



james hallam  
insurance brokers

# CLIENT INFORMATION PACK

## James Hallam Insurance Brokers

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# Introduction

This document contains important information you require to be aware of.

All documentation provided by James Hallam to you should be read in conjunction with the Client Information Pack and your Insurer Policy Documentation.

## **Key information in this document:**

- "Guidance Notes – Duty of Fair Presentation" and "Guidance Notes – General Notes" – offer explanations on arranged insurances and your responsibilities.
- "Guidance Notes – Policy Terms & Conditions" explain the impact of these aspects on arranged insurances.
- "General Terms of Business" outlines our services and relationship basis

If you have any queries regarding the content of this Client Information Pack or you have any concerns in relation to complying with the requirements of your insurance policy, please contact your Account Director immediately.

## **Fair Processing Notice**

In your dealings with us you may provide information that includes data that is known as personal data.

The personal data we collect may include data relating to your name, address, date of birth, wider contact details and data relating to 'health' or 'criminal offences' .

Where you provide personal data of others, you must ensure that you are entitled to do so.

We will process your personal data to allow us to provide you with our services as your insurance broker in quoting for, arranging and administering your insurances and for statistical analysis and to assess your suitability to our services (profiling) and in arranging insurance premium finance where applicable.

It will also be used to manage future communications between ourselves, communicate about our products and services. You can opt out from receiving such communications services by writing to us at the contact details shown below.

We will only use your data for the purpose for which it was collected. We will only grant access to or share your data within our firm or other firms associated with us with authorised partners, third parties and our market service providers such as insurers and premium finance providers where we are required or entitled to do so by law under lawful data processing,

**If you require further information on how we process your data and our lawful bases for doing so, please view a copy of our Privacy Policy which can be viewed on our website at [www.jameshallam.co.uk](http://www.jameshallam.co.uk) or request a copy of our the policy by writing to our Privacy Officer at James Hallam Ltd , 10th Floor , 2 Minster Court, LONDON EC3R 7BB or email [privacy@jameshallam.co.uk](mailto:privacy@jameshallam.co.uk).**

# Guidance Notes – Duty of Fair Representation

## Duty of Fair Presentation

When entering into an insurance contract you must make a fair presentation of the risk. This means that you must disclose all material circumstances which you know or ought to be known by you. This disclosure must be substantially correct and made in good faith. This is anything which might influence an insurer as to whether to insure you or not, or continue with any insurance that you have, what premium to charge or conditions to impose.

Sufficient information will also need to be disclosed to put a prudent insurer on notice to make further enquiries and must be presented to insurers in a clear and structured manner so that the insurer can readily assess it. Providing ambiguous or poorly sign-posted information ('data dumping') is unlikely to satisfy your obligation.

You must undertake a reasonable search of your organisation so that the information disclosed is accurate and complete thereby providing your insurers with a fair presentation of what you do. As well as Senior Management, your search should include, but not be limited to:

- Persons responsible for key functions
- Parties who are beneficiaries of your policies including separate or subsidiary business units

Your Duty of Disclosure exists before taking out a policy, at renewal and throughout the life of the policy. This includes any changes that may occur between receiving your quotation and placement or renewal of policies.

## So, what is a material circumstance?

This is information an insurer would regard as likely to influence the acceptance and assessment of your risk. If you are in doubt as to whether to disclose certain information, our advice is to do so - tell us anything you think may be relevant.

Please note if it can be shown that you have made a deliberate or reckless failure to disclose issues of relevance insurers may avoid the policy.

## Changes to Material Circumstances

You should advise us immediately of alterations or updated information which may have a bearing on the adequacy or validity of your covers so that insurers may be informed. Listed below are a number of examples:

You should inform us immediately about any changes or updates that could affect your insurance coverage. Here are some examples:

1. Changes in ownership, company structure, or directors.
2. Alterations to your business description, trade, or profession.
3. Changes in processes, systems, products, or business operations.
4. Changes in locations, industries worked for, or territories.
5. Changes in contract size, duration, or nature of work.
6. Purchase, construction, or address change of premises.
7. Changes to existing premises like alterations or demolition.
8. Moving equipment to new locations or temporary storage.
9. Renting, borrowing, or leasing equipment.
10. Contractual changes or agreements.
11. Updates to risk management or health and safety.
12. Alterations to security systems or protection measures.
13. Changes in computer network security or data storage.
14. Situations requiring increased liability insurance.
15. Additional or replacement items needing coverage.
16. Driver changes or issues for motor insurance.
17. Modifications to vehicles for motor insurance.
18. Legal actions or proceedings against the business.
19. Changes in business status or financial difficulties.
20. Involvement in actions with HM Revenue and Customs.
21. Legal judgments or debt-related actions.

Remember, this list is not exhaustive. If unsure, consult us. For long-term plans, involve us early to assess impacts on current coverage, minimise future insurance costs and identify potential new coverage needs

## **Consequences of Non-deliberate Breaches of the Duty of Fair Presentation**

Non-deliberate breaches of the duty of fair presentation may result in proportionate remedies for the insurer. These consequences depend on how the insurer would have responded if they had been aware of the full, accurate information, and the remedy that applies will be decided by the insurer:

1. **Avoidance of the Policy:** If the insurer can prove they would not have entered into the contract at all, they may avoid the policy entirely, returning the premiums paid.
2. **Modification of Terms:** If the insurer would have offered different terms (e.g., exclusions or conditions), the policy is treated as if it included those terms from inception.
3. **Proportional Reduction of Claim Payments:** If the insurer would have charged a higher premium, they may reduce claim payments proportionally to the difference between the premium charged and what would have been charged.

These remedies ensure fairness but emphasise the importance of presenting material facts accurately.

# Guidance Notes – Policy Terms

Conditions, conditions precedent, warranties, exclusions, subjectivities and any other onerous or restrictive policy provisions which we believe are particularly relevant to you will be specified in your Recommendation Report and Risk Register. You should review these to understand how these affect your insurance and what actions you should take or avoid. If you are unsure about their meaning or if you cannot meet requirements, contact us immediately.

The terms listed in your Recommendation Report and Risk Register are not exhaustive. Always refer to the insurers' schedules, policy wordings and supporting documents for complete policy coverage information.

## **Warranties**

Warranties are important provisions contained in the policy and must be exactly complied with at all times. Breach of a warranty may suspend the policy. Insurers may have no liability to pay losses occurring or attributable to something happening during any such period of suspension. The period will continue until the breach has been remedied (if it is capable of remedy). A warranty may exist in the policy using other terminology and without reference to the word "warranty".

If you are unsure or unable to comply with any warranty, please contact us immediately.

## **Conditions Precedent to Liability**

If a condition precedent to the Insurer's liability under this policy is not complied with, the insurer may not be liable for the loss in question. A condition precedent may exist in the policy using other terminology and without reference to the words "conditions precedent"

## **Conditions Precedent to the Contract**

If a condition precedent to the validity of this policy or the commencement of the risk is not complied with, the insurer will not come on risk.

## **Premium Payment Warranties**

A premium payment warranty requires that premiums are paid by specified due dates or within specified timeframes. Failure to comply may suspend your insurance cover until payment is made. Ensure timely payments to avoid gaps in cover.

**Please make it a priority to read and comprehend all policy terms. As you review the documents, be mindful of the following:**

- "Conditions Precedent To Liability", "General Conditions", "Policy Conditions" or similar phrases appearing as headings or sub-headings in the insurer schedules and policy wordings
- The terms "it is a condition", "condition precedent", "precedent to liability" or similar phrases appearing in the body of the text or bullet points

## Reasonable Precautions

The standard duty of care terms are usually included in the insurer's policy wording and hold the same importance as a Condition Precedent to liability. They oblige you to follow these guidelines:

- Adhere to obligations and regulations set by competent authorities.
- Take reasonable precautions to prevent or minimise loss, or damage, as well as any situation that might lead to a claim.
- Abide by the manufacturer's instructions and recommendations for using and maintaining items like machinery, equipment, vehicles, etc.
- Keep all property, machinery, equipment, vehicles, etc., in good working condition.
- Take reasonable precautions in the selection and supervision of employees or those under your responsibility, which includes obtaining references.
- Ensure that products are suitable for their intended purposes and free from defects.
- Address and rectify any identified defects or hazards.

## Subjectivities, Risk Improvements and Survey Requirements

Insurance policies often include a condition called a "Subjectivity," which means that the insurer can ask for more information or specific actions within a specified deadline before providing coverage. If the additional information changes how the insurer sees the risk, they can adjust the policy's terms and conditions through this condition.

It is important to follow any requirements stated under Subjectivity within the given timeframes, as failing to do so could make the policy coverage void.

A common type of Subjectivity is when the insurer requires or reserves the right to conduct a survey. If the survey identifies any improvements that need to be made to reduce the risk, these changes must be made within the timeframe specified by the insurer for the policy coverage to remain valid.

If you are unsure about what these Subjectivity conditions mean or if you cannot fulfil them, including any required risk improvements or survey-related actions within the specified time, please contact us immediately so we can discuss the situation.

