



Terms of Business

1. Terms of Business

Melville Burbage Insurance Services Limited (MBIS) is an independent insurance intermediary. Unless we both expressly agree otherwise in writing, this document sets out the general terms and conditions which will govern our professional relationship, and sets out the services that we will provide to you.

We are authorised and regulated by the Financial Conduct Authority (FCA). Our FCA Register number is 474872. Our permitted business is advising, arranging, dealing as agent and assisting in the administration and performance of general insurance contracts. In addition, we are authorised by the FCA in respect of the Consumer Credit Act. These details may be checked on the FCA's Register by visiting the FCA's website, www.fca.gov.uk/register or by contacting the FCA on 0800 1116768.

These terms of business supercede all prior terms of business with immediate effect.

2. Our Service

We are required to comply with the FCA regulations relevant to an Insurance Intermediary. MBIS will:-

- Conduct its business with integrity, and pay due regard to your interests and treat you fairly.
- Conduct its business with due skill, care and diligence.
- Pay due regard to your information needs and communicate information to you in a way which is clear, fair and not misleading.
- Give adequate explanation to enable you to make an informed decision.
- Manage conflicts of interest fairly, both between you and another client.
- Meet our regulatory requirements to protect your premiums.
- Take reasonable care to establish and maintain such systems and controls as are appropriate to our business.
- Comply fully with the Consumer Credit Act, if applicable to you.

Please Read This Document Carefully

We would urge you to read this document carefully, and use the information to decide if our services are right for you.

It sets out the general terms on which we agree to act for our clients and contains details of our regulatory and statutory responsibilities.

3. Relationships

As an independent insurance intermediary, we act as the agent of our client. We are subject to the law of agency, which imposes various duties on us. However, in certain circumstances, we may act for and owe duties of care to other parties. We will advise you when these circumstances occur to ensure that you are aware of any possible conflict of interest.

For some types of insurance, we deal with a panel of Insurers; for others we deal exclusively with a single insurer which we have selected as offering value for money and good quality service. Lists are available on request.

We will advise and make a recommendation to you 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, or we will advise you of any inability to place your insurance.

In certain cases, we have an authority delegated by Insurers to bind insurance(s). Where your insurance is placed pursuant to such a binding authority arrangement you will be specifically advised of it. In these circumstances, to the extent your insurance is placed under a binding authority, in dealing with the underwriting and administration of your insurance, we will be acting primarily on behalf of Insurers.

4. Selection & Solvency of Insurers

Our selection of Insurers is generally based on our knowledge and experience of the relevant market sector, its products, our preference to deal with a limited number of Insurers in each market sector with whom we can develop trading relationships to the advantage of our clients and the financial standing of the Insurer.

We use all reasonable endeavours using publicly available information, to monitor the financial standing of Insurers and only to use Insurers who have a satisfactory financial status. The financial standing or responsibility of any Insurer can, of course, change after the insurance has inception. We accept no responsibility for the financial performance of any Insurer and will not be responsible in any circumstances if they are unable, for whatever reason, to meet their obligations to you.

The final decision on the suitability of an Insurer will rest with you. If you have any concerns about the Insurer we are using to provide cover, please contact us immediately.

5. Duty of Disclosure, Claims and The Insurance Act 2015

5.1 Pre-contractual disclosure: The Duty to Make a Fair Presentation

Your duty to the insurer is to make a 'fair presentation' of the risk. You thus have a duty to provide us with this information at all times. It is important that you ensure that all statements you make on proposal forms, statements of fact, claim forms and other documents are full and accurate. Your duty requires you to undertake a reasonable search of the information available to you or ought reasonably to know. If this duty is breached, the Insurance Act puts in place a new range of proportionate remedies which Insurers can apply depending upon the action they would have taken had the correct information been disclosed. If the failure in disclosure is deliberate or reckless, or if Insurers would not have entered into the contract at all, Insurers remain entitled to avoid the contract entirely.

Importantly, the Act requires you, the policyholder, to undertake a reasonable search of the information available to you and defines what you as a policyholder knows or ought to know. Therefore, you should make sure you have made full and appropriate enquiries/investigations of your colleagues and appropriate third parties before supplying information in respect of your insurance policy.

