

Regulatory Information and Terms of Business Agreement

1) Regulatory Information and Terms of Business (“Terms”)

In these Terms reference to **we** or **us** are to Morgan Law Ltd. We recommend that you carefully read these Terms . they describe some important rights and safeguards you have under the FSA’s regulatory regime and are also the terms that will apply to our appointment by you.

2) Who are we regulated by?

The Financial Services Authority (FSA) is the independent watchdog that regulates financial services. We are authorised and regulated by the FSA and you can check this by visiting the FSA’s website <http://www.fsa.gov.uk/register> or by contacting the FSA on 0845 606 1234. Our permitted activities are recommending insurance policies, arranging cover; dealing as agent and assisting with the administration and performance of policies in connection with general insurance.

3) Are we covered by the Financial Services Compensation Scheme (“FSCS”)?

Yes. You may be entitled to compensation from the scheme if we cannot meet our obligations, depending on the type of customer you are and, in the case of a business, the size of that business and the circumstances of the claim. For compulsory classes of insurance, insurance advising and arranging is covered for 100% of any claim, without upper limit. For other classes coverage is 90% of any claim without upper limit. The compensation scheme may change from time to time. Further information is available from the FSCS at www.fscs.org.uk.

4) Which insurance companies do we use to select your insurance?

We will usually recommend a policy or policies to you from a number of carefully selected insurance companies who can provide the cover our customers require for their business needs. On request, we will give you a list of those Insurers available to us. However for certain types of cover we may, instead, recommend cover from a single Insurer. Please note that we do not give advice based on a fair analysis of the market and are not under a contractual obligation to select and recommend products in the way described in this section.

5) Insurer Insolvency

Whilst we endeavour to place business with Insurers with adequate levels of financial solvency we cannot guarantee the solvency of any Insurer.

6) Our Service

We will advise you and make a recommendation to you each time we assess your general insurance needs, including at renewal. We will also assist in the administration of your policy, including assisting you in making claims.

7) Your legal duty to disclose information to us and insurance companies

It is your responsibility to provide complete and accurate information to Insurers when you take out your insurance policy, throughout the life of the policy and when you renew it. It is important you ensure that all statements you make on any proposal form, claim forms or other document is full and accurate. Please note that if you fail to disclose any material information or change of circumstances to your Insurers, this could invalidate your insurance cover and could mean that part or all of a claim may not be paid. We strongly recommend that the information provided is checked thoroughly prior to submission and that you keep a record of all correspondence supplied in relation to the arrangement of your insurance cover. Please also note that any renewal of insurance will be made in reliance upon the information provided by you in connection with your previous insurance policy . we will assume information remains correct unless you tell us otherwise.

8) Notification of incidents

It is essential that you notify us immediately of all incidents or allegations that may result in a claim against your insurance policy. You must do so whether you believe you are liable or not. Any failure to do so may result in your Insurer refusing to accept a claim. Any letter or other communication making allegations which could give rise to a claim which is received by you from any third party must be passed to us immediately, without acknowledgement. Only by providing prompt notification of incidents can your insurance company take steps to protect your interests.

9) How to make a claim

If you wish to report a claim or potential claim, please call the number shown on the headed paper (or business card) that accompanies this document. Please quote your policy number or other reference we have given you. Your insurance documents will also provide details as to how to make a claim and to whom to contact. For some policies, Insurers give us authority to act on your behalf in settling claims. In these circumstances, and in recognition of a potential conflict of interest, we will seek your permission for us to deal with such a claim.

10) Payment of Premiums

In the absence of any alternative terms which we agree with you in writing (such as payment by instalments which we can arrange for you) our payment terms are as follows:

- new policies . full payment of premium and fees on or before the inception date of the policy;
- mid-term adjustments to existing policies . full payment of any additional premium and fees on or before the effective date of the change;
- renewals . full payment of premium and fees prior to the renewal date.

We normally accept payment by cash, cheque, debit or credit card or monthly instalment (please see section 18, below for further information). Time shall be of the essence, both as regards times, dates and periods specified in this paragraph and as to any times, dates or periods which we may agree can be substituted for any of them. In the event that you fail to pay any premium and/or fees when due your Insurer may cancel your policy from the inception/renewal date and reject any claims thereunder. The acceptance by us of any payment from you (including the encashment of cheques) does not constitute acceptance of any risk by Insurers or any commitment by us to arrange insurance cover on your behalf. Accordingly you should not assume that insurance cover is in place until you have received written confirmation of cover in the form of a cover note, policy certificate or equivalent.

