

Conceptual Review

WPS hallam and WPS hallam Insurance Brokers are trading names of James Hallam Limited who are authorised and regulated by the Financial Conduct Authority. Registered Number 134435



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Introduction

We very much appreciate the opportunity of reviewing your insurance arrangements, and hope that the contents of our report allied to our conduct during its preparation will provide you with sufficient justification to appoint WPS hallam as your insurance brokers.

Our objective when commencing an exercise like this is to ensure that we are putting forward for your consideration the most cost-effective and appropriate insurance programme. In our attempts to comply with this, it is worth explaining the workings of the insurance market and how this can affect our efforts to meet that objective.

On the face of it, a competing broker such as ourselves is at a disadvantage in comparison to the holding brokers as they have access to the current insurers renewal terms which undoubtedly will be of interest when looking at an overall insurance portfolio. These terms are not available to a competing broker.

It is inevitable that these renewal terms will need to be considered when looking at the overall portfolio of insurances you have. Your current insurers were selected 12 months ago as they were considered to be the most appropriate at that time, and there is every chance that this could still be the case now.

Any terms issued to your holding broker would be available to WPS hallam if we were to be appointed, and any premium savings could then be incorporated into our premium schedule. Further savings could be negotiated with insurers as a consequence of our relationships with them.

Effectively you have the decision to make:

Your choice of insurer

Your choice of broker

In this way, you are able to consider all the options available in the market, not just those available to us at the time of writing this report.

In addition to obtaining competitive terms for your insurances we believe we can differentiate ourselves from your current brokers by our ability to provide a "hands on" local service based upon local working relationships.

As an independent broker we are not faced with the pressures of maximising returns for shareholders at the expense of client service.

Professional Services

Our approach to any client service agreement is to establish and agree the specific services required and later in this section we have summarised a proposal for you which we are happy to discuss and revise as needed.

The service proposal is based upon a cyclical framework which we believe, as a concept, is relevant to all clients but which many of our competitors do not provide in a structured way.

By appointing WPS hallam you will benefit from our structured service plan

Risk Profiling / Programme Design

The first stage to developing any client relationship has to be the understanding of your business, which includes your products, services, customers, markets, suppliers and any other area that may have a financial and commercial impact upon your business. It is only after this thorough investigation that we can gain an understanding of your risk exposure.

Your risk profile and risk transfer options will be clear and regularly reviewed

Programme Placement / Presentation

We select markets which we believe would be most appropriate to underwrite the programme based upon our experience and criteria including:

- Market security
- Market suitability to match the risk
- Competitive pricing
- Service levels
- Claims service
- Ability to provide the cover requested

You can rely upon WPS hallam to place your insurances competitively and effectively

Documentation issue

Having placed cover, the efficient issue of certificates, policy documentation etc. becomes paramount and we are committed to ensuring that you receive the relevant documentation you require without delay.

You can depend upon WPS hallam to manage the administration of your affairs

Day to Day Service

By assigning a dedicated service team WPS hallam ensures that you develop strong relations with staff dedicated to you, providing you with quality day to day service. Your Service Team will be personally introduced to you and when possible we will ensure your Service Team will visit your premises and ensure that there is a good understanding of your business.

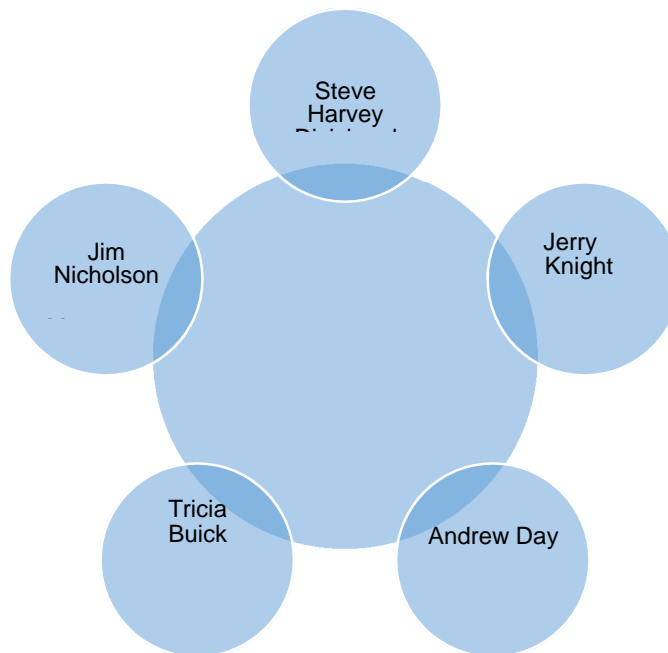
You will receive personal day to day service

Effective account management is fundamental to It is our aim to relieve you of the administrative burdens associated to the managing of your insurance needs. We recognize that your chosen broker must be able to:

- Provide advice and not just be transactional
- Respond quickly and efficiently to your requests and queries
- Be supportive and pro-active with claims

In our opinion, the key to successful client servicing and long-term retention is the quality of the individuals selected by your broker to administer your account. Our proposed service team consists of highly experienced individuals that will deliver an effective, responsive, enthusiastic and proactive service.

THE SERVICE TEAM



Steve Harvey

Divisional Director of James Hallam

- Key relationship interaction
- Strategy planning

Jerry Knight

Senior Account Executive

Jerry will be responsible for the day to day management and handling of your risk and insurance programme. His responsibilities will include the on- going design and enhancement of the programme and strategic marketing and placement of your insurance contracts.

He will be your front-line point of contact.

- Key relationship interaction
- Strategy planning
- Identification of new solutions to programme and service
- Participation in regular meetings
- Delivery of the insurance programme
- Day to day advice and support
- Involvement in major claims

Gina Pack

Senior Account Handler

Gina will provide back up support to Jerry. She will manage and coordinate obtaining quotes, placement of cover with insurers and general day to day administration.

- Hands-on technical support and ad-hoc insurance advice
- Insurer liaison
- Documentation issue
- Day to day administration

Andrew Day

Claims Management

Andrew will support you with all claims throughout the entire lifecycle of the claim, notification through to settlement

Jim Nicholson

Risk Management

Jim will co-ordinate all site visits and undertake most surveys personally as he operates a hands-on management style. He will also provide risk management advice.

Our Service Approach

What makes us different?

