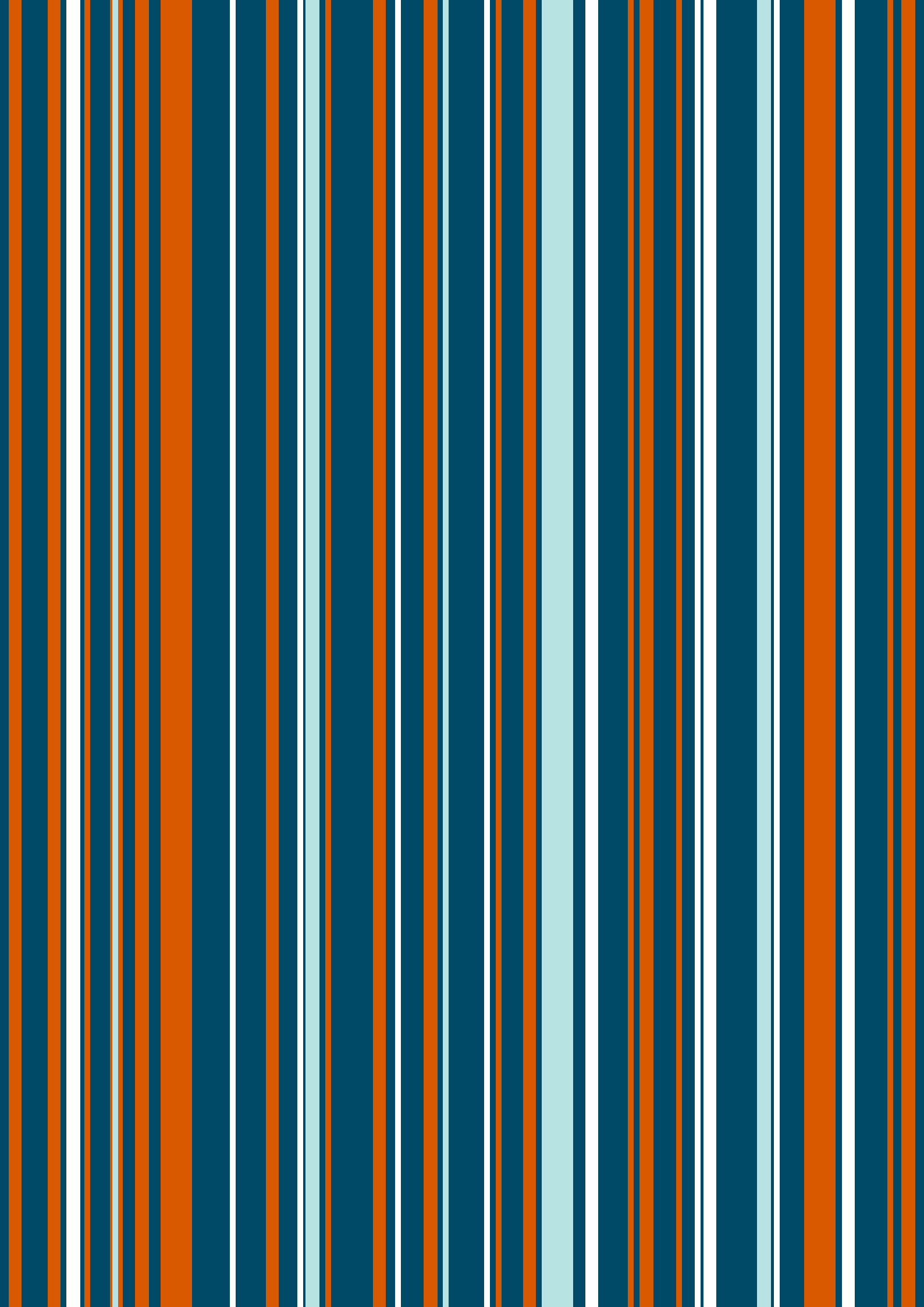


PROTECT  
COMMERCIAL INSURANCE

PROKNOW  
INDUSTRY ACADEMY SERIES

# TERMS OF BUSINESS



# WELCOME TO OUR TERMS OF BUSINESS....

## CONTENTS

<b>SECTION 01</b>		DEFINITIONS AND INTERPRETATIONS
<b>SECTION 02</b>		APPLICATION OF TERMS
<b>SECTION 03</b>		GENERAL CONDITIONS
<b>SECTION 04</b>		CONDITIONS OF USE
<b>SECTION 05</b>		COMMISSION
<b>SECTION 06</b>		SET-OFF
<b>SECTION 07</b>		DOCUMENTATION
<b>SECTION 08</b>		DATA PROTECTION
<b>SECTION 09</b>		PROHIBITION OF CROSS-SELLING TO CLIENTS
<b>SECTION 10</b>		USE OF ELECTRONIC SERVICES
<b>SECTION 11</b>		TRAINING, MONITORING & COMPLIANCE SUPPORT
<b>SECTION 12</b>		PROFESSIONAL INDEMNITY COVER
<b>SECTION 13</b>		VARIATION
<b>SECTION 14</b>		TERMINATION
<b>SECTION 15</b>		CONSEQUENCES OF TERMINATION
<b>SECTION 16</b>		APPLICABLE LAW AND JURISDICTION ETC.
<b>SECTION 17</b>		RESPONSIBILITY AND LIMITATION OF LIABILITY
<b>SECTION 18</b>		FORCE MAJEURE
<b>SECTION 19</b>		ENTIRE AGREEMENT

## 1. DEFINITIONS AND INTERPRETATIONS

In this agreement the following definitions shall apply:

“Commission” Commission, fees or other remuneration payable to the Intermediary as a result of the General Insurance policies placed through Protect Commercial Insurance™.

“Client(s)” The person or persons receiving a quotation or applying for a General Insurance policy from the range of products available through Protect Commercial Insurance™ from time to time.

“FCA” The Financial Conduct Authority (and any successor).

“General Insurance” Shall have the same meaning given to it by article 3(1) of the Regulated Activities Order.

“Insurer(s)” Shall have the same meaning given to it by the Financial Conduct Authority Handbook.

“Intermediary” A financial adviser or broker who promotes, introduces, advises and/or arranges General Insurance policies on behalf of Clients.

