs. Such advice and/or recommendation shall be based on our understanding of your insurance requirements, based on the information that you have provided to us.

## **Statement of Demands and Needs**

This statement details important information, which you should consider when determining if the policy satisfies your insurance requirements, and should be read in conjunction with our Client Agreement

### **Your insurance requirements (demands and needs)**

From the information that you have provided we have identified your demands and needs as those looking for:

If General Liability cover Insured

- Public Liability insurance - in respect of any party bringing a claim against you for bodily injury or damage to third party property.

### **Your specific demands and needs**

You have not made us aware of any specific insurance requirements other than your general requirement above.

### **Our recommendation**

We recommend this policy to you because it meets all of your demands and needs detailed above in that it provides you with protection for:

If General Liability Cover Insured

- Public and products liability insurance meets the demands and needs of those who wish to protect themselves against any party bringing a claim against you for bodily injury or property damage occurring during the period of insurance

which are based on the information you have supplied, as well as the type, scope and level of cover chosen. The scope of cover provided is subject to the exclusions, limitations, warranties and conditions of the policy. These are highlighted in the Important Provisions document and are shown fully in the policy wording.

Please contact us immediately if there is anything in this statement with which you do not agree or wish to amend.

### **Best Interest statement**

We always aim to treat you fairly. This means that we will always endeavour to conduct our business with due skill, care and integrity and not to put ourselves in a position where our primary duty to you is compromised;

### **Transparency of Our Services**

The following information should be read in conjunction with the explanatory notes section below. Further information is provided in our Client Agreement.

### **The capacity in which we are acting**

1. In sourcing a suitable policy for you we are acting as your agent. We have a specific product that we believe would best satisfy your demands and needs.
2. For the purposes of collecting the relevant information to place this insurance, we act as your agent, however in placing the insurance we act as agent of the insurer as we do have full delegated underwriting authority for this policy we are recommending to you
3. In the event of a claim, we act as your agent as we do not have any delegated claims settlement authority for the policy we are recommending to you.

### **How we made our selection**

We have approached a single insurer that we believe would best satisfy your demands and needs. We only offer cover from a single insurer in respect of this type of insurance.

## Explanatory notes

We usually offer and arrange cover with a limited number of insurers selected on the basis of our knowledge and experience of the market, the products available and our strategy to deal with insurers with whom we can develop trading relationships to our client's advantage. As a result we do not approach all potential insurers in the market which would be required by our regulators for a fair analysis of the market

## Our remuneration

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

## Financial Ombudsman Service (FOS)

### What to do if you have a complaint

If you wish to make a complaint you may do so by contacting any member of our staff by whatever means is convenient to you. If you cannot settle your complaint with us to your satisfaction, you may be entitled to refer it to the Financial Ombudsman Service (FOS). The FOS can be contacted by accessing the website [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) or telephoning 0800 0234567 or 0300 1239123

## Methods of Payment

### Premium Payment facilities

We normally accept payment by online transaction, cheque, BACS or credit and debit card (Visa, MasterCard, Switch or Delta).

There are no charges for payments by credit or debit card.

For online visit: <https://online.howdengroup.com/howdenpay>

For BACS payments our bank details are:

Royal Bank of Scotland, Sort Code 15-10-00, Account Number 23132012 - please quote your client reference or organisation name

Alternatively, It may be possible for you to spread the cost of your insurance by paying monthly instalments. Such a facility may be available directly from your insurer or from our exclusive premium finance provider, Premium Credit Limited ('PCL'). PCL is the No.1 provider of premium finance in the UK and Ireland with over 2 million customers. See [www.premiumcredit.co.uk](http://www.premiumcredit.co.uk) for more information.

We shall always offer you the best available option based upon the lowest total additional cost of either the insurer's own facility or our exclusive facility with PCL. If you would like us to provide both options then please contact us.

### What you need to consider about the PCL Credit Facility

If you elect to pay your premiums by the PCL facility and you are a new customer to PCL, this will require you to enter into a separate credit agreement with PCL; this agreement will be regulated by the Consumer Credit Act 1974 if you are an individual or partnership of less than 4 persons, although most of the Act does not apply if the amount of credit exceeds £25,000 and it is for business purposes. Consumers have a 14-day period to withdraw from the credit agreement after it has been made.

### Please do not elect to pay your premium by monthly instalments using the PCL facility if you are in any doubt as to your ability to make the monthly payment in full and on time.

