Justships Ltd Terms of Business

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Our Status

Justships Ltd ("Justships") is a company Registered in England and Wales (No. 7611425). We are an Insurance Intermediary and are authorised and regulated by the Financial Conduct Authority (FCA). Our FCA registered number is 582929. Details of our firm can be checked on the FCA Register on https://register.fca.org.uk/ or by telephone on 0800 111 6768 (freephone) or 0300 500 8082 from the UK, or +44 207 066 1000 from abroad. A copy of the FCA Rules with which we comply can be found at https://www.fca.org.uk/ .

Our Business

Justships is an independent insurance broking business specializing in assisting shipowners, shipmanagement and ship chartering companies with their Protection and Indemnity ("P&I"), Freight Demurrage and Defence ("FD&D"), Hull and Machinery ("H&M"), War, Loss of Hire ("LOH") and ancillary insurances. As such we will act as your agent. In certain circumstances we will owe duties of care to other parties. We will advise you if these circumstances occur to alert you to any potential conflict of interest.

Ownership of Justships and transfer of our business

Justships is an independently owned business. Its ownership may change in future, either through a sale of shares in Justships Ltd (a **change of ownership**) or through a transfer of all or part of our insurance broking business to another FCA-authorised insurance intermediary, including any company in the same group as a new owner of Justships Ltd (a **Successor**).

(a) Change of ownership. If shares in Justships Ltd are sold, Justships Ltd will remain your broker and these Terms will continue to apply. We will write to you before the change takes effect, telling you who the new owner is and of any change to the people who handle your account.

(b) Novation to a Successor. These Terms are personal to you and Justships, and neither of us may sell, assign or otherwise transfer our rights or obligations under them, except that Justships may, on giving you not less than [30] days' written notice, novate these Terms and its appointment as your broker to a Successor. The notice will name the Successor and its FCA reference number, give the date on which the novation takes effect, and explain any change to our services, remuneration or claims handling. By accepting these Terms you consent in advance to any such novation. From the effective date the Successor will assume all of Justships' rights and obligations under these Terms in place of Justships, and Justships will be released from them.

(c) Your choice. If you do not wish to be served by the new owner or the Successor, you may tell us in writing, before or after the effective date, and appoint a different broker of your choice, without penalty and without giving a reason. We will assist the handover as set out under "Duration and termination of this agreement".

(d) Your policies. A change of ownership or novation does not affect any policy already in force, your insurers, or your cover. Commissions and fees earned on policies placed before the change remain payable as set out under Charges / Fees.

Customer Definitions

The FCA rules classify customers into two types, namely:

- **Consumer**, defined as *an individual who is acting for purposes which are outside his trade, business or profession*; or
- **Commercial**, defined as *a commercial customer is a customer who is not a consumer*

Some of the FCA rules vary, dependent on whether you are a consumer or commercial customer. Justships intends only to do business with commercial customers therefore these terms of business are drafted for commercial customers only. If you believe you are a Consumer please advise us in writing immediately.

Treating Customers Fairly

We commit to conducting our business fully in accordance with the FCA Regulations for intermediaries including Treating Customers Fairly. This means we will conduct our business with integrity, due skill, care and diligence and otherwise act as set out in these Terms of Business.

Our service includes:

- Investigating and assessing your insurance needs including the scope and limits of cover required as well as the likely cost thereof
- Advising you on your insurance needs and recommending the best insurance solution for you, though you will have to decide how to proceed
- Arranging your insurance cover with your chosen insurers to meet your requirements
- Liaising with other specialist insurance intermediaries in order to arrange insurances on your behalf for which Justships does not have the requisite expertise or market access as may be agreed with you in writing from time to time
- Helping you with any ongoing changes you wish to make to your insurances
- Assisting with and ensuring the fair treatment of any claims that might arise under your insurance policy or policies until termination of this agreement.