In recent years, the UK broker sector has been characterised by consolidation of the smaller brokers by the larger broking firms chasing market share and volume to meet their growth targets. The significant influx of private equity has added an additional dimension where a relentless focus on short term wins has had a detrimental effect on client service and offers little in the way of stability.

We are a well-established independent insurance broker that has a reputation for high quality client service and excellent client retention. All our people have a real desire to deliver the very best outcomes for our clients and most importantly take ownership. Our independence and position within our business affords a great degree of autonomy and empowerment which allows us to make decisions without the need for sign off.

In our relationship with clients, we seek to achieve:

- Integrity:** This is the foundation stone of our business and is crucial to every single relationship we enjoy.
- Innovation:** We provide quality advice based upon our experience, knowledge and relationships with clients and underwriters. We review the options and consider innovative alternatives to the norm.
- Clarity:** Our role is to achieve contract certainty and a clear set of objectives for each client.
- Accessible:** All of us at WPS Hallam meet and interact with clients, insurers and suppliers on a regular basis. We want to be visible and available for all the stakeholders in our business.
- Enthusiasm:** We greatly enjoy what we do and continually try to improve. We want to meet with our clients on a regular basis in order to understand their needs and future requirements.

We pride ourselves on the level of service we provide to our clients and by way of commitment we have included an Annual Service Plan (see Appendix 1) which provides a comprehensive overview of the work we will undertake throughout the year.

Claims

The effective management of your claims is a fundamental part of our service. In claims negotiations we are your partner and will use our skills and experience to ensure you receive fair and reasonable settlement.

Our team include individuals who have experience as loss adjusters and who can present your claim in a structured way to maximise your settlement.

In addition, the provision of loss data is fundamental to risk management and programme design. To address this, we will provide claims reports in a format to suit your requirements and at intervals you require.

You will benefit from our claims management and negotiation skills

Pre-Renewal

The management of your renewal is a crucial part of the annual cycle. We will arrange to meet with you well in advance (approximately 3 months) to start discussions. This will involve:

- Market overview
- Review of your risk strategy
- Review of claims
- Review of risks not insured
- Programme review
- Agree market strategy
- Agree timetable to suit your requirements

You will have a structured and managed approach to your renewal.

Renewal

We will negotiate vigorously and in your best interests with insurers to ensure you receive competitive terms. We commit to providing you with a report setting out renewal terms and options within timescales to meet your requirements normally 3 weeks prior to renewal. We will keep you advised of progress of renewal negotiations throughout.

Renewal terms will be negotiated in your best interests.

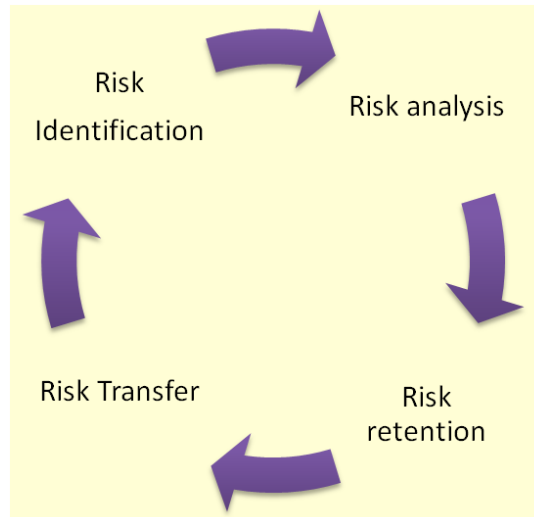
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Proposed Scope of Services

Date Service Period Starts	Date Service Period Ends
<ul style="list-style-type: none"> ☞ Meeting / Visit 	<ul style="list-style-type: none"> ☞ Renewal visit ☞ Mid-term review ☞ Support for insurer visits / surveys ☞ Additional meetings as required
<ul style="list-style-type: none"> ☞ Claims Support 	<ul style="list-style-type: none"> ☞ Claims administration and support ☞ Negotiation of contentious claims ☞ Validation / negotiation of claim reserves ☞ Liaison with loss adjustors / assessors ☞ Major claims support ☞ Claims analysis – strategy and planning
<ul style="list-style-type: none"> ☞ Marketing – Broking / Submission 	<ul style="list-style-type: none"> ☞ Agree marketing strategy ☞ Analysis of insurance market ☞ Placement of additional classes of insurance as required.
<ul style="list-style-type: none"> ☞ Renewal 	<ul style="list-style-type: none"> ☞ Preparation of market submission ☞ Renewal broking and negotiation ☞ Analysis of terms and options ☞ Presentation of terms and options ☞ Ensure cover not eroded by insurers
<ul style="list-style-type: none"> ☞ Day to Day Support 	<ul style="list-style-type: none"> ☞ Liaison with insurers ☞ Handle routine enquiries ☞ Proactive management of insurance programme
<ul style="list-style-type: none"> ☞ Documentation 	<ul style="list-style-type: none"> ☞ Review and distribution of certificates ☞ Preparation and provision of summaries of cover ☞ Provision of Register of Insurances ☞ Check and audit of policy and other documentation issued by insurers
<ul style="list-style-type: none"> ☞ Other Services 	<ul style="list-style-type: none"> ☞ Review of contract terms and conditions ☞ Provision of “To Whom It May Concern” letters ☞ Budgeting advice ☞ Analysis of uninsured areas ☞ Information on insurer security ☞ Advice on specific cover extensions

Optional Specialist Services

Our whole approach to the delivery of the core services is based upon the risk management conceptual cycle below where insurance (i.e. Risk Transfer) is the final stage after all other opportunities to manage risk have been considered. The aim of WPS hallam is to provide clients with practical, relevant risk management advice.



If appointed as your brokers we would look to agree with you a practical approach to improving risk management which would reduce your dependency upon insurance and your exposure to the potential of a harder future market.

Management of risk is aimed at protecting your business. It should not be seen solely as a means of reducing premium spend.

We recommend an annual visit by our Risk Management Surveyor, Jim Nicholson, with a report / recommendation of practical solutions be provided for an additional fee of £750.00.

Business Continuity Management

Business Continuity Management is the concept of thinking ahead to consider what threats are faced by the organisation, whether and how these can be reduced or eliminated and the steps to be taken in an emergency.

Carefully arranged insurance is part of this planning process but insurance can never provide the complete answer.

Some losses are clear and purely financial but others may be hidden or less obvious, such as the result of adverse publicity, the knock-on effects on dependant business, the waste of unproductive time etc.

Continuity Management must, therefore, embrace the insurable and uninsurable threats to the business.

