

Lycett, Browne-Swinburne Et Douglass Ltd and its trading divisions, of Milburn House, Dean Street, Newcastle upon Tyne, NE1 1PP. Telephone: 0191 232 1151 Fax: 0191 232 1873 e-mail: info@lycetts.co.uk website: www.lycetts.co.uk

This document sets out the basis of the agreement under which we conduct our business and offer our services to you. You should keep a copy of this agreement with your insurance papers.

Lycett, Browne-Swinburne Et Douglass Ltd (Lycetts) referred to in this document as we/us was established in 1961. We are one of the largest independent insurance brokers and one of the leading farm and estate insurance brokers in the country. We have a number of regional offices which provide full nationwide cover for our clients. As an independent intermediary we have access to a wide selection of insurance companies, the Lloyd's market and also a number of specialist insurance and underwriting schemes.

Lycett, Browne-Swinburne Et Douglass Limited is a wholly owned subsidiary of Lycetts Holdings Limited. Lycetts Financial Services Limited is a wholly owned subsidiary of Lycett, Browne-Swinburne Et Douglass Limited. For full details of the Lycetts group of companies please see our website www.lycetts.co.uk.

Our holding company has a 40% shareholding in Amlin Plus Ltd, a joint venture with Amlin Plc, which is a service company for the Amlin Lloyd's Syndicate 2001. The service company administers underwriting activity only and does not participate in the underwriting of risks.

## Regulatory Status

We act as independent insurance brokers working on your behalf. We are authorised and regulated by the Financial Services Authority. Our registered number is 310623. Registration number and details can be checked on the FSA's register by visiting the FSA's website at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FSA on 0845 606 1234.

## Confidentiality

Unless required by law, public interest, statutory requirements of our regulator the FSA or you give your consent, information which you supply will be kept confidential to us and the parties involved in the normal course of arranging and administering your insurance. Under the Data Protection Act 1998 you have the right to see personal information about you that we hold in our records. Should you have any queries please write to us at the above address.

You agree that we and other companies in our group may hold and process by computer or otherwise any information provided by you in order to provide our services to you.

## Disclosure of Information

It is important that you understand that any information, statements or answers made by you to us or your insurer are your responsibility throughout the term of the policy and must be correct. Your attention is particularly drawn to the importance of the declaration and signature on any insurers' proposal forms. Any failure to disclose facts material to the insurance or any inaccuracies in your answers may invalidate your insurance cover in part or in whole, and could mean that part or all of a claim may not be paid. Facts material to the insurance are matters or information which may influence your insurer as to the acceptability or otherwise of your proposal or renewal and must be disclosed at the earliest opportunity and certainly at each renewal. You are advised to keep copies of documentation sent to you or received from us for your protection. Please do consult us if you are in doubt on any aspect.

## Service Standards

Lycetts provide information and advice to clients on the basis of either a full and fair analysis of the insurance market, placing with one of a limited range of insurers or placing with one specific insurer. This enables us to provide you with advice which suits your specific needs. You will be advised which method we have used in your suitability letter. On your request we will provide you with an up-to-date list of the insurance undertakings we deal with for each type of insurance contract.

## Negotiation and Placing

We will discuss with you your insurance requirements, the scope of cover, limits to be sought and potential prices. We will assess the financial soundness of the proposed insurance markets using industry recognised criteria and will discuss with you any concerns that may arise. However, we will not in any circumstances act as an insurer nor will we guarantee or otherwise warrant the solvency of any insurer or market.

We will provide you with a Demands and Needs Statement setting out your insurance requirements based on the information you have provided to us. We will take into account only your current circumstances and objectives as might

reasonably be expected to be relevant and enable us to identify your requirements and meet them. We will arrange the most suitable insurance for you to meet your demands and needs and ensure that the level of cover is sufficient to the risks that you wish to insure that the cost is clear and that the relevance of any exclusions, excesses, limitations or conditions are explained to you. During the course of the placement of your insurance we will keep you informed of the progress of our negotiations and identify any inability to fulfil the proposed programme. We will use reasonable endeavours to implement your insurance programme before the intended date of inception, renewal or extension of cover (whichever is appropriate) to meet the FSA time lines and our own service standards.

