

HANOIS INSURANCE BROKERS (HIB) **TERMS OF BUSINESS AGREEMENT (TOBA)**

1. About us

Hanois Insurance Brokers Ltd (HIB or the “Company”) is licensed as an insurance intermediary by the Guernsey Financial Services Commission (GFSC) Under Insurance Managers and Insurance Intermediaries (Bailiwick of Guernsey) Law 2002, with GFSC reference number 2971839.

HIB is a Guernsey registered Company with a Company Number of CMP72254 and it’s registered office address in Guernsey is First Floor, Picquerel House, La Route De Picquerel, St Sampsons, Guernsey, GY2 4SD

These details can be checked on the GFSC’s website www.gfsc.gg or by contacting them directly.

The company is authorised to provide advice on general insurance business. We do not provide legal or tax advice. Only authorised insurance representatives of the Company may advise or place insurance business in or from the Bailiwick of Guernsey.

2. When does this TOBA apply?

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. By instructing the company to proceed with this agreement, it is deemed that you have read, understood and accepted the Terms of Business this agreement is based on.

3. Our Service

As an independent insurance Intermediary, we will consult with you in order to gain an understanding of your insurance requirements. The company will then review the available markets in order to provide you with quotes and to arrange the most suitable insurance policies for you, based upon your needs and the information you have provided to us.

Our services include the provision of quotes, binding cover, assisting you with any changes that need to be made to your insurance policies, providing insurance advice and assisting you in the event that you need to make a claim.



4. How are we paid (Remuneration)

The company normally receives a commission (also known as brokerage) from the provider of any policies arranged for you. The cost of this commission payment is included in the standard charging structure of your policy, which can be explained to you if required. Alternatively, we are able to offer a fee base service for clients or a mixture of the two. If the fee-based option is chosen, this will be advised and agreed with you prior to acceptance of the insurance.

Our remuneration is earned and payable upon acceptance, and inception of the contract of Insurance. Should the insurance be cancelled or is terminated after inception, we reserve the right to retain/recover the remuneration we would have otherwise earned.

In addition to brokerage or fees, we may also be remunerated by the payment of profit, commissions or profit share, service fees, and commissions by insurers in respect of a portfolio of business, specified, or otherwise.

We are committed to ensuring that our remuneration is transparent. You may ask us at any time and we will fully disclose our remuneration, including any additional income that may be payable to us. Where it is a regulatory requirement (e.g. Residential multi occupancy premises) to disclose commissions at inception, and at renewal we will do so automatically.

5. Charges and Bank Interest

It is normal policy to make administration or other charges in certain general insurance cases. Where a charge is payable, you will be advised before you commit to the insurance offered.

The following scale of administration charges will apply:

<u>Charge</u>	<u>Amount</u>
New Policy charge	£20.00
Renewal charge	£20.00
Duplicate certificate/evidence of insurance	£15.00
Mid-term Adjustments	£15.00

Notwithstanding the above; the Company may be entitled to retain all commissions and fees, irrespective of any cancellation or midterm adjustment.

6. Products

As a broker, we have access to a wide range of insurance policies, from a number of providers, who we will liaise with in order to arrange your insurance cover.

7. Expertise

Our broking staff are authorised to advise on all personal and commercial lines of insurance business other than long-term insurance business (as defined in the IMII Law). Our Broking staff are authorised by us to only give advice on matters in which they are competent. Where we do not offer advice, we will make you aware of this.



8. Instructions

Instructions may be provided to us by telephone, email, or in writing, but in order to avoid dispute or error, we would prefer to receive such confirmation in writing where possible. We reserve the right to insist on being provided with written confirmation of instructions in certain circumstances.

Any amendments requested or instruction provided by you will only be treated as confirmed upon our acknowledgement in writing or verbally, over the telephone. You should not assume that any cover is in place until you have received confirmation from us.

9. Payment of premiums, fees and return premiums

Premiums and fees are payable immediately as they fall due, and before cover commences, unless arranged with our prior agreement. Failure to pay premiums by the due date may mean that the insurer may withdraw cover without further notice. Any charges for payment made by electronic transfer or similar will be your responsibility and we reserve the right to reclaim such charges from you. where appropriate.

Should you cancel any insurance cover before the annual renewal date or expiry, then you must be aware that insurers may not be obligated to provide a refund of any unexpired premium. Furthermore, the insurer may be entitled to charge short – period or additional premium charges to cover administration during the period of insurance. The company reserves the right to retain all commissions and / or fees earned if a policy is cancelled before its natural expiry date.