## Claims Reporting

Please familiarise yourself with the policy conditions regarding the notification of claims, as these may differ from policy to policy. As a minimum, you are required to report any incidents which may result in a claim as soon as possible. However, please be aware some events and/or policies have more specific time limits.

- Immediately notify us of any incident or circumstance which could give rise to a claim
- Do not wait to notify us of a claim just because a certain document is not immediately available. Any document can follow at a later date.
- Immediately notify the Police Authority following any loss or damage due to Theft, Attempted Theft, Assault or Attack on any Person, Riot or Malicious Damage or if anyone is injured in a Road Accident and obtain an incident or crime reference number.
- You must never make any admission of liability or make an offer to make payment to a third party without the consent of your insurer.
- Do not reply or respond to any contact or correspondence received from any third party or agent acting on their behalf. You should forward any notice of prosecution, inquest or fatal inquiry and every third-party letter, claim, writ or summons to us and allow your insurers to take the appropriate action on your behalf.

Late notification and admission of liability are common causes of insurers repudiating claims. Failure to disclose all material facts in respect of the claim could prejudice your rights to recover your loss. You should refer to your policy wording(s) for the insurer claim reporting requirements which may impose specific timescales in certain circumstances.

## Claims Made Insurance Policies

A claims made policy is a type of insurance that provides coverage for claims first made against the policyholder during the policy period, regardless of when the incident or wrongful act giving rise to the claim occurred, provided it falls within any applicable retroactive date.

### **Coverage Trigger:**

The policy is triggered when a claim is made and reported to the insurer during the policy period or any applicable extended reporting period.

Unlike occurrence-based policies which cover incidents that happen during the policy period regardless of when the claim is made, claims made policies focus on the timing of the claim itself.

### **Retroactive Date:**

Coverage typically extends only to incidents occurring on or after a specified retroactive date. Claims arising from incidents prior to this date are excluded.

Claims made policies are commonly used for liability coverages where claims may arise long after the events that caused them. Examples:

- Professional indemnity (PI) insurance.
- Directors and officers (D&O) liability insurance.

### **Important Considerations**

- You must notify the insurer of claims or circumstances that could lead to a claim within the policy period
- Maintaining uninterrupted coverage is essential, as gaps between policies could leave you exposed to claims that fall outside the coverage period
- The retroactive date needs to align with your needs, ensuring coverage for past activities where potential liabilities may exist
- Pay careful attention to claim/incident notification obligations

# Guidance Notes - General

## Under Insurance and the Effects of Average

When your insurance covers losses to items you are responsible for (including Business Interruption) the amounts insured need to reflect the full values on the basis of settlement specified in your policies.

If the amount insured is lower any claims you make will have their payment proportionately reduced by the amount of under insurance. This is known as Average.

Your policy wording will have a condition explaining how the basis of Average is calculated.

For insurances where a limit of indemnity, limit of liability or similar is specified you should think about worst-case scenarios when setting the limit. Should the policy limit be exceeded, the insurer will cease to assist you in dealing with the claim.

Significant underinsurance might be seen as intentionally misrepresenting risk. Insurers could deny claims or void the policy.

## Accuracy of Insured Title and Business Description

All legal entities who you require to be covered by the insurance policies need to be noted as insured parties to ensure full cover is in place.

It is also vital all business / operational activities are documented on the insurance policies as claims arising from any work or activities falling out with the stated business description will not be paid.

Certain policies may only be designed to cover part of your operation. You should refer to the insurer documentation to be clear on the extent of your policy cover.

## Excess, Franchise, Deductible, Contribution

Insurers often apply an 'excess' to cover meaning a claim below the amount stated will not be covered.

For certain types of cover a time 'excess' may apply meaning the circumstances giving rise to a claim need to last beyond the time period stated.

The insurer documentation will show which excesses apply to which covers. Please review these to ensure cover has been arranged in line with your requirements.

In certain circumstances it may be possible to obtain premium savings for having a higher voluntary 'excess' amount. If you wish to review the amount of any 'excess' applied (up or down) please contact us to discuss the options available.

Different insurers and different classes of insurance cover can have different terminology in what they refer to the 'excess' as being. Examples include Excess, Deductible,

Retention, Retained Liability, Contribution and Franchise. Anything which references a claim not being covered below a certain amount / proportion / period and/or an amount / proportion you have to contribute towards a claim should be considered as an 'excess' for these purposes.

## **Motor Insurance Database**

You are required by law to supply details of all the vehicles covered by your Motor Insurance policy for entry onto the Motor Insurance Database. Failure to do so may result in prosecution.

You are also required to keep records of all temporary vehicles for a period of 7 years from the expiry of the policy regardless of whether or not this is notified to the Motor Insurance Database.

## **Add-ons and Optional Additional Products**

"Add-ons" are extra policies, products, services, rights or coverage within a policy. They are sold together with a primary product.

"Optional Additional Products" are sold alongside a primary product. You need to choose to buy them for the benefits. If bought previously, you must actively choose to continue with them during renewal.

You are not obligated to accept an Add-on or opt for an Optional Additional Product. Free policies, products, services, or rights don't need opting in. Add-ons that are part of an unbreakable package must be accepted or rejected as a whole.

If we are suggesting an extra policy, product, service, or right we will explain its benefits and the separate cost. If we are including coverage options or extensions based on your past requests or needs, we will show the premium with the policy. You can ask for a separate breakdown if needed.

For new coverage options or extensions we suggest, you will be informed of the cost separately, so you can decide whether to proceed.

# Guidance Notes – Setting Policy Limits

You should refer to the insurer policy documentation to establish the definition(s) of item(s) insured to ensure these match your expectations of what you require to be covered. The valuation basis should also be referred to in conjunction with item(s) definition(s) in order to establish the amount being insured for is correct and you have factored in all relevant items / aspects when calculating the amount you wish to be insured for.

For all classes of insurance cover you should consider what items / responsibilities you wish to be insured for, what types of incident you wish to be insured for and the potential amount you may wish to claim for to review the suitability of the cover being recommended.

Unless otherwise specifically agreed to the contrary the following summarises the valuation / settlement basis' which normally apply as standard in the insurance market:

## Setting Limits of Liability

Limits should reflect the maximum foreseeable loss which could occur. You should consider the potential effects of a catastrophic incident and consider the following:

- Type of work
- Number of people
- Value of property which could be affected
- Financial losses
- Contractual obligations

For some insurance types, the Limit of Liability or Limit of Indemnity is on an 'aggregate' basis for each policy period. This should be considered where setting your policy limit.

## Setting Estimates

Premiums can be based on estimated figures. The insurer's documents will define each estimate category. Please talk to us if you realise your original declared estimates are inaccurate.

### Wages Estimates rating basis

This means gross annual wage roll, salaries and other earnings of all directors and employees. This should include the following:

- Commissions, bonuses and overtime
- Any other items that form part of the remuneration package (e.g. board and lodgings)
- Any other payments in kind of money received
- Employees' contributions in connection with income tax, holidays with pay and contributory pensions
- Payments made for the services of all others included within the Definition of Employee
- Gross payments to labour only sub contractors

You do not need to include:

- Employers' National Insurance Contributions; or
- employer pension contributions.

#### Turnover estimates rating basis

This is the income your business anticipates from sales and services, minus rebates.

This does not include:

- Value Added Tax (if you're VAT registered); or
- other indirect taxes

## **Buildings Valuation Basis**

Buildings are normally insured for the cost to rebuild as new in the event of a total loss. This should include additional costs such as:

- clearing the site;
- handling debris; and
- meeting additional government or local authority requirements.

If materials or labour come from abroad, you should consider exchange rate changes.

It is likely that the reinstatement value of the building will be higher than the market value of the building.

Some policies might include inflation protection. This is only effective if the initial value declared is accurate when the insurance begins.

## **Machinery/Plant/Contents Valuation Basis**

Machinery/Plant/Contents are normally insured for the cost to rebuild/replace/reinstate as new in the event of a total loss.

This should include additional costs such as:

- delivery costs;
- debris removal;
- professional fees; and
- potential currency fluctuations (if items may be sourced from overseas).

Some policies might include inflation protection. This is only effective if the initial value declared is accurate when the insurance begins.

## **Stock Valuation Basis**

Stock items are normally insured on an indemnity basis for the cost to replace these with an equivalent. The maximum value you may have at any one time should be considered including an allowance for:

- Potential market value fluctuations

- Busy periods
- Site clearance
- Debris removal costs

## **Business Interruption Valuation & Indemnity Periods**

### **Gross Profit or Estimated Gross Profit basis**

Please review the definition of Gross Profit in the insurer's policy documents. This is different to an accountant's standard definition.

Insurance Gross Profit does not normally deduct wages since retaining the workforce is important for recovery.

It is crucial to identify Uninsured Working Expenses. These are costs tied directly to your Turnover. Each business has unique Uninsured Working Expenses that vary. Uninsured Working Expenses are always excluded from coverage. Careful consideration is needed to determine these costs.

