

CERTIFICATE OF PUBLIC LIABILITY INSURANCE

This Certificate has been issued by Covéa Insurance to provide a summary of Public Liability cover. For full terms and conditions of cover please refer to the Policy wording and Schedule.

Policy Number: B7213234M03890
Name of Policyholder: Nulectrics LTD

Address: 22 Brewer Mead
Chippenham
SN15 3FB

Business Description: Electrical Contractors

Date of commencement of insurance: 14 Feb 2018
Date of expiry of insurance: 14 Feb 2019
Limit of Public Liability: £5,000,000

Number of Insured Persons: 1

Third Party Property Damage Excess: £250

Signed on behalf of Covéa Insurance (Authorised Insurer)



Chief Executive Officer

Covea Insurance plc, Norman Place, Reading RG1 8DA.
Registered in England and Wales. No. 613259

Telephone: 0330 221 0444

Fax: 0118 955 2211

Website: www.coveainsurance.co.uk

Covea Insurance plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority No. 202277

QUOTATION NUMBER: 6022891

NICEIC and ELECSA Insurance Services, and, NICEIC Insurance Services, and, ELECSA Insurance Services, are trading names of SME Insurance Services Limited, which is a wholly owned subsidiary of Marsh Limited, registered in England & Wales (No: 03798294) at: 1 Tower Place West, Tower Place, London EC3R 5BU. SME Insurance Services Limited is authorised and regulated by the Financial Conduct Authority (Firm Reference No: 306057).



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Electrical Contractors

STATEMENT OF FACT RISK DETAILS

Fair Presentation of the Risk

You have a duty to make a fair presentation of the risk when you first take out this policy and also whenever you renew it or ask us to change your cover. You should ensure that any information you have provided to us and the content of any application form, declaration and / or statement of fact is accurate and complete. If you do not comply with your duty to make a fair presentation of the risk, your policy may not be valid or the policy may not cover you fully or at all.

You must also tell us about any facts or changes which affect your insurance and which have occurred either since the policy started or since the last renewal date.

If you are not sure whether certain facts are relevant please ask your insurance broker.

You must check all the information contained within this document immediately and tell us if any details are incorrect. You should keep a written record (including copies of letters) of any information you give us or your insurance broker.

A Key Facts Summary and a copy of the Policy Wording are available from your broker upon request, or can be downloaded from our website www.coveainsurance.co.uk

BUSINESS DETAILS

Business Name	<i>Nulectrics LTD</i>
Type of company	<i>Limited Company</i>
Postal address:	<i>22 Brewer Mead Chippenham</i>
Do you have any subsidiary companies?	<i>SN15 3FB No</i>

ABOUT YOUR BUSINESS

How many years has the business been established?	<i>1</i>
How many years' experience do you have in the trade(s) undertaken by the business?	<i>9</i>
How many consecutive years has the business been insured (to present)?	<i>0</i>
Are you registered with NICEIC or ELECSA?	<i>Yes - NICEIC</i>
Please enter your NICEIC or ELECSA registration number	<i>Unknown</i>
What is the estimated turnover for the business for the next 12 months?	<i>£40,000</i>

BUSINESS TRADE DETAILS

Primary Trade Description	<i>Electrical Contractors</i>	<i>100%</i>
Does the business undertake any additional trades?	<i>No</i>	
Does the business undertake any activities other than those already disclosed above?	<i>No</i>	
What is the maximum height worked at in metres?	<i>10</i>	

BUSINESS ACTIVITIES

Other than soldering irons or other similar handheld tools, do you use any equipment which generates heat or sparks?	<i>Yes</i>
Please select the type of heat equipment used	
Blow lamps	<i>No</i>
Blow torches	<i>Yes</i>
Hot air guns	<i>No</i>
Welding equipment	<i>No</i>
Flame cutting equipment	<i>No</i>
Tar/bitumen/asphalt heaters	<i>No</i>
Angle grinders	<i>Yes</i>
Other use of heat	<i>Yes Wall Chaser</i>
Do you carry out electrical engineering work?	<i>No</i>
Do you undertake any work on 3 Phase installations?	<i>Yes</i>
Do you undertake any work on hot or cold water systems, boilers or pipework?	<i>Yes</i>

LOCATIONS WORKED AT

Please select the type of locations the business works at or provide services to:	
Domestic	<i>Yes</i>
Commercial	<i>Yes</i>
Industrial	<i>Yes</i>
Hazardous	<i>No</i>
Does the business carry out any work offshore?	<i>No</i>
Does the business carry out any processes involving demolition, pile-driving, explosives, water diversion or sub-aqua activities?	<i>No</i>

TERRITORIAL LIMITS

Do you undertake any work outside of Great Britain, the Isle of Man and the Channel Islands?	<i>No</i>
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YOUR EMPLOYEES

Directors, principals and business partners; Total number	1
Directors, principals and business partners; Total wage roll	£11,500
Do you have any permanent employees, labour only sub-contractors (whether full or part-time) or use temporary workers?	No
Do you use bona fide subcontractors?	No

YOUR LIABILITY COVER OPTIONS

Your policy will automatically include up to £100,000 of efficacy cover. Do you need to increase this amount?	No
Do you need to extend cover to include financial loss up to a limit of £50,000?	No
Do you need cover for employers liability ?	No

YOUR COVER OPTIONS

Your policy will automatically include up to £100,000 of professional indemnity cover in relation to testing, certification and inspection services. Do you need to increase this amount?	No
Do you require cover for goods in transit?	No
Do you need to add tools cover to your policy?	Yes
Do you need to cover Plant equipment owned by the business?	No
Do you need cover for hired plant equipment?	No
Do you need cover for contract works?	No
Do you wish to add Personal Accident and Income Protection cover to your policy?	No
Do you wish to add cover for any contents, stock or equipment owned by the business?	No
Do you wish to add Commercial Legal Protection cover to your policy?	No

