



**Sterling Knight**

# **Terms of Business Agreement ("Agreement")**

Sterling Knight  
61 Robinson Road #07-01 Robinson Centre Singapore 068893  
Main Line: (65) 6510 3507 Fax Line: (65) 6510 3799



## 1 Introduction

This Agreement is between you and Sterling Knight, which is a trading name of Howden Insurance Brokers (S.) Pte. Limited, hereinafter referred to as Sterling Knight (“we”, “us”, “our”). Our registered office is at 61 Robinson Road #07-01 Robinson Centre, Singapore 068893.

### About us

We are a licensed insurance intermediary regulated by the Monetary Authority of Singapore (“MAS”) able to represent you for your life and non-life insurance. You can check our licensing status on the MAS website here: <https://eservices.mas.gov.sg/efd>. We are registered in Singapore under company registration no. 196800039M.

We are a subsidiary of Hyperion Insurance Group Limited (“HIG”), registered in England and Wales under company registration no. 2937398, whose registered office is at One Creechurch Place, London EC3A 5AF.

We are permitted and normally provide some, or all of the following services, on the terms set out in this Agreement:

- arranging insurance cover for you;
- collecting the insurance premium from you;
- advising you on your insurance cover;
- assisting you with claims for the duration of your insurance contract; and
- providing insurance cover and related documentation.

Please note that references to “insurance” and “insurers” in this Agreement include “reinsurance” and “reinsurers” where applicable.

HIG has a subsidiary, Dual International Group (“DUAL”), which operates as a managing general agent on behalf of insurers.

The intention of this Agreement is to clearly and concisely establish the basis of our relationship with you and the services that we will provide in respect of each insurance contract that we arrange or have arranged on your behalf, unless there is a more specific written agreement between us. We shall proceed on the basis that we have your informed consent and agreement to the terms of this Agreement.

We do not offer advice on legal, accounting or regulatory matters.

This Agreement takes effect from the date it is received by you and supersedes any previous Agreement that may have been sent to you by us or on our behalf.

We draw your attention specifically to the following sections:

- **Insurance Placing** – sets out the basis upon which we will act as your agent in relation to each insurance contract we arrange on your behalf;
- **Duty of Disclosure** – explains your important duty to provide complete information to us about the risks that you want insured;
- **Confidentiality and Data Protection** – sets out how we collect, safeguard, use and disclose your information;
- **Client Money** – sets out how we hold client money;
- **Remuneration** – sets out how we are remunerated for the services rendered to you; and
- **Limitation of Liability** – sets out how we limit our liability to you.

## 2 Our Services

### Treating you fairly

We always aim to treat you fairly. This means that we will always endeavour to:

- conduct our business with due skill, professionalism, honesty, care and integrity;

- not to put ourselves in a position where our primary duty to you is compromised;
- deal with any complaint sympathetically and independently;
- be transparent in the matter of our remuneration where it is required by law or requested by you; and
- respect your confidentiality.

### Independent advice

As an independent insurance intermediary, we act as your agent and strive to be impartial in advising you. We are subject to the law of agency, which imposes various duties on us. However, in certain circumstances, we may act for and owe duties of care to other involved parties or other factors may potentially compromise our ability to act in your best interests. We will advise you when these circumstances occur, so you will be aware of any possible conflict of interest.

In the event that our interests conflict with a duty we owe to you, we shall refrain from taking any action until we have received your informed consent to our intended course of action.

### Insurance placing

Before commencing negotiations with insurers, we look to establish a proper understanding of your insurance requirements, by exercising due care and diligence in our dealings with you. We will advise on appropriate insurances available to meet your requirements and the relative merits of a single insurer or a multiple insurer placement. We seek to negotiate and secure competitive indications and quotations for insurance which provides a level of coverage, which, in our opinion, is suitable for you having considered the full range of options, to the extent practicable. Where we are unable to meet your requirements, we will advise you.

