

Terms of Business – for Craft Workers and Designer-makers Scheme

This document is effective from 1st October 2009 and applies to the Clear Insurance Management Ltd Scheme for Craft Workers and Designer-makers. Please read it carefully. It sets out the terms upon which we agree to act for our clients and contains details of our regulatory and statutory responsibilities. It also sets out some of your responsibilities. Please contact us immediately if there is anything in these Terms of Business which you do not understand or with which you disagree.

About Our Company

Clear Insurance Management Ltd is an independent insurance broker, authorised and regulated by the Financial Services Authority (FSA) to transact general insurance business. Our FSA Registration number is 307982. You can check this information on the FSA's Register by visiting the FSA's website at www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234. We are also members of the British Insurance Brokers' Association (BIBA).

Our Products and Service

We only offer the product of one insurer. You will not receive advice or a personal recommendation from us in connection with this product. We will, however, give you sufficient information about the cover to enable you to make an informed decision before proceeding.

We will inform you at inception and at every renewal how we made our product selection and the capacity in which we are acting.

Our Remuneration

We are paid for our services either by commission from insurers or fees from clients, or a combination of the two. Your insurers may also pay us for work we undertake on their behalf or for the volume or profitability of their accounts. Any fee payable will be specified before you are committed to paying and shown clearly on our documentation.

Prior to the conclusion of each insurance contract, or upon renewal, we will remind you of your right to be advised of the level of commission which we receive. 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.

Insurer Security

Whilst we monitor the financial strength of the insurers with whom we place business it should be noted that the claims-paying ability of even the strongest insurers could be affected by adverse business conditions. We cannot, therefore, guarantee the solvency of any insurer or underwriter. A liability for the premium, whether in full or pro rata, may arise under policies where a participating insurer becomes insolvent.

Disclosure

You are responsible, on an ongoing basis, for providing us and/or your insurers with all material facts relating to the insurance covers we arrange on your behalf. Material facts are those which are likely to affect the assessment and acceptance of risks being insured. Failure to provide full and accurate information may mean that your cover is invalid. If you are in any doubt as to what facts are considered to be material then you should disclose them to us or your insurers.

It is very important that information given in proposal forms, claim forms and declarations to insurers is correct. If a form or declaration is completed on your behalf, it is your responsibility to check that the answers given to all questions are true and complete. You are advised to keep copies of any correspondence you send to us or direct to your insurers.

Methods of Payment

We only accept payments by credit or debit card. Premiums must be paid in full before cover can commence.

Handling Client and/or Insurer Money

We hold client money collected for onward transmission to the insurer, return premiums and credits in a Client Bank Account, under a Non-statutory Trust in accordance with FSA rules. The Deed of Trust permits us to use the trust account to make advances of credit from time to time to our clients, in order to fund their premiums, subject to strict conditions. In dealing with us you agree to our holding client money in this way. A copy of the Deed of Trust is available on request.

Where we collect or hold money as agent of the insurer we may also hold that money in the same Client Bank Account. Client money will be deposited with one or more approved banks, a list of which is available on request. Please notify us immediately if you do not wish us to use any bank or banks on this list.

Interest will not be paid to clients in respect of money held in a Client Bank Account.

Data Protection and Confidentiality

We may use your information to keep you informed by post, telephone, e-mail or other means about products and services which may be of interest to you. Your information may also be retained and used in this way if you cease to become a client or passed to other members of the Clear Group. If you do not wish your information to be used for these purposes please write to us accordingly.

All information provided by our clients is treated as confidential and only disclosed in the normal course of negotiating, arranging and administering your insurance. This may include disclosing information to agents and service providers such as loss adjusters and approved contractors. With a few exceptions, for example information requested by a court, a regulatory body, or information which is already in the public domain, we will not release information to any other party without your consent. We are registered under the Data Protection Act 1998 and undertake to comply with the Act in all our dealings with personal data.

Changes to Your Cover

We will normally deal with requests to increase or amend cover on the day your instructions are received, or the next working day if a weekend or public holiday. Sometimes changes cannot be processed without obtaining additional information. If additional information is required we will contact you as quickly as possible. We will confirm changes to your policy, once agreed, in writing. We will also advise you of any extra premiums you must pay or premiums we must return to you.

Receipt of Instructions

We do not consider instructions to arrange or make changes which are sent to us by post, electronic mail, or facsimile, or left on answering equipment, to have been received until they reach the relevant personnel in our offices. We do not accept responsibility for instructions which do not reach us at all or are delayed due to failures in the postal, electronic or telecommunications systems. We do not consider instructions sent by text message to have been received until we have responded to the specific message.

Documentation

Our aim is to produce documentation and correspondence in a clear and understandable format. In the event of any uncertainty please let us know immediately. Our staff are always happy to clarify the cover provided. You should check all policy documentation to ensure that the details are correct and the cover provided meets with your requirements. Any errors should be notified to us immediately.

All policies contain conditions and exclusions and some contain warranties and excesses. It is your responsibility to examine the document to familiarise yourself with these. A breach of a policy condition may result in non-payment of a claim and breach of a warranty may invalidate the cover if it is not complied with precisely.

We recommend that you keep policy documents for as long as a claim is possible under the policy.

Making a Claim

Please ensure that you report all incidents that could give rise to a claim as soon as you become aware of them, either by contacting your insurer on their helpline or alternatively by telephoning our office. You will be advised if you need to complete a claim form or produce documentation to support your claim. In certain circumstances late notification may result in your claim being rejected.

If the claim involves damage to your property, please do not:

- Dispose of damaged items and/or
- Authorise repair work (except in an emergency or to prevent further damage) until your insurers or we advise that you can.

If your claim involves damage to third party property or injury to persons please pass copies of all correspondence, including solicitors' letters, to us immediately and unanswered. Any attempt to negotiate or respond to the incident without prior reference to your insurers or us might prejudice your cover.

You should be aware that a claim arising after renewal of the policy has been invited might affect the assessment and acceptance of renewal by your insurers.

Complaints Procedure

We recognise the importance of service and set ourselves high standards. Should there be an occasion when we do not meet your expectations we are equally committed to dealing with any complaint in a thorough and professional manner.

If you wish to register a complaint please contact us:

- In writing, addressed to The Compliance Officer, Clear Insurance Management Ltd, Clear House, 173 Kingston Road, New Malden, Surrey KT3 3SS
- By telephone to 020 8329 4900 and ask for the Compliance Officer.

If you cannot settle your complaint with us you may be entitled to refer it to the Financial Ombudsman Service.

Compensation

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

Insurance advising and arranging is covered for 90% of the claim without any upper limit. However, until 31 December 2009 only the first £2,000 will be covered for 100%. For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim without any upper limit. Further details about compensation scheme arrangements are available from the FSCS.

Termination of Authority

As this policy is part of a scheme arrangement you may not terminate our authority to act on your behalf other than by cancelling your policy.

Cancellation of Policies

If you cancel your policy you will not be entitled to a refund of premium unless you do so to effect an alternative policy with us.

Law And Jurisdiction

These Terms of Business shall be governed by and construed in accordance with English Law. In relation to any legal action or proceedings arising out of or in connection with these Terms of Business we both irrevocably submit to the non-exclusive jurisdiction of the English courts.

Clear Insurance Management Ltd, Clear House, 173 Kingston Road, New Malden KT3 3SS