

These Terms of Business apply to United Kingdom residents.

STATEMENT - TERMS OF BUSINESS

The aim of this Terms Of Business section is to set out how we will deal with customers who avail of our services and/or arrange a policy through Adelaide Insurance Services Ltd. The Terms Of Business are provided for your information and to assist customers in making an informed choice about the products they purchase. We strive to ensure that our service in general (verbal and written) is thorough and transparent, and these terms may be referred to if we need to resolve any complaints.

Should you have any queries in connection with the contents of the Terms Of Business, please contact us.

Your agreement to these Terms Of Business does not affect your statutory rights.

OUR SERVICE

Adelaide Insurance Services Limited is an Independent Insurance Intermediary. Our service /activities includes:

- Arranging deals in non-investment insurance contracts;
- Making arrangements with a view to transactions in non-investment insurance contracts;
- Advising on non-investment insurance contracts;
- Dealing as an agent in non-investment insurance contracts;
- Assisting in the administration and performance of non-investment insurance contracts.

As well as advising you on insurance products most suitable for your needs, we will also assist you with any ongoing changes you have to make.

We can offer products from a wide range of insurers and will act on your behalf. For Car insurance, we can select from over 10 insurers; for Motorcycle insurance we can select from over 5 insurers; for Property / Home insurance we can select from over 5 insurers; for Travel, Van insurance and Motor Breakdown Assistance, we deal mainly with 1 provider for each.

OUR STATUTORY STATUS

In connection with the above activities, Adelaide Insurance Services Ltd is authorised and regulated by the Financial Services Authority. Our Firm's Reference Number is 308099 and details of our registration with the FSA can be found at www.fsa.gov.uk/register or by contacting them on 0845 606 1234.

Adelaide Insurance Services Ltd is registered in Northern Ireland: N.I.030039.

Our Registered Office is: First Floor, Boucher Plaza, 4-6 Boucher Road, Belfast, BT12 6HR.

Adelaide Insurance Services Ltd (hereafter referred to as 'Adelaide' or 'AIS') is a wholly owned subsidiary of Cornmarket Group Financial Services Limited, Dublin. Cornmarket Group Financial Services Ltd is a subsidiary of the Irish Life & Permanent group.

FEES AND CHARGES

Like most other insurance intermediaries, in addition to premiums /charges made by insurers, Adelaide makes charges to cover the administration of your insurance. They are as follows:

Policy Arrangement at New Business and Renewal	Adelaide Fee	Government Tax 5% *	Total Payable
- Household, Travel or other non-motor Insurance	£16.50	+ £0.83	= £17.33
- Car Insurance (or other motor insurance – not motorcycle)	£29.00	+ £1.45	= £30.45
- Motorcycle Insurance or Van Insurance	£29.00	+ £1.45	= £30.45
Mid-term Adjustments (Permanent or Temporary)			
- Change of address to differently rated postcode	£16.50		
- Change or Addition of Vehicle or Driver(s)	£16.50		
- Change in level of Cover	£16.50		
Cancellation Mid-term			
- Car, Motorcycle or Van Policy	£30.00		
- Household or Travel Policy	£25.00		

Additional Documents			
- Lost Certificates		£6.00	
- Review of records to issue written details of named driver experience		£20.00	
Credit facilities			
-Fee for set-up or renewal of credit facilities enabling you to pay your insurance by instalments		£20.00	
- Loan charges (based on total amount payable) typically		13%	
- Default of instalment payment		£25.00	
Payment handling charges			
- Debit Cards (eg. Visa-Delta, Maestro, Switch, Laser, Solo)		Nil	
- Credit Cards (eg. MasterCard, Visa)		2%	
- Cheques		2.5%	

* From December 2009: Broker fees charged for arrangement at new business and renewal are subject to government tax at 5%.

From October 1994: Insurance premiums for your main insurance, and for certain optional extras, are subject to insurance premium tax (IPT). The current rate is 5%.

Any additional charges will be advised to you in advance and will continue to be disclosed for ongoing services. Details of charges are also displayed in the Customer Services are of our office.

PAYMENT METHODS AVAILABLE TO CUSTOMERS

Adelaide Insurance Services can accept a range of payment methods, which may suit you:

DEBIT CARD • Delta • Electron • Switch • Maestro - Simply ring our office with card details for immediate cover.

