



ST GILES INSURANCE & FINANCE SERVICES LIMITED (“STG”) TERMS OF BUSINESS AGREEMENT

Please read this document carefully. It sets out the terms on which we agree to act for you, our client, and contains details of our regulatory and statutory responsibilities, and any obligations on you.

Please contact us immediately if there is anything in these terms of business, which you do not understand or with which you disagree. We will be happy to answer any questions and will be willing to explain these terms, and the reasons for them, to you. Unless you advise us to the contrary, you are deemed to have provided informed consent to these terms.

These terms will remain in force and shall apply to any business product provided to you now or at a future date. Should the firm change any of its business terms at a future date, these terms will be reflected on our website www.stgilesgroup.co.uk and existing clients will also be advised in writing.

1. Information about our regulatory status

STG is an independent general insurance intermediary / distributor. We are authorised and regulated by the Financial Conduct Authority (the “FCA”). Our permitted business is advising on, arranging, dealing as agent, and assisting in the administration and performance of non-investment insurance contracts. Our FCA Register number is 311167. These details can be checked on the FCA's Register by visiting the FCA's website <https://register.fca.org.uk/> or by contacting the FCA on 0800 111 6768.

We are required to comply with the FCA Principles relevant to an insurance intermediary, as well as other FCA rules. The FCA Principles include the following:

- A firm must conduct its business with integrity, and pay due regard to the interests of its customers and treat them fairly.
- A firm must conduct its business with due skill, care and diligence.
- A firm must pay due regard to the information needs of its clients and communicate information to them in a way which is clear, fair and not misleading.
- A firm must manage conflicts of interests fairly, both between itself and its customers and between a customer and another client.
- A firm must maintain adequate financial resources and must arrange adequate protection for clients' assets when it is responsible for them.
- A firm must take reasonable care to organise and control its affairs responsibly and effectively, with adequate risk management systems.
- A firm must take reasonable care to ensure the suitability of its advice and discretionary decisions for any customer who is entitled to rely on its judgement.
- A firm must maintain and keep up to date a list of the insurance undertakings it selects from and be able to provide a copy of this list in a durable medium to a customer on request.

2. Relationships

As an independent insurance intermediary / distributor we act as the agent for you, our client. You, our client, will be either:

- a) the property manager or managing agent who has placed the policy with STG (a “Managing Agent”); or
- b) the policyholder if you usually contract directly with STG as your insurance intermediary / broker (a “Policyholder”).

Being a Policyholder means, for example, having a direct relationship with STG which involves deciding to place the cover through STG and instructing STG direct and not through a third party, asking for the renewal and policy documents to be sent direct to you and not through a third party or paying the premium direct to STG and not through a third party.

If you are a Policyholder, it is important to remember that we must be able to identify customer type and be able to distinguish between:

- Consumer – any natural person who is acting for purposes which are outside his trade or profession;
- Small business - having a turnover of less than £6.5 million and fewer than 50 employees or a balance sheet of less than £5 million; or
- Commercial – a customer who is not the above. Regulations differ between these three customer types.

If it is not clear what categorisation you, if you are a Policyholder, come under then we will treat you as a Consumer, but if you are acting in the capacity of both a Consumer and Commercial client then you will be treated as a Commercial client.

We are subject to the law of agency, which imposes various duties on us.

STG incepts cover with a number of insurers which are chosen by us as being of reputable standing, providing a good quality level of service and policy cover and not on pricing issues alone. A list of these insurers is available on request or at our website www.stgilesgroup.co.uk.

We will usually advise and make a recommendation for you in relation to the list of insurers after we have assessed your needs. This will include the type of cover you seek together with the costs.

Upon receipt of your instructions we will place insurance with insurers and keep you informed of progress of our negotiations. We will advise you of any inability to place your insurance.

3. Security

Whilst we regularly review their financial status we do not guarantee the solvency of any insurer we place business with. A liability for the premium, whether in full or pro rata, may arise under policies where a participating insurer becomes insolvent.