CLAIMS

In connection with any of the covers for which insurance is required has the business sustained any loss or damage or incurred any liability, whether insured or not during the last five years?	No
In connection with any of the covers for which insurance is required does the business have any on-going, open or outstanding claims during the last five years?	No

DECLARATIONS

In respect of any of the covers for which insurance is required for any business in which you, the proposer or any business partner or director are, or have been engaged, has an insurer :-

Declined a proposal?	No
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DECLARATIONS

Not invited renewal or refused to renew a policy?	No
Cancelled a policy?	No
Imposed special conditions?	No

In respect of any of the covers for which insurance is required for any business in which you, the proposer or any business partner or director are, or have been engaged, have you the proposer, any business partner or director:-

Been convicted of or charged (but not tried) with a criminal offence (other than convictions classified as spent under the Rehabilitation of Offenders Act)?	No
Been prosecuted, or served a prohibition or improvement order under Health and Safety Legislation within the last 5 years?	No

DECLARATIONS

Have you the proposer, any business partner or director, either personally or in any business capacity been:-

Declared bankrupt?	No
Insolvent?	No
The subject of bankruptcy proceedings?	No
The subject of insolvency proceedings?	No
Disqualified from being a company director?	No

Have you the proposer, any business partner or director, either personally or in any business capacity been the owner, director or partner in any business, company or partnership which went into;

Administration?	No
Administrative receivership ?	No
Liquidation	No

Have you the proposer, any business partner or director, either personally or in any business capacity been the subject of;

A company voluntary arrangement with creditors?	No
An individual voluntary arrangement with creditors?	No
A winding up order?	No
An administrative order	No
A County Court Judgement (or Scottish equivalent)?	No

ADDITIONAL COMMENTS

Uninsured period:

Proposer has confirmed that his current insurance expired at the end December 2017. This is due to thinking he had insurance sorted.

During the uninsured period there have been no losses or any damages.

TERMS, CONDITIONS AND IMPORTANT INFORMATION

Important Notice

Any information provided below is intended to draw your attention to areas of policy coverage which should be considered carefully by you. For full details of your terms and conditions, you must refer to your policy wording

EXCLUDED WORK

Unless specially amended, all policies exclude:

- Any excavation exceeding in any part a depth of 3 metres.
- The felling or lopping of any tree exceeding 5 metres in height.
- Pile driving, quarrying, the use, storage or possession of explosives, water diversion or work under water, fuel, gas or mineral exploration or extraction.
- The use or possession of tower cranes or cradles.
- Work in or on blast furnaces, chimney or well shafts, viaducts, bridges, mines, refineries, off-shore installations, power stations, dams, tunnels, airports or aerodromes, docks, wharves, piers, harbours, railways, motorways, ships, aircraft, towers or steeples.
- Work in or on any building used for the manufacture, processing or bulk storage for wholesale purposes of any gas, chemical, explosive, oil or petroleum based product.
- Work on computer mainframe installations and their cabling.
- The use of fixed woodworking machinery.

You do not hire out Plant and/or Machinery to other persons or firms.

In respect of Builders and Property Maintenance Only, your work as separate contracts does not exceed 15% in respect of Painting and Decorating, Roofing, Groundworks or Plumbing and Heating. Your work as separate contracts does not exceed 5% in respect of Timber Treatment, Damp Proofing or Civil Engineering.

You do not undertake work involving the installation, service, maintenance or repair of gas appliances pipe work, equipment or flues unless such work is carried out by Gas Safe registered persons.

You do not undertake any work away from your premises involving the use or handling of Asbestos or Silica or the discharge of toxic or dangerous substances into the atmosphere, sewers, waterways or elsewhere.

All policies exclude the following unless incidental to any building contract undertaken by the Insured for which indemnity is provided in the policy.

- The demolition or partial demolition of any structure.
- The surfacing or construction of roads.
- The laying of underground services.

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- The demolition or partial demolition of any structure.
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You have a duty to make a fair presentation of the risk and must disclose every material circumstance which is known by your senior management and those individuals responsible for arranging your insurance. If you fail to disclose, or misrepresent a material fact or circumstance which you know or ought to know, your Insurer may treat the contract as if it had never existed. If you have any doubt as to whether certain facts are relevant, please tell us

Please check the policy wording for precautions on the use of heat work.

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Statement of Demands and Needs

You have requested a competitively priced policy that will provide cover for your business needs based upon the details you have provided and noted on the statement of fact.

In our opinion, the contract recommended meets your demands and needs in this respect. The policy document that you will receive on conclusion of the contract will detail the terms of your cover. We would recommend that you read through this carefully to ensure that the contract meets your requirements and corresponds with the recommendation we have made.

How we made our selection

Our search for a product to meet your requirements has involved a carefully selected number of insurers. We would be happy to discuss with you the scope and outcome of our search. You can ask us, at any time, for a list of the insurers we use.

We only offer cover from a single insurer, in respect of this type of insurance.



The capacity in which we are acting

	We act as your agent	We act as agent of the insurer
Sourcing a suitable policy	✓	
Placing the insurance for you	✓	✓
In the event of a claim	✓	
Operating under a Delegated Authority		✓

In sourcing insurances for you and in the event of a claim we act as your agent.

In placing insurances for you we normally act as your agent. Should you instruct us to proceed and place this insurance, NICEIC and ELECSA Insurance Services has a "delegated authority" granted by the insurers which means that it acts as agent of the insurer and has authority to accept insurance risks and issue documentation (in accordance with agreed terms) on their behalf.





