

**Cass-Stephens Insurances Ltd**

Windsor House, Barnett Way, Barnwood,  
Gloucester, GL4 3RT

Tel. 01452 300889  
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[www.cass-stephens.co.uk](http://www.cass-stephens.co.uk)

Mr Willis  
Surplex UK Ltd.  
Alni  
Lower Quest Hills Road  
Malvern  
WR14 1RP

Our Ref: 40497056  
27th May 2020

Dear Mr Willis,

## Your Tradesman & Professionals Package Insurance Quotation

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Thank you for asking us to review your insurance requirements for you. I am pleased to confirm our recommendation as follows:

### Your Demands and Needs

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To insure your liability for injury or damage to third party property, based on the business activities, limits of indemnity, estimates and/or employee numbers detailed in the enclosed quotation documents.

The policy should be based on the following:

<b>No. of Employees:</b>	Director - Manual Work:	1
<b>Public &amp; Products Liability:</b>	£1,000,000	
<b>Legal Expenses:</b>	£100,000	

### Our Recommendation

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Following our fair market analysis I am pleased to personally recommend placing cover with QBE UK Limited as they offer the cover you require at a competitive premium. Their quotation is as follows:

Premium excl. IPT:	£73.24
IPT:	£8.79
Admin Fee:	£20.00
<b>Total:</b>	<b>£102.03</b>

## Premium Payment Options

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The premium can be paid by the following methods:

- By Bank Transfer
- Cheque payable to Cass-Stephens Insurances Limited
- By credit or debit card
- By Instalments - the premium can be paid over ten months through Close Premium Finance at a service charge of 7% (APR 16.1%) Subject to a minimum charge of £35.

## The Insurance Act 2015

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The act applies to all non-consumer insurance policies commencing on or after the 12th August 2016 and has a significant impact on the operation of your insurance policy, including your disclosure obligations towards insurers, warranties and fraud. The Act also clarifies the remedies that Insurance Companies may adopt in the event of your obligations not being complied with. We previously sent you the Cass-Stephens Guide to the Insurance Act 2015 which explains what the Act means to you and what the obligations made upon you by it are. If you require a further copy or have any questions regarding the Act please let me know.

## Status Disclosure

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Cass-Stephens Insurances Ltd is authorised and regulated by the Financial Conduct Authority and our registration number is 310323. Important information about our service together with our Terms of Business Agreement (V9.10 08/05/2018) is attached. We act as your intermediary in negotiating, placing and administering your policy and dealing with your claims and for this work we receive a commission from Insurers which is a percentage of the total annual premium. For some insurance companies if the type of policy we sell reaches specific profit targets, the insurer also pays us an additional bonus. We will also receive a commission expressed as a percentage of the loan made to you from any third party premium finance provider we may use to fund your insurance premiums. You are entitled, at any time, to request information regarding the commission we receive.

## Privacy Notice

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Your privacy is important to us and we take it very seriously. We take pride in providing the best service without compromising on the security of your personal data. Please follow this link to view our Privacy Notice: <https://cass-stephens.co.uk/privacy-notice>

## Cass-Stephens Enhanced Claims Service

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We understand that as a business, you need the best service when you are faced with a large or complex claim, and we have therefore formed a strategic partnership with CEC, a specialist Loss

Adjusting and Claims Management Company, to deliver a range of services for our clients.

As a Cass-Stephens client you automatically benefit from the Bronze Service **FREE OF CHARGE**. However I would strongly recommend that you consider upgrading to one of the following options.

Service Levels	Product Features	Product Pricing	Optional Post Loss Fee
Bronze	Up to 5 hours telephone support	FREE	Fixed at 7% of claims settlement
Silver	Up to 10 hours technical advice	£30	Fixed at 5% of claims settlement
Gold	Up to 30 hours technical advice	£100	Fixed at 3% of claims settlement
Platinum	Unlimited claims consultancy	£250	Fixed at 1% of claims settlement

Further information regarding this important service is attached.

### The Service You Can Expect from Us

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- Constant personal attention to your insurance needs by a team of experienced professionals.
- Access to major United Kingdom insurance markets.
- Documentary and administrative procedures which are tailored to suit you.
- Assistance with negotiation of all claims.
- Innovative and practical advice on all insurance matters based on up to date knowledge and sound experience.
- Regular reviews to suit your changing needs.

