

## SUTTON WINSON LIMITED - (COMMERCIAL) TERMS OF BUSINESS

This document explains how we deal with you, our client, and contains other information that you need to know. For your benefit and protection please read it carefully and let us know if anything is unclear.

### OWNERSHIP AND ABOUT US

#### 1. Sutton Winson Limited (Registered Number 546706)

We are independently owned and have no direct or indirect holding in any insurer. Likewise no insurer has any direct or indirect holding in us:

Locations: St. James House, Grosvenor Road, Twickenham TW1 4AJ (Registered Office)  
First Floor, Greenacre Court, Station Road, Burgess Hill RH15 9DS  
Telephone: 0330 008 5555  
Website: [www.suttonwinson.com](http://www.suttonwinson.com)

#### 2. Authorisation

We are authorised and regulated by the Financial Conduct Authority (FCA) to advise on, arrange and assist in the administration and performance of general insurance products and where instructed by you, to arrange credit in relation to associated insurance premiums.

Our FCA registration number is 310883.

For further information go to the FCA register [www.fca.org.uk](http://www.fca.org.uk) or telephone 0800 111 6768.

#### 3. Financial Services Compensation Scheme (FSCS)

We are covered by the FSCS. You may be entitled to compensation from the FSCS if we cannot meet our obligations. This depends on the type and size of business and the circumstances of the claim.

Full details and further information are available from the FSCS, [www.fscs.org.uk](http://www.fscs.org.uk) or telephone 0800 678 1100 or 020 7741 4100.

#### 4. Our Level Of Service & Products We Offer

Our service includes arranging insurance cover and helping you with any changes you require subject to appropriate remuneration. Where specifically agreed we will also assist with claims under the policies we arrange for you.

Where we operate under a delegated claims authority we will highlight this at first notification of loss. Delegated authority enables us to make decisions in-house and pay claims within criteria agreed with the insurer.

Additional fees may be payable where you require us to provide extra services including but not limited to arranging, renewing and amending any policy of insurance, due diligence work, contract reviews, and dealing with large or complex claims or losses. Any such fees will be agreed with you prior to undertaking any additional work.

We will explain in our communications with you why we are recommending a particular insurer and product.

Fair Treatment: We aim to treat you fairly at all times by ensuring that we provide you with insurance products, services and advice that are suitable and meet your requirements and expectations.

At times we, or our group of associated companies may contact you or send you marketing literature and/or products that may be of interest. You can unsubscribe via your usual Sutton Winson contact or by replying to the communication you have received.

### OUR LIABILITY TO YOU AND YOUR RIGHTS

#### 5. Law, Jurisdiction And Third Party Rights

This agreement is governed by and construed in accordance with English Law and any dispute arising under it shall be subject to the exclusive jurisdiction of the English courts. Unless otherwise agreed between us in writing, no term of this agreement is enforceable under the Contracts (Rights of Third Parties) Act 1999.

#### 6. Limitation Of Liability

We acknowledge that we may be liable to you for loss, damage, costs and expenses arising under, or in connection with, the services provided by us to you, whether arising in contract, tort and/or including our negligence subject to the following provisions:

- (a) Unless otherwise agreed by us in writing, our maximum liability under, or in connection with, our services to you whether arising in contract, tort and/or including negligence shall not exceed £10 million in respect of any one claim or series of claims emanating from a single cause or circumstance.
- (b) We shall not be liable to you for losses due to any act or omission by you or any other party including but not necessarily limited to providing false, misleading, inaccurate or incomplete information or documentation.

- (c) We shall not be liable to you, or deemed in breach of this agreement for any delay or failure to perform any of our obligations to you where such delay or failure was due to any cause beyond our reasonable control.
- (d) In circumstances where you appoint us to act as your insurance broker to administer policies arranged by another broker or brokers, we will not be liable for any loss resulting from the advice or possible negligence of your previous broker or brokers however caused.
- (e) We shall not be liable for any losses incurred as a direct consequence of the financial failure of an insurer, underwriting agency, insurance broker or any other third party.
- (f) You will not bring any claims against any of our employees, directors, officers or consultants whether past, present or future, any proven liability shall be Sutton Winson's liability.

