



Terms of Business Letter for BALENS LIMITED



Important Document Please Read and Retain

Version 33 - Nov 2022

Accepting our Terms of Business and the Financial Conduct Authority (FCA)

By asking us to quote for, arrange or handle your insurances, you are providing your informed agreement to these Terms of Business. For your own benefit and protection, you should read these terms carefully. If you are unsure about any aspect of our Terms of Business or have any questions regarding our relationship with you, please contact us on 01684 893006. Balens Limited is Authorised and Regulated by the Financial Conduct Authority. Our FCA Register number is 305787. Our permitted business is advising, arranging, dealing as agent and assisting in the administration and performance of general insurance contracts. With regards to Consumer Credit our permitted business is credit broking in relation to instalment facilities within the UK, entering into regulated credit agreement as a lender and exercising or having the right to exercise the lender's rights and duties under a regulated credit agreement. You may check this on the FCA's Register by visiting the FCA website: www.fca.org.uk or by contacting the FCA on Tel: 0800 111 6768 or (Freephone) on 0300 500 8082 from the UK.

Our Service

Balens Limited is an Insurance Intermediary, not an Insurer, and our role and the service we provide is to support you with the purchase of insurance for either your own personal or business requirements. Depending on the insurance product this service may be on an advised or non-advised basis. We shall confirm this position to you in writing below or prior to the purchase of insurance. We will not in any circumstances act as an insurer nor guarantee or warrant the solvency of any insurer. This document sets out our commitment to you as our client and outlines the principles we follow in doing business with you.

Specialised Scheme Insurance (Affinity Schemes):

As specialist Insurance Brokers for Health Professionals, Health Organisations & not for profit organisations, we mainly arrange Professional Liability, Medical Malpractice and Trustees/Directors Liability and select products from two insurers who provide us with Delegated Authority to bind cover for Affinity Groups and Individuals. We may suggest specialist Insurers/Brokers from time to time. Unless informed differently, this service is on a non-advised basis and we will provide you with the relevant information before we finalise your insurance arrangements, including the insurers we use, so you can make your own informed choice about how to proceed.

Commercial Insurances:

Balens Limited have a range of insurance products which are available to our Commercial clients;

- **Package and/or Scheme Business** - these bespoke policies have been specifically designed to meet a range of our clients' business insurance requirements. Core sections of cover are available in isolation or combined to provide a portfolio of packaged products. The majority of this business is written with single Insurers we hold a Delegated Underwriting Agreement with and we will provide this information before we finalise your insurance arrangements.
- **Open Market Commercial Business** - is any other business which does not fit our packages and/or schemes. We use a personal fair analysis of the insurance market and we will provide you with further information about this before we finalise your insurance arrangements. These are composite companies based in the UK or on the Lloyds Market.

Unless informed differently, the service we provide for our commercial business is on a non-advised basis and we will provide you with the relevant information, including the insurer(s) used, before we finalise your insurance arrangements, so you can make your own informed choice about how to proceed.

Personal Insurances:

We offer insurance for personal requirements in the following areas;

- **Personal Accident or Personal Accident and Sickness Insurance** - We can source and arrange Personal Accident or Personal Accident and sickness insurance from one provider, Accident and Health Underwriting Limited (Coverholder at Lloyds). Unless informed differently, this service is on a non-advised basis and we will provide you with the relevant information before we finalise your insurance arrangements, so you can make your own informed choice about how to proceed.
- **Handbell Insurance** - We can source and arrange Handbell Insurance from one provider, Covea Insurance plc, who we hold a Delegated Underwriting Agreement with. Unless informed differently, this service is on a non-advised basis and we will provide you with the relevant information before we finalise your insurance arrangements, so you can make your own informed choice about how to proceed.
- **Household Insurance** - We can source and arrange Household insurance which includes Legal Expenses Cover as part of the primary product. We select from a limited panel of insurers; Plum Underwriting Limited, Covea Insurance plc, Pen Underwriting, Policyfast, SJL Insurance Services and Zurich Insurance Company Ltd. We also use other intermediaries such as Bennet Gould & Partners Ltd and Geo U/W

Services Ltd to place household insurance; we will notify you the name of the insurer prior to conclusion of the contract. Unless informed differently, this service is on a non-advised basis; we will provide you with the relevant information before we finalise your insurance arrangements, so you can make your own informed choice about how to proceed.

Provision of Credit:

We may, in certain instances, also arrange credit to you to assist in the payment of any premium you may owe in respect of an insurance policy you wish to purchase and occasionally membership fees to a professional association in connection with your business. The terms of any such arrangement will be set out in an agreement between you and the provider of credit (the **“Credit Agreement”**) prior to the provision of credit to allow you to make an informed decision. We can use Balens Insurance Finance Services Ltd (BIFS), which is a company under common ownership with Balens Ltd and forms part of the same group or the insurer who we place your policy with. We will ensure that we offer you the lender with the most appropriate product to meet your requirements.

