

Please read this document carefully. It sets out the terms on which we agree to act for our customers and contains details of our regulatory and statutory responsibilities. **These Terms, dated December 2004, come into force immediately on issue and remain in force until further notice.** Please contact us immediately if there is anything in these Terms of Business which you do not understand or with which you disagree.

1. The Financial Services Authority (FSA)

The FSA is the independent watchdog that regulates financial services. It requires us to provide you with some of the information contained in this document. Use this information to decide if our services are right for you.

2. Lumley Letsure Limited

Lumley Letsure Limited is a subsidiary of Lumley Limited and a specialist in providing insurance products and services for the lettings market.

3. Who Regulates Us?

Lumley Letsure Limited, Hargrave House, Belmont Road, Maidenhead, Berkshire SL6 6TB is authorised and regulated by the Financial Services Authority. Our FSA Register number is 313817. Our permitted business is the sale and administration of non-investment insurance contracts. You can check this on the FSA's Register by visiting the FSA's website www.fsa.gov.uk/register or by contacting the FSA on 0845 606 1234.

4. The Products We Offer

We offer products from a limited number of insurers for Landlords Household Insurance; Tenants Contents Insurance; Holiday Home Insurance and Portfolio Property Owners Insurance.

We offer products from a single insurer for Legal Protection Insurance; Rent and Legal Protection Insurance and Landlords Emergency Assistance. We have delegated underwriting authority from some of the insurers with whom we deal. This means that we have authority to agree cover, issue policy documentation and renewal documentation on their behalf up to agreed levels of authority.

You may ask us for a list of insurers for whom we act. We also provide services that are not regulated by the FSA because they do not relate to cover provided by a non-investment insurance contract. We will advise you if the product is unregulated, before you enter into such a contract.

5. Security

We only use insurers who meet our minimum financial guidelines but we do not guarantee the solvency of any insurer we place business with. A liability for you to pay the premium, whether in full or pro-rata, may arise under policies even where a participating insurer becomes insolvent.

6. The Service We Provide

We will treat all our customers as retail customers. This means that you will receive the highest level of information and protection from us.

We will advise you and make a recommendation for you after we have assessed your demands and needs. We will ask some questions to narrow down the selection of products on which that we will provide details. We will also collect data about your current insurance arrangements and your detailed requirements. You will then need to make your own choice about how to proceed.

Our products are also distributed by our Appointed Representatives. You can check if a firm is a Letsure Appointed Representative on the FSA's Register by visiting the FSA's website www.fsa.gov.uk/register or by asking us. If you arrange your insurance through a Letsure Appointed Representative your demands and needs will be assessed by that Appointed Representative in relation to the Letsure products which they offer.

Our products are also available from intermediaries who are directly authorised, or exempt from authorisation by the FSA. If you arrange a Letsure Product through one of these directly authorised intermediaries you will not receive a recommendation from us.

7. Policy Documentation

All paperwork that we are required to provide will be sent to you by post as soon as possible after the contract is concluded. Where a number of documents relating to a series of transactions are involved, the documents will normally be retained by us until the series is completed. e.g. when we are waiting for an Insurer to send us documentation. Your policy documentation will confirm the basis of the cover, give details of the insurers, and will be accompanied by the following documents:

Key Facts / Policy Summary

- sign posted to relevant sections in the policy wording
- providing details of how you may complain
- providing details on how you may cancel cover
- providing details on your compensation rights

Demands and Needs Statement

- a statement which sets out your demands and needs

You must read this information carefully.

We will issue all documentation to you in a timely manner. Where we issue the documentation, it will normally be within 7 days of the contract of insurance being concluded. Where the policy documentation is to be issued by the Insurer concerned, we will send it to you immediately we have received it from them.

8. Mid-Term Changes

If we are asked to make a mid-term adjustment to your policy, and the change requested results in a change to the premium, the adjustment will be calculated using the terms and conditions and/or prices that apply when you notify us of the change. If the terms and conditions have changed since you commenced or renewed your policy, we will provide you with a written explanation for the changes to those terms and /or conditions, when confirmatory documentation is sent to you. Insurers will not charge a pro-rata additional / return premium if the amount due to you is less than £10.00 including Insurance Premium Tax. We do however reserve the right to charge an administration fee. (See the section headed 'Cost of our Services' below.) If you are paying your premium by instalments and the adjustment premium due from or to you is less than **£100.00** including IPT, the additional premiums will be collected by debit / credit card. Refunds will be settled by cheque or BACS. If your arrangements are being dealt with by an Appointed Representative or other intermediary registered with us, arrangements for premium refunds will be dealt with in the manner you have agreed with them.

9. Renewal

You will be provided with renewal terms no less than 21 days before expiry of the policy, or notified that renewal is not being invited. (**Important – We will write to the last address we have on our file.** If you are a landlord who is no longer using an Agent or we are unable to deal with the Agent you use because they are not authorised to carry out non-investment insurance activities, unless we hold your correspondence details, we will write to you C/O the risk address. **If you do not wish us to do this you must provide us with your correspondence address.** We accept no responsibility for non-receipt of documentation if we send it to the risk address and it is not passed on to you by the occupants of your property.) Attached to the renewal terms will be a statement of any changes to the terms of the policy, and changes to directive-required information (information required under the EU Directives), statement of price and information about cancellation. You will be given an explanation of any change which may appear in your policy and you will be advised of your right to request a new policy wording.