Nothing in these terms and conditions shall exclude, or in any way limit, our liability for fraud or death or personal injury caused by our negligence or any other liability; to the extent that the same may not be excluded or limited by law; nor to the extent that we have a duty or liability to you under the regulatory system applicable to insurance intermediaries or under the Financial Services and Markets Act 2012 including any subsequent replacement or modification.

## **7. Receiving Instructions From You**

Upon receipt of instructions from you, we will place, amend or renew cover on your behalf with insurers. Cover is not in place until we have confirmed this to you in writing.

Where you are a commercial client, unless we are specifically advised to the contrary in writing, we will be entitled to assume that everyone within your organisation (which term for this purpose includes any parent, subsidiary or associated company) who gives instructions to us, has the requisite authority to do so.

## **8. International Business**

### **(a) Introducing you to a Broker, Intermediary or Agent**

Where we are required by you to identify such company to assist you and your local entity with arranging and advising on insurance covers and other associated services in another territory:

- (i) Our level of service is limited solely to identifying and facilitating such introduction;
- (ii) The responsibility of arranging the insurance covers and any other associated services is between you and your local entity and such company;
- (iii) You and/or your local entity will need to ensure that such company meets with your requirements before entering into a contract and any local insurance and taxation regulations are adhered to;
- (iv) We will not undertake any kind of due diligence exercise on such local company;
- (v) We will not monitor any aspect of the local company's service to you and/or your local entity or otherwise.

### **(b) Engagement of a Local Company by Sutton Winson**

Where we are required to instruct a local company in another territory to assist us in meeting your insurance requirements and/or other associated services and those of your local entity:

- (i) We will notify you of this in advance and specifically instruct such local company as may be required;
- (ii) Remuneration to the local company will be in the form of commission from the insurer(s) and/or other institution or a fee agreed with you, in addition to any fee or commission due to us.

In relation to both (a) and (b) we will not be liable:

- (i) for any acts, errors or omissions committed by the local company, its employees, directors, agents, affiliates or representatives;
- (ii) under clause 8 of this agreement other than in respect of our liability for death or personal injury as a result of our negligence.

### **(c) Engagement of Sutton Winson by an Overseas Broker or Other Intermediary**

We shall not be liable for any losses due to any acts, errors or omissions committed by an overseas/global broker or intermediary, its employees, directors, agents, affiliates or representatives.

## **YOUR DUTY TO US, POLICY DOCUMENTS AND CLAIMS**

## **9. Your Duty To Make A Fair Presentation (Insurance Act 2015)**

You have a legal duty following a reasonable search to make a fair presentation to disclose to an insurer, in a manner that is clear and accessible, every material circumstance which is known or ought to be known by your own senior management team, including those responsible for arranging the insurance and any agents acting on your behalf.

When conducting a reasonable search you should consider:

- the activities in your business and the risk these may pose to you and others,
- who holds this information within your business
- all relevant facts and material circumstances ensuring that these are disclosed and presented fairly.

A material circumstance is a circumstance which would influence the judgement of an insurer in determining whether to take and insure the risk and, if so, on what terms.

If you do not, this may result in claims being rejected or not fully paid as well as the insurance being potentially cancelled at any stage of the policy including at inception (i.e. treated as if it never existed), depending upon the manner and extent in which you fail to comply with this duty.

This duty not only applies at commencement and renewal of the policy but also at any time during the period of insurance, including when making a claim. Therefore it is very important that you keep us informed.

If you are unsure what you should inform us of or require further information, then contact us to seek clarification. In the event of any future changes, do tell us about these as soon as possible in order to allow us to update your records and inform insurers.

#### **10. Awareness Of Policy Terms**

When a policy is issued, it is important that you read it carefully as it is that document, the schedule and any certificate of insurance, which is the basis of the contract you have purchased. Seek our advice promptly if you are in doubt about any term or condition.

##### Adequacy of Sums Insured and Limits

At all times it is your responsibility to ensure that the sum insured values and policy limits are adequate and reflect current, continuing and future reinstatement/replacement costs. Whilst we may assist in establishing and maintaining insured values we cannot accept responsibility for their accuracy.

We strongly recommend, where applicable, that the appropriate professional (e.g. surveyor/accountant/valuer) be consulted to ensure that the sums insured under the policy are correct. We offer services to assist in this regard; do contact us for more information.