4. Policy Documentation

Our policy is that policy documentation will be issued in a timely manner, possibly in an electronic format. This will normally be within five business days of receipt from insurers. It is important that you read and understand the contents. If you have any queries on the policy or there is anything you do not understand please let us know.

Policy documentation relevant to you will confirm the basis of the cover, give details of the insurers, and be accompanied by an invoice if applicable. The dates that the premium is due, together with any penalties, will be clearly shown.

Prior to the conclusion of the insurance contract with the insurer we will provide you with a statement of demands and needs. You should read this carefully and, if you are the Managing Agent, will procure that the relevant policyholder reads this carefully. It will set out our understanding of your (or the relevant policyholder's) demands and needs and confirm whether the contract has been personally recommended and, if so, the reasons for making that recommendation.

You will be provided with renewal terms in a durable medium no less than 21 days before expiry of the policy (if we have received from you any relevant information that is required to generate renewal terms), or notified that renewal is not being invited. Attached to the renewal terms will be a statement of any changes to the terms of the policy, and changes to directive-required information (information required under the EU Directives), statement of price and information about cancellation if cancellation is relevant.

You will be given an explanation of any changes, where necessary and in good time, which may appear in the relevant policy and you will be advised of your right to request a new policy statement.

If renewal is not being offered you will be notified no less than 21 days before the expiry of the policy if we are told by the relevant insurer within this time frame otherwise we will inform you within 1 working day of being informed.

Mid-term changes to your policy will be provided in good time, prior to the change taking effect.

It is our policy to retain documents for business effected on your behalf in electronic or paper format. In respect of insurance cover the period is up to three years and for financial matters the period is up to seven years after any cover has ceased.

For some types of insurance cover it is possible that a claim may be made under a policy long after its expiry date and it is therefore important that you keep such documents safely.

5. Claims

You must notify us as soon as possible of a claim or circumstances that may give rise to a claim. In the event of a claim you should contact our claims department. You should have available your policy number and as much information as possible about the event that you wish to claim for.

Where relevant we will remit claims payments to you as soon as possible after they have been received on your behalf.

We will provide you with as much assistance as we can in submitting a claim to the insurer and seeking reimbursement for you if relevant. However in the event that an insurer becomes insolvent, or delays making a settlement, we do not accept liability for any unpaid amounts. Please refer to our website www.stgilesgroup.co.uk for details of our claims procedure.

6. Duty of Disclosure to Insurers

When applying for or to renew your insurance you must;

- Make a fair presentation in which you disclose everything you know (or should know) which is relevant to the application. This includes information that you have searched for within your organisation.
- If not, provide enough information to allow insurers to ask further questions.
- Provide the information in a way which is clear to the insurer.

This information should be presented by the insureds senior management or a person responsible for placing the insurance.

If you do not provide the information required by an insurer or it is incorrect, the insurer may apply a proportionate remedy. This could be;

- If they would have refused to give the insurance, refuse the claim.
- If they would have accepted the insurance but imposed conditions (such as a higher deductible or exclusions) they may impose those conditions.
- If they would have accepted the insurance, but charged a higher premium, then they can reduce the amount paid out in a claim.

Should you deliberately or recklessly withhold information the insurer may refuse the claim and keep any premiums paid.

7. Premium

You must provide the premium due in cleared funds in accordance with the amounts and payment dates specified in our invoice. Failure to meet the payment date may lead to insurers cancelling your (or the underlying policyholder's) policy thus leaving you (or the underlying policyholder) without insurance cover.

8. Remuneration

We will receive a commission which will be a percentage of the premium you pay or the underlying policyholder pays. Any commission (or brokerage) that is due to STG is payable to us by the insurer out of the premium that we collected from you on their behalf. Anything that is not a premium or tax is considered to be a fee.