Our search for insurance to meet your requirements may mean that we:

- approach a single insurer;
- arrange cover with a number of insurers selected on the basis of our knowledge and experience of the insurance market;
- arrange cover with DUAL. DUAL holds delegated authorities from certain insurers to bind cover on their behalf and is remunerated by insurers for its services. If DUAL has provided terms for your consideration, it is identified in your quotation and/or policy documentation, as are the details of the insurers on whose behalf DUAL is acting. Any proposed transactions related to insurance products that are procured from, placed with or referred to DUAL will have to be approved internally prior to execution of such transactions to mitigate any possible conflict of interest.

The list of insurers we select from or deal with in relation to any insurance contract or product we offer or arrange is available to you on request.

Before we finalise any insurance placement for you, we will tell you and obtain your consent to: (i) the name(s) of the proposed insurer(s); (ii) the premium to be charged for the insurance; (iii) our relationship with the insurer(s); and (iv) all essential provisions in the proposed insurance contract, including restrictions and exclusions.

### Provision of documentation

We will provide you with written confirmation once we have completed your insurance(s) placement. This will be the evidence of insurance we have arranged, and which may take the form of an insurer document (such as a formal policy document or certificate), cover note, or a broker insurance document which provides confirmation of the terms of the insurance contract we have arranged, and where applicable a schedule of insurer(s) with whom the risk has been



placed. As more fully described below, it is your responsibility to promptly check this and notify us if it does not meet your requirements.

### Debit note

Our debit note (or equivalent document) will show the premium, any fee due to us and, where relevant, any insurance premium tax, duty or other charge which needs to be remitted to the appropriate authorities by insurers, or which is allowed by insurers to be deducted from the premium payable. If a tax, duty or other charge becomes payable as a result of the insurance contract and is in excess of the gross premium or allowed to be deducted by you from the premium payable, it is your responsibility to ensure that it is remitted to the appropriate authority(ies), unless otherwise stated in our debit note.

### Midterm amendments and adjustments

Any amendments to the insurance contract must be requested in writing and, if accepted, will be confirmed by us with an addendum or endorsement.

### Average condition and underinsurance

Many insurance policies are subject to the **Condition of Average**.

That means, if the sum insured is less than it should be (you are underinsured), then the **Condition of Average** will reduce the net amount you will receive from any valid claim in direct proportion to the amount of underinsurance.

You should therefore ensure that the amount stated in the policy is the full value at risk, in accordance with the basis of indemnity as described in the policy.

### Claims notifications

You must notify us as soon as possible of any loss, claim or circumstance which falls within the notification provisions of your insurance contract. Failure to notify insurer(s) promptly may entitle them to reject your claim. You should not admit liability or agree to any course of action, other than emergency measures carried out to minimise the loss, or in the interests of health and safety, until you have obtained agreement from your insurer.

### Claims procedures

Unless otherwise instructed, we will act as your representative in negotiations with insurers and will endeavour to ensure prompt and equitable settlement of all valid claims.

You should be aware that we may perform a limited service for insurer(s) by relaying instructions, disseminating reports and collecting fees or other disbursements, for insurer(s)' advisors (e.g. surveyors, adjusters and lawyers) where we consider this does not create a conflict of interest. If we consider a conflict of interest may arise, we will refrain from performing any (further) services for insurer(s), unless you otherwise agree in writing.

In the event that an insurer delays making settlement of a claim for any reason, we do not accept liability to pay such amounts, until and unless the insurer has paid the claim to us in cleared funds.

### Selection and solvency of insurers

We will only arrange insurance with insurer(s) that are considered financially sound or for which you have given us specific written approval. Whilst we rely on established rating agencies and use all reasonable endeavours to monitor and review publicly available information on insurers, solvency of an insurer(s) cannot be and is not guaranteed.

### Group companies and other intermediaries

Where we consider it appropriate we may engage the services of another intermediary (including other subsidiary and associated

companies of HIG) to act as our agent and assist us in the placement of your insurance contract. For example, many countries require the use of local intermediaries to access local insurance markets. In such cases, we will provide specific instructions to such intermediaries so as to meet your insurance requirements. Please note that these intermediaries may be remunerated separately to us, such as by a fee (agreed by you or us) or by way of commission from insurers.

