

# Terms of Business Letter for BABTAC Ltd



## IMPORTANT Document Please Read and Retain

After commencing your insurance, if for any reason you wish to cancel the policy, you have 14 days to inform us, during which time we will issue you a full refund of the insurance costs. This is called the "cooling off period". Otherwise please read the Cancellation section below.

## Accepting our Terms of Business and The Financial Conduct Authority (FCA)

By asking us to quote for membership and arrange or handle your insurances, you are providing your informed agreement to these Terms of Business. For your own benefit and protection, you should read these terms carefully. If you are unsure about any aspect of our Terms of Business or have any questions regarding our relationship with you, please contact us. BABTAC are Appointed Representatives of Balens Limited for the purpose of dealing with Insurance.

Balens Limited, Bridge House Portland Road Malvern Worcestershire WR14 2TA, are Authorised and Regulated by the Financial Conduct Authority. Their FCA Register number is 305787. Our permitted business is advising, arranging, dealing as agent and assisting in the administration and performance of general insurance contracts. You may check this on the FCA's Register by visiting the FCA website: [www.fca.org.uk](http://www.fca.org.uk) or by contacting the FCA on Tel: **0800 111 6768** or (Freephone) **0300 5008082** from the UK.

## Our Service

We offer Malpractice insurance to members using one insurer called Zurich Insurance plc and the legal package, if required, is offered by DAS Legal Expenses Insurance Company Ltd. This service is provided on a non advice basis. We may also offer insurance, via Balens, from other Insurers depending on your requirements. We will not in any circumstances act as an insurer nor guarantee or warrant the solvency of any insurer. This document sets out our commitment to you as our client and outlines the principles we follow in doing business with you. In providing this service to you we act as an agent of the insurer.

## Complaints and Compensation

BABTAC and Balens are Ethical organisations and aim to provide you with a high level of customer service at all times, but if you are not satisfied, contact BABTAC or Balens in writing. Regarding Balens the contact information is, Mr. J. Balen, Balens Ltd, Bridge House, Portland Road, Malvern, Worcs, WR14 2TA or by phone on Tel: **01684 893006** and ask for Mr. Balen or email [joe@balen.co.uk](mailto:joe@balen.co.uk) or [Complaints@balens.co.uk](mailto:Complaints@balens.co.uk). When dealing with your complaint BABTAC and Balens will follow their complaint handling procedure; a copy of which is available on request. If you are still not satisfied, you may be entitled to refer the matter to the Financial Ombudsman Service (FOS) (except in the case of a business employing 10 persons or more and with a turnover or annual balance sheet total exceeding €2 million, a charity with an annual income of £1 million or more or trustees of a trust with a net asset value of £1 million or more. For further information you can visit FOS website [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk). You may also refer to the EU Online Dispute Resolution Platform <https://webgate.ec.europa.eu/odr>.

Balens are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if Balens cannot meet their financial obligations concerning losses arising out of insurance advice. This depends on the type of business and the circumstances of the claim. Insurance advising and arranging is covered for 90% of the claim, without any upper limit. For compulsory classes of insurance (such as Employers Liability), insurance advising and arranging is covered for 100% of the claim without any upper limit. Further information about compensation scheme arrangements is available from the FSCS on **020 78927300** or [www.fscs.org.uk](http://www.fscs.org.uk).

## Handling Money

Our financial arrangements with most insurance companies are on a 'risk transfer' basis, which means that we hold premiums and refunds due to clients on behalf of the insurance undertaking concerned and under a risk transfer agreement. Such monies are deemed to be held by the insurer(s) with which your insurance is arranged.

You will be notified if risk transfer does not apply and, in that case, your premiums will be held by us in an Insurance Broking Account. We pass client money to Balens, which holds client money in a non-statutory client trust account pending payment to the insurer(s) concerned.

The establishment of the non-statutory trust follows the rules which the FCA introduced to protect money held by authorised intermediaries. However, you should be aware that, under the non-statutory trust account rules, Balens are permitted to use such monies temporarily held to advance credit to clients generally.

A copy of the Deed of Trust is available on request or may be inspected at our premises during normal office hours. If you object to your money being held in a non-statutory client trust account you should advise us immediately. Otherwise, your agreement to pay the premium together with your acceptance of these Terms of Business will constitute your informed consent to Balens holding your money in a non-statutory client trust account. For the purpose of some transactions, client money may pass through other authorised intermediaries before it is received by the insurer. Interest will not be paid to customers in respect of money held in client bank accounts.