##### Policies Transferred to us from other Insurance Brokers

In relation to insurance policies transferred to us we shall review these and advise accordingly as each policy falls due for renewal. However, we accept no liability for your previous broker's or intermediary's acts. Should you have any concerns or require an immediate review of such policies you should notify us immediately.

#### **11. Retention Of Documents**

We reserve the right to retain certain documents such as your Policy, Motor Certificate or No Claims Bonus Proof until all premiums, fees, taxes and charges have been paid. In these circumstances we will ensure that you receive full details of your cover and will provide you with any documents you are required to have by law.

You should also carefully check and keep copies of any documentation you receive from us.

#### **12. Incidents & Claims**

Failure to immediately notify incidents or circumstances that could potentially give rise to a claim may invalidate your insurance cover and jeopardise the claim if submitted later.

You should tell us immediately about any incident or circumstance that could adversely affect or increase the nature of the risk presented to the insurer.

Where we have agreed to provide a claims handling service you should tell us immediately about any incident or circumstance that could give rise to a claim. If we are not providing a claims handling service you should provide this information to your insurer. If a third party is involved, do not admit liability without reference to us or your insurer to agree an appropriate course of action.

### **HOW WE HANDLE CLIENT MONEY, PAYMENT OF PREMIUMS, MONEY LAUNDERING & INSURER INSOLVENCY**

#### **13. How We Handle Your (Client) Money**

We are governed by strict rules regulating client money set down by the FCA. Monies paid by you to us, or received by us to be paid to you, will be held in statutory trust bank accounts. Where we hold monies in statutory trust bank accounts we may earn interest on monies held which will be retained by us.

##### Client Money (Statutory Trust)

This means that client money is held separately from our own money in accounts with an approved bank and designated as statutory trust accounts. We act as trustees of client money and must meet certain legal and regulatory conditions. We are not permitted to, and do not, use client money balances to provide credit for other clients or potential clients.

The majority of client money held by us is held as agent of insurers. This means that premiums are treated as being received by insurers when received in our bank account and that any claims money or premium refund is treated as received by you when it is actually paid over to you. Advise us if you wish to know whether your premium will be held by us as agent of an insurer.

##### Payments to Third Parties

We may transfer client money to another person, such as another broker or settlement agent, for the purposes of effecting a transaction on your behalf.

On occasions, client money may be passed to organisations outside the UK. The legal and regulatory regime applying outside the UK may be different from that of the UK and, in the event of failure of a third party outside the UK, this money may be treated in a different manner from that which would apply if the money were held by a third party organisation in the UK. You may notify us if you do not wish your money to be passed to a party in a particular jurisdiction.

#### **14. Payment Of Premiums**

Premiums must be paid by the payment due date stated on our invoice, failure to do so may invalidate cover and entitle insurers to cancel the policy. If the premium remains outstanding after the payment due date, we reserve the right to charge interest at Barclays Bank base rate plus 3%. If we have not received the premium from you, we are under no obligation to pay the premium to the insurer on your behalf.

We will advise you if an insurer has imposed a condition which requires payment by a specific date. In this situation, we must receive cleared funds no later than 7 days prior to the payment due date to ensure that cover remains in force. Failure to comply will result in cessation of policy cover.

Consumer credit; where required our service to you also includes arranging credit to enable the costs of insurance premiums to be spread. If you do wish to pay your insurance premiums using an insurer instalment or a premium finance house facility, you must notify us of your intention prior to the date of commencement of cover and complete any documentation necessary as soon as reasonably practicable. Details regarding the applicable terms and conditions together with the charges will be provided by us and the credit provider.

How we make our selection; we will firstly assess your insurance needs and provide you with advice and recommendations regarding the most suitable insurance cover. Then we will arrange for the provision of the most appropriate insurer instalment or premium finance house facility so that the premium can be paid.

#### **15. Premium Payment By Continuing Instalments**

Where payment for the policy is by regular instalment, for example by direct debit, which is not restricted to a single insurance period, you give your consent to the policy being automatically renewed, without further reference to you, at the renewal date. This means that insurance will continue to be provided to you and you will be obliged to pay for such insurance, unless you specifically contact us before the renewal date to notify us that it is no longer required.