“Master Agent” The primary company bound by these terms and conditions, who will be a firm or an individual who employs or appoints individual intermediaries in order to procure General Insurance policies on behalf of clients.

“Network” Shall have the same meaning given to it by the Financial Conduct Authority Handbook, namely a firm or an individual who appoints individual intermediaries, as Appointed Representatives, in order to procure General Insurance policies on behalf of clients.

“Premium” In relation to each General Insurance policy sold, all sums paid by the Client(s) for the General Insurance policy (including insurance premium tax).

“Protect Commercial Insurance™” “ The software system that Protect Commercial Insurance Solutions Ltd have made available for producing quotations and facilitating applications for the general insurance policies that are made available through the system from time to time. For clarity, this definition includes all software systems provided by Protect Commercial Insurance Solutions Ltd that meet this definition, including but not limited to the “online” system, and any subsequent re-branding.

## 2. APPLICATION OF TERMS

2.1 This statement sets out the conditions (“Terms”) upon which Protect Commercial Insurance Solutions Ltd of 33-35 West Bute Street, Cardiff, CF10 5LH (hereafter Protect Commercial Insurance Insurance / The Company / Us / We / Our) will accept business from duly authorised or exempt intermediaries (hereafter You / the Intermediary) registering to use Protect Commercial Insurance™ and duly accepted by us to sell General Insurance policies (hereafter Business / Product/s) through Agencies held by Protect Commercial Insurance Solutions Ltd, whether facilitated by the software system or by alternative means. By using Protect Commercial Insurance™, You are agreeing to be bound by these terms of business and any subsequent amendments to same.

