

APPENDIX 1



Council
Guard



Ms Janet Smallacombe
Tavistock Town Council
Drake Road
Tavistock
Devon
PL19 0AU

Our Ref: 19579854
25th March 2021

Dear Jan,

Commercial Combined Renewal 2021 transferred from RSA

I am writing to you in connection with your above policy with Royal & Sun Alliance Insurance Plc which falls due for renewal on 1st April 2021. I am pleased to offer you the following terms for the period of cover from 1st April 2021 to 31st March 2022:

Premium £14,025.00 including Insurance Premium Tax (IPT) where applicable and fees from The Military Mutual Limited & Irwell Insurance Company.

Your Needs

From our knowledge of your circumstances and the information provided by you, it has been established that you have a requirement for the following cover.

Physical loss or damage to the covered property from any of the perils stated at any of the covered premises.

Loss of Revenue &/or Increased cost of working resulting from an unforeseen interruption to your business activities caused by a covered peril.

Losses of money and transferable or negotiable orders, whilst on the premises, in a safe overnight, in transit or bank night safe.

Legal liability to pay damages to any employee arising out of bodily injury, disease, illness or death received in the course of their employment.

Legal liability to third parties for accidental loss or damage to property, or death, disease, illness or injury as a result of the business activities.

Legal liability for third party bodily injury or property damage caused by products, goods or services sold or supplied.

Legal protection and assistance in the pursuit and defence of actions brought by or against you during the course of your business activities, including tax investigations and employment disputes.

Damage to or destruction of all fixed glass at the covered premises .

All risks of physical loss or damage to the business equipment specified

A financial loss arising from an employee's fraudulent, disloyal or dishonest conduct resulting in the loss of stock or money. Indemnity for actions brought against officials & councillors for "wrongful acts" committed in the performance of their duties to ensure that their personal wealth is protected.

Provides for pre-defined payments to the policyholder in the event of accidental death or bodily injury of a covered person.

Please refer to your cover documents for full details of your sums insured and coverages including excesses, clauses, conditions and endorsements.

Claims Notification

The prompt notification of claims is a requirement of all policies and failure to comply with this might prejudice the position should a claim occur. It is, therefore, essential we are advised immediately of any claim made against you or of any occurrence which may give rise to a claim under this cover. If the cover is arranged on a claims made basis, all actual or potential claims must be reported to the mutual within the cover period. Failure to notify the Mutual when you first become aware of such incident may result in the Mutual rejecting your claim.

Important Information

The contract may contain important clauses which you/the Insured need to be aware of. They will either:

- a) affect the amount payable in the event of a claim; and/or
- b) affect the validity of the contract in respect of conditions precedent to cover; and/or
- c) contain a warranty or warranties that will normally enable insurers to terminate the contract at the date of the breach, should the Insured not comply. A breach of warranty can also, in certain circumstances, mean that insurers

may void the contract from its inception regardless of whether there is any connection between a warranty breached and any loss which leads to that breach becoming evident.

Our Advice

We are providing advice to you in relation to the suitability of our recommendation to meet your needs.

The Capacity in which we act

In order to meet regulatory obligations we are required to provide details to ALL clients of the capacity in which we are acting during three key stages of the insurance cycle

In respect of this contract:-

- o In sourcing a suitable policy for you – We are acting as your agent
- o When placing cover – We will be acting as your agent
- o In the event of a claim – We will be acting as your agent

Our Recommendation and Market Selection

Based on this information and on our knowledge of the market, we recommended renewal with The Military Mutual Limited as:

Following a change of direction within RSA and their wish to exit the local authority market we have completed a full scheme tender exercise approaching the insurance market as a whole & the council guard scheme has been moved from RSA to The Military Mutual. As a true Mutual insurance premium tax is not payable (apart from for the separate legal expenses insurance) so a premium saving based against RSA & last years premium is achievable.

Based on this information and on our knowledge of the market, we recommend that you place your business with The Military Mutual Limited as:

We are providing a Personal Recommendation in relation to the suitability of this product to meet your needs.

Insurer Selection

Following a review of your requirements and based upon our knowledge of insurance markets, we have not sought alternatives and have therefore only considered the new councilguard scheme insurer. We do constantly compare our exclusive products against the market to ensure the cover remains comparable and that the pricing remains competitive and we have undertaken a full tender exercise within the last 12 months.

We believe that the terms presented provide a scope of cover and premium that:

is appropriate to satisfy your insurance requirements and

is consistent with placements we have arranged for other clients with similar requirements having taken into account the specific nature of your own risk profile.

The cost of cover at the start of last year and what the cost would have been for the cover required at the end of the year, at last year's rates, are also shown for comparison.

	Cover at Start of Last Year (GBP)	Cover at End of Last Year (GBP)	Recommended Quote (GBP)
Premium	19,821.53	19,821.53	21,249.80
Insurance Premium Tax	2,378.59	2,378.59	0.00
Admin Fee	25.00	25.00	25.00
Total (GBP)	22,225.12	22,225.12	21,274.80

As you are aware, we recommended that you considered the following covers, but note from our records that you have elected not to proceed with them:

Cyber Insurance

As previously discussed if you wish to include this cover please forward the signed statement of fact & confirm the limit of indemnity required.