The benefits of planning ahead are to identify, evaluate and reduce the threats and to plan the course of action to take if and when they arise. In addition, there will have been achieved improved risk management, a reduction in the risk, better resource management and staff awareness together with a planned and coordinated state of preparedness.

We can work with you to:

- Identify the risks (whether manmade or natural) to which you are exposed
- Assess the effects of these risks on the businesses
- Analyse the critical activities in respect of each business area
- Consider the potential unplanned events (again man made or natural) which would have a major impact
- Examine risk avoidance strategies
- Plan responses where complete risk avoidance is not possible in respect of:
 - Immediate response
 - Recovery action

Measures which any organisation can take prior to an incident can give it the knowledge, expertise and confidence to deal with the challenge.

Health & Safety

The effective management of safety has always been important from both a legal and moral perspective.

WPS hallam has for many years, provided clients with a high-quality independent insurance broking service. Our experience shows that many companies with whom we work do not have the resources or expertise to meet the demands of current Health & Safety legislation.

These demands are increasing and will continue to do so. There is now a much greater emphasis on the management of Health & Safety within any business organisation and there is a requirement to demonstrate compliance by adequate documentation and to provide evidence of this. It is no longer sufficient to take a purely common-sense approach to Health & Safety in the workplace. The Health & Safety Executive's targets announced by the Government promise greater enforcement of the standards and penalties for those who fail to meet these standards.

We believe that our clients need, and deserve a cost-effective service to provide the solution to the legislative maze and to ensure that, at the very least, the demands of the law are being met. We are able to offer you a range of Health & Safety services to provide assistance in ensuring compliance with legislation and fulfilling the moral obligations for the health, safety and welfare of employees and others affected by business activities.

What we can do for you:

- Audit and review your present arrangements
- Identify and evaluate shortcomings
- Provide practical guidance on meeting legislative standards
- Identify and assess potential risks
- Carry out risk assessments
- Keep you up-to-date with changing legislation
- Provide training for employees in respect of:
 - Other topics tailored to your general health and safety awareness
 - Risk assessment preparation

WPS hallam Credentials



WPS hallam – Proud to be Chartered Insurance Brokers

We have been awarded the prestigious Chartered Insurance Brokers designation by the Chartered Insurance Institute (CII).

This is the industry's gold standard for firms of insurance brokers. It confirms that we have satisfied rigorous qualification criteria by retaining highly-qualified staff who subscribe to the membership conditions of the CII. It also involves a commitment to continuing professional development and adherence to an industry standard Code of Ethics. You can view the Code at www.cii.co.uk/code.

When you use a Chartered firm you are dealing with proven professionals. The CII is empowered by the Privy Council to award Chartered status and the award is only made in deserving cases. Chartered titles are steeped in history and they remain the benchmark of professional excellence and integrity. Only the UK's premier insurance broking firms qualify for Chartered status.

As Chartered Insurance Brokers you can be sure of a professional service & expert advice.



Founded in 1982 we are one of the UK's leading, fully independent, brokers and have a reputation for providing superior risk advice and insurance management programmes.

We are a family business and our family heritage lies at the heart of how we work. Our high client retention is testament to our personal approach and we have worked closely with some of our clients for over 35 years.

We act for a variety of clients, including: large AIM Listed firms, boutique businesses and private clients, across a broad range of business sectors. The size and complexity of our clients' businesses differ and our expert teams clearly understand this with a tailored and consistent service. We seek to partner with clients and to protect and guide them through a dynamic and changing insurance market.

Our independent status provides impartial access to the market, 99% of our work is executed with Standard and Poor A rated insurers and our minimum criteria is BBB+, and we deliver cost-effective insurance programmes of the highest standard. We are a Lloyds broker and provide clients with the widest access to the market and as a Chartered Insurance Broker we are committed to industry best practice.

We are a national business operating out of regional offices across the United Kingdom. We act internationally with global specialists.



WPS hallam is a member of the UNA alliance (www.una-alliance.com)

UNA is an alliance of Broker members across the UK who are all fervently independent, but believe there are significant benefits to their own organisations and their clients by being part of an alliance.

WPS hallam deliver a personal service to our clients but in addition we believe our membership of UNA brings additional benefits for our clients including:

- Increased market standing for WPS and its clients with Insurers.
- Access to specialists in placement of international risks.
- Increased negotiating power with market.
- Schemes and facilities available for some classes of insurance with enhanced cover.
- Competitive Premium instalment facility.
- Greater negotiating power and expertise on claims matters.
- Access to schemes for specific trades and sectors managed by other members.

WPS hallam Clients

We list below a selection of some of our clients to provide an illustration of the size depth and breadth of our clients. If you require specific references please ask for contact details.

- Tresco Estate
- West Country Fruit Sales Limited
- St Austell Brewery Co Ltd
- Conway Bailey Transport / RR Transport
- Graphic Plc
- Ryearch Limited
- Eurotech Plc
- Progressive Systems Limited
- Vickery Holman Limited

Additionally, we have schemes / facilities specifically for:

- A major group of approximately 300 departmental stores including Intersport and Euronics members and Toymaster group
- Town councils throughout the UK

Broking Strategy

Our broking strategy is simple and based upon the principle of “client’s best interests”. We have no allegiance to specific insurers and have the ability to place cover with all major composite markets in addition to Lloyd’s and other specialist markets.

We have strong relationships with markets who chose not to partner or deal with national / international brokers.

We welcome involving insurers in tripartite relationships with clients where appropriate.

Broking activity will always be pre-agreed with you and follows the pre-renewal review.

Our risk profiling approach ensures that as a result of detailed investigation including:

- Site surveys
- Review of your Health and safety programme where appropriate
- “Cleansing” of claims experience

• Your risk is presented professionally in the most positive light to underwriters thereby ensuring that underwriters are confident of their underwriting and can provide the most competitive terms. As a result of this approach you will also not face costly risk improvements post insurer survey.

As the largest independent broker in Devon & Cornwall we are a major supplier to insurers giving us significant buying power and also meaning that we have strong relationships with the key decision makers.

