

**Our Ref:** 38265511

**Your Ref:**



Mr P Hamer  
North herts Surface Repair Limited  
107 Cole Green Lane  
Welwyn Garden City  
Hertfordshire  
AL7 3JF

**EASTWOOD  
& PARTNERS**  
INSURANCE BROKERS

**Tel: (01484) 820000**

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**E-Mail: [mail@eastwoodandpartners.co.uk](mailto:mail@eastwoodandpartners.co.uk)  
[www.eastwoodandpartners.co.uk](http://www.eastwoodandpartners.co.uk)**

28th August 2019

Dear Mr Hamer

### **Insurance Quotations**

We have now effected cover on your behalf as outlined in this letter. Our statement of your insurance requirements provides our quotation and recommendations for your policy cover. You must check that all the information contained in this statement and documentation is correct and complete as this information forms the basis of the contract with Insurers. If any of the details are incorrect, please contact us immediately on the above number.

Cover is subject to acceptance of the attached Statement of Facts. Please check for accuracy and inform us immediately of any errors as this could invalidate cover.

**Insurance Act 2015, operative from 12 August 2016. Under this Act there is a statutory duty applicable to commercial clients to disclose important or relevant information known to them, or which ought to be known to them after a reasonable search has been conducted within the business.**

**Whilst sole traders or other individual businesses will be taken to be aware and to disclose all such relevant information, others will need to ensure that information has been gathered from senior management and others connected with the business who hold key information, and provided to their insurance advisers. In order to comply, it is important that the Client retains adequate records to show that relevant enquiries have been made across the company and any other relevant outside sources. This is an ongoing duty applicable from the above date when incepting a new policy, at every renewal and at any variation of the policy.**

**If this duty is breached, there are different remedies available to Insurers, depending upon the action they would have taken had the correct information been disclosed at the outset, and mean that Insurers could proportionately reduce the claim, apply terms or void the policy.**

Eastwood & Partners Limited  
NORTHUMBERLAND HOUSE  
NORTHUMBERLAND STREET  
HUDDERSFIELD HD1 1DT  
WEST YORKSHIRE

Whilst writing, we would like to draw your attention to our terms of business agreement which is attached. Our privacy notice is also attached in order to comply with the new GDPR regulations.

In addition we are attaching Important Information about commercial insurance contracts which summarises some basic insurance terminology. This is a brief overview of some aspects of insurance and we will be pleased to assist you with any further information you may require.

Documentation can be provided by either post or email. If you wish to receive your insurance documents in a specified manner, please let us know.

We trust this is in order, however, if you have any queries concerning this, or any other insurance related matter, please do not hesitate to contact the writer.

Yours sincerely

*Kay Lang*

Kay Lang

**Broker**

kayh@eastwoodandpartners.co.uk

Tel: 01484 820016

## Examples of information to be disclosed

A fair presentation of all facts which could affect the insurer's assessment of your risk. Any information which if known by Insurers could affect their judgement of a risk they are being asked to insure is relevant and it is your ongoing duty to disclose any such information, accurately and clearly. In addition to providing full details of the risk to be insured, you must also include unreported claims or incidents, bankruptcies or liquidations, criminal convictions, changes in the business, unusual processes for the trade, etc. If you are unsure whether something needs to be notified, you should refer to Eastwood and Partners for advice.

## Statement of your insurance requirements

The purpose of this statement is to set out your insurance demands and needs and the reasons why we have recommended this policy to you. The quotation is based upon information that you have provided to us.

This letter refers to the quotation/s with the following name and business description noted:

### Insured Title

North herts Surface Repair Limited

### AXA Tradesman

Policy No: AC TRM 4331873

- **Business Description**

Internal & External Hard surface repair

- **Your requirements**

You require cover to protect you against the following risks:

In respect of the business that you are operating you wish to obtain protection for your legal liabilities to the public through liability insurance and you wish to obtain protection following an accident resulting in death or injury for selected employees.

- **Our personal recommendation and market selection**

Our personal recommendation is that you proceed with the following product, because (other than as stated) it is suitable in meeting your requirements as described herein, In our experience this Insurer offers acceptable service including claims handling and In our opinion the product is competitively priced.

