



## **TERMS OF BUSINESS & CONDITIONS FOR SUB-BROKING TO OWZAT INSURE**

- Owzat Insurance is a bespoke Cricket Club scheme and trading name of Meadons Insurance Brokers Ltd
- Meadons Insurance Brokers Ltd are general insurance brokers.
- We are authorised and regulated by the Financial Conduct Authority (FCA), as from 01/04/2013. Our registration number is 305537. These details can be checked by visiting the FCA's website – [www.fca.org.uk](http://www.fca.org.uk) or by telephoning them on 0800 111 16768
- Under the scheme the insurers we use as carriers have classified the scheme's clients as *Commercial* for FCA purposes.
- As you are FCA authorised it remains your obligation to ensure cover meets your client's needs.
- Sub-brokers are *not allowed* to sub-broke under this scheme to anyone else
- On an annual basis we update insurers of the scheme, with a register of sub-brokers, for vetting; additions during this period have to be suitably vetted and we agree to stand by any decisions made regarding withdrawal of sub-brokers' status

## **TRANSACTING BUSINESS WITH US**

### **Proposal Forms**

- For the scheme we will require a completed and signed proposal form before or within 14 days of cover being effected.
- We are happy to advise you on completion of the form but cannot do this, ourselves.
- Please pay particular attention to the ***Duties of Disclosure***, as it is essential that both the insurers and we are informed of all material facts.

### **Duties of Fair Presentation**

- The Producing Agent undertakes to make a fair presentation of the risk to be insured and advise Owzat/Meadons of all material circumstances (including claims experience) in respect of every risk submitted for quotation and before the contract is finalised. The producing agent undertakes to provide the information in a clear and accessible format.
- Owzat/Meadons expects the Producing Agent to make reasonable enquiries and proactively gather information however, where this is not practical the Producing Agent must make Owzat/Meadons aware, as the placing agent, so that insurers can be advised that further enquiries are required to accurately underwrite the risk.
- Any breach of this duty of disclosure may entitle underwriters to void the policy from inception and repudiate liability in respect of any claims under the policy.
- Owzat/Meadons accepts no responsibility for any act, error or omission of the Producing Agent.
- The duty of Fair Presentation arises, not only when the insurance is first taken out but also every time you renew or amend it on behalf of the insured.

### **Quotations**

- We will provide you with comprehensive information early enough for you to make an informed decision on behalf of your client.
- We will explain to you relative costs, including any administration fees, key features of basis of cover and benefits and any significant exclusions, conditions or warranties. A copy of the full policy wording is always available on request.
- Full details of the cover, including restrictions and exclusions, charges and fees, should be provided by you to the proposed Policyholder at quotation stage
- The insurer's identity will be disclosed.
- All quotes will be provided within 2 working days of written request and will be valid for a period of 30 days.

### **Confirmation of Cover**

- We will provide you with written confirmation that cover has been put in place. These will normally be sent to you within 7 days from when cover began. Policy documentation will be issued within 21 days.
- You will be expected to review all information upon receipt and advise us immediately if the details do not reflect your instructions or meet with your approval.
- It is understood that it is entirely your responsibility that cover has been effected on the correct basis.

### Client Money

- Client Money is money that we receive and hold in the course of carrying on insurance mediation on behalf of clients or which we treat as client money in accordance with FCA client money rules.
- Client Money will be held by Meadons in a Statutory Trust Client Money Bank account in accordance with FCA rules. Under FCA Regulations we have to advise that we may earn interest from the money held in this account, which may exceed £20 for any one transaction you make with us. Our policy for interest payment is not to refund interest. By accepting these terms, you are giving your consent for us to act in the manner described in this section.

### Settlement Terms

- We will be responsible for issuing invoices for all new business, mid-term adjustments and renewals.
- Invoices will show all premiums, Insurance Premium Tax and any administration fees we charge.
- We accept payment by cheque, or via our specially negotiated instalment facilities with Premium Credit Limited. Service fee details are available on request.
- If you allow credit to an insured client, you will remain liable for immediate payment of the premium in full
- The due date of payment to us will be shown on our invoice and is to be settled net, within a maximum of 30 days from the date of the invoice.
- In the event that payment is not made within the 30 days, we reserve the right to have the policy cancelled and issue an appropriate "time on risk" charge
- Your commission will be paid at a rate of 10%, unless otherwise agreed on specific cases, before Insurance Premium Tax. Where commission paid to us by the insurers has to be repaid you agree to refund the proportionate share of commission paid.
- We advise that we have no obligation to fund any premiums on your or your insured's behalf and take no responsibility for any loss, which may be suffered as a result of insurers cancelling the insurance due to late or non-payment.
- Premiums quoted are for 12 months and insurers do not normally allow any refund in the event of mid-term cancellation for whatever reason, including default to third party finance providers. In the exceptional event that insurers do agree any refund of premium these will be passed to you net of any commission clawback.
- Failure to settle accounts on time will be considered to be a material breach of this Agreement.