Our remuneration may be taken as a fee or as commission/brokerage or a combination of both.

We will be entitled to retain all fees and commission/brokerage in respect of the full policy period in relation to policies placed by us on your instruction.

You (as Managing Agent or Policyholder) are entitled to ask for details of our commission/brokerage, which we will promptly disclose to you.

In addition to client fees and/or commission or brokerage we may receive remuneration by way of administrative fees or commissions or profit share or over-rider for services provided to insurers. We will also provide you with details of these forms of remuneration on request.

We may also act as reinsurance brokers to insurers.

If you are a Managing Agent and we share any commission with you or you receive any commission/brokerage in relation to these terms, you shall:

- (i) promptly disclose accurate and full details, including the nature and amount, of your commission/brokerage to your clients (which may include Leaseholders as defined below);
- (ii) ensure that the commission you receive from us is proportionate to the costs you incur and the benefits you provide to your clients (which may include Leaseholders as defined below); and
- (iii) comply with all applicable disclosure requirements in relation to your clients (which may include Leaseholders as defined below) in accordance with Applicable Law as defined below.

If you are a Managing Agent, we do not accept any liability or responsibility for any disclosure obligations which you owe to your clients (which may include Leaseholders as defined below) whether under these terms or pursuant to Applicable Law as defined below.

If you are a Policyholder and we share any commission with you or you receive any commission/brokerage in relation to these terms, you shall:

- (i) promptly disclose accurate and full details, including the nature and amount, of your commission/brokerage to your clients (which may include Leaseholders as defined below);

- (ii) ensure that the commission you receive from us is proportionate to the costs you incur and the benefits you provide to your clients (which may include Leaseholders as defined below); and
- (iii) comply with all applicable disclosure requirements in relation to your clients (which may include a Leaseholder) in accordance with Applicable Law as defined below.

If you are a Policyholder, we do not accept any liability or responsibility for any disclosure obligations which you owe to your clients (which may include Leaseholders as defined below) whether under these terms or pursuant to Applicable Law as defined below.

“Applicable Law” means all statutes and regulations and binding decisions of a court or tribunal or similar judicial body and the prevailing rules, regulations, determinations, guidelines, policies, guidance, recommendations or instructions of any industry body (including the Royal Institution of Chartered Surveyors or the Association of Residential Managing Agents), governmental or regulatory authority (including the FCA) to which you (as Managing Agent or Policyholder) are subject, as amended from time to time.

“Leaseholder” means any person (including, for the avoidance of doubt, any legal entity) who has entered into a lease for the purposes of leasing a property.

9. Client Money

Client money is money of any currency that we receive and hold in the course of carrying on insurance distribution on behalf of our clients (including you) or which we treat as client money in accordance with the client money rules. A copy of these rules is available on request or at www.fca.gov.uk

Client money will be held in a designated and segregated account with an approved bank. The money is held in a Non-Statutory Trust Account which is subject to a Trust Deed and the rules referred to above which the FCA require us to abide by. Unless you advise us to the contrary, you are deemed to have provided informed consent to these arrangements.

Some of the monies we hold are subject to ‘Risk Transfer arrangements, which we have with specific Insurers. ‘Risk Transfer’ means that once you have paid the premium to us, it is deemed to be in the hands of the Insurer. So in the event of STG not being able to pass your premium onto your Insurer, then your Insurer will bear the loss rather than you.

Occasionally client money is paid from STG to a Third Party as defined by the FCA; this can mean another distributor or underwriting managing agent with whom STG does not have Risk Transfer.

We may co-mingle client moneys with insurers or re-insurance monies.

10. Interest on Client Money

Any interest earned on client money held by us will be retained by us for our own use, rather than paid to you.

11. Compliance

You (as Managing Agent or Policyholder) shall perform your obligations under this agreement in accordance with Applicable Law (as defined in Clause 8 above).

