

## Terms of Business – August 2009

We are pleased that you have selected Martin Insurance Brokers (Cavan) Ltd T/A Easyquote (MIB) to act as your insurance broker. These terms of business set out the general terms under which MIB will provide insurance and investment business services to you and the respective duties of both the firm and you in relation to such services.

### Customer Information

MIB is registered with the companies office, number 76127. The registered company address is 4 Railway Road, Cavan. MIB is regulated by The Financial Regulator pursuant to the Investment Intermediaries Act, 1995 and the Insurance Act 2000 to provide insurance services. Copies of our authorisations are available on request. Details of our authorisations are available by contacting The Financial Regulator on 1890-77-77-77. MIB are also regulated by The National Consumer Agency as a credit intermediary. We are in a position to arrange cover and provide advice in relation to all classes of Non-Life insurance (motor, property, liability etc) & Life Assurance, (Life Cover, Pensions, Investments & Mortgages). MIB does not have any tied relationships with any institution that would compromise our ability to offer you independent advice and choice. MIB is a member of the Irish Brokers Association (IBA) & The Brokers Federation of Ireland (BFI).

### Call Recording & Data

Please note that your calls may be recorded for training and data purposes. From time to time, we may write to you with promotional material which we deem suitable. If you do not wish to receive such material, please write to us at 4 Railway Road, Cavan and we will remove you from our mailing list.

### Description of Services

Our services include Insurance Consultancy & Administration, Risk Management Review, Insurance Placement and Claims Assistance. We offer broad advice in relation to all classes of Non- Life insurance and Life Assurance products and Mortgages. We receive and transmit orders on your behalf for products to one or more of the product producers, a list of which is available on request. We arrange personal loans. (eg: Premium and/or Car Finance).

### Investor Compensation Company Ltd – (ICCL)

MIB is a member of the Investor Compensation Scheme established under the Investor Compensation Act 1998. This legislation provides for the establishment of a compensation scheme and to the payment in certain circumstances, of compensation to clients of firms covered by the Act. However, you should be aware that a right to compensation will only arise where money or investment instruments held by this firm on your behalf cannot be returned either for the time being or for the foreseeable future and where the client falls within the definition of eligible investor as contained in that Act. In the event that a right to compensation is established, the amount payable is the lesser of 90% of your loss which is recognised as being eligible or €20,000. In addition to the compensation available under the Investor Compensation Act 1998, MIB is bonded through its membership of IBA for €200,000 with an inner limit of €65,000 per client.

### Remuneration Policy

MIB is remunerated by commission and/or brokerage fees. The following is a summary of the brokerage fees which we charge for the services provided by us:

- Personal Insurance Arrangement/Renewal:- Up to a max of 30% subject to a minimum of €50.
- Commercial Insurance: Up to a max of 50% subject to a minimum of €250.
- Life / Mortgage Business: Nil
- In the event of cancellation or rebate a brokerage fee may be levied subject to a maximum of 15%.
- Mid Term Alterations: Up to a max of 50% subject to a minimum of €30 on personal insurance and €100 on commercial insurance.
- Advice without placement of a contract is chargeable on a time disbursements basis:-
  - Directors & Senior Personnel - €200 per hour.
  - Account Executives/Consultants - €150 per hour.

A processing fee of €25 will apply to any policy that is taken out with us and subsequently cancelled or not taken up because the information given to us was incorrect. It is important that correct information is supplied at all times as this forms the basis of the contract with the insurance company. Where we arrange Insurance Premium Finance on your behalf, a handling charge will apply.

### Duty of Disclosure to Insurers and Duty of “Utmost Good Faith”

Insurance is deemed to be a special type of contract which imposes onerous duties upon prospective insureds (clients) and their agents (us), who are obliged to act with “utmost good faith” towards insurers at all times. Prospective insureds are obliged to disclose to insurers/underwriters, prior to formation of a contract, all material information which could be relevant to the insurer in accepting the risk or calculating the premium. The obligation of disclosure is not limited to material information of which you are aware. It extends to those matters of which you ought to be aware in the ordinary course of your business. If there is any breach of the duty to act with “utmost good faith” or failure to disclose any material information, the Insurers will be entitled to void the policy of insurance from inception.

The duties of utmost good faith and disclosure apply when you take out your insurance policy, throughout the life of that policy, when you renew your insurance and also to the claims process and to any situations during the period of the policy in which you are required, under the terms of the policy or otherwise, to provide information to Insurer’s including the extension or amendment or renewal of any policy.