Insurer:	AXA Insurance UK Plc
Period of cover:	30th September 2019- 29th September 2020
Premium:	£159.22
Insurance premium tax:	£19.11
<b>Total:</b>	<b>£178.33</b>

The Insurer has been selected following a fair and personal analysis of a range of Insurers who are suitable carriers for this type of cover.

The Insurers formal quotation is enclosed for your perusal.

## **Policy terms**

We enclose your policy documentation which has been prepared in accordance with the information you have provided.

Insurance policies contain specific terms, conditions, clauses, warranties and exclusions within the policy wording or schedule, all of which are of the utmost importance, as failure to adhere to these could allow Insurers to proportionately reduce or decline your claim. Where we issue a summary of the coverage you have it is impossible to show these fully, though we may highlight points that we know are relevant to you. Nevertheless, it is essential that you are aware of the full policy/ schedule wording and adhere to the content within as appropriate. **A requirement under the Insurance Act 2015 is to notify Insurers if you ever breach a warranty during the policy year, so you must inform us if that occurs, even where the breach has been rectified.**

## **Cyber / Data Protection Insurance**

We recommend that you extend your cover to include Cyber / Data Security Protection Insurance which provides insurance protection and specialist services and advice following an insured cyber exposure.

These policies are designed to respond in the early stages of an incident, including but not limited to a data breach, hack or phishing attack, to help you mitigate loss to your business, damage to your reputation as well as your liability for Third Party losses which may arise.

Most policies will include as standard the services of a Cyber Emergency Response Team with 24/7 out of hours telephone assistance service. For further information on why you should consider this cover please see the enclosed information leaflet.

We would welcome a discussion with you to establish your specific requirements.

## **The capacity in which we are acting**

In sourcing and placing this insurance and in the event of a claim we will act as your agent.

## **Our earnings**

You are entitled, at any time, to request information regarding any commission which we may have received as a result of placing your insurance business.

## **Premium payment**

Attached is our Invoice(s) for your attention. Payment of the premium is required within 30 days of invoicing. Payment by instalments may be available subject to acceptance, please ask for further details.

You may either:

- Telephone us quoting a credit/debit card to pay the full premium.
- Send a cheque to our address for the total premium, with the reference number above.
- Call in to the office to pay by any of these methods or by cash.
- Utilise BACS payments facilities. Please see details on the invoice.
- Pay by Insurer direct debit instalments.
- Utilise Close Brothers Premium Finance

## **Documents attached**

- Statement of Facts
- Terms of Business Agreement
- Privacy Notice
- Important Information summary
- Policy Documentation
- Invoice
- Cyber Leaflet



## This is an agreement between the above Company (We) and the Customer (You)

### About us

Eastwood & Partners Ltd of Northumberland House, Northumberland Street, Huddersfield, HD1 1DT is authorised and regulated by the Financial Conduct Authority [FCA]. Our FCA Firms Registration Number is 300081. We are permitted to arrange advise or deal as an agent of insurers and clients and assist in claims handling with respect to non-investment insurance policies. We are also authorised to undertake certain consumer credit activities. You can check these details on the Financial Services Register by visiting the FCA's website <http://www.fca.org.uk/register> or by contacting the FCA on 0800 111 6768.

We are an Insurance Intermediary and we will usually provide advice or information on the basis of a fair and personal analysis of the market. The number of Insurers approached will depend upon the type of insurance required and sometimes a selection of Insurers or a single Insurer may be used. If you wish, you may ask us for a list of Insurers we offer insurance from. We will confirm to you whether we have approached a wide market, a selection of Insurers or a single Insurer. We do not provide an advised service for premium financing.

### Our service

Our services include assistance in determining the most appropriate means of insuring your risks and negotiating and placing such risks with insurers or other intermediaries who will negotiate with insurers on the companies behalf. We are not tied to any one insurance company. We can act both as agent of Insurers and on behalf of you, the customer. We have in place management controls to deal with any conflicts of interest that might arise. Unless we advise you otherwise we are acting on your behalf. We may also act on behalf of Insurers when collecting premiums under risk transfer agreements.