CREDIT CARD • MasterCard • Visa - Simply ring our office with card details for immediate cover.

Building Society / Bank DRAFT - Please ensure that your Client Reference and Name /Address are attached or written clearly on the reverse.

CHEQUE /POSTAL ORDERS - Please ensure that your Client Reference and Name /Address are attached or written clearly on the reverse.

CASH - Please note: We no longer accept cash from 1 January 2010.

MONTHLY • Direct Debit

At Adelaide, it may* be possible to pay for your cover on a monthly basis.

New policy – A first payment is required before cover can be arranged (payable by any of the above methods). This first payment will be a proportion of the annual cost (after addition of credit set-up fee and loan charges), and will normally be 1/6th or for certain policies 30%. The remaining balance can normally be repaid by Direct Debit over a further 10 months (or 7 months on certain policies). A Direct Debit Mandate must be completed and returned to us.

Renewals — If you have an existing Direct Debit Mandate in force for us, it may be possible to continue paying monthly, requiring simply your authorisation.

*See Instalments criteria below.

MAKING PAYMENT

Adelaide Insurance Services Ltd receives payment of premium and premium refunds as agent of the insurance company ('Insurer'). Premiums received by Adelaide will be promptly paid into a separately designated bank account. Such monies shall not be applied for any purpose, other than payment to the Insurer. Gross Premiums may be commingled with other insurer / client monies, but Adelaide will not commingle any Gross Premium collected from you with operating funds or any other funds held by us.

Cover awaiting payment

We must receive payment or guarantee of payment before cover is granted (new policy, renewal, or alteration). If you require immediate cover, we will request that you make payment immediately. This can be done when you call into our office or by providing debit or credit card details (see bottom of FEES AND CHARGES section above) where you contact us by telephone. If you contact us at least a week in advance of cover, you may send us a cheque as long as it reaches us before cover is to begin.

If cover is to be effective within 5 working days of your request, payment would normally be required

immediately, however we may allow you to forward us a cheque if you can provide card details as a payment guarantee. In the event of your payment failing to arrive within the 5 working days, we will deduct from the card the amount due. This will include a 2% handling charge where applicable.

If you cancel cover before we are due to receive your cheque, you will be liable for the cost of any time on cover and administration charges. We will notify you of the cost if you cancel and will deduct from the card the amount due. Once we receive payment, full /final documentation will be sent to you.

BY POST

Payments sent by post e.g. Cheques, Bank Drafts, Postal Orders etc. must be accompanied by your Client Reference (found on all documentation issued to our customers), or at least the name and address of the policyholder. This will enable us to allocate the payment to the appropriate client account.

Liability cannot be accepted for cash sent through the post in the event of loss. We issue a receipt for any payment received by us. Should you have any dispute about what was paid, we will require that you produce a receipt issued by Adelaide Insurance. If you have received previous correspondence from us you will likely have a pre-addressed envelope in your possession.

INSTALMENTS

All premiums must be paid in full to the Insurance Company at the start of cover. However, providing you meet the required criteria, an instalment arrangement can be set up through AIS Finance. This arrangement allows Adelaide Insurance to pay the full premium to the insurance company and meet the full cost of your insurance. From this point on, this constitutes a Loan Agreement for money and no longer relates to the arrangement of your insurance.

Payment by instalments is subject to status, eg:

- Policyholder must be aged 18 or over;
- Policyholder must be in acceptable employment and have good payment history;
- Have a suitable Bank Account from which Direct Debits can be promptly collected.

Instalment facilities are not available on all policy types.

We may accept an annual premium paid in two halves (half on inception of policy and half within one month). In such cases a nominal charge will apply. Instalment arrangements involving repayment over more than one month will be subject to loan charges, as outlined in 'Fees and Charges', and a non-refundable £20 credit set-up fee (in addition to any Policy Arrangement fees).

All arrangements involving repayment over more than 3 months must be by Direct Debit.

Normally instalment arrangements are made to clients on a 'good faith' basis. The sums borrowed are relatively small amounts to be paid over a short period that many lending institutions would not handle. In providing the facility, the loan charges made by Adelaide are calculated in order that it is viable for us to do so.