### **Gross Income/Revenue basis**

The amount insured should represent the maximum foreseeable loss.

### **Increased Cost of Working/Additional Increased Cost of Working basis**

The amount insured should represent the maximum foreseeable loss.

### **Choosing Indemnity Periods for the above**

Consider the maximum time needed to:

- fully resume trading; and
- achieve previous profit and turnover levels.

Account for possible delays in rebuilding or replacement.

### **Loss of Rent basis**

You should take account of the maximum amount of rent anticipated during the period of insurance.

The indemnity period should account for:

- The time expected to rebuild or refurbish the property; and
- time to accommodate delays in finding tenants or subtenants after the policy period ends.

Some policies may allow a declaration linked uplift of the amount insured. This is only valid if annual declarations of the actual amount are provided.

## **Money Valuation**

Money cover item limits should represent the maximum amount for each defined item you may have at any one time during the period of insurance.

## **Contract Works**

Contract Works should be insured for the maximum value of any one contract you may have at any point during the period of insurance.

If a contract is taking longer or costing more than planned, check if the coverage limit is still sufficient. Ensure the limits for contract duration and maintenance periods reflect your maximum responsibility. Review the coverage if the project exceeds these limits. Going beyond the insured limits for money or time can void the policy.

Average does not normally apply to these cover classes.

## **Own mobile plant, tools and equipment items**

These should be insured for their value including depreciation for reasonable wear and tear. Some policies will allow for a new replacement value basis of cover for items up to a certain age. In this case this should be factored into the amount insured for.

## **Hired in plant, tools and equipment items**

These should be insured on a basis determined by the hire contract conditions

## **Goods In Transit/Cargo Valuation Basis**

Goods In Transit and/or Cargo covers valuation basis are specific to the circumstances of the items/types of transit being insured and the policy documentation will explain this.

# Market Exclusions

## Cover Exclusions and 'All Risks' Cover Basis

Please understand that the term "All Risks" does not mean that every possible type of loss is covered.

This term has been adopted in recent years as an improved basis of cover for the policyholder which moves the burden of proof to insurers to prove why a claim is not covered.

All insurance policies have exclusions. If you need any assistance to understand the implications of these, please contact us for assistance.

## Terrorism and War

These are standard policy exclusions. Whilst War is generally regarded as a risk held by Governments (other than for where requested on marine or aviation insurance policies), Terrorism is generally available in the UK (excluding Northern Ireland) as an optional cover.

## Pandemic / Disease

It is now standard practice in the market for cover to explicitly exclude risks caused by or arising from:

- A pandemic
- Communicable disease
- Contagious disease
- Infectious disease
- Pathogen; or
- similar unless otherwise agreed

This applies whether a loss is:

- either directly or indirectly attributable to such matters
- whether there is an actual occurrence or an actual or perceived fear or threat
- where advice is given or action taken (whether or not by a competent authority) in controlling, preventing or suppressing an occurrence; and/or
- any cleaning, disinfecting, decontaminating, repair, replacement, recall, inspecting, testing and checking of property which is or is feared to have been affected.

## Retroactive Dates

A retroactive date is a provision in certain insurance policies, particularly claims-made policies (e.g., professional indemnity or directors and officers liability insurance), which specifies the earliest date from which incidents, acts or omissions are covered under the policy.

1. Coverage Limit: Only claims arising from incidents that occur on or after the retroactive date and are reported during the policy period (or extended reporting period) will be covered.
2. Purpose: It limits the insurer's liability to a defined timeframe, avoiding exposure to incidents occurring long before the policy was in force.
3. Impact on Coverage:
  - If a retroactive date is included, any claims arising from incidents before this date are excluded from cover.

## Main Exclusions

The following is an overview summary of the main exclusions which generally apply as standard in the insurance market for certain classes of insurance cover. Unless cover has been specifically arranged to the contrary these exclusions tend to apply.

Any cover arranged or quoted for will always be subject to the terms, conditions, exclusions, restrictions and subjectivities of the insurers' policies therefore you should read all of the insurer documentation to understand how exclusions affect the basis of your policy cover.

Different insurers and different products will not necessarily all have exactly the same exclusions applicable. Additional exclusions may still be applied by certain insurers and for certain types of policies.

If you are unsure of the meaning of any exclusions or think an aspect of cover is excluded which you require please contact ourselves to discuss this.

## Property Damage / Material Damage

- Inherent vice or latent defect
- Gradual deterioration, wear and tear, erosion, depletion or gradually operating cause
- Frost damage
- Vermin or insects
- Change in temperature, colour, flavour, texture or finish
- Corrosion, rust, wet rot, dry rot, shrinkage, evaporation, loss of weight, dampness, dryness, marring or scratching
- Solidification of molten material
- Water table changes
- Faulty or defective workmanship, operational error or omission or inherent faulty or defective design or materials
- Operation of machinery, plant, apparatus or equipment out with the manufacturer's standard instruction or specification
- Explosion originating from non domestic boilers, vessels, machinery or apparatus
- Damage to working dynamos, motors, wires, main or electrical apparatus through short circuiting, overrunning or excessive pressure
- Self ignition, short circuiting, overrunning or excessive pressure
- Joint leakage, failure of welds, cracking, fracturing, collapse or overheating of boilers, economisers, superheaters, pressure vessels or any range of team and feed piping
- Theft involving collusion, fraud or deception

- Disappearance, unexplained or inventory shortage, misfiling or misplacing
- Settlement, bedding down, own collapse or cracking of buildings by a cause not otherwise stated as being insured
- Shrinkage or expansion of pavements, foundations, walls, floors or ceilings
- Fire damage to property undergoing any heat process
- Damage to property undergoing production process, packing, treatment, testing, commissioning, service or repair
- Pollution or contamination by a cause not otherwise stated as being insured
- Accidental damage to fragile or brittle items
- Sonic Bangs
- Radioactive Contamination and/or Ionising Radiation
- Terrorism
- War and Allied Risks
- Electronic / Cyber Risks

### **Business Interruption / Consequential Loss / Revenue Protection**

- There has to be an insured Property Damage / Material Damage loss for this cover to operate unless a cover extension overrides this

### **Book Debts / Outstanding Debit Balances / Accounts Receivable**

- Losses where duplicate records are not kept off site and/or physical records are not kept in fire proof safes or cabinets

### **Loss of Licence**

- Partial removal of licence
- Temporary suspension of licence
- Failure by authorities to grant requested alterations to a licence
- Compulsory acquisition
- Scheme / town / country planning improvement or redevelopment
- Changes in law regarding licencing
- Where you are entitled to claim compensation under statute
- Failure to maintain premises
- Failure to comply with direction or requirement of authorities
- Act or omission by you or failure to take reasonable action to maintain licence
- Failure to follow correct application procedure

### **Trade All Risks / Specified All Risks / Supplementary All Risks**

- Delay, confiscation or detention
- Pollution or contamination
- Similar exclusions as described in the Property Damage / Material Damage section above can also apply

## **Money**

- Theft by or involving directors, partners, officers or employees
- Theft from unattended vehicles
- Corruption of data
- Forgery / Fraud
- Error or omission shortage / accounting errors
- Use of counterfeit money
- Money in vending or gaming machines
- Depreciation in value
- Dishonoured cheques
- Business transaction losses
- Electronic / Cyber Risks

## **Contract Works / Contractors All Risks**

- Any contract in excess of the maximum value and/or duration and/or maintenance / defects liability period stated in the insurer documentation
- Damage to existing structures
- Works after completion
- Breakdown or Own Explosion
- Defective property, design, material or workmanship
- Contractual fines or penalties
- Damage you are not responsible for under contract
- Failure to comply with the Joint Code of Practice where the contract value is £2,500,000 or more
- Normal upkeep
- Non rooting / failure to germinate of seeds, plants and the like
- Gradual deterioration, wear and tear, erosion, depletion or gradually operating cause
- Money, bonds, bills, stamps, securities deeds, precious items and the like
- Disappearance, shortage, inventory or unexplained losses
- Sonic Bangs
- Terrorism
- War and Allied Risks
- Pollution or Contamination
- Radioactive Contamination / Ionising Radiation
- Electronic / Cyber Risks

## **Machinery All Risks / Erection All Risks**

- Refractory lining or brickwork
- Similar exclusions as described in the Contract Works / Contractors 'All Risks' section above can also apply

## **Machinery Movement**

- Damage by the machinery's own breakdown, explosion or derangement

- Cutters, bits, machine tools, moulds, dies, heating elements, driving belts, chains and the like
- Defective property, design, material or workmanship
- Maintenance or Faulty Workmanship
- Multiple lifting operations not in accordance with appropriate standards
- Overloading or abnormal conditions
- Damage caused by the application of tools
- Contractual fines or penalties
- Disappearance, shortage, inventory or unexplained losses
- Damage to fragile or brittle items
- Gradual deterioration, wear and tear, erosion, depletion or gradually operating cause
- Items / Vehicles / Vessels / Craft more properly insured under motor, marine or aviation policies
- Items at own premises for specified perils more properly insured under a property damage / material damage cover
- Sonic Bangs
- Terrorism
- War and Allied Risks
- Pollution or Contamination
- Radioactive Contamination / Ionising Radiation
- Electronic / Cyber Risks

