

Intermediary Terms of Business Agreement

Please read this document carefully. It sets out the terms and conditions on which we agree to act for our producer customers and contains details of our respective responsibilities. Please contact us immediately if there is anything in these terms of business which you do not understand or with which you disagree. We particularly draw your attention to the section headed "Handling of monies".

About us:

We, CSInsurance Ltd 6th Floor, Dukes House, 32-38 Dukes Place, London, EC3A 7LP Authorised and Regulated by the Financial Conduct Authority FRN 789 792, are an independent insurance intermediary. We also trade under the name CSUnderwriting Ltd. You can check our name and address, and that we are included on the FCA's Register by visiting the FCA's website www.fca.org.uk/register or by contacting the FCA on 0800 111 6768.

About you:

We will treat you as our customer either where you instruct us to place a binding authority or limited binding authority agreement on your behalf or where you instruct us to place insurances on behalf of your own customers. Accordingly, you will be responsible to your customers generally and for meeting any applicable rules and regulations. Only you or we will be entitled to enforce the terms of any contract between us. If we place policies in which you are named as the insured, you will be provided with separate terms of business as a direct commercial customer.

Where these terms of business refer to "insurances" or "policies", it means insurance contracts or policies in respect of which you are acting for your customers and, where applicable, binding authorities or limited binding authorities in respect of which you act as coverholder.

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References to "you" are to the intermediary with whom we are dealing.

Our services

As an intermediary, we owe duties to you and, unless you instruct us otherwise, our services include:

- placing insurances on your behalf with insurers, as instructed by you
- making amendments, at your request, to insurance policies we have placed on your behalf
- handling with insurers claims made on insurance policies we have placed on your behalf (unless arrangements for direct notification to insurers have been agreed between us) for so long as we are appointed to renew the insurances
- collecting premiums from you and paying them on to insurers and collecting claims from insurers and paying them on to you (unless arrangements for direct payment have been agreed between us)
- retaining documents relating to the placement of insurances and of claims made for an appropriate period but in accordance with regulatory requirements as a minimum (following which the documents will be destroyed).

If we cease to be appointed to renew any of the insurances, we reserve the right to charge a separate fee for handling claims in respect of the relevant customer.

In certain cases, insurers authorise us to underwrite and settle claims on their behalf within agreed guidelines. Accordingly, in placing insurances and handling claims, we may act as agent for insurers as well as for you. This will not prevent us from advising you independently on the insurance policy and insurer most appropriate to your requirements.

As we are an intermediary, we cannot and do not guarantee that insurers with whom we place

insurances will meet claims. A liability for premium, whether in full or pro rata, may arise despite an insurer becoming insolvent.

We shall assume, unless you advise us to the contrary, that:

- because you are an insurance intermediary, it will be unnecessary for us to explain to you basic insurance principles or those terms, conditions and exclusions commonly included in insurance contracts
- you authorise us to agree with insurers the terms and conditions of the insurances consistent with your instructions to us.

Your customers should not rely on any insurances you have instructed us to place until we have confirmed to you in writing that the insurances are in force.

Handling of monies

When we receive premiums from you or claims or premium refunds from an insurer for payment to you, those monies will be held by us on one of two bases, depending on our arrangements with the insurer concerned. We will either hold those monies as your agent, in which case it will be treated as client money in accordance with the FCA's rules, or we will hold it as agent of the insurer. In either case, monies will be subject to the terms of a statutory trust. Since monies held on either basis are protected in the trust, we will not normally inform you of the basis that applies unless specifically requested by you or your customer. For the avoidance of doubt, when we have risk transfer granted from an insurer, unless otherwise confirmed risk transfer will not be cascaded to you or any other intermediary down the chain.

Where we receive monies as agent of the insurer, your customer will be treated as having fulfilled its obligation to pay premium to the insurer when you have paid the premium to us. The insurer will not have fulfilled its obligation to pay claims or

premium refunds until we pay those claims or premium refunds to you. Equally, once we have received a premium from you, we will be unable to refund that premium to you without the insurer's consent.

Under the FCA's client money rules we are required to keep client money separate from our own money. We normally do this by paying money into a client bank account designated as a statutory trust, which will also be used for handling premiums and claims relating to other customers' insurances. Money held by us, as agent of our customers, under the statutory trust is co-mingled with money held by us as agent of insurers although insurers' interests in monies held by us as their agent is subordinated to the interests of our customers.

The terms of the statutory trust do not allow premiums due from a customer to be paid to insurers out of the bank account in which we hold client money and insurer money before they have been received from the customer. In addition, claims and refunds of premiums may not be paid to a customer before the claim or premium refund has been received from insurers. We are not entitled to use client money to pay commissions before we receive the relevant premium from you.

Unless you give instructions to the contrary, we will treat the payment of premiums by you to us as signifying your consent to the payment of those premiums, and of any claims and refunds of premium which fall due to you, into a statutory trust.

Any interest earned on client money held by us rather than paid to you.