## 3 Your Responsibilities

### Provision of instructions, information and completion of any required form

To enable us to fulfil your instructions you must provide us with the information necessary regarding your insurance contract so that we can understand your requirements. Certain classes of insurance require the completion of a proposal form, questionnaire or equivalent document. You must complete such documents accurately. Whilst we may give guidance regarding the completion of these documents, we cannot sign these documents for you.

### Duty of disclosure

**An insurance contract is one of utmost good faith. You owe a duty of disclosure to insurers and there are potentially severe consequences if you breach this duty.**

**You must disclose to insurers any fact or circumstance which is known to you (or which ought to be known to you) and which is material to the risk. A fact or circumstance is deemed to be material if it would influence the judgement of a prudent insurer(s) in calculating the premium or determining whether he would accept the risk. If there is any doubt as to whether information is material, it must be disclosed to insurer(s).**

**This obligation applies before the insurance contract is concluded, during the insurance contract period, at renewal, and upon any extension or amendment to the insurance contract. In addition, this duty also applies to the claims process and to other situations where you are required to provide information to insurers. Should you fail to disclose any material fact or circumstance, insurers may void the insurance contract, enabling insurers not to pay any outstanding claims and to require repayment of all claims previously paid.**

**You should contact us immediately for assistance if you are unsure whether information may be material, or if it comes to your attention that you may not have disclosed full and accurate information.**

### Check documentation and acceptance of coverage

While we will endeavour to ensure the accuracy and completeness of the insurance coverage you desire, it is your responsibility to check the documentation we send you in relation to each insurance contract and satisfy yourself that it is entirely in accordance with your understanding and instructions. You should advise us promptly of any incorrect points or changes required. Otherwise, we will assume that the documentation and insurance contract satisfy your requirements.

We can only agree to bind an insurance contract on your behalf upon receipt of formal written instructions from you.

It is important that you keep your insurance documents safe.

### Payment terms

In order for us to meet an insurer's premium payment terms in accordance to industry guidelines and regulations i.e. Premiums Payment Framework ("PPF") for all classes of general insurance (unless exempted) and Binder Billing for all Group Life insurance policies, premiums must be settled to us by the payment date(s) specified in our debit note; failing which your



insurance cover shall be automatically terminated and claims put on hold as stipulated per policy terms and conditions.

In certain circumstances, insurer(s) will stipulate special premium payment terms which, if not met, may also affect the validity of the insurance contract. We will advise you when these circumstances arise. We are not under any obligation to settle the premium by the payment date(s) to insurer(s) on your behalf until we have received cleared funds from you by the relevant due date.

### Payment methods

Insurance premiums should be settled on an individual debit note or credit note basis. We will issue Statements of Account periodically, if there are monies due to be paid by you.

All payments should be made to us in the currency as indicated on the debit note or statement and wherever possible, by electronic transfer. Bank account details will be advised to you. Bank charges (if any) are to be borne by you.

### Third Party

You may authorise a third party to instruct us with regard to the purchase of your insurance. As the third party would be acting as your agent, we may wish to satisfy ourselves at the outset that they are authorised to act in this capacity, but we are under no obligation to do so.

We will act on all instructions received from your agent as if we are dealing with you directly and will continue doing so until you notify us in writing to the contrary. It is your responsibility to ensure that any instruction given to us by your agent are correct and to notify us of any limitations in respect of your agent's authority.

We will not be responsible for:

- (i) checking that your agent has accurately passed on your instructions;
- (ii) any exposure arising from inaccurate information submitted by your agent to either us or an insurer; and
- (iii) checking that your agent has your continuing authority to instruct us on your behalf.

## 4 Complaints

We strive to do everything to ensure that you receive the best possible service. However, if you wish to make a complaint about our service, which you are unable to resolve to your satisfaction with the personnel we have assigned to manage your account, you may do so by directing your complaint to our Chief Executive Officer at the address set out at the beginning of this Agreement.