### Your Duty to Disclose Information

**Consumers:** You must take reasonable care not to make a misrepresentation to the Insurer. This means that all the answers you give and statements you make as part of your insurance application, including at renewal and when an amendment to your policy is required, should be honest and accurate. If you deliberately or carelessly misinform the insurers, this could mean that part of or all of a claim may not be paid.

**Commercial customers:** If the insurance is arranged wholly or mainly for purposes related to your trade, business or profession you have a duty to disclose important or relevant information known to you, or which ought to be known to you after a reasonable search. This applies to any facts which may influence the Insurers decision to accept the policy and/or terms to be applied. The duty applies throughout the life of your policy. Insurers can repudiate a claim, proportionately reduce it or apply different terms in the event of misrepresentation or non-disclosure.

### Limitation / Exclusion of Liability

#### ***YOUR ATTENTION IS SPECIFICALLY DRAWN TO THIS CLAUSE WHICH LIMITS OR EXCLUDES OUR LIABILITY TO YOU***

Our liability for losses suffered by you as a direct consequence of any negligent performance of our services **shall be limited in all circumstances to £10,000,000 per claim.** In respect of any other claim arising out of our performance or non-performance of the services hereunder our liability shall be limited to the amount of commission and fees which we have received for arranging your insurance cover during the 12 months prior to such claim arising.

We shall not be liable to you for any pure economic loss, loss of profit or loss of business, in each case whether direct, indirect or consequential, or any claims for consequential compensation whatsoever (such as that listed above and howsoever caused) which arise out of or in connection with our services or this agreement. Nothing in this paragraph excludes or limits our liability for death or personal injury caused by our negligence, or for loss caused by our fraud, wilful misrepresentation or breach of regulatory obligations owed to you.

### How to cancel

You may have a statutory right to cancel a policy you take out through us within 14 days (Personal Lines customers only). Please refer to your policy summary or your policy document for further details. If you cancel within the statutory cancellation period (where this applies) you will receive a pro rata refund of premium from the insurer. Insurers are also entitled to make an administrative charge.

If you wish to cancel outside the statutory cancellation period (where this applies) you may not receive a pro rata refund of premium. If our services are terminated by you other than at the expiry of the policy period or at renewal we will be entitled to retain any and all fees or brokerage payable (whether or not the same have been received by us) in relation to any policies placed by us prior to the date of termination.

With effect from the date of termination and in the absence of express agreement to the contrary we will have no obligation to perform any further services for you. The responsibility for handling claims reported after the date of termination shall cease in the absence of any express agreement.

### How to claim

Except where otherwise agreed we will provide claims handling services during the policy period where policies are placed by us and a claim is notified to us. These services include notification of the claim or circumstances to insurers, representing you in the resolution of the claim and arranging a collection or settlement of the claim in accordance with the market practice and policy terms and conditions. Generally Insurers require immediate notification of any claim or circumstance that may give rise to a claim. Failure to adhere to the policy requirements may entitle Insurers to deny claims.

If you have any doubt about whether a matter constitutes a notifiable claim or circumstance, we should be contacted immediately. The claims team can be contacted on 01484 820000.

### Protecting your information

We take your privacy extremely seriously and we will only use your personal details in line with our Privacy Notice. Please read our Privacy Notice carefully (enclosed with documents and on our website) and contact us immediately if you have any queries. Where necessary we shall ask for your specific consent to process your data. Your personal information includes all of the details you have given us to process your insurance policy (we will not ask for more information than is necessary). We may share your data with Third Parties for the provision and ongoing performance of your insurance policy.

Your data may be transferred outside the UK. We will not sell, rent or trade your data under any circumstances. All of the personal information you supply to us will be handed strictly in accordance with the applicable data protection regulations and legislation.

### Money Laundering / Proceeds of Crime Act

We are obliged to report to the National Crime Agency any evidence or suspicion of money laundering at the first opportunity and we are prohibited from disclosing any such report.