Complaints and Compensation

We are an Ethical Firm and aim to provide you with a high level of customer service at all times, but if you are not satisfied, contact us in writing to Mr. J. Balen, Balens Ltd, Bridge House, Portland Road, Malvern, Worcs, WR14 2TA or by phone on Tel: 01684 893006 and ask for Mr. Balen or email joe@balens.co.uk or complaints@balens.co.uk. When dealing with your complaint we will follow our complaint handling procedure; a copy of which is available on request. If you are still not satisfied, you may be entitled to refer the matter to the Financial Ombudsman Service (FOS).

Access to the FOS is available for complainants coming within one of the following categories at the time we receive their complaint: • 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.

For further information you can visit FOS website www.financial-ombudsman.org.uk. You may also refer to the EU Online Dispute Resolution Platform <https://webgate.ec.europa.eu/odr>

In certain circumstances, if we arranged your policy as a Coverholder at Lloyd's and in the event that you remain dissatisfied, it may be possible for you to refer the matter to Complaints team at Lloyd's. Their address is: Complaints, Lloyd's, Fidentia House, Walter Burke Way, Chatham Maritime, Chatham, Kent, ME4 4RN, Telephone: 020 7327 5693. Email: complaints@lloyds.com

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 and the circumstances of the claim. Insurance advising and arranging is covered for 90% of the claim, without any upper limit. For compulsory classes of insurance (such as Employers Liability), insurance advising and arranging is covered for 100% of the claim without any upper limit. Further information about compensation scheme arrangements is available from the FSCS on 020 78927300 or www.fscs.org.uk.

Payment for our Services

In addition to the premiums charged by Insurers, we normally receive commission from the Insurers or product providers, details of which are available on request. Any commission we receive will be paid from the insurance premium payable by you. We will also, make charges for handling your insurance. You will receive a quotation, which will tell you the total price to be paid, showing any fees, taxes and charges separately from the premium, before your insurance arrangements are concluded. For China Taiping Insurance (UK) Co Ltd, we may receive additional profit-sharing payments if the volume of business we place with these insurers reaches certain pre-agreed amounts. These additional payments will come from the overall payments that the insurer receives in relation to this type of business. With the Provision of Credit, we do not receive any commission, however, the provider of credit may charge a fee for non-payment or adjustment of debt and this will be explained in documents like the Credit Agreement. Please note that our payment terms are stated on our invoices and it is important that payment is made to us in line with these terms. We also draw your attention to the sections headed Cancellation of Insurances and Ending your Relationship with us. If in error, any of our clients overpay their insurance by less than £3, the overpayment will be donated to charity. Any overpayments of £3 or more will be refunded to the insured by the same method as the initial payment received. If you would prefer refunds of less than £3 to be paid to you or you wish to know more about our charitable donations, please contact us.

Handling Money

Our financial arrangements with most insurance companies are on a 'Risk Transfer' basis. This means that we act as agents of the Insurer in collecting premiums and handling refunds due to clients. In these circumstances such monies are deemed to be held by the Insurer(s) with which your insurance is arranged. You will be notified if Risk Transfer does not apply and such monies will then be held by us in a Non-Statutory Trust account pending payment. The establishment of the Non-Statutory Trust account follows the rules which the FCA introduced to protect money held by authorised intermediaries. However, you should be aware that, under the Non-Statutory Trust account rules, we are permitted to use such monies temporarily held to advance credit to clients generally. A copy of the Deed of Trust is available on request or may be inspected at our premises during normal office hours. If you object to your money being held in a Non-Statutory Trust account you should advise us immediately. Otherwise, your agreement to pay the premium together with your acceptance of these Terms of Business will constitute your informed consent to our holding your money in a Non-Statutory Trust account. Interest earned on monies held in such a Non-Statutory Trust account will be retained by us. For the purpose of some transactions, client money may pass through other authorised intermediaries before being paid to the insurer.

Cancellation of Insurances and Provision of Credit

You should make any request for the cancellation of a policy or credit arrangement in writing and any relevant certificate of insurance must be returned to us. You are entitled to cancel the insurance policy within 14 days from the day after the day of conclusion of the contract (30 days for Income Protection policies). You will be charged for reasonable costs incurred in relation to the cover and services provided. Cancellation by you in

other circumstances may result in enhanced, short-period charges as determined by us and/or the product provider. Credit arrangements can be cancelled within 14 days from the day after the day of conclusion of the contract. Cancellation of a credit contract at any other time may result in you being charged interest and the insurance policy being cancelled. Any refunds of less than £3 will be donated to charity, if you require more information concerning this please contact us. You should also be aware that, in certain circumstances according to the terms of the policy, Insurers may be entitled to cancel your policy and allow a proportionate return of premium. This does not apply to short term policies of less than one month's duration such as commercial risks, also many of our specialist Malpractice and Professional Liability policies do not have a return of premium available. If you allow your insurance policy to lapse, we may not be able to reinstate the policy incorporating previous terms, conditions or at the same costing.