#### **16. Money Laundering / Proceeds Of Crime Act**

UK Money Laundering regulations require us to obtain evidence of the identity of clients for whom we act at the start of a business relationship. Documentary evidence may be requested.

We are obliged to report to the National Crime Agency (NCA) any situation giving rise to a suspicion of money laundering and we are prohibited from disclosing any such report.

#### **17. Insurer Solvency**

We take all reasonable steps to place your insurance with an insurer capable of meeting its future liabilities. However, we cannot guarantee the solvency of any insurer or be held responsible for any additional costs that may be incurred in replacing cover with an alternative insurer.

### **DATA PROTECTION & CONFIDENTIALITY & CALL RECORDING**

- 18.** Information provided to us by you will remain confidential and be used for the purpose of providing insurance broking services to you, or to others where we are required to fulfil a regulatory or legal obligation and as set out in our Privacy and Fair Processing Policy. This means that your personal information will be used to process your policy, understand your needs and improve our services. It may be shared with third parties where required to do so for us to provide our services to you, or where we have appointed third parties to manage our business.

In your dealings with us you may provide us with information that may include data that is known as personal data. Where we process personal data, we comply with statutory data processing requirements as set out by the Data Protection Act 2018. The personal data we will collect may include information relating to your name, address, date of birth, health or criminal offences. In processing personal data for insurance purposes about health or criminal offences, we will only do so to enable us to provide our service to you and on the basis of it being in the public interest.

The Data Protection Act 2018 provides you with access rights that allow you to gain an understanding on the data being processed, who we share it with, for what purpose, why we need to retain it and retention periods, to object to the processing and to place restrictions on the processing, to request copies of your data and to request the deletion of your data. Contact us if you require further information on how we process your data or you wish to exercise your rights. How we process your personal data is detailed further within our Privacy & Fair Processing Policy, which can be accessed via our website at [www.suttonwinson.com](http://www.suttonwinson.com) or a paper copy can be provided on request.

Nothing in the agreement overrides our duty to place the interests of our client before all other considerations nor shall this agreement override any statutory legislative or regulatory requirements (whether obligatory or advisory) which may apply to us.

Information provided to you by us by way of reports and publications constitutes confidential and proprietary information belonging to us and may only be disclosed and/or used in accordance with permission granted by us. Any other disclosure and/or use is strictly prohibited and we reserve the rights amongst others, to take such action as is necessary to protect our confidential and proprietary information.

Please note that English Law recognises the existence of an implied contract of insurance permitting insurers to inspect certain documents which we hold as your broker. Some insurers have slightly wider access than others. You should be aware that the right to inspect does not depend on your prior consent having been given.

Depending on the circumstances of the insurance contract, we may need to transfer data outside of the jurisdiction of the European Economic Area. Your personal information may also be used for crime prevention.

19. Telephone calls to or from our offices will be recorded for the protection of both parties and for training purposes.

## COMPLAINTS AND COMMENDATIONS

### 20. Complaints

We are committed to providing a quality service at all times. If something goes wrong we need you to tell us about it. This will help us to improve our service and standards.

Should you have any reason whatsoever to be unhappy then raise your concerns with the individual who has been dealing with the matter or their manager. If there is continuing cause for dissatisfaction, you should write to the Compliance Director at our Twickenham office or call us on 0330 008 5555.

If the matter is resolved within 3 business days, we will write to you to confirm this. If it cannot be resolved within this time, we will seek to resolve the matter as quickly as possible and keep you informed of progress. If we cannot agree a solution between us, we will explain why. We will confirm our final response to any complaint within eight weeks of your complaint.

If you are:

- a private individual; or
- an enterprise which:
  - (a) employs fewer than 50 persons; and
  - (b) has a turnover of less than £6.5 million;
  - (c) or annual balance sheet of less than £5 million;
- a charity which has an annual income of less than £6.5 million; or
- a trustee of a trust which has a net asset value of less than £5 million.

You may be entitled to refer your complaint to the Financial Ombudsman Service, Exchange Tower, London E14 9SR, telephone 0300 123 9123, fax 0207 964 1001, website [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

If you have a complaint against your insurer, your policy documentation will set out the procedure that you should follow. However, we will assist you if required.