### **Protecting our information**

All activities undertaken by us as outlined in this agreement are provided for your exclusive use and all data, recommendations, proposals, reports and other information provided by us in connection with our services are for your sole use. You agree not to permit access by any third party to this information without our express written permission.

### **Invoices**

Payment of invoices is due on or before renewal date or on invoice date for new business and mid-term alterations, unless agreed otherwise.

### **Our earnings**

Our remuneration will be either a fee as agreed with you, or commission, which is a percentage of the insurance premium paid by you and given to us by the insurer with whom the insurance contract is placed, or by a combination of the two. Brokerage and fees are earned for the policy period and we will be entitled to retain all fees and brokerage in relation to the policies placed by us in respect of the full policy period. If you request we will provide you with details of the remuneration we receive in respect of your policies. We may also receive the following revenues:

- (1) A management or administration fee from insurers which may be paid from the insurance premiums payable to them to cover our administration work in relation to the arrangements referred to above.
- (2) Revenue based upon the volume and profitability of insurance business placed with a given insurer over a specific period. These payments recognise the services we provide to the insurer over the given period and are not directly related to the services provided to you.
- (3) Revenue from premium finance arrangements.

We may also make an administration fee of £25 for new business and renewal policies and this will be clearly stated in our quotation or renewal documentation.

### **Protecting your money**

We will hold money that you pay to us in accordance with the regulators rules or under a risk transfer agreement with insurers. This will include holding your money in the following way:

A **non-statutory trust client bank account** that allows us to use the money held in trust on behalf of one customer to pay another customers premium before we receive it from that customer and to pay premium refunds or claims before we receive payment from Insurance Companies. This is a standard practice within the Insurance Industry and we cannot use your money for any other purpose. We do not pay any interest on premiums held by us in the course of arranging and administering your insurance, unless, in the case of consumer transactions we receive more than £20 per transaction, and then we will ask for your permission to retain the interest. Unless you tell us otherwise, you are consenting to us holding your money in this way.

**By holding your money in this way, means that in the event that this firm becomes insolvent your money remains protected.**

In arranging your insurance we may employ the services of other intermediaries who are regulated by the FCA and your premium may be passed to these intermediaries for payment to insurers. These firms are also required to hold clients' money in a separate trust account. We will also inform you if at any time we are required to pass your premium to firms that operate outside the UK where the protection may be different. Should you not wish us to pass premiums to a firm outside of the UK, please inform us.

### **Complaints**

It is our intention to provide a high level of service at all times. However if you have reason to make a complaint about our service you should contact Mrs J Gledhill, Compliance Manager at the above address or call 01484 820000. or email [jayneg@eastwoodandpartners.co.uk](mailto:jayneg@eastwoodandpartners.co.uk).

Wherever possible we will endeavour to resolve the matter by no later than the close of business on the third working day following receipt. If this is not possible we will keep you informed of progress and anticipate that we will be able to provide a substantive response within eight weeks.

If you are not happy with our response, or the position after a period of eight weeks, you may be eligible to refer your complaint to the Financial Ombudsman Service (FOS) for an independent assessment and opinion. The FOS Consumer Helpline is on **0800 023 4567** (free for people phoning from a "fixed line" (for example, a landline at home) or **0300 123 9123** (free for mobile-phone users paying monthly charge for calls to No's starting 01 or 02). Alternatively you can contact them at Financial Ombudsman Service, Exchange Tower, Harbour Exchange Square, London, E14 9SR. [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

### **Financial Strength**

We regularly assess the financial strength of the Insurance Companies and other intermediaries that we deal with. The process usually involves general observation of the financial ratings applied by independent rating agencies such as Standard & Poor's published with other readily available information within industry guides, newsletters and press releases. Whilst we take care to deal with companies that maintain reasonable solvency margins, we cannot guarantee their financial ability to pay claims.