We may transfer client money to a third party, such as another broker or settlement agent, for the purpose of effecting a transaction on your behalf through that person. Where client money is transferred to a third party in the UK, that broker will also be regulated by the FCA and will therefore be required by the FCA's rules to handle your monies on one or other of the bases described in this section.

Where the third party is outside the UK, the legal and regulatory regime applying to that third party may be

different from that of the UK and, in the event of a failure of the third party, money may be treated in a different manner from that which would apply if the money were held by a third party in the UK. You may notify us if you do not wish your money to be passed to a person in a particular jurisdiction.

Our liability to you

Unless we have otherwise agreed with you in writing, we shall treat your instructions to us to place or renew your insurances as acceptance of the limitation of our liability to you, and/or to any other person with an interest in your insurances. Our entire liability in contract, tort (including without limitation negligence) or otherwise will be strictly limited to £5million in respect of all aggregated claims brought by you in respect of the services provided by us, save that the following is wholly excluded:

- loss of profits;
- loss of sale or business;
- loss of agreements or contracts;
- loss of anticipated savings;
- loss of use or corruption of software, data or information;
- loss of or damage to goodwill; and/or
- indirect or consequential loss.

Remuneration

Unless we have agreed with you otherwise, payment for our services will be by way of commission which is deducted from the premiums you pay to insurers. If the commission is below our minimum threshold, we may apply an additional fee or a fee in lieu of commission. This will be explained to you at the time.

Our remuneration (in whatever form) in respect of any policy will be due on the date of inception or date of renewal of that policy. We will be entitled to retain all commission or agreed fees in respect of the full policy period including where those policies are cancelled after inception or where you appoint another intermediary in our place during the

currency of a policy or of a binding authority agreement.

Some insurers may make additional payments to us reflecting the aggregate income and/or profitability of their account with us and/or in respect of work we undertake on their behalf. We will provide you with written details of any payments of the type described, or of the basis on which any such payments may be made, if you ask us to do so.

You will be responsible for complying with regulatory, fiduciary and legal requirements relevant to disclosure to your customer of all forms of remuneration in relation to the insurances.

Both you and we will refund commission at such rate as may be required by insurers on payment of any return premium by insurers.

Your responsibilities

We will treat your instructions to place insurances as confirmation that you meet and will continue to comply with any licensing or other applicable regulations relevant to your activities in any relevant jurisdiction. You must inform us immediately if that is not the case or if you cease to meet any licensing or other applicable regulations.

You will be responsible for advising your customer:

- on the requirements for disclosure of information relevant to their insurances and the penalties that may apply in the event of non-disclosure or misrepresentation
- that failure to pay premiums by the date specified in a debit note may lead to cancellation of the policies by insurers or by us and failure to pay premiums in accordance with a premium payment warranty or premium payment condition can result in automatic cancellation of the policies
- to act as if uninsured and to take all prudent and reasonable steps both to prevent injury or damage of the type

covered by the insurances and also to take all such actions after the event as are sensible to minimise its loss

- to advise you without delay and in accordance with the terms of the insurance contract of any claim or circumstances likely to give rise to a claim under the insurances and you will be responsible for communicating any such advice to us
- that delay in notifying a claim may also entitle insurers to decline a claim
- to comply with the terms of the insurances including any subjectivities or express or implied warranties and to advise it that failure to comply will entitle insurers to cancel the insurances.
- that it should retain any insurance policies in a safe place as for some types of insurance policy it is possible that a claim may be made long after the expiry date.

You will also be responsible for:

- seeking renewal instructions from your customer
- collecting any premiums due from your customer and paying such premiums to us in cleared funds within the period stated in the debit notes we send you and providing sufficient details of any remittance you make to enable us to allocate it against specific transactions.

Unless otherwise agreed, no deductions (such as claims or return premiums due to your customers) other than commission due to you are to be made from the gross premium due to insurers.

- where a premium payment warranty or premium payment condition applies, paying the premium to us in sufficient

time to enable us to pass cleared funds to insurers

- reviewing any policies or other confirmation of cover that we send and advising us immediately if you consider that it does not reflect your instructions to us
- reviewing the insurers with whom the insurances have been placed and advising us immediately if they do not meet with your approval
- notifying us without delay of any insurance claim notified to you by your customer, advising your customer on the conduct of any such claim and paying to your customer any such claim collected by us and paid to you.

We accept no liability to pay premiums to insurers unless we have received cleared funds.

We reserve the right to retain any policies until all payments due under those policies have been made and any cheques cleared through our bank account.

We recommend that you give us your instructions in writing and that where you instruct us orally, you confirm those instructions in writing.

Errors and omissions

Both you and we will maintain at all times professional indemnity insurance with reputable insurers and will provide each other on request a certificate in respect of such insurance.

Confidentiality and personal data

We will treat all of the information you provide us as private and confidential to us and anyone else involved in providing the insurances (including loss adjusters and claims handlers appointed by insurers). We will not give anyone else any information about you or your customers, except:

- when you ask us to or give us permission

- if we have to because we are regulated by the FCA
- if we have to by law.

