

# Terms of Business

This document is effective from 1<sup>st</sup> March 2011 and supersedes all Terms of Business previously issued by us. It sets out the terms upon which we agree to act for our clients and contains details of our regulatory and statutory responsibilities. It also sets out some of your responsibilities. Please read it carefully.

## 1 - ABOUT OUR COMPANY

Waveney Insurance Brokers (Commercial) Ltd (registered in England number 2511992) is an independent insurance intermediary, authorised and regulated by the Financial Services Authority (FSA) to transact general insurance business. Our FSA Registration number is 313253. You can check this information on the FSA's Register by visiting the FSA's website at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FSA on 0845 606 1234.

We are a subsidiary of Waveney Insurance Brokers Ltd, registered in England number 823736. Our main administration office is 127 Bevan Street East, Lowestoft, Suffolk, NR32 2AJ.

## 2 - OUR SERVICE AND YOUR INSURANCE ARRANGEMENTS

Unless otherwise agreed, we will advise and make a recommendation on your risk exposure and cover after we have made an assessment of your insurance needs based on the information you make available to us.

Upon your instruction we will arrange cover to meet with your agreed requirements and we will provide help and support with ongoing queries and changes. We will provide assistance with claims made on insurance policies we have arranged and will make every effort to ensure your claim is handled with due care and efficiency.

For personal insurances we select products from a limited number of selected insurance companies. If you ask us to, we will provide you with a list of the insurers considered in the recommendation for your proposed insurance. For Motor Legal Expenses we only offer products from MSL Legal Expenses Ltd. If we ever recommend a personal insurance product which falls outside the above selection criteria, we will tell you before you agree to take out or renew that particular policy.

For business insurances we select products from a fair analysis of the market by considering a sufficient number of insurers that we feel are appropriate to underwrite the insurance cover you are seeking. We will tell you if we ever recommend a business insurance product which falls outside the above selection criteria. A specific disclosure document will be provided with our recommendation.

For certain types of insurance we are also authorised to issue policy documentation and/or certificates on behalf of the insurers.

## 3- DUTY OF DISCLOSURE/YOUR RESPONSIBILITIES

You are responsible, at the inception of any insurance policy, at renewal, and throughout the term of the policy, for providing us and/or your insurers with all material facts relating to the insurance covers we arrange on your behalf. This includes the disclosure of all material information known, as well as information you should be aware of, which might influence the judgement of insurers in determining the scope of cover, the price or whether or not to accept your risk.

Insurers are not required to make enquiries, the onus falls on you. Failure to provide full and accurate information may entitle insurers to avoid cover from inception (the starting date of your policy) and seek repayment of claims they may have paid to you. If insurers avoid cover, you will no longer have an insurance policy and claims will not be paid.

If you are unsure whether information or a change in circumstances may be material, you should disclose it and then ask for guidance.

It is very important that information provided verbally or in proposal forms, claim forms, declarations and other documents is correct and in full. If a form or declaration is completed on your behalf, it is your responsibility to check that the answers given to all questions are true and complete.

You are advised to keep copies of any correspondence you send, whether communication is with us or with your insurers.

## 4 - DOCUMENTATION

Our aim is to produce documentation and issue correspondence in a clear and understandable format. In the event of any uncertainty we would ask you to let us know immediately, we will be happy to clarify the information provided.

You should check all policy documentation to ensure that the details are correct and the cover provided meets with your requirements. Any errors should be notified to us immediately.

All policies contain conditions and exclusions and some contain warranties and excesses. It is your responsibility to examine the document to familiarise yourself with these. A breach of a policy condition may result in non-payment of a claim and breach of a warranty may invalidate the cover if it is not complied with precisely.