Failing to make a payment when it is due or cancelling your Direct Debit instruction breaches the terms of the credit agreement and can have a number of consequences which may be severe:

- you will be charged £27.50 on each occasion this happens;
- your credit agreement could be terminated which could result in cancellation of the financed insurance policy(ies);
- PCL may take legal proceedings against you. You may be liable to pay their reasonable costs and if they are successful it may make it more difficult for you to obtain credit in the future;
- In some circumstances they may obtain bankruptcy, administration or other orders following judgement;
- PCL may report non-payment to credit reference agencies which will adversely affect your credit rating.

The personal information and the bank details you provide to us will be passed to PCL who will contact you via email or post to send you documentation. Credit is subject to status and PCL may use a credit reference agency that leaves a record of the search or other information about you, to carry out credit approval and anti-money laundering checks.

The Credit Agreement and details of the associated risks will be provided to you by PCL however if you require a sample copy in advance, to assist in making your decision, please visit [www.howdengroup.com/recourse](http://www.howdengroup.com/recourse)

**What you need to consider about our services in offering the PCL instalment facility**

- We act as a credit broker and not a lender.
- PCL are our preferred and exclusive premium finance provider.

You will not receive advice or a recommendation from us. We will provide you with information on the finance terms available; you will then need to make your own choice about how to proceed. In reaching your decision you should consider:

- the additional costs of spreading your payments and their affordability
- other sources of finance available to you which might be cheaper (e.g. use of existing overdraft or business finance).
- the implications of your insurance being cancelled by PCL should you default on your loan repayments
- additional interest and charges you may incur if you fail to make the minimum monthly payments and subsequent effect on your credit rating

Under the terms of your credit agreement or our contract with PCL we will:

- offer, arrange and administer the premium finance, including entering your insurance policy details and premiums on to the PCL computer system
- cancel your insurance policy in the event you default on the loan
- distribute the return premium from any cancelled insurance policy, secured against the loan as part of the finance agreement, to PCL to offset any outstanding balance you owe.
- receive finance commission from PCL as compensation for the time and expense incurred in promoting, arranging and administering premium finance .



## HOW WE ARE REMUNERATED

As your chosen insurance intermediary, we earn income in a number of ways. Typically we will receive remuneration either;

- a) by way of a commission payment by the Insurers we use out of the premium paid by you ; or
- b) by charging you a fee; or
- c) we may receive a commission and also agree to charge you a fee.

Whenever we charge a fee, that amount will be agreed with you in advance and will be disclosed to you separately to the insurance premium.

Instead of a fee, we can earn a commission payment from the insurance company with whom the insurance is placed and our commission is taken from your premium payment upon receipt. Commission is usually calculated as a percentage of the insurance premium. This percentage will have been contractually agreed between us and the insurance company. We may earn different percentages for different classes of business and from different insurance companies.

Unless otherwise agreed, commissions and fees for bringing about or arranging insurance are considered fully earned when the insurance incepts, irrespective of when the premium for the insurance is payable to the (Re)Insurer(s) and are not refundable in the event of cancellation or early termination of insurance(s).

You should be aware that we may on occasion need to use other insurance brokers or other parts of our group to assist in arranging and placing your insurance. These insurance brokers or other parts of our group may earn and retain commission in addition to any fee we have agreed with you.

We may also on occasion procure services from third party service providers, including but not limited to services procured from other specialist parts of Howden UK Group Limited, premium finance providers, legal counsel, health and safety and risk management consultants. Such service providers may earn and retain commission in addition to any fee we have agreed with you.

We may also receive additional income from arrangements with Insurers whether or not identifiable to any specific client or account to provide payment for administration and support or other services we provide to insurers' that may include:

- Insurance Service Brokerage ("ISB") or Subscription Market Brokerage ("SMB") charges to certain insurers to reflect services for administration assistance including handling as their agent premium and claims payments (but we will not charge Insurers for services on any policy if we are charging them pursuant to a specific Work Transfer arrangement).
- Work Transfer ("WTC") charges to certain insurers as a percentage of the premium payable to them pursuant to a services agreement between ourselves and such insurers whereby we agree to act as insurers' agents and provide them with specific services that an insurer would usually be expected to perform.
- Profit Commissions or profit share paid by (Re)Insurer(s) on specific facilities and arrangements for a limited class of business.
- Referral payments from Premium Finance Companies and other companies whose services we might recommend to you and volume referral payments from such companies.
- Insurer Service Plan where we may earn income under a services arrangement with certain (Re)Insurer(s) for intermediation services including but not limited to eliminating inefficiencies, product development and improving client service, enabling us and the (Re)Insurer(s) to work more effectively for the mutual benefit of our clients. The fees associated with the work are not linked to volume of business nor linked to individual client accounts.
- We may be requested to arrange, facultative or treaty reinsurances for the (Re)Insurer(s) with whom we effect insurance. These reinsurances are separate and distinct contracts where we act as agent (sub-agent) of the (Re)Insurer(s) concerned, and for which remuneration may be paid separately by the (Re)Insurer(s) or their reinsurer(s) and are outside the scope of our agreement with you.

Your insurance cover may be arranged and placed in various layers. We are entitled to charge either ISB/SMB or WTC in respect of an Insurer's participation on a given layer, but will never charge both ISB/SMB and WTC on the same layer. The additional income described above may give rise to a conflict of interest between you, us and/or the (Re)Insurer(s) concerned. We will take care to ensure that such conflicts are properly managed so we continue to act in your best interests. You are entitled at any time to request information regarding any income which we earn as a result of placing your insurance business. We will respond to your request in writing.

## RENEWAL CONFIRMATION FORM

Insured Name: British Kite Flying Association

Client Ref: 633227

Renewal Premium Enclosed: £1,686.48

Renewal Date 1st May 2022

<b>Are there any changes required to the risk information detailed in the renewal invitation letter</b>	Yes		No	
<b>If 'Yes' please provide full detail</b> (continue on separate sheet if required) <b>A revised quotation will be provided on receipt</b>				

### Declaration

I confirm that **I have read and understand the Important Information and renewal documentation**

Name		Email	
Signed		Date Signed	
Status/position		Telephone	

We may use the information you provide to send you details of products and services that might be of interest to you.  
 Please tick if you do not wish to receive details

Please select your preferred delivery method of your documentation	Electronically	Paper Format
--	----------------	--------------

METHOD OF PAYMENT	Please select your preferred method of payment	Charges
<b>Online using debit or credit card</b>	<a href="https://online.howdengroup.com/howdenpay">https://online.howdengroup.com/howdenpay</a>	0%
<b>BACS</b>	Please remember to quote your name / client reference on the bank instruction <b>Bank name:</b> RBS <b>Sort Code:</b> 15-10-00 <b>Account Number:</b> 23132012	0%
<b>NEW Direct Debit</b>	Monthly instalment facilities are available – Please contact Howden for full details	5.3%
<b>EXISTING Direct Debit</b>	To continue using an existing Monthly instalment facility please confirm the last <b>four</b> digits of your account for clarification	5.3%

# COMMERCIAL CLIENT AGREEMENT

## 1 Introduction

This Agreement is between you and **Howden UK Group Limited** (“we”, “us”, “our”), a subsidiary of Hyperion Insurance Group Limited (“HIG”) whose registered office is at One Creechurch Place, London, EC3A 5AF. We also trade under the following names:

- Howden;
- R K Harrison;
- Howden UK
- Howden Care, BPIF Insurance Services, CLA Insurance Services, Crossfit International Insurance Program, EEF Insurance, Howden Private Office; 24/7 Sports Insurance.

### About us

We are an independent Lloyd’s insurance broker, authorised and regulated by the Financial Conduct Authority (“FCA”).

Our FCA Firm Reference Number is 309639. These details can be checked on the Financial Services Register by visiting

<https://register.fca.org.uk/> or by contacting the FCA on 0800 111 6768

We are permitted and normally provide some, or all of the following services, on the terms set out in this Agreement:

- arranging insurance cover for you;
- advising you on your insurance cover;
- assisting you with claims for the duration of your insurance contract; and
- acting as an agent.

Please note that references to “insurance” and “insurers” in this Agreement include “reinsurance” and “reinsurers”.

HIG has subsidiaries, Dual Underwriting Limited and Dual Corporate Risks Limited (“DUAL”) and Aqueduct Portfolio Management Limited (“APM”), which operate as managing general agents on behalf of insurers.

The intention of this Agreement is to clearly and concisely establish the basis of our relationship with you and the services that we will provide in respect of each insurance contract that we arrange or have arranged on your behalf, unless there is a more specific written agreement between us. We shall proceed on the basis that we have your informed consent to the terms of this Agreement.