### Our Other Services

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- Household Insurance
- Private Motor
- Travel Insurance

If you have any questions about your policy cover, premium or any other matters please do not hesitate to contact me.

Yours sincerely,



Lydia Jones  
**Commercial Account Handler**  
lydia.jones@cass-stephens.co.uk  
Tel: 01452 300888



## INSURANCE WARNINGS – PLEASE READ

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As your insurance broker we want to make sure that your insurance policy works for you when you need it most, namely when you need to make a claim.

I have put together this bulletin which hopefully will help you to avoid the most common commercial insurance pitfalls.

If you have any questions regarding your insurances or the matters raised in this document please do feel free to contact either myself or your Account Executive here at Cass-Stephens.

Kind Regards,

Paul Baldwin ACII, Chartered Insurance Broker  
Director, Cass-Stephens Insurances Limited

## NON-DISCLOSURE – Business Activities

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Your insurers have based the policy on the business description shown in your policy schedule. If you are unsure whether all of your activities are included, or if you have changed your activities, developed new products or services, or started selling to new markets then please contact us to discuss.

## NON-DISCLOSURE – The Declaration

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When you took out your policy you would have completed a proposal form or read a statement of fact, which would have asked you questions along the lines of the following:

For previous insurances have you or any Director or Partner to be insured had:

- Any proposal or insurance declined, cancelled or refused?
- Any renewal refused?
- Special terms imposed?
- Been convicted or charged with any criminal offence?
- Either personally or in any business capacity been declared bankrupt, insolvent or gone into liquidation?
- Is there any other information that you feel material to the underwriting of this proposal for insurance?

If the answers to these questions have changed please tell us immediately.

## UNDER-INSURANCE – Property

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The majority of your property insurance items, such as Buildings, Contents, Machinery and Computers need to be insured on a reinstatement basis, i.e. the cost of rebuilding / replacing as new.

Ramifications of under-insured include:

- Your claims being reduced by the proportion of under-insurance (known as the condition of average) – for example if you insure your contents for £700,000 when the true replacement cost is £1,000,000 and then made a claim for £100,000 the maximum you would receive is £70,000.
- Insurers refusing to deal with a claim at all, and instead voiding the policy for wilful or reckless misrepresentation

## UNDER-INSURANCE – Business Interruption

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If your policy is written on a loss of gross profit basis, then you should use the following **projections** when calculating your sum insured:

a) The sum of the Turnover and the amounts of the closing stock and work in progress  
Shall exceed

b) The sum of the amounts of the opening stock and work in progress and the amount of the uninsured Working Expenses

Uninsured working expenses are the expenses that you would not incur if you could not trade. They usually include purchases, packaging, carriage, freight, discounts allowed and bad debts

## UNDER INSURANCE – Business Interruption again

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As important, if not even more important, than getting your business sum insured right is selecting the correct maximum indemnity period.

The Business Interruption Insurance Indemnity Period is the period during which the business' results are affected due to the loss or damage, beginning with the date of the loss or damage and ending not later than the Maximum Indemnity Period.

The Maximum Indemnity Period is stated within your Policy Schedule. Common Maximum Indemnity Periods are 12 months, 18 months, 24 months and 36 months. When deciding upon the length of the period you need to work out how long it would take your business to recover back to today's trading levels following a Fire, Theft or Flood.

12 months is very rarely long enough, and sadly there have been many cases of businesses having to close following a major fire or flood due to the inadequacy of their indemnity period.

## UNDER INSURANCE – Liability Insurance

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Due to changes in the way that personal injury compensation claims are calculated (the Personal Injury Discount Rate also known as the Ogden Discount Rate), all business should review whether their Public Liability, Products Liability, Employers Liability and Professional Indemnity limits are adequate.

As a very minimum your Public & Products Liability limit of indemnity should be £5,000,000. For some businesses £10,000,000 or even £20,000,000 might not be enough.

Also consider whether the standard Employers Liability limit of £10,000,000 would be enough if a number of your employees were injured by one event.

