
TERMS OF BUSINESS – EMPLOYEE BENEFITS

This Terms of Business Agreement ('Agreement') is effective from 11th August 2025 and supersedes any similar agreements previously issued by us. It sets out the terms upon which we agree to act for our clients and contains details of our regulatory and statutory responsibilities. It also sets out some of your responsibilities. **Please read it carefully.**

Please contact us immediately if there is anything in this Agreement which you do not understand or with which you disagree.

ABOUT OUR COMPANY

Verlingue Limited is an independent insurance broker, authorised and regulated by the Financial Conduct Authority (FCA) to transact general insurance business. Our Financial Services Register number is 306088. You can check this information 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 (freephone) or 0300 500 8082.

We are also members of the British Insurance Brokers' Association (BIBA).

OUR SERVICES

We will advise you on group risk (group life assurance, group income protection and critical illness), pensions, pure protection and healthcare (private medical insurance, dental insurance, Healthcare Cash Plan, EAP) contracts from a limited market depending on the service agreed. We will also carry out any instructions you give us to affect such contracts. For Clients that fall within our Commercial Business Unit (CBU) we use preferred suppliers to enable a cost-effective service. You will be made aware if the service you are being provided fits in with our CBU proposition and offered an option of a full service if required.

In undertaking these services for you, we will rely upon the information you provide to us.

We do not provide advice to individuals or place any contracts directly for individual clients.

INSURER SECURITY

Whilst we monitor the financial strength of the insurers with whom we place business it should be noted that the claims-paying ability of even the strongest insurers could be affected by adverse business conditions. We cannot, therefore, guarantee the solvency of any insurer or underwriter.

A liability for the premium, whether in full or pro rata, may arise under policies where a participating insurer becomes insolvent.

RISK INFORMATION/EMPLOYER RESPONSIBILITIES

The terms of any insurance that we arrange on your behalf will be based upon the information provided by you to us or to your insurers.

As a commercial or corporate customer, or someone buying insurance mainly for purposes related to your trade, business, employees, or profession, unless we advise you otherwise, you have a duty to give a 'fair presentation' of the risk to insurers. This means that you must clearly disclose every material circumstance which you, your senior management or persons responsible for arranging your insurance, know or ought to know following a reasonable search, before your cover is placed, when it is renewed and at any time that it is varied. Your policy wording may also stipulate that this duty continues throughout the period of insurance cover. A material circumstance is one that may influence an insurer's judgement over whether to take the risk and, if so, on what terms.

If you are in any doubt as to whether a circumstance is material you are advised to disclose it. Failure to disclose a material circumstance may entitle an insurer to impose different terms on your cover or reduce the amount of a claim payable, and in some cases your cover could be invalidated which would mean that a claim would not be paid.

You are advised to keep copies of any correspondence you send to us or direct to your insurers.

The employer will be responsible for ensuring that any employee whose benefit/s exceed the group risk scheme's free cover level is provided with the underwriting requirements for all employees. The free cover levels are provided within the quotations which the employer accepts before the scheme is placed on risk and will be provided via Verlingue Limited. Verlingue Limited will accept no liability in the event of a claim being declined due to an employee's benefit/s being restricted due to the underwriting process not being completed by the employer with the insurer.

OUR REMUNERATION

Our remuneration for Employee Benefit business is covered in Appendix 1 at the end of this Terms of Business.

For most of our business we will be remunerated on a consultancy fee basis. We will agree its basis in writing with you and we will inform you of any known and applicable related charges, expenses and taxes before we carry out the chargeable work. Any schedule of fees will contain details of how payment is to be made and once agreed by you will be deemed to form part of this Terms of Business. Any changes to the level of fees will need to be agreed in writing between you and us.

Unless we tell you otherwise before you take out or renew an insurance policy with us, we are remunerated for our services in the form of commission from the insurer, which is a percentage of the total annual premium payable plus any charges (see below) we ask you to pay us in addition to the premium. We will tell you how we are remunerated for the services we provide each time you take out or renew a policy through us.