We do not offer advice on legal, accounting or regulatory matters.

This Agreement takes effect from the date it is received by you and supersedes any previous Agreement that may have been sent to you by us or on our behalf.

We draw your attention specifically to the following sections:

- Insurance Placing – sets out the basis upon which we will act as your agent in relation to each insurance contract we arrange on your behalf;
- Duty of Fair Presentation – sets out your duty to make a fair presentation of the risk;
- Client Monies – sets out how we hold client money;
- Remuneration – sets out details of our earnings;
- Limitation of Liability – sets out how we limit our liability.

## 2 Our Services

### Treating you fairly

We always aim to treat you fairly. This means that we will always endeavour to:

- conduct our business with due skill, care and integrity;
- not to put ourselves in a position where our primary duty to you is compromised;
- deal with any complaint sympathetically and independently;
- be transparent in the matter of our remuneration; and
- respect your confidentiality.

### Independent advice

As an independent insurance intermediary we act as your agent. 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 will advise you when these circumstances occur, so you will be aware of any possible conflict of interest. Some insurers may delegate authority to us to bind and administer an insurance contract on their behalf, including handling and processing claim payments. We will notify you if your insurance contract is placed under a delegated authority, as when conducting these activities we will also be acting on behalf of insurers and not solely as your independent agent.

In the event that our interests conflict with a duty we owe to you, we shall refrain from taking any action until we have received your informed consent to our intended course of action.

### Insurance placing

Before commencing negotiations with insurers, we look to establish a proper understanding of your insurance requirements. We will advise on appropriate insurances available to meet your requirements and the relative merits of a single insurer or a multiple insurer placement. We seek to negotiate and secure competitive indications and quotations for insurance which provide a level of coverage, which, in our opinion, is suitable for you. Where we are unable to meet your requirements we will advise you.

# COMMERCIAL CLIENT AGREEMENT

Our search for insurance to meet your requirements may mean that we:

- approach a single insurer;
- arrange cover with a number of insurers selected on the basis of our knowledge and experience of the insurance market;
- arrange cover with DUAL or APM who hold delegated authorities from certain insurers to bind cover on their behalf and are remunerated by insurers for their services. If DUAL or APM have provided terms for your consideration, it is identified in your quotation and/or policy documentation, as are the details of the insurers on whose behalf they act;
- provide you with insurance cover under a delegated authority granted to us by an insurer(s), or by DUAL or APM, and this is noted in your quotation and policy documentation.

A list of insurers we select from or deal with in relation to any insurance contract or product we offer or arrange is available to you on request.

## Provision of documentation

We will provide you with written confirmation once we have completed your insurance(s). This will be the evidence of insurance we have arranged and which may take the form of an insurer document (such as a copy of the Market Reform Contract or a formal policy document or certificate), covernote, or a broker insurance document which provides confirmation of the terms of the insurance contract we have arranged, and where applicable a schedule of insurer(s) with whom the risk has been placed. As more fully described below, it is your responsibility promptly to check this and notify us if it does not meet your requirements.

## Debit note

Our debit note (or equivalent document) will show the premium, any fee due to us and, where relevant, any insurance premium tax, duty or other charge which needs to be remitted to the appropriate authorities by insurers, or which is allowed by insurers to be deducted from the premium payable. If a tax, duty or other charge becomes payable as a result of the insurance contract and is in excess of the gross premium or allowed to be deducted by you from the premium payable, it is your responsibility to ensure that it is remitted to the appropriate authority(ies), unless otherwise stated in our debit note.

## Midterm amendments and adjustments

Any amendments to the insurance contract must be requested in writing and will be confirmed by us with an addendum or endorsement.

## Claims notifications

You must notify us as soon as possible of any loss, claim or circumstance which falls within the notification provisions of your insurance contract. Failure to notify insurer(s) promptly may entitle them to reject your claim. You should not admit liability or agree to any course of

action, other than emergency measures carried out to minimise the loss, or in the interests of health and safety, until you have obtained agreement from your insurer.

## Claims procedures

Unless otherwise instructed, we will act as your representative in negotiations with insurers and will endeavour to ensure prompt and equitable settlement of all valid claims.