SETTLEMENT OF OUTSTANDING BALANCE AFTER A CLAIM

Where your insurance company has made a payment under your policy following an incident (e.g. accident, theft, etc.), you are required to repay the full outstanding balance due to AIS Finance, as the premium has been paid by them in full on your behalf. In the event of a claim where your insurer is obliged to pay full costs, they will retain full premium, and there will normally be no refund from your insurer, even if the policy is cancelled.

NON-PAYMENT

In the event of default on an instalment arrangement, AIS Finance will apply a £25 charge. Default will automatically instigate the cancellation process. At the end of this process, if outstanding monies are still unpaid, **your policy will be cancelled by Adelaide Insurance Services.**

For other payments (eg. deposits /first payments on instalment arrangements or payments to be made in full for: new policies, renewals, additional costs for mid-term adjustments) -failure to pay will automatically instigate the cancellation process. At the end of this process, if outstanding monies are still unpaid, **your policy will be cancelled by Adelaide Insurance Services.**

Where such cancellation relates to motor insurance, you must return the relevant Certificate of Insurance immediately; and in line with statutory requirements, we will inform the DVLNI or DVLA.

CANCELLATION

If you change your mind

If, having examined your policy documentation, you decide that you do not want the insurance policy, you have a statutory right to cancel the policy and receive a refund of any premium paid for the unexpired period of cover, provided that you have not made a claim under the policy. This right extends provided that you notify us within 14 days of the start date of your cover, or the date on which you receive the terms and conditions of your policy, whichever is later. In such cases, Adelaide will not apply our cancellation fee. Some insurers will charge a minimum time on risk charge. To cancel, please contact Adelaide Insurance Services Ltd and return your current policy certificate or covernote

After 14 day period

If you require to cancel, and you have received the terms and conditions of the policy more than 14 days ago, you must

return your current policy certificate, together with a brief written request and reason for cancellation (cancellation will be not normally be effective until we or the insurer receive the documents).

In the event of policy cancellation (requested by you, or instigated by us), we will calculate the amount of premium due to the insurer for the period on cover, and the amount of premium you have paid (excluding our aforementioned arrangement /set-up fees, and /or loan charges due). If you have not paid sufficient premium in respect of the time on cover, you will be responsible to pay the balance.

N.B. — Not all policies are refundable upon cancellation, for example:

- Where your insurer has made /will make payment under the policy following an incident /accident — as per your policy booklet.
- Some insurers apply a scale of “short-period” cancellation charges (instead of pro-rata), and if cancellation occurs after the policy has been running for several months, there will be no refund — as per your policy booklet.

REFUNDS

Where you are entitled to a refund, after we receive the rebate or confirmation of the rebate from the Insurer, we will forward the refund to you. Please allow up to 21 days to receive cheque.

Where a refund is due under your insurance but you are still due to pay monies to Adelaide, eg. remaining instalments, we will usually offset monies owed with the credit, eg. reduce your remaining instalments accordingly.

CUSTOMER'S DUTY TO PROVIDE COMPLETE AND ACCURATE INFORMATION

It is your responsibility to provide complete and accurate information when you arrange your insurance, throughout the life of your policy, and when you renew your insurance.

It is important that you ensure that all statements you make on proposal forms, online quotes, claim forms and other documents, together with verbal statements (e.g. on recorded phone call) are full and accurate. Your attention is particularly drawn to the importance of the Declaration and signature on insurers' Proposal Forms (Instead of a proposal, a 'Statement of Facts' may be used, which does not require return unless details are incorrect).

If the answers to proposal questions should alter due to changing circumstances during the period of the policy, then you should advise us.

Any failure to disclose facts material to the insurance or any inaccuracies in your answers could invalidate the cover, and / or could mean that part or all of a claim may not be paid.

If you are in any doubt as whether to advise us of changes in circumstances that may be relevant to the cover, then you should advise us. Please do consult us if you are in any doubt on any aspect.

COMPLAINT HANDLING PROCEDURE

Adelaide Insurance Services are committed to providing a first class service to our customers. You can help us to do this by letting us know if you are unhappy with our service for any reason or have any cause for complaint.

We will do our best to put things right and improve the service we provide to you. Please contact the Compliance & Training Manager or the Head of Department,

Adelaide Insurance Services Ltd, First Floor, Boucher Plaza, 4-6 Boucher Road, Belfast, BT12 6HR in writing or by phone, fax or email.