Whose products do we offer

We offer products from a range of P&I Clubs, Hull and Machinery, War risks and other insurers. It is our policy only to recommend that you place insurances with insurers who are rated BBB or higher by Standard and Poor's rating agency and we will require express instructions from you in writing to use any other insurer. We cannot guarantee the financial security of any insurer or other intermediary used for your insurance needs. On request we will provide you with a list of the P&I Clubs and other insurers with whom we currently place business, though this may not be exhaustive of the insurers whom we consider suitable for providing cover for your insurance needs.

Charges / Fees

Justships Ltd is normally paid a commission by an insurance provider for arranging or placing a policy. Commissions are normally due in full for the entire period of the policy at the time of the placing, but will be payable out of each premium instalment. A refund of commission will be reclaimed from us by insurers if vessels are sold, become a total loss or are laid up (for a qualifying period) prior to the end of the policy period. If during the period of the policy the

terms change or for other reasons a new policy needs to be arranged, we will receive additional commission for such placement. Exceptionally, we may in addition receive a profit commission from insurance providers following the end of a policy period.

In addition or as an alternative to the commission paid by insurers, we may charge you a fee for arranging a new policy or renewal of an existing policy in an amount to be agreed with you in writing in advance. This is because each year, we examine your policy to ensure it continues to meet your demands and needs and to offer good value for money, advise you of any changes to the policy cover and remind you of any significant exclusions or conditions on your policy. If vessels are sold, become a total loss or are laid up (for a qualifying period) prior to the end of the policy period and a fee has been agreed for the services provided there will be no refund of such fee.
There may be additional charges made for assisting you with more complex cases or where business is placed through a third party but any such charges will be discussed and agreed with you in advance of them being incurred.

Data Protection & Confidentiality

To enable us to fully understand your circumstances and insurance needs, Justships will need to collect information about you which we will hold as Data Controllers under the UK General Data Protection Regulation and the Data Protection Act 2018. Under most circumstances, we will use your personal information as necessary to perform our contract with you. Most of the information that you provide will be collected and processed to enable us to provide the service that we have agreed you require.
Where a contract is not in place, we may still store, process and use your personal information pursuant to the legitimate interests of our business as agreed with you.
We may also process your personal information where it is in our legitimate interests to do so, including to manage and develop our business and, if our business or shares are sold or transferred, to allow a prospective purchaser or Successor to assess and take over our business. Details are in our Privacy Notice, available at [www.justships.co.uk/privacy] or on request.
We are registered with the Information Commissioner's Office https://ico.org.uk/about-the-ico/what-we-do/register-of-data-controllers/ and we undertake to comply fully with all our obligations in all our dealings with your personal information. We furthermore undertake to treat as confidential any documentation or information in our possession except to the extent as is necessary for us to perform our duties on your behalf. We will not disclose to third parties any documentation or information relating to your business except: (i) as agreed by you; (ii) as required by law or by any regulatory authority whose rules bind us; (iii) to insurers, P&I Clubs, other intermediaries and service providers where necessary to provide our services; (iv) on a confidential basis, to any prospective purchaser of or investor in Justships or its business, and to their and our professional advisers, so far as reasonably necessary to evaluate and complete that transaction; and (v) to any Successor under the clause "Ownership of Justships and transfer of our business". Under (iv) we will disclose only what is reasonably necessary, in anonymised or summary form wherever practicable, and only to persons bound by obligations of confidentiality. By agreeing to these terms of business you agree to these uses of your information.
Our regulator the FCA requires us to keep records of our business transactions for at least 3 years. Some records are required to be held for longer. However, we will not keep records longer than is necessary. To protect your privacy, you, or your appointed agent, have a right to inspect computer (and certain manual) records relating to yourself and your transactions through ourselves and where appropriate have it corrected or deleted. All such requests for information must be referred to a director at the address on this document.

Please note that by accepting these Terms of Business, you specifically agree to information about you being used / disclosed in the manner described.