11) Refund of premiums

In certain circumstances your Insurer may repay part of your insurance premium(s) to us. This can occur where, for example, the risk covered by your policy is reduced or the policy itself is cancelled. Where the amount of the refunded premium is less than £10 (per policy) we will retain such amount, but where a mid-term adjustment or cancellation charge is made (see paragraph 7 above) we will set it off against such charge. For any refunded premium in excess of £10 (per policy) the amount due to you will be paid net of any commission claimed back by the Insurer(s) from us. Where applicable, this amount will be offset against any mid-term adjustment charge (see paragraph 7, above) we may make. This paragraph does not affect any cancellation/refund rights which Consumers may have pursuant to paragraph 17 below.

12) Our right to set off monies you owe us

We shall be entitled (but not obliged) without notice to you to set off any amounts due to us from you against any amounts which we may receive on your behalf.

13) Important Information Relating to Renewal of Policies

Prior to the expiry of your policy where we will be inviting a renewal we (or your insurance company) will endeavour to send you details of the cost and terms to renew your policy. To protect your interests and in the event that we do not receive your instructions and payment prior to the date of renewal, we reserve the right (but shall have no obligation) to renew your policy and (in the case of direct debit/instalment payments) to continue to accept payment from you unless and until you specifically notify us or your insurance company in writing that you wish to cancel your policy. Where we have assumed (in the absence of instructions to the contrary) that renewal is required you may be liable to make payment to us and/or your insurance company.

14) How we hold your money

Premium(s) and any other monies we may hold on your behalf (for example refund premiums and claim cheques received from an Insurer) will be held in Trust until such time as they are remitted by us to your insurance company/to you. This may be a Statutory or Non-Statutory Trust account operated in accordance with FSA regulations. However, some (but not all) of the insurance companies we deal with have agreed to deem any premiums that you pay to us as having been received directly by themselves. This improves your protection against financial loss in the event of our insolvency. Please note that this is not the case for all the insurance companies we deal with and where this added protection does apply it may only extend to premiums, and not to any claim payment, refund or other monies that we may from time to time hold on your behalf. Should such an arrangement be agreed with an Insurer(s) we may not hold your funds in Trust because of this added protection. Where we hold money in a Non-Statutory Trust we may use the funds in that account as a short term credit facility to fund another client's premium before it is received from that other client and/or to pay claims and premium refunds to another client before we receive the same from an Insurer. Occasionally we may pass your premium to another insurance intermediary who will also be required to hold your money in Trust until the premium is deemed to have been received by the relevant Insurer. Between receiving any money from you and us passing it on to Insurers (and vice versa), we may remove it from the trust account in which it is held to another account in order to earn interest or other investment income from it. In such an event the account in which it is placed will be set-up with the same Trust protection as the account from which it is removed. We will retain any interest or income accrued. By accepting these terms you consent to the way we will hold your premium (and/or other insurance related money) in accordance with this paragraph.

15) Complaints

We aim to provide a high standard of service to you at all times. However, sometimes things can go wrong and if this occurs we are committed to resolving matters promptly and fairly. You can complain using any of the following methods:

- by writing to Mr P A Smith, Director, Morgan Law Ltd, Hyde Park House, Crown Street, Ipswich, IP1 3BJ and/or;
- by telephone on 01473 344400 or fax 01473 344401, and/or;
- in person, at the address above.

In all cases please quote your policy number or other reference we have given you. If you cannot settle your complaint with us you may be entitled to refer it to the Financial Ombudsman Service. A summary of our complaints handling procedure for customers is available on request.

16) Limitation of our Liability

Our liability for losses suffered by you as a direct consequence of any negligent performance of our services shall be limited in all circumstances to £15,000,000 per claim if you purchased insurance from us for purposes NOT connected to any trade, business or profession you hold, or limited in all circumstances to £15,000,000 if you DID purchase insurance in connection with any trade, business or profession you hold. In respect of any other claim arising out of our performance or non-performance of the services hereunder our liability shall be limited to the amount of commission and fees which we have received for arranging your insurance cover during the 12 months prior to such claim arising. We shall not be liable to you for any pure economic loss, loss of profit or loss of business, in each case whether direct, indirect or consequential, or any claims for consequential compensation whatsoever (such as that listed above and howsoever caused) which arise out of or in connection with our services or this agreement. Nothing in this paragraph excludes or limits our liability for death or personal injury caused by our negligence, or for loss caused by fraud, willful misrepresentation or breach of regulatory obligations owed to you. You are welcome to contact us to discuss increasing the limitations of our liability and/or varying the exclusions set out above. Please note however that an additional charge and other terms apply should we agree to amend this clause.