12. Cancellation Clause

Your (or your underlying policyholder's) insurance contract may include a cancellation clause. A cancellation clause is mandatory for all consumers. In the event that you fail (or your underlying policyholder fails) to pay your or their premium by the due date the insurance may be cancelled forthwith, or by insurers giving notice of the cancellation. In the event of cancellation of the insurance contract, insurers may return a pro rata premium to us, which we will return to you.

All our remuneration is due at confirmation of order by you. In the event that the insurance is cancelled whether before inception/renewal or after, our fees and/or brokerage will remain due. Any interest earned on client money held by us will be retained by us for our own use, rather than paid to you.

13. Cancellation of this Agreement

Our agreement (including these terms) may be terminated by one of us giving 21 days' notice in writing to the other. In the event that you terminate our services we will be entitled to receive any fees and/or brokerage payable to us.

14. Complaints Procedure

Our aim is to provide a first class standard of service to all our clients and to do everything we can to ensure that you are satisfied. However if you ever feel that we have fallen short of this standard and that you have cause for complaint, please contact our Office Manager, either:

- In writing at: 4 Tenterden Street, London W1S 1TE.
- By telephone at: 020 7629 3176
- By email at: ac@stgilesgroup.co.uk

Upon receipt of a complaint we will: Deal with all complaints in the manner prescribed by the FCA. Treat all complaints seriously and investigate the matter fully. All complaints will be advised to the appropriate Director who will allocate an employee of sufficient competence to deal with the complaint and advise you of their name and status.

The timescales for dealing with a complaint are as follows: If the complaint cannot be dealt with within three working days we will provide a written acknowledgement within five working days.

If we believe that the complaint should be redirected to another organisation, we will advise you within 5 working days of becoming satisfied that another firm is or may be responsible for the matters complained of. We will advise you of the other firm's contact details. In complicated cases we will endeavour to complete all investigations within 20 working days. If we are unable to resolve the matter at that point we will advise you of the position and give our best estimate of when we anticipate conclusion.

Within eight weeks we will either send a final response or explain why we remain unable to conclude the matter. At that stage, eligible complainants, as defined by the FCA, may refer the matter to the Financial Ombudsman Service (FOS) if unsatisfied as to progress. We will advise you if you are an eligible complainant and the address of the Ombudsman. You may also check with the FCA direct.

When a final response is sent an eligible complainant may also refer the complaint to the FOS if dissatisfied with the outcome.

15. Compensation

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the FSCS if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Full details and further information on the scheme are available from the FSCS.

16. Prevention of Financial Crime

We must report any suspicion of money laundering. Any claims payment will be made in favour of you. If you require a payment to be made to a third party then you must confirm the required payee name and details and provide an explanation for your request. STG has procedures in place to prevent bribery and corruption and will not engage in this practice. We will observe any economic, financial or trade sanctions. We will not take part in any activities which assist in the evasion of taxes. We will co-operate with the relevant authorities to prevent financial crime. If you are also an FCA authorised firm, you agree to comply with Applicable Law (as defined in Clause 8 above) preventing financial crime in your dealings with us and Policyholders.

17. Data Protection

We at the St Giles Group will protect your rights on personal information. We use your information to process your application for insurance or to handle claims. As part of this, we may share information with other insurance intermediaries, insurers, claims agencies or other agencies where required to administer your policy or required by regulation. We may require personal information as part of your insurance contract, if you do not provide it we may not be able to protect your interests. We will only hold this information as long as legally necessary. You have the right to see, correct, restrict or have us review or complain about how this information is used. Ask us how to do this. If we receive information from other sources we will advise you of this. We will not transfer your data outside of the country unless there are adequate legal and technical safeguards in place. Should you object to the way we use your information or you think that we are using your information incorrectly, you may complain to the Information Commissioner's Office.