Insurers may from time to time grant us a binding authority or similar facility under which we will accept business on the insurers' behalf. We may place your insurance business under such a binding authority. These arrangements assist in the prompt and efficient placement of risks and facilitate the service of your business and would be used where they match your insurance requirements or instructions.

If appropriate a policy summary will be provided to you before you conclude the insurance. Where we have given you advice, we will provide a Suitability Statement setting out the reasons for any advice which we have given. If we have not given you any advice we will say so.

On conclusion of the insurance contract we will confirm all details of the cover effected in writing and provide you with a policy document. Although we will check the policy documents we send you, you should carefully examine your policy and other insurance documentation to ensure that the cover arranged on your behalf meets with your requirements. Should it not do so you should advise us immediately. Particular attention should be paid to any policy conditions, warranties and the claims notification provisions as failure to comply may invalidate your cover.

You will provide settlement with cleared funds of all monies due in accordance with the payment date within the terms of credit specified on our invoice, which will detail premiums due, plus any taxes the insurers may be obliged to collect. We will not make any additional charge for fees for our service unless these are fully explained to you in writing beforehand. Should it be necessary to charge a fee for any of our insurance service we will make this clear to you in writing as to the location of the charge and the amount.

It is imperative that you meet all payment dates. Failure to do so may lead to insurers cancelling your policy, particularly where payment is a condition or warranty of the policy. We are under no obligation to pay premium by the payment date to insurers on your behalf.

## Claims

If you have an occasion to claim on your policy you must notify us immediately either in writing, by telephone, by e-mail or fax. Please use the address and numbers set out at the beginning of this document and on your policy summary. Our claims handling services include, upon receiving the required information from you, the notification of the claim or circumstances to insurers; representing you in the resolution of the claim and arranging the collection and or settlement of the claim in accordance with market practice and your policy terms and conditions. Where claims are to be dealt with by insurers directly with you we will provide advice and support as necessary. Where we collect claims payments these will be remitted to you as quickly as possible following settlement of the terms.

We may act as agent for the insurer where we have been granted claims settlement authority. We will advise you if this applies to your claim.

You should not admit liability nor agree to any course of action other than emergency measures needed to be carried out to minimise the loss until you have agreement from your insurers.

You should note that you are responsible for notifying claims or potential circumstances that may give rise to a claim. In order to ensure full protection under the policy you should make sure that you understand that claims need to be notified to us promptly and the failure to adhere to the notification requirements may entitle insurers to deny your claim. In presenting a claim it is your responsibility to ensure that all material facts relating to the claim are disclosed.

Claims may be made against the policy long after its expiry date for certain classes of business. It is important that you keep your policy documents in a secure place. You are obliged to keep a record of your employers' liability insurance certificate for a period of 40 years. This relates to commercial not retail clients.

## Complaints

It is always our intention to provide a first class service. However, should you have any cause for complaint you should in the first instance contact your account handler, either orally or in writing. Your complaint will be acknowledged within five working days advising you who is dealing with the complaint and setting out our complaint handling procedures. You will be advised within the timescales set out as to the resolution of the complaint but if the complaint cannot be resolved within the timescales then we will write to you with an explanation as to the progress and the likely timescale involved. You will be advised of any further redress available to you should you believe the matter has not been resolved to your satisfaction. The complaint may be referred to the Financial Ombudsman's Service. This facility is only available to retail clients and small commercial clients that is those who have turnover not exceeding £1,000,000. You can make a complaint to the Compliance Manager at Lycett, Browne-Swinburne & Douglass Limited, Milburn House, Dean Street, Newcastle upon Tyne, NE1 1PP.

## Financial Services Compensation Scheme

Should Lycetts be unable to meet its liabilities then you may be entitled to compensation from the Financial Services Compensation Scheme. Details are held in your policy documentation.

## Documents

We reserve the right to retain certificates or other policy documents at this office until all payments due under the policy have been met. Any agreed facilities for payment of premiums by instalments through us will be the subject of a written agreement, which will include authority to retain Certificates of Insurance or other policy documents until all payments have been received.

By accepting this agreement, you agree that delivery of any Certificates of Insurance to us shall constitute delivery to yourself in accordance with statute law. Should we withhold any documents we will ensure you receive full details of your insurance cover.