SCHEDULE

CONTRACTORS POLICY



Policy No. B7213234M03890

Period of Insurance from To Midnight on

<p>SME Insurance Services Ltd Chantrell House, The Calls, Leeds, LS2 7HA</p> <p>Agency Number: 10729 Agency Ref: BOL/COV/EC/1004305</p>	<p>Insured <input type="text" value="Nulectrics LTD"/></p> <p>Address <input type="text" value="22 Brewer Mead"/> <input type="text" value="Chippenham"/> <input type="text" value="SN15 3FB"/></p>
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Trading Name	<input type="text" value="Nulectrics LTD"/>
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Business Description	<input type="text" value="Electrical Contractors"/>
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Premium	<input type="text" value="£234.87"/>	Premium Tax 12.00%	<input type="text" value="£28.18"/>	Total	<input type="text" value="£263.05"/>
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Section	Description	Limit of Indemnity	Sum Insured
B	<p>PUBLIC LIABILITY</p> <p>NUMBER OF INSURED PERSONS</p> <p>MANUAL 1</p> <p>CLERICAL 0</p> <p style="text-align: right;">EXCESSES</p> <p>Third Party Property Damage £250</p> <p>Damage arising from the use of heat £500</p> <p>Damage to Underground Services £500</p> <p>Damage caused by Escape of Water £500</p>	<p>INSURED £5,000,000</p>	
B	<p>EFFICACY</p> <p style="text-align: right;">EXCESSES</p> <p>All Losses £2500*</p> <p>*or 10% of the value of the loss whichever is greater</p>	<p>INSURED £100,000</p>	

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Section	Description	Limit of Indemnity	Sum Insured
B	FINANCIAL LOSS	NOT INSURED	
C	EMPLOYERS' LIABILITY	NOT INSURED	
C	TEMPORARY EMPLOYEES	NOT INSURED	
C	WOODWORKING MACHINERY	NOT INSURED	
D	TOOLS COVER		INSURED
	EXCESSES		£5,000
	Any other loss £60		
E	GOODS IN TRANSIT		NOT INSURED
F	CONTRACT WORKS		NOT INSURED

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Section	Description	Limit of Indemnity	Sum Insured
G	OWN PLANT		NOT INSURED
H	HIRED PLANT		NOT INSURED
I	PROPERTY ALL RISKS		NOT INSURED
J	LEGAL EXPENSES	NOT INSURED	
K	PERSONAL ACCIDENT	NOT INSURED	
L	PROFESSIONAL INDEMNITY	INSURED	
	EXCESS All Losses £250	£100,000	

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Policy No. B7213234M03890



IMPORTANT Any query should be referred immediately to your Broker.
Please read this Schedule carefully, check that it meets your requirements and keep it safely with your Policy Booklet

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The Endorsements shown below apply to your Policy.

1, 14, 24, 34(a)

Reason for Issue	NEW BUSINESS	Schedule Dated	14/02/2018
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1 Excluded activities

We shall not be liable in respect of **Bodily Injury** or **Damage** to property caused by or in connection with

1.
 1. the demolition or partial demolition of any structure
 2. the surfacing or construction of roads
 3. the laying of underground services
unless incidental to any building contract undertaken by **You** for which indemnity is provided hereunder
2. any excavation exceeding in any part a depth of 3 metres
3. the felling or lopping of any tree exceeding 5 metres in height
4. pile driving quarrying the use storage or possession of explosives water diversion or work under water fuel gas or mineral exploration or extraction
5. the use or possession of tower cranes or cradles
6. work in or on blast furnaces chimney or well shafts viaducts bridges mines refineries off shore installations power stations dams tunnels airports or aerodromes docks wharves piers harbours railways motorways ships aircraft towers or steeples
7. work in or on any building used for the manufacture processing or bulk storage for wholesale purposes of any gas chemical explosive oil or petroleum based **Product**
8. work on **computer mainframe installations and their cabling.**

14 Woodworking Machinery Exclusion

(Applicable to Section C - Employers' Liability only)

We shall not be liable in respect of **Bodily Injury** caused by or in connection with the use of power driven woodworking machinery other than portable tools applied to the work by hand.

24 Standard Tools Cover Endorsement

(Excluding theft from unattended vehicles)

In respect of Section D - Tools Cover the following alterations are effective

1. Exclusion 4 is amended to read "loss of or damage to the property insured caused by theft or attempted theft if it is left unattended unless it is contained in a securely locked room and there is evidence of forcible or violent entry to the room"
2. The following exclusion is added
 11. **Damage to Tools** caused by or arising from theft or attempted theft from any unattended motor vehicle or trailer
3. Exclusion 10 is amended to read as follows:
 10. the first **£60** of each and every claim for **Damage**.

34. Height Limit - 15 Metres

We shall not be liable in respect of **Bodily Injury** or **Damage** to property caused by or in connection with

1. any external work undertaken at a height from the ground of more than 15 metres
2. any internal work undertaken at a height from the floor of more than 15 metres.

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How We Use Your Information

The personal information, provided by you, is collected by or on behalf of Covea Insurance plc and may be used by us, our employees, agents and service providers acting under our instruction for the purposes of insurance administration, underwriting, claims handling and for research, or statistical purposes.

We may also share your information with reinsurers and regulators, as required by law.

From time to time we may need to undertake some of the processing of your data in countries outside of the European Economic Area, and in such cases we will ensure that there is an agreement in place which gives equivalent assurances as found in the Data Protection Act 1998.

We will not use your information or pass it on to any other person for the purposes of marketing further products or services to you.

We will collect sensitive information when dealing with your Policy; we will however only collect information that is relevant to your Policy, its administration or claims handling.

Your personal information will be kept secure at all times.

Fraud Prevention and Detection

In order to prevent or detect fraud we will check your details with various fraud prevention agencies, who may record a search. Searches may also be made against other insurers' databases. If fraud is suspected, information will be shared with those insurers. Other users of the fraud prevention agencies may use this information in their own decision making processes. We may also conduct credit reference checks in certain circumstances. You can find out further details explaining how the information held by fraud prevention agencies may be used or in which circumstances we conduct credit reference checks and how these checks might affect your credit rating by contacting us.