## A NEW THREAT – Cyber Insurance

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There have been several recent cases of cyber-attacks on businesses large and small. We recommend that all businesses consider their exposure to cyber-attacks, the security and risk management procedures they have in place and cyber insurance. The main covers a cyber policy provides are:

- Hardware – cover against loss, theft, damage, cyber events and breakdown to hardware
- Data corruption and extra cost – cover to restore computer systems to the position they were in prior to a cyber event.
- Cyber-crime – cover for financial loss resulting from fraudulent input or change in data into insured computer systems leading to dishonest money and credit transactions.
- Cyber liability – cover to pay for damages and defence costs from claims made against the insured for failure to secure data, unintentional transmission of a virus and reputational damage from website, email or distributed content.
- Data-breach expense – cover to pay for the costs of investigating a data breach and notifying customers, legal advice, public relations and crisis management expertise,
- Cyber event – loss of business income – cover for loss of income following a cyber event or prevention of access.

We strongly recommend that all businesses consider Cyber Insurance.

## ARE YOUR PERSONAL ASSETS AT RISK? – Director & Officers Liability

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As a Director of a business your personal assets are at risk in the event of a claim being brought against you for a “wrongful act”. A “wrongful act” can include:

- breach of trust
- breach of duty
- neglect
- error
- misleading statements
- wrongful trading

Directors cannot rely on the company indemnifying them. Such an indemnity from the company can in some circumstances be in contravention of the Companies Act. In any case in the event of insolvency there will be little prospect of your company being in the position to indemnify the Directors and Officers. If a Director or Officer of your company is found to have acted outside of their terms of reference, civil, criminal or regulatory proceedings can be brought against them. If you are a director of a limited company, we strongly recommend that you talk to us about Directors & Officers Liability insurance.

## POLLUTION EXCLUSION – Environmental Impairment Liability

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The vast majority of Public Liability policies exclude claims brought against you in respect of pollution other than that caused by a sudden identifiable unintended and unexpected incident which takes place in its entirety at a specific time and place during the period of insurance

It is therefore important to note that in respect of pollution at or near to your business or property you are only covered for clean-up costs incurred by third parties (and not those incurred to clean up ground, water-courses, etc. in the boundaries of your property) and only those that are caused by a sudden and unexpected incident. A long-term gradual leak from an oil tank, for example, would not be covered.

In addition most environmental liabilities are “statutory” or “regulatory” liabilities which are policed by bodies such as the Environmental Agency and will therefore fall outside the scope of cover.

**A solution that is available to you as a Cass-Stephens’ client is a stand-alone environmental liability policy, specifically designed to cover the widest possible range of environmental liabilities such as**

- Statutory or regulatory liabilities
- Liability arising from both gradual pollution and sudden, unforeseen pollution
- Liability for the clean-up costs at your own property as well as off-site clean-up cost
- Investigation, complementary and compulsory remediation costs
- No-pollutant related environmental damage, such as that caused by a fire or flood
- Remedial action made prior to a formal regulatory claims and before legal liability is officially established.



## About our insurance service

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### 1. The Financial Conduct Authority (FCA)

The FCA is the independent body that regulates financial services. Use this information to decide if our services are right for you.

### 2. Whose products do we offer?

Unless stated by us to the contrary, your quotation has been provided on the basis of a fair analysis of the market. In respect of Personal and Motor Legal Expenses we only offer products from Auto Legal Protection Services Limited.

### 3. Which service will we provide you with?

We will advise and make a recommendation for you after we have assessed your needs.

### 4. What will you have to pay us for our services?

We normally receive a commission from the insurer with whom we place your business and this is expressed as a percentage of the insurance premium.

We may also receive a commission from the placement of any premium finance arrangements or other third party services that we may introduce to you. In addition, we charge an arrangement fee of £20. In respect of any subsequent changes required to your policy we usually make an administrative charge of £20.

You will receive a specific quotation, which will tell you about any other fees relating to your particular insurance policy, and full details are contained in our published Terms of Business, a copy of which is enclosed.

### 5. Who Regulates Us?

Cass-Stephens Insurances Limited, Windsor House, Barnett Way, Barnwood, Gloucester, GL4 3RT is authorised and regulated by the Financial Conduct Authority. Our FCA Register number is 310323. You can check this on the Financial Services Register by visiting the FCA's website at <https://register.fca.org.uk/> or by contacting the FCA on 0800 111 6768.

Our permitted business includes advising, arranging, dealing in and assisting with the placing and administration of all types of General Insurance and arranging consumer credit where we act as a broker.