### **Hired In Plant, Tools or Equipment**

- Damage by the machinery's own breakdown, explosion or derangement
- Cutters, bits, machine tools, moulds, dies, heating elements, driving belts, chains and the like
- Defective property, design, material or workmanship
- Maintenance or Faulty Workmanship
- Multiple lifting operations not in accordance with appropriate standards
- Overloading or abnormal conditions
- Damage caused by the application of tools
- Contractual fines or penalties
- Damage you are not responsible for under the hire conditions
- Disappearance, shortage, inventory or unexplained losses
- Damage to fragile or brittle items
- Gradual deterioration, wear and tear, erosion, depletion or gradually operating cause
- Items / Vehicles / Vessels / Craft more properly insured under motor, marine or aviation policies
- Items at own premises for specified perils more properly insured under a property damage / material damage cover
- Sonic Bangs
- Terrorism
- War and Allied Risks
- Pollution or Contamination
- Radioactive Contamination / Ionising Radiation
- Electronic / Cyber Risks
- Hazardous type work and/or work at hazardous locations unless specifically agreed

## **Own Plant, Tools or Equipment**

- Similar exclusions as described in the Hired In Plant, Tools or Equipment section above can apply

## **Engineering Machinery Damage / Engineering Machinery Breakdown / Engineering Insurance / Equipment Breakdown**

- Perils more properly insured under a property damage / material damage cover
- Risks more properly insured under a Machinery All Risks / Erection All Risks cover or a Machinery Movement cover
- Items out with the description / definition specified in the insurer policy documentation
- Cutters, bits, machine tools, moulds, dies, heating elements, driving belts, chains and the like
- Safety or protective devices damage caused by their functioning
- Overloading or abnormal conditions
- Maintenance or Faulty Workmanship
- Multiple lifting operations not in accordance with appropriate standards
- Gradual deterioration, wear and tear, erosion, depletion or gradually operating cause
- Contractual fines or penalties
- Sonic Bangs
- Terrorism
- War and Allied Risks
- Pollution or Contamination
- Radioactive Contamination / Ionising Radiation
- Electronic / Cyber Risks

## **Deterioration of Stock**

- Perils more properly insured under a property damage / material damage cover
- Losses from plant / machinery not maintained / serviced / inspected in accordance with manufacturer's recommendations
- Wilful act or wilful negligence
- Faulty packing or storage
- Trade loss
- Unidentifiable occurrence
- Contractual fines or penalties
- Failure of utility supply due to deliberate act, scheme or rationing, drought or industrial action at supplier
- Sonic Bangs
- Terrorism
- War and Allied Risks
- Pollution or Contamination
- Radioactive Contamination / Ionising Radiation
- Electronic / Cyber Risks

## **Computer / Engineering Computers**

- Items which are stock, materials in trade and/or goods held in trust
- Loss of or damage to items not adequately maintained or stored
- Light sources or lenses
- Items with limited design life span such as x-ray tubes, cathode-ray tubes, electronic valves and similar components unless specifically agreed
- Corrosion or erosion
- Denial of service attacks
- Unproven or prototype software
- Use in water or air which is not a scheduled service
- Use underground
- Sonic Bangs
- Terrorism unless specifically agreed
- War and Allied Risks
- Pollution or Contamination
- Radioactive Contamination / Ionising Radiation
- Electronic / Cyber Risks

## **Goods In Transit**

- Delay, confiscation or detention
- Pollution or contamination
- Inadequate packing for transit
- Insufficient labelling or incorrect addressing
- Money and securities
- Jewellery, watches, furs, cameras, precious metals, precious stones, art, collectible items, sculptures, prints, drawings, engravings, antiques, furniture, scientific instruments unless specifically agreed
- Fragile or brittle items unless specifically agreed
- Loss of or damage to the vehicle or conveyance
- Sonic Bangs
- Terrorism
- War and Allied Risks
- Pollution or Contamination
- Radioactive Contamination / Ionising Radiation
- Electronic / Cyber Risks

## **Cargo / Marine Cargo / Air Cargo**

- Natural deterioration, ordinary leakage, ordinary loss of weight or volume, wear and tear, inherent vice or latent defect
- Items not adequately packed for transit
- Delay, confiscation or detention
- War and Allied Risks unless property is loaded onto a vessel or aircraft
- Misconduct
- Radioactive Contamination / Ionising Radiation
- Electronic / Cyber Risks
- Hi tech equipment or components unless specifically agreed
- Mechanical, electrical or electronic derangement

- Items you are transporting under a contract of carriage, handling or storage
- Recorded information
- Pollution or contamination
- Capture, seizure, arrest, restraint or detainment
- Sanctioned territories or territories specified as high risk by the insurer

## **Stock Throughput**

- Items not stored in a secure building of standard construction
- Similar exclusions as described in the Property Damage / Material Damage section above can also apply

## **Haulage Liability / Freight Liability / Warehouse Keeper Liability / Freight Forwarder Liability**

- Where liability is admitted to a third party without insurer approval
- Inherent vice or latent defect
- Hardening of tarmac, concrete or similar
- Pollution or contamination
- Unexplained or inventory shortages
- Bills of Lading
- Misconduct
- War and Allied Risks
- Radioactive Contamination / Ionising Radiation
- Action by authorities
- Items not adequately packed for transit where you are responsible for this
- Stock rotation or inventory management
- Defamation / Libel / Slander
- Dishonest, fraudulent, criminal or malicious acts by you or employees
- Recorded information
- Consequential loss unless specifically agreed

## **Marine Equipment**

- Where liability is admitted to a third party without insurer approval
- Failure to locate equipment without appropriate beacons or lights
- Launching or recovering in weather conditions forecast to exceed safe operating parameters
- War and Allied Risks while equipment is on land
- Inherent vice or latent defect
- Action by authorities
- Financial loss unless specifically agreed
- Unexplained losses / inventory shortage
- Radioactivity and chemical / biological / bio-chemical / electromagnetic weapons
- Sanctioned territories
- Reckless or wilful misconduct
- Pollution or Contamination
- Failure of welds / seals
- Faulty design

- Wear and tear or gradually operating causes
- Electronic / Cyber Risks
- Unseaworthiness
- Delay
- Items not adequately packed for transit
- Damage caused by the item's own mechanical, electrical or electronic breakdown, failure or derangement
- Equipment in down hole / well head / pipe / pipeline unless specifically agreed
- Failure to maintain
- Exceeding safe working load
- Loss of data

### **Crime / Employee Crime / Fidelity / Dishonesty / Employee Dishonesty**

- Trade secrets, confidential processing methods or other confidential information
- Losses by one insured party to the advantage of another insured party
- Indirect or consequential financial losses unless specifically agreed
- War and Allied Risks
- Terrorism
- Subsequent acts committed after a director, officer or other representative becomes aware of an act committed by the same person(s)
- Kidnap / Abduction / Ransom / Extortion unless specifically agreed
- Trading losses (whether authorised or unauthorised)
- Profit and Loss or Inventory Shortages which do not directly result from a crime
- Agents or representatives who have been entrusted with or given access to money, securities or property
- Data reinstatement costs or replacing processing equipment
- Software design, update, improvement or upgrade costs
- Own expenses
- Telephone line theft losses
- Losses ascertained out with the specified Discovery Period

### **Employers' Liability**

- Risks more properly insured under other forms of liability insurance cover
- Where liability is admitted without insurer approval
- Radioactive contamination and/or ionising radiation
- Road Traffic Legislation
- Fines or Penalties
- Terrorism except as required by legislation

### **Public Liability**

- Risks more properly insured under motor, marine or aviation insurances
- Risks more properly insured under other forms of liability insurance cover
- Where liability is admitted without insurer approval
- Professional risks
- Correcting defective workmanship

- Pollution or Contamination not caused by sudden, identifiable and unintended incidents arising at a specific point in time
- Intellectual Property liability
- Radioactive contamination and/or ionising radiation
- Terrorism
- War and Allied Risks
- Electronic / Cyber Risks

## **Products Liability**

- Where liability is admitted without insurer approval
- Defects to / of the product itself
- Product Recall
- Product Guarantee
- Similar exclusions as described in the Public Liability section above can also apply

## **Property Owners' Liability / Land Owners' Liability**

- Similar exclusions as described in the Public Liability section above can apply

## **Environmental Impairment Liability / Environmental Liability / Pollution Liability**

- Where liability is admitted without insurer approval
- Professional Risks
- Risks more properly insured under marine or aviation covers
- Risks more properly insured under other forms of liability cover
- Property owned by you or in your custody or control
- Fines, penalties, liquidated damages, punitive or exemplary damages
- Intentional acts
- Own expenses
- Known conditions
- Change in use of the site / location
- Naturally occurring materials not in excess of natural concentration
- Radioactive contamination / ionising radiation
- Terrorism
- Transported goods not in your control
- Voluntary site investigation and redevelopment
- War and Allied risks