### **Compensation arrangements**

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 compulsory classes of insurance (such as motor insurance) are covered for 100% of a claim. Further information is available from the FSCS helpline 0800 678 1100 or 020 7741 4100 and [www.fscs.org.uk](http://www.fscs.org.uk). The FSCS is the UK's statutory fund of last resort for customers of authorised financial services firms. Compensation is usually payable if an authorised firm is unable or unlikely to pay claims usually because it has ceased trading or become insolvent

### **Third Party Rights**

Unless otherwise agreed between us in writing no term of this agreement is enforceable under the Contracts (Right of Third Parties) Act 1999.

### **Governing Law**

Unless we have agreed otherwise with you, all policies sold by us are governed by English Law and subject to the jurisdiction of the English courts. All information about the contract will be provided in English. This agreement will also be governed by and construed in accordance with English Law.

Nothing in these conditions will restrict any other statutory rights you have.

*By accepting this Terms of Business Agreement, you are giving your consent for us to operate in this way.*

## Privacy Notice



This privacy policy for the Eastwood Group of Companies explains how we use any personal information we collect about you. The companies incorporated within the Group are Eastwood & Partners Ltd, Eastwood Private Clients Ltd and E&P Risk Services Ltd trading as EP Risk Consultancy.

### What information do we collect about you?

Personal information which you supply to us may be used to arrange insurance contracts.

### How will we use the information about you?

We collect information about you to arrange insurance on your behalf, manage your insurances and provide you with information on developments and new products in the Risk and Insurance Industry.

Some or all of the information you supply to us in connection with your insurance proposal may be passed to insurance and other companies for underwriting, claims, premium collection and statutory requirements. Your data will be held in accordance with current data protection laws.

We will only use your personal information when the law allows us to. The main reasons are where we need to perform a contract we have entered into with you where we need to comply with a legal obligation or where it is necessary for our legitimate interests (or those of a third party). We may also use your information where it is needed in the public interest (or for official purposes).

### How do we use information collected from our website?

Our website uses cookies set by the Joomla software platform, used solely for the purposes of checking which page(s) a website user has already visited. These cookies are 'session cookies' which means they are generally automatically deleted when a user closes their web browser or turns off their computer. They do not store any personal data and there would be no way to identify a user from the cookie data.

Our website also uses Google Analytics to analyse the use of the website. Google Analytics generates statistical and other information about website use by means of cookies, which are stored on users' computers. The information generated relating to our website is used to create reports about the use of the website. Google will store and use this information. Google's privacy policy is available at [www.google.com/privacypolicy.html](http://www.google.com/privacypolicy.html).

For further information about cookies visit:  
[www.allaboutcookies.org](http://www.allaboutcookies.org) or [www.aboutcookies.org](http://www.aboutcookies.org).

You can set your browser not to accept cookies and the above websites will tell you how to remove cookies from your browser, however in certain cases some of our website features may not function as a result.

### Marketing

Data may be passed to our group Companies for marketing purposes to provide you with information about products and services which may be of interest to you. If you have any queries or wish to opt out of group marketing please write to us at the address shown.

Eastwood Group will not share your information for marketing purposes with companies outside the group.

### Access to your information and correction

You have the right to request a copy of the information that we hold about you. If you would like a copy of some or all of your personal information, please contact us – details below.

We want to make sure that your personal information is accurate and up to date. You may ask us to correct information you think is inaccurate.

### Other websites

Our website contains links to other websites. This privacy policy only applies to this website so when you link to other websites you should read their own privacy policies.

### Changes to our privacy policy

We keep our privacy policy under regular review and we will place any updates on our web page. This privacy policy was last updated 13<sup>th</sup> August 2018.

### How to contact us

Please contact us if you have any questions about our privacy policy or information we hold about you:-

By email: [mail@eastwoodandpartners.co.uk](mailto:mail@eastwoodandpartners.co.uk)

or write to us at:-Eastwood & Partners Ltd  
Northumberland House, Northumberland  
Street, Huddersfield, HD1 1DT



**FAIR PRESENTATION OF THE RISK**

**Insurance Act 2015, operative from 12 August 2016**

Under this Act there is a statutory duty applicable to commercial clients to disclose important or relevant information known to them, or which ought to be known to them after a reasonable search has been conducted within the business.