Unless you advise us otherwise, we shall assume that we have your permission to disclose data about you and your customer, and the permission of any other individual whose personal data you disclose to us:

- where necessary for the purposes of handling the insurances
- where necessary for the purposes of transferring or delegating our responsibilities for the handling of your insurances to any other intermediary regulated by the FCA

Personal data

We are committed to protecting personal information that you provide to us about your customers and this will be used by us primarily in connection with the provision of insurance. Full details of our approach to data protection can be found in our Privacy Notice at <https://www.csinsurance.london/> which specifies the information we may collect and from whom, how and why we use this information, how we may share and disclose the information and the retention of your data. When you provide us with personal data about your customers we will process this on the basis that it is necessary for the performance of a contract we have with you, or because you have asked us to take specific steps before entering into a contract. A hard copy of the Privacy Notice is available on request.

Individuals whose personal data we hold have a number of rights (including the right of access to see personal information about them that are held in our records) and these are detailed in the Privacy Policy but for any questions or concerns relating to the Privacy Policy or our data protection practices, or to make a subject access request, please contact us at:

Compliance Officer, CSInsurance Brokers Ltd
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Money Laundering/Proceeds of Crime Act/Sanctions

We may ask for evidence of your identity at the start of our business relationship. In the absence of such evidence, we may be unable to act for you. In accordance with our obligations under the Proceeds of Crime Act 2002 and other anti-money laundering legislation, where knowledge or suspicion of money laundering arises, we may pass certain information known to, or suspected by, us to the appropriate authorities. This may result in a delay to a transaction and/or a decision that we will cease acting for you.

Claims payments will ordinarily be made to you (unless we make payment to a third party with an interest in a policy). If you require a payment to be made to a third party then you must confirm the requested payee's name and details and provide a brief explanation for your request.

As a company registered in the United Kingdom, we observe sanctions, prohibition and restriction under the trade or economic sanctions, laws and regulations of the European Union & United Kingdom. Any act or failure by us in order to comply with any such sanctions, prohibition, restriction, trade or economic sanctions, laws or regulations shall not constitute a breach of this agreement.

Complaints

If you have a complaint about our services, you should in the first instance contact the member of our staff with whom you normally deal. You may make your complaint either orally or in writing. If we are unable to resolve your complaint by close of business on the third business day following receipt of your complaint, we will acknowledge your complaint in writing, tell you who will be dealing with your complaint and when you

can expect to receive a further response and will enclose a copy of our complaints procedure.

We will give a written response within four weeks of receiving your complaint unless your complaint is sufficiently complicated to warrant longer investigation or if it requires information outstanding from a third party. We will advise you in writing of the reasons if our response will take longer than four weeks and will let you know when a response can be expected. We will respond in writing within eight weeks of receipt of your complaint unless it is still not practicable to do so. If we are unable to respond within eight weeks, we will advise you in writing of the reasons for the further delay and explain when we expect to provide a final response.

Our final response will state whether we accept or reject your complaint. If we reject your complaint, we will give full reasons for doing so.

If you remain dissatisfied after receiving our response, or if at any time you are dissatisfied with the way in which your complaint is being handled, you should contact our compliance officer at the address shown below. Our compliance officer will review your original complaint and the response you have received and will advise you whether we will take any further action on the basis of his or her review.

Bribery

We will not make or offer or accept bribes to/from any party. In addition, under the UK's Bribery Act 2010, we are required to prevent bribes being paid on our behalf anywhere in the world.

A bribe is an agreement to receive or accept a financial advantage intending that, in consequence, a relevant function or activity is performed improperly.

Neither you nor your employees or other agents are authorised to pay or accept bribes, directly or indirectly, on our behalf. You warrant that you will use all reasonable endeavours to prevent the payment or acceptance of any bribe, directly or indirectly, in relation to the business we place on

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your behalf either by yourself or by any of your employees or other agents.

We reserve the right to terminate this agreement with immediate effect in the event of any breach of this section of the agreement.

Termination

Either you or we may terminate the agreement for the provision of our services by giving at least thirty days notice in writing. In the event of termination, we shall be entitled to receive in full our commission or fee in respect of

- any policies we have placed on your behalf before the date of termination; and
- any policies issued under any binding authority agreement we have placed on your behalf.

The agreement will terminate immediately without notice in the event that either you or we become subject of voluntary or involuntary rehabilitation or liquidation proceedings (except for the purposes of amalgamation or solvent re-organisation) or become subject of an action in bankruptcy or make or propose any composition with our or your creditors or otherwise acknowledge our or your insolvency.

Governing law and language

The relationship between us is governed by English law. If there is a dispute which cannot be resolved under our complaints procedure, it will only be dealt with in the courts of England and Wales.

These terms of business are supplied only in the English language and all communications for the duration of our appointment will be in the English language unless, if you are a customer in a European Economic Area state other than the United Kingdom, you require otherwise.

Severability

If any provision of these Terms of Business is found to be invalid or unenforceable in whole or in part, the validity of the other provisions of these Terms of Business and the remainder of the provision in question will not be affected.

Rights of Third Parties

No provision of these Terms of Business will be enforceable, by virtue of the Contracts (Rights of Third Parties) Act 1999, by any person other than you or us.