## **Management Liability / Directors and Officers Liability / Officers Indemnity / Trustee Liability / Corporate or Company Entity Liability**

- Risks more properly insured under other forms of liability cover
- Where liability is admitted to a third party without insurer approval
- Incidents relating to actions occurring prior to the retroactive date stated in the insurer documentation
- Conduct attributable to gaining of profit or advantage not legally entitled to

- Deliberate, dishonest or fraudulent acts
- Pending or Prior Litigation
- Claims reported out with the Discovery Period specified by the insurer
- Insured versus Insured
- Bodily injury or property damage
- Pollution or Contamination
- Intellectual Property Rights
- Anti Competitive Practices
- Proceedings seeking fines, penalties or non monetary relief
- Public offering unless specifically agreed
- Tax obligations

## **Employment Practices Liability**

- Risks more properly insured under other forms of liability cover
- Where liability is admitted to a third party without insurer approval
- Incidents relating to actions occurring prior to the retroactive date stated in the insurer documentation
- Contractual liability (other than defence costs)
- Collective bargaining
- Benefits due
- Non UK claims
- Non compensatory payments
- Pension rights
- Trade Union membership
- Similar exclusions as described in the Management Liability etc section above can also apply

## **Pension Trustee Liability / Benefit Plan Liability**

- Risks more properly insured under other forms of liability cover
- Where liability is admitted to a third party without insurer approval
- Incidents relating to actions occurring prior to the retroactive date stated in the insurer documentation
- Failure to fund or failure to collect contributions owed unless specifically agreed
- Conduct attributable to gaining of profit or advantage not legally entitled to
- Deliberate, dishonest or fraudulent acts
- Pending or Prior Litigation
- Claims reported out with the Discovery Period specified by the insurer

## **Professional Indemnity / Errors or Omissions**

- Risks more properly insured under other forms of liability cover
- Liability arising from professional services conducted prior to the retroactive date specified in the insurer documentation
- Where liability is admitted to a third party without insurer approval
- Any activities out with the defined professional services
- Electronic / Cyber Risks
- Knowingly defamatory statements

- Terrorism
- Claims brought by those with controlling interests in the entity
- Claims by associated companies
- Trading losses
- Insolvency
- Fines, contractual penalties, tax liabilities / debts, aggravated / punitive / exemplary damages or non compensatory damages
- Acts of other parties in joint ventures
- Disciplinary and Regulatory Investigations / Proceedings / Fines / Taxes / Costs unless specifically agreed
- Failure to adhere to legal advice
- Action by authorities
- Sanctions breaches

### **Cyber Liability / Cyber Insurance**

- Risks more properly insured under other forms of liability cover
- Antitrust or unfair trade packages / practices
- Claims by associated companies
- Bank or credit card company chargebacks unless specifically agreed
- Core internet infrastructure failure
- Insolvency
- Contractual penalties
- Misleading advertising
- Gathering or Distribution of Information
- Media related exposures unless specifically agreed
- Nuclear Risks
- Intellectual Property Infringement
- Trading losses, loss of money and discounts
- Uninsurable fines
- Unlawful surveillance
- Unsolicited communications
- Wilful, malicious, reckless or dishonest acts or omissions

### **Product Recall / Product Malicious Tamper / Product Extortion / Contaminated Products / Product Guarantee**

- Risks more properly insured by Products Liability cover
- Liability for products prior to customer unqualified acceptance
- Products manufactured / supplied prior to the retroactive date stated in the insurer documentation
- Contractual fines and penalties
- Where existence of cover has been disclosed to third parties without insurer agreement
- Incidents relating to competitor products similar to your products
- Deterioration, decomposition or transformation not as a result of insured accidental contamination
- Changes in population / customer tastes / economic conditions / seasonal variations / competitive environment

- Illegal / Wilful / Dishonest acts of directors, officers or trustees or adverse publicity arising from the acts of directors, officers, trustees or employees
- Intentional violation of regulations or laws or failure to follow instructions provided by an official authority
- Government body litigation or proceedings
- Failure to adhere to own procedures resulting in accidental contamination
- Contamination arising from bio / genetic engineering, hormone treatment, irradiation, TSE, BSE or CJD unless specifically agreed
- Contamination arising from carcinogens unless specifically agreed
- Incidents arising after you have knowledge of defects or deviations
- Change in regulations or public perceptions on the safety of ingredients
- Design / Engineering costs of a product
- Terrorism
- Failure by a third party to follow instructions
- Sanctions violations
- Punitive, aggravated or exemplary damages
- Radioactive contamination / ionising radiation
- War and Allied Risks
- Pollution
- Financial default or insolvency
- Electronic / Cyber Risks
- Asbestos risks unless specifically agreed

### **Personal Accident / Group Personal Accident / Sickness / Illness**

- Losses arising out with the operative time stated in the insurer documentation
- Losses involving those out with the definition of an insured person and/or out with the age range stated in the insurer documentation
- Losses arising out with the incidents / injuries / illnesses specified in the insurer documentation
- Suicide, attempted suicide or self inflicted injury

### **Business Travel / Travel Insurance**

- Travel which falls out with the insurer documentation definition of insured trips
- Traveling against the advice of a medical practitioner
- Traveling or arranging a trip to a country, region or territory where the UK Foreign and Commonwealth Office has advised against all but essential travel or similar
- Where the purpose of a trip is to receive medical treatment or advice
- Use of non prescribed drugs not legally obtainable from a pharmacy
- Suicide, attempted suicide or self inflicted injury
- Legal Expenses incurred / actions taken in relation to a dispute without insurer approval
- Risks more properly insured under other classes of insurance cover
- Where liability is admitted to a third party without insurer approval
- Liability claims in relation to insured persons suffering from psychological conditions or under the influence of non prescribed drugs or solvents
- Claims arising from sexually transmitted diseases

- For damage to own or personal property, similar exclusions as apply under the Property Damage / Material Damage and/or Trade 'All Risks' etc sections above can apply
- Property more properly insured under Cargo insurance covers
- Shortages of money due to confiscation, detention, error, omission or depreciation in value
- Loss of money out with the time period specified in the insurer documentation
- Deciding not to travel or continue with a trip without valid medical, FCO advice or other specifically insured reasons
- Redundancy or employment termination of an insured person
- Failure to check in / board according to the itinerary supplied unless caused by an otherwise insured incident
- Cancellation / Curtailment due to financial circumstances
- Default of provider or agent of transport or accommodation
- Loss of ransom / extortion money due to fraudulent / dishonest / criminal / unlawful acts of person(s) in custody of the money
- Kidnap / Hi-Jack / Ransom / Extortion in permanent country of residence and/or where this class of cover has been declined or cancelled in the past by an insurer
- Kidnap / Hi-Jack / Ransom / Extortion in high risk territories as defined by the insurer unless specifically agreed
- Failure to maintain / possess required documents / visas
- Ejection due to alleged violation of laws / debt / insolvency / commercial failure / repossession / contract dispute
- Evacuation due to failure to reasonably comply with earlier warnings to leave
- Similar exclusions as apply in the Personal Accident etc section above can also apply

## Commercial Legal Expenses

- Costs / Expenses incurred and/or actions taken without the consent of the insurer
- Claims where the insurer judges there are not reasonable prospects for success of an action / defence succeeding
- Risks more properly insured under various liability insurance covers
- Fines, penalties, compensation or damages unless specifically agreed
- Intellectual Property Rights claims
- Incidents deliberately or intentionally caused
- Franchise or agency agreements
- Dispute(s) with the insurer or their representatives
- Other insurance related disputes
- Shareholding or partnership disputes
- Judicial review / coroner's inquest / fatal accident enquiry
- Bankruptcy
- Defamation / Libel / Slander
- Litigation / defence carried out in person
- Employment disputes for claims of injury or property damage
- Employment disputes under Transfer of Undertakings Regulations or Transfer of Employment (Pension Protection) Regulations

- Employment Dispute Compensation Awards relating to trade union activities / membership / non membership, pregnancy / maternity / paternity / parental / adoption, health and safety relating dismissals under Employment Rights Act 1996
- Employment Dispute Compensation Awards relating to non payment of money due under an employment contract or statutory provision, national minimum wage legislation, failure to abide by tribunal recommendation, failure to pay agreed settlement after conciliation
- Prosecution due to road traffic law infringement
- Statutory notices issued by regulatory or government bodies
- Contract disputes arising from alleged breach of professional duty
- Contract disputes relating to recovery of money unless other party indicates a defence exists
- Tax avoidance schemes
- Failure to register for VAT or PAYE
- Criminal / dishonesty investigations by HM Revenue and Customs
- Import or excise duties / import VAT
- Dispute(s) with the insurer or their representatives
- Other insurance related disputes
- Electronic / Cyber Risks
- Radioactive contamination / ionising radiation
- Terrorism
- War and Allied Risks