Ending our Relationship

You may terminate our authority to act on your behalf with 14 days notice (30 days notice with regard to Income Protection) or as otherwise agreed without penalty. Notice of this termination must be given in writing and will take effect from the date of receipt. Unless otherwise agreed in writing, if our relationship ends, any transactions previously initiated will be completed according to these Terms of Business. You will be liable to pay for any transactions concluded prior to the end of our relationship and we will be entitled to retain commission received for conducting these transactions, together with all fees charged by us for services provided. In circumstances where we feel we cannot continue providing services to you, we will give you a minimum of 7 days' notice.

Your Responsibilities

You are responsible for answering any questions or assumptions you may agree to honestly and to the best of your knowledge, providing the complete and accurate information which insurers and lenders require in connection with any proposal for insurance cover and/or the provision of credit. This is particularly important before taking out a policy but also at renewal or if you make a mid-term amendment to your policy. If you fail to disclose information or misrepresent any fact which may influence the insurer's decision to accept the risk or the terms offered, this could invalidate the policy and mean that claims may not be paid in part or full. They might also be entitled to keep any premium you have paid. For your protection, insurers maintain databases to prevent fraud and the information you give us may be subject to checks. If you are a commercial customer, you have a duty to give a fair presentation of risk to the insurer. This requires disclosure of every material circumstance which you and where applicable your senior management or persons responsible for your insurance know or ought to know following a reasonable search of information available. It should include all facts that would influence the judgement of the insurer or that would put the insurer on notice that it needs to make further enquiries. The information must be presented in a way which would be reasonably clear and accessible to a prudent insurer.

If you are unsure whether to disclose any information you should speak to us. Failure to provide the 'fair representation' may result in a number of remedies by the insurer. If the breach was deliberate or reckless the insurer can void the contract and keep the premium. If the breach was not deliberate or reckless the insurer can apply whichever remedy relevant to the way they would have acted if the breach had not occurred. This could include rendering the insurance void, proportionately reducing a claim settlement or amending the insurance policy terms and conditions then reviewing the merits of a claim on this basis. You should therefore always provide complete and accurate information to us when questioned regarding the insurance risks your business faces before taking out a policy, at renewal and throughout the life of the policy.

This also applies to your responses in relation to any assumptions you may agree to in the process of applying for insurance cover. You must check all details on any proposal form or Statement of Facts and pay particular attention to any declaration you may be asked to sign. You must read all insurance and credit documents issued to you and ensure that you are aware of the cover, limits and other terms that apply. Particular attention should be paid to any warranties and conditions as failure to comply with them could invalidate your policy. You must take note of the required procedures in the event of a claim, which will be stated in the policy documentation. Generally, Insurers require immediate notification of a claim or circumstances that might lead to a claim.

You must inform us immediately of any changes in circumstances that may affect the services provided by us or the cover provided by your policy or the offering of credit. This includes any changes in details to contact you like your email or postal address. If you are unsure about any matter, please contact us for guidance. Changes of Circumstances Notification -You must notify us in writing if there are any changes since originally completing your proposal form or other relevant documentation, as this could have a bearing on your cover. We undertake to notify this to your Insurers and supply appropriate documentation for the alteration. If there are any changes in your financial circumstances that may affect your ability to repay any credit facilities we have arranged please inform us so we can assist you.

Processing and the Use of your Personal Data

In your dealings with us you may provide us with information that may include data that is known as personal data. Where we process any personal data, we obtain in the course of providing our services to you we comply with statutory data processing requirements as set out by the Data Protection Act 2018. The personal data we will collect will include information relating to your name, address, date of birth, contact details, criminal offences, financial information i.e. in respect of any County Court Judgement, Individual Voluntary arrangement, company voluntary arrangements etc., and where relevant to certain types of policies, your personal health information.

We will process your personal data to allow us to provide you with our services as your Insurance broker in quoting for, arranging and administering your insurances and in arranging premium finance where applicable. In processing personal data for insurance purposes about your health and any 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.

We will only use your data for the purpose for which it was collected. In administering your insurances and/or claims, or applications for premium finance, we will only grant access to or share your data within our firm or other firms associated with us, i.e. authorised partners, third parties and our market service providers such as insurers and other product or service providers, premium finance providers, or your professional body/ training school, where we are entitled to do so by law under lawful data processing, or as required by law to comply with regulatory or legal requirements. These parties may be inside or outside the European Economic Area.