Our strategy is to use our knowledge and experience of the insurance market in your best interests by:

- Maximising your buying power / influence with specific underwriters thereby obtaining most competitive terms. For example, by amalgamating classes of cover to form a “package” where appropriate
- Placing covers with markets who are comfortable underwriting the particular risks and can provide the cover you need
- Avoiding gaps or grey areas by dividing cover inappropriately between insurers
- Achieving flexibility in cover to suit your needs
- Seeking to negotiate on your behalf discounts in rating such as:
 - - Loyalty and/or rate guarantee discount
 - Low claims rebate
 - Package discounts
 - Risk Management financial support

The Future

Your needs have changed with time and will change again in the future as your business continues to expand.

You will need to appoint a broker capable of identifying these changes through close long-term relationships and review of your business plans to ensure you continue to get the best advice.

WPS hallam has relationships with a diverse range of markets and are capable of placing all of your cover requirements at competitive terms.

Upon appointment we propose to finalise with you a programme of cover and to conclude negotiations with insurers.

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Why WPS hallam?

We hope you will find this report to be a comprehensive proposition for the provision of services.

In summary we believe we are positioned to be your preferred selection of broker for the following reasons:

- Understanding your business
- Local service delivery
- Personal working relations
- Commitment to quality service
- Risk management services
- Optimum Programme design expertise
- Competitive pricing of fee
- Ability to negotiate competitive premiums
- Claims support
- You will be a valued and important client
- “One stop shop” option for personal insurances

..... will be a valued client to WPS hallam and you will receive a personal local service from a team which is committed to acting in your best interests.

Insurance Programme Your Needs

During our discussions with you, we have endeavoured to identify the demands and needs of your business and herewith present an overview of the cover suggested and whether or not this has been quoted. Fuller information is given in the Summaries contained in this report, for complete terms and conditions we must refer you to the policy documents issued by the insurers a copy of which is available upon request.

Risk	Cover Available	Cover Quoted
Material Damage	Physical loss or damage to the insured property from any of the perils stated at any of the insured premises.	Yes
Contract Works	Contractors' All Risks (CAR) insurance provides coverage for loss or damage to construction works in progress for which you are responsible. This can be extended to include cover for your own tools & equipment, plant hired in as well as employees' tools.	No
Business Interruption	Loss of profit &/or increased cost of working resulting from an unforeseen interruption to business activities caused by an insured peril.	Yes
Loss of Money	Losses of money and transferable or negotiable orders, whilst on the premises, in a safe overnight, in transit or bank night safe.	Yes
Computer	All risks of physical loss or damage to the business equipment specified, including consequential losses.	Yes
Deterioration of Stock	Loss or damage to stock stored under temperature-controlled conditions as a result of breakdown of the plant or machinery maintaining those conditions.	No
Loss of Licence	Reduction in the value of premises, including costs and expenses in appeals, following suspension, or forfeiture under the provision of the licensing acts.	No
Employers Liability	Legal liability to pay damages to any employee arising out of bodily injury, disease, illness or death received in the course of their employment.	Yes
Public Liability	Legal liability to third parties for accidental loss or damage to property, or death, disease, illness or injury as a result of the business activities.	Yes

Product Liability	Legal liability for third party bodily injury or property damage caused by products, goods or services sold or supplied.	Yes
Product Guarantee	Indemnifies the insured against legal liability for claims arising out of a failure of a product to fulfil its intended purpose.	No
Product Recall	Indemnifies the insured against the financial costs involved in recalling or withdrawing a defective product, where its continued use may create a legal liability for product liability or product guarantee.	No
Product Contamination	Indemnifies the insured against recall costs incurred by the insured following accidental contamination or malicious tampering of a product.	No
Hired-in-Plant	Loss or damage to items of plant hired for the purposes of the business, from any accidental extraneous cause, whilst at the premises of the insured, whilst on site anywhere in the United Kingdom, and whilst in transit.	Yes
Motor Vehicle Fleet	Fleet insurance is designed for businesses with multiple vehicles and allows for them all to be insured under one easy to administer policy. Whether they're cars, vans, minibuses, trucks, taxis or HGV's, there are 3 levels of cover to choose from – Comprehensive, Third Party, Fire & Theft and Third Party only. You can also choose to have a policy covering Any Driver to drive any vehicle, or fixed to Named Drivers for specific vehicles.	No
Road Risks	Loss or damage to motor vehicles, owned, hired or borrowed by the business, used in carrying out the business activities.	No
Guaranteed Asset Protection (GAP)	<p><u>Finance Gap</u></p> <p>In the event of your vehicle being declared a Total Loss, the insurance will pay the difference between the Market Value of your vehicle at the point of the Total Loss and the Purchase Price paid for your vehicle.</p> <p>If you purchased your vehicle under a finance agreement and the outstanding finance balance at the point of the Total Loss is greater than the Original Purchase Price, the insurance will pay the difference between the market value of your vehicle at the point of the total loss and the Outstanding Finance Balance.</p> <p><u>Contract Hire/Lease Gap</u></p> <p>Where your vehicle is purchased under a contract hire/leasing agreement, the insurance will pay the difference between the Market value of your vehicle</p>	No

	at the point of Total loss and the Outstanding contract hire/leasing balance.	
Engineering Inspection	Inspection of plant at varying intervals to comply with the statutory requirements.	No
Engineering Insurance	Loss or damage to insured plant & machinery caused by or arising from explosion, breakdown or accidental damage.	No
Goods in Transit	Loss or damage to any goods whilst in transit to or from the United Kingdom.	Yes
Marine Cargo	Loss or damage to any goods whilst in transit to or from the United Kingdom.	No
Personal Accident	Provides for pre-defined payments to the policyholder in the event of accidental death or bodily injury of an insured person.	No
Business Travel	Losses sustained through medical expenses, cancellation expenses, personal effects including money whilst travelling on business.	No
Motor Legal Expenses	Legal protection and assistance in the pursuit of uninsured loss and personal injury claims arising out of an incident with a vehicle insured under the motor vehicle fleet policy.	No
Commercial Legal Expenses	Legal protection and assistance in the pursuit and defence of actions brought by or against you during the course of your business activities, including tax investigations and employment disputes.	Yes
Loss Recovery	Loss Recovery Insurance covers the cost of preparing and negotiating material damage and business interruption claims by a Chartered Loss Adjuster. Benefits include telephone advice and assistance, on site attendance for all claims above £5,000, professional representations in all dealings with insurers, preparation of fully itemised valuations for items lost or damaged, co-ordination of approved Surveyors. Builders, Decorators etc. as required, arrangement of interim payments from insurers when necessary and regular dedicated claims supervision until full settlement is achieved.	No
Directors' and Officers' Liability	Indemnity for actions brought against directors or officers for "wrongful acts" committed in the performance of their duties to ensure that their personal wealth is protected.	No
Professional Indemnity	If you are alleged to have provided inadequate advice, services or designs to a client, professional indemnity insurance provides cover for the legal costs and expenses in defending the claim, as well as compensation payable to your client to rectify the mistake.	Yes

