



George Stubbs Insurance Services Limited Terms of Business

Our Status

The Financial Services Authority regulates sales, advisory and service standards, to make sure that general insurance clients are treated fairly. George Stubbs Insurance Services Limited (GSIS Ltd) of South Inch Business Centre, Perth PH28BW is an independent Insurance Intermediary and is authorised and regulated by the Financial Services Authority (FSA). Our FSA registered number is 308729. Details of our firm can be checked on the FSA Register on www.fsa.gov.uk/register or by telephone on 0845 606 1234.

Definitions

The FSA rules classify customers into two types, namely:

- **Retail**, defined as *an individual who is acting for purposes which are outside his trade, business or profession*; or
- **Commercial**, defined as *a customer who is not a retail customer*.

Some of the FSA rules vary, dependent on whether you are a retail or commercial customer. Where such variations affect this Terms of Business, they have been clearly highlighted in the paragraph headings.

Our service includes:

- Investigating and assessing your insurance needs
- Advising you on your insurance needs
- Arranging your insurance cover with insurers to meet your requirements; and
- Helping you with any ongoing changes you have to make

Whose products do we offer

We offer products from a range of insurers. There may be instances when GSIS Ltd. will need to refer cases to third party specialist insurance brokers. Should this be the case, we will tell you the basis of the arrangement.

Charges / Fees

GSIS Ltd. is normally paid a commission by an insurance provider for arranging a policy. In addition to the premiums charged by insurers, we reserve the right to make additional charges to cover the cost of administration of your policy. In such an event we will notify you in advance of these charges in writing. Brokerage and fees are earned for the policy period and we will be entitled to retain all fees and brokerage in relation to policies placed by us in respect of the full policy period.

Claims handling

GSIS Ltd. does not have a delegated authority to pay claims and in the event of a claim we will act on your behalf by assisting you in making that claim and pass details onto the insurer.

Cancellation Rights (note: applies only to Retail customers)

You have a right to cancel the contract within a specified time period. The period of cancellation is 14 days for a general insurance contract. The cancellation period begins on the later of:

- the day of the conclusion of the contract; or
- the day on which you receive the contractual terms and conditions and information in a durable medium.

Complaints Procedure

If you have a complaint concerning the service you receive from us please write to the Compliance Director at the address on the bottom of this document. Complaints we cannot settle may be referred to the Financial Ombudsman Service (FOS), subject to eligibility (see below).

Compensation arrangements

If you make a valid claim against GSIS Ltd. in respect of the insurance we arrange for you and we are unable to meet our liabilities in full, you may be entitled to redress from the Financial Services Compensation Scheme (FSCS). This depends on the type of business and the circumstances of the claim (see below).

Insurance arranging and advising is covered for 100% of the first £2000 and then 90% of the remainder without any upper limit. For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim without any upper limit.

Further information about compensation arrangements is available from the Financial Services Compensation Scheme (FSCS) and the Financial Services Authority.

Eligibility for using FOS or FSCS

All clients who are buying insurance for themselves as a private individual ('Retail' client) and 'Commercial' clients, where the business for which they are purchasing insurance has a turnover of less than £1M per year, are eligible to use these two facilities.

Businesses purchasing insurance that have a turnover greater than £1M per year are not eligible to use these services.

Protection for clients' assets:

European legislation has set out necessary measures that should be taken by insurance firms to offer adequate protection for clients' assets when the firm is responsible for them. There are two particular approaches, which firms can adopt:

- 1) The first is to provide by law or contract for a transfer of risk from the insurance intermediary to the insurance provider (often referred to as 'binding authorities' or **risk transfer**)
- 2) The second is that clients' money is transferred to strictly **segregated client trust accounts**. These client accounts can be written under a statutory or non-statutory trust.