### Risk Transfer and Binding Authorities

- We act as agents for the following insurers on our Binding Authorities and they have confirmed to us that Risk Transfer (as defined by the FCA) takes place from when we receive payment:
  - Aviva Insurance Ltd
  - ARAG Legal Protection
- Our quotes and renewal notices will always disclose the identity of the insurers.
- We can confirm we are able to cascade Risk Transfer to placing brokers, which also includes subordination of Insurer money to Client money.
- Co mingling of client and insurer money is acceptable in accordance with FCA regulations and interest accrued whilst funds are in your account may be used for your benefit. Commission is deemed as earned by you from receipt of the premium by you, from your client or from the date commission is paid by us to you.
- In any circumstances where Risk Transfer does not take place we do have systems in place to advise brokers when we have passed the client money to insurers.

### Claims

- Any claims or incidents, which could give rise to a claim, should be advised to us immediately.
- Where agreed we will provide a claims handling service in a manner that we will:
  - give you guidance to assist the insured in pursuing a claim under the policy
  - handle claims fairly and promptly, keeping you informed of progress
  - inform you in writing if we are unable to deal with any part of the claim
  - advise you as soon as possible of settlement details

### Data Protection and Confidentiality

- We will treat any personal information received from you, about you or your clients, with due care and, where appropriate, in accordance with the Data Protection Act, 1998

### Money Laundering/Financial Crime/International Sanctions

- It will be the responsibility of you, the broker, to undertake responsible checks to verify the identity of clients and comply with the FCA requirements for reducing financial crime.
- You will report any suspicious transactions or adverse information in accordance with internal reporting arrangements and obligations under relevant legislation and any subsequent regulations.
- It will be your responsibility to carry out all relevant checks that your clients do not fall within the UK's Financial Sanctions regime

### Client Ownership

- We consider the client to be yours and will not knowingly contact them directly, unless specifically requested by them
- However, we reserve the right to approach the client direct in the event that you: become insolvent or bankrupt, are no longer authorised and regulated by the FCA, have had your agency with us terminated or have not held any risks with us for more than 3 years.

### Complaints

- We take all complaints seriously. Should there be a need to register a complaint please contact Neil Hancock, Director
  - in writing - Meadons Insurance Brokers Ltd, 11, Cheshire Street, Market Drayton, Shropshire, TF9 1PD
  - by phone - 01630 658455
  - by FAX - 01630 652050
  - by email – [insure@owzat.co.uk](mailto:insure@owzat.co.uk)

### Access to Records

- We shall have the right to audit, after a reasonable notice period and agreed dates, any records relating to insurances placed with us.

### Termination of this Agreement

This Agreement may be terminated

- by either party by giving at least 30 days notice in writing to the other at the last known address.
- if either party has reason to suspect fraud, or the administration of the account is such as to prejudice the interests of policyholder, or either party commits a material breach of this Agreement.
- by us if you cease to hold a Part IV permission under the Financial Conduct Authority to which you are subject.
- in the event of your death (where you are a sole trader), bankruptcy, winding-up making any arrangement or composition with your creditors, or if you become resident outside the United Kingdom or (being a company) change its place of registration or have its ownership or control altered without our consent, Meadons will have the option of terminating this Agreement.
- following termination of this Agreement, we will co-operate with you for 12 months from the date of termination in providing information necessary to placing business elsewhere.
- on termination of this Agreement we will prepare a final statement of account in respect of your agency showing the net balance due from either party to the other.
- In the event that the SUB-BROKER terminates the Agreement other than at the expiry of a relevant policy, Meadons Insurance Brokers Ltd will be entitled to retain (or to receive if not yet paid), any and all remuneration due in respect of any insurances placed by them

### Variation

- We may from time to time vary the terms of this Agreement by written notice to you.

### Jurisdiction and Choice of Law

- These terms of business shall be governed and construed in accordance with English law and any disputes arising under it shall be determined exclusively in the English Courts or by such means of arbitration/mediation agreed between the parties.

**July 2017**