5.2 Claims

Proper Notification of Claims and an Insurer's Remedies for Fraudulent Claims

You must notify us as soon as possible of a claim or circumstances which may give rise to a claim. We will employ due care and skill, together with promptness and fairness, if we act on your behalf in respect of a claim.

If a fraudulent claim is submitted, Insurers may have the right to refuse any claim arising after the fraudulent act. Previously valid claims are unaffected. All claims must be honestly and accurately reported, and we will not accept any responsibility to you if claims are not so reported.

If a member of a group insurance makes a fraudulent claim, the

right to refuse claims resulting from the fraud will only apply to the fraudulent individual and not to the other members or the insurance policy as a whole

5.3 Your Duty to Check Documentation Thoroughly

You should read all insurance documents issued to you and ensure that you are aware of the cover, limits and other terms that apply. Particular attention should be paid to any warranties, clauses, exclusions, endorsements and/or conditions as failure to comply with them could invalidate your policy or result in that all, or part of, a claim not being paid.

You should inform us immediately of any inaccuracies in the documentation or changes in circumstances that may affect the services provided by us or the cover provided by your policy.

Please note that if you fail to advise us of any inaccuracies in your documentation or fail to disclose any material information to your Insurers as set out above, this may render your insurance cover invalid and could mean that all or part of a claim may not be paid.

If you are unsure as to whether information is material you should discuss this with us and we will advise you accordingly.

Please review and ensure your sums insured, estimates and indemnity limits are accurate and adequate, underinsurance may result in your insurers reducing or refusing to pay a claim.

6. Payment Methods, Terms & Credit Consent

6.1 Payment Methods

We accept payment by cash, bank transfer, cheque, debit and most credit cards and where available instalments. Payment terms are strictly as follows: payment to be made prior to the inception date, renewal date or in the case of mid-term adjustments, the date cover was arranged or agreed. Alternatively, and only where agreed in writing, payment is to be made within 14 days of the aforementioned dates.

Where Insurers have specified that the premium must be received by a certain date, failure to comply can result in the automatic termination of your insurance contract.

6.2 Failure to Pay Premiums

If you do not make other arrangements with us to pay your insurance premiums, you acknowledge and agree that we may instruct on your behalf any relevant insurer to cancel the insurance and to collect any refund of premiums which may be made by the insurer. If you have taken out a finance facility, this also may result in additional charges by your finance provider (see below) and action may be taken against you to recover the debt (as applicable and stated in their documentation to you).

6.3 Payment of Premium using Third Party Instalment Facilities

If you choose to pay for your insurance premium using an approved instalment provider, your personal information, including bank details, will be passed to the provider and they will contact you directly in order to manage your chosen payment plan with them. We may receive a commission for introducing customers to a finance provider. We will provide you with a breakdown of the costs of your monthly instalments and you will subsequently receive a document outlining key features of the finance provider's credit agreement with you. It is important that you take the time to read all documentation and must contact us if you do not receive this information, as it will start to help you decide if the provider's product is right for you.

If you have any queries or questions either about the service provided by the finance provider or terms and conditions, you should in the first instance be directed to them. Where your policy is paid via a finance provider and you choose to renew your cover, we will continue to pass your details onto the finance provider unless you instruct us otherwise. If any direct debit or other payment due in respect of the credit agreement to pay premiums is not met when presented for payment, or if you end the credit agreement, or if you do not enter into a credit agreement, we will be informed of this by the chosen finance provider.

Upon receiving your strict acceptance to pay for insurance premiums through our finance provider, we will instruct them to proceed with your application for credit. The provider may use a credit reference agency that leaves a record of the search or other information about you to carry out credit and anti-money laundering checks. You are entitled to request details of any credit reference agency consulted should this information be required.

If your application for credit is accepted in full, we would expect you to receive a welcome letter from our finance provider, details of pre-contractual Information and full terms and conditions of their credit agreement with you. It is your responsibility to ensure you take the time to read any documentation sent by the finance provider to ensure it meets your needs and financial circumstances. To account for any adjustments to your policy or future renewal, your agreement may have no fixed duration and so can remain in force until it is cancelled. Your credit agreement may be completed online, or sent to you at a later date to be signed and returned, if the credit agreement is not signed then your policy may be affected. To ensure your cover remains in force, the finance provider may begin collecting your direct debits before you accept and return your signed credit agreement.