Trustees Liability	For damages plus legal costs arising out of a breach of duty, neglect, error or omission during the course of performing in the role of trustee of an employee company, plan or corporate trust.	No
Environmental Liability	Legal liabilities to third parties, including local authorities, for pollution and/or clean-up costs for premises owned or previously owned.	No
Cyber Liability	Legal Liability and costs in defending actions brought by third parties for financial losses whilst the business is active in internet, emails, website and cyberspace.	No
Crime	Covers against Financial Loss resulting from the criminal or fraudulent taking, obtaining or appropriation by any person of Money, Securities or Property to the deprivation of you. The physical destruction or disappearance of Money or Securities caused by a criminal act of any person.	No
Fidelity Guarantee	Protection against a financial loss arising from an employees' fraudulent disloyal or dishonest conduct resulting in the loss of stock or money.	No
Aviation Insurance	Covers against loss or damage to aircraft, its engines, and its equipment, including passengers' liabilities, product liabilities, and third party liabilities, to previously agreed values and limits.	No
Medical Malpractice	Liability against claims arising from substandard, improper or negligent care.	No
Livestock	Protection for loss of livestock arising from accidental death, disease, theft or unexpected disappearance.	No
Glass	Damage to or destruction of all fixed glass at the insured premises.	No

The Insurance Act 2015

Now enacted by Parliament, the Insurance Act 2015 came into effect on 12th August 2016 and has the primary purposes of ensuring better exchange of information between insurer and insured, reducing the number of claims rejected and legal disputes and increasing confidence in the insurance sector.

The Insurance Act imposes an obligation on **all policyholders** to make a “**fair presentation of the risk**” they wish to insure. Failure to do so could have a significant impact – claims could be reduced or not paid at all.

What is a fair presentation of the risk?

A presentation that discloses, in a manner that is reasonably clear and accessible, every material circumstance which is known or ought to be known by the Policyholder’s senior management, or those responsible for arranging insurance, following a reasonable search.

Material Circumstance – this is anything which would influence the judgement of a prudent insurer in determining whether to take the risk and, if so, on what terms. There is no specific limitation on what constitutes a material circumstance but examples include prior claims, your financial history, convictions of key personnel and your business activities.

Known or ought to be known – to disclose material circumstances that you actually know but also those you ought to know. If the information is readily available to you but you do not disclose it due to a lack of enquiry or “turning a blind eye” you will have breached your duty to fairly present the risk. Any knowledge we have as your broker must also be presented to Insurers.

Senior Management – for the purposes of the Act (but is not limited to) – Senior Management includes anyone who has a key role in making decisions on behalf of the business, even if they do not sit on the board or if they do not officially have a management role. You should take the time to carefully identify who within your business is best placed to identify any information that may be relevant to insurers when considering the particular risk and type of policy.

Reasonable Search – you are obliged to undertake a reasonable search. When considering the extent of your search you should take into account the nature of the insurance you wish to purchase and consider who within your organisation is best placed to provide relevant information.

Reasonably clear and accessible – all information must be provided to insurers in a clear and accessible manner. This means that information must not be provided in an ambiguous way. The new rules prevent Policyholders from concealing key facts amongst large volumes of less relevant or immaterial information.

What happens if you do not fairly present the risk?

Insurers do have differing remedies depending upon the nature of the breach and what would have happened had you fairly presented the risk:-

Deliberate or reckless presentation of the risk – insurers are entitled to avoid the policy and retain all premiums. Insurers can treat the policy as if it never existed and would result in no claims being paid. You could also be required to repay any claims payments that have already been made.

Failure to present the risk fairly however this was not deliberate or reckless – insurers may still avoid the policy if they can demonstrate that the policy would not have been provided if you had represented the risk fairly. Insurers could be required to repay the policy premium to you, although they would be required to make no payment in respect of claims and you would be required to repay any claims payments already made.

If Insurers can demonstrate that they would have provided a policy however on different terms – the policy would be treated as if those terms applied from the commencement of the policy. These additional terms could be increased excess or additional exclusions. The additional terms may result in no payment being made in respect of any particular claim.

If insurers would have provided the policy and charged an increased premium – the amount insurers will pay will reduce by proportion to the difference between the premium actually paid and the premium that would have been charged had the risk been fairly presented. EG if a fair presentation would have resulted in the premium doubling, any claims payment under the policy will be halved.

Contracting Out

Subject to certain limitations, insurers may choose to “contract out” of the Act.

When an insurer elects to contract out of any provision of the Act it may be deemed to be “disadvantageous” to customers.

In these circumstances the insurer must in clear terms confirm which clause or clauses of the Act it has elected to opt out of and what it specifically means to you as the policyholder together with the implications.

When this situation arises, as your insurance broker, WPS hallam will ensure these requirements are met.

Terms of Business

This agreement is intended for ‘Commercial’ customers rather than ‘Consumers’ (retail customers); Commercial customers are those that are – to any extent – acting within their trade, business or profession. If you are not a Commercial customer, ask us for our Consumer Terms of Business Agreement.

Acceptance

The purpose of this agreement is to set out our professional relationship and detail the services we will provide to you. For your own benefit and protection, you should read all of the information carefully and in particular, we would like to draw your attention to the **“IMPORTANT INFORMATION”** section. By asking us to quote for, arrange or handle your insurances, you are providing your informed agreement to these Terms of Business. If you do not agree to any part of the information, please write to us.

Who regulates us?

WPS, WPS hallam, WPS Insurance Brokers and Taste of the West Insurance services are trading names of James Hallam Limited who are authorised and regulated by the Financial Conduct Authority (FCA). Our Firm Reference Number is 134435. Our details may be confirmed on the Financial Services Register at www.fca.gov.uk/register/ or by calling 0800 111 6768.

Our permitted business is introducing, advising, arranging, dealing as agent, and assisting in the administration and performance of general insurance contracts, and credit broking in relation to insurance instalment facilities.

Our Service

We act as an intermediary, not an insurer.

We are committed to providing you with a quality service. We only select from insurance products in which we have confidence to meet the needs of our clients.