### **Property Owner Legal Expenses / Rent Guarantee**

- Costs / Expenses incurred and/or actions taken without the consent of the insurer
- Claims where the insurer judges there are not reasonable prospects of an action / defence succeeding
- Normal credit control procedures have not been exhausted
- Inventory of property not obtained and agreed by both parties prior to tenancy commencing
- Satisfactory tenant references not obtained prior to tenancy commencing
- Rent not paid in advance and at intervals no less than that defined by the insurer
- Tenant deposit not retained in a statutory recognised deposit scheme
- Tax avoidance schemes
- Failure to register for VAT or PAYE
- Criminal / dishonesty investigations by HM Revenue and Customs
- Dishonesty / deliberate acts / violence / criminal acts / fraud by you
- Judicial review, mediation or arbitration, marital or family disputes, intellectual property, libel or slander, share options, pensions and/or mortgage
- Fines and Penalties
- Dispute(s) with the insurer or their representatives
- Other insurance related disputes
- Dispute(s) with family members
- Electronic / Cyber Risks
- Radioactive contamination / ionising radiation
- Terrorism
- War and Allied Risks

## **Motor / Vehicle / Fleet**

- Vehicles not notified to and agreed by the insurer and/or logged on the Motor Insurance Database as required by the insurance policy terms and conditions
- Where liability is admitted to a third party without insurer approval
- Claims arising from persons driving without required licence
- Vehicles not maintained / serviced in accordance with manufacturer's recommendations and/or otherwise not in a roadworthy condition
- Plant / machinery items attached to a vehicle or trailer unless specifically agreed
- Risks more properly insured under employers' liability, public liability, marine, aviation, goods in transit, cargo property damage / material damage or engineering insurance covers
- Tool of trade use liability
- Contractual liability
- Pollution
- Vehicle contents
- Depreciation and reduction in market value following repair of your vehicle
- Loss of use of your vehicle or other consequential financial losses
- Wear and tear or gradually operating causes
- Mechanical or electrical breakdown, failures or breakages
- Damage to tyres
- Deception or fraud
- Seizure by police and vehicle in custody of police
- Electronic and Cyber Risks
- Radioactive contamination / ionising radiation
- Terrorism
- War and Allied Risks

## **Motor Legal Expenses / Motor Uninsured Loss Recovery**

- Costs / Expenses incurred and/or actions taken without the consent of the insurer
- Claims where the insurer judges there are not reasonable prospects of an action / defence succeeding
- Claims arising from incidents not insured under the relevant motor insurance policy
- Vehicles used for racing / rallying / trials / time trials / competitions / on a race track
- Dispute(s) with the insurer or their representatives
- Other insurance related disputes
- Fines / Penalties / Compensation Awards
- Judicial review
- Deliberate, conscious, intentional, careless or reckless acts by you
- Claims arising from parking offences
- Claims arising from driving while under the influence of drink or drugs / driving without insurance
- Electronic / Cyber Risks
- Radioactive contamination / ionising radiation
- Terrorism
- War and Allied Risks

# General Terms of Business – Commercial Customers

This agreement is intended for 'Commercial' customers rather than 'Consumers' (retail customers); Commercial customers are those that are – to any extent – acting within their trade, business or profession. If you are not a Commercial customer, ask us for our Consumer Terms of Business Agreement.

- [How we are regulated](#)
- [Details of the James Hallam Service to you](#)
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- [Claims](#)
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# How we are regulated

## Acceptance

The purpose of this agreement is to set out our professional relationship and detail the services we will provide to you. For your own benefit and protection, you should read all of the information carefully and, we would like to draw your attention to the 'Duty of Fair Presentation', the 'Processing of your Personal Data' and also the 'Client and Insurer Money' sections. By asking us to quote for, arrange or handle your insurances, you are deemed to be providing your informed agreement to these Terms of Business. If you do not agree to any part of the information, please write to us.

This agreement will supersede any previous version of our Terms of Business

## Who regulates us?

James Hallam Limited is authorised and regulated by the Financial Conduct Authority (FCA). Our Firm Reference Number is 134435. Our details may be confirmed on the Financial Services Register at:

<https://www.fca.org.uk/firms/financial-services-register> or by calling 0800 111 6768.

Our permitted business is introducing, advising, arranging, dealing as agent, and assisting in the administration and performance of general insurance contracts, and credit broking in relation to insurance instalment facilities.

# Details of the James Hallam Service to you

## Our Service – Treating customers fairly

We act as an intermediary, not an insurer.

We are committed to providing you with a quality service. We only select from insurance products in which we have confidence to meet the needs of our clients. We aspire to treat you, our customer, fairly and to give advice and recommendations that meet your insurance needs. We review our processes and procedures to ensure we offer the highest standards of advice and service. All our communications, reports, emails, letters, etc are designed to be clear and easy to understand.

As a broker, we will act on your behalf when arranging your insurances, when helping you make changes to your policy when you renew your insurance or when you make a claim. If there are any circumstances when we act as an agent of the insurer (e.g., in binding the insurer to contract or in handling or settling claims) we will let you know before your insurance arrangements are concluded.

Under risk transfer, we also act on behalf of insurers when collecting premiums and handling refunds due to clients as well as the transfer of claims monies. Such monies are deemed to be held by the insurer(s) with whom your insurance is arranged.

If you mislay your policy at any time, we will arrange a replacement policy document, if you request it.

As your agent and unless we hear from you otherwise:

- We will assist in arrangement and administration of your insurances (and on-going changes) including agreeing the terms and conditions of your insurance policy with insurers consistent with your instructions.
- Upon receipt of your instruction we will place, amend or renew insurance cover on your behalf with insurers.
- We will advise you of any inability to place your insurance.
- We will assist you if you need to make a claim, or where we outsource claims handling facilities to provide you with an enhanced service.

You should not rely on any insurance policy you have instructed us to place on cover until we have confirmed in writing to you that the insurer has agreed to such insurance cover being in force.

Some insurers may delegate authority to us to underwrite, bind and administer an insurance contract on their behalf, including handling and processing claims payments. We will notify you if your insurance contract is placed under a delegated authority, as when conducting these activities, we will also be acting on behalf of insurers and not solely as your independent agent.

We may record telephone calls for training purposes and for your and our protection.

## **Scope of Our Recommendations**

We will ask questions to enable us to help identify your insurance requirements; this may include checking information that we already hold about you and your existing insurance arrangements with us and other parties.

Unless stated otherwise we will make a personal recommendation to you as the most suitable based upon our assessment of your needs and our experience of dealing with similar risks. This may or may not always be on the basis of a fair and personal analysis of the market (see below).

The recommendation will include a summary of our assessment together with type of policy and cover proposed and the associated cost.

We will undertake to provide you with details of the main features of the product and services, which we will offer.

Where we are making a personal recommendation based on a fair and personal analysis of the market, this will involve an assessment of a sufficient number of target market products, their product features, the premium and the service provided by the insurer.

We are not under a contractual obligation to do so, but on occasion, we may only be able to offer the products from a single insurer or from a panel of insurers at which time we will provide you with a list of the insurers concerned prior to the conclusion of your insurance arrangements.

If we propose using another intermediary to help to place your business, we will also advise you accordingly.

Where we declare that we are not providing a personal recommendation we will simply provide you with information (with no advice) to enable you to make an informed decision on how you wish to proceed.

## **Conflict of Interest**

Circumstances may arise where we may have a potential conflict of interest between us and you or between you and another of our clients.

For example, we may arrange insurance for you through Touchstone Underwriting Ltd which is a wholly owned Managed General Agency of Seventeen Group Ltd, who also own James Hallam Ltd.

We operate conflict management policies and procedures which are designed to prevent any conflict of interest adversely affecting or compromising your interest. In such instances we will always act in your best interests when arranging such cover.

If you wish to discuss this arrangement, please contact us.

# Legal matters

## Law and Jurisdiction

These Terms of Business are governed by and in accordance with the laws and jurisdiction of England and Wales.

If you are domiciled in a country other than the England or Wales, then the laws or regulations in your country of domicile may take precedence over any relevant English and Welsh legislation. Therefore, references in this document to the FCA or Financial Ombudsman Service (FOS) and any rights or benefits may not apply.

## Limitation and Exclusion of Liability

Unless we have otherwise agreed with you in writing our liability to you (whether in contract or tort including negligence) will in all circumstances be limited up to £10,000,000 per any one claim and also in the aggregate.

Notwithstanding the preceding paragraph we shall not be liable to you under any circumstance for any loss of profit, indirect loss or consequential loss whatsoever.

This exclusion and limitation will not apply in respect of our liability:

- i. arising from any fraudulent act or
- ii. for death or personal injury arising from our negligence or
- iii. from any duty or obligation owed to you under any statutory or regulatory stipulation.

## Severability

If any provision of these Terms of Business is found to be invalid or unenforceable in whole or in part, the validity of the other provisions of these Terms of Business and the remainder of the provision in question will not be affected.