In completing a proposal or claim form, or other documents relating to an insurance policy, the accuracy of all answers, statements and/or information will be your sole responsibility. If you are unsure whether something is a material fact or not, then it should be declared.

### **Cooling Off Period**

As a client acting outside any trade, business or profession you have the right to withdraw from any insurance policy within 14 days of the inception date of cover, or the date which you receive your Policy Schedule, and/or Motor Insurance Certificate and Disc. In respect of mortgages, life insurance and pensions, the right of withdrawal is within 30 days. Right of withdrawal is available to you without penalty and without any reason and you may exercise it by notice in writing to us, quoting your policy number. Should the right be exercised, the insurer will charge pro-rata premium for the period you were on cover. In relation to motor insurance, the premium cannot be refunded by the insurer unless the Insurance Certificate and Disc have been returned to us.

### **Cancellation**

You can cancel your policy at anytime by giving notice in writing to us. Provided that all reasonable charges pertaining to costs incurred by us have been paid and provided that no incident giving rise to a claim has occurred during the period of insurance, you will be entitled to a pro-rata return of the premium for the unexpired period of insurance, unless the policy is on a minimum and deposit basis, and if this is the case, no return premium will be allowed on the policy.

Should you cancel your policy in the first year of insurance (outside the cooling off period), insurers may apply short period rates or an administration charge.

In relation to Motor Insurance, the premium cannot be refunded unless the Insurance Certificate and Disc have been returned to the Insurer or us.

### **Handling Client's Money**

MIB will accept payments in cash, cheque, bank draft or premium payment plan in respect of all classes of insurance in the circumstances permitted under section 25G of The Investment Intermediaries Act 1995. This firm is not authorised to accept cash or negotiable instruments in any other circumstances. Where return premiums are obtained these shall be netted against any outstanding balances due and shall be net of any brokerage fees or charges. A receipt will be issued for each payment received. This is required pursuant to Section 30 of the Investment Intermediaries Act 1995

### **Where clients fail to pay a premium on the due date:**

A premium is due to be paid on or before the renewal / inception / alteration date unless otherwise agreed with the company. Failure to pay in full will result in us advising the product producer and they may cancel or restrict cover as a result. We expressly reserve the right to offset credits/claim payments against outstanding balances due and following non payment we retain the right to terminate the cover(s) and secure refunds to discharge the account. No agency transfer may be affected until the account is cleared in full.

### **Conflict of Interest**

MIB will make every reasonable effort to avoid conflicts of interest and when they cannot be avoided, we will ensure our clients are treated fairly.

### **Insurer Security**

As an insurance broker, we use both local and international insurers to obtain the best terms and conditions available. In selecting an insurer, a wide variety of factors are taken into account including the financial status of the insurer in question. We do not and cannot guarantee the financial security of any insurer. If you have any concerns about the security offered, please contact us immediately. A list of all relevant insurers from whom we hold a letter of appointment is available on request and displayed in our offices.

### **Complaints**

MIB have written procedures in place for the effective handling of complaints (full copy on request.) Any complaint regarding the service you have received from any member of staff should be forwarded in writing to James Martin, (Complaints officer) via post or e-mail. ([james@mib.ie](mailto:james@mib.ie)). We will acknowledge your complaint within 5 business days and we will fully investigate it. We will attempt to investigate and resolve a complaint within 40 business days. You will receive a regular written update on the progress of our investigation. On completion of the investigation we will provide you with a written report of the outcome. In the event that you are dissatisfied with our handling or response to your complaint, you are entitled to refer the matter to any of the following:

- The Irish Brokers Association, 87 Merrion Street, Dublin 2
- The Financial Regulator, Dame St, Dublin 2
- The Financial Services Ombudsman, 3<sup>rd</sup> Floor, Lincoln House, Lincoln Place, Dublin 2

### **Code of Conduct**

MIB, as an Authorised Advisor shall ensure that we:

- Act honestly and fairly in conducting our business activities in the best interests of our clients and the integrity of the market
- Act with due skill, care and diligence in the best interests of our clients and the integrity of the market
- Have and employ effectively the resources and procedures that are necessary for the proper performance of our business activities.
- Make adequate disclosure of relevant material information in our dealings with our clients
- Make a reasonable effort to avoid conflicts of interest and when they cannot be avoided, ensure that our customers are treated fairly
- Comply with the letter and spirit of all regulatory requirements applicable to the conduct of our business activities so as to promote the best interests of our clients and the integrity of the market.

### **Governing Law**

Our terms of business shall be governed by and construed in all respects according to the laws of the Republic of Ireland.