

# BEECH

## UNDERWRITING AGENCIES LTD

### AGENCY APPLICATION FORM

&

### TERMS OF BUSINESS AGREEMENT

BEECH UNDERWRITING AGENCIES LIMITED  
12 Starnes Court, Union Street, Maidstone, Kent ME14 1EB  
Registered Office: 40 Park Road North, Ashford, Kent TN24 8LY  
Registered in England and Wales No 4198812  
AUTHORISED AND REGULATED BY THE FINANCIAL SERVICES AUTHORITY, FIRM NO. 304391



6 Have any of the persons listed ever had an agency cancelled, declined, terminated or granted on special terms: **YES / NO**

If **yes**, please give full details: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7 Have any persons listed ever been convicted of any criminal offence other than minor motoring offences: **YES / NO**

If **yes**, please give full details: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8 Have any of the persons listed been subject to the following (**answer Yes/No**):

- a. Been served with a petition for an administration order or equivalent?
- b. Received a warning, censure, criticism, or been subject to prosecution or court order at the instigation of any regulatory body?
- c. Involved in any current pending or proposed litigation which is likely to proceed and which may have a material effect on a Director, Principal or Partner?
- d. Been subject to disqualification proceedings?

9 For reference purposes we would appreciate it if you would supply the name & address of the following:

**A** Bankers Name  
Address  
Post Code  
Client / IBA Account No

**B** Accountants Name  
Address  
Post Code

10 Professional Indemnity (**please attach a copy of your P I Certificate**)

Name of Insurer:

Policy No:

Limit of Indemnity £

Renewal Date:

Policy Excess £

## DECLARATIONS

I / We declare that the information given in this application is true and complete and I / We agree that this application shall be the basis of any agency appointment. I / We understand that if any of the information is found to be untrue, that the agency can be terminated at the sole discretion of Beech Underwriting Agencies Limited.

I / We declare that Beech Underwriting Agencies Limited will be advised promptly and in writing:

- a. of any change of address,
- b. of any changes of Directors, Controllers, Principals or Partners,
- c. in the event of the Agent becoming bankrupt, insolvent, going into liquidation, entering into an agreement with any creditors or receivers being appointed,
- d. of any changes in the Capital Structure of the business,
- e. if any Partner, Director or Controller of the Agent is or becomes subject to disciplinary proceedings instituted by any professional or similar body,
- f. of any convictions for Criminal offences (other than minor motoring offences) of any Director, Controller, Principal or Partner occurring after the date of this Application,
- g. if any agency appointment with another Insurer is terminated,
- h. if any registration under GISC / IBRC / BIIBA / FSA is terminated.

I / We also declare to maintain in force professional indemnity cover.

Date.....

Authorised Signatory.....

Position.....

Dear Agent,

## **TERMS OF BUSINESS AGREEMENT**

Beech Underwriting Agencies Ltd is very pleased to advise you that since 14<sup>th</sup> January 2005 we have been regulated by the Financial Services Authority. **The firm number is 304391** and this can be verified by visiting the FSA's web site [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by phoning the FSA on 0845 606 1234.

**Our "Terms of Business Agreement" that are attached need to be signed. Please return one copy to us and keep the other on your files for reference. We must have a signed copy of this document otherwise we will not be able to accept instructions from you on any business.**

### **Risk Transfer / Co-Mingling / Bank Accounts**

All agents should note that risk transfer takes place when the premiums are paid to you, the agent.

The "co-mingling" of premiums is allowed.

We can confirm that when insurance premiums are paid to Beech Underwriting Agencies Ltd they are held in bank accounts as stipulated by the FSA. Beech Underwriting Agencies Ltd does not operate any bank accounts on behalf of any Insurer or Underwriter in respect of claims. All claims payments are made by the Insurers or the Underwriters and all cheques will be made payable to the claimant / insured.

### **Duty of Disclosure / Confidentiality**

We must remind you that you (the agent) have a duty to disclose all material facts including claims information. If there is any doubt as to whether the information is material or not, you should disclose it. The duty of disclosure applies not only to new business and renewals but, throughout the life of the policy.

All information provided to Beech Underwriting Agencies Ltd will be kept confidential to the relevant parties involved as per the Data Protection Act of which Beech Underwriting Agencies Ltd is a subscribing member and will not be released unless required by law or the Insured provides written consent.

If you have any questions or are concerned with any issues please do not hesitate to contact me.