## Assignment

We are entitled to assign the benefits of these Terms of Business (but not the burdens as set out in these Terms of Business) to any other company within the Group of Companies of which we are part of but then only for so long as such the Company remains a member of the said Group. We are entitled to transfer Client Monies to a similar bank account held in the name of any other company within the Group of Companies of which we are a part but then only for so long as such Company remains a member of such Group.

## **Client and Insurer Money**

Prior to your premium being paid to the insurer, and for your protection, we hold your money as an agent of the insurer, (termed risk transfer) in which case your policy is then treated by the insurer as being paid for, and the premium being held in a client bank account on trust for you.

The account in which these funds are kept is a Non-Statutory Trust Account (as defined by the FCA Rules). This means that we may extend credit to other customers from this account.

However, your money will be always protected because of the requirements of FCA rules. We also reserve the right to retain interest earned on this account.

By accepting these Terms of Insurance Business document, you are giving your consent for us to operate in this way.

## **Rights of Third Parties**

Unless otherwise agreed between us in writing, no provision of this Terms of Business is enforceable under the Contracts (Rights of Third Parties) Act 1999 by any person other than you or us.

## **Equality Act**

James Hallam Limited (JHL) abides by the Equality Act 2010 and Worker Protection (Amendment of Equality Act 2010) Act. Policy and procedures are actively in place to protect our employees from sexual, race, sex or disability discrimination and harassment at work (including by third parties).

# Information - your obligations

## Your Duty of Fair Presentation Under the Insurance Act 2015

You have a Duty of 'Fair Presentation' which means you must:

- Disclose all "material circumstances" which you know or ought to know or, failing that,
- Provide sufficient information to put the underwriter on notice to ask further questions.

This duty applies:

- a) before your cover is placed
- b) when it is renewed
- c) at any time that the cover is changed.

In providing a Fair Presentation you are deemed to know what your senior management knows, what the people arranging the insurance know and ought to know what would reasonably have been revealed by a reasonable search.

There is no longer an exemption from providing information about matters which are subject to a warranty (including any breaches) which should now form part of the fair presentation.

You do not have to disclose information if the insurer already knows it, ought to know it or is presumed to know it, although it is advisable and prudent to disclose such information in any event. The insurer knows what is already known to its underwriter or their agent. The insurer is presumed to know what underwriters writing that class of business should know.

- All statements and information disclosed verbally and on proposal forms, statements of fact, claim forms, declarations and other documents should be completed in full, and be true and accurate. Where forms are completed or partially completed on your behalf you should check them for accuracy before signing. If you are in any doubt as to whether a fact is material, you should disclose it.

**FAILURE TO COMPLY MAY ENTITLE THE INSURER TO AVOID THE POLICY, IMPOSE ADDITIONAL TERMS OR REDUCE CLAIMS PAYMENTS.**

## Notification of Changes and Alterations

Please notify us immediately in the event of any change in your circumstances which are detailed in your proposal form or statement of fact.

We would also refer you to the section titled **Your Duty of Fair Presentation** which details your duty to always provide complete and accurate up to date information to your insurers.

Amendments to policies after inception may be arranged upon receipt of your instructions with full details. Cover is subject to acceptance by insurers and the payment of any additional premium required, if applicable.

Please note that any instruction sent by post, electronic mail, apps including but not limited to WhatsApp, text message or via a telephone voicemail message is not deemed to have been received by us until it reaches the relevant personnel in our office. Cover can not be assumed until we have confirmed this to you. We cannot accept responsibility for failures in the postal, electronic or telecommunication systems.

## **Warranties and subjectivities**

It is important that you are clear and understand all the terms which apply to your insurance contracts. It is important that you comply strictly with any warranties and conditions precedent. Failure to do so may entitle the insurer to decline a claim. If you are aware that you are in breach of a warranty, then please keep a record of when this occurred. If you are unable to remedy the breach, then please let us know as soon as possible. A subjectivity in your policy may result in your cover being prejudiced if it is not addressed.

# Your Policy

## Renewals

Renewals are invited on the basis that there have been no changes to your circumstances or the risk other than those specifically notified to your insurers and for which you have received an acknowledgement and revised documentation. Please see section headed **Notification of Changes and Alterations** which also outlines your duty of care with regards to Disclosure and Fair Presentation.

## Insurer Security

Insurers are subject to FCA regulation and are required to have adequate capital resources. We carry out regular due diligence checks on all insurance markets used but cannot guarantee the solvency levels of any individual insurer. Your liability for the premium, whether in full or pro rata, may arise under policies where a participating insurer becomes insolvent. An insolvent insurer may also be unable to meet a proportion or all of any claim made. Consequently, we recommend that when selecting an insurance product, also consider insuring with those firms with higher credit ratings which also satisfy our requirements. Should you be concerned or require any further information regarding your insurer then we will discuss this with you on request.

## Quotations

Quotations are valid until the date cover commences up to a maximum of 30 days, unless otherwise stated. Specimen policy wordings are available upon request.

## Documentation

Documentation including your policy schedule and certificate (if applicable) will be issued to you in a timely manner.

It is your responsibility to read all documentation upon receipt to ensure that all details are correct and that the cover provided meets with your requirements.

We will arrange cover according to your instructions but only you can identify if this does not meet your intended requirements.

Any query regarding the accuracy of the information shown or any uncertainty over the content should be raised with us immediately.

Incorrect information disclosure or non-disclosure may invalidate your policy cover completely or mean that in the event of a claim all or part of it may not be paid.

## **Payment of Premium**

We must receive your payment, unless it is made by you directly to the insurer, by BACS, cheque, credit or debit card, wire/swift transfers or be in receipt of a completed Direct Debit Mandate (with deposit if required) drawn on

a bank or building society or UK financial institution account in the policyholder's name and before cover commences unless we agree otherwise in writing.

We do not accept payment by cash or postal order but a bankers' draft or building society cheque is acceptable if it shows the policyholder's name as account holder.

We have no obligation to fund any premium, taxes or fees (if applicable) on your behalf nor do we have any responsibility for any loss you may suffer as a result of cancellation of insurance cover, or any other prejudicial steps taken as a result of late or non-payment substantially attributable to you. If we decide to retain certain documents whilst awaiting full payment of premium, fees or administration charges we shall provide details of your insurance cover and any information or documents required by law.

We are entitled (but not obliged) without providing notice to you to set off any amounts due to us from you, against any amounts which we may receive on your behalf (i.e. claims moneys, refunded premiums and other sums). Please be aware that full or partial non-payment of a premium or default on a credit agreement may result in the notice of cancellation or lapsing of your policy. You will also be responsible for any collection costs, legal fees and court costs that we may incur in recovering debts due from you.

## **Payment Verification Procedures**

To protect us and our customers from the risk of financial crime we undertake steps to verify payment details at the outset of our relationship and at any time you instruct us to make any changes to your banking or payment details.

We shall not be liable for any losses whatsoever arising from any delays occasioned by the necessary verification of a client's (or other party's) bank account details.

## **Transferred Business**

When we are appointed to service insurance policies other than at their inception or renewal and which were originally arranged by another party, we shall not be liable during the current insurance period for any loss arising from any errors or omissions or gaps in your insurance cover or advice not previously supplied by us. Should you have any concerns in respect of a policy which has been transferred to us, or if you require an immediate review of your insurance arrangements, you must notify us immediately. Otherwise, we shall review your insurance arrangements and provide advice accordingly, as each policy falls due for renewal.

# Ending your Relationship with Us

## Cancellation

If you wish to cancel your policy, you may do so at any time subject to policy conditions. You may be required to return the policy document and also confirm your instructions in this regard.

You may be entitled to a refund of premium where no claims have been made and or where a minimum and deposit premium has not been charged. Please refer to your insurer policy document which will fully detail the cancellation terms and charges.

## Ending your Relationship with Us

Subject to your immediate settlement of any outstanding premiums and fees, you may instruct us to stop acting for you and we will not impose a penalty. Your instructions must be given in writing and will take effect from the date of receipt.

**We also reserve the right to cancel this agreement at any time. In any event, we will provide you with at least 7 days' notice in this regard to enable you to make alternative insurance arrangements.** Valid reasons may include

non-payment of premium or fees, failure to provide requested documentation or information, deliberate failure to comply with terms set out within this Agreement or insurer's documentation, or deliberate misrepresentation or non-disclosure or attempted fraud. **We will notify you of any such termination in writing together with an explanation for our decision if appropriate.**

If our authority to act in connection with your insurance arrangements is terminated (by you or us) you will remain liable to pay for any premium or fee for any transaction concluded prior to the termination. Any transaction in progress at the time of termination will be completed unless we receive written instructions to the contrary. You will also be liable for the payment of any premium or fee which may become due upon completion of any pending transaction.

# Claims

We will assist you with advice and guidance when you make a claim under your policy, but it remains your responsibility to have read, understood or queried all documentation upon receipt. All incidents that could possibly give rise to a claim must be notified to us or your insurer in accordance with the terms of your policy and a claim form completed where required. Delay on your part in notifying a claim and/or completing required forms will risk a loss you suffer not being paid or being paid in part only.

