



NCG Professional Risks Ltd

32 Lombard Street, London EC3V 9BQ
Tel: 0207 283 2393 Fax: 0207 220 4199

OUR TERMS OF BUSINESS

NCG Professional Risks Ltd (NCG), is an independent UK broker handling predominantly Professional Indemnity (PI) business. We are partly owned by US Risk Insurance Group of Dallas, Texas, an independent US broker.

1. Statutory Status

NCG is authorised and regulated by the Financial Services Authority (FSA), and our FSA Register number is 303529. Our permitted business is to assist in, deal in, arrange and transact non-investment insurance contracts as an insurance intermediary. This information can be checked by calling the FSA on 0845 606 1234 or visiting their website at <http://www.fsa.gov.uk/register>

2. Basis of advice

NCG provides advice in specialist areas of business, predominantly Professional Indemnity Insurance, based upon a fair analysis of the market which underwrites this class of risk. We regularly review new and alternative products for our clients as such products become available within the market. If you wish to review the market which is available to us, you may request in writing a list of insurers from us at the above address.

3. Instructions

We would normally expect to receive your instructions in writing, by letter, electronic mail or facsimile, in order to avoid any ambiguity or misunderstanding about the cover which you have requested. In urgent cases, we will of course accept oral instructions, but would request that they be confirmed in writing immediately.

4. Proposal Form

Professional Indemnity Insurance requires that a proposal form must always be completed. We are not allowed to complete proposal forms on behalf of our clients. Your completed proposal form also provides us with the information we need to assess what your insurance requirements are and enables us to decide which insurance companies to approach on your behalf.

5. Duty of disclosure

It is your responsibility to disclose to insurers all material information when obtaining or renewing cover. Information is deemed material if it would influence the judgement of a prudent insurer in deciding whether or not to accept the risk or in establishing the terms upon which they are prepared to write the risk. If you are in any doubt as to whether or not an item of information is material, you should disclose it. You have an ongoing duty to disclose all material information throughout the term of your policy.

It is important to remember that there is no duty on the insurer to make enquiries: the burden falls entirely upon the client and therefore also upon the broker as the client's agent. If any material information is omitted or misrepresented, insurers may have the right to void the policy and return the premium, and no claims will be paid. It is therefore extremely important that

attention is paid to the information which is provided to enable the insurers to consider the risk.

As your Brokers, we will present all information fairly and will advise you promptly of all requests for information which we receive from your insurers. Your insurers must also be provided with all relevant information when they are requested to accept notification of, or settle, claims.

6. Payment of premium

The premium is due at inception and payable by you as soon as possible but in any event no later than fifteen (15) days after inception. It is important that we receive payment of the premium promptly to enable us to settle with insurers. If insurers have imposed a premium payment warranty, failure to settle by the stated date may void the cover.

The premium we receive from you is held in a trust account in accordance with the FSA's client money rules, prior to onward payment to your insurers. We act as the Agent of your insurers in respect of all premiums (and claims) which are held by us prior to onward payment to the relevant party.

7. Claims and circumstances which may give rise to a claim

Claims and circumstances which may give rise to a claim, must be advised in accordance with the Policy Wording as soon as possible describing the circumstances in which the claims have arisen or might arise, showing the value if known and any other material information.

Full details of NCG's claims handling procedures can be found in the accompanying sheet, 'A Guide to Notification Procedures', which we ask that you read carefully. If there is anything which you feel requires further clarification, please call your usual client service executive.

We would also draw your attention to NCG's free legal advice helpline, and our complaints procedure, details of which are enclosed.

8. Confidentiality and Data Protection

We will only use and disclose the information we have about you in the normal course of arranging and administering your insurance. We will not disclose your information to parties not connected with your insurance requirements without your consent.

Under the Data Protection Act 1998 you have the right to see personal information about you that we hold on our records. If you have any queries, please write to the Compliance Officer at 32 Lombard Street, London EC3V 9BQ.