If you are not satisfied with the outcome of Adelaide's internal complaint handling procedure, you will be provided with our final response so that you can, if you wish, refer the matter to the Financial Ombudsman Service. Their address is – The Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London, E14 9SR.

COMPENSATION

You may be entitled to compensation if we or your Insurer cannot meet our obligations due to insolvency. The Financial Services Compensation Scheme provides compensation in case any of its members go out of business or into liquidation and are unable to meet any valid claims under its policies. For non-compulsory classes of insurance, 90% of the claim is protected, with no upper limit. For compulsory classes of insurance, such as motor third party and employers' liability, insurance advising and arranging is covered for 100% of the claim, without any upper limit. Further information can be obtained from us or the Financial Services Compensation Scheme (FSCS), 7th floor Lloyds Chambers, Portsoken Street, London E1 8BN on www.fscs.org.uk or on 0845 257 3772.

CLAIMS

In the event of an incident which may give rise to a claim under your insurance, you must advise us as soon as possible. For car or motorcycle incidents, please phone 028 9032 2607, or if you are a member of the Institute of Advanced Motorists, please phone 028 9032 2167. For non-motor claims, please contact us in the first instance using the normal contact number. You should be able to provide the date and time of the incident, an indication of the extent of the damage or loss, and details of any other parties involved. In most cases you will be required to complete an incident report form. If there has been a theft or attempted theft, you must tell the police immediately. If you receive a writ, summons or other legal documents or letters, you must send them to the claims handler promptly.

Claims and Underwriting Exchange

Insurers may pass information to the Claims and Underwriting Exchange register, run by Insurance Database Services Limited (IDS Ltd) and the Motor Insurance Anti-Fraud and Theft Register, run by the Association of British Insurers (ABI). The aim is to help check information provided and also to prevent fraudulent claims. When we deal with your request for

insurance, your Insurer may search the register. When you tell us about an incident, information will be passed to the registers. The Claims and Underwriting Exchange register is also used by insurers and their agents to decide whether to accept your application and, if so, on what terms. In dealing with your application, this register may be used.

Motor Insurance Database

Details of motor insurance policyholders are added to the Motor Insurance Database (MID), run by the Motor Insurer's Bureau (MIB). MID data may be used by the DVLA and DVLNI for the purposes of establishing whether a driver's use of the vehicle is likely to be covered by a motor policy and /or preventing and detecting crime. If you are involved in an accident (in the UK or abroad) other UK Insurers and the Motor Insurers Bureau may search the MID to ascertain relevant policy information. Persons with a valid claim in respect of a road traffic accident (including citizens of other countries) may also obtain relevant information which is held on the MID. You can find out more about this from us, or at www.mib.org.uk.

WITHHOLDING DOCUMENTATION

We may keep certain documents such as your annual certificate, while we are waiting for full payment of premiums, administration charges, or return of completed /necessary documentation by you. In these circumstances, we will ensure that you receive full details of your insurance cover and will provide you with any documents that you are required to receive by law.

CONFIDENTIALITY

Certain client details will be held by both us and your insurer. Adelaide Insurance Services will treat all personal information as private and confidential to us and anyone else involved in providing your insurance, even when you are no longer a customer.

We will only use and disclose the information we have about you in the normal course of arranging and administering your insurance. This may involve passing information about you to credit reference agencies for the purposes of arranging payment by instalments. In the event of sustained non-payment of money due to us by you, we may pass information to other parties involved in legal proceedings. We will not disclose any personal information about you to any other parties, except:

- When you ask us to, or give us permission; or
- If we have to because we are regulated by the Financial Services Authority; or
- If we have to by law; or
- In order to prevent and detect fraud (see below).

Adelaide Insurance Services may use information we hold about you to provide information to you about other products and services that we have to offer. We will not disclose any other information to other parties without your consent. If you do not wish to receive marketing information from us, please advise us.

FRAUD PREVENTION, DETECTION & CLAIM HISTORY

In order to prevent and detect fraud, we may at any time:

- Share information about you with other organisations and public bodies including the Police;
- Check and /or file your details with fraud prevention agencies and databases, and if you give us false or inaccurate information and suspect fraud, we will record this.