Holding Money as an Agent of an Insurer (Risk Transfer)

When an insurance intermediary such as GSIS Ltd. acts as agent for an insurer the insurer bears the risk for any losses that may arise from the (albeit unlikely) failure of an intermediary to make a transfer of premiums, claims money or premium refunds. Such failure could occur, for example, because it is lost through either party's insolvency. When the insurer bears the risk for such losses, we, and the industry, often refer to this as risk transfer.

For the majority of insurers with which we transact business, GSIS Ltd. acts as the agent for the purpose of:

- receiving and holding premiums [i.e. we have the authority to commit the insurer to risk]
- premium refunds [(i.e. we have the authority to make refunds of premiums on behalf of the insurer.

In theory, clients should be adequately protected because premiums will be treated as being received by the insurer when we actually receive them. Claims money and premium refunds will only be treated as received by you when they are actually paid over to you.

Client Money Accounts

Where GSIS Ltd. does not act as agent of an insurer, when you pay your premium to us, we hold it in a non-statutory trust client money account.

Consent to use of Non-statutory trust client bank account

Unlike a statutory trust, a non-statutory trust may be used to make advances of credit, to enable a client's premium obligation to be met before the premium is remitted to GSIS Ltd.. Similarly, it allows claims and premium refunds to be paid to a client before receiving remittance of those monies from the insurer.

An intermediary firm may only operate a non-statutory trust if it can meet certain conditions laid down by the FSA. We can reassure you that GSIS Ltd. meets these conditions and other requirements as set out under the FSA client money rules. If you are uncertain as to how the use of a non-statutory trust affects you, please feel free to clarify with one of our members of staff.

In signing these terms of business you consent to GSIS Ltd. holding your money in a non-statutory trust client bank account.

Payment of Interest on Client money Accounts

On monies pending in the client trust account GSIS Ltd. does not expect any interest due to exceed £20 per retail client transaction. It is the firm's general policy to retain interest earned on any monies held.

Transfer of retail client money to a third party

DECLARATION AND CONSENT

1. Terms and conditions of business

I/We consent to the above Terms of Business and I/We hereby authorise the transfer of information between such third parties, as described above, on a confidential basis when warranted. I/We agree that the Terms of Business will come into effect from the date of receipt.

2. Consent for your personal data to be used for marketing purposes

I/We consent that GSIS Ltd. use my personal details so that they may inform me of other products and services which may be of interest, either by telephone, post, or other appropriate methods.

If you **DO NOT** wish your personal data to be used for marketing purposes (point 2. above), tick this box

Signature

Date

Print Name:

Signature

Date

Print Name:

Note: If you change your mind, in the future, and decide you **no longer wish** to receive marketing information from us, or for us to disclose information about you to other parties for marketing purposes, simply tell us when you next call, or write to us.

As a retail client your premium may be paid to someone other than your insurer - for instance we may pay your premium to another broker who has arranged the policy. If this is the case we will use appropriate skill, care and judgment in our selection of third parties in order to ensure adequate protection of client money.

Data Protection

So that we may fully understand your circumstances and requirements, GSIS Ltd. will need to collect information about you which we will hold as Data controllers under the Data Protection Act 1998. GSIS Ltd. will use and disclose the information we have about you in the normal course of arranging and administering your insurance.

You agree that GSIS Ltd. may on occasions use your personal details or share your information with other carefully selected organisations, so that they, or we can inform you of other products and services which may be of interest, either by telephone, post, or other appropriate methods.

If you do not wish to receive such marketing information from us, or to allow us to disclose information about you to other parties for marketing purposes, please mark the tick box included within the declaration at the end of this document.

Please note that by signing these Terms of Business you specifically agree to information about you being used / disclosed in the manner described.

Termination of this agreement

Termination is without prejudice to any transactions already initiated, which will be completed according to these terms of business unless otherwise agreed in writing. You may terminate your instructions to us at any time. We reserve the right to require such termination to be in writing. We may terminate this agreement by giving you a minimum of fourteen days notice. No penalty shall be payable on any termination but we shall be entitled to remuneration for work undertaken prior to such termination. Any such termination shall be subject to completion of any transactions, which are in progress at that time.