

CLIENT TERMS OF BUSINESS

This document sets out the terms of the agreement made between you and Corrie Bauckham Batts Limited (“CBB” or “we”) of Suite 405, The Loom, 14 Gowers Walk, London, E1 1LU (“this Agreement”). This document applies to all work that CBB carries out on your behalf.

If you are a coverholder or other intermediary acting on behalf of third parties who are your clients: (a) where the context permits, references in this document to “you” and “your” includes those clients; and (b) you agree these terms and conditions as their agent and on their behalf (as well as on your own behalf).

1. Commencement

The receipt of instructions to act for you after we provide you with a copy of this document will constitute your agreement to these Terms and Conditions.

2. Introduction

CBB is an independent intermediary and is authorised and regulated by the Financial Conduct Authority (FCA) and is bound by the rules of the FCA to carry out insurance mediation activities. (Our FCA Registration Number is 311653). These details may be checked on the FCA Register by visiting the website www.FCA.gov.uk/register or by contacting the FCA on 0845 606 1234.

3. Money Laundering, Anti-Bribery compliance etc

In accordance with the United Kingdom Money Laundering Regulations 2007, CBB may be required to obtain documentary proof as to your identity, and, where relevant that of your beneficial owner(s), before we can act for you. We may also require you to provide us with a copy of your most recent audited accounts and evidence of your state or government authorisation. This information may need to be renewed periodically.

Whilst we are in general professionally and legally obliged to keep client matters confidential, we may be required by law to make a disclosure to the National Crime Agency where we know or suspect a transaction may involve money laundering or other illegal activity. We are prohibited from reporting such disclosures to clients.

All parties to this Agreement will comply with all applicable laws and regulations relating to the prevention of bribery and corruption (including the United Kingdom Bribery Act 2010).

4. Conflicts of Interest

As your agent we will always endeavour to act in your best interests. However, circumstances may arise where there is a potential for the interests of two or more of our clients to be in conflict or where the interests of CBB may conflict with those of a client or other party to whom we have obligations. Should this situation arise we will advise you and seek your further instructions with regard to the basis of our appointment with you. We may also have contractual arrangements with certain (re)insurers under which we may be able to bind risks and settle claims on their behalf. Should we recommend placing your cover with such (re)insurers we will disclose this fact to you.”

5. Services

Our aim is to meet your insurance needs in the most effective and efficient manner. CBB will use the reasonable skill and care expected of a prudent and professional insurance broker. Our dealings with you will be open and fair. We will take diligent and timely steps to implement your reasonable instructions.

Any information we provide on insurance regulatory and tax issues will be based on publicly available information and our experience from working on similar matters for others. CBB is not qualified to provide legal, accounting, regulatory or tax advice.

You should not assume that any cover has been placed or any amendment agreed to unless and until you have received written confirmation from CBB to that effect (even if the intended inception date has passed).

CBB will not be obliged to provide claims-handling services in relation to a particular account if you cease to use our services as placing broker in relation to that account by renewing cover via another placing broker. In such circumstances you will arrange for the new placing broker to take over all claims handling in relation to the account including any run-off (at their or your own cost).

6. Renewals

Once CBB has arranged a policy to which you have agreed, the placement will not be offered to an alternative market at each renewal, unless you request it and/or CBB deems it necessary.

7. Premiums

You are responsible for paying promptly (even if there may be claims due on the account in question or other accounts) all of our invoices for premiums, duties, fees and the like, to enable us to make the necessary payments to insurers in respect of your insurances. We have no obligation to fund any such monies on your behalf and have no responsibility for any loss which may be suffered as a result of late payment by you.

You must pay CBB all amounts due in accordance with the payment date specified on CBB's invoice or other documentation. Payment shall be made in the same currency in which they have been invoiced.

As CBB is not under any obligation to fund your premium to insurers on your behalf, failure to pay the monies due by the payment date may lead to insurers cancelling your policy. CBB may temporarily suspend the provision of its services if a payment due from you is not received by CBB (in cleared funds) within 14 days of the due date for payment.