However, where we have been granted authority by an insurer to negotiate and settle claims under a delegated authority, we will act on behalf of the insurer. We will make you aware of any claims that will be dealt with by us in this capacity, rather than as your agent.

You should be aware that we may perform a limited service for insurer(s) by relaying instructions, disseminating reports and collecting fees or other disbursements, for insurer(s)' advisors (e.g. surveyors, adjusters and lawyers) where we consider this does not create a conflict of interest. If we consider a conflict of interest may arise, we will refrain from performing any (further) services for insurer(s), unless you otherwise agree in writing.

In the event that an insurer delays making settlement of a claim for any reason, we do not accept liability to pay such amounts, until and unless the insurer has paid the claim to us in cleared funds.

## Solvency of insurers

We will only arrange insurance with insurer(s) who have been approved by our Security Committee or for which you have given us specific written approval. Whilst we rely on established rating agencies and use all reasonable endeavours to review information regarding insurers, solvency of an insurer(s) cannot be and is not guaranteed.

## Group companies and other intermediaries

Where we consider it appropriate we may engage the services of another intermediary (including other subsidiary and associated companies of HIG) to act as our agent and assist us in the placement of your insurance contract. For example, many countries require the use of local intermediaries to access local insurance markets. In such cases, we will provide specific instructions to such intermediaries so as to meet your insurance requirements. Please note that these intermediaries may be remunerated separately to us, such as by a fee (agreed by you or us) or by way of commission from insurers.

## 3 Your Responsibilities

### Provisions of instructions, information and completion of any required form

To enable us to fulfil your instructions you must provide us with the information necessary regarding your insurance contract so that we can understand your requirements. Certain classes of insurance require the completion of a proposal form, questionnaire or equivalent document. You must complete such

# COMMERCIAL CLIENT AGREEMENT

documents accurately. Whilst we may give guidance regarding the completion of these documents, we cannot sign these documents for you.

## Duty of fair presentation

An insurance contract is one of the utmost good faith.

Under English law, you owe a duty to make a fair presentation of the risk to the insurer. You have a duty to disclose to the insurer every material circumstance which you know or ought to know after a reasonable search or which is sufficient to put the insurer on notice that it needs to make further enquiries for the purpose of revealing those material circumstances. In addition, you have a duty to disclose information in a clear and accessible manner.

A circumstance is material if it would influence a prudent insurer's judgment in determining whether to take the risk and, if so, on what terms.

Failure to disclose a material circumstance may entitle an insurer to:

- in some circumstances, avoid the policy from inception and in this event any claims under the policy would not be paid;
- impose different terms on your cover; and/or
- proportionately reduce the amount of any claim payable.

This duty applies:

- before your cover is placed;
- when it is renewed; and
- at any time that it is varied.

Your policy wording may also provide that this duty continues for the duration of the policy.

You should contact us immediately for assistance if you are unsure whether information may be material, or if it comes to your attention that you may have not disclosed full and accurate information.

## Check documentation and acceptance of coverage

It is your responsibility to check the documentation we send you in relation to each insurance contract and satisfy yourself that it is entirely in accordance with your understanding and instructions. You should advise us promptly of any incorrect points or changes required. Otherwise, we will assume that the documentation and insurance contract satisfy your requirements.

We can only agree to bind an insurance contract on your behalf upon receipt of formal written instructions from you.

It is important that you keep your insurance documents safe.

## Payment terms

In order for us to meet an insurer's premium payment terms, premiums must be settled to us by the payment date(s) specified in our debit note. In certain

circumstances, insurer(s) will stipulate special premium payment terms which, if not met, may affect the validity of the insurance contract. We will advise you when these circumstances arise. We are not under any obligation to settle the premium by the payment date(s) to insurer(s) on your behalf until we have received cleared funds from you by the relevant due date.

## Payment methods

Insurance premiums should be settled on an individual debit note or credit note basis. We will issue Statements of Account periodically, if there are monies due to be paid by you.

All payments should be made to us in the currency as indicated on the debit note or statement and wherever possible, by electronic transfer. Bank account details will be advised to you.

## Third Party

You may authorise a third party to instruct us with regard to the purchase of your insurance. The third party is acting as your agent and we may wish to satisfy ourselves at the outset that they are authorised to act in this capacity but we are under no obligation to do so.

We will act on all instructions received from your agent as if we were dealing with you directly and will continue doing so until you notify us in writing to the contrary. It is your responsibility to ensure that any instructions given to us by your agent are correct and to notify us of any limitations in respect of your agent's authority.