We recommend that you keep policy documents for as long as a claim is possible under the policy. If your policy includes Employers' Liability insurance you are strongly advised to permanently keep a complete record of your Employers' Liability insurance (such as the Certificate itself). This is because some diseases can appear decades after exposure to their cause and former or current employees may decide to make a claim against their employer for the period they were exposed to the cause of their illness. Employers that fail to hold the necessary insurance details risk having to meet the costs of such claims themselves.

## 5 - NOTIFICATION OF CHANGES

If you need to make any changes to your insurance cover during the period of your policy (mid-term changes), please contact us as soon as you become aware so that we can advise your insurers and obtain their approval. We may also need to seek further information from you. We will confirm the revised terms for your cover to you as soon as possible following receipt of your instructions.

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## **6 - RECEIPT OF INSTRUCTIONS**

We do not accept responsibility for instructions which do not reach us at all due to failures in the postal, electronic or telecommunications systems. We do not consider instructions to arrange or change cover which are sent to us by post, electronic mail or facsimile, or left on answering equipment, to have been received until they reach and have been acknowledged by the relevant personnel in our offices.

## **7 - TRANSFERRED BUSINESS**

If we take over the servicing of insurance policies which were originally arranged through another insurance broker or intermediary or directly with an insurer we do not accept liability for any claim arising out of the advice given by that broker, intermediary or insurer, nor for any errors, omissions or gaps in your current insurance protection until we have carried out a full review of the arrangements with you.

We would ask you to contact us without delay should any aspect of a policy which has been transferred to us cause you concern or if you need an immediate review. Otherwise we will endeavour to review all transferred policies as they fall due for renewal.

## **8 - PREMIUMS AND PAYMENT FOR OUR SERVICES**

We will provide you with documentation stating the premium due for your policy which will tell you the total price to be paid, showing any fees, taxes and charges separately from the premium, before your insurance arrangements are concluded. Our remuneration will be either a fee, as agreed with you, or brokerage (commission), which is a percentage of the insurance premium paid by you and allowed to us by the insurer with whom the insurance policy is placed.

In certain instances an administration charge will be made and separately identified on all premium transactions.

In the ordinary course of our business we sometimes earn income in the form of management/administrative expenses allowed to us by insurers to cover costs incurred in carrying out work on their behalf and in the form of volume, growth or profitability payments. We may also receive income from providers of premium financing facilities where, with your agreement, we have made such arrangements on your behalf and from claims handling/management companies where your details have been disclosed to them in connection with a claim.

We may sometimes earn income for the provision of other services to you, which will be agreed with you on an individual basis.

**For each insurance policy, including any subsequent renewal, you have a right to request information regarding any remuneration that we have received as a result of placing your insurance business.**

In the event of a policy being cancelled mid term, and not replaced by another policy, we reserve the right to retain the commission earned on the original transaction.

## **9 - METHODS OF PAYMENT**

We normally accept payments by cheque or by bank transfer and in some situations by cash or debit/credit card. It is often possible to spread payments through insurers' instalment schemes or a credit facility we have arranged with a specialist premium finance provider. When offering premium finance, please note that we work with a limited number of providers, specific details of whom will be provided when the finance is offered.

We will give full information about premium payment options when we provide quotations and at renewal.

In the absence of your instructions to the contrary before expiry date we will automatically renew your policy if payment is usually made direct to the insurer by direct debit. This procedure does not apply where a specialist premium finance provider has been used.

## **10 - SETTLEMENT TERMS**

You are responsible for the prompt settlement of insurance premiums, in accordance with the terms of credit advised to you, so that we can make the necessary payments to your insurers.

We have no obligation to fund any premiums on your behalf and cannot be held responsible for any loss which you may suffer as a result of a policy being cancelled or otherwise prejudiced due to the late payment of a premium where the delay is attributable to you.

## **11 - CREDIT ASSESSMENTS**

To comply with the Consumer Credit legislation, providers of personal credit are required to carry out affordability assessments before making advances of credit. This means that whenever we are asked to arrange "personal" premium finance, we will pass your name, address and date of birth to the finance provider (this could be the Insurer themselves), to enable it to carry out an assessment. In assessing your application, the provider will search information held by a credit reference agency. Please note the credit reference agency will add details of the search and your application to their records, whether or not your application proceeds.