Disclosure of Other People's Personal Information

You should show this notice to anyone whose personal information you provide to us. You must ensure that any such information you supply relating to anyone else is accurate and that you have obtained their consent to the use of their data for the purposes set out above.

Your Rights

Under the Data Protection Act 1998 you have the right of access to the personal information held about you by Covea Insurance plc. You can exercise this right by contacting us. We will make a charge of **£10** for dealing with these requests.

You have the right to request that we correct any inaccuracies in the personal information we hold about you. Please contact your broker, or Covea Insurance plc, if your personal information needs updating.

Consent

By providing us with information, you also provide us with your consent and that of any other person whose information you provide, to the personal information being used for the purposes set out above.

How to Contact Us

Please visit www.coveainsurance.co.uk/dataprotection if you would like some more detailed information on how we share your personal information.

If you have any concerns about our use of your information please write to Customer Relations, Covea Insurance plc, Norman Place, Reading, RG1 8DA. Telephone: 0330 221 0444. If you contact us by telephone your call may be recorded for training and evidential purposes.

Choice of Law

The parties to an insurance contract are free to choose the law that will apply. Unless we agree in writing with you otherwise, this insurance shall be subject to the law applying in that part of the United Kingdom, Channel Islands or Isle of Man where you have your principal place of business. If there is any dispute, the law of England and Wales shall apply.

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Registration and Regulatory Information

This insurance cover is provided by Covea Insurance plc, Norman Place, Reading, Berkshire RG1 8DA. Registered in England and Wales No. 613259.

Covea Insurance plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Its Firm Reference Number is 202277.

You can check this on the Financial Services Register by visiting the FCA's website www.fca.org.uk/register or by contacting the FCA on 0800 111 6768.

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Terms of Business

The purpose of this document is to set out our professional relationship and the services we will provide to you. This is our standard client agreement upon which we intend to rely ('Terms of Business'). For your own benefit and protection you should read the terms carefully **and in particular, we would like to draw your attention to sections 7 ('Handling money'), 13 ('Information and changes we need to know about') and section 18 ('Limit of liability')**. If there are any terms which you do not understand, please ask us for further information.

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For the purposes of this agreement the term 'affiliate' means any member of our group, which means our subsidiaries, ultimate holding company and all of that ultimate holding company's subsidiaries as defined in section 1159 of the Companies Act 2006.

In the interests of security, staff training and to generally improve our service please be aware that telephone calls will be monitored and/or recorded.

1. Our service

- 1.1. We are an independent insurance intermediary and will act on your behalf in arranging your insurance requirements. However, in certain circumstances we may act for or owe a duty of care to other parties such as insurers. We will inform you when these circumstances occur so you will be aware of any possible conflict.
- 1.2. Insurance policies taken out, amended or renewed through our **online service** (i.e. without speaking to one of our advisors) will be on a **non-advised basis**. This means information will be provided in order for you to make an informed decision about any insurance transactions are suitable for your needs. If you speak to one of our advisors about taking out, amending or renewing your policy, then you are likely to do so on an **advised basis**. This will include the provision of advice and recommendations where appropriate, in order to ensure insurance discussed is suitable for your needs.
- 1.3. We offer a wide range of products and our service may include:
 - advising on and recommending insurance cover following an assessment of your demands and needs;
 - negotiating terms on your behalf with insurers;
 - providing you with sufficient information so you can make an informed decision as to which policy you want;
 - making arrangements with the insurer for your policy to start; and
 - helping you with any on-going changes you have to make and providing assistance should you need to make a claim.
- 1.4. Depending on the type of cover you require, we will either:
 - select from a **limited panel** of insurers; or
 - offer you a contract from a **single insurer**.
- 1.5. We will confirm which one of these applies before we arrange your insurance contract. A list of the insurers considered will be available on request.
- 1.6. Any information we provide on insurance regulatory and tax issues will be based on information available publicly and our

experience from working on similar matters for other clients. We are not qualified to provide, and will not provide, legal, accounting, regulatory or tax advice. We recommend that you obtain your own advice on such matters from relevant professional advisers.

- 1.7. As part of our negotiations with insurers on your behalf, we may on occasion be able to obtain more favourable terms and conditions for your placement by providing insurers with certain types of information. Where we believe your interests would be advanced by doing so, you authorize us to do the following:
 - at the outset of the negotiations, to provide insurers with the terms of the expiring policy, including pricing, and/or a pricing objective for your placement;
 - during negotiations, to provide one or more insurers with the terms of a quote received from another insurer, where in our judgment doing so may lead to improved terms for you; and
 - at the end of negotiations, to provide one or more insurers with an opportunity to submit an improved quote after all other quotes have been received.

2. How we are paid

- 2.1. In most cases we are paid by commission from the insurer but in some circumstances, we may charge you a fee instead of commission or a combination of both.
- 2.2. In addition to the above, we may receive additional income, profit commission or profit shares from certain insurers or premium finance providers by further payments across a whole account (i.e. non-client specific) which is generated as a result of the performance of that particular insurer's relationship. In limited circumstances additional amounts may also be paid to us by third parties and in each case we will retain these payments.
- 2.3. We will also make additional charges, a full breakdown of these is displayed below.
- 2.4. If you make a change, or cancel your policy mid-term which results in a return of premium, we will retain any commission and/or fee amount to cover our administration and advisory

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costs. This amount will be specified to you during the transaction process.

- 2.5. If you would like details of how much commission we earn for arranging your policy, please let us know.