### 6. What to do if you have a complaint?

Our aim is to provide a first class service, however, if you wish to register a complaint, please contact us:

**In writing** write to Paul Baldwin, Complaints Manager, Cass-Stephens Insurances Limited,  
Windsor House, Barnett Way, Barnwood, Gloucester, GL4 3RT

**By phone** 01452 300888

**By email** [mail@cass-stephens.co.uk](mailto:mail@cass-stephens.co.uk)

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service. - <http://www.financial-ombudsman.org.uk/>

**7. Are we covered by the Financial Services Compensation Scheme (FSCS)?**

**If we are unable to meet our obligations, you may be entitled to compensation from the FSCS.**

**If we have advised or arranged insurance for you this will be covered for 90% of a claim, without any upper limit, however claims under compulsory insurance, professional indemnity insurance and certain claims for injury, sickness or infirmity of the policyholder are protected at 100%.**

**Further information is available from the FSCS helpline on 0800 678 1100 or 020 7741 4100 and [www.fscs.org.uk](http://www.fscs.org.uk). Further information about compensation scheme arrangements is available from the FSCS.**

# TERMS OF BUSINESS AGREEMENT

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Please read this document carefully. It sets out the terms on which we agree to act for you and contains details of the regulatory and statutory responsibilities imposed on us by the Financial Conduct Authority. Your continued instruction of us will constitute your acceptance of these terms and conditions.

Please contact us immediately if there is anything in these terms of business which you do not understand or with which you disagree.

## THE FINANCIAL CONDUCT AUTHORITY

The Financial Conduct Authority is the independent watchdog that regulates financial services. Cass-Stephens Insurances Ltd is authorised and regulated by the Financial Conduct Authority. Our FCA Register number is 310323 and you can check our status at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FCA on 0845 606 1234. Our permitted business includes advising, arranging, dealing in and assisting with the placing and administration of all types of General Insurance policies.

## OUR SERVICE

We are an independent insurance broker, who acts on our customers' behalf in arranging insurance. Our services include: advising you on your insurance needs; arranging your insurance cover with insurers to meet your requirements; and helping you with any ongoing changes you have to make.

As part of our service, we will assist you with any claim you have to make and tell you what your responsibilities are in relation to making claims. If you mislay your policy at any time, we will issue a replacement policy document, if you request it.

Whose products we offer:

We usually offer advice from a range of insurers, representing a fair analysis of the market, however, under certain circumstances we may only deal with a limited panel, or single insurer. We will confirm, for each individual policy we provide you with, the basis of our advice.

The service we will provide you with:

We will advise and make a recommendation for you after we have assessed your demands and needs. Our advice will be confirmed in a demands & needs and suitability statement, giving reasons for our recommendation. In respect of Motor Breakdown & Key Back cover you will not receive advice or a recommendation from us and you will then need to make your own choice about how to proceed.

## REMUNERATION

Our remuneration for arranging your insurance will be in the form of commission paid to us by the insurer, unless we have an arrangement with you that our services are provided for an agreed fee.

The following charges may be made to cover the administration of your insurance (We will not impose any fees or charges in addition to the premium charged by the insurer without first disclosing the amount and purpose of the charge.):

Arranging new policies up to £50.00

Mid-term adjustments up to £50.00

Renewals up to £50.00

Replacement/duplicate certificates or cover notes, up to £25.00

Personal Lines/Retail policies cancelled during the "Right to Cancel" period will be subject to an administration charge of £25, in addition to the premium charged by the insurer for the period of cover provided.

Commission and Fees are earned for the policy period and we will be entitled to retain all commission and fees in respect of the full policy period.

We may also be entitled to benefit from earnings we are able to generate due to the amount and profitability of business placed with certain insurers; payments under these arrangements recognise the services we provide to the insurer over a given period and are not directly related to the services provided to you.

## WHAT TO DO IF YOU HAVE A COMPLAINT

Our aim is to provide a first class service, however, if you wish to register a complaint, please contact us by writing to The Complaints Manager, Cass-Stephens Insurances Ltd, Windsor House, Barnett Way, Barnwood, Gloucester, GL4 3RT, or, by phone Telephone 01452 300888.

