



## INDUCEMENT POLICY

August 2017

## **Beluga Insurance Solutions nv “Beluga” Inducement Policy**

### **Definition**

An inducement is a benefit offered to the Company, or anyone acting for the Company, with a view to adopting a particular course of action.

Under such arrangements, there is a risk that the inducement may affect the impartiality of the person receiving it, leading him to act against the best interests of the client concerned.

### **Application**

This Policy is applicable to all partners and employees within Beluga Insurance Solutions nv (Beluga).

This Policy is also applicable to all insurance policies written on a freedom of services or establishment basis where Beluga Insurance Solutions nv (Beluga) is the Coverholder.

### **Types of Inducement**

This policy covers 3 types of inducement:

- a) Commissions received by Beluga from its Insurers
- b) Commissions paid by Beluga to Insurance Intermediaries
- c) Commissions and/or fees paid by Beluga to other third parties.

#### a) Commissions received by Beluga from its Insurers

Beluga carries out activities as Coverholder or Underwriting Agent. For this, Beluga receives a commission from its Insurers. Such commission represents a percentage of the premiums for the policies underwritten on their behalf. Beluga also has agreements in place with the insurers whereby it gets additional remuneration if underwriting results remain above a certain threshold.

Beluga does not provide intermediation services for clients. Therefore, any commission received by Beluga corresponds only to the services provided to the Insurers and not to clients. Furthermore, at present, Beluga holds a binding authority agreement that does not delegate any claims handling authority. Claims handling authority is outsourced to a third party administrator (TPA) who is appointed by Insurers. The TPA and Insurers will liaise between themselves regarding the handling and settling of any loss without reference to Beluga. For this reason, the commission received by Beluga does not represent a conflict of interest with its obligation to carry out its duties in a in the interests of its clients in a loyal, equitable and professional manner.

#### b) Commissions paid by Beluga to Insurance Intermediaries

Beluga distributes its products and services through insurance brokers. These brokers are remunerated by Beluga for their services in the form of commissions, which represent a percentage

of the premium for the policies placed with Beluga. It is the responsibility of the broker to inform the client of the existence of such commission as may be required by law.

Beluga does not provide intermediation services to its clients. Therefore, any commission paid by Beluga does not represent a conflict of interest with its obligation to carry out its duties in the interests of its clients in a loyal, equitable and professional manner.

c) Commissions and/or fees paid by Beluga to other third parties.

Beluga also receives services from other third party providers. These services are necessary for the day to day operation of the company and are generally linked to the services provided to Beluga's clients.

Beluga pays commissions and/or fees to these third parties for the provision of those services. As these payments are not linked to the insurance mediation services provided to clients, they do not represent a conflict of interest with its obligation to carry out its duties in the interests of its clients in a loyal, equitable and professional manner.

### **Treating the Client Fairly**

Beluga strives to carry out its duties in the interests of its clients in a loyal, equitable and professional manner, irrespective of any inducements being paid or received.

Beluga does not receive inducement from any other source than the insurers as mentioned above.

Beluga has put in place a series of conduct related policies that are either on the website or available upon request.