A fair presentation of all facts which could affect the Insurer's assessment of the risk must be provided, and the Act places a responsibility on the Insured at the time of effecting a new Policy, every renewal and any variation to:

- Be clear and accurate in giving information
- Make enquiries of anyone in or connected to the company to give material information (and keep adequate records of such enquiries)
- Give full details of the risk to be insured
- Ensure all claims or incidents are reported
- Notify any changes in the business, or planned
- Advise of any unusual processes for the trade
- Notify any adverse circumstances (eg bankruptcy/ liquidation/ administration/ Voluntary arrangement, criminal conviction and the like) involving the business, its directors/ partners/ managers/ trustees, or any other business in which they are or were involved
- Notify all temporary breaches of a warranty during the policy year, even where subsequently rectified

If you are unsure whether something needs to be notified, you should refer to E&P for advice.

**POLICY TERMS & VALIDITY OF QUOTATIONS**

Insurance policies contain specific terms, conditions, clauses, warranties and exclusions within the policy wording or schedule, all of which are of the utmost importance, as failure to adhere to these could allow Insurers to proportionately reduce or decline your claim. Where we issue a summary of the cover it is impossible to show these fully, though we may highlight points that we know are relevant to you. Nevertheless, it is essential that you are aware of the full policy/schedule wording and adhere to the content within as appropriate.

**WARRANTIES / CONDITIONS/EXCLUSIONS**

Warranties or conditions precedent to liability are terms of the agreement between you and the Insurers and must be fully complied with otherwise the Insurers may have the right to cancel the policy from the date of breach and not pay any claims, or reduce a claim proportionately.

Under the Insurance Act 2015, Insurers can still apply warranties to the policy but a breach by the Insured will not automatically terminate the policy; rather it will lead to suspension of liability.

**Whilst some breaches can never be remedied, where the breach is remedied the insurance will automatically be reinstated.**

Furthermore, Insurers will not be able to avoid liability for non-compliance with a warranty or any other term of the contract (other than a term defining the risk as a whole) if the Insured can show that non-compliance could not have increased the risk of that loss occurring in the same circumstances.

A requirement under the Insurance Act 2015 is to notify Insurers if you ever breach a warranty during the policy year, so you must inform us if that occurs, even when the breach has been rectified.

Exclusions and exceptions modify or restrict the general cover promised by the insurer under a contract of insurance. They may reduce or remove from cover an entire risk, such as Terrorism, or a particular event that would otherwise fall within the cover.

**INSURED TITLE**

The full name of the insured(s), which again may vary between different policies, is shown on the policy schedule and you must ensure this is kept accurate at all times.

**BUSINESS DESCRIPTION**

Your policies only operate for risks arising within the business description applicable to the policy. Often it is not practicable to utilise one wording for all policies. Any inaccuracies or changes to your activities should be notified to us immediately.

**AVERAGE**

Many policies are subject to "average", whereby if your sum insured is not adequate then insurers will reduce your claims settlement by the same proportion as the underinsurance. In simple terms if a sum insured is £60,000 and the item valuation is £100,000 the Insurers will pay 60% of any loss.

It is therefore, very important that you choose the right sums insured for your policies. We would recommend that you appoint professional advisers to provide valuations in order to ensure that the figures insured are accurate, as underinsurance can lead to the application of average as detailed above. It may feel like an unnecessary expense but in the event of a claim it would be extremely useful.

**SUMS INSURED / BASIS OF VALUATION**

• **Reinstatement**

A sum insured on a reinstatement basis should be adequate to replace the insured with "new" at the time reinstatement takes place, which could be long after the sum insured was set. So the Insured must make allowance for this and future inflation when arriving at the sum insured, or the figure is likely to be inadequate, unless the Policy is index linked (see below).

• **Day 1 Reinstatement**

With this method the Insured should provide the value of the item(s) to be insured on a reinstatement basis as at the first day of the insurance period, being the 'declared value', to which an agreed percentage increase is applied to allow for increases in value beyond the control of the Insured, eg inflation.