We will provide you with a copy of our full complaints procedure and respond to you promptly. We will keep you informed of the progress of your complaint and aim to make a final response to you within eight weeks, or keep you informed as to why this is not possible. In the event that your complaint relates to activities or services provided by another party, we will ensure that your complaint is appropriately forwarded in writing, and will track the progress of the complaint and responses of that party.

After our final response has been issued, if you still cannot settle your complaint with us, you may be entitled to refer it the Financial Ombudsman Service, for an independent assessment and opinion.

The FOS Consumer Helpline is on 0845 080 1800 and their address is: Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London, E14 9SR

**YOUR RIGHT TO CANCEL (APPLICABLE TO PERSONAL LINES CUSTOMERS ONLY)**

You have a legal right to cancel your policy for any reason, subject to no claims having occurred, within 14 days of receiving the full terms & conditions. You will always be advised where this Right applies. A charge will apply for the period of cover provided and, in addition, we make an administration charge as detailed above.

If you wish to cancel a policy you must advise us in writing, prior to expiry of the 14-day cancellation period, to our usual address.

**ARE WE COVERED BY THE FINANCIAL SERVICES COMPENSATION SCHEME (FSCS)?**

We are covered by the Financial Services Compensation Scheme (FSCS). The FSCS is the UK's statutory fund of last resort for customers of authorised financial services firms, like ourselves. The FSCS can pay compensation if an authorised firm is unable or likely to be unable to pay claims against it, usually because it has gone out of business or is insolvent.

Insurance advising and arranging is covered for 100% of the first £2,000 and 90% of the remainder of the claim, without an upper limit. For compulsory insurances (for example, motor insurance and employers' liability insurance), insurance advising and arranging is covered for 100% of the claim, without an upper limit. Further information about compensation scheme arrangements is available for the FSCS.

**PAYMENT OPTIONS**

We normally accept payment by guaranteed cheque or the following credit/debit cards – Visa, MasterCard, and Maestro. You will be able to spread your payments through insurers' instalment schemes or a credit scheme, which we have arranged with an established insurance premium finance provider. We will give you full information about your payment options and the appropriate finance agreement when we discuss your insurance in detail.

Please Note: Your policy cover will cease if you fail to keep up payments on an instalment agreement or premium finance facility related to it.

Information on how we treat Payments you make to us

Under the terms of our agreements with the Insurance companies with whom we place business, we normally receive premiums you pay to us as Agent of the Insurer. All insurance premiums you pay to us are protected in a Statutory Trust Client Account until we pay insurers.

We do not pay any interest on premiums held by us in the course of arranging and administering your insurance.

**LANGUAGE USED**

The English language will be used for all communications, the contractual terms and conditions, and any information we are required to supply to you, before and during the duration of the contract. Any dispute will be governed by the law of England and Wales and subject to the jurisdiction of the English Court.

**YOUR DUTY TO GIVE INFORMATION**

You must take reasonable care to provide complete and accurate answers to the questions we ask when you take out, make changes to and renew your policy. If you are in any doubt please contact us.

If the information provided by you is not complete and accurate, the Insurer may cancel your policy and refuse to pay any claims, not pay any claim in full, or your premium may be revised or the extent of cover may be affected.

**THE INSURANCE ACT 2015**

The act applies to all non-consumer insurance policies commencing on or after the 12th August 2016 and has a significant impact on the operation of your insurance policy, including your disclosure obligations towards insurers, warranties and fraud. The Act also clarifies the remedies that Insurance Companies may adopt in the event of your obligations not being complied with. Please see the Cass-Stephens Guide to the Insurance Act 2015 which explains what the Act means to you and what the obligations made upon you by it are.

**TRANSFERRED BUSINESS**

Where we are appointed to service insurance policies, other than at their inception or renewal, and which were originally arranged via 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 provided 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 advise accordingly as each policy falls due for renewal.

**CONSENT FOR SEARCHES**

To make sure you get the best deal from insurers, now or at any renewal or at any time and to protect their customers from fraud and to verify your identity, they may use publicly available data which they obtain from a variety of sources, including a credit reference agency and other external organizations. Their search will appear on your credit report whether or not your applications proceed. As well as these searches insurance companies may use a credit check to ascertain the most appropriate payment options for you. This credit check will also appear on your credit report whether or not your applications proceed. Unless we hear from you to the contrary we will assume that you are happy to proceed on this basis.

V9.0 08/05/2018