Our entitlement to commission, where this forms part of or all of our remuneration, arises as soon as you give us instructions to take out or renew a particular policy.

If the charging structure and/or adviser remuneration terms agreed are amended by the chosen Product Provider at any point in the future, Verlingue Limited reserves the right to request a review of the terms of this Agreement after which the parties' representatives shall meet as soon as is practically possible to discuss and agree such change (where applicable). Should the chosen Product Provider wish to charge for services delivered directly to the Employer, such an arrangement will not be covered by this Agreement.

You should be aware of the possibility that other taxes or costs relating to the services that we provide for you may exist even though they are not paid through us or imposed by us. Where known, we will inform you of any related charges, expenses and taxes where applicable. It may not always be possible to do this before we commence any chargeable work.

In respect of insurance business for which we have agreed to charge you a consultancy fee, the level of this will be dependent on the range and level of services we provide to you. The details of our services and the associated consultancy fees will be outlined to you in a Fee and Service Agreement. Before commencement of our service and in the absence of a signed Fee & Service Agreement, we reserve the right to refer to any schedule of fees issued to you in respect of fees due.

The Employer acknowledges that the terms of the Agreement and level of Verlingue Limited's remuneration are based on:

- a. Verlingue Limited being the active servicing agent for the Policies for the duration of this Agreement, and
- b. The Policies being the default employee benefit scheme(s) for the Employer and all of its eligible employees and new hires, and
- c. The existing Employer contribution structure to the Policies (both employer and employee, including National Insurance rebates where applicable) remaining constant for at least the first 12 months following the Commencement Date of the Agreement. The Employer must provide at least 3 months' notice to Verlingue Limited if they intend to change the contribution structure of the policies.
- d. Verlingue Limited applying an annual increase in line with your fee Agreement to all fees detailed within this Agreement. The increase will take effect from the first payment due after the anniversary of the acceptance of the terms and conditions of this Agreement.

YOUR MONEY

We cannot accept cash or cheques payable to ourselves other than for our own adviser consultancy fees.

We will need to verify any changes to bank account details you provide, this process may take several hours, or as long as seven business days, liability is expressly excluded for losses arising from any delays due to this checking process.

MONEY LAUNDERING AND PROCEEDS OF CRIME ACT

UK Money Laundering Regulations may require us to obtain evidence of the identity of clients for whom we act at the start of the business relationship. Documentary evidence may be requested.

We are obliged to report to the National Crime Agency any situation giving rise to a suspicion of money laundering. A formal report may be made in the following circumstances:

- If there is suspicion relating to a client's identity
- If a client makes substantial or unusual cash payments
- Where the transaction does not appear to be rational in the context of the clients business or personal activities

We are prohibited from disclosing any report to our clients.

CONFIDENTIALITY

In your dealings with us you may provide us with information that may include data that is known as personal data. Where we process personal data, we comply with statutory data processing requirements as set out by the Data Protection Act 2018. The personal data we will collect will include information relating to you/your Directors, Employees name, and address, date of birth, contact details, salary, health and criminal offences. In processing personal data for insurance purposes about health or criminal offences, we will only do so to enable us to provide our service and on the basis of it being in the public interest.

The safest and most secure way to provide and receive data with Verlingue Limited is by signing up to the Acturis Client Portal, this is our preferred way to exchange data with clients.

Information provided to us by you will remain confidential and be used solely for the purpose of providing insurance broking services to you, or to others where we are required to fulfil a regulatory or legal obligation and as set out in our privacy notice. This means that your personal information will be used to process your policy, understand your needs and improve our services. It may be shared with third parties where required to do so for us to provide our services to you, or where we have appointed third parties to manage our business.

Nothing in this agreement overrides our duty as a Broker to place the interests of its client before all other considerations nor shall this agreement override any statutory legislative or regulatory requirements (whether obligatory or advisory) which may apply to the Broker.

