

# TERMS OF BUSINESS

These Terms of Business set out the general terms under which our firm will provide General Insurance services to you. It details the respective duties and responsibilities of both the firm and you in relation to such services. **Please read it carefully.** Please also contact us if there is anything in these terms of business which you do not understand or with which you disagree. Should we not hear from you, acceptance of these Terms & Conditions is assumed.

## AUTHORISED STATUS

Coversure Ltd trading as Surety Bonds is regulated by the Central Bank of Ireland pursuant to the Investment Intermediaries Act 1995, the Consumer Credit Act, 1995 and the European Communities Insurance Mediation Regulations, 2005. Surety Bonds complies with the Consumer Protection Code, the Minimum Competency Code and the Fitness & Probity Standards. We are authorized to operate in the United Kingdom under the passporting & freedom of services.

## OUR SERVICES

We are authorised to provide broad-based advice in relation to all classes of non-life insurance for product producers with whom we hold an agency. A list of our agency appointments is available upon request. We do not have any tied relationships which would compromise our ability to offer you independent advice. We assist the parties in arranging a bond suited to our clients' particular needs from a broad range of established insurers. We do not guarantee the solvency of any Surety provider nor do we have the necessary information to assess or approve security. The financial strength of the Surety could deteriorate after the contract has commenced & we accept no responsibility for a breach of contract by a surety with whom our clients have contracts.

## DUTY OF UTMOST GOOD FAITH

The law in Ireland deems insurance to be a special class of contract, which imposes onerous duties upon prospective clients and their agents, obliging them to act with good faith towards insurers at all times. You are reminded that you are responsible, on an ongoing basis for providing us and / or your insurers with all material facts relating to the insurance covers we arrange on your behalf. Material facts are those which are likely to affect the assessment and acceptance of risks being insured. If you are in doubt as to what facts are considered to be material then you should disclose them to us or your insurers.

## DOCUMENTATION & DISCLOSURE

Our aim is to produce documentation and correspondence in a clear and understandable format. It is your responsibility to provide complete and accurate information to insurers when arranging an insurance policy and it is your duty to check the bond requirements in particular where a policy or bond wording is supplied to you from a third party. You should check all policy documentation to ensure that details are correct and the cover provided meets with your requirements including with reference to your agreements to third parties. Any errors should be notified to us immediately, failure to disclose information could invalidate your insurance cover. A bond company may not be obliged to re-issue documents where information has been provided incorrectly.

Policies may contain conditions and exclusions and the conditions under which a bond will be paid. It is your responsibility to examine the document to familiarise yourself with these. We recommend that you keep policy documents for as long as a claim is possible under your policy.

## RECEIPTS

We will issue a receipt for each non-negotiable or negotiable instrument or payment received. This is required pursuant to Section 30 of the Investment Intermediaries Act, 1995. These receipts are issued for your protection and should be kept safely by you.

## INVESTOR COMPENSATION ACT 1998

We are members of the Investor Compensation Company Ltd (ICCL) established under the Investor Compensation Act 1998. The legislation provides for the establishment of a compensation scheme and to payment in certain circumstances of compensation to clients of firms covered by the act. In the event that a right to compensation is established, the amount payable is the lesser of 90% of your loss which is recognised for being eligible for compensation or € 20,000. The company also holds Professional Indemnity insurance for errors and omissions.

## REMUNERATION POLICY

We endeavour to provide our clients with an excellent service in shopping the market for the best deals available, having consideration to the level of cover, the particular conditions/ endorsements, the suitability of the product and the premium to be paid. We are remunerated by a combination of fees and commission. Commission is received from product producers to whom orders are transmitted. Some product producers pay no commission. Fees are charged on all new policies, policy renewal, mid-term alteration and cancellation subject to a minimum charge of €25. Our fees are in line with industry average and are often significantly less.

We also incur significant costs in seeking premium rebates for clients and this service is subject to an administration charge/ rebate fee of €25 minimum charge. We reserve the right to amend these fees should the complexity of the product & service require a higher fee. We reserve the right to offset premium rebates due to the client against any sums outstanding from that client to Surety Bonds or the client's insurers or the premium financing company (as per the terms of the agreement). Surety Bonds may receive commission in respect of the administration and set up of credit agreements. We charge credit card handling fees in respect of the fee charged to us by credit card providers.

## HANDLING CLIENT MONEY

We accept payment in cash, by cheque or bank transfer, credit card or debit card in respect of all classes of insurance in the circumstances permitted under Section 25G of the Investment Intermediaries Act 1995. We hold client money collected for onward transmission to insurers and return premiums due to clients from insurers in a Client Premium Account under the terms of the Investment Intermediaries Act 1995. For the purpose of some transactions, please note that money may pass through other authorised intermediaries before the insurer receives it.