As a broker, we will usually act on your behalf when arranging your insurances, when helping you make changes to your policy or when you renew your insurance. If there are any circumstances when we act as an agent of the insurer (e.g. in binding the insurer to contract or in handling or settling claims) we will let you know before your insurance arrangements are concluded.

Under risk transfer, we also act on behalf of insurers when collecting premiums and handling refunds due to clients as well as the transfer of claims monies. Such monies are deemed to be held by the insurer(s) with which your insurance is arranged.

If you mislay your policy at any time, we will arrange a replacement policy document, if you request it.

As your agent and unless we hear from you otherwise:

We will assist in arrangement and administration of your insurances (and on-going changes) including agreeing the terms and conditions of your insurance policy with insurers consistent with your instructions:

Upon receipt of your instruction we will place, amend or renew insurance cover on your behalf with insurers

We will advise you of any inability to place your insurance

We will assist you if you need to make a claim, or where we outsource claims handling facilities to give you an enhanced service.

You should not rely on any insurance policy you have instructed us to place on cover until we have confirmed in writing to you that the insurer has agreed to such insurance cover being in place. (See also **Important Information**)

Scope of Our Recommendations

We will ask questions to enable us to assess reasonably your insurance requirements; this may include checking information that we already hold about you and your existing insurance arrangements with us and other parties.

Unless stated otherwise we will make a personal recommendation to you based upon our assessment of your needs and our experience of dealing with similar risks. This may or may not be on the basis of a fair and personal analysis of the market (see below). The recommendation will include a summary of our assessment together type of policy and cover proposed and the associated cost

We will undertake to provide you with details of the main features of the product and services, which we will offer.

Where we are making a personal recommendation based on a fair and personal analysis of the market, this will involve an assessment of a sufficient number of contracts, their product features, the premium and the service provided by the insurer.

We are not under a contractual obligation to do so, but on occasion, we may only offer the products from a single insurer or from a panel of insurers at which time we will provide you with a list of the insurers concerned prior to the conclusion of your insurance arrangements.

If we propose using another intermediary to help to place your business, we will also advise you accordingly.

Where we confirm that we are not providing a personal recommendation we will simply provide you with information (with no advice) to enable you to make an informed decision on how you wish to proceed.

Law and Jurisdiction

These Terms of Business shall be governed by and construed in accordance with the laws of England and the exclusive jurisdiction of the English courts unless we agree with you otherwise

Unless your policy confirms otherwise, the rights under your policy may only be pursued in an English court.

If you are domiciled in a country other than the UK, the law or regulations in your country of domicile may take precedence over any relevant UK legislation. Therefore references in this document to the FCA or Financial Ombudsman Service (FOS) and any rights or benefits there under may not apply.

Limitation and Exclusion of Liability

Unless we have otherwise agreed with you in writing our liability to you (whether in contract or tort including negligence) will in all circumstances be limited to £10,000,000 per claim.

Notwithstanding the preceding paragraph we shall not be liable to you under any circumstance for any loss of profit indirect loss or consequential loss whatsoever.

This exclusion and limitation will not apply in respect of our liability:

- i) arising from any fraudulent act or
- ii) for death or personal injury arising from our negligence

or

iii) from any duty or obligation owed to you under any statutory or regulatory stipulation.



Your Duty of Fair Presentation

Under the Insurance Act 2015 you have a Duty of 'Fair Presentation.'

You must:

- Disclose all "material circumstances" which you know or ought to know or, failing that,
- Provide sufficient information to put the underwriter on notice to ask further questions.

In providing a Fair Presentation you are deemed to know what your senior management knows, what the people arranging the insurance know and ought to know what would reasonably have been revealed by a reasonable search. There is no longer an exemption from providing information about matters which are subject to a warranty (including any breaches) which should now form part of the fair presentation.

You do not have to disclose information if the insurer knows it, ought to know it or is presumed to know it.

Notification of Changes and Alterations

Please notify us immediately in the event of any change in your circumstances which are detailed in your proposal form or statement of fact.

We would also refer you to the section titled **Your Duty of Fair Presentation** which detail your duties to provide complete and accurate up to date information and also the duty of Fair Presentation.

Amendments to policies after inception may be arranged upon receipt of your instructions with full details. Cover is subject to acceptance by insurers and the payment of any additional premium required, if applicable.

Renewals

Renewals are invited on the basis that there have been no changes to your circumstances or the risk other than those specifically notified to your insurers and for which you have received an acknowledgement and revised documentation. Please see section headed **Notification of Changes and Alterations** which also outlines your duties of care with regards to Disclosure and Fair Presentation.

Insurer Security

Insurers are subject to FCA regulation and are required to have adequate capital resources. We carry out regular checks on all insurance markets used but cannot guarantee the solvency of any individual insurer. Your liability for the premium, whether in full or pro rata, may arise under policies where a participating insurer becomes insolvent. An insolvent insurer may also be unable to meet a proportion or all of any claim made. Consequently, we recommend wherever possible insuring with those firms with higher credit ratings which satisfy our requirements. Should you be concerned or require any further information regarding your insurer then we will discuss this with you on request.

Quotations

Quotations are valid until the date cover commences up to a maximum of 30 days, unless otherwise stated. Specimen policy wordings are available upon request.

Documentation

Documentation including your policy schedule and certificate (if applicable) will be issued to you in a timely manner.

It is your responsibility to read all documentation upon receipt to ensure that all details are correct and that the cover provided meets with your requirements.

We will arrange cover according to your instructions but only you can identify if it does not meet your intentions.

Any query regarding the accuracy of the information shown or any uncertainty over the content should be raised with us immediately.

Incorrect information may invalidate your policy cover completely or mean that in the event of a claim all or part of it may not be paid.

The insurer knows what is actually known to its underwriter or their agent. The insurer is presumed to know what underwriters writing that class of business should know.

All statements and information disclosed verbally and on proposal forms, statements of fact, claim forms, declarations and other documents should be full, true and accurate. Where forms are completed or partially completed on your behalf you should check them for accuracy before signing. If you are in any doubt as to whether a fact is material, you should disclose it.

FAILURE TO COMPLY MAY ENTITLE THE INSURER TO AVOID THE POLICY, IMPOSE ADDITIONAL TERMS OR REDUCE CLAIMS PAYMENTS.

Payment of Premium

We must receive your payment, unless it is made by you directly to the insurer, by cheque, credit or debit card, or be in receipt of a completed Direct Debit Mandate (with deposit if required) drawn on a bank or building society or UK financial institution account in the policyholder's name and before cover commences unless we agree otherwise in writing.