Information provided to you by us by way of reports and publications constitutes confidential and proprietary information belonging to us and may only be disclosed and/or used in accordance with permission granted by us.

Any other disclosure and/or use is strictly prohibited, and we reserve our rights amongst others, to take such action as is necessary to protect our confidential and proprietary information.

Please note that English Law recognises the existence of an implied contract of insurance permitting insurers to inspect certain documents which we hold as your broker. Some insurers have slightly wider access than others.

Where possible we will advise you of any demand made by your insurers, but you should be aware that the right to inspect does not depend on your prior consent having been given.

Please note that emails and other communications may be monitored, stored and used in order to clarify and/or check any instructions given to us, for training purposes, for crime prevention and to improve the quality of our customer service.

Details of how we use personal data will be provided to you separately in a privacy notice.

QUOTATIONS

Unless stated otherwise in our documentation all quotations provided for new insurances are:

- valid only for the period as detailed on the quotation provided by the Insurer from the date of issue and subject to satisfactory completion of the insurer's Proposal Form, along with other conditions / subjectivities that may be stipulated by the insurer.

You should be aware that quotations may change or be withdrawn if your risk profile changes between the time that the quotation was given and your instructions to proceed with cover are received.

CHANGES TO YOUR COVER

We will normally deal with requests to increase or amend cover on the day your instructions are received, or the next working day if a weekend or public holiday. Sometimes changes cannot be processed without obtaining additional information. If additional information is required, we will contact you as quickly as possible.

We will confirm changes to your policy, once agreed, in writing. We will also advise you of any extra premiums you must pay or premiums we must return to you.

RECEIPT OF INSTRUCTIONS

We do not consider instructions to arrange or change cover which are sent to us by post, electronic mail/messaging services or facsimile, or left on voicemail, to have been received until we have confirmed receipt of your instructions.

We do not accept responsibility for instructions which do not reach us at all due to failures in the postal, electronic or telecommunications systems.

TRANSFERRED BUSINESS

If we take over the servicing of insurance policies which were originally arranged through another insurance broker or intermediary or directly with an insurer, we do not accept liability for any claim arising out of the advice given by that broker, intermediary or insurer, nor for any errors, omissions or gaps in your current insurance protection.

MAKING A CLAIM

Many insurers provide a 24-hour Helpline in respect of claims, and you should consult your policy documentation for contact details.

Please ensure that you report all incidents that could give rise to a claim as soon as you become aware of them, either by contacting your insurer on their helpline or by telephoning our office. You will be advised if you need to complete a claim form or produce documentation to support your claim.

You should be aware that a claim arising after renewal of the policy has been invited may affect the assessment and acceptance of renewal by your insurers.

CONFLICTS OF INTEREST

As independent insurance brokers we act as the agent of our client. We are subject to the law of agency which imposes certain duties on us. We also have proper regard for the interests of others, including the insurers for whom we also act.

If we become aware of a situation which gives rise to an actual or potential conflict of interest we will inform you of the situation and the options available to you and obtain your consent before we carry out your instructions.

COMPLAINTS PROCEDURE

We recognise the importance of service and set ourselves high standards. Should there be an occasion when we do not meet your expectations, we are equally committed to dealing with any complaint in a thorough and professional manner.

If you wish to register a complaint, please contact us either:

in writing, addressed to:

Head of Compliance,
Verlingue Limited,

First Floor, Forum House,
41 – 45 Brighton Road,
Redhill, Surrey,
RH1 6YS

by email to: Head of Compliance at Complaints@verlingue.com or, by telephone to 020 8290 6900.

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service (FOS). You can find out more about this by visiting the FOS website at www.financial-ombudsman.org.uk

If you cannot settle your complaint with us and have no entitlement to refer it to the FOS, you can escalate the matter to our CEO, Mike Latham.