We are not authorised to accept cash or negotiable instruments in any other circumstances. In order to comply with the Central Bank Requirements, we are not in a position to give any credit except under a credit facility we have arranged with specialist premium finance providers. It may also be possible to spread payments through insurer's installment schemes. When a client fails to pay, the Product Producer will be informed and cover will be cancelled. We will not accept responsibility for cash sent by post or put through our letter box outside of office hours.

## RECEIPT OF INSTRUCTIONS

We do not consider instructions to arrange or change cover sent to us by post, electronic mail or facsimile, or left on answering equipment, to have been received until they reach the relevant personnel in our offices. We do not accept responsibility for instructions which do not reach us due to failures in the postal, electronic or telecommunications systems.

## CANCELLATION

Bonds do not normally have cancellation clauses, so in each instance the bond wording is referred to with regard to cancellation. Additionally you should note the following:

- Insurers do not normally allow refunds in cases where a minimum and deposit premium has been charged

When your policy ends or is cancelled, we will send you any documentation and information that you are entitled to on request.

## QUOTATIONS

Unless stated otherwise in our documentation provided for new insurances are: Valid only for a period of 30 days from the date of issue (except in cases where insurers apply rate changes within the period), Subject to satisfactory completion of the insurer's proposal form or acceptance of a signed and dated statement of fact

## TRANSFERRED BUSINESS

If we take over the servicing of insurance policies which were originally arranged through another insurance broker or intermediary or directly with an insurer we do not accept liability for any claim arising out of the advice given by that broker, intermediary or insurer, nor for any errors, omissions or gaps in your current insurance protection. We would ask you to contact us without delay should any aspect of a policy which has been transferred to us cause you concern or if you need an immediate review. Otherwise we will endeavour to review all transferred policies as they fall due for renewal.

## DEFAULT

Our firm will exercise its legal rights to receive payments due to it from clients for insurance services provided. In particular, without limitation of the generality of the foregoing, the firm will seek reimbursement for all payments made to insurers on behalf of clients where the firm has acted in good faith in renewing a policy of insurance for the client. Insurers and other product producers may withdraw benefits or cover in the event of default on payments due under Policies of insurance or other products arranged for you.

## SETTLEMENT TERMS

You are responsible for the prompt settlement of insurance premiums so that we can make the necessary payment to your insurers. We have no obligation to fund any premiums on your behalf and cannot be held responsible for any loss which you may suffer as a result of a policy being cancelled or otherwise prejudiced due to late payment of a premium where the delay is attributable to you.

## COMPLAINTS

We recognise the importance of service and set ourselves high standards. Should there be any occasion when we do not meet your expectations, we are committed to dealing with any complaint in a thorough and professional manner.

Any complaints should be addressed in writing to Jane Brady of Surety Bonds marked Private & Confidential. We have a written complaints procedure in place for effective consideration and handling of all written complaints. This procedure ensures that all written complaints are recorded and acknowledged in writing within five working days. We will endeavour to resolve the complaint within forty working days and findings will be furnished to you within five working days of completion of the investigation. In the event that you are not entirely satisfied with the firm's handling of and response to your complaint, contact may be made with the following:

**The Financial Services Ombudsman Bureau**, 3rd Floor, Lincoln House, Lincoln Place, Dublin 2.

Lo-call: 1890 88 20 90

Email: [enquiries@financialombudsman.ie](mailto:enquiries@financialombudsman.ie) Web: [www.financialombudsman.ie](http://www.financialombudsman.ie)

## CONFIDENTIALITY AND DATA PROTECTION

All information provided by our clients is treated as confidential and only disclosed in the normal course of negotiating, arranging and administering your insurance. This may include disclosing information to agents and service providers such as loss adjusters and approved contractors. The information and other data provided to our office may be used to advise you of products and services we may offer from time to time. If you do not wish to receive this information please indicate below.

With few exceptions, for example information requested by a court, a regulatory body, or information which is already in the public domain, we will not release information to any other party without your consent. Only minimum relevant information will be disclosed.

We undertake to comply with Data Protection Act 1988. You have the right to see, and if necessary, rectify any inaccuracies in your personal information that we hold on our records.

## GOVERNING LAW AND LANGUAGE

The laws of Ireland form the basis for establishing relations between you and Surety Bonds. All contracts, terms, conditions and communications relating to any policies you may enter into with this company shall be in English.

*I/We acknowledge receipt of this Terms of Business Letter and that I/We have read and understand these terms. I/We accept the Terms of Business offered to me/us by Surety Bonds and to be bound by those terms in all my/our dealings with the company.*

Name: \_\_\_\_\_

Signature \_\_\_\_\_

Date: \_\_\_\_\_

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