We will not be responsible for:

- (i) checking that your agent has accurately passed on your instructions;
- (ii) any exposure arising from inaccurate information submitted by your agent to either us or an insurer; and
- (iii) checking that your agent has your continuing authority to instruct us on your behalf.

## United States direct procurement (as applicable)

In the event that you present any placement of a US domiciled entity or risk to us as being directly procured, you warrant that it is a lawful placement under any applicable US state direct procurement laws. A lawful placement is a placement where the underwriting of the risk by the insurer(s) and the involvement of any local and out of state intermediary or consultant in the placement process complies with all applicable laws and regulations governing the transaction.

## 4 Complaints

We strive to do everything to ensure that you receive the best possible service. However, if you wish to make a complaint about our service you may do so by contacting any of our employees by whatever means is convenient to you. Alternatively, you can direct your complaint to our Head of Business Risk at the address set out at the beginning of this Agreement.

# COMMERCIAL CLIENT AGREEMENT

We will acknowledge receipt of your complaint in writing within 5 working days and give you our response to your complaint at this time if we can. If our investigation takes longer, we will usually provide you with a full written response within 20 working days of the acknowledgement.

## 5 Confidentiality and Data Protection

This is a summary of how we use your personal and sensitive data. You can find our full privacy statement on our website or we can provide this to you on request. You should review this to ensure that you understand how your data will be used and your rights in respect of your data.

We will comply with Data Protection Law whenever we are processing information about you which is sensitive or personal in nature and we have policies and procedures in place to protect and manage that information. We treat all such information about you as private and confidential and we will always work to ensure that your personal data is processed lawfully, fairly and in a transparent manner and in compliance with Data Protection Law. This may include entering into other written agreements with you to enable us to comply with Data Protection Law.

We will however need to use and disclose the information we have about you in order to obtain insurance quotations and in the course of arranging, placing or administering insurance cover for you. This may involve passing information about you on to insurer(s), other intermediaries, risk management assessors, uninsured loss recovery agencies, service providers, industry regulators, auditors and other third parties involved directly or indirectly in your insurance cover.

The use and disclosure of personal data by various insurance market participants such as intermediaries, insurers and reinsurers are further explained in the Lloyd's and London Insurance Market Core Information Notice. Our core uses and disclosures are consistent with this notice and we recommend that you review this document which can be accessed via the link in our privacy notice.

Depending on the circumstances or nature of your insurance the disclosure of your personal information to any of the organisations referred to above may involve transfer out of the jurisdiction of the European Economic Area. If this is necessary we will always ensure that your data is protected as required by Data Protection Law.

We may need to use your data for research, statistical analysis and crime prevention including the investigation of fraud. Such activities may be carried out by third parties and we will always ensure that our contracts with such third parties are compliant with Data Protection Law. Sometimes we also pass information about you on to other companies which are part of HIG and we or they may use the information to provide you with information about products or services which may be of interest to you. We will only do this, however, in accordance with our obligations under the Data Protection Law.

In some circumstances, we will need to pass information about you on to credit reference agencies and premium finance providers in connection with the assessment of your financial standing generally and in particular where you have requested a premium instalment plan. This may include details of your payment record to us.

Where using your personal data relies on your consent, we will obtain your consent in accordance with Data Protection Law and you will be entitled to withdraw that consent. That may mean, however, that we are unable to arrange, place or administer your insurance cover properly.

If you have supplied us with personal or sensitive personal information relating to another individual or a third party, you must ensure that you have done so in compliance with Data Protection Law and provide the information to them which is required to be provided to individuals under Data Protection Law. This includes making them aware of their rights and of how we use their data and obtaining their consent where it is required in accordance with Data Protection Law.

In some cases you have the right to ask us to stop using your data, to tell us that you no longer want to receive information from us, to ask us to correct information we have about you or to ask us for the information we hold about you. Full details of your rights under Data Protection Law and how to enforce those rights are set out in our privacy statement on our website, which we can also supply on request.

"Data Protection Law" means all applicable statutes and regulations in any jurisdiction pertaining to the processing of Personal Data, including but not limited to the privacy and security of Personal Data.

## 6 Client Money

Client money is any money that we receive and hold in the course of arranging or administering insurance on your behalf, or which we treat as client money, in accordance with the FCA Client Assets sourcebook (CASS).