We remind you to please read carefully the pre-contractual explanations and the information regarding the cost of credit (including any representative examples). Together this will provide you with important information in relation to the credit facility available from them.

To use the credit providers facility, you must be resident in the UK, aged 18 years or over and hold a bank or building society current account which can support direct debit payments and have not been declared bankrupt. Credit is available subject to status.

You have the right to cancel the credit agreement with any finance provider within 14 days from the day on which the agreement was made or the day on which you received the terms and conditions, whichever is later. You can do this without reason and by notifying either the finance provider or ourselves by phone, email or in writing. Once you have signed the credit agreement and the cooling off period has ended, any further rights you may have to cancel your credit agreement will be as stated in the provider's credit agreement or documentation provided to you

7. Conflicts of Interest

In performing our services, situations may arise where there is a conflict of interest. Examples of conflicts can include where we earn a fee from you for performing our services and also earn a commission from an insurer; or where we act as agent of the insurer in settling claims or arranging insurance; or where one client we represent makes a claim against another client we represent. Should such a situation arise, we will advise you so that you can make an informed decision about the conflict (and if applicable, the specific action we will take to manage that conflict).

If you object to the particular conflict, then you will need to advise us. Your instruction or confirmation of an order to arrange the insurance on your behalf will be taken as your informed consent to proceed in the manner proposed. If we feel that it is not possible to manage the conflict fairly, we will withdraw from the arrangement and advise you accordingly.

8. Our Remuneration & Other Administrative Costs

As your insurance intermediary, we earn income in a number of ways. Typically, we will receive remuneration either by way of a commission payment from the Insurers we use and/ or by charging you a fee.

Whenever we charge a fee, that amount will be as detailed below in this document or agreed with you in advance and will be disclosed to you separately to the insurance premium.

Depending on the size and nature of the fee, we may also provide you with a separate fee agreement.

Instead of a fee, or in addition to a fee, we can earn a commission payment from the Insurance Company with whom the insurance is placed and our commission is taken from your premium payment upon receipt. Commission is usually calculated as a percentage of the insurance premium. This percentage will have been contractually agreed between us

and the insurance company. We may earn different percentages for different classes of business and from different insurance companies.

We may also receive additional remuneration from Insurers in respect of the volumes of business placed and/or profit share agreements, on average such additional remuneration has not exceeded 2% of premium. You have the right at any stage to request full details of the income received by us for arranging your policy including all commission and fees.

We make the following charges to cover our administrative costs for these specified activities:-

- 8.1 Arrangement of new policies and renewals
 - (a) Commercial Insurance policies*
 - (i) Premiums up to £5,000 minimum fee £35.00
 - (ii) Premiums between £5,001 and £10,000 minimum fee £50.00
 - (iii) Premiums above £10,001 minimum fee £75.00
 - (b) Retail Insurance policies
 - (i) Motor Insurance policies £30.00
 - (ii) All other Retail policies including Home Insurance £17.50
- 8.2 Mid term policy amendments
 - (a) Additional Premiums £17.50
 - (b) Return Premiums including cancellations – commission clawback + £17.50
- 8.3 Motor Claims Management including Legal Costs & Emergency Hire Car cover £15.00 per vehicle
- 8.4 Household Legal Expenses £20.00
- 8.5 Late Payment Fees – Commercial Insurance Policies (payments outside allowed credit period)
10% of outstanding amount.

*Please note that additional fees may be charged for on Commercial Insurance policies where arranging or placement of a policy involves notably more work or where the level of commission is lower than the average for the class of business. We will disclose fees to you prior to cover being arranged. withdraw from the arrangement and advise you accordingly.

9. Terminating our Appointment

Unless otherwise agreed in writing, either you or we may terminate our appointment to act as your agent in relation to the insurance by giving at least 30 days' prior notice in writing.

Where we arrange a finance agreement and you cancel or default on an agreement, we reserve the right to recover any unpaid premiums or charges or monies we have lost as a result of the cancellation or default, such as commissions and fees.

As our commission or fee for bringing about or arranging the insurance is fully earned when the insurance commences, any

unpaid commission or fee will become immediately due and payable to us upon termination of our appointment.