## Cancellation of Insurances

You should make any request for the cancellation of a policy in writing and any relevant certificate of insurance must be returned to us. You are entitled to cancel the policy within 14 days from the day after the day of conclusion of the contract (30 days for Income Protection policies). You will be charged for reasonable costs incurred in relation to the cover and services provided.

Cancellation by you in other circumstances may result in enhanced, short-period charges as determined by us and/or the product provider. You should also be aware that, in certain circumstances according to the terms of the policy, Insurers may be entitled to cancel your policy and allow a proportionate return of premium.

This does not apply to short term policies of less than one month's duration such as commercial risks, also many of our specialist Malpractice and Professional Liability policies do not have a return of premium available. If you allow your insurance policy to lapse we may not be able to reinstate the policy incorporating previous terms, conditions or at the same costing.

## Statement of Demands and Needs and who the Insurer is for Professional Liability Insurance

As a Beauty Professional you can be held legally liable for loss or damage to other people's property, injury or other harm, financial loss alleged to have been caused to your clients or patients, or other parties.

This policy will meet these needs and provide defence and payment of damages for the above.

We have sourced this policy via Balens Ltd who have selected Zurich Insurance plc as they have designed exclusive comprehensive policy wording with them and Zurich Insurance plc are a diversified global insurer who are financially secure. This service is on a non-advised basis and we act as agent for the insurers involved when sourcing the policy and placing the insurance, in the event of a claim we act as your agent.

## Payment for our Services

In addition to the premiums charged by insurers, BABTAC and Balens normally receive commission from the insurers or product providers, details of which are available on request. We may also make charges for handling your insurance and you are welcome to contact us for further information regarding this. We also draw your attention to the sections headed Cancellation of Insurances and Ending your Relationship with us.

## Ending our Relationship

You may terminate our authority to act on your behalf with 14 days' notice (30 days' notice with regard to Income Protection) or as otherwise agreed without penalty. Notice of this termination must be given in writing and will take effect from the date of receipt. Unless otherwise agreed in writing, if our relationship ends, any transactions previously initiated will be completed according to these Terms of Business.

You will be liable to pay for any transactions concluded prior to the end of our relationship and we will be entitled to retain commission and fees received for conducting these transactions, together with all fees charged by us for services provided. In circumstances where we feel we cannot continue providing services to you, we will give you a minimum of 7 days' notice.

## Your Responsibilities

You are responsible for answering any questions or assumptions you may agree to honestly and to the best of your knowledge, providing the complete and accurate information which insurers require in connection with any proposal for insurance cover. This is particularly important before taking out a policy but also at renewal or if you make a mid-term amendment to your policy. If you fail to disclose information, or misrepresent any fact which may influence the insurer's decision to accept the risk or the terms offered, this could invalidate the policy and mean that claims may not be paid in part or full. They might also be entitled to keep any premium you have paid.

For your protection, insurers maintain databases to prevent fraud and the information you give us may be subject to checks.

If you are a commercial customer, you have a duty to give a fair presentation of risk to the insurer. This requires disclosure of every material circumstance which you and where applicable your senior management or persons responsible for your insurance know or ought to know following a reasonable search of information available. It should include all facts that would influence the judgement of the insurer or that would put the insurer on notice that it needs to make further enquiries. The information must be presented in a way which would be reasonably clear and accessible to a prudent insurer. If you are unsure whether to disclose any information you should speak to us.

Failure to provide the 'fair representation' may result in a number of remedies by the insurer. If the breach was deliberate or reckless the insurer can void the contract and keep the premium. If the breach was not deliberate or reckless the insurer can apply whichever remedy relevant to the way they would have acted if the breach had not occurred. This could include rendering the insurance void, proportionately reducing a claim settlement or amending the insurance policy terms and conditions then reviewing the merits of a claim on this basis

You should therefore always provide complete and accurate information to us when questioned regarding the insurance risks your business faces before taking out a policy, at renewal and throughout the life of the policy. This also applies to your responses in relation to any assumptions you may agree to in the process of applying for insurance cover.