We will acknowledge receipt of your complaint in writing within 5 working days and give you our response to your complaint at this time if we can. If our investigation takes longer, we will provide you with a full written response within 20 working days of the acknowledgement.

## 5 Confidentiality and Data Protection

We are committed to the observance and fulfilment of the provisions in Singapore's Personal Data Protection Act 2012 (the "PDPA") and other obligations of confidentiality placed upon us as a licensed insurance intermediary.

In the course of providing our services to you, we may collect personal information such as your name, address, email address, telephone number, date of birth, gender, marital status, financial details and employment details. We may also need to collect further information about you such as criminal convictions or health information for particular insurance cover that you have requested.

All personal information will be held under secure conditions to preserve its confidentiality. We may, however, disclose the information provided by you in the course of arranging, placing and administering your insurance cover. This may involve passing personal information to our affiliates, related corporations, insurer(s), other intermediaries, risk management assessors, uninsured loss recovery agencies, service providers, industry regulators, law enforcers, our auditors and other third parties involved directly or indirectly in your insurance cover. Sometimes that may involve transferring personal data across international borders, in accordance with applicable law.

In respect of any personal data of any other individuals, such as your dependents, which you may from time to time disclose to us, you must prior to disclosing such personal data to us obtain their consent and make them aware of how we may use and disclose personal information.

We may use personal information to:

- Provide products and services requested by you;
- Administer, maintain, manage, renew and operate those products and services;
- Determine eligibility and process applications for products and services;
- Understand and assess ongoing needs;
- Carry out billing;
- Administer claims;
- Market products, services, offers or events that may be relevant to you, where you have consented to that, and conduct checks with do not call registries;
- Conduct checks to comply with anti-money laundering and anti-terrorism financing requirements;
- Comply with applicable laws, rules, regulations, guidelines, codes of practice, orders or requests by any court, regulatory authority, law enforcement authority or other government official; and/or
- As may be additionally stated within our full data protection policy.

Our full data protection policy can be found on our website: <https://www.howdengroup.com/sg-en/howden-privacy-data-protection-policy>. By disclosing personal information to us, you consent to all of the above.

The primary point of contact for all data protection requests and enquiries is through our data protection officer, at [dpo@sg.howdengroup.com](mailto:dpo@sg.howdengroup.com)

## 6 Client Money

Client money is any money that we receive and hold in the course of arranging or administering insurance on your behalf, or which we treat as client money, in accordance with the industry regulations stipulated by MAS.

### Insurance Broking Premiums accounts

MAS requires us to establish and maintain separate accounts with a bank licensed with MAS in the respect of the carrying on of business which we are registered for. This client money is segregated from our own money.

### Risk transfer

Where we have agreed in writing with an insurer to receive money as their agent, money received from you or from the insurer, will be the property of the insurer whilst we hold it. If you pay a premium to us it will be treated as having been received by the insurer, which means you cannot be asked to pay it again, even if we do not pay the premium to the insurer. Similarly, once we have received the premium, we would be unable to



return it to you, for example in the event of the insurer becoming insolvent. Also, if the insurer pays claims money or a return premium to us for onward transmission to you and we do not pay you, then the insurer will still be liable to you.

#### **Interest on client money**

We may earn interest on cash amounts held and may benefit from foreign exchange differentials and returns on segregated designated investments. These cash amounts can include premiums and claims amounts due to insurers and/or clients. As permitted by MAS, any such interest or investment returns before the agreed credit period with insurers shall belong to us and we shall not be required to account for it to you.

#### **Payment to third parties**

We may transfer client money to another person, such as another broker or settlement agent, for the purpose of effecting a transaction on your behalf. Where we act as agent of an insurer for the purposes of holding or receiving claim payments or returning premiums, we will remit them to such parties as the insurer directs us to pay. We may otherwise only pay client money to you or your duly authorised representative if we have your specific instruction or consent. Where an intermediary or settlement agent is outside Singapore, the legal and regulatory regime applying to the intermediary or settlement agent will be different from that applicable in Singapore and, in the event of a failure of the intermediary or settlement agent, the client money may be treated differently than if the client money was held by a broker or settlement agent in Singapore.