The company reserves the right to charge administration fees in certain circumstances (including without limitation, where instructions have been received from you to arrange insurance cover, which is subsequently cancelled or withdrawn prior to its natural expiry date) and, unless otherwise agreed with you, the company will charge a rate of £125 per hour (excluding any applicable sales tax) for the time of each employee engaged in such administration matter. The company will notify you as soon as possible in advance of any such fees being occurred.

Any additional fees for consultancy, or any other insurance advisory services shall be separately agreed between us in advance.

10. Insurance Client Monies

All general insurance premiums paid by you to the Company are held in a non - statutory trust account (client account) and either:

- Where an agreement is in place with insurer, the monies are held at the risk of the insurers (referred to as risk transfer being in place); or
- Where no such agreement is in place, the funds are held at the risk of the client.

It should be noted that by holding your money in a client account, it is segregated from our own money and the insurer and Insurance intermediaries (Client monies) regulations, 2008, requires us to maintain the solvency of the client account and conduct a reconciliation of the account at least every 25 days.



11. Payments to Third Parties

Where we consider it appropriate, and for your benefit, it may be appropriate for us to recommend a more localised or specialist insurer or broker to act and assist in the placement or provision of the insurance, for example, accessing the Lloyds of London insurance market. Accordingly, please note that Insurance money may be passed to another insurance, broker or settlement agent outside of Guernsey. If the money is so passed, the legal and regulatory regime applying to such insurance, broker or settlement agent may be different from that of Guernsey, and in the event of failure of the broker or settlement agent, this money may be treated in a different manner from that which would apply if the money were held by a broker or settlement agent in Guernsey. Please notify us if you do not wish your money to be passed to a person in a particular jurisdiction.

12. Selection of Insurance

We will advise and make a recommendation for you after we have assessed your needs, this will include the type of cover you seek together with the cost. Any failure to disclose material or accurate facts to us will hinder our ability to advise on the suitability of Insurance products for your specific needs.

Prior to placement of your cover(s) we will inform you on the basis of our market selection and where a fair analysis has not been undertaken. Please note that we are not under a contractual obligation to conduct business exclusively with one or more insurance undertakings although on some occasions we may offer cover from only one market, but you do have the right to request a list of Insurance undertakings with whom we may or do conduct business.

Our service includes arranging your insurance cover with Insurers to meet your requirements and helping you with any ongoing changes you have to make. To assess the insurance product that is most suitable to your needs, we may use another intermediary to help place your business and we will inform you when this is the case. We will also advise you of any inability to place your insurance.

13. Call recording

We reserve the right to record calls to, and from the company for monitoring or training purposes, and retain such recordings in line with our regulatory obligations.

14. Confidentiality

All information provided by you may be held, processed, disclosed and used by ourselves or any associated companies in servicing our relationship with you. Unless you notify us, otherwise you agree to the storage, use and disclosure of such information. However, all personal information is confidential, except where disclosure is made at your request or where we are required to by law

15. Claims

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

The prompt notification of claims is a requirement of all insurance policies and failure to comply with this might prejudice the position should a claim occur. It is therefore essential that we are advised immediately of any claim made against you or any occurrence which may give rise to a claim under an



insurance policy placed via the Company. You should not admit a liability or agree to any course of action until you have obtained agreement from your insurer.

We reserve the right to charge an hourly fee at a rate of £125 per hour to handle claims if the policy is no longer held in our agency.

16. Anti-money laundering / terrorist financing

We are required to comply with all appropriate legislation, regulations and guidance notes. In order to fulfil our responsibilities, we may engage in Customer Due Diligence (CCD) and sanctions checking.

We ensure that robust checking is in place to protect our customers. These processes are contained within our policies and procedures and reviewed periodically to ensure that all requirements are met.

If you have reason to believe that you are or maybe a Politically Exposed Person (PEP), are exposed to sanctions or manage an organisation rated as high risk or above by a financial regulator, you must inform us as soon as you become aware. Failure to do so may impact the validity of your insurance should you need to make a claim.

Any data, information or records, created, captured or stored by us, are for internal use only, unless we have reasonable suspicion that activity requires notification to the law enforcement agencies, insurer, or any supplier or intermediaries, who we should easily be required to put on notice of such suspicion.

We may request personal or corporate details from you and ask for proof of identity in a prescribed format. We will only request such details and verifying documentation from you in circumstances where we are obliged to do so.

17. Complaints

If you have any complaint about the service that we provide, this should be made in writing and addressed to:

The Managing Director,
1st Floor, Picquerel House,
La Route Du Picquerel,
St Sampsons,
Guernsey,
GY2 4SD

By email - complaints@hanoisinsurance.com

By telephone - +44(0)1481 245155

Upon receipt of a Complaint, we will provide you with our Complaints Procedure, which sets out how the complaint will be handled. Our Complaints procedure is also available on our website.