## 3. GENERAL CONDITIONS

3.1. The Intermediary shall be the agent of its Clients in regard to all aspects of business transacted except in so far as is necessary to give effect to the responsibilities of the Intermediary to the Company as set out in this statement or in any other associated document.

3.2. The Intermediary warrants that it has full authority from the Client and has had all necessary official regulatory and other authorisations under the Financial Services Act 1986, the Data Protection Act 2018, Consumer Credit Act 2010, the Financial Services and Markets Act 2000 and the Financial Services Act 2012 and or any other legislation relevant to the placing of Business on behalf of the Client and all incidental and consequential acts, operations and events.

3.3. The Company reserves the right at its discretion not to accept business from any Intermediary. This right is not limited in any way by such contractual arrangements that the Company may have entered into with an individual intermediary via Network or Master Agent.

3.4. The Intermediary shall indemnify the Company against any loss sustained by the Company as a consequence of the Intermediary acting outside or in breach of the provisions of any of these Terms or any applicable law or regulation.

3.5. You shall have an obligation to Us to disclose any conviction (excluding driving offences) not treated as spent under the Rehabilitation of Offenders Act 1974, whether relating to You or your Client.

3.6. The Intermediary will, at all times, treat it’s customers fairly and will, on an ongoing basis, meet and adhere to the FCA’s principles of “Treating Customer Fairly” and any related guidance.

3.7. By registering to use Protect Commercial Insurance™, The Intermediary acknowledges that the Company will carry out a credit reference check on it’s owners/principals at registration and reserves the right to carry out credit checks on an annual basis thereafter.

## 4. CONDITIONS OF USE

4.1. Once registered with the Company, the Intermediary may, subject to these Terms, produce quotations from the range of Insurers and General Insurance policies quoted on Protect Commercial Insurance™ or alternative facilities as offered by the Company from time to time; and may issue those quotations to members of the public on our behalf provided that:-

4.1.1. You ensure that all information pertaining to the Client(s) is entered accurately when producing quotations;

4.1.2. You enter all relevant risk information accurately when producing a quotation;

(i) avoiding influencing the Client(s) and making it clear that all the answers or statements are the Client’s own responsibility;

(ii) ensuring that the consequences of non-disclosure, inaccuracies or misrepresentation of material facts are pointed out to the

Client(s) by drawing attention to, and explaining, the relevant statement in the proposal form;

(iii) treating all information supplied by the Client(s) as completely confidential to the Intermediary and the Company/Companies to which the business is offered.

4.1.3. You ensure as far as possible that the General Insurance policy proposed is suitable to the resources, demands and needs of the Client(s) by;

(i) identifying the insurance company;

(ii) explaining all the essential provisions of the cover afforded by the policy, or policies, you are recommending, so as to ensure as far as possible that the Client(s) understands what they are buying;

(iii) printing out the appropriate Policy Summary; giving it to the Client(s); drawing attention to any restrictions and exclusions which apply to the policy and drawing attention to the complaints procedure;

(iv) acting with due care and diligence and giving advice only on those insurance matters in which You are knowledgeable and seeking or recommending other specialist advice when necessary;

(v) not withholding from the Client(s) any written evidence or documentation relating to the contract of insurance; and

(vi) conducting business at all times with utmost good faith and integrity toward the Client(s) and the Company.

4.1.4. You ensure that You have disclosed to the Client(s), all relevant facts pertaining to your status as an Intermediary as required by the statutory regulations applicable to the sale and prevailing at the time of the sale. These facts will include, but not be limited to;

(i) Your name and address, or the name and address of your Network where applicable.

(ii) Which categories of service You provide together with a list of insurance companies with whom You conducts business.

(iii) Disclosure of Your statutory status.

(iv) Disclosure of Your regulatory status.

(v) Whether You are providing an advisory or non-advisory service.

(vi) Any fees payable for the advising/arranging service that is being provided.

(vii) How a Client may make a complaint to You, the Insurer and all such other official bodies as may be relevant.

(viii) Your FCA registration number, what the FCA register is and how to check it.