8. Insurance Claims

You must inform CBB, or insurers' designated claims representatives, as soon as reasonably possible of any incident which may result in a claim under any insurance arranged by CBB and of all material facts relating to the incident. CBB will advise in accordance with the circumstances notified by you. You will be required to give all necessary information and assistance required by insurers in order to deal with your claim.

9. Your duty of disclosure / fair presentation

For us to be able to arrange insurance to meet your requirements, you must:

- act at all times with utmost good faith towards your insurers and CBB;
- tell insurers all facts or circumstances which are (or ought to be) known to you and which are material to the risk; and
- make sure that when completing and signing any proposal form or otherwise confirming any information to insurers, the information you provide is complete, accurate and provided within any agreed timescale.

These duties arise not only before the policy is placed, but also when it is renewed, extended or amended. In addition, please promptly check all documents you receive from CBB to make sure there are no mistakes or misunderstandings and please immediately tell CBB about any mistakes or anything which you do not think is in line with your instructions.

We specifically draw your attention to the provisions of the United Kingdom Insurance Act 2015, particularly those relating to fair presentation. (Note: The legislation referred to in this document can be viewed at www.legislation.gov.uk/browse)

10. Additional terms for intermediaries

If you are a coverholder or other intermediary acting on behalf of third parties who are your clients:

- As an insurance professional, we shall assume that you understand the terms, scope and effect of any proposed insurance unless you inform us to the contrary.

- You are responsible for explaining to your client(s) their obligations in connection with the insurance policy (including their disclosure obligations and any contractual warranties and conditions precedent in the policy terms). If you or your client do not comply with your obligations, then insurers may be able to treat the policy as if it never existed.
- If the insurance policy (or policies) you instruct us to place on your client(s)' behalf is governed by a law other than English law, it is your responsibility to advise your client of their obligations under the relevant law.
- You are responsible for the accuracy and completeness of all the information you provide to us and to insurers. CBB will not be liable for any errors, deficiencies or omissions, including the placement of insurance on your client(s)' behalf, arising from any inaccurate or incomplete information provided by you.
- In circumstances where premium due to insurers cannot be collected for some reason from your client(s) and insurers will not waive all or some of the amount due, you will be responsible for payment of the amount outstanding in respect of premium and our share of the brokerage.
- As you know, most insurance policies have strict conditions about what the insured should do if they have a claim or know about something that might lead to a claim in the future. It is your responsibility to communicate these conditions and requirements to your client(s) as well as any relevant limitation period for commencing legal proceedings or other forms of dispute resolution against insurers should the need occur.
- You and CBB each undertake to comply with the legal, licensing and regulatory requirements relating to the production, placing, claims-handling and premium and claims accounting of any insurance which you place with CBB.
- You warrant that you are authorised by your legal regulator (if such authorisation applies) to carry out all activities contemplated by this Agreement. You undertake to notify us if your authorisation is terminated or suspended.
- We may at any time set-off any liability we have to make payment to you or any of your clients against any liability you or any of your clients have to make payment to us (whether or not liability arises under this Agreement).

11. Confidentiality

All confidential information disclosed by you to us shall be treated as such and we will only share such information with third parties: (a) in the proper performance of our work for you; (b) with your consent; or (c) where required by law or regulation. You acknowledge that in the normal course of business and in acting on your behalf we may disclose your information to our employees and agents and to insurers and their agents.

12. Remuneration and other income

CBB receives remuneration for our insurance broking services by way of brokerage or commission or by way of a fee negotiated and agreed with you. In the handling of our clients' premiums and in the process of collecting claims for clients we may earn interest or benefit from investment income or foreign exchange differentials. Any such interest or benefit will accrue to CBB.

We may also receive expense allowances from insurers for managing and administering certain lineslips, covers, binding authorities and other similar facilities, including claims which may arise thereunder, all of which we believe enables a more efficient service to be provided to those clients for whom we consider the use of such facilities appropriate. Insurers may allow us a commission according to the profitability of the business which we are placing with them or administering on their behalf.

13. Client Money

CBB in the course of carrying on insurance mediation handles client money in accordance with the FCA Client Assets Sourcebook (CASS) rules, which are designed to protect you.