### 21. Commendations

It is very helpful to us if you tell us about any aspect of our service with which you are particularly satisfied or any members of our staff that you feel should be specially commended. Such commendations are recorded, monitored and recognised.

## TERMINATION

22. Our services may be terminated by either party by giving 6 weeks' notice in writing to the other or as otherwise agreed. Except that failure to pay our fee invoice within the period stated will be deemed a material breach of this agreement and entitles us, with written notice to you, to terminate this agreement immediately and therefore our services.

Where permissible, we shall continue to perform our obligations in accordance with the terms of this Agreement during the notice period unless otherwise agreed with you and provide all reasonable assistance to facilitate an orderly transfer of your insurances to another insurance provider. Notice of termination of our services does not affect your insurance contract(s) with insurer(s) including its expiry or renewal date.

In the event our services are terminated by you, we will be entitled to receive any and all fees (including fees agreed in a long term agreement) or brokerage payable (whether or not the same have been received by us) in relation to all policies placed or due to be placed by us. Where a fee has not been agreed for services rendered before the insurance starts or to be rendered during the notice period, a pro rata amount of the previous year's fee shall apply.

In the event that we no longer place insurances for you and if we continue to handle your claims we may seek to agree a fee prior to undertaking any future work.

Such termination shall be without prejudice to the accrued rights and liabilities and other remedies of either party.



## SUTTON WINSON LTD - OUR REVENUE STATEMENT

This document explains how we generate our income and manage conflicts of interest.

### Our Income

#### Commission

When we arrange a policy with an insurer we may receive commission from the insurer which will be a percentage of the annual premium you pay for the policy. You are entitled at any time to request information regarding any income which we may have received as a result of placing your insurance policy. In some circumstances it may be a combination of commission and a fee.

#### Fee

We may negotiate a fee with you to reflect the service and work that we undertake for you. The amount charged will be very much dependant on the level of service you want from us and the people within our business that work on your account. Fees are negotiated annually and can be subject to a longer term agreement. Fees shall be paid to us within the period stated in our invoice to you. In the absence of a fee being agreed with you within 7 days of renewal the same fee for the prior year will be immediately due and ultimately deducted from the fee negotiated for the forthcoming period. Failure to pay our fee invoice within the period stated will be deemed a material breach of this agreement and entitles us, with written notice to you, to terminate this agreement immediately as set out in Clause 22 of our Terms of Business (Termination).

Where notice of termination of this agreement has been given and a fee has not been agreed for services rendered before the insurance starts or to be rendered during the termination notice period, a pro rata amount of the previous year's fee shall apply.

Commission and fees are deemed to be fully earned when the insurance starts regardless of when the insurance premium is payable to insurers.

#### Refunds of Commission or Fees

No refunds of commission or fees will be allowed following cancellation of any policy or termination of our appointment unless otherwise agreed by us in writing.

#### Additional Charges and Fees

Additional fees and charges may be payable in certain circumstances and will be agreed with you separately. Please refer to Clause 4 of our terms of business for details.

#### Commercial Arrangements

We have relationships with over 100 different insurance providers. A small number of these do provide us with additional payments based upon commercial arrangements.

As at the date of this agreement, we have commercial arrangements with the following:

Allianz, Arch, Aviva, AXA, Chubb, Covea, Ecclesiastical, HDI Gerling, Hiscox, NIG, NMU, QBE, RSA, Travelers, Zurich

Criteria for payment under these deals include; the total premium volume placed and/or underwriting performance of our overall account (e.g. total claims paid out are significantly less than total annual premium received).

We also have commercial arrangements with Premium Credit (premium financing company), who pay us a commission for introducing clients to their premium finance facility.

### Conflict of Interest Policy

Our commitment to you, wherever possible, is to offer an insurance policy to meet your insurance requirements and our commercial arrangements will not affect the recommendations we make. In addition, we will endeavour to ensure you receive the appropriate claim settlement should you suffer a loss.

We have internal procedures to ensure that any potential conflict of interest is minimised or eliminated and there is no undue influence on the recommendations we make.

This policy is reviewed periodically by the Quality & Compliance Team and Directors.