18. Limitation of Liabilities

We will only accept liability for wrongdoings which are due to breach of contract, negligence, breach of professional duty or breach of trust. Our total liability to You (as Managing Agent or Policyholder) in respect of any and all claims for which we may be liable shall not exceed £1,500,000 (to the extent permissible under applicable law and regulation).

You (as Managing Agent or Policyholder) shall indemnify, defend and hold harmless us from and against any and all losses, fines, liabilities, damages, claims, charges, costs or expenses ("Loss") that we may incur or suffer arising out of or in relation to:

- (i) any Loss incurred by us as a result of any breach of this agreement or Applicable Law (as defined in Clause 8 above) by you or your negligence, wilful default or fraud; and
- (ii) any claim made against us by a third party (including claims brought by or on behalf of a Leaseholder (as defined in Clause 8 above)).

We do not accept liability for losses which: are contributed to by your own negligence; arise from your failure to provide information which we have reasonably requested about your insurance risks; or which are not a reasonably foreseeable consequence of our actions. In addition, we do not accept liability arising out of, based upon, in connection with, resulting from, contributed to by or attributable to, directly or indirectly, in whole or in part, any actual, alleged or suspected:

- Communicable Disease;
- or Epidemic or Pandemic.

For these purposes a "Communicable Disease" means an illness or disease caused by the infection, presence and growth of pathogenic biologic agents in an individual human or other animal host, including but not limited to any bacteria, virus, mold, mildew, fungi, parasite or other vector and which biologic agents or its toxins are directly or indirectly transmitted to infected individuals by physical contact with an infectious person, consuming contaminated foods or beverages, contact with contaminated body fluids, contact with contaminated inanimate objects, inhalation, being bitten by an infected animal, insect or tick, or other means. Communicable Disease



includes coronavirus disease 2019 (COVID-19) or any other disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV 2) (previously known as 2019-nCoV), or any disease caused by any mutation or variation of SARS-CoV 2.

An "Epidemic" means a widespread occurrence of a Communicable Disease which affects a large number of individuals constituting an increase in the number of cases of such Communicable Disease above what is normally expected within a population, community or region over a particular period of time.

A "Pandemic" means an Epidemic, which the World Health Organization has declared to be, or assessed or characterized as a pandemic in any public statement.

19. Arbitration

In the event of a dispute, we may offer arbitration in accordance with the Arbitration Act 1996.

20. Law and Jurisdiction

These terms of business shall be governed by and construed in accordance with English law. In relation to any legal action or proceedings arising out of or in connection with these terms of business we both irrevocably submit to the non-exclusive jurisdiction of the English courts.

21. Contact Addresses

A J Coulson

St Giles Insurance & Finance Services
4 Tenterden Street
London W1S 1TE
Tel No: 020 7629 3176
e-mail: ac@stgilesgroup.co.uk
www.stgilesgroup.co.uk

Financial Conduct Authority

12 Endeavour Square
London E14 5HS
Tel No: 0800 111 6768
From abroad: +44 20 7066 1000

www.fca.org.uk

The Financial Services Compensation Scheme

10th Floor
Beaufort House
15 St Botolph Street
London EC3A 7QU
Postal address
Financial Services Compensation Scheme
PO Box 300
Mitcheldean GL17 1DY
Tel No: 0800 678 1100
From abroad: +44 20 7741 4100
www.fscs.org.uk

Data Protection Officer

St Giles Insurance & Finance Services
4 Tenterden Street
London W1S 1TE
Tel No: 020 7629 3176
e-mail: ph@stgilesgroup.co.uk

Financial Ombudsman Service

Exchange Tower
London E20 1JN
Tel No: 0800 023 4597
From abroad: +44 20 7964 1000
Fax No: 020 7964 1001
e-mail: complaint.info@financial-ombudsman.org.uk
www.financial-ombudsman.org.uk

Information Commissioner's Office

Wycliffe House
Water Lane
Wilmslow
Cheshire SK9 5AF
Tel No: 0303 123 1113

<https://ico.org.uk/>