(ix) Whether You have a holding, direct or indirect, representing more than 10% of the voting rights of the capital of the insurer

(x) Whether an insurer or parent of an insurer has a holding, direct or indirect, representing more than 10% of the voting rights of the capital in You, Your firm or Your network.

And the total status disclosure will be required to be made in the form of an Initial Disclosure Document, or other applicable format as specified by the FCA.

You will also disclose to the client that Protect Commercial Insurance use a third party premium funder, Premium Credit, to operate many of the direct debit schemes that are available through Protect Commercial Insurance™. Where payment is made to Us, whether under one of these direct debit schemes or as an annual payment, the premium and any applicable premium refund is held as agent of the relevant insurance company under a 'risk transfer' arrangement. For

clarity, the risk transfer arrangements held by the Company are NOT delegated on to the Intermediary.

4.2. Your continued use of Protect Commercial Insurance™ will be conditional upon You entering such accurate information in the User Details registry as is required for Protect Commercial Insurance™ to be able to produce an accurate and true Initial Disclosure Document for You to print out and pass to the Client.

## 5. COMMISSION

5.1. All matters relating to the payment of commission by the Company and all product and commission disclosure made by the Company and/or the Intermediary shall be governed by the principles and rules of the FCA as amended or replaced from time to time, to the extent that such principles and rules are applicable. The Intermediary accepts and undertakes to comply with those principles and rules as applicable.

5.2. The Company shall pay Commission, in accordance with these Terms, on all Business submitted to the Company and accepted by it and not cancelled by the Client(s) during a "cooling off" or "cancellation" period.

5.3. On acceptance of the Company's offer of Commission, the Intermediary will be entitled to an amount set at such rates as are published by the Company from time to time. A note of the Commission rates applicable to General Insurance products at the time of issue of this statement of the Terms is attached in Appendix 1.

5.4. The Commission rates payable may be varied by the Company after giving 30 days notice. A statement of the rates prevailing from time to time will be available on request.

5.5. In respect of all Business completed by the 10th day of the month, provided that payment of the Premium due in relation to said Business has been received by Protect Commercial Insurance whether directly from the Client(s) or via the Insurance Company; Protect Commercial Insurance shall:

5.5.1. remit all Commission and fees due to the Intermediary by BACS transfer into the bank account specified by You on or around the 20th day of the same month where practicable.

5.5.2. send the Intermediary a summary report of Commercial Insurance policy sales and Commissions payable where the premium has been received by Protect Commercial Insurance in the preceding month.

5.6. Any changes to the nominated bank account must be communicated to the Company (Protect Commercial Insurance) in writing; signed by a principal and on company letterhead.

5.7. In the event of;

5.7.1. the Client or Intermediary notifying the Company that the Intermediary is no longer the agent of the Client;

5.7.2. the Intermediary has any legally required authorisation, license or permission removed from them as a result of any action or investigation by any relevant regulatory authority; or

5.7.3. the Company withdrawing access to its facilities, or in response to the Intermediary's failure to meet its responsibilities as set out in this document and / or any Agency Agreement with the Company,

5.7.4. the Intermediary ceases carrying out business without first informing the Company that the intermediary is leaving the industry,

5.7.5. The death of the intermediary if he is a sole proprietor of the business

We shall cease to pay Commission other than any unpaid Commission which is due to the intermediary at that time.

5.8. The Company's statement of account (which may be contained in writing, e-mail or direct on-line communication) shall be the prime record of Commission due to the Intermediary and of any money due to the Company from the Intermediary, all save in the case of manifest errors or omissions.

5.9. Commission shall be paid to the Intermediary monthly in arrears but the Company may defer payment of Commission until a total of at least £10, or such other amount as the Company may notify from time to time, is due to the Intermediary.

5.10. The Company will from time to time make such relevant searches and checks in respect of the Intermediary and its owners/ principals (including in relation to credit worthiness and regulatory status) as it sees fit.