Please let me know immediately if you have a change of mind on the above.

In addition, we are unable to provide you with the following cover:

None.

The risk details on which our recommendation is based are shown on the enclosed quotation and we believe these meet all the requirements we have identified, unless otherwise stated. It is important that you review the risk details to ensure that your requirements are accurately reflected. The main terms and conditions of the covers are outlined in these documents but full details are contained in the policy document, a copy of which is available on request.

We ask that you check all these documents carefully to ensure that all the details they contain remain accurate. Should any of the information be inaccurate, or you feel that the levels of cover need updating, please let us know immediately. A further review may then be required to establish the correct recommendation for your insurance needs.



Significant warranties, conditions, exclusions and subjectivities

Please see the attached policy wording for the general pandemic/epidemic exclusion. All terms & conditions are shown in the enclosed schedule, please note the application of a 3 year rate stability agreement & a profit share rebate clause and a differences in condition clause.

Some properties have further clauses such as an IEE Condition, Minimum Standards of Security, Alarm Condition, Deep Fat Frying Condition, in addition a Security & Inspection – Vacant Premises condition is in place for any empty properties. An increased Flood excess at Market Road & the Guildhall which matches the RSA terms. Under the liability section there is a bonafide subcontractors clause, play area condition & RTA exclusion, regarding your councillor who had the ccj unfortunately she will not benefit from cover under the fidelity section but unless she is a payment authoriser I wouldn't see this as an issue. If any of these conditions cause an issue, you feel they are not appropriate to the property concerned, or you need further clarification please do let me know. For instance if electricity is required for alarms etc in any empty properties that would be fine, if a kitchen has just a microwave then a deep fat frying condition would not be appropriate.



Your duty of Fair Presentation

Under the Insurance Act 2015 (which applies to all policies inception, renewed or altered after 12th August 2016) you have a Duty of 'Fair Presentation'

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.

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 knows it, ought to know it or is presumed to know it. The insurer knows what is actually known to its underwriter or their agent. The insurer is presumed to know what underwriters writing that class of business should know

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

Warranties and Risk Mitigation Terms

The provisions in the Insurance Act relating to warranties apply to you. The Act does not introduce a new definition of 'warranty' however:

- Any term which seeks to make information provided when the policy was purchased into an insurance warranty will have no effect.
- Warranties have become a suspensive condition. Cover is suspended whilst you are in breach but will be restored once the breach is remedied.
- Warranties and similar terms which seek to mitigate risk will not be effective if you can show that non-compliance "would not have increased the risk of the loss which actually occurred in the circumstance in which it occurred"

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.

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 in particular, we would like to draw your attention to the "Duty of Fair Presentation" section. By asking us to quote for, arrange or handle your insurances, you are 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?

WPS, WPS hallam, WPS Insurance Brokers and Taste of the West Insurance Services are trading names of James Hallam Limited who are 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 www.fca.gov.uk/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.

Our Service

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.

As a broker, we will usually act on your behalf when arranging your insurances, when helping you make changes to your policy or when you renew your insurance. 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 which 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 give you 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 place. (See also **Important Information**)

Scope of Our Recommendations

We will ask questions to enable us to assess reasonably 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 based upon our assessment of your needs and our experience of dealing with similar risks. This may or may not 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 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 contracts, 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 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.

Making a Claim

Your policy document details all the claims conditions and we would recommend that you familiarise yourself with these. One of the conditions is the requirement to notify any losses promptly, as failure to do so may invalidate your policy. Certain claims e.g. theft, loss of money or malicious acts must be immediately reported to the Police and you will be provided with a Police incident reference.

When you become aware of an incident that might give rise to claim, it is important that you either inform us as your brokers, or your insurers via their Claims Helpline Number as soon as practically possible.

Terms of Business

Our terms of business are attached for your information which confirms amongst other matters our authorisation and regulatory status with the Financial Conduct Authority.

Additional Covers Included

None.

Renewing Cover

To proceed with this renewal please confirm your instructions to us in writing prior to 1st April 2021 please note that no cover will attach until such time as we receive your instructions and confirm to you that the insurance is in place.

Payment Options

You currently pay by the Insurers Instalment scheme and the recommended Insurer The Military Mutual Limited has offered renewal Instalment arrangements (either directly or via a premium finance provider) as below:

Repayment Period: 12 months

Cost of Credit (including Fees): 0.00 APR 0.00%

Monthly Instalments: £1,770.82

Total Payable: £21,249.80

Our Fees of £25.00 must be paid to us separately and we will issue invoices upon your confirmation of cover being required.

Many thanks for asking us to look after your business and we look forward to receiving your instructions to continue to do so in due course.

Yours sincerely,



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