We and other organisations may also search these agencies and databases to:

- Help make decisions about the provision and administration of insurance, credit and related services for you and members of your household;
- Trace debtors or beneficiaries, recover debt, prevent fraud and to manage your accounts or insurance policies;
- Check your identity to prevent money laundering, unless you furnish us with other satisfactory proof of identity;
- Undertake credit searches and additional fraud searches.

CLAIMS HISTORY

You must tell us about any insurance related incidents (such as accident, fire, theft or malicious damage) whether or not they give rise to a claim. When you tell us about an incident we will pass information relating to it to a database.

We may search these databases when you apply for insurance, in the event of any incident or claim, or at any time of renewal to validate your claims history or that of any other person or property likely to be involved in the policy or claim.

ROAD TRAFFIC ACT STATEMENT

It is an offence under the Road Traffic Act to make any false statement or withhold any material information for the purpose of obtaining a Certificate of Motor Insurance.

DATA PROTECTION

Under the Data Protection Act 1998, you have the right to request a copy of the personal information about you that we hold in our records.

If you would like a permanent copy of the data which you believe Adelaide holds on you then a subject access request can be made by writing to us. A fee of £10 is chargeable under the terms of the Data Protection Act. You will need to provide

adequate identification before your request is processed. Once this has been received, we will provide a response within 40 calendar days. If you have any queries, please contact us.

CHANGES TO OUR TERMS OF BUSINESS

All information printed in these Terms of Business is correct at time of going to press (03-Jun-08). We may, however, amend these terms from time to time. Where appropriate we will notify our policyholders in writing by sending a notice describing the relevant changes.

TERMINATION

Both you and Adelaide Insurance Services have the right to terminate these terms and conditions by sending the other party prior written notice. You may terminate any service or product you have undertaken with / through us. Likewise, Adelaide Insurance Services reserves the right to withdraw its services to you by advising you in writing. In such circumstances we will provide you with adequate written notice and will endeavour to ensure that any outstanding business is satisfactorily dealt with. Such termination will take effect from the date specified in the notice.

FORCE MAJEURE

Notwithstanding any other provision contained in this document, Adelaide Insurance will not be responsible or liable for any loss or for any failure to fulfil any of its obligations or duties hereunder or for any claims, losses, damages, liabilities, costs or expenses suffered or incurred by you if such loss, damage, liability, cost, expense, or failure arises directly or indirectly out of, or in connection with, or as a result of any fire, natural disaster, delay or breakdown in communications or electronic transmission system, or any other cause beyond the reasonable control of Adelaide Insurance Services.

WHOLE AGREEMENT

This agreement (and documents related to this agreement), supersedes all prior representations, arrangements, understandings and agreements between the parties relating to the subject matter hereof, and sets forth the entire, complete and exclusive agreement and understanding between the parties relating to the subject matter thereof.

GOVERNING LAW and LANGUAGE APPLICABLE

In the absence of an agreement to the contrary the law of England and Wales will apply to these terms and conditions. If you reside in (or in the case of a business policyholder, the registered office /principal place of business is in) Scotland, Northern Ireland, the Channel Islands or the Isle of Man, the law applicable to that appropriate country will apply. The language used in these terms and any communications relating to them will be in English.

HOW THE COST OF YOUR INSURANCE IS MADE UP

EXAMPLE COST OF ARRANGING A NEW MOTOR POLICY

Annual Premium before tax:	£500.00	Charged by the Insurance Company after their assessment and upon acceptance of the proposed risk.
	+	
Insurance Premium Tax:	£25.00	Compulsory government levy (currently 5%) made since October 1994 and collected on their behalf by the Insurance Company.
	=	£525.00
	+	
Arrangement Fee:	£29.00	Charge made by Adelaide Insurance Services for arranging each insurance policy. Non-refundable upon cancellation.
	+	
Government Tax 5%:	£1.45	Compulsory government levy (currently 5%) made since December 2009 and collected on their behalf by Adelaide Insurance Services.
	=	£555.45
	+	
Optional Extra(s) - example shown H.E.L.P.	£16.50	Separate from insurance policy and optional. Provides prompt legal advice in the event of a non-fault incident, and help in the recovery of uninsured losses.
Total amount payable:	£571.95	Other optional products which may add to the cost include: - Car Rescue – 24hr accident & breakdown recovery with HomeStart; - Bike Assist - 24hr accident & breakdown recovery (incl. punctures); - ClaimsLink – claims mediation & assistance on property claims.