## **12 - CREDIT AGREEMENT PAYMENT DEFAULTS**

If any direct debit or other payment due in respect of a credit agreement entered into with our suggested provider of premium finance to pay insurance premiums, associated fees and charges is not met when presented for payment, or if you end or do not complete such credit agreement, you acknowledge and agree that it may be necessary for us or the premium finance provider to cancel on your behalf the insurance policies being paid by the said agreement, unless you immediately make other arrangements to pay the remaining balance of the insurance premiums. After cancellation you agree that you will be responsible for any time on risk charge still outstanding and the finance provider's reasonable costs after application of any refunds allowed by the Insurers. You will be responsible for putting in place any alternative insurance arrangements you need, unless you have been able to satisfy the requirements we may have in such a situation to provide an alternative solution.

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### **13 - NOTIFICATION OF INCIDENTS AND CLAIMS HANDLING**

It is vital that you notify us as soon as possible of all incidents or allegations that may result in a claim against your insurance policy. You must do so whether you believe you are liable or not. Most insurance policies require prompt notification as a condition of the cover and some may specify a time period or format for notification. In certain circumstances late notification may result in your claim being rejected.

If your claim involves damage to third party property or injury to persons please pass copies of all correspondence, including solicitors' letters, to us immediately and unanswered. Any attempt to negotiate or respond to the incident without prior reference to your insurers or us might prejudice your cover.

In some cases we will ask you to contact your insurer on their helpline. You will be advised if you need to complete a claim form or produce documentation to support your claim. Many insurers provide a 24-hour Helpline in respect of claims and you should consult your policy documentation for contact details.

If the claim involves damage to your property, until your insurers advise that you can, please do not:

- Dispose of damaged items and/or
- Authorise repair work (except in an emergency or to prevent further damage)

You should be aware that a claim arising after renewal of the policy has been invited might affect the assessment and acceptance of renewal by your insurers.

### **14 - HANDLING CLIENT AND INSURER MONEY**

We hold client money collected for onward transmission to insurers and return premiums due to clients from insurers in a Client Bank Account, under a Non-statutory Trust in accordance with FSA rules. The Deed of Trust permits us to use the account to make advances of credit from time to time to our clients, in order to fund their premiums, subject to strict conditions. In dealing with us you agree to our holding client money in this way. A copy of the Deed of Trust is available on request.

For the purpose of some transactions, please note that client money may pass through other authorised intermediaries before the insurer receives it.

Where we collect or hold money as agent of the insurer we may also hold that money in the same Client Bank Account.

Client money will be deposited with one or more approved UK banks, a list of which is available on request. Please notify us immediately if you do not wish us to use any bank or banks on this list.

Interest will not be paid to clients in respect of money held in Client Bank Accounts.

### **15 - INSURER SECURITY**

Whilst we monitor the financial strength of the insurers with whom we place business it should be noted that the claims-paying ability of even the strongest insurers could be affected by adverse business conditions. We cannot, therefore, guarantee the solvency of any insurer or its ability to meet policyholder obligations. The final decision on the choice of an insurer does rest with you. If you have concerns about the insurers we are using to provide cover, please contact us immediately.

A liability for the premium, whether in full or pro rata, may arise under policies where a participating insurer becomes insolvent.

### **16 - COMPENSATION**

## **19 - COMPLAINTS PROCEDURE**

We aim to provide you with a very high level of customer service at all times. Should there be an occasion when we do not meet your expectations we are equally committed to dealing with any complaint in a thorough and professional manner.