9. Financial Services Compensation Scheme (FSCS)

In the event that we are not able to meet our financial obligations, you may be entitled to compensation from the FSCS, depending upon the type of business and circumstances of the claim. Further information about the scheme is available from the FSCS, at <http://www.fscs.org.uk> or call 020 7892 7300.



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COMPLAINTS PROCEDURE

NCG is committed to providing the best possible service to its clients; this means delivering value to our clients and maintaining the highest standards of professionalism in the conduct of our business.

We encourage our clients to let us know when they consider that we have done a job well. Any praise that we receive for the Company or for individual members of our team, is fed back in to the evaluation of our procedures at management level. Similarly, we are always keen to listen to any suggestions or observations that our clients wish to make which may enable us to reconsider our methods or approach to the way we do business. We are fully aware of the fact that the business environment in which we and our clients operate is one which is ever changing and developing, and we are constantly seeking ways in which we can remain at the forefront of our fields of activity in a challenging and competitive market place.

Whilst we make every endeavour to provide a first class service to all our clients, we accept that there are rare occasions when a client may consider that we have fallen short of the required standards. If for any reason you wish to make a complaint, the following procedure should be followed.

NCG External Complaints Procedure

1. In the first instance, a client should make a complaint orally or in writing, to their usual contact at NCG - this will in most cases be the account executive who is dealing with the client's business. Full details should be given of the nature of the complaint, and if they wish to do so, the client should suggest what they consider would be a satisfactory solution to the problem.
2. If a complaint is received orally, it may be possible for the NCG account executive to deal with the complaint immediately and without the need for any further action. The client will be asked in these circumstances if they are satisfied with the response they have received and, if so, the matter will not be taken any further. This does not prejudice a client's right to make a further complaint of a similar nature if the problem recurs; at which time the client may insist that the matter be dealt with in greater detail or by a more senior member of the NCG staff, such as the Managing Directors or the Compliance Officer.
3. In the event that a complaint cannot be satisfactorily dealt with immediately, the client may be asked to put the complaint in writing. A written complaint should be sent to either of the Managing Directors or the Compliance Officer. NCG will provide a formal acknowledgement to the client within 5 working days of receipt of the full details of the complaint. This acknowledgement will state who at NCG will be handling the matter on the client's behalf, and also when the client can expect to receive a formal response to the complaint.
4. NCG will endeavour to provide a final response to the client within 20 working days of receiving the complaint. If this is not possible, NCG will write to the client within 20 working days to explain why the complaint is not yet able to be answered, and to advise the client of when it is expected that a final response will be provided.

5. The final response to the client will provide one of the following outcomes:

- (a) An acceptance of the complaint by NCG and an offer of a form of redress to our client, which may include compensation.
 - (b) A rejection of the complaint by NCG, setting out in full the reasons for doing so.
 - (c) A part acceptance of the complaint, leading to a combination of (a) and (b) above.
6. If the client is not satisfied that the complaint has been dealt with adequately, they may refer the matter to an approved dispute resolution facility. In respect of complaints relating to general insurance activities, the matter can be referred to the Financial Ombudsman Service (FOS), who can be contacted as follows:

Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London E14 9SR

Telephone: 020 7964 1000
Facsimile: 020 7964 1001
e-mail: complaint.info@financial-ombudsman.org.uk

An explanatory leaflet from the FOS will be provided to the client with the final response letter.

Notes on the Complaints Procedure

- i. A client may make a complaint at any time during the insurance process.
- ii. Nothing in the above procedure affects a client's right to take advantage of the complaints procedures set out by the relevant regulatory bodies.
- iii. Following NCG's External Complaints Procedure does not automatically entitle a client to any form of compensation from NCG, regardless of the outcome of the complaint.
- iv. A matter may be referred by a client at any time during the complaints process to the Managing Directors or Compliance Officer at NCG.
- v. Complaints received by NCG which do not relate to insurance related activities may not fall within the scope of our regulator, the Financial Services Authority, and may have to be referred elsewhere if the client is not satisfied with NCG's response.

Jamie Newell
Joint Managing Director

Neill Cotton
Joint Managing Director

Richard Palmer
Compliance Director