

## Terms of Insurance Business

### About us

PJ Frankland Ltd t/a Franklands Insurance & Risk Management of Exeter House, Stanier Way, The Wyvern, Derby DE21 6BF is authorised and regulated by the Financial Conduct Authority (FCA) under Registration Number 300198. You can check this on the FCA Register by visiting their website <http://www.fca.org.uk/register> or by contacting the FCA on 0800 111 6768.

We are also authorised by the FCA for consumer credit broking and act for a number of lenders.

We are committed to Treating our Customers Fairly. We arrange and advise on insurance, deal as Agent of Insurers and assist in claims handling on behalf of our customers based upon a fair analysis of the market. For some insurance arrangements we may use a small number of insurers or a single specialist insurer. We will inform you if this is the case. Our quotations are valid for 30days unless we state otherwise.

### Conflicts of Interest

Occasions can arise where we or one of our associated companies, clients or product providers will have a potential conflict of interest with business being transacted by you. If this happens and we become aware that a potential conflict exists, we will write to you and detail the steps we will take to ensure fair treatment.

### Terms Relating to Disclosure

**Consumers:** You must take reasonable care not to make a misrepresentation to the insurer. This means that all the answers you give and statements you make as part of your insurance application, including at renewal and when an amendment to your policy is required, should be honest and accurate. If you deliberately or carelessly misinform the insurers, this could mean that part of or all of a claim may not be paid.

**Commercial customers:** Your insurance is based upon the information provided to the insurance company.

Unless you are a Consumer (an individual buying insurance wholly or mainly for purposes unrelated to their trade, business or profession) you must present the risk (i.e. the subject matter of the proposed insurance) fairly. This means that you must disclose to insurers, before the setting up or renewal of your insurance policy is concluded, anything that might influence the judgement of an insurer in fixing the premium, setting the terms or determining whether they would take the risk. If you are uncertain whether anything is material, you should disclose it.

In order to identify what must be disclosed, you are obliged to carry out a reasonable search before presenting the risk to insurers. This includes (but is not limited to) consulting with all senior managers. A senior manager is anyone who plays a significant role in the making of decisions about how your activities are to be managed or organised, regardless of whether or not that individual is a member of your board or is formally in a management role. You must also consult with anyone who has particular knowledge about the risk to be insured.

If you deliberately or recklessly (i.e. without care) fail to comply with your obligations to present the risk fairly, insurers may avoid the policy. This means they can retain all premiums and treat the policy as if it never exist and refuse to make any claims payments.

You could also be obliged to repay any claims payments that had already been made.

If you fail to present the risk fairly, but your failure was neither deliberate nor reckless, insurers response will depend upon what would have happened if you had complied with your obligations:

- a) if insurers would not have provided the policy, they may treat the policy as if it never existed, refuse to make any claims payments and demand the return of any claims payments already made. However, insurers would have to return any premium payments already made;
- b) if insurers would have provided the policy but on different terms, the policy will remain in force but will be treated as if those different terms applied from the start of the policy. This could result in a claim not being met in part or in full;
- c) if insurers would have provided the policy but charged a higher premium, insurers may reduce any payment in proportion to the difference between the premium charged and the premium that would have been charged if you had fairly presented the risk. This could result in a significant reduction to the amount of any payment under the policy.

All statements and facts disclosed on proposal forms, statement of facts, claim forms and other documents should be full, true and accurate and must be given after undertaking a reasonable search, including consulting with your senior management. Where forms are completed on your behalf you must check them for accuracy and completeness before signing them. You must always read the declaration and make sure you understand it before you sign.

### **Protecting Your Information**

We agree to keep all information provided by you to us confidential, save that you authorise us to:

- a) disclose such information to insurers and their agents for the purposes of obtaining insurance quotations for you, placing insurance on your behalf and all other matters relating to your insurances, including the making of claims;
- b) share such information with our own insurers and professional advisors on terms that preserve confidentiality or where we are required by law or by order of the court to disclose such confidential information.

However, we will not be bound to keep any information confidential where it is or becomes in the public domain, it was already known to us or becomes known to us independently of you, or if you authorise us to disclose such information.

If the insurance is arranged wholly or mainly for purposes related to your trade, business or profession you have a duty to disclose all material facts whether or not the insurer asks for specific information. This duty applies throughout the life of your policy, and when you renew your insurance. Material facts are any facts which may influence the insurer's decision to accept the policy and/or what terms are applied. Failure to disclose a material fact may invalidate your insurance and could mean that your claim will not be paid.

Some or all of the information you supply to us in connection with your insurance proposal will be held on computer and may be passed to other insurance companies for underwriting and claims purposes. Under the Data Protection Act 1998 you have a right of access to see personal information about you that is held in our records, whether electronically or manually. If you have any queries, please write to the Managing Director at the above address.

### **Your Responsibilities**

You should read all insurance documents issued to you and ensure that you are aware of and understand the cover, limits and other terms that apply. Particular attention should be paid to any warranties and conditions as failure to comply with them could invalidate your policy. You should inform us immediately of any changes in your circumstances that may affect the cover provided by your policy.

You should take note of the required procedures in the event of a claim, which will be stated in the policy documentation. Generally, insurers require immediate notification of a claim or circumstances that might lead to a claim.

If we are appointed as insurance broker mid year on policies arranged by another insurance broker we do not accept any liability for errors or omission on the existing contract of insurance until we have completed a review of the contract and policy wording and made our recommendations relative to your requirements.

### **Our Use of Information Supplied by You**

All personal information about you will be treated as Private & Confidential (even when you are no longer a customer), except where the disclosure is made at your request, with your consent, in relation to administering your insurance or where law requires us. As part of the FCA's duties we may be asked to provide them with access to our customer records in order that they may carry out a review of our activities.

We and/or the insurers and/or credit providers may use publicly available data from a variety of sources, including credit reference agencies and other external organisations to verify your identity or creditworthiness, to avoid fraud, and to obtain beneficial quotes and payment options on your behalf. Each of the searches may appear on your credit report whether or not your application proceeds. *By agreeing to these terms and conditions you agree to these uses of your information.*

### **Telephone Recording**

For our joint protection, telephone calls may be recorded or monitored.

### **Cancellation Rights**

Non-commercial customers may have cooling off cancellation rights under their policy and these are described in the policy summary provided. Commercial customers are not entitled to a cooling off period. Many commercial policies do not allow for any refund of premium if a policy is cancelled mid-term. For those policies that do allow for a refund, this is at the discretion of the insurer.

### **Our Remuneration**

Where a fee or charge is payable, you will be advised before you commit to paying it. If by mutual agreement we are remunerated in addition to or in lieu of commission, the amount of our fee will be clearly disclosed to you. If you decide to cancel an insurance policy mid-term we reserve the right to deduct our commission from any return premium. Prior to the conclusion of each insurance contract, or upon renewal, we will remind you of your right to be advised of the level of commission that we receive from underwriters. Under certain circumstances some insurers

also make profit share and volume override payments to us and some make work transfer payments to us. You are entitled, at any time, to request information regarding any payment, which we may have received as a result of placing your insurance business.

#### **Protecting Your Money**

Prior to your premium being forwarded to the insurer, and for your protection, we either hold your money as an agent of the insurer (in which case your policy is treated as being paid for), or we hold it in trust for our clients. All premiums received from clients are co-mingled within a client Statutory Trust Bank Account. Our commission and fee earnings are withdrawn from this account within 25 business days of receipt. We may need to transfer your money to another intermediary in some cases. However your money will be protected at all times to the extent of the protection offered by the requirements of the FCA. We also reserve the right to retain interest earned on the client account. *By accepting this Terms of Insurance Business document, you are giving your consent for us to operate in this way.*

#### **Choice of Insurers**

We only seek insurance from companies that meet our minimum financial guidelines for usage (BBB 'good' defined by Standard & Poor) we also use insurers having an equivalent agency rating either A M Best or Fitch. We will not use insurers with a lower rating unless we receive instructions from you to the contrary. We will not in any circumstances act as an insurer nor guarantee or warrant the solvency of an insurer.

#### **Complaints Handling**

It is our intention to provide a high level of service at all times. If, however you have reason to make a complaint about our service you should contact the Managing Director. We will acknowledge your complaint within five working days and attempt to provide a resolution within eight weeks. If we are unable to resolve the issue within this time, we will inform you the reason why and confirm the next action. You may be entitled to refer your complaint to the Financial Ombudsman Service. Further information is available at <http://www.financial-ombudsman.org.uk/>

#### **Financial Services Compensation Scheme**

We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Insurance advising and arranging is covered for 90% of the claim, without any upper limit. For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim, also without any upper limit. The compensation scheme does not apply to consumer credit. Further information about compensation scheme arrangements is available from the FSCS on 0800 678 1100 or 020 7741 4100 or by visiting <http://www.fscs.org.uk/>

#### **UK Money Laundering Regulations (1993)**

The UK Money Laundering Regulations require certain financial institutions to confirm the identity and place of residency of each proposer. This may require sight of certain documentation and or checking with a credit reference agency, the electoral role or directory enquiries in order to verify your details. A credit reference agency may record the search.

#### **Law and Jurisdiction**

These Terms of Business shall be governed by and construed in accordance with English Law and shall be subject to the exclusive jurisdiction of the courts of England and Wales.