Geoff Stilwell

Managing Director

# TERMS OF BUSINESS AGREEMENT

## Conditions of Appointment as an Agent

- 1 The Appointment of the Agent shall be held at the discretion of the Directors of Beech Underwriting Agencies Ltd ("the Company").
- 2 The Appointment is granted to the Agent and cannot be transferred nor can the rights under it be assigned by the Agent without the consent of the Company.
- 3 The Agent shall at all times promote the Company's products and services.
- 4 The Agent is appointed for the purpose of introducing Insurance Business written within the United Kingdom of Great Britain, Northern Ireland and the Channel Islands to the Company.
- 5 The Agent shall at all times observe these conditions and any amendments subsequently made. The Company reserves the right to vary the conditions at any time in writing to the Agent at the Agent's last known address.
- 6 The Agent must notify the Company immediately and in writing
  - a) if the business address of the Agent changes,
  - b) of any changes in the Ownership, Partners, Directors or Controllers of the Agent or of its capital structure,
  - c) in the event of the Agent becoming bankrupt, insolvent, going into liquidation, entering into a composition with any creditors, having a receiver appointed or ceasing to carry on business,
  - d) if any Owner, Partner, Director or Controller of or employed by the Agent is or becomes subject to disciplinary proceedings instituted by the FSA or other similar body,
  - e) if any Owner, Partner, Director or Controller is convicted of any criminal offence other than minor motoring offences,
  - f) if any Agency agreement with any other Insurer is withdrawn or terminated.
- 7 Any indulgence given or shown by the Company shall not be regarded as creating a precedent for the future.

### Authority

- 8 The Agent has no power to give cover on behalf of the Company or to commit the Company by contract or otherwise or impose any liability on the Company unless expressly authorised in writing to do so.
- 9 The Agent is not Authorised to:
  - a) give Credit for premiums and Insurance Tax ("IPT") on policies initiated by the Agent,
  - b) endorse cheques made payable to the Company,
  - c) issue a policy or endorsement until the premium and IPT has been received in full.

### Commission

- 10 The Agent shall be entitled to receive commission in respect of a particular policy on the following conditions
  - a) the appointment as an Agent was in force at the time the policy was effected,
  - b) the business was introduced by the Agent and the Agent continues to act for the insured,
  - c) the premium for the insurance and IPT has been received in full by the Company.

The Standard Rates of Commission are as follows:

All Package Business	15%
Legal Expenses	15%
Terrorism	5%

- 11 Commission shall be payable to the Agent in accordance with the current rates of commission applying to the Agent. The Company reserves the right to vary the rate of commission or other remuneration generally or in individual cases. Where this occurs the commission will be advised at quotation stage.
- 12 Commission is payable to the Agent on premiums after the deduction of discounts, or rebates and excluding IPT.
- 13 Commission payable to the Agent by the Company in respect of any class of insurance business may be subject to set-off against any monies whatsoever including IPT due to the Company from the Agent.
- 14 If the Company refund the whole or any part of a premium the Agent will be debited with the commission paid or payable on the amount refunded and credited with any refund of IPT.
- 15 Commission shall not be payable on business initiated by the Agent
- a) following termination of the Appointment of the Agent,
  - b) on insurances which are transferred from the Agent at the hand of the Insured,
  - c) in the event of the Agent becoming bankrupt, insolvent, going into liquidation or entering into a composition with any creditors, or having a receiver appointed.

### **Accounts and Settlements**

- 16 The Agent is responsible for all monies received by him in respect of insurance premiums and IPT due to the Company and these monies must be held separate from the funds of the Agent's business in accordance with the requirements equivalent to the those of the FSA and shall not be subject to any charge, set-off or lien.
- 17 Premiums, IPT and any other monies owed to the Company as entered on the Agent's statement of account are to be received by the company within 25 days of that statement date and in respect of Terrorism policies the premiums must be paid to Beech within 21 days of inception.  
The Company reserves the right to impose interest charges at Base rate plus two percent where credit terms are exceeded.
- 18 All policies, renewal notices, certificates of insurance, endorsements and other similar documentation received by the agent from the Company shall be forwarded to the relevant Insured promptly (Subject to Condition 9c).
- 19 At the Company's request an Agent will be responsible for collecting a provisional premium plus IPT if applicable from the Insured where insurance cover has been effected pending completion of negotiations and issue of documentation. Provisional premiums and IPT will be debited to the statement of account in the normal manner.
- 20 Late notification (i.e. more than 28 days from the effective date of cover) by an Agent of cancellation of cover or failure to collect a premium and IPT may result in the Agent being liable for the premium and IPT.
- 21 Any deviation from the standard terms must be agreed in writing with the Managing Director of the Company (or his delegated representative) and is to form part of this agreement.