10. Your Personal Data

We will at all times treat all confidential information we hold about you or any other person insured under your policy (including any information that constitutes 'personal data' or sensitive personal data under current legislation) as private and confidential and protect it in the same way we would protect our own confidential information. We will not disclose any such confidential information to others without your prior consent except:

- 10.1 to the extent we are required to do so by law or a regulator;
- 10.2 to Insurers, surveyors, loss adjusters and other like persons to the extent necessary to provide our services to you in a timely manner;
- 10.3 to loss assessors, lawyers and other like persons to enable such third party to provide information or service you or any other insured person has requested; or
- 10.4 to premium finance companies to the extent necessary to enable them to provide you or the assured with greater choice in making premium payments.

We may communicate with each other, or with other parties, with whom we need to communicate in order to provide services to you, by electronic mail, sometimes attaching further electronic data. By engaging in this method of communication, you accept the inherent risks, including the security risk of interception of, or unauthorised access to, such communications, the risks of corruption of such communications and the risks of viruses or other harmful devices. Notwithstanding that we have reasonable virus checking procedures on our system, you will be responsible for virus checking all electronic communications sent to you. withdraw from the arrangement and advise you accordingly.

11. Financial Services Compensation Scheme (FSCS)

If MBIS fails, then you may be entitled to compensation under the Financial Services Compensation Scheme (FSCS) if we cannot meet our obligations.

In addition to consumers, this may apply to businesses depending on the size of your firm, the type of business you carry out and the circumstances of your claim.

For compulsory classes of insurance (such as employers' liability and motor insurance) compensation is available for 100% of the claim, without any upper limit.

For non-compulsory classes of insurance, compensation is available for 90% of the claims, without any upper limit.

No compensation is available under the scheme in respect of marine, aviation, transport or credit insurance or for reinsurance.

12. Money Laundering, Bribery & Sanctions

We are obliged to take reasonable steps to safeguard our company and our clients against the risk of financial crime. To achieve this, we may need to ask you to provide us with additional information to help establish proof of identity or legitimacy of any insurance transactions you ask us to undertake on your behalf. We will not agree to make payments to unknown third parties where we have had no direct dealings or knowledge of an involvement on your account. You agree not to make or receive payments to or from any third parties in relation to the insurances we arrange (or induce others to make or receive payments) without our prior express agreement.

As an organisation, we have in place anti-bribery and corruption policies and procedures in accordance with applicable laws, regulations and best practice.

We will comply with all applicable sanctions, regimes and legislation (whether currently existing or implemented in the future) and you are advised that where obliged by applicable sanctions legislation we may have to take certain actions which include, but may not be limited to, the freezing of funds held on behalf of parties and individuals caught under applicable sanctions. We cannot be held responsible for the actions of third parties (including, but not limited to, Banks and exchange institutions) who may have their own sanctions policy restrictions and constraints.

13. Receiving & Holding of Client Money

13.1 Client Monies Held on Trust

Client money is any money that we receive and hold in the course of arranging or administering insurance on your behalf, which we treat as client money in accordance with FCA client money rules. These include premiums and claims monies.

Unless we are advised otherwise, all client funds will be held in a special client account (sometimes called a “non-statutory trust account”). This will provide protection for your money by completely segregating your monies from our own money. There are strict regulatory controls on us to maintain solvency of the Client Account and to conduct regular reconciliation of the account. Importantly, client money is ring-fenced and held in trust in the Client Account, and will be returned to you if MBIS enters into insolvency. It cannot be used for the benefit of any other creditors.

Under the rules, money held in the Client Account may be used for payment of premium or claims for another client before their monies are received, but increased credit controls are maintained where this occurs. We are not entitled to use client money to take payment of fees or commission before we receive the relevant premium from a client.

In some cases, where we act for insurers under the terms of a delegated authority agreement, we will act as the agent of Insurers for handling payment of premiums, return premiums and claims. These monies are held subject to ‘Risk Transfer’ i.e. the insurers assume the credit risk in relation to these monies. This means that payment by you of premium to us will be deemed payment to Insurers, and claims and return premiums paid by Insurers through us will not be deemed paid until received by you. Such money will be held within the Client Account.

13.2 Use of Third Parties

We will inform you if we intend to arrange an insurance contract on your behalf, or transfer your money to Insurers, using another person, such as another broker or an outsource arrangement.

You must notify us if you do not wish your insurance arranged with a particular firm or money passed to a particular firm or person in a particular jurisdiction.