Our list of charges:

Transaction	Fee
New Business	£10
Renewal	£10
MTA	£10
Cancellation	£25
Premium Finance Default	£30
Premium Finance Cancellation	£15

3. Premiums

- 3.1. You must settle the premium(s) due in cleared funds in accordance with the amounts and payment dates specified in our correspondence with you. Failure to meet the payment dates may lead to insurers cancelling your policy, thus leaving you without insurance cover. Please note that where insurers have specified that the premium must be settled by a certain date (i.e. 'premium payment warranty'), failure to comply can result in the automatic termination of your insurance contract. A charge may apply to payments made by credit card and this will be confirmed to you at the time of incepting or renewing your insurance.
- 3.2. Please also note that your policy cover will cease if you fail to keep up payments on an instalment agreement or premium finance facility related to it.

4. Premium financing

For the purposes of arranging premium finance, SME Insurance Services Limited acts as a credit broker. We work exclusively with Close Brothers Limited, trading as Close Brothers Premium Finance ('Close') to provide a premium finance facility to our insurance clients – a loan with Close is designed for the repayment of insurance premiums only. We will provide you with information about this payment option on a non-advised basis – i.e. we are not providing you with advice as to the suitability of the premium finance product and you will need to make your own decision about whether to proceed. If you do elect to finance your premium payments via Close, SME Insurance Services Limited will receive a payment in return for the work that it undertakes on behalf of the finance provider. Acceptance is subject to status and terms & conditions apply and Close may undertake an enquiry with a credit reference agency such as Experian when you make an application. The credit reference agency will add details of the search and the application to their record about you whether or not the application proceeds. Further details will be provided when an application for finance is made.

5. Awareness of policy terms & conditions

When your policy is issued, you are strongly advised to read it carefully as it is that document, along with the schedule/certificate, that details the policy terms and conditions of the insurance contract you have purchased. You

should make sure the documents are accurate and contact us if they contain any errors. If you are in any doubt over any of the policy terms or conditions or you do not understand them, please ask a member of our staff for further clarification.

6. Claims service

- 6.1. As part of our service, whilst we are your appointed broker, we will help you submit a claim on your policy to your insurer but it remains your responsibility to have read, understood or queried all documentation upon receipt.
- 6.2. All incidents that could possibly give rise to a claim must be notified to us or your insurer in accordance with the terms of your policy and a claim form completed where required. If you are unsure whether a matter constitutes a claim or not, please contact us and we will advise you. Delay on your part in notifying a claim and/or completing required forms will risk a loss you suffer not being paid in part or in full. You should not, however, admit liability or agree a course of action, other than emergency measures carried out to minimise the loss, until you have agreement from your insurer.

7. Handling money

- 7.1. We act as agents of the insurer by collecting premiums and handling refunds due to the clients. Such monies are deemed to be held by the insurer(s) with which your insurance is arranged. Any interest earned on insurer money will be retained by us. Your acceptance of this agreement constitutes your informed consent to our treatment of interest and investment returns.
- 7.2. We may need to transfer these monies to an affiliate, where this is required, you authorise us to do so.

8. Cancellation rights

Your insurance contract may include a cancellation clause and you may have the right to cancel your policy. If you decide to cancel your insurance contract within any stipulated timeframe and you have not made a claim on the policy, you may be entitled to receive a refund of any premium paid, less any reasonable costs incurred by the insurer in providing the cover. The terms of your policy may allow insurers to retain the premium in full or to charge short period premiums in the event of cancellation before the policy expires – please check your policy documentation for further information or ask a member of staff for clarification. Please note our commission and, where appropriate, fees are fully earned from the date insurance cover commences and will not be refundable in the event of cancellation, avoidance or early termination of a policy.

9. Complaints

- 9.1. We are committed to providing our customers with a high standard of service but things can go wrong in any business. If for any reason we have not met your expectations please let us know:

In writing: Customer Services, SME Insurance Services Limited, Chantrell House, Leeds, LS2 7HA

By phone: 0333 015 6629

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By e-mail: support@niceic-and-elecsa-insurance.com

9.2. Should you remain dissatisfied with the way we resolve a complaint, you may have the right to refer to the Financial Ombudsman Service, free of charge. Their address is:

The Financial Ombudsman Service (FOS), Exchange Tower, London, E14 9SR. Tel: 0800 023 4567.

Email: complaint.info@financial.ombudsman.org.uk.

Further information can be found on the Financial Ombudsman Service website. FOS Website: www.fos.org.uk

10. Compensation

If we are unable to meet our obligations, you may be able to submit a claim to the Financial Services Compensation Scheme (FSCS). Insurance advising and arranging is covered for 90% of the claim, without any upper limit. For compulsory classes of insurance (such as motor insurance), insurance advising and arranging is covered for 100% of the claim. For full details and further information please contact the FSCS helpline on 0800 678 1100 or visit their website www.fscs.org.uk.

11. Insurers

11.1. It is our normal practice to assess on a regular basis the financial strength of the financial institutions that we introduce to our clients. This process involves monitoring the financial ratings applied by independent rating agencies along with other publicly available information.

11.2. The ratings applied to each firm are a reflection of the agencies' views on the medium to long-term ability of each firm to meet its obligations to its policyholders. Where an insurer achieves or exceeds our minimum requirements we place it on our acceptable list. It should be noted that whilst we take every care to promote only the strongest institutions, we are unable to guarantee the financial strength of any insurance company.

12. Quotations

Quotations are valid until the date cover commences up to a maximum period of 30 days, unless otherwise stated.

13. Information and changes we need to know about

13.1. You have a duty under the Insurance Act 2015 to make a "fair presentation of the risk" to your insurers. This duty requires you to disclose all 'material' information, facts and circumstances; to do so in a manner which is 'reasonably clear and accessible', and not to make any misrepresentations. This duty applies before you take out your policy, when you renew it, when you vary or extend it, and also during the life of the policy, if it contains a particular clause stating that any change in facts or circumstances must be advised to your Insurer.

13.2. A 'material' fact is one which would influence the judgement of a prudent insurer in determining whether to take on the risk and, if so, on what terms. It includes (but is not limited to) any particular concerns which led you to seek insurance cover, any special or unusual facts relating to the risk, and anything which people involved with this type of insurance and your type of

business would generally understand as being something which should be included in a fair presentation of the risk.

13.3. This duty requires you to disclose all material facts which are known by your 'senior management' (i.e. the individuals in your business who play significant roles in the making of decisions about how your business' activities are to be managed or organised) and by the individuals who are responsible for arranging your insurance (including your individual brokers). It also requires you to carry out a 'reasonable search' for material information that you ought to know and which is reasonably available to you. You should therefore make appropriate enquiries for material information throughout your business (including divisions and departments), and outside your business (such as enquiries of your agents and of anyone who will be covered by the insurance).

13.4. When providing information, completing a proposal form or otherwise confirming any information to your insurer, you should take care to ensure that the details provided are complete and accurate; and that all material statements of fact are substantially correct and not misleading, and that any representation you make which is a matter of expectation or belief (e.g. an estimate or forecast) is provided in good faith.

13.5. Failure to comply with your duty of fair presentation could prejudice your right to recover in the event of a claim or enable insurers to apply additional terms to your policy from the date it started, or even to "avoid" your policy (i.e. cancel it from the start, without refund of premium) and treat as if it never existed.

13.6. This is only a summary of your duty to disclose material information. For further guidance, please read the document entitled "The duty of disclosure and fair presentation" and if you have any questions please speak to us.

14. Transferred business

Where we are appointed to service insurance policies, other than at their inception or renewal, and which were originally arranged via another party, we shall not be liable during the current insurance period for any loss arising from any errors or omissions or gaps in your insurance cover or advice not provided by us. Should you have any concerns in respect of a policy, which has been transferred to us, or if you require an immediate review of your insurance arrangements, you must notify us immediately. Otherwise we shall review your insurance arrangements and advise accordingly as each policy falls due for renewal.

15. Data Protection

15.1. The parties both warrant that they will observe the provisions of the Data Protection Act 1998 and any other applicable data protection laws, in relation to the agreement.

15.2. We believe that all personal data we request is necessary to conduct our business as an insurance intermediary and risk consultant. Personal data will only be used by us for general insurance purposes and for the purposes of providing consultancy services, including arranging insurance cover, handling claims, conducting internal compliance checks,

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facilitating premium finance arrangements, marketing and client profiling, research and statistical analysis, crime prevention, credit assessments and other background checks, internal record keeping and where we believe necessary in order to meet legal and regulatory requirements.

15.3. Providing the services may involve the disclosure of your personal data to insurers, outsourcers, sub-contractors, agents, and service providers, our affiliates, industry regulators and our professional advisors and auditors. We will also disclose your personal data to premium finance providers where you pay your premium through a premium finance facility, or where your policy is renewed automatically to avoid a lapse in cover and you have previously paid your premium through a premium finance facility.

15.4. SME may also disclose your personal data:

- to any law enforcement agency, court, regulator, government authority or other third party where we believe this is necessary to comply with a legal or regulatory obligation including, but not limited to, requests meeting the requirements under the Third Parties (Rights against Insurers) Act 2010; and
- to a third party that purchases, or to which we transfer, part or all of our assets and/or business.

15.5. Depending on the circumstances, the disclosure of personal data (including sensitive personal data) detailed in clauses 15.3 and 15.4 may involve a transfer of data outside of the European Economic Area (“EEA”).

15.6. Insurers and premium finance providers may carry out enquiries for credit referencing and fraud prevention purposes and in doing so may pass information, including personal data, to third parties and/or relevant agencies. You can ask insurers for more information about this. A record of the insurer’s or premium finance provider’s enquiry may be viewed by other companies if you apply for their services. These enquiries may include electoral roll and credit information. Insurers may also pass your personal data to re-insurers and/or loss adjusters.

15.7. By accepting this agreement you consent to the personal data you provide to us being used in accordance with this clause 15 and confirm that you have obtained the consent of any data subjects whose personal data you provide to us. Any person disclosing personal data to us must do so in compliance with all applicable data protection laws.

15.8. From time to time we may send you information about similar products or services offered by SME Insurance Services Limited and/or our affiliates either by post, telephone or e-mail. If the product or service is offered by our affiliates, we may pass your contact details to them so they can contact you directly.

15.9. If you would not like us, or any of our affiliates, to send you this type of information or if you would like further information on how your information is used and your rights to access information we hold on you, please advise us.

16. Confidentiality

16.1. All information provided by you is treated as confidential and only disclosed in the normal course of negotiating, arranging

and administering your insurance. This may include disclosing information to our affiliates, agents and service providers such as loss adjusters and approved contractors etc.

16.2. We or our affiliates may:

- provide databases to insurers which may include Confidential Information relating to your insurance; and
- include, on an anonymous basis, information relating to your insurance programme in benchmarking, modelling and other analytics offerings.

16.3. More information regarding the databases, benchmarking, modelling and analytics referenced in clause 16.1 is available at:

www.uk.marsh.com/AboutUs/LeadingtheWayinTransparency.aspx.

17. Renewals

Prior to expiry of your policy we will try to contact you. In the event that we do not receive your instructions and payment prior to the renewal date and to protect your interests we reserve the right (but will have no obligation) to renew your policy and in the case of direct debit cases to continue to accept payment from you unless you specifically notify us that you wish to cancel your policy. Renewals are invited on the basis that there have been no changes in the risk or item being insured, other than those specifically notified to us or your insurers (see section on “Information and changes we need to know about”). It is very important that you check this carefully and confirm it remains accurate and complete. You should contact us immediately if the information is incorrect or if your circumstances have changed so we can update your details. **Failure to notify us or your insurer of any incorrect information or change in circumstances may lead to your policy being cancelled or your claim rejected or not fully paid.**

18. Limit of liability

SME Insurance Services Limited’s aggregate liability and the liability of SME Insurance Services Limited to you, on any basis (including for example for breach of contract or negligence), arising out of or in connection with this agreement shall be limited in total to the amount of £10,000,000. SME shall not be liable to you in any circumstances for any special, indirect or consequential loss. These provisions shall not apply to any liability which cannot lawfully be excluded or limited.

