

foundation insurance

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TERMS OF BUSINESS – COMMERCIAL

Regulated by the Financial Services Authority (FSA), Foundation are Independent Intermediaries committed to observing high standards of integrity and to deal openly and fairly with our clients.

The following is intended to set out our commitment to you under the FSA rules and the principles we seek to uphold at all times. They also highlight some of your responsibilities as the Insured party.

Communication

The key to a successful relationship is good two-way communication.

If we are to represent your best interests, then it is important that we understand as much about your business as possible to enable to provide recommendations for your Insurance Portfolio.

With this in mind:

- If we have carried out a review of your insurances, we will provide you with a written summary of the discussions including any alterations to cover which you have placed or even recommendations which we have made but were declined by yourselves. Please let us know if the summary does not accurately detail your intentions.
- If you provide instructions over the telephone we ask that you confirm them in writing either by letter, fax or e-mail. Kindly note that we are unable to action any instructions given out of hours over the answer phone until the office is reopened for business.
- We will forward all policies and supporting documentation as soon as it is available. Thus onus is upon you the Insured party to ensure that you are satisfied with the policy cover, terms and conditions. Please take the time to read the documents we send.

Duty of Disclosure

It is your responsibility to disclose to the Insurers 'material information' when requesting that they carry out your insurances. 'Material information' is something which would have an effect on the mind of a prudent Insurer in estimating the risk or would affect their judgement in deciding whether or not to enter into the Contract of Insurance at all.

You have a continuing and ongoing obligation throughout the life of your policy to declare to an Insurer any changes in the risk. If any material information is omitted or misrepresented, Insurers have the right to void the policy and return the premium.

The duty of disclosure arises when the insurance is first taken out, on each subsequent renewal or amendment of it and at any other time where a change in circumstance occurs that could influence the insurers assessment of the risk (if you are in any doubt as to whether a change sufficient to require notifying insurers has occurred call us to discuss the matter first). The Insurers may also in their policy document include warranties or requirements and once again these must be complied with at all times

Proposal Form

With certain classes of business you may be required to complete a proposal form, this is an important legal document, as it forms the basis of the contract of insurance. You have a duty to ensure that the information contained is accurate and in the event that any of the handwriting is not your own, please check it carefully before you sign the document. We will retain a copy of the proposal form on our file.

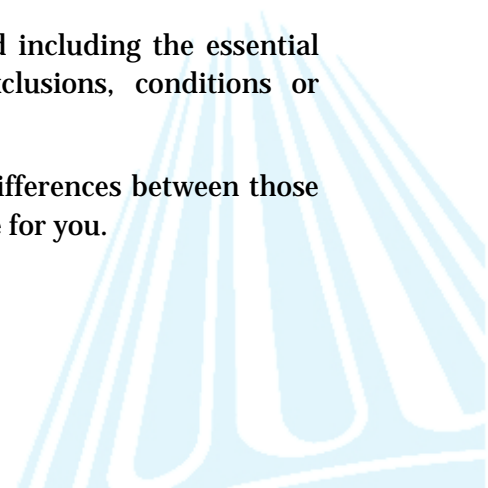
Alteration to Risk

In the event that there are any changes to your business activities – whether they relate to the premises or the work that you do, please discuss these with us as they may be considered to be ‘material information’. We would then ask that you confirm this information briefly via letter/fax/e-mail.

Information about the Proposed Insurance

We will use reasonable efforts to ensure that:

- You are provided with adequate information in a comprehensive and timely way to enable you to make an informed decision about the insurance which is being proposed.
- We will explain the differences in and the relative costs of the types of insurance, which we think, are relevant to you.
- We will explain the key features of the insurance being proposed including the essential cover and benefits, any significant or unusual restrictions, exclusions, conditions or obligations and the period of cover.
- If we are unable to meet your requirements, we will explain the differences between those requirements and the insurance, which we are suggesting, is suitable for you.



•You are reminded that the fixing of any sum insured, limit of indemnity, or any term or condition of the insurance policy is for you to decide upon and whilst we may assist you with this, the onus remains always with the policyholder to ensure that he/she/they are adequately insured.

Confirmation of Cover

We will provide you with cover notes, legal documents and/or written confirmation that cover has been placed. These will normally be sent to you within 14 days of the inception of cover.

You agree to review all information upon receipt and advise us immediately if the details of the cover or the participating Insurers do not meet with your approval or do not reflect the instructions given to us – particularly if required cover is excluded.

You agree, and it is solely your responsibility to ensure that the cover has been placed on the correct terms.

Where a full policy wording is required, this will be forwarded as soon as is practical.

Claims

It is very important that claims, or circumstances that may give rise to a claim, are notified immediately. This should include all material facts concerning the claim. The policy wordings will describe in detail the procedures and conditions attached to making a claim.

If a claim/report form has been completed by anyone other than yourself, please check the accuracy of the answers before you sign. Misrepresentation can have extremely serious implications.