13.3 Bank Accounts

We will deposit client money we receive in a Client Account with one or more UK approved Banks.

13.4 Interest on Client Money

Any interest earned on client money held by us will be retained by us.

13.5 Funding of Monies

There may be occasions when we either voluntarily or involuntarily fund certain payments on your behalf or to you, whether in respect of premiums, return premiums, claims or otherwise. We will inform you of such an event, and you accept and acknowledge that such payments were made for your benefit and with your implied authority. You further agree that, unless otherwise paid to us by insurers, you will repay the full amount of such funded payments to us and that, until you do so, the outstanding amount is a debt due from you to us.

14. Limitation of Liability & Force Majeure

14.1 Limitation of Liability

14.1.1 The following provisions of this section set out our entire financial liability (including any liability for the acts or omissions of its employees, agents and sub-contractors) to you in respect of all losses, claims or liabilities arising under or in connection with this Agreement (including in respect of any indemnities) whether in contract, tort (including negligence), breach of statutory duty, or otherwise.

14.1.2 All warranties, conditions and other terms implied by law are, to the fullest extent permitted by law, excluded from this Agreement.

- 14.1.3 Nothing in this Agreement excludes or limits our liability for death or personal injury caused by our negligence or for fraudulent misrepresentation.
- 14.1.4 Nothing in this Agreement excludes or restricts our duty or liability to you under the applicable regulatory system.
- 14.1.5 Subject to clauses 14.1.2, 14.1.3. and 14.1.4 above, our total liability to you, shall in aggregate be limited to £5,000,000 and we shall not be liable to you for loss of or corruption of data, loss of profit, loss of anticipated savings, loss of business, loss of opportunity, depletion of goodwill, additional operational and administrative costs and expenses, the cost of procuring replacement goods or service, or any indirect or consequential loss or damage.

15. Force Majeure

Neither party shall be in breach of this Agreement nor liable for any delay in performing, or failure to perform, any of its obligations under this Agreement if such delay or failure results from the events, circumstances or causes beyond its reasonable control, which shall be deemed to include, but not be limited to the following: act of God; civil commotion; failure of third party suppliers; sabotage; labour dispute and industrial action; delay of Insurers; explosion; or fire; delays or restrictions due to pandemics, and in such circumstances the time for performance shall be extended for a period equivalent to the period during which performance of the obligation has been delayed or failed to have performed, provided that if the period of delay or non- performance continues for 12 weeks, either party may terminate this Agreement by giving 14 days written notice to the other party.

16. Complaints

We are committed to providing you with a high level of customer service at all times. We regard complaints as a very serious area and a key measure of our customer satisfaction. It is our policy that complaints are dealt with as quickly and fairly as possible.

If you wish to register a complaint, please contact us:-

Write to K. Stevens, Managing Director, Melville Burbage Insurance Services Limited, The Old Drummers Arms, 16-18 Northcroft Lane, Newbury, Berkshire RG14 1BU.

Or telephone K Stevens, Managing Director - Tel: 01635 43880.

If you are not happy with the way your complaint has been handled, consumers may be eligible to refer the matter to the Financial Ombudsman Service. Some small businesses may also be eligible.

Full details will be provided in our complaints procedure

document which will be sent to you on receipt of a complaint and when we send you a final written response.

17. Law & Jurisdiction

MBIS undertakes its activities as an Insurance Intermediary in accordance with English law. Any disputes will be governed by and construed in accordance with such laws, and the parties submit to the exclusive jurisdiction of the courts of England.

Please contact us immediately if there is anything in these Terms of Business that you do not understand or with which you disagree, or if you have any questions. If we do not hear from you within 30 days of receiving these Terms of Business or if we receive an instruction or confirmation of an order to arrange cover on your behalf, whether or not within the 30 day period, this will in any event be deemed acceptance by you of these Terms of Business.

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Melville Burbage

The Old Drummers Arms
16-18 Northcroft Lane, Newbury
Berkshire, RG14 1BU

Tel: 01635 43880

www.melvilleburbage.co.uk

Email: info@melvilleburbage.co.uk



British
Insurance
Brokers'
Association

Company Registration No: 06404074 | FCA Registration No: 474872

Melville Burbage Insurance Services Ltd is authorised and regulated
by the Financial Conduct Authority (FCA).

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