10. Documentation

It is our policy to retain documents for business effected on your behalf in electronic or paper format for up to 6 years. For some types of insurance cover it is possible that a claim may be made under a policy long after its expiry date and it

is therefore important that we and you keep such documents safely.

11. Claims

We also have delegated claims authority with some of insurers, up to agreed limits. If you are unfortunate and have to make a claim, we will act, agree and settle claims within the agreed limits directly with you. For claims that exceed the agreed limits you will deal directly with the insurer concerned. In those circumstances we will provide you with the Insurers contact details.

You must notify us as soon as possible of a claim or circumstances which may give rise to a claim. Full details of how to claim can be found in the Key Facts Document or your policy wording.

We will provide you with assistance in dealing with and / or submitting a claim. However in the event that an insurer becomes insolvent or delays making settlement we do not accept liability for any unpaid amounts.

12. Claims Payments

Claims payment will be made in your favour. If you require a payment to be made to a third party then you must confirm the required payee name and details and provide a brief explanation for your request.

13. Payment of Premiums

Customers can pay initial and renewal premiums over **£99.00** including Insurance Premium Tax in instalments by Direct Debit. If you wish to pay for your insurance by instalments a variable charge may be made for this. Full details will be provided in advance with any new business quotation or renewal quotation we send to you. Alternatively payment may be made by debit/ credit card.

14. The Cost of Our Services

We make charges for some of the services which we carry out. We have produced this information so that you may take these costs into consideration when using our services. Anything which is not a premium is considered to be a fee. Any commission which is due to us is payable out of the premium. Our remuneration may be as a fee and / or as commission, which is a percentage of the insurance premium paid by you and allowed to us by the insurer with whom the insurance is placed. Commission and fees are earned for the policy period and we will be entitled to retain all fees and commission in respect of the full policy period in relation to policies placed by us.

15. New Business and Renewal Administration Fee

When you conclude a non-investment insurance contract with us, we will make an administration charge equivalent to **2%** of the gross premium (before the addition of insurance premium tax). We reserve the right to vary this amount. If we propose to vary the amount we will notify you in advance before you are charged.

16. Mid-Term Policy Adjustments

If you make a mid-term change to your policy, we will make a charge equivalent to **2%** of the gross premium (before the addition of insurance premium tax) to cover our administration costs.

17. Duplicate Documents

Where we provide a copy of a document previously issued to you, we reserve the right to make a **£10.00** charge to cover our administration costs.

18. Cancellation Fee

If you cancel your policy we reserve the right to charge an administration fee of **£25.00**. We will not refund any amount due to you, after having deducted the administration fee that is less than **£10.00**.

We will always notify you of any other fees that may be necessary before we charge you.

19. Client Money

Client money is money that we receive and hold in the course of carrying on non-investment Insurance mediation activities on behalf of our customers. Client money will be held by us or our Appointed Representatives in one of the following ways:

- a) subject to a statutory trust account
- b) subject to a non-statutory trust account or
- c) In accordance with the FSA client assets sourcebook (CASS). This is a sourcebook contained within the FSA's Handbook of Rules

20. Trust Accounts

A trust account protects a customer in the event of the failure of a firm or the failure of the bank or a third party at which the money may be held. If this occurs, a firm's general creditors will not be able to make claims on client money as it will not form part of a firm's property.

Monies related to premiums, claims and premium refunds collected and / or held by us and / or our Appointed Representative will be held on behalf of insurers in accordance with the Terms and Conditions laid down in Terms of Business Agreements in force with those insurers.

The fact that we hold money on trust gives rise to fiduciary duties owed to our customers until client money reaches the insurer or product provider.

We hold client money subject to a statutory trust account.

21. Interest On Client Money

Any interest earned on client money held by us and any investment returns on any segregated designated investments will be retained by us for our own use, rather than paid to you.

22. What To Do If You Have A Complaint

If you wish to register a complaint, please contact us in writing to Letsure, Hargrave House, Belmont Road, Maidenhead, Berkshire SL6 6TB or by telephone on 01628 581 500.

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service.

23. The Financial Services Compensation Scheme (FSCS)

We are covered by the FSCS. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim.

Insurance advising and arranging is covered for 100% of the first £2,000 and 90% of the remainder of the claim, without any upper limit.

Further information about compensation scheme arrangements is available from the FSCS.

24. Data Protection / Proceeds of Crime Act 2002

We are registered under the Data Protection Act 1998 and we undertake to comply with the Act in all our dealings with your personal data. Your personal information will be kept secure.

When you contact us we will ask you for information to evidence that you are who you claim to be.

You should note that we have a duty to report any information to the National Criminal Intelligence Service which may give rise to knowledge or suspicion of money laundering.

25. Law and Jurisdiction

These terms of business shall be governed by and construed in accordance with English law. In relation to any legal action or proceedings arising out of or in connection with these terms of business we both irrevocably submit to the non-exclusive jurisdiction of the English courts.