You must check all details on any proposal form or Statement of Facts and pay particular attention to any declaration you may be asked to sign. You must read all insurance documents issued to you and ensure that you are aware of the cover, limits and other terms that apply. Particular attention should be paid to any warranties and conditions as failure to comply with them could invalidate your policy. You must take note of the required procedures in the event of a claim, which will be stated in the policy documentation. Generally, Insurers require immediate notification of a claim or circumstances that might lead to a claim. You must inform us immediately of any changes in circumstances that may affect the services provided by us or the cover provided by your policy. If you are unsure about any matter, please contact us for guidance. Changes of Circumstances Notification -You must notify us in writing if there are any changes since originally completing your proposal form or other relevant documentation, as this could have a bearing on your cover. We undertake to notify this to your Insurers and supply appropriate documentation for the alteration.

## Use of Personal Data

We will process any personal information we obtain in the course of providing our services to you in accordance with the Data Protection Act 1998. In administering your insurances and/or claims it will be necessary for us to pass such information to insurers and other product or service providers or your professional body/ training school, these parties maybe inside or outside the European Economic Area. We may also disclose details to relevant parties, as necessary, to comply with regulatory or legal requirements. We will not otherwise use or disclose the personal information we hold without your consent.

Some of the details you may be asked to give us, such as information about offences, are defined by the Act as sensitive personal data. By giving us such information you signify your consent to its being processed by us in arranging and administering your insurance.

Subject to certain exemptions, you will be entitled to have access to your personal data for which we reserve the right to charge a reasonable fee (as at 1 January 2011 a reasonable fee in connection with this matter is defined as £10/€13).

We will maintain records of the insurance contract(s) we arrange on your behalf. It is our policy to keep records in accordance with best practice within the insurance industry. We are happy to provide this service free of charge for as long as you are our client.

## Claims Handling Arrangements

It is essential that Balens are notified immediately of any claims, or circumstances which could give rise to a claim providing details honestly and accurately. Your policy wordings will describe in detail the procedure and conditions in connection with making a claim. In addition to providing a claims handling service Balens will:

- Employ due care and skill if we act on your behalf in respect of a claim.
- Give you guidance on pursuing a claim under the policy and, if required, negotiate with Insurers on your behalf.
- Provide you with information about how to handle complaints and potential clashes between you and your clients.
- Inform you in writing if we are unable to deal with any part of a claim.
- Handle claims fairly and promptly and keep you informed of their progress.
- Account to you, without avoidable delay, once a claim has been agreed and settled.

Settlement of claims will be dependent upon collection from insurers. Part payment may be made during the collection process, but BABTAC or Balens cannot be responsible for the wrongful non-payment or delay by insurers in paying any claim.

Claims information may be used by Balens or insurers concerned for underwriting, statistical analysis, management information, market research and risk management. Insurers may pass your claims information to the Claims and Underwriting Exchange Register, run by Insurance Database Services Ltd (IDSL) & the Association of British Insurers (ABI).

Also, to prevent and detect fraud, insurers may share your claims information with the Police. We may also share your claims information with any association or professional body that you are a member of.

## Quotation Validity Period

There is usually a 15 or 30 day validity period after which it will be necessary to re-quote. This will be stated in your quotation letter or renewal invite which you should refer to. It will be necessary to sign a further declaration after a 30 day period has expired in order to go on cover or continue cover. Cover for previous work performed (retroactive cover) may not be included by Insurers if a gap has occurred between a previous policy and a new or renewal one. Cover also needs to be provided after termination (run-off) on some of our specialised policies should you not take up a renewal from us, please always refer to our instructions and information in this regard.

## Governing Law, Conflicts of Interest and Treating Customers Fairly.

BABTAC undertakes its activities in accordance with the Laws of England and Wales and any disputes will be governed by and construed in accordance with the Laws of England and Wales. Occasions can arise where we or one of our clients or product providers may have a potential conflict of interest with business being transacted for you. If this happens, and we become aware that a potential conflict exists, we will write to you and obtain your consent before we carry out your instructions and we will detail the steps we will take to ensure fair treatment. BABTAC and Balens are ethical firms and we aim to treat our customers fairly.

BABTAC is an Appointed Representative of Balens Ltd, Bridge House, Portland Road, Malvern, Worcs, WR14 2TA

Who are authorised and regulated by the Financial Conduct Authority



T: 01452 623110 E: [info@babtac.com](mailto:info@babtac.com) W: [www.babtac.com](http://www.babtac.com)

Ambrose House, Meteor Court, Barnett Way,  
Barnwood, Gloucester, GL4 3GG

Version July 2016