You must not in any circumstances admit liability for a loss or agree to any course of action, other than emergency measures carried out to minimise the loss, as you risk a loss you suffer not being paid or being paid in part only. All correspondence, claims, writs, summonses etc. should be forwarded immediately, unanswered, either to us or to your insurer. You are also reminded of your duty to keep all losses and costs arising from an incident to a minimum and that failure to comply with the policy terms and conditions may invalidate cover.

We will remit claims payments received on your behalf to you as soon as practicable after confirmation of receipt of cleared funds in our bank account.

If an insurer becomes insolvent or delays making settlement, we do not accept liability for any unpaid amounts. We reserve the right to charge for our claims service if you request this to extend beyond our appointment to your policy and this will be confirmed in writing before you incur any charge.

If our authority to act in connection with your insurance arrangements is terminated (by you or us) we will immediately cease to handle and manage claims already reported and will be unable to deal with any which may be subsequently incurred.

# Data Protection

## Processing your Personal Data

In our dealings with you, we will always comply with all applicable Data Protection Legislation (including, as appropriate, the Data Protection Act 2018, the General Data Protection Regulation, any relevant secondary legislation, and any amendments or replacements to any of these). Please ensure that if applicable your directors, employees, contacts and agents are aware of this section on Confidentiality and Data Protection.

We implement generally accepted standards of technology and operational security in order to protect personal data from loss, misuse, or unauthorised alteration or destruction. We will notify you and all relevant individuals promptly in the event of any breach of personal data which might expose you or (if applicable) your directors, employees, contacts or agents to serious risk.

- a) Individuals have the following rights in respect of their personal data held by us:
- b) to access any personal data which we hold on them. This may be obtained by writing or emailing to the Data Privacy Officer [details as shown below]. Where permitted under Data Protection Legislation, a nominal charge may apply for providing the information;
- c) to be provided with information about how their personal data is processed (this information is set out in these Terms of Business); to have their personal data corrected where necessary (they should contact us promptly if they become aware of any incorrect or out-of-date information);
- d) to have their personal data erased in certain circumstances (please refer to the appropriate data protection legislation or consult the Information Commissioner's Office for information or details);
- e) to object to or restrict how their personal data is processed;
- f) to have their personal data transferred to themselves or to another business.

Individuals also have the right to take any complaints about how we process their personal data to the:

Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF <https://ico.org.uk/make-a-complaint/> or by calling 0303 123 1113.

For more details, please request a copy of our Privacy Policy which can also be viewed on our website. If you wish to exercise any of your rights [ as stated above] or if you have any query in relation to the processing of your Personal Data, please address any correspondence to:

The Privacy Officer, James Hallam Ltd, 10th Floor, 2 Minster Court LONDON EC3R 7BB or

Email us at: [privacy@jameshallam.co.uk](mailto:privacy@jameshallam.co.uk).

We may collect, use, transfer or store personal data relating to you (applicable to individuals only) or where applicable your directors, employees, contacts and agents where necessary in order to:

- a) perform insurance contracts with individuals or take steps at an individual's request prior to entering into such a contract;
- b) exercise our legitimate business interests as an independent insurance broker in order to provide the relevant information and services;

- c) carry out other functions with express consent (which may be amended or withdrawn at any time by notifying us);
- d) comply with our legal obligations.

Where you provide personal data relating to any individual you must ensure that you are entitled to do so. We will use that personal data and may disclose some or all of it to other parties, for the purposes of arranging, placing and administering your insurance. These other parties may include the FCA for compliance matters, insurance companies and other agents for underwriting and claims purposes and credit agencies for premium collections identity checks and anti-fraud protection. We may also monitor and record phone calls in the interests of security and staff training. If you are a Franchisee, Associate, Self-Employed Agent or Licensee, James Hallam Insurance Brokers Ltd may also share policy details, including claims information and non-payment of premium with the Franchisor, Principal, Brand Owner.

We may in addition use personal data for communicating with you about our insurance products and services (and similar products or services provided by us). Communication with you in this regard may include mail, SMS text, telephone or email. If individuals do not want us to use their information in this way, they should notify us promptly in writing or email to that effect or use the unsubscribe option provided in each communication.

We will never sell personal data or, except as mentioned above, make it available to any third parties without appropriate prior consent (which may be freely amended or withheld) except where required to do so by law or in the event that we sell any part of our business or assets (in which case we may disclose personal data confidentially to the prospective buyer as appropriate in accordance with our legitimate interests in that respect).

Notwithstanding the above, all personal data of a sensitive nature (as defined in the Data Protection Legislation) will be treated as strictly private and confidential.

We will not use or disclose it except either with explicit consent or where we are required to do so for legal or regulatory purposes and/or permitted to do so by the Data Protection Legislation.

In processing personal data for insurance purposes about health or criminal offences, we will only do so to enable us to provide our service to you and because of it being in the public interest.

# Our Remuneration / Fees

In return for placing your business with insurers underwriters and or other product providers, we generally receive a commission from them which is a percentage of the annual premium that you are charged.

We may on occasion also receive additional payments from insurers depending upon the volume of our account with them and or the profitability of that account.

For arranging premium instalment facilities, we earn commission from our premium finance provider(s) which is usually a percentage of the interest that you pay. This means that the amount you pay for credit and the overall cost of arranging your insurance will vary according to the interest charged by the lender and the amount of commission we earn. There may be occasions where there is a choice of instalment payment options which may charge different interest rates. Typically, we will not receive any instalment payment commissions from insurers if policies are placed on direct debit instalment arrangements with the insurer. We will only receive commissions from the premium finance providers.

Using premium finance or paying an insurer direct debit arrangement (rather than paying the premium in one amount) makes the overall total cost of the insurance more expensive.

A full breakdown of the cost of your insurance including any administration fee and the cost of credit where applicable will be provided as part of your new business or renewal quotation before you decide whether to proceed.

In any instance where we elect to either charge you a Brokerage Fee in addition to or in lieu of commission, we will confirm to you, prior to the conclusion of your insurance arrangements, the method of the remuneration and the amount of any fees payable by you.

You are entitled at any time to request information regarding any commission which we may have received as a result of us placing your insurance business or arranging premium finance. Please be assured that the way in which we are remunerated will not at any time conflict with our responsibilities to meet your insurance needs and treat you fairly.

Our remuneration in whatever form and in respect of any policy shall be due on the date of inception or renewal of that policy. We shall be entitled to retain all commission and/or agreed fees in respect of the full policy period including where you appoint another intermediary in our place during the currency of the existing policy or where a policy is cancelled after inception or renewal.

# Complaints

It is our intention to always provide a high level of service. However, if you have reason to make a complaint about our service, please address any correspondence to:

The Complaints Officer, James Hallam Ltd, 10th Floor, 2 Minster Court LONDON EC3R 7BB or Email [complaints@jameshallam.co.uk](mailto:complaints@jameshallam.co.uk).

You may be entitled to refer the matter subsequently to the Financial Ombudsman Service (FOS).

You will be able to do this if you fall within any of the following categories;

- Consumers (private individuals acting for purposes which are wholly or mainly outside that individual's trade, business, craft, or profession)
- Micro-enterprises (businesses employing fewer than 10 persons and with a turnover or annual balance sheet total not exceeding €2 million)
- Other small businesses (with an annual turnover of below £6.5m, and less than 50 employees or with an annual balance sheet total of below £5 million)
- Charities with an annual income of under £6.5 million
- Trustees of a trust with a net asset value of under £5 million

Whether you are so entitled will not affect the promptness and fairness with which we will strive to resolve any complaints. You can contact the FOS by telephone on 0800 023 4567 and further information is available at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk). If you do decide to refer any matter to the FOS your legal rights will not be affected. (If your complaint cannot be resolved immediately, you may be required to put this in writing for us to investigate further).

A copy of our Complaints Procedure is available on request.

## Financial Crime

As an FCA regulated company, we work within its regulatory framework designed to prevent financial crime – such as financial sanctions, money laundering, fraud or bribery and corruption. We may need to seek additional information from you to ensure compliance with these obligations.

We are required to report to the National Crime Agency and / or Serious Fraud Office any evidence or suspicion of financial crime.

## Compensation

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business, the size of your business and the circumstances of the claim. Insurance advising and arranging is covered for:

- 90% of the claim, without any upper limit;
- 100% of the claim without any upper limit for compulsory classes of insurance (such as Third-Party Motor or Employers Liability); and 'pure protection' contracts, professional indemnity insurance, and general insurance claims arising from the death or incapacity of the policyholder owing to injury, sickness or infirmity, all where the insurance intermediary has failed to pay money to an insurer, pay away money it has received from an insurer, or has failed to take steps to allow the insurer to effect the contract of insurance.

Further information about compensation scheme arrangements is available from the FSCS on 0800 678 1100 or by visiting [www.fscs.org.uk/](http://www.fscs.org.uk/).

Ref: Commercial TOBA 10.9 JUN 2025