EXAMPLE COST OF PAYING THE ABOVE BY INSTALMENTS

	£571.95	
	+	
Loan charge:	£74.35	Equivalent to typically 13% of total amount payable.
	=	£646.30
Deposit / 12 x2mths	£107.72	+ £20.00 credit set-up fee
		£127.72 payable upon arrangement of cover
Loan repayable:	£538.58	
in 10 monthly payments of:		£53.86 by Direct Debit beginning one month after cover arranged
Total cost of insurance and instalment plan	£666.30	

EXAMPLE COST OF MAKING A MID-TERM CHANGE

[eg. a permanent change after 151 days, ie. with 214 days remaining before policy expires.]

(A) THE NEW DETAILS BEING RATED AS A LOWER RISK		(B) THE NEW DETAILS BEING RATED AS A HIGHER RISK	
Annual Premium (incl.IPT) on new details:	£420.55	Annual Premium (incl.IPT) on new details:	£629.45
Inception Premium (incl.IPT) on previous details:	£525.00	Inception Premium (incl.IPT) on previous details:	£525.00
Annual Difference:	-£104.45	Annual Difference:	£104.45
Pro-rata on days remaining:	/365 x214	Pro-rata on days remaining:	/365 x214
Premium Credit:	£61.24	Premium Debit:	£61.24
AIS Administration Fee:	-£16.50	AIS Administration Fee:	+£16.50
Refund due to customer:	£44.74	Additional due from customer:	£77.74

If there are future instalments due, the remaining monthly repayments will be adjusted accordingly.

EXAMPLE OF CANCELLING A POLICY MID-TERM

[eg. after change (A) above, having been on cover for 250 days on a policy with pro-rata* cancellation.]

Annual Premium (incl.IPT) as at last change:	£420.55	(Arrangement fees and the cost of optional extras are non-refundable upon cancellation).
Pro-rata on days remaining:	/365 x115	The cancellation method /scale* used by your Insurance Company can be found in the policy booklet.
Premium Credit:	£132.50	
AIS Cancellation Admin Fee:	-£30.00	(Your Insurance Company may also charge a fee upon cancellation).
Refund due to customer:	£102.50	unless there are instalments /monies outstanding.

A proportion of the loan charge is refunded on instalments not yet due.

*Note – not all policies provide cancellation on a pro-rata basis, as outlined above.

NORMAL HOURS OF BUSINESS

Our office is open:	Monday to Thursday	9:00am to 5:30pm
	Friday	10:00am to 5:00pm
	Saturday	9:00am to 12:30pm

We may also contact customers by phone up until 8.30pm in the evenings (Mon-Thurs) in connection with existing policies and /or to advise of other products which may be of benefit to them.

CONTACTING ADELAIDE INSURANCE SERVICES

- **POST** — by writing to us at:

Adelaide Insurance Services Ltd
First Floor, Boucher Plaza
4~6 Boucher Road
BELFAST
BT12 6HR

(Our existing customers will normally have received a pre-addressed envelope)

- **VISITING:**

Our office is conveniently located less than 2 miles from Belfast's city centre with easy access and free car-parking. If you do not find the steps at the front of the premises convenient to use, you may use the lift - access can be gained via the car park to the rear of Boucher Plaza and by pressing the buzzer on the rear door, or by phoning our office, so that we may unlock the rear doors. In the interest of security, all motorcyclists must remove their helmet before entering our premises.

- **TELEPHONE:**

Calls may be recorded for our mutual protection and for training purposes. This also helps us to keep paperwork to a minimum and may assist in resolving any problems quickly should they arise. If you are a member of the Institute of Advanced Motorists, please phone 0845 603 1355. For all other customers, please phone 028 9044 2200.

- **FAX:**

You may contact us by fax on 028 9023 1001. We regularly review our incoming faxes during our normal office hours, however fax requests for cover arrangement or policy alteration cannot be assumed to be completed until we confirm same.

- **E-MAIL:**

You may also contact us at: mail@adelaideinsurance.com We regularly review our E-mail in-box during our normal office opening hours, however E-mail requests for cover arrangement or policy alteration cannot be assumed to be completed until we confirm same.