Client money may be held on your behalf in a segregated bank account that is subject to a Non-Statutory Trust or it may be held by CBB as agent of the relevant insurer ("Risk Transfer").

a) Non-Statutory Trust

The aim of the trust is to protect you in the event of the failure of CBB, another broker in the chain, or the bank. In such circumstances, CBB's general creditors will not be able to make claims on client money, as this will not be deemed a CBB asset. The fact that CBB will hold client money in trust gives rise to fiduciary duties owed to you, until your money reaches the insurer. By holding client money subject to a Non-Statutory Trust, CBB is entitled to, and may make advances of, credit from the trust to enable a client's premium

obligation to be met before the premium is remitted to CBB. Similarly, it allows claims and premium refunds to be paid from the trust to a client before receiving remittance of those monies due from insurers.

b) Risk Transfer

Client money will only be held by CBB as agent of an insurer, where the insurer and CBB have a written agreement that specifies the extent to which risk transfer will apply and whether it includes all items of client money or is restricted for example, to the receipt of premiums. Where risk transfer applies, you will be protected to the extent that any premiums CBB receives from you are treated as having been received by the insurer. Where the agreement extends to premium refunds and/or claims; any premium refunds or claims will be treated as paid to you only when they are actually received by you.

c) Segregation of Bank Accounts

Client Money is paid into Client Non-Statutory Trust CBB Bank accounts, held with authorised UK clearing banks.

On occasion CBB may pay client money into overseas accounts (e.g. North America), which may be subject to different legal and regulatory conditions and where money may be treated differently in the event of a bank failing. If you are a consumer (i.e. a person who buys products and services for personal use, rather than for business use), you can ask CBB not to pass your money to an account in a particular country.

d) Interest

Any interest earned on client money that is subject to a Non-Statutory Trust will be retained by CBB.

e) Segregation of Designated Investments

CBB may also arrange to hold client money, which is subject to a Non-Statutory Trust, in separately permitted designated investments with a value at least equivalent to the money that would otherwise have been paid into a Non-Statutory Trust account. If CBB undertakes this, CBB will be responsible for meeting any shortfall in CBB client money resource that is attributable to falls in the market value of a segregated investment. CBB will retain any investment returns on any segregated designated investments.

f) Withdrawal of Commission and Fees (“Commission”)

CBB may only withdraw Commission from client money: (i) when CBB actually receives the premium as cleared funds from you (or from a third party on your behalf); and (ii) at the point at which the Commission becomes due and payable to CBB for its own account. Until that point Commission will remain client money.

g) Payment to Third Parties

CBB may transfer client money to another person, such as another intermediary, for the purpose of effecting a transition through that person.

Where CBB transfers client money that is subject to a Non-Statutory Trust, to another person, CBB will not automatically discharge its duties as trustee to you, until insurers receive your premium.

On occasion CBB may:

- hold client money in accounts which are outside of the United Kingdom and which may be subject to different legal and regulatory conditions and may treat money differently in the event of a bank failing. If you are a consumer (a person who buys products or services for personal use and not for business purposes) you can ask us not to put your client money in an account in a particular country.
- pass client money to another intermediary, including ones outside of the United Kingdom where different legal and regulatory conditions apply and where money may be treated differently in the event of an intermediary failing. If you are a consumer, you can ask CBB not to pass your money to an intermediary outside of the United Kingdom or in a particular country.
- arrange to hold certain investments with a value at least equal to the money that would otherwise have been paid into a separate client account. If CBB does this, we will be responsible for meeting any shortfall in the client money funds if the shortfall is due to a reduction in the market value of those investments.

14. Tax

Unless there is a legal obligation for CBB to do so, it is your obligation to make declarations in respect of and account for tax on all insurance transactions.

15. Data Protection

CBB are registered under the United Kingdom Data Protection (Charges and Information) Regulations 2018 and we undertake to comply with our obligations under the Data Protection Act 2018 and the EU General Data Protection Regulation ("GDPR"), when handling personal data.

Providing services to you and the proper administration of our insurance broking business may require us to disclose personal data to our affiliates and professional advisers and to insurers, outsourcers, contractors, agents, service providers, regulators and government authorities (including the names and addresses of individuals and other information from which individuals can be identified). You will ensure that you have all necessary consents and notices in place to enable you lawfully to transfer personal data to CBB.