5.11. The Company reserves the right to cease paying Commission in the event that any of the Intermediary's directors, partners or the principal enters into a voluntary arrangement with creditors, have bankruptcy or liquidation proceedings instituted against them, have a receiver appointed over their assets or have been charged with or convicted of, an offence involving fraud or dishonesty.

5.12. In the event of a complaint about the intermediary's conduct being received and dealt with by the Company, the Company reserves the right to deduct any associated costs (including any financial compensation paid to the complainant) from any commission that the intermediary would otherwise be entitled to. The Intermediary also acknowledges that the company has the right to temporarily withhold payment of commission whilst any complaint about the Intermediary is being investigated and/or dealt with by the Company.

## 6. SET-OFF

Whenever any unearned Commission (i.e. that proportion of indemnity commission paid in advance of premiums which subsequently fall due and are not paid) or other sum of money shall be recoverable from or payable by the Intermediary, under any agency account with the Company, regardless of the type of business such account is held for, the same may be deducted from any sum then due or which at any time thereafter may become due to the Intermediary under any other agency account with the Company. If this results in a negative balance, immediate reimbursement shall be required from the Intermediary. In the event of the Company not receiving reimbursement from the intermediary within 30 days, the company may instruct a 3rd party collection agency to retrieve the debt. Exercise by the Company of its rights under this Clause shall be without prejudice to any other rights or remedies available to the company under these Terms, or otherwise at law or in equity.

## 7. DOCUMENTATION

7.1. In accordance with all applicable laws and regulations and accepted market practice, the Intermediary must pass on immediately, without amendment, any documentation which is either supplied by the Company for the benefit of or completion by the Client, or provided by the Client in relation to the General Insurance policy.

7.2. The Company reserves the right to send communications directly to the Client.

7.3. The Intermediary must produce to the Company, on demand, such records, books and accounts and in such manner and form as the Company may reasonably require in connection with Business effected with the Company.

## 8. DATA PROTECTION

Some or all of the information supplied to the Company will be held on computer and paper. This information may be accessible by other administration providers within the Company. If this happens your data will remain confidential and will not be used for any purpose not covered within these Terms

## 9. PROHIBITION OF CROSS-SELLING TO CLIENTS

The mechanisms embodied in Protect Commercial Insurance™ are designed to facilitate the cross-selling of General Insurance policies by the Intermediary through the agencies held by the Company.

9.1. The Company hereby warrants that the information provided to us by the Intermediary for the purpose of arranging General Insurance policies for their Client(s), will be used solely for the purpose of transacting those policies. No record will be created, stored or passed on to any other third party organisation for any other purpose.

9.2. The Client(s) for whom such insurance policies are arranged will not be approached by Us regarding any other products or services. It is intended that all product cross-selling is done by the Intermediary.

9.3. Without prejudice to any obligations of confidentiality it may have, where either party has access to information which is personal data, as defined in the Data Protection Act 2018, as a consequence of the arrangements contemplated by this Agreement it shall:

9.3.1. comply and ensure that all its personnel comply with all their respective obligations under the Data Protection Act then in force;

9.3.2. keep such information secure;

9.3.3. not export such information outside the European Union without consent; and

9.3.4. allow the other party or its authorised representatives such access to premises, systems and records containing such information as is necessary to ensure compliance with this clause.

## 10. USE OF ELECTRONIC SERVICES

10.1. Use of the services available to Intermediaries on the Company's Internet websites shall be subject to these Terms and any on-line terms and conditions notified to the Intermediary by way of the said services or by any other means.  
10.2. Email communications are not necessarily secure and may be intercepted or changed after they are sent. The Company does not accept liability for any such changes.