COMPENSATION

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the FSCS if we cannot meet our obligations. 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 an upper limit. For compulsory insurances such as motor insurance and employers' liability insurance, insurance advising and arranging is covered for 100% of the claim, without an upper limit.

Further details about compensation scheme arrangements are available from the FSCS

RISK FACTORS

We will notify you separately of any specific risk factors that apply to the service we provide for you. You should be aware that past performance of investments is no indicator of future performance.

TERMINATION

An instruction to lapse or cancel an insurance policy that we have arranged on your behalf will not result in termination of this Agreement unless you also give written notice of your intention to terminate this Agreement. The notice period for termination is 90 days on receipt of written confirmation. Should agency changes be made before the end of the 90 days, any income due during that period relating to the requirements for service or renewal of policies will be invoiced.

Likewise, if we give you notice of our intention to terminate this Agreement, unless we advise you otherwise, it will not result in cancellation of a policy or policies that we have arranged on your behalf.

If we serve notice of termination, it is our policy not to give reasons for such notice, or to enter into correspondence about such reasons.

Regardless of which party serves notice, termination is without prejudice to any transactions already initiated unless otherwise agreed in writing. You will be liable to pay for any transactions or adjustments effective prior to termination and we will be entitled to retain any and all fees or brokerage payable in relation to policies placed by us prior to the date of termination.

Where the Employer has engaged Verlingue Limited to provide Services under the agreement for a particular project or piece of work and this is aborted, cancelled, terminated or delayed Verlingue Limited reserves the right to charge for the Services performed to the date of termination at the pro-rata amount.

If, prior to termination, we are assisting you to make a claim on an insurance policy that we have arranged, this service will cease once we are removed as agents to the policy.

When this Agreement is terminated, we will send you any documentation and information to which you are entitled, on request.

We will retain your personal data for a certain period of time after termination of this Agreement (please see our privacy notice for further details).

LAW AND JURISDICTION

These Terms of Business are governed by and construed in accordance with English Law. In relation to any legal action or proceedings arising out of or in connection with these Terms of Business we both irrevocably submit to the exclusive jurisdiction of the English courts.

LIMITATION OF LIABILITY

Unless otherwise agreed in writing between us, our liability to you in connection with the Services described in this Agreement is limited to a total of £10,000,000. Furthermore, we will only accept liability for wrongdoings which are due to breach of contract, negligence, breach of professional duty or breach of trust.

We do not accept liability for losses which: are contributed to by your own negligence arise from your failure to provide information which we have reasonably requested about your insurance risks; or which are not a reasonably foreseeable consequence of our actions.

Notwithstanding the above, we place no restriction on our liability to you for: death or personal injury caused by our negligence; fraud or fraudulent misrepresentation; or a breach of our statutory or regulatory obligations.

INVALIDITY AND SEVERABILITY

If any provision or term of this agreement shall become or be declared illegal, invalid or unenforceable, all other terms and / or provisions shall remain in force and effect.

APPENDIX I – Our Remuneration

We offer our clients the following payment options:

Payment by Consultancy Fee or Payment by Commission, or
Payment by a combination of Consultancy Fee and Commission.

These options are explained in more detail below and will apply in the absence of any separately agreed fee basis.

PAYING BY CONSULTANCY FEE

If you choose to pay for our services based on a consultancy fee, we will discuss your payment options with you and answer any questions you have. We will not charge you until we have agreed with you how we are to be paid.

If you elect to pay by consultancy fee facilitated by a product provider, we will confirm the rate we will charge you, and inform you of any related charges, expenses and taxes (including whether VAT will be payable) in writing before beginning work. You may ask us for an estimate of how much in total we might charge. You may also ask us not to exceed a given amount without checking with you first.

PAYING BY COMMISSION

If you choose to pay by commission for non-investment business, we will usually receive and retain commission resulting from a sale from the product provider concerned. Although you pay nothing to us up front, that does not mean our service is free. You still pay us indirectly through product charges. Product charges pay for the product provider's own costs and any commission.