17) Fees

The earnings we derive from sourcing the best available terms in the insurance market for our clients are, in the main, by way of commission paid to us by Insurers. However, in sourcing the most advantageous products for our clients, in some cases it is necessary for us to buy insurance on our clients' behalf in markets where third party underwriting agencies are earning most, if not all of the commission payable by Insurers. In addition, some Insurers that we deal with on a direct basis have reduced commission levels payable to us. As specialists in the construction industry, our commitment to our clients extends way beyond merely buying suitable products on our clients' behalf and as such our earnings must be at a level to service the activities that we undertake. The annual rebroking, risk management advice, a full collateral warranty service, a full claims service including uninsured loss recoveries and a full contract advice service are examples of the many services Morgan Law provide to their clients. Current commission levels can be insufficient for Morgan Law to maintain such a comprehensive service package which incorporates work normally undertaken for a fee by a Solicitor. As a result, in order to maintain the level of service that we are delivering to our clients, we may make a separate charge by way of a fee, which will always be shown separately on our invoice. You will be kept fully informed of any such fee we may agree, and this will be agreed with you in advance of your becoming liable to pay it.

- All payments made by credit card will be charged at the rate of 2.5% of the value of the transaction, subject to a minimum charge of £5.

18) Other Information on our remuneration and Commercial Customers' rights to commission disclosure

Other companies may be involved in placing or servicing your business and may charge an administration fee or other payment which will be passed on to you and disclosed separately from the cost of your insurance. We may also earn a %profit-share+, management or administrative fees and other payments from Insurers for efficiently managing business transacted with them. %Profit-share+ payments are not directly referable to individual policies, meaning that we are unable to disclose to you how much your policy contributed to any %profit-share+ payment we might receive. Ordinarily, a %profit-share+ payment represents a small proportion of the normal commission we receive and will be retained by us. We may earn referral fees from third parties which may derive from incidental activities including arranging premium financing and risk management and will be retained by us. Additional amounts may also be paid to us by third parties where compensation for a personal injury claim is obtained or where a hire car is arranged following an accident. In each case we will retain these payments. Any interest received on monies held on your behalf will be retained by us. For each insurance contract, including any subsequent renewal, you have a right to request information regarding any remuneration that we may have received as a result of placing your insurance business.

19) Confidentiality and Data Protection

All information about you of a sensitive or personal nature will be treated as private and confidential. We will however use and disclose the information we have about you in the course of arranging, placing and administering your insurance. This may involve passing information about you to Insurers, other intermediaries, risk management assessors, uninsured loss recovery agencies and other third parties involved (directly or indirectly) in your insurance. We may also pass information about you 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 with us. We may also pass information about you to other companies which are in or are associated with our group. We or they may also use the information we hold about you to provide you with information on other products and services we or they can offer and which we or they feel may be of interest to you. If you do not wish to receive marketing information from us or them, or for us to disclose information about you to other parties for marketing purposes, please contact us immediately. In the interests of security and to improve our service, telephone calls you make to us may be monitored and/or recorded.

20) No Waiver and Amendments

A failure at any time by us to enforce any right or obligation shall not be deemed to be a continuing waiver of such right or obligation. No amendment or variation of these Terms requested by you shall be valid unless confirmed in writing by our duly authorised officer or employee. We reserve the right to amend these Terms at any time during our appointment (including for the avoidance of doubt during the term of your insurance) by giving you not less than 7 days' notice. We may freely assign or delegate all or any part of these Terms and/or the services to any third party.

21) Prior Agreements and Acceptance

These Terms supersede all proposals, prior discussions and representations (whether oral or written) between us relating to our appointment as your agent in connection with the arranging and administration of your insurance. These Terms constitute an offer by us to act on your behalf in the arranging and administration of your insurance . in the absence of any specific acceptance communicated to us by you (whether verbal or written) you are deemed to accept our offer to act for you on the basis of these Terms by conduct upon your instructing us to arrange, renew or otherwise act for you in connection with insurance matters.

22) Governing Law

These Terms are governed by and construed in accordance with the Laws of England and Wales and the parties submit to the exclusive jurisdiction of the Courts of England and Wales.