### Non-Statutory Trust Account (Client Account)

We provide protection for your money by holding all client money in a general Client Account; a Non-Statutory Trust Account. This is segregated from our own money and CASS requires us to maintain the solvency of the Client Account and conduct regular reconciliations. In the unlikely event of our failure, client money is available to clients ahead of other creditors.

Under CASS, money held in the Client Account may be used for the payment of premium or claims for another client before their monies are received, but increased controls are maintained where this occurs. We are not entitled to use client money to pay our fees or commission before we receive the relevant premium from you.

# COMMERCIAL CLIENT AGREEMENT

---

## Risk transfer

Where we have agreed in writing with an insurer to receive money as their agent, money received from you or from the insurer, will be the property of the insurer whilst we hold it. If you pay a premium to us it will be treated as having been received by the insurer, which means you cannot be asked to pay it again, if we do not pay the premium to the insurer. Similarly, once we have received the premium, we would be unable to return it to you, for example in the event of the insurer becoming insolvent. Also, if the insurer pays claims money or a return premium to us for onward transmission to you and we do not pay you, then the insurer will still be liable to you.

## Segregation of designated investments

Whilst we pay client money into a Client Account, we may arrange to invest this in a segregated designated investment, as permitted under CASS. If we do this, we will be responsible for meeting any shortfall that is attributable to falls in the market value of that designated investment.

## Interest on client money

We may earn interest on cash amounts held and may benefit from foreign exchange differentials and returns on segregated designated investments. As permitted by CASS, any such interest or investment returns shall belong to us and we shall not be required to account for it 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. Where we act as agent of an insurer for the purposes of holding or receiving claim payments or returning premiums, we will remit them to such parties as the insurer directs us to pay. We may otherwise only pay client money to you or your duly authorised representative if we have your specific instruction or consent. Where an intermediary or settlement agent is outside the UK, the legal and regulatory regime applying to the intermediary or settlement agent will be different from that applicable in the UK and, in the event of a failure of the intermediary or settlement agent, the client money may be treated differently than if the client money was held by a broker or settlement agent in the UK.

## Bank accounts

Client money will be deposited in our Non-Statutory Trust with one or more FCA approved bank(s).

## 7 Remuneration

Our usual remuneration is either by way of brokerage (also known as commission), being a percentage of the premium charged by insurers in respect of the insurance contract arranged by us, or a fee which is agreed in advance with you for the services provided by us, or with your agreement a combination of both. Our remuneration is fully earned upon the inception of the insurance contract and, in the event that the insurance is cancelled or is terminated after inception for whatever reason, or if our appointment is terminated for any reason, we reserve the right to retain/recover the remuneration we have earned.

We may sometimes act as a reinsurance broker to an insurer to arrange reinsurance for the insurer directly involved with your insurance. This placement is subject to a separate and distinct contract with its own terms and conditions, including separate remuneration terms.

In addition to brokerage or fee, we may be remunerated, by the payment of profit commissions, profit shares, service fees and commissions by insurers in respect of a specified portfolio of business, usually placed under a delegated authority.

Where we introduce you to our preferred premium finance company, we receive additional remuneration for the administration services we provide for the premium finance company. You remain free to make your own choice of premium finance provider.

If we introduce you to another intermediary to access an insurance product for you, we may receive a proportion of the brokerage received by the other intermediary and payable by insurers to them, out of the premium which you pay.

We are committed to ensuring that our remuneration and payments we may make to third parties are transparent and so, at your request, we will fully disclose our remuneration, including any income additional to the brokerage or fee.

## 8 Termination

Either party may terminate this Agreement at any time by providing 30 days' written notice. In the event that our services are terminated by you, we will be entitled to receive any remuneration earned or payable at that date, including by set-off or otherwise.

Remuneration earned or payable to us at that date shall include brokerage due or to become due on further instalments of premium and any further instalments of fees which were to become payable.

# COMMERCIAL CLIENT AGREEMENT

This Agreement will terminate immediately if either party:

- commits a material breach of this Agreement; or
- ceases to trade or threatens to cease to trade; or
- becomes insolvent or is subject to any administration, receivership, winding up or similar procedure.

We reserve the right not to continue to provide any services to you, including claims handling, after the date of termination of this

Agreement in the absence of a specific written Agreement between us.

