



# **Beech Underwriting Agencies Limited**

**Terms of Business Agreement**

**with**



Beech Underwriting Agencies Ltd is authorised and regulated by the Financial Conduct Authority. The firm's number is 304391.

## Conditions of Appointment as an Agent

- 1 The Appointment of the Agent shall be held at the discretion of Beech Underwriting Agencies Ltd ("the Company").
- 2 The Appointment is granted to the Agent and cannot be transferred nor can the rights under it be assigned by the Agent without the consent of the Company.
- 3 The Agent shall at all times promote the Company's products and services.
- 4 The Agent is appointed for the purpose of introducing Insurance Business written within the United Kingdom of Great Britain, Northern Ireland and the Channel Islands to the Company.
- 5 The Agent shall at all times observe these conditions and any amendments subsequently made. The Company reserves the right to vary the conditions at any time in writing to the Agent at the Agent's last known address.
- 6 The Agent must notify the Company immediately and in writing:
  - a) if the business address of the Agent changes,
  - b) of any changes in the Ownership, Partners, Directors or Controllers of the Agent or of its capital structure,
  - c) in the event of the Agent becoming bankrupt, insolvent, going into liquidation, entering into a composition with any creditors, having a receiver appointed or ceasing to carry on business,
  - d) if any Owner, Partner, Director or Controller of or employed by the Agent is or becomes subject to disciplinary proceedings instituted by the FCA or other similar body,
  - e) if any Owner, Partner, Director or Controller is convicted of any criminal offence other than minor motoring offences,
  - f) if any Agency agreement with any other Insurer is withdrawn or terminated.
- 7 Any indulgence given or shown by the Company shall not be regarded as creating a precedent for the future.
- 8 The terms of this agreement supersede any other agreement in place between the Company and the Agent.
- 9 The Agent is responsible for ascertaining and satisfying their client's insurance requirements and giving best advice.
- 10 The Agent has in place a procedure to ensure that a client's name (an individual or director/stakeholder in a company) does not appear on any financial sanctions list.

## Authority

- 11 The Agent has no power to give cover on behalf of the Company or to commit the Company by contract or otherwise or impose any liability on the Company unless expressly authorised in writing to do so.
- 12 The Agent may not amend any documentation supplied by the Company.
- 13 All information relevant to the risks will be supplied to the Company and in the event of the Agent becoming aware of a material non-disclosure by the Insured then this will be immediately reported to the Company.

## Commission

- 14 The Agent shall be entitled to receive commission in respect of a particular policy on the following conditions
  - a) The appointment as an Agent was in force at the time the policy was effected,
  - b) The business was introduced by the Agent and the Agent continues to act for the insured,
  - c) The premium for the insurance and IPT has been received in full by the Company.

- 15 Commission shall be payable to the Agent in accordance with the current rates of commission applying to the Agent as agreed. The Company reserves the right to vary the rate of commission or other remuneration generally or in individual cases. Where this occurs the commission will be advised at quotation stage.
- 16 The Agent will take commission in accordance with ICOB rules.
- 17 Commission is payable to the Agent on premiums after the deduction of discounts, or rebates and excluding IPT.
- 18 Commission payable to the Agent by the Company in respect of any class of insurance business may be subject to set-off against any monies whatsoever including IPT due to the Company from the Agent.
- 19 If the Company refunds the whole or any part of a premium the Agent will be debited with the commission paid or payable on the amount refunded and credited with any refund of IPT.
- 20 Commission shall not be payable on business initiated by the Agent
- a) Following termination of the Appointment of the Agent,
  - b) On insurances which are transferred from the Agent at the hand of the Insured,
  - c) In the event of the Agent becoming bankrupt, insolvent, going into liquidation or entering into a composition with any creditors, or having a receiver appointed.

### **Accounts and Settlements**

- 21 The Agent is responsible for all monies received by him in respect of insurance premiums and IPT due to the Company and these monies must be held separate from the funds of the Agent's business in accordance with the requirements equivalent to those of the FCA and shall not be subject to any charge, set-off or lien.
- 22 Premiums, IPT and any other monies owed to the Company as entered on the Agent's statement of account are to be received by the Company no later than the last day of the month following the month of inception of the policy. The Company reserves the right to impose interest charges at Base rate plus two percent where credit terms are exceeded.
- 23 All premiums are to be paid to the Company by direct bank transfer. Cheque payments will not be accepted by the company unless these are deposited into the Company's bank account directly by the Agent. The bank details are shown on the monthly statements.
- 24 All policies, renewal notices, certificates of insurance, endorsements and other similar documentation received by the agent from the Company shall be forwarded to the relevant insured client promptly.
- 25 At the Company's request an Agent will be responsible for collecting a provisional premium plus IPT if applicable from the Insured where insurance cover has been effected pending completion of negotiations and issue of documentation. Provisional premiums and IPT will be debited to the statement of account in the normal manner.
- 26 Late notification (i.e. more than 28 days from the effective date of cover) by an Agent of cancellation of cover or failure to collect a premium and IPT may result in the Agent being liable for the premium and IPT.
- 27 Any deviation from the standard terms must be agreed in writing with the Managing Director of the Company (or his delegated representative) and is to form part of this agreement.

### **Risk Transfer**

- 28 Full risk transfer takes place when the premiums are paid to the Agent. Risk transfer does not cascade beyond to yourself other than to your Authorised Appointed Agents whom it is your responsibility to monitor.

### **Bank Accounts and Co-Mingling**

- 29 We can confirm that when insurance premiums are paid to the Company they are held in bank accounts as stipulated by the FCA. The Company does not operate any bank accounts on behalf of any Insurer or Underwriter in respect of claims. All claims payments are made by the Insurers or the Underwriters and all payments will be made to the claimant / insured.
- 30 The co-mingling of premiums by the Agent is permitted. Where premiums are co-mingled the Company subordinates its interests to the interests of the firm's other clients.

## **Confidentiality and Data Protection**

- 31 The Agent must recognize its duties under all current 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) and fully comply with all requirements of such legislation. This includes notifying those affected of their rights under such legislation.
- 32 The Company may collect, use and store personal data relating to the Insured clients of the Agent, including where applicable that of directors, shareholders and other stakeholders of corporate entities.
- 33 Any personal data so collected will only be used by the Company for the purposes of providing and administering insurance contracts. This includes providing quotations, administering policies, claims administration and renewals.
- 34 The company will only share personal data with other parties for these purposes. The company will share the personal data with underwriter's representatives including claims administrators and legal representatives.
- 35 The company will never sell personal data or use it in any other manner other than for the insurance purposes as described.
- 36 Data will only be shared with entities operating within the EU.
- 37 All personal information will be treated as strictly private and confidential and it will not be used or disclosed by the Company except either with explicit consent or where we are required to for legal or regulatory purposes and/or permitted to do so by legislation.
- 38 The Company and the Agent operate systems and technology security to protect personal data from loss, misuse or unauthorized alteration and destruction. In the event of any breach of personal data the Company will inform the Agent immediately.
- 39 The Agent is responsible for informing individuals of their rights under Data Protection Legislation. These include the right to access any personal data that is held by the Company and the Agent, to have it corrected and the right to have personal information erased.
- 40 The Agent should advise clients that erasure of data will mean the complete erasure and as such may have a negative effect on the ability to administer any future claim.
- 41 The Agent is required to obtain consent for the use of personal information and must disclose to the Company if it is unable to obtain this consent.
- 42 The Agent is responsible for ensuring the security of personal information accessible through the Company's online system. The Company will provide login credentials and the Agent is responsible for ensuring that these are only available to and used by authorized individuals. It is recommended that the Agent contacts the Company on a regular basis to obtain revised passwords.

## **General Conditions**

- 43 All proposals and notifications of claims are to be forwarded to the Company as soon as practically possible, preferably by email.
- 44 The Company does not recognise any claim for a sole and exclusive Agency on any type of insurance and reserves the right to appoint such additional Agents as it sees fit.
- 45 The Company does not deal directly with the Agent's clients however reserves the right to do so in the situations described below.
- 46 In the event of unsatisfactory conduct by the Agent (to be determined at the sole discretion of the Company) the Company reserves the right to:
- a) retrospectively lapse insurance cover from last renewal date if payment terms are exceeded,
  - b) communicate directly with the Insured or clients of the Agent in respect of insurance matters on whose behalf the Agent has been dealing with the Company,
  - c) take any available remedy to protect the interests of the Insured
  - d) take any available remedy for the recovery of all monies payable and documents due to the Company,

e) withhold dispatch of further documentation such as renewal papers and cover notes.

47 If acts or omissions of the Agent prejudice or cause financial loss to the Company, the Agent must indemnify the Company in respect of such prejudice or financial loss.

48 The Company will address all communications to the Agent at the last address of which it has written notice. Written notice to the Company under these conditions should be addressed to it at the Company address communicated to the Agent.

### **Code of Practice**

49 The Agent must be registered with the FCA and as such must:

a) Display a certificate of Professional Indemnity Insurance Cover in each of their offices to which their clients have access (in a place accessible to clients and insurance company officials),

b) To advise the Company immediately if the Professional Indemnity Insurance is cancelled, not renewed or ceases to satisfy regulatory requirements,

### **Termination**

50 This appointment may be terminated by the Company at any time by written notice sent to the last known address of the Agent. The Company is not obliged to give reasons for such termination.

51 The Appointment of the Agent may be terminated if he fails to notify the Company of changes or other circumstances as required under Condition 6.

52 The Company reserves the right to administer the agency in the manner it sees fit upon death, bankruptcy, insolvency, going into liquidation, receivership of the Agent entering into a composition with creditors or the dissolution of a partnership or winding up of a company whichever may be appropriate.

53 On the termination of the Appointment of the Agent, the Agent (or the Agent's legal representative) shall immediately:

a) Remit all monies due to the Company,

b) Advise the Company of any policies which have not been paid

c) Return all proposal forms, prospectuses, advertising material, books, stationary and other property of the Company and any other papers which have come to the Agent's possession in connection with the business of the Company.

54 This Agreement has been compiled according to English Law and any disputes arising in respect of it shall be determined in the English Courts.

Contents agreed \_\_\_\_\_

Name \_\_\_\_\_

Position \_\_\_\_\_

Date \_\_\_\_\_