### **General Conditions**

- 22 All proposals (WHERE APPLICABLE) and notifications of claims are to be forwarded to the Company within 3 working days of receipt.
- 23 The Company does not recognise any claim for a sole and exclusive Agency on any type of insurance and reserves the right to appoint such additional Agents as it sees fit.
- 24 In the event of unsatisfactory conduct by the Agent (to be determined at the sole discretion of the Company) the Company reserves the right to:
- a) retrospectively lapse insurance cover from last renewal date if payment terms are exceeded,
  - b) communicate directly with the Insured or clients of the Agent in respect of insurance matters on whose behalf the Agent has been dealing with the Company,
  - c) take any available remedy to protect the interests of the Insured
  - d) take any available remedy for the recovery of all monies payable and documents due to the Company,
  - e) withhold dispatch of further documentation such as renewal papers and cover notes.
- 25 If acts or omissions of the Agent prejudice or cause financial loss to the Company, the Agent must indemnify the Company in respect of such prejudice or financial loss.
- 26 The Company will address all communications to the Agent at the last address of which it has written notice. Written notice to the Company under these conditions should be addressed to it at the Company address communicated to the Agent.

### **Code of Practice**

- 27 The Agent must be registered with the FSA and as such must:
- a) display a certificate of Professional Indemnity Insurance Cover in each of their offices to which their clients have access (in a place accessible to clients and insurance company officials),
  - b) to advise the Company immediately if the Professional Indemnity Insurance is cancelled, not renewed or ceases to satisfy the Association of British Insurers' requirements,
  - c) to agree that the Professional Indemnity Insurer shall be free to pass information on the cover to the Association of British Insurers.

### **Termination**

- 28 This appointment may be terminated by the Company at any time by written notice sent to the last known address of the Agent. The Company is not obliged to give reasons for such termination.
- 29 The Appointment of the Agent may be terminated if he fails to notify the Company of changes or other circumstances as required under Condition 6.
- 30 The Appointment of the Agent will be terminated automatically upon death, bankruptcy, insolvency, going into liquidation, receivership of the Agent entering into a composition with creditors or the dissolution of a partnership or winding up of a company whichever may be appropriate.
- 31 On the termination of the Appointment of the Agent, the Agent (or the Agents legal representative) shall immediately:
- a) remit all monies due to the Company,
  - b) return all policy and renewal documentation where payment has not been received,
  - c) return all proposal forms, prospectuses, advertising material, books, stationary and other property of the Company and any other papers which have come to the Agent's possession in connection with the business of the Company.
- 32 If the Appointment of the Agent is terminated the Company may make alternative arrangements for the future conduct of any business in the Agency at the time of termination and thereafter no commission or any other terms of compensation shall be payable to the Agent in respect of that business.
- 33 This Agreement has been compiled according to English Law and any disputes arising in respect of it shall be determined in the English Courts.
- 34 By signing this document the Agent has accepted the terms and conditions of this agreement.

Signed and Accepted on behalf of:

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Name and Position of Signatory:

Dated:

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  - d) if any Owner, Partner, Director or Controller of or employed by the Agent is or becomes subject to disciplinary proceedings instituted by the FSA or other similar body,
  - e) if any Owner, Partner, Director or Controller is convicted of any criminal offence other than minor motoring offences,
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  - c) take any available remedy to protect the interests of the Insured
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**Code of Practice**

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- a) display a certificate of Professional Indemnity Insurance Cover in each of their offices to which their clients have access (in a place accessible to clients and insurance company officials),
- b) to advise the Company immediately if the Professional Indemnity Insurance is cancelled, not renewed or ceases to satisfy the Association of British Insurers' requirements,
- c) to agree that the Professional Indemnity Insurer shall be free to pass information on the cover to the Association of British Insurers.

**Termination**

28 This appointment may be terminated by the Company at any time by written notice sent to the last known address of the Agent. The Company is not obliged to give reasons for such termination.

29 The Appointment of the Agent may be terminated if he fails to notify the Company of changes or other circumstances as required under Condition 6.

30 The Appointment of the Agent will be terminated automatically upon death, bankruptcy, insolvency, going into liquidation, receivership of the Agent entering into a composition with creditors or the dissolution of a partnership or winding up of a company whichever may be appropriate.

31 On the termination of the Appointment of the Agent, the Agent (or the Agents legal representative) shall immediately:

- a) remit all monies due to the Company,
- b) return all policy and renewal documentation where payment has not been received,
- c) return all proposal forms, prospectuses, advertising material, books, stationary and other property of the Company and any other papers which have come to the Agent's possession in connection with the business of the Company.

32 If the Appointment of the Agent is terminated the Company may make alternative arrangements for the future conduct of any business in the Agency at the time of termination and thereafter no commission or any other terms of compensation shall be payable to the Agent in respect of that business.

33 This Agreement has been compiled according to English Law and any disputes arising in respect of it shall be determined in the English Courts.

34 By signing this document the Agent has accepted the terms and conditions of this agreement.

Signed and Accepted on behalf of:

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Name and Position of Signatory:

Dated:

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