CBB undertake to comply with our obligations under United Kingdom data protection law when handling personal data supplied to us by you ("personal data"). In particular, we will;

- (a) only process personal data for the purposes of the work you have instructed us to do or as otherwise permitted by law;
- (b) ensure that we have in place appropriate technical and organisational measures to provide protection against unlawful processing of personal data and accidental loss of or damage to personal data;
- (c) ensure that all staff who have access to and/or process personal data are aware that they need to keep personal data confidential and only disclose it in the proper performance of their duties;
- (d) not transfer personal data to a country outside the European Economic Area (other than your own country), except with your consent or having put in place appropriate safeguards in relation to the transfer;
- (e) where you are subject to United Kingdom data protection law, provide such assistance as you may reasonably require in responding to a statutory request from a data subject and in complying with your obligations under that law;
- (f) only engage a sub-processor with your prior consent and a written contract;
- (g) notify you without undue delay on becoming aware of a data breach involving personal data;
- (h) when we have completed our work for you, delete or return personal data, except any data that we are required to keep to comply with legal or regulatory requirements; and
- (i) make available to you all information necessary to demonstrate our compliance with this Clause.

16. Intellectual Property

CBB shall retain all intellectual property rights in all materials developed, designed or created by us during the course of our work for you, however we grant you a perpetual and royalty free licence to use those materials for the purposes for which they were created in connection with that work.

17. Document Retention

CBB will keep original documents (or electronic copies) for such period as it from time to time reasonably thinks fit and in any event for as long as is required by any legal or regulatory requirement.

Storage of client files may be provided by third-party contractors. You consent to this arrangement. You also agree to meet the reasonable costs of accessing your files in off-site storage for reasons which do not relate to on-going work.

18. Complaints

It is always CBB's intention to provide you with a good quality service and to treat you fairly. However, if you wish to make a complaint please contact your usual CBB contact or:

In writing: Compliance Officer
Corrie Bauckham Batts Limited
Suite 405 New Loom House
101 Back Church Lane
London, E1 1LU

By Phone: 020 7895 6500

Your complaint will be acknowledged within five business days of receipt and you will be sent our Complaints Procedure.

If you are unable to settle the complaint with us, you may be eligible to refer your complaint to the Financial Ombudsman Service, Exchange Tower, London E14 9SR. Telephone 020 7964 1000 (switchboard). Email complaint.info@financial-ombudsman.org.uk

CBB is covered by the Financial Service Compensation Scheme (FSCS). You may be entitled to compensation from the scheme should CBB be unable to meet its obligations. Further information about compensation scheme arrangements is available from FSCS at www.fscs.org.uk or telephone 020 7892 7300.

19. Limitation of liability

Our total liability, whether in contract, tort or otherwise, for all loss or damage arising from or in connection with the work we do for you, is limited to £5 million. This limit applies to all causes of action against us in respect of, or arising from, or in any way connected with, the work we undertake for you. In addition: (a) CBB shall not be liable to you for any loss of profit or any special, indirect or consequential loss; and (b) CBB shall not be liable if we are unable to perform any services as a result of circumstances beyond our reasonable control. The exclusions and limitations contained in this paragraph shall only apply to the extent that they do not breach any law or regulatory rule binding upon CBB.

CBB only places insurance with insurers that meet our minimum financial standards (unless a client provides specific instructions to the contrary). You accept that CBB cannot guarantee the solvency or continuing solvency of any insurer and that the financial position of an insurer can change.

20. Termination

You or CBB may terminate this Agreement by giving the other seven days' notice in writing at any time. Termination of this Agreement shall not affect your liability to pay all outstanding premiums due to insurers or brokerage/commission due to us in relation to policies placed by CBB prior to termination.

The provisions of this Agreement that are expressly stated or impliedly intended to survive its termination shall do so.

21. Governing Law

This Agreement is governed by and construed in accordance with the laws of England and Wales. If there is a dispute, it will be subject to the jurisdiction of the courts of England and Wales.

22. Third Party Rights

No third party has any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement.

CBB TOBA May 2018