## **7 Remuneration**

Our usual remuneration is either by way of brokerage (also known as commission), being a percentage of the premium charged by insurers in respect of the insurance contract arranged by us, or a fee which is agreed in advance with you for the services provided by us, or with your agreement a combination of both. Our remuneration is fully earned upon the inception of the insurance contract and, in the event that the insurance is cancelled or is terminated after inception for whatever reason, or if our appointment is terminated for any reason, we reserve the right to retain/recover the remuneration we have earned.

In addition to brokerage or fee, we may be remunerated, by the payment of profit commissions, profit shares, service fees, consultancy fees and commissions by insurers in respect of a specified portfolio of business.

If we introduce you to another intermediary to access an insurance product for you, we may receive a proportion of the brokerage received by the other intermediary and payable by insurers to them, out of the premium which you pay.

We are committed to ensuring that our remuneration and payments we may make to third parties are transparent and so, at your request, we will fully disclose our remuneration, including any income additional to the brokerage or fee.

## **8 Termination**

Either party may terminate this Agreement at any time by providing 30 days' written notice. In the event that our services are terminated by you, we will be entitled to receive any remuneration earned or payable at that date, including any set-off or otherwise.

Remuneration earned or payable to us at that date shall include brokerage due or to become due on further instalments of premium and any further instalments of fees which were to become payable when the insurance contract incepts.

This Agreement will terminate immediately, upon notification by the

other party, if a party:

- commits a material breach of this Agreement; or
- ceases to trade or threatens to cease to trade; or
- becomes insolvent or is subject to any administration, receivership, winding up or similar procedure; or
- is the subject of a bankruptcy petition, application or order; or
- dies or, by reason of illness or incapacity (whether mental or physical) is incapable of managing their own affairs; or
- is or becomes the subject of Sanctions, either directly or through residency.

We reserve the right not to continue to provide any services to you, including claims handling, after the date of termination of this Agreement in the absence of a specific written agreement between us.

## **9 Financial Crime**

We are obliged to conduct reasonable due diligence to protect us and our clients against the risk of financial crime which include money laundering and terrorism financing. At the start and throughout our relationship, we will require you to provide evidence to assist us in verifying your identity and/or legitimacy of any transactions we conduct on your behalf.

Neither party shall be involved in the offering, promising or giving of any financial or other advantage to any person in breach of any anti-bribery laws (including UK's Bribery Act 2010) and anti-corruption laws in Singapore (including Prevention of Corruption Act (PCA) and Penal Code). Other relevant legislation in Singapore includes the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act, ("CDSA") which criminalizes the laundering of proceeds derived from drug dealing and other serious offences and allows for the confiscation of such proceeds.

We are obliged, as per MAS directives and guidelines on anti-money laundering and counter financing of terrorism ("AML/CFT") measures, to report evidence or suspicion of financial crime to the Suspicious Transactions Reporting Office ("STRO") of the relevant authorities at the earliest reasonable opportunity. Failure to do so may constitute a criminal offence. We may be prohibited from disclosing any such report to you.

We shall not provide brokerage services or pay any claim or provide any benefit under this Agreement to any client, potential client or any other person that is the subject of any trade and economic sanctions or embargos adopted and/or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control, the European Union and its Member States, Her Majesty's Treasury, the United Nations Security Council, the Republic of Singapore, the MAS or any other relevant economic sanctions and embargo control authority across the world (collectively referred to as "**Sanctions**"), or is located, organised or resident in a country or territory that is the subject of comprehensive country Sanctions, including, without limitation, Iran, the Crimean region of Ukraine and North Korea or any other country or territory subject to comprehensive country Sanctions as these may be adopted and enforced from time to time.

The insurer may not be deemed to provide cover and may not be liable to pay any claim or provide any benefit under this Agreement insofar as the provision of such cover, payment or claim may expose the insurer or its related companies to any prohibition or restriction under Sanctions or comprehensive country Sanctions.