## 11. TRAINING, MONITORING & COMPLIANCE SUPPORT

11.1. For the avoidance of doubt, while the Company will make available its compliance and compliance monitoring facilities to the Intermediary, it does not take any responsibility for the acts or omissions of those Intermediaries as they pertain to compliance with the regulatory regime prevailing from time to time for the General Insurance policies transacted through Protect Commercial Insurance™.  
11.2. The Intermediary accepts and undertakes to comply with those principles and rules of the FCA or relevant regulatory body to the full extent that such principles and rules are applicable to the General Insurance policies being sold.  
11.3. The Intermediary shall at all times conduct itself in line with the standards of best practice at point of sale specified in the prevailing regulatory guidelines issued by the FCA and/or other such bodies as become relevant. The Intermediary shall ensure compliance with all applicable regulations and standards relevant to the transaction, as amended or replaced from time to time.  
11.4. The Company shall be granted full access to the Intermediary's premises at any time during normal business hours for the purposes of monitoring or investigating the Intermediary's compliance with the prevailing regulatory requirements as may apply at the time in question. To this end, access shall be granted to all files, documents and other records relating to insurances affected under these Terms, whether stored in physical or electronic format; along with the right to make copies of any such records.

## 12. PROFESSIONAL INDEMNITY COVER

You shall obtain and maintain in force at all times, professional indemnity insurance in accordance with the requirements of the FCA and any subsequent relevant regulatory regimes. The policy shall indemnify you against losses from claims made against you;

12.1. for breach of duty in connection with the Business by reason of any negligent act, error or omission; and  
12.2. in respect of libel or slander or in Scotland defamation, committed in the conduct of the Business by the insured, any employee or former employee of the insured, and where the Business is or was carried on in partnership, any partner or former partner of the insured;  
12.3. by reason of any dishonest or fraudulent act or omission committed in the conduct of the Business by any employee (other than a director of a body corporate) or former employee (other than a director of a body corporate) of the insured; and against claims arising in connection with the Business in respect of:  
12.4. any loss of money or other property whatsoever belonging to the insured or for which the insured is legally liable in consequence of any dishonest or fraudulent act or omission of any employee (other than a director of a body corporate) or former employee (other than a director of a body corporate) of the insured; and  
12.5. legal liability incurred by reason of loss of documents and cost and expenses incurred in replacing or restoring such documents.

The Professional Indemnity cover outlined in the clauses above shall offer levels and limits of cover as required by the FCA or other applicable prevailing regulatory body; and shall apply to all instances involving General Insurance Business conducted through the Agencies held by the Company and facilitated by any of Protect Commercial Insurance Software Systems.

## 13. VARIATION

The Company reserves the right to vary these Terms, including the Agency Agreement, subject to 7 days notice being given to the Intermediary, except in circumstances where changes in the rules of a relevant regulatory organisation or any applicable law are such as to require the changes to these Terms to take effect earlier than that date, in which event such changes shall have effect on such earlier date and notice of variation shall be given as soon as reasonably practicable. Such variation shall not affect contracts in force or proposals for contracts received by the Company before the variation to these Terms takes effect.

## 14. TERMINATION

14.1. Without affecting or restricting the general powers of the Company, these Terms may be terminated at any time by either party after 14 days written notice to the other party so that no new Business shall be placed with or accepted by the Company.  
14.2. These Terms may be terminated by the Company with immediate effect so that no new Business shall be placed with or accepted by the Company, and without liability on the Company's part, by written notice to such effect to the Intermediary on the occurrence of any one or more of the following:  
(i) Any material breach by the Intermediary of any of the previous contained within these Terms;  
(ii) Misconduct or neglect on the part of the Intermediary which is or could be prejudicial to the Company's business or reputation.  
(iii) Revocation or suspension of the Intermediary's authorisation by any relevant regulatory body.  
(iv) Cessation or suspension or intended cessation or suspension of the Intermediary's operation.

(v) Litigation or reconstruction involving the Intermediary including (without limitation of the foregoing) bankruptcy, dissolution, administration, winding up or seizure of assets.

14.3. Any termination of these Terms by the Company shall be without prejudice to any other remedies that the Company may be able to pursue against the Intermediary including remedies that the Company may be able to pursue against the Intermediary in respect of accrued rights under these Terms.

14.4. The Intermediary shall keep the Company advised in writing of any facts known to it within the scope of 13.2(i) to 13.2(v) above.