We do not accept payment by cash or postal order but a bankers' draft or building society cheque is acceptable if it shows the policyholder's name as account holder.

We have no obligation to fund any premium, taxes or fees (if applicable) on your behalf nor do we have any responsibility for any loss you may suffer as a result of cancellation of insurance cover or any other prejudicial steps taken as a result of late or non-payment substantially attributable to you. If we decide to retain certain documents whilst awaiting full payment of premium, fees or administration charges we shall provide details of your insurance cover and any information or documents required by law.

We shall be entitled (but not obliged) without providing notice to you to set off any amounts due to us from you, against any amounts which we may receive on your behalf (i.e. claims moneys, refunded premiums and other sums). Please be aware that full or partial non-payment of a premium or default on a credit agreement may result in the cancellation or lapsing of your policy. You will also be responsible for any collection costs, legal fees and court costs we may incur in recovering debts from you.

Transferred Business

When we are appointed to service insurance policies other than at their inception or renewal and which were originally arranged by 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 supplied 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 provide advice accordingly as each policy falls due for renewal.

Cancellation

You may cancel your policy at any time.

On receipt of your request we may require you to confirm your instructions in writing and also return the policy document.

You may be entitled to a refund of premium where no claims has been made and or where a minimum and deposit premium has not been charged.

Please refer to your policy documents for full details of the cancellation terms.

Ending your Relationship with Us

Subject to your immediate settlement of any outstanding premiums and fees, you may instruct us to stop acting for you and we will not impose a penalty. Your instructions must be given in writing and will take effect from the date of receipt.

If our authority to act in connection with your insurance arrangements is terminated (by you or us), you will remain liable to pay for any premium or fee for any transaction concluded prior to the termination. Any transaction in progress at the time of termination will be completed unless we receive written instructions to the contrary.

You will also be liable for the payment of any premium or fee, which may become due upon completion of any pending transaction.

We also reserve the right to cancel this agreement at any time. In any event, we will provide you with at least 7 days' notice in this regard to enable you to make alternative arrangements. Valid reasons may include non-payment of premium or fees, failure to provide requested documentation or information, deliberate failure to comply with terms set out within this Agreement or insurer's documentation, or deliberate misrepresentation or non-disclosure or attempted fraud. **We will notify you of any such termination in writing together with an explanation for our decision if appropriate.**

Claims

We will assist you with advice when you make a claim under your policy but it remains your responsibility to have read, understood or queried all documentation upon receipt. 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. Delay on your part in notifying a claim and/or completing required forms will risk a loss you suffer not being paid or being paid in part only.

You must not in any circumstances admit liability for a loss or agree to any course of action, other than emergency measures carried out to minimise the loss, as you risk a loss you suffer not being paid or being paid in part only. All correspondence, claims, writs, summonses etc. should be forwarded immediately, unanswered, either to us or to your insurer. You are also reminded of your duty to keep all losses and costs arising from an incident to a minimum and that failure to comply with policy terms and conditions may invalidate cover.

We will remit claims payments received on your behalf to you as soon as practicable after confirmation of receipt of cleared funds in our bank account. In the event that an insurer becomes insolvent or delays making settlement, we do not accept liability for any unpaid amounts. We reserve the right to charge for our claims service if you request this to extend beyond our appointment to your policy and this will be confirmed in writing before you incur any charge.

If our authority to act in connection with your insurance arrangements is terminated (by you or us) we will immediately cease to handle claims already reported and will be unable to deal with any which may be subsequently incurred.

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.

Assignment

We are entitled to assign the benefits of these Terms of Business (but not the burdens as set out in these Terms of Business) to any other company within the Group of Companies of which we are part but then only for so long as such Company remains a member of such Group. We are entitled to transfer Client Monies to a similar bank account held in the name of any other company within the Group of Companies of which we are a part but the only for so long as such Company remains a member of such Group.

Our Remuneration / Fees

We are usually remunerated by commission from your insurer or premium finance provider. Any commission we receive will be paid by the insurer or product provider from the insurance premium. Alternatively (in lieu of commission from the Insurer) or in addition we may charge you a Brokerage Fee. We will confirm to you, prior to the conclusion of your insurance arrangements, the amount of any fees payable by you.

Any commission we receive from the premium finance provider will be paid from the finance repayment. You are entitled, at any time, to request information regarding any commission which we may have received as a result of placing your business.

Some insurers will make additional payments to us depending upon the volume of our account with them or the profitability of that account. We may also receive payments from companies other than insurance companies – for example premium finance houses or risk management firms. We may require you to pay an administration fee for any transaction including cancellation but we will confirm to you, prior to the conclusion of your insurance arrangements, the amount of any fees payable by you.

Our remuneration in whatever form and in respect of any policy shall be due on the date of inception or renewal of that policy. We shall be entitled to retain all commission and/or agreed fees in respect of the full policy period including where you appoint another intermediary in our place during the currency of a policy or where a policy is cancelled after inception or renewal.

Client and Insurer Money

Prior to your premium being forwarded to the insurer, and for your protection, we either hold your money as an agent of the insurer (in which case your policy is treated as being paid for), or in a client bank account on trust for you.

The account in which these funds are kept is a Non-Statutory Trust Account (as defined by the FCA Rules). This means that we may extend credit to other customers from this account. We may also transfer your money to another intermediary in some cases for the purposes of effecting your policy.

However, your money will be protected at all times because of the requirements of FCA rules. We also reserve the right to retain interest earned on this account.

By accepting these Terms of Insurance Business document, you are giving your consent for us to operate in this way.



Confidentiality and Data Protection

In our dealings with you, we will comply at all times with all applicable Data Protection Legislation (including, as appropriate, the Data Protection Act 2018, the General Data Protection Regulation, any relevant secondary legislation, and any amendments or replacements to any of these). Please ensure that if applicable your directors, employees, contacts and agents are aware of this section on Confidentiality and Data Protection.

We implement generally accepted standards of technology and operational security in order to protect personal data from loss, misuse, or unauthorised alteration or destruction. We will notify you and all relevant individuals promptly in the event of any breach of personal data which might expose you or (if applicable) your directors, employees, contacts or agents to serious risk.