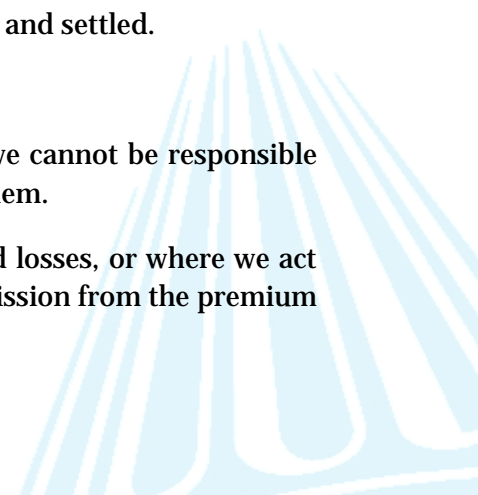
Foundation provides a claims handling service for as long as you are a customer.

We will:

- If you wish to do so, give guidance in pursuing a claim under the policy.
- Handle the claims fairly and promptly and keep you informed of their progress.
- Inform you in writing if we are unable to deal with any part of the claim.
- Report to you without avoidable delay once a claim has been agreed and settled.

All settlements will be provided by the Insurance Companies and we cannot be responsible for the wrongful non payment or delay in payment of any claim by them.

We reserve the right to make a charge for the recovery of uninsured losses, or where we act on your behalf in settlement of a claim but have not derived a commission from the premium



for the underlying insurance policy, any charge will be agreed before we commence acting for you.

Underwriters

Foundation utilise UK based Insurers to obtain the best terms and conditions available to our clients.

In selecting security, a wide variety of factors including financial statements of the Insurers in question are taken into account. However, we cannot guarantee the future ability of any Insurer to meet policy holder obligations and therefore the final decision on the suitability of any Insurer must rest with you.

Foundation will provide whatever information we have available to assist you in making this decision.

Ongoing Service

Foundation will respond promptly to queries and correspondence. Any request for amendments to cover will be dealt with in the same way and we will provide you with full details of any premiums or charges to be paid or returned.

We will provide written confirmation when amendments are made and remit any return premium and charges, net of any commission due to us, without avoidable delay.

We will notify you of the renewal or expiry of your policy in time to allow you to consider and arrange any continuing cover you may need. We will also remind you of the 'duty of disclosure' highlighted above.

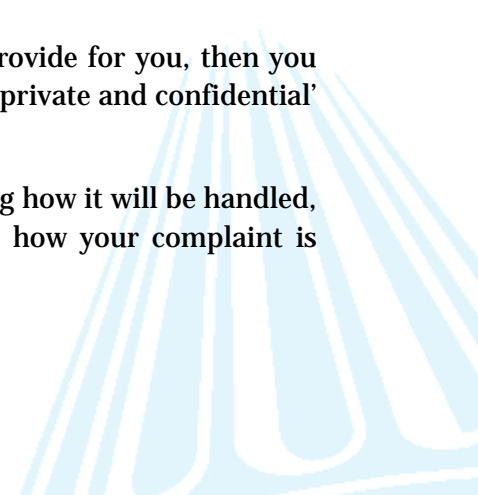
At expiry or cancellation of the insurance, we will at your request make available all documentation and information on matters such as claims, no claims bonus, etc., to which you are entitled.

Please check any communication which we have with you and if you perceive it to be incorrect or inaccurate in any way, then let us know

Complaints

If at any time you have a complaint about the services which we provide for you, then you should initially place your objections in writing and send it marked 'private and confidential' for the attention of our Chief Executive.

If you make a complaint, we will acknowledge it promptly, explaining how it will be handled, telling you who will be dealing with it, what you need to do and how your complaint is progressing.



If you fail to be satisfied with our final response, you will then have access to the Financial Ombudsman Scheme dispute resolution facility whose address is highlighted at the end of this section. They can also be contacted via e-mail.

Confidentiality

Foundation will treat any information received with the utmost respect and where appropriate in accordance with the Data Protection Act of 1988. Information provided by you or about you may be used in the course of our dealings with you to facilitate the provision of the services which we are providing.

We will be happy to provide copies of this information upon your request.

Cancellation

Our services may be terminated for any reason either by you or by us giving 7 days notice in writing.

In the event that our services are terminated by you, other than at the expiry of the relevant policy period or at renewal, we will be entitled to retain any and all fees or brokerage payable (whether or not the same has been received by us) including any sums due in respect of outstanding amendments to policy covers.

Premium Payment

There are various ways of paying premium depending upon the class of business, the Insurer concerned and other outside factors. Foundation will discuss these with you at the time that the premium is charged. Failure to meet agreed payment schedules can invalidate the insurance.

Foundation will provide receipts in respect of monies paid upon request.

Useful addresses

Financial Ombudsman Service South Quay Plaza 183 Marsh Wall London E14 9SR 0845 080 1800

www.financial-ombudsman.org.uk

Financial Services Authority 25 The North Colonnade, Canary Wharf, London E14 5HS

www.fsa.gov.uk

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