Your duty of disclosure

Insurance policies are contracts of "utmost good faith". It is your duty to ensure that all information and documentation provided to us is true, accurate and complete such as to give a fair presentation of the risk. It is equally **very important** that you inform us of any changes in circumstances or Material Facts since the last renewal or inception of your policy. Material Facts would include, but are not limited to a failure to inform insurers of any changed circumstances or possible claims which could affect the validity of your insurance cover. If in doubt ask us. Any failure to disclose a Material Fact or circumstance may entitle an insurer to impose different terms on the cover, to reduce a claim on the policy or even to avoid the policy from inception.

Documentation

Once your insurance policy has been placed we will send you confirmation of the main terms of the insurances placed, including details of the P&I Club or other insurers concerned together with Certificates of Entry, debit notes showing the amounts of premium payable and the due dates thereof. We will use our best endeavours to ensure this documentation is produced as quickly as possible. Whilst we will endeavour to ensure the accuracy of such documentation we will ask that you check it to confirm that it accurately reflects what has been agreed as to the terms, conditions, limits of cover and any other terms which you require. We do not ourselves issue policy documentation.

Conflicts of interest

From time to time we may act for insurers as Reinsurance brokers in the reinsurance of their risks. If we place your business with any such insurer for whom we are acting as Reinsurance broker we will disclose this to you in advance. If at any time we become aware of any other circumstances in which a perception of a conflict of interests might arise we will disclose this to you and discuss the implications.

Client Money

Justships does not handle Client Money and as such will not handle your insurance premiums, returns of premium, claims or any other Client Money. If you decide to transfer your premium to another insurance broker or agent for example a Lloyds broker we will use reasonable skill, care and judgment in our recommendation of such third parties in order to ensure adequate protection of client money, but cannot accept responsibility for the financial security of such third parties.

Complaints Procedure

If you have a complaint concerning the service you receive from us please write to the Compliance Director at 5 Shawwell Business Centre, Corbridge, NE45 5PE (+44 191 2449666 or stephen.purvis@justships.co.uk). Justships is committed to treating all clients fairly. Any complaint will be assessed consistently, fairly and expeditiously and we will reply to any complaint within 24 hours. If you are not satisfied with the handling of your complaint you may refer it to the Centre for Effective Dispute Resolution (CEDR) http://www.cedr.com/solve/ . All such complaints will be reported to the Justships Board of Directors.
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Claims Notification

In the event of any circumstance arising which might entitle you to make a claim on your insurance policy please contact Justships immediately if you are unsure about whether to make a claim or whether such a claim would be covered by your insurance policy. You should not admit any liability nor agree to any course of action, other than emergency measures carried out to minimise the loss, until you have agreement from your insurer.

Duration and termination of this agreement

This agreement will continue until such time as terminated in writing by either party. You may terminate your instructions to us at any time. We may terminate this agreement by giving you a minimum of fourteen days' notice. No penalty shall be payable on any termination but we shall be entitled to remuneration for any commissions or fees earned (see above) or work undertaken prior to such termination. Unless otherwise agreed in writing any services provided by us in relation to the handling of claims by your P&I Club(s) or other insurers will terminate upon termination of this

agreement. If you appoint another broker, whether after a change of ownership or for any other reason, we will promptly provide the new broker with the documents and information reasonably needed to take over your insurances and any open claims, and will sign any letter of authority or broker-of-record letter reasonably required. Commissions and fees on policies placed by us before termination are earned in full at inception and remain payable to us [or our Successor]; where your new broker receives them, you agree that it will account to us for them.

YOUR CONSENT TO THESE TERMS

By accepting these Terms of Business, you consent to the terms advised therein. These Terms replace all previous Terms of Business issued by Justships.

IF YOU ARE UNHAPPY WITH ANY ASPECT OF THESE TERMS OR WISH CLARIFICATION ON ANY ASPECT PLEASE CONTACT US ON THE ABOVE TELEPHONE NUMBER OR CALL IN TO OUR OFFICE TO DISCUSS.

The Terms of Business will come into effect from the date of receipt.

Note: If you change your mind, in the future, and decide you **no longer wish** to receive marketing information from us, or for us to disclose information about you to other parties for marketing purposes, simply tell us when you next call, or write to us.