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Northumberland Street  
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Tel: 01484 820000

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4 Park Square  
Newton Chambers Road  
Thornccliffe Park  
Chapelton  
S35 2PH  
Tel: 0114 296 5760

• **Indemnity**

This principle seeks to place the insured in the same position as before the loss, as the sum insured is set at a lower level after deductions to take account of age and depreciation.

• **Index Linking**

Some insurers offer an index linking facility, which means the sum insured would increase over the insurance period in accordance with a stated inflation index, eg the Retail Price Index. At renewal the inflated sum insured is consolidated as the base sum insured for the coming year unless alternative sums insured are nominated.

**CLAIMS MADE BASIS**

An Insurance policy underwritten on a "claims made" basis will only cover claims reported or notified during the period of insurance. Professional Indemnity policies are always written on a "claims made" basis but some liability covers may also be on this basis (this would be clearly shown on our quote) for example, a professional negligence claim made against a Surveyor resulting from a house survey carried out 5 years before but only just reported as the defect manifested itself, would claim on his current policy of insurance as this was the time when he was notified of the claim and hence when the claim was made.

**CLAIMS OCCURRING BASIS**

This is the normal basis of cover for most policies. An insurance policy underwritten on a claims occurring basis will cover incidents or claims that actually occur or emanate during the period of insurance. E.g. an employers liability accident in 2005 which was notified in 2007 would fall to be dealt with by the Employers Liability insurers in the year the incident happened (2005).

To ensure cover, it is therefore necessary to maintain cover continuously and if changes of Insurers occur during the years, details of the policies should be retained to deal with historical claims for industrial illnesses etc, which often manifest themselves years after actual employment has ceased. We would therefore recommend that you retain copies of employer's liability insurance certificates indefinitely.

**CHANGES IN RISK**

You have a duty under your contracts of insurance to notify Insurers of any changes in the risk or property insured whether the change increases or, in your opinion, reduces the Insurers exposure. This duty is ongoing and does not just apply at renewal.

Examples of changes which should be notified are:-

- Changes in ownership or control of the company
- Changes in processes or types of machinery used
- New markets (especially North America) or products
- Contract conditions which increase your Liability to others
- New premises or storage facilities
- Un-occupancy or change of tenant at any premises
- Disconnection or reduced effectiveness of any fire or theft protections
- Increased asset / values (eg buildings, machinery sums insured)

This list is by no means exhaustive and if there is any doubt, our advice should be sought: preferably prior to the event.

**TERRORISM**

Terrorism cover is excluded from commercial material damage policies. Cover can be purchased separately.

**BUSINESS INTERRUPTION**

We are making special mention of this type of cover as it is one of the areas that may be difficult for some clients to understand: it can also be referred to as Loss of Profits insurance. The objective is to maintain the company's gross profit (as defined by the policy) following a material damage claim. The business interruption element of a claim can often exceed the actual material damage payment, which is why it is important to think carefully about the different aspects of cover.

Following a loss, it will be difficult for the business to operate because there will be a continuing need for cash to pay for fixed costs such as rent, rates, payroll, heating, lighting, motor expenses etc., at a time when the business is receiving nil or reduced income.

There are different levels of coverage and extensions available, the relevance of which are dependent on the nature of the business. Consideration should also be given to the maximum time it would take to get the business up and running again and trading at the pre-loss levels. Account needs to be taken of the most serious delays which may be experienced such as site clearance, planning matters, tenders, rebuild time, ease of replacing stock, availability/sourcing of machinery and time to build up production and replace lost customers.

As you will see, there are many variables to think about when choosing the correct level of cover, hence the reason why this should be discussed with your Account Executive at Eastwood & Partners.

**The above is a summary of some basic information which should help you in relation to insurance terminology. This is only a brief overview of some aspects of insurance and if you have any queries or wish to discuss matters further, please do not hesitate to make contact with your Account Executive at Eastwood and Partners on 01484 820000 (Huddersfield office) or 0114 2965760 (Sheffield office).**

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Northumberland House  
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[www.eastwoodandpartners.co.uk](http://www.eastwoodandpartners.co.uk)

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