If Sanctions or comprehensive country Sanctions apply, we shall not be able to process already notified claims and your insurers may terminate



your insurance contract, and not pay any notified claims. If you become subject to Sanctions or are affected by comprehensive country Sanctions after the entry into force of this Agreement, we may have to, and are entitled to, terminate our relationship and your insurer may invoke its cancellation rights under your insurance contract. The parties to this Agreement shall notify each other immediately of any suspicion of exposure to Sanctions.

## **10 Limitation of Liability**

The following provisions of this section set out our entire financial liability (including any liability for the acts or omissions of our employees, agents and sub-contractors) to you in respect of all losses, claims or liabilities arising under or in connection with this Agreement (including in respect of any indemnities), whether in contract, tort (including negligence), breach of statutory duty, or otherwise.

- i. All warranties, conditions and other terms implied by law are, to the fullest extent permitted by law, excluded from this Agreement;
- ii. Nothing in this Agreement excludes or limits our liability for death or personal injury caused by our negligence or for fraudulent misrepresentation;
- iii. Nothing in this Agreement excludes or restricts our duty or liability to you as an insurance intermediary under the applicable regulatory regime;
- iv) Subject to clauses i), ii), and iii) above, our total liability to you arising in connection with the performance or contemplated performance of the Agreement shall in the aggregate be limited to USD 10 million in respect of any policy brokered by us under the Agreement, and
- (v) Subject to clauses i), ii) and iii) above, we shall not be liable to you for loss of profit, loss of anticipated savings, loss of business, loss of opportunity, depletion of goodwill, additional operational and administrative costs and expenses, the cost of procuring replacement goods or services, any punitive or exemplary damages or any other indirect or consequential loss or damage.

## **11 Third Party Rights**

Other than where it is contemplated elsewhere in this Agreement, a person who is not a party to this Agreement shall not have any rights under or in connection with it.

## **12 Financial Industry Dispute Resolution Centre (FIDRec)**

We are a member company of the Financial Industry Dispute Resolution Centre (FIDRec), which is an independent and impartial institution set up to resolve disputes between financial institutions (FIs) and retail consumers. The jurisdiction of FIDRec extends to claims up to S\$100,000. FIDRec's services are available to complainants who are individuals or sole proprietors. Further information can be found on FIDRec website at <http://www.fidrec.com.sg>.

## **13 Policy Owners' Protection Scheme**

The Policy Owners' Protection Scheme protects policy owners in the event a life or general insurer which is a PPF Scheme member fails. The PPF Scheme provides 100% protection for the guaranteed benefits of your life insurance policies up to the applicable caps. No caps are applicable for general insurance policies. The Singapore Deposit Insurance Corporation ("SDIC") administers the Policy Owners' Protection Scheme in Singapore. If your PPF Scheme member fails, SDIC will

provide details on the status of your policies. You don't need to file any special claims to be entitled to SDIC coverage. SDIC will make announcements through TV, newspapers and at the premises of the affected insurer. The list of PPF Scheme members and type of insurance products protected are posted on SDIC's website at [www.sdic.org.sg](http://www.sdic.org.sg).

## **14 Severability**

If any provision or part-provision of this Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed deleted, but that shall not affect the validity and enforceability of the rest of this Agreement.

## **15 Force majeure**

Neither party shall be in breach of this Agreement nor liable for any delay in performing, or failure to perform, any of its obligations under this Agreement if such delay or failure results from events, circumstances or causes beyond its reasonable control.

In such circumstances, the time for performance shall be extended by a period equivalent to the period during which performance of the obligation has been delayed or failed to be performed.

The affected party shall use all reasonable endeavours to mitigate the effects of the events, circumstances or causes beyond its reasonable control when relying upon the provisions of this clause 15.

## **16 Variation**

No variation of this Agreement shall be effective unless it is in writing and signed by each of us, or our authorized representatives.

## **17 Jurisdiction and Choice of Law**

This Agreement and any dispute or claim arising out of or in connection with it or its subject matter shall be governed by and construed in accordance with the laws of Singapore.

We both irrevocably agree that the courts of Singapore shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Agreement or its subject matter.