19. Work Product

We disclaim all responsibility for any consequence whatsoever should a third party rely upon any report, letter, information or advice we provide to you without our prior written consent that such third party may do so.

20. Termination of this agreement

These Terms of Business may be cancelled by either party by giving 14 days’ notice in writing to the other. You will remain liable to pay for any transactions or adjustments effective prior to termination and we shall be entitled to retain any and all commission and or fees payable in relation to insurance cover placed by us prior to the date of written termination of our authority to act on your behalf.

21. Entire agreement

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These Terms of Business constitutes the entire agreement between us and supersedes and extinguishes all previous agreements, (including but not limited to any Terms of Business agreement that may have been previously sent to you by us), promises, assurances, warranties, representations and understandings between us, whether written or oral, relating to its subject matter. You acknowledge that in entering into these Terms of Business you cannot rely on, and shall have no remedies in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that are not set out in these Terms of Business. You agree that you shall have no claim for innocent or negligent misrepresentation or negligent misstatement based on any statement in these Terms of Business. Nothing in this clause shall limit or exclude any liability for fraud.

22. Variation & amendments

No variation of these Terms of Business shall be effective unless it is in writing. Notwithstanding the aforementioned, you agree that we have a right to amend these Terms of Business by sending you either a notice of amendment in writing or a revised Terms of Business. Any amendment will apply in respect of any service transaction entered into by us after notice of the amendment or a revised Terms of Business is provided to you to the extent permitted by law.

23. Third party rights (excluding rights under the Contracts (Rights of Third Parties) Act 1999)

Except as expressly provided in these Terms of Business, a person who is not a party to these Terms of Business shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of these Terms of Business. This does not affect any right or remedy of a third party which exists, or is available, apart from that Act. The rights of the parties to terminate, rescind or agree any variation, waiver or settlement under this Terms of Business are not subject to the consent of any other person.

24. Money Laundering Regulations and Proceeds of Crime Act

You agree to provide such evidence and information about your identity, and that of your associates, as we may

reasonably require in order to comply with our obligations under money laundering legislation and regulations and associated Proceeds of Crime Act. We are obliged to report to the National Crime Agency and/or appropriate law enforcement agencies any evidence or suspicion of financial crime at the first opportunity and we are prohibited from disclosing any such report.

25. Anti-bribery and corruption

The parties agree that Bribery, as defined under the Bribery Act 2010, is prohibited. It is therefore agreed that neither party will request, accept, offer or provide any payment or other advantage, to or from any person, which, in the absence of documentation to demonstrate otherwise, can be perceived as capable of influencing any person connected with the activities of either party to act improperly in contravention of the Bribery Act 2010. It is also agreed that neither party will offer or provide payments or any other advantage to a government official or worker, in any country, with the intention to influence such official or worker in their capacity as such, and to obtain or retain a business advantage.

26. Economic or Trade Sanctions

Notwithstanding clause 20, we reserve the right to suspend or terminate these Terms of Business (in whole or in part) where we believe performance could be a breach of applicable economic or trade sanctions. We will not provide insurance or reinsurance broking, risk consulting, claims or other services or provide any benefit to the extent that the provision of such services or benefit would violate applicable law or expose us or our affiliates to any sanction, prohibition or restriction under UN Security Council Resolutions or under other trade or economic sanctions, laws or regulations.

27. Law & Jurisdiction

These Terms of Business shall be governed and construed in accordance with the laws of England and Wales. In relation to any legal action or proceedings arising out of, or in connection with, these Terms of Business unless otherwise agreed we both irrevocably submit to the jurisdiction of the courts of England and Wales.

Important information regarding underinsurance

UNDERINSURANCE

Please be aware that underinsurance may lead to average being applied. A definition and example is below.

Average Clause

Please be aware that your policy may be subject to an 'average' clause, whereby claims may be proportionately reduced if the value insured is less than the full value at risk or, where underinsurance is of a significant amount, a claim could be rejected entirely. Bearing in mind the attitude of insurance companies towards underinsurance, we would urge you to regularly check your figures to ensure that they remain accurate.

As an example, if a building is insured for £250,000 but the rebuilding cost* of the building at the time of loss is £500,000, a claim for a loss of £100,000, would result in a payment as follows;

$$\begin{array}{r} \text{£250,000} \\ \text{—————} \end{array} \quad \times \quad \text{£100,000} = \quad \text{£50,000}$$

£500,000

It is therefore important to ensure the value of insured items represents the full value at risk at the start of the policy period and that an allowance is made for inflation during the period of insurance.

*NB Rebuilding cost should include a provision for debris removal, architects, surveyors, consultants, legal fees, VAT, and the additional cost of complying with government or local authority requirements



THE DUTY OF DISCLOSURE AND FAIR PRESENTATION

Please read this guidance note carefully, as any failure to disclose material information to your insurer could adversely affect the validity of your insurance policy. If you have any questions, please do not hesitate to contact your usual adviser.

YOUR OBLIGATION

If you are a business and your insurance policy is governed by English law, you must, at all times, act with utmost good faith towards your insurer. This means that before your policy is placed, at renewal, when varying or extending the policy (and also during the policy period if your policy contains a particular clause stating that any change in the circumstances must be

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advised to your insurer), you must disclose to your insurer all information, facts, and circumstances which are, or ought to be, known to you and which are material to the risk. When providing information or completing a proposal form or otherwise confirming any information to your insurer, you should take care to ensure that the details provided are complete and accurate.

Even where a proposal form is used, you should note that your duty of disclosure is not confined to answering the specific questions listed in the form and/or asked by us or your insurer and that all material circumstances should be disclosed to your insurer, regardless of whether or not your insurer has asked for the information.