Your personal data will also be used to manage future communications between ourselves. Where you have agreed, or in circumstances where to do so will be in our mutual interests, your personal data will be used to provide you with further information about our wider products and services. You can opt out from receiving such communications by emailing events@balens.co.uk, telephone 01684 898995, or by writing to Events, at Balens Ltd, Bridge House, Portland Road, Malvern, Worcestershire, WR14 2TA.

We will not otherwise use or disclose the personal information we hold without your consent. The Data Protection Act 2018 provides you with Access Rights that allow you to gain an understanding on the data being processed, who we share it with, for what purpose, why we need to retain it and retention periods, to object to the processing and to place restrictions on the processing, to request copies of your data and to request the deletion of your data. Subject to certain exemptions, you will be entitled to have access to your personal data. We will maintain records of the insurance or finance contract(s) we arrange on your behalf. It is our policy to keep records in accordance with best practice and as stated in our Privacy Notice.

If you require further information on how we process your data or you wish to exercise your right under the Act, please contact our Data Privacy Representative by emailing dataprotection@balens.co.uk or by writing to The Data Protection Representative at Balens Ltd, Bridge House, Portland Road, Malvern, Worcestershire, WR14 2TA or by telephoning 01684 898995. How we process your personal data is detailed further within our Privacy Notice <http://www.balens.co.uk/privacy-notice.aspx>.

Claims Handling Arrangements

It is essential that we are notified immediately of any claims, or circumstances which could give rise to a claim providing details honestly and accurately. Your policy wordings will describe in detail the procedure and conditions in connection with making a claim. The final decision regarding the payment of a claim will be made by the relevant insurer. When providing a claims handling service, we will:

- Employ due care and skill if we act on your behalf in respect of a claim.
- Give you guidance on pursuing a claim under the policy and, if required, negotiate with Insurers on your behalf.
- Provide you with information about how to handle complaints and potential clashes between you and your clients.
- Inform you in writing if we are unable to deal with any part of a claim.
- Handle claims fairly and promptly and keep you informed of their progress.
- Account to you, without avoidable delay, once a claim has been agreed and settled.

Settlement of claims will be dependent upon decisions and collection from insurers. Part payment may be made during the collection process, but we cannot be responsible for the wrongful non-payment or delay by insurers in paying any claim. Claims information may be used by Balens or insurers concerned for underwriting, statistical analysis, management information, market research and risk management. Insurers may pass your claims information to the Claims and Underwriting Exchange Register, run by Insurance Database Services Ltd (IDSL) & the Association of British Insurers (ABI). Also, to prevent and detect fraud, insurers may share your claims information with the Police. We may also share your claims information with any association or professional body that you are a member of.

Quotation Validity Period

There is usually a 15 or 30-day validity period after which it will be necessary to re-quote. This will be stated in your quotation letter which you should refer to. It will be necessary to sign a further declaration after a 30-day period has expired in order to go on cover or continue cover. Cover for previous work performed (retroactive cover) may not be included by Insurers if a gap has occurred between a previous policy and a new or renewal one. Cover also needs to be provided after termination (run-off) on some of our specialised policies should you not take up a renewal from us, it is important to always refer to our instructions and information in this regard. When receiving quotations or information electronically if you wish to receive paper copies please contact us and we will provide this free of charge.

Governing Law

Balens Ltd undertakes its activities as an insurance intermediary in accordance with the Laws of England and Wales and any disputes will be governed by and construed in accordance with the Laws of England and Wales.

Conflicts of Interest, Treating Customers Fairly, Call Recording and Marketing

Occasions can arise where we or one of our clients or product providers may have a potential conflict of interest with business being transacted for you. If this happens, and we become aware that a potential conflict exists, we will write to you and obtain your consent before we carry out your instructions and we will detail the steps we will take to ensure fair treatment. As an Ethical Firm we aim to treat our customers fairly. For training and monitoring purposes your telephone conversations with us may be recorded.

We may use your information to keep you informed by post, e-mail or other electronic means, about insurance, financial products and services which may be of interest to you as offered by Balens Limited and Balens Insurance Finance Services Limited. Information may be disclosed and used for these purposes after your policy has lapsed. By providing us with your contact details, you consent to being contacted for these purposes. You can contact us at any time to have your details removed from lists used by us for marketing.

"We care for the carers"

Established in 1950, Member of the British Insurance Brokers' Association

Balens are Authorised and Regulated by the Financial Conduct Authority Reference number - 305787

Balens is a trading name of Balens Ltd. Registered in England and Wales, No 4931050.

Registered office, Bridge House, Portland Road, Malvern, WR14 2TA