In the event that your complaint relates to activities or services provided by another party, we will ensure that your complaint is forwarded to the appropriate party and we will assist you wherever possible in resolving the complaint. If your complaint is directed towards your insurers, their complaints procedure will usually be set out within the related policy documents.



If you remain dissatisfied at the end of the complaints process and following receipt of our response, you may be eligible to refer your complaint to the Channel Island Financial Ombudsman (CIFO) PO Box 114, Jersey, Channel Islands, JE4 9QG (www.ci-fo.org). Further details will be provided to you within our complaint response. In the case of complaints towards UK registered entities, you may be eligible to refer your complaint to the UK Financial Ombudsman Service (www.financial-ombudsman.org.uk)

18. Data Protection

All personal information about you will be treated as private and confidential, even when you are no longer a customer, except where the disclosure is made at your request, with your consent, in relation to arranging your insurance, or where we are required to disclose by applicable law. You hereby specifically consent to the processing of special category data for the purpose of us providing insurance services to you.

To understand how we use, share and retain your data, please see our privacy policy, a copy of which is available upon request.

19. Your duty to understand policy documentation

It is imperative that you read and fully understand the contents of the insurance policies, cover notes, confirmations and other correspondence received from us, insurance companies or insurance providers. Having read such documents, we will be happy to clarify any issues or questions that you may have regarding the contents. We will not accept any liability whatsoever arising from a clients failure to read and fully understand the contents of insurance policies, cover notes and other correspondence. Please contact us immediately if you believe any information is incorrect.

20. Postage - Service of Documentation

Any letter or document shall be deemed to be served upon you if sent to your last notified address. It is your responsibility to update us of any address changes. Any letter or documents sent by post shall be deemed served on you on the second business day following posting (if within the Channel Islands or United Kingdom), or the fifth business day following posting (if elsewhere). Any documents sent by recorded delivery will be deemed received on the date recorded.

21. Liability of Directors, Officers or Employees

You acknowledge and agree not to make any claim personally against any employee, director or officer arising out of work and services provided under these Terms of Business. This clause does not in any way limit or affect any other liability to you as set out in these Terms of Business.

The Company's liability is limited to that provided by our professional indemnity insurance.

22. Security

Whilst we will make every endeavour to carefully select the providers that we recommend to ensure that they are financially sound, we do not and cannot guarantee the solvency of any insurer or product provider. If you have any concerns regarding an insurer or product provider chosen to meet your requirements, you should contact us to discuss them with you.



In some circumstances, a particular risk or specific features of a risk may require that we source terms from specialist insurers whose financial stability rating does not meet the levels which we would usually require or recommend. In those instances, we will disclose this to you on provision of the quote and may require your written acceptance, prior to binding any cover with that insurer.

23. Professionally Indemnity Insurance

The company maintains Professional Indemnity Insurance as required by the Guernsey Financial Services Commission

24. Termination

This agreement may be terminated by either Party upon giving, at least 30 days' notice in writing to the other, or as otherwise agreed in writing. The notice shall be delivered personally or sent by post to the registered address or last known address of the other Party.

In the event our services are terminated by you, we will be entitled to receive any remuneration earned or payable to 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 or premium, or any further instalments of fees which were to become payable.

This agreement will terminate immediately, if either party:

- Commits a material breach of this agreement; and/or
- Ceases to trade, or threaten to cease to trade; and/or
- Becomes insolvent, or is subject to any administration, receivership, winding up or similar procedure.

25. Severability

If any part of these Terms of Business is, or becomes illegal, invalid or unenforceable then that part shall be deemed to be removed from these Terms of Business, and shall not in any way effect that legality, validity or enforceability of the remaining Terms of Business. In the event of any conflict between these terms of business and any specific terms for specific products, the specific terms take precedence over general terms.

26. Intellectual Property

We will retain all ownership, title, copyright and other intellectual property rights in all materials developed, designed or created by us before or during the provision of services to you including systems, software, data, know-how and working papers. We will also retain all ownership, title, copyright and other intellectual property rights in all reports, written advice or other materials provided by us to you. We grant you a royalty-free licence to use those materials, but only for the purpose for which they were created under this agreement and only for as long as this agreement remains in force.



27. Governing Law

This agreement and any variation to it shall be governed by and construed in accordance with Guernsey Law and practice. The Parties hereby submit to the non-exclusive jurisdiction of the Guernsey Courts in respect of any dispute or claim arising out of or in conjunction with this Agreement, or its breach, formation or validity.

Acceptance of any advice or assistance in relation to a policy (new, existing or renewal) will be deemed as acceptance of these Terms of Business.

Hanois Insurance Brokers Ltd

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