## Notice

Insurers pass information to the Claims and Underwriting Exchange run by Insurance Database Services Ltd and Motor Insurance Anti-Fraud and Theft Register run by the Association of British Insurers. The aim is to check information provided and also prevent fraudulent claims.

Motor Insurance details are added to the Motor Insurance Database run by the Motor Insurers Information Centre which has been formed to help identify uninsured drivers and may be searched by the police to help confirm who is insured to drive. In the event of an accident the Database may be used by insurers and the Motor Insurers Bureau to identify relevant policy information.

## Remuneration

Our remuneration will be either a fee as agreed with you or commission which is a percentage of the insurance premium paid by you and allowed to us by the insurer with whom the insurance contract is placed or where legal and appropriate and with your consent a combination of both. We make no additional charges to the payment made by you for the premiums charged by the insurer. We will advise you if you are paying a fee in addition to your commission and identify separately to you and obtain your permission to do so before we do it.

We accept payment by guaranteed cheque, most major credit and debit cards and cash. You may be able to spread your payments through insurers' instalment schemes or a credit scheme which you could arrange on your behalf through a finance provider. Payment terms are strictly thirty days unless by Direct Debit.

We provide services to insurers that are not directly related to the services provided to you and we receive usual and customary remuneration in recognition of those services.

This remuneration may be a management or administration fee or revenue based upon the volume or profitability of insurance business placed with a given insurer over a specific period or for payments from premium finance companies. These payments recognise the services we provide to the insurer over that given period.

It may be appropriate and for your benefit for us to use another intermediary such as a sub-broker or managing agent to assist us in fulfilling your insurance requirements. These companies may receive usual and customary remuneration for the services they provide.

If you are a commercial client you are entitled, at any time, to request information regarding any remuneration which we may have received as a result of placing your insurance business.

## Client Money

We act as trustees of our client's monies and must meet certain legal and regulatory conditions. We will hold client money separate from our own money with an approved bank segregated in a client bank account designated as subject to a non-statutory trust. Under a non-statutory trust we are entitled to use client money to make advances of credit, for example to pay another client's premium before the premium has been received from the other client and to pay claims and premium refunds to a client before such monies have been received from the insurer.

Where we hold monies in a client bank account we may earn interest on monies held, which will be retained by us.

## Insurers' Monies

On some occasions we will receive the premiums you pay to us as agent for the insurers. This will be the case where we place your insurance under a binding authority or where the insurer has agreed that payment of monies to us is payment to the insurer. This means that, in effect, premium has been paid to the insurer as soon as it is received by us. So, if (for any reason) we do not pay those monies to the insurer, you cannot be obliged to pay again.

Such premiums will be co-mingled with other client money in our client bank accounts.

## Payment to Third Parties

We may transfer client money to another person, such as another broker or settlement agent, for the purpose of effecting a transaction on your behalf through that person. We do however still remain responsible to you in respect of your money.

This may include brokers and settlement agents outside of the UK. The legal and regulatory regime applying to a broker or settlement agent outside the UK may be different from that of the UK and, in the event of a failure of the broker or settlement agent, this money may be treated in a different manner from that which would apply if the money were held by a broker or settlement agent in the UK. You may notify us if you do not wish your money to be passed to a person in a particular jurisdiction.

## Conflicts of Interests

Circumstances may arise where we may find we have a conflict of interest or otherwise have a material interest in or related to a matter in which we are acting. For example, we may be asked to act on behalf of any insurer in the appointment of a loss adjuster or, we may find that the interests of two of the clients for whom we act conflict.

We have conflict management procedures and we seek to avoid conflicts of interest but where a conflict is unavoidable we will explain the position fully and manage the situation in such a way as to avoid prejudice to any party.

The insurance market is complex and there could be other relationships not described here which might create conflicts of interest. Whatever the circumstances we will act in your best interests and, if a conflict arises for which there is no practicable solution, we will withdraw unless you wish us to continue to act for you and provide us with your written consent to that effect.

Your placing of business with us is deemed to confirm your acceptance of the terms of this agreement.

[www.lycetts.co.uk](http://www.lycetts.co.uk)

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Lycett, Browne-Swinburne and Douglass Limited is authorised and regulated by the Financial Services Authority.