## 15. CONSEQUENCES OF TERMINATION

15.1. Consequent to the Company having given notice of termination to the Intermediary in accordance with Clause 13 above, or having received notice of termination of Agency from the intermediary or cancellation of subscription to Protect Commercial Insurance Insurance, for any reason other than retirement, the Intermediary shall:

(i) cease any and all promotion of the Company's products;

(ii) repay all sums then and subsequently outstanding to the Company;

(iii) be entitled to any unpaid initial commission and forfeit entitlement to all other commission, including renewal commission, falling due after the date of termination.

(iv) continue to indemnify the Company against any and all liability which may result from a complaint about the intermediary's conduct in connection with any policy sold through Protect Commercial Insurance™. In the event of a complaint about the intermediary's conduct being received and dealt with by the Company, the Company retains the right to deduct any associated costs (including any financial compensation paid to the complainant) from any commission that the intermediary would otherwise be entitled to.

## 16. APPLICABLE LAW AND JURISDICTION ETC.

16.1. These Terms of Business shall be governed by and construed in accordance with the laws of England and Wales.

16.2. Any failure or delay by the Company or the Intermediary to exercise or enforce any rights under these Terms and/ or in law shall not be deemed to operate as a waiver of any such rights nor prejudice their enforcement in any way.

16.3. Neither the rights nor the obligations of the Intermediary may be assigned, transferred, sub-contracted or otherwise disposed, in whole or in part, without the prior written consent of the Company.

16.4. This statement supersedes all other communications, representations or warranties relating to the subject matter hereof which may have been made prior to the date hereof.

16.5. The parties do not intend that any term of this statement should be enforceable as a result of the Contracts (Right of Third Parties) Act 1999 by any person who is not a party to this Agreement, except where specifically stated to the contrary.

## 17. RESPONSIBILITY AND LIMITATION OF LIABILITY

17.1 Subject to clause 16.3, neither party shall be liable to the other under these Terms for any loss of revenue, profits, anticipated savings, goodwill or indirect or consequential loss or damage.

17.2 Protect Commercial Insurance Solutions Ltd shall be responsible for Protect Commercial Insurance™ and any shall be responsible to the Intermediary for any loss, liability or expense the Intermediary may suffer or incur in relation to the operation of Protect Commercial Insurance™ as contemplated in these Terms except in relation to any representations or warranties the Intermediary makes in relation to Protect Commercial Insurance™.

17.3 Clause 16.1 shall not apply to loss or damage arising out of or in connection with death or personal injury or fraudulent misrepresentation.

17.4 Both parties agree that these exclusions and limitations of liability in these Terms are reasonable.

## 18. FORCE MAJEURE

18.1 Neither party will be liable to the other party for any breach of it's obligations under these Terms resulting from causes beyond it's reasonable control (an "Event of Force Majeure"). If a default due to an Event of Force Majeure shall continue for more than 31 working days then either party shall be able to terminate these Terms without further liability.

## 19. ENTIRE AGREEMENT

19.1 These Terms set out the entire agreement and understanding between the Company and the Intermediary with respect to the subject matter of these Terms. These Terms supersede all previous Terms, arrangements and understandings between the Company and the Intermediary (whether oral or written) with respect to the subject matter of these Terms, which shall cease to have any further force or effect, provided that this clause shall not exclude any liability for, or remedy in respect of, death or personal injury or fraudulent misrepresentation.



## TERMS OF BUSINESS

[WWW.PROTECTCOMMERCIAL.CO.UK](http://WWW.PROTECTCOMMERCIAL.CO.UK)

If you require any further information that is not covered in this document or simply wish to discuss any issues in more detail, please contact us on 02921 677140 or [info@protectcommercial.co.uk](mailto:info@protectcommercial.co.uk)

Protect Commercial Insurance is a trading style of Protect Commercial Insurance Solutions Limited.  
Registered in England & Wales No. 08365670

Registered Office: 33-35 West Bute Street, Cardiff, CF10 5LH.  
Protect Commercial Insurance Solutions Limited is authorised and regulated by the Financial Conduct Authority