If your policy starts, is renewed, or is altered on or after 12 August 2016...

...then the new Insurance Act 2015 will apply. This means you will have a duty to make a “fair presentation” of the risk and you must disclose to your insurer every material circumstance which you know or ought to know. The Insurance Act gives some guidance as to what this means:

- You must disclose every material circumstance which is known by (i) your senior management (the Act defines “senior management” as “those individuals who play significant roles in the making of decisions about how the insured’s activities are to be managed or organised”); and (ii) those individuals responsible for arranging your insurance (which includes risk managers and any employee who assists in the collection of data, or who negotiates the terms of the insurance, such as your individual brokers).

REMEMBER – you are responsible for the accuracy and completeness of all the information you provide to us and to your insurer.

- You “ought to know” what should have been revealed by a “reasonable search” of information available to you. This means you must conduct a reasonable search for, and disclose, material information that is available to you.
- It is important to note that this includes not only information held within your organisation but also outside it, including information held by your agents, and also held by persons and entities who are to be covered by the insurance.
- You must not make any misrepresentations to your insurer.
- You must provide the information to your insurer in a manner which would be “reasonably clear and accessible” to a prudent insurer. This is a new, standalone, duty.

WHAT IS “MATERIAL”?

Under English law, every circumstance is material if it would influence the judgement of a prudent insurer in fixing the premium and/or the terms of the insurance and/or determining whether to accept the risk. This refers to “any” prudent insurer, not just the insurer who has been offered the risk. A circumstance may be material even if disclosure would not necessarily lead to an increased premium or declination of the risk.

In the context of business insurance policies, insurers are likely to regard matters such as, but not limited to, the examples detailed in Appendix 1 of this document as material. If you are unsure whether a fact or circumstance should be disclosed, or whether the duty to disclose information continues throughout the period of a particular policy, we recommend that you disclose the information anyway, as failure to do so may lead to your insurer reducing its claim payment, applying additional terms or even avoiding the policy.

WHEN TO DISCLOSE

Your duty of disclosure applies throughout the negotiations preceding the placing of your policy until your insurer has agreed to accept the risk and has set the terms, price, and level of participation, and the contract has been finalised.

After the policy has been placed, your duty of disclosure arises again:

- If you wish to make changes to the policy so that your insurer takes additional risk.
- When there is an extension of the policy period.
- When a policy condition requires you to advise your insurer of a specific increase or alteration in risk.

Your duty to disclose material facts and circumstances also arises again during the renewal process.

FAILURE TO DISCLOSE

If you fail to disclose, or misrepresent, a material fact or circumstance which you know or ought to know, your insurer may avoid the contract (or the variation), that is, it may treat the contract as if it had never existed. Your insurer may be entitled to recover any claims paid out to you prior to the avoidance, and in some circumstances may be entitled to keep the premium.

The insurer’s remedy for non-disclosure will depend on whether or not your failure to disclose, or misrepresentation, was deliberate or reckless:

- If you deliberately or recklessly fail to comply with your duties, your insurer will be able to avoid the policy, that is, to treat it as if it had never existed, and may retain the premium.
- If your failure to comply with your duties was not deliberate or reckless, your insurer’s remedy will depend on what the insurer can show it would have done had you made a “fair presentation of the risk”:
 - If your insurer would not have entered into the contract on any terms, it can still avoid the contract but must return the premium;
 - If your insurer would have entered into the contract but on different terms (not relating to premium), the contract may be treated as if it included those terms from the outset;
 - If your insurer would have entered into the contract but would have charged a higher premium, the amount paid on a claim may be reduced proportionately.

APPENDIX 1

NON-EXHAUSTIVE ILLUSTRATIVE EXAMPLES OF MATERIAL INFORMATION

Circumstances which may be considered material are:

- Special or unusual facts relating to the risk.
- Any particular concerns which led you to seek insurance cover for the risk.
- Anything which would generally be understood as being something that should be disclosed for the type of risk in question.

By way of example:

GENERAL INFORMATION ABOUT YOUR BUSINESS

- Business activity (or change to business activity), including processes, products, and geographic presence.
- New companies, markets, acquisitions, or disposals.
- Additional premises/insurable items.
- Changes to premises.
- Higher than ordinary degree of risk or liability (specific to your business or industry-specific).
- Business financial status.
- Loss history/experience, including paid and outstanding claims and potential claims/circumstances/incidents/ losses that were not reported as claims (whether insured or not).
- Details of criminal charges and convictions of your organisation, its directors or employees; regulatory investigations or enforcement/health and safety investigations and prosecutions.
- Any insurers' previous declinatures, refusals to renew, imposed terms/restrictions in cover, mid-term cancellations, etc.

MATERIAL DAMAGE POLICIES

- Changes in construction and/or purpose.
- New/amended processes.
- Changes to fire protections.
- Increased storage of hazardous materials/attractive stock.
- Any attempted break-in or arson attack.
- Use of temporary/third party premises.

LIABILITY POLICIES

- Changes to business activities (including disclosing historic activities that have ceased).
- The creation or acquisition of new companies for which cover is required.
- Products exported to, or work in, overseas territories (particularly the USA or Canada).
- Work in or on hazardous locations such as offshore installations.
- Health and safety investigations/prosecutions.

MOTOR FLEET POLICIES

- Driving convictions.
- Corporate investigations/prosecutions.
- Undisclosed accidents.
- Changes to vehicle performance.
- Change of use of vehicle.

BUSINESS PERSONAL ACCIDENT AND TRAVEL POLICIES

- Changes to business activities.
- Material differences in the travel pattern (different geographies, number of journeys, etc.).

REMEMBER – this list provides examples only. If in doubt – disclose.

For more information about the duty of disclosure and fair presentation, please contact us:

📞 0333 015 6629

✉️ support@niceic-and-elecsa-insurance.com

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