Individuals have the following rights in respect of their personal data held by us:

- (a) to access any personal data which we hold on them. This may be obtained by writing to one of our Data Protection Officers [details as shown below]. Where permitted under Data Protection Legislation, a nominal charge may apply for providing the information;
- (b) to be provided with information about how their personal data is processed (this information is set out in these Terms of Business);

- (c) to have their personal data corrected where necessary (they should contact us promptly if they become aware of any incorrect or out-of-date information);
- (d) to have their personal data erased in certain circumstances (please refer to the appropriate data protection legislation or consult the Information Commissioner's Office for details);
- (e) to object to or restrict how their personal data is processed;
- (f) to have their personal data transferred to themselves or to another business.

Individuals also have the right to take any complaints about how we process their personal data to the Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF <https://ico.org.uk/concerns/> 0303 123 1113.

For more details, you may request a copy of our Privacy Policy or alternatively please address any questions, comments and requests regarding our data processing practices to our Data Protection Officer namely:

Andrew Hall at James Hallam Ltd, Queen of the South Arena, Lochfield Road, Dumfries, DG2 9BG.

We may collect, use and store personal data relating to you (applicable to individuals only) or where applicable your directors, employees, contacts and agents where necessary in order to:

- (a) Perform insurance contracts with individuals or take steps at an individual's request prior to entering into such a contract;
- (b) exercise our legitimate business interests as an independent insurance broker in order to provide the relevant information and services;
- (c) carry out other functions with express consent (which may be amended or withdrawn at any time by notifying us);
- (d) comply with our legal obligations.

In particular, we will use that personal data, and may disclose some or all of it to other parties, for the purposes of arranging, placing and administering your insurance. These other parties may include the FCA for compliance matters; insurance companies and other agents for underwriting and claims purposes and credit agencies for premium collections identity checks and anti-fraud protection. We may also monitor and record phone calls in the interests of security and staff training.

We may in addition use personal data for communicating with you about our insurance products and services (and similar products or services provided by us). Communication with you in this regard may include mail SMS text, telephone or email. If individuals do not want us to use their information in this way, they should notify us promptly in writing to that effect or use the unsubscribe option as set out in each communication.

We will never sell personal data or, except as mentioned above, make it available to any third parties without appropriate prior consent (which may be freely amended or withheld) except where required to do so by law or in the event that we sell any part of our business or assets (in which case we may disclose personal data confidentially to the prospective buyer as appropriate in accordance with our legitimate interests in that respect).

Notwithstanding the above, all personal data of a sensitive nature (as defined in the Data Protection Legislation) will be treated as strictly private and confidential.

We will not use or disclose it except either with explicit consent or where we are required to do so for legal or regulatory purposes and/or permitted to do so by the Data Protection Legislation.

In processing personal data for insurance purposes about health or criminal offences we will only do so to enable us to provide our service to you and on the basis of it being in the public interest.

Complaints

It is our intention to provide a high level of service at all times. However if you have reason to make a complaint about our service you should contact Andrew Hall at the above address or e-mail complaints@jameshallam.co.uk. You may be entitled to refer the matter subsequently to the Financial Ombudsman Service (FOS).

You will be able to do this if you are fall within any of the following categories;

- Consumers (private individuals acting for purposes which are wholly or mainly outside that individual's trade, business, craft, or profession)
- Micro-enterprises (businesses employing fewer than 10 persons and with a turnover or annual balance sheet total not exceeding €2 million)
- Other small businesses (with an annual turnover of below £6.5m, and less than 50 employees or with an annual balance sheet total of below £5 million)
- Charities with an annual income of under £6.5 million

- Trustees of a trust with a net asset value of under £5 million

Whether you are so entitled will not affect the promptness and fairness with which we will strive to resolve any complaints. You can contact the FOS by telephone on 0800 023 4567 and further information is available at www.financial-ombudsman.org.uk. If you do decide to refer any matter to the FOS your legal rights will not be affected. (If your complaint cannot be resolved immediately, you may be required to put this in writing for us to investigate further).

A full copy of our complaints procedure is available on request.

Rights of Third Parties

Unless otherwise agreed between us in writing, no provision of this Terms of Business is enforceable under the Contracts (Rights of Third Parties) Act 1999 by any person other than you or us.

Financial Crime

As an FCA regulated company, we work within its regulatory framework designed to prevent financial crime – such as financial sanctions, money laundering, fraud or bribery and corruption. We may need to seek additional information from you to ensure compliance with these obligations.

Compensation

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business, the size of your business and the circumstances of the claim. Insurance advising and arranging is covered for:

- 90% of the claim, without any upper limit;
- 100% of the claim without any upper limit for compulsory classes of insurance (such as Third-Party Motor or Employers Liability); and 'pure protection' contracts, professional indemnity insurance, and general insurance claims arising from the death or incapacity of the policyholder owing to injury, sickness or infirmity, all where the insurance intermediary has failed to pay money to an insurer, pay away money it has received from an insurer, or has failed to take steps to allow the insurer to effect the contract of insurance.

Further information about compensation scheme arrangements is available from the FSCS on 0800 678 1100 or by visiting www.fscs.org.uk/

ADDITIONAL SERVICES

James Hallam Limited introduces customers to 4Sight Risk Management Limited, which provides Risk Management services including Due Diligence; Business Continuity Planning; Fire and Safety Protection; IT Security and Health & Safety management. **Please note these services are not regulated by the FCA. In addition, these services do not benefit from the protection offered by FOS or the FSCS.**

4Sight Risk Management Limited. Registered in England and Wales Company No. **06145983**. Registered Office: Old Printers Yard, 156 South Street, Dorking, Surrey, RH4 2HF.

James Hallam Limited and 4Sight Risk Management Limited are both wholly owned subsidiaries of Seventeen Group Limited (Registered in England and Wales Company No. **01593917**. Registered Office: Old Printers Yard, 156 South Street, Dorking, Surrey, RH4 2HF).

IMPORTANT INFORMATION



WARRANTIES AND RISK MITIGATION TERMS

The provisions in the Insurance Act relating to warranties apply to you. The Act does not introduce a new definition of “warranty” however:

- Any term which seeks to make information provided when the policy was purchased into an insurance warranty will have no effect.
- Warranties have become a suspensive condition. Cover is suspended whilst you are in breach but will be restored once the breach is remedied.

Warranties and similar terms which seek to mitigate risk will not be effective if you can show that non-compliance “would not have increased the risk of the loss which actually occurred in the circumstance in which it occurred”.

Ref: Commercial TOBA 10.1 MAY 20



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