If you wish to register a complaint please notify your usual contact or our Compliance Officer on 01502 509400. Alternatively please write to us at 127 Bevan Street East, Lowestoft, Suffolk, NR32 2AJ or email us at [complaints@waveney-insurance.co.uk](mailto:complaints@waveney-insurance.co.uk)

If we cannot settle your complaint straight away, we will acknowledge receipt and arrange for a senior manager to investigate the matter and provide you with a response.

If your complaint is not resolved to your satisfaction or if you are unhappy with the way we handled it, you may be eligible to refer the matter to the Financial Ombudsman Service if at the time of complaint you are acting outside of your trade, business or profession, or are a sole trader, small company or partnership with fewer than ten employees and an annual turnover/balance sheet not exceeding €2,000,000.

## **20 - CONFIDENTIALITY & DATA PROTECTION**

All information provided by our clients is treated as confidential and only disclosed in the normal course of negotiating, arranging and administering your insurance. This may include disclosing information to agents and service providers such as loss adjusters and approved contractors.

With a few exceptions, for example information requested by a court, a regulatory body, or information which is already in the public domain, we will not release information to any other party without your consent.

We may also use the data we hold about you to provide you with information about other products and services which we feel are appropriate. You are requested to let us know if you do not want to receive this information.

We are registered under the Data Protection Act 1998 and undertake to comply with the Act in all our dealings with personal data.

## **21 - TERMINATION OF AUTHORITY**

You may terminate our authority to act on your behalf with 14 days' written notice or as otherwise agreed. Notice of this termination must be given in writing and will take effect from the date of receipt. Termination is without prejudice to any transactions already initiated unless otherwise agreed in writing. You will be liable to pay for any transactions or adjustments effective prior to termination and we will be entitled to retain any and all fees or brokerage payable in relation to policies placed by us prior to the date of termination.

## **22 - CANCELLATION RIGHT**

If you take out a personal policy through us which lasts for more than one calendar month you may cancel the cover up to 14 days from the later of:

- The policy start date or the date you receive full policy documentation from us or your insurers.
- The renewal date or the date you receive full renewal documentation from us or your insurers.

You will be informed if you have such a Cancellation Right in separate documentation.

Should you decide to exercise the Cancellation Right you will be entitled to a refund of premium less an appropriate pro rata charge for the period of cover given before the cancellation right was invoked. If the premium has not been paid, a charge may be made for the period of cover given prior to the exercise of the Cancellation Right. Should any claim occur prior to the exercise of the Cancellation Right where the claim terminates the insurance cover, your insurers may not allow a refund of any of the premium paid. If this Cancellation Right is not exercised within the 14 day period as stated above, and you decide to cancel the policy at a later date, the amount of any premium refund will depend upon the cancellation terms of your insurance policy. To exercise the Cancellation Right you should contact us at our normal address or your insurers at the address shown on your policy.

## **23 - CANCELLATION OF POLICIES**

If you wish to cancel your policy in circumstances other than as described in the section headed Cancellation Right, you may be entitled to a refund of part of your premium as long as no claims have occurred during the time you have been on cover. The refund due may not necessarily be proportionate to the remaining period of cover. Additionally you should note the following:

- Insurers do not normally allow refunds in cases where a minimum and deposit premium has been charged.
- Cancellation may not be possible until you return your certificate of insurance to us or your insurers.
- Cancellation of a direct debit does not necessarily cancel a policy and any balance of premium owing may be requested by the insurers.

When your policy ends or is cancelled, we will send you any documentation and information to which you are entitled on request.

## **24 - LAW AND JURISDICTION**

These Terms of Business shall be governed by and construed in accordance with English Law. In relation to any legal action or proceedings arising out of or in connection with these Terms of Business we both irrevocably submit to the exclusive jurisdiction of the English courts.

**Please contact us immediately if there is anything in these Terms of Business which you do not understand or with which you disagree. If you have any questions please speak to your usual contact in the first instance who will be pleased to assist you. You are deemed to have accepted these Terms of Business and give your consent for us to operate in the ways described, unless you advise us otherwise within 7 days of receipt.**

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