## 9 Financial Crime

We are obliged to conduct reasonable due diligence to protect us and our clients against the risk of financial crime. At the start and throughout our relationship, we will require you to provide evidence to assist us in verifying your identity and/or legitimacy of any transactions we conduct on your behalf.

Neither party shall be involved in the offering, promising or giving of any financial or other advantage to any person in breach of any anti-bribery laws (including the Bribery Act 2010). Both parties shall also maintain their own policies and procedures which ensure compliance with the Criminal Finances Act 2017 in so far as it applies to them, in order to prevent the facilitation of tax evasion.

We are obliged to report evidence or suspicion of financial crime to the relevant authorities at the earliest reasonable opportunity and may be prohibited from disclosing any such report to you.

We shall not provide brokerage services or pay any claim or provide any benefit under this Agreement with any client that is the subject of any trade and economic Sanctions or embargos adopted and/or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control, the European Union and its Member States, Her Majesty's Treasury, the United Nations Security Council or other relevant economic sanctions and embargo control authority across the world (collectively referred to herein as "Sanctions"), nor is located, organised or resident in a country or territory that is the subject of comprehensive country Sanctions, including, without limitation, Iran, Crimean region of Ukraine and North Korea or any other country subject to comprehensive country Sanctions as these may be adopted and enforced from time to time.

We will also be unable to provide brokerage services for any targeted or transactional country Sanctions, including, without limitation, Syria, Cuba, Venezuela, Russia or any other targeted or transactional country Sanctions that may be adopted and enforced from time to time. The insurer may not be deemed to provide cover and may not be liable to pay any claim or provide any benefit under this agreement insofar as the provision of such cover, payment or claim may expose the insurer or its related companies to any prohibition or restriction under the Sanctions.

If Sanctions apply, we shall not be able to process already notified claims and your insurers may terminate your insurance contract, and not pay any notified claims. If you become subject to Sanctions after the entry into force of this Agreement, we may have to terminate our relationship and your insurer may invoke its cancellation rights under your insurance contract. The parties to this Agreement shall notify each other immediately of any suspicion of exposure to Sanctions.

## 10 Limitation of Liability

The following provisions of this section set out our entire financial liability (including any liability for the acts or omissions of our employees, agents and sub-contractors) to you in respect of all losses, claims or liabilities arising under or in connection with this Agreement (including in respect of any indemnities), whether in contract, tort (including negligence), breach of statutory duty, or otherwise.

- All warranties, conditions and other terms implied by law are, to the fullest extent permitted by law, excluded from this Agreement;
- Nothing in this Agreement excludes or limits our liability for death or personal injury caused by our negligence or for fraudulent misrepresentation;
- Nothing in this Agreement excludes or restricts our duty or liability to you under the applicable regulatory regime;
- Subject to clauses i), ii), and iii) above, our total liability to you, shall in the aggregate be limited to £10 million, and we shall not be liable to you for loss of or corruption of data, loss of profit, loss of anticipated savings, loss of business, loss of opportunity, depletion of goodwill, additional operational and administrative costs and expenses, the cost of procuring replacement goods or services, any punitive or exemplary damages or any indirect or consequential loss or damage.

## 11 Third Party Rights

Other than where it is contemplated elsewhere in this Agreement, a person who is not a party to this Agreement shall not have any rights under or in connection with it.

## 12 Compensation

We are covered by the Financial Services Compensation Scheme (FSCS). You may, depending on where the risk is located, your status and the type of insurance contract concerned, be entitled to compensation from the FSCS. Further information is available from the FSCS.



# COMMERCIAL CLIENT AGREEMENT

---

## 13 Jurisdiction and Choice of Law

This Agreement and any dispute or claim arising out of or in connection with it or its subject matter shall be governed by and construed in accordance with the laws of England and Wales.

We both irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Agreement or its subject matter.

### Schedule 1 – Trading names

Howden Insurance Brokers Limited also trades under the following names:

- Howden Insurance Brokers
- Howden Reinsurance Brokers
- Howden Specialty
- Howden UK
- Howden Care
- Howden Private Office
- Howden Sturge
- Howden Fastnet
- Howden MPRS
- R K Harrison
- Clinical Trials Insurance Services (CTIS)
- Bowood
- RKH Shelburne
- BPIF Insurance Services
- CLA Insurance Services
- 24/7 Sports Insurance

Commercial Terms of Business Agreement December 2021