

# Terms of Insurance Business

## About Us

B K Insurance Brokers Limited of 1 Pampisford Road, Purley, Surrey, CR8 2NG is authorised and regulated by the Financial Services Authority (FSA) under reference 307397. We are permitted to arrange, advise on, deal as an agent of Insurers and assist in claims handling with respect to non-investment retail and commercial insurance policies. We only offer products from a single Insurer for Legal Expenses, Keycare and Loss Recovery Insurance and these products can only be offered in conjunction with another policy (other than Legal Expenses, Keycare and Loss Recovery Insurance). You can check our details on the FSA's Register by visiting the FSA's website <http://www.fsa.gov.uk/register> or by contacting the FSA on 0845 606 1234.

## Voice Recording

Please note that all calls are recorded for quality and training purposes.

## Your duty of disclosure

Your insurance is based upon the information provided to the insurance company and you must ensure that all such information is complete and accurate and that all facts that may influence the Insurer's decision to accept and pay a valid claim are disclosed.

Failure to disclose material information may invalidate your insurance and could mean that part, or all, of a claim may not be paid.

## Policy Terms, Conditions and Warranties

You should read through all policy Terms, Conditions and Warranties shown in your policy documentation. Please ensure that you understand them and are able to follow the requirements exactly. If not, please advise us immediately, as breach of any Terms, Conditions or Warranties may enable your Insurer to terminate your policy from the date of that breach, and/or repudiate a claim under the policy. Please note that this also applies to any mid-term amendments to your policy and be aware in this respect that your existing Terms, Conditions and Warranties will continue unless otherwise notified.

## Motor Insurance Database

Since 2003 and the introduction of the EU 4th Directive, all vehicles on the road can now be identified by the Motor Insurers Information Centre (MIIC) through the registration number. All clients that insure vehicles (including Fleets, Motor Traders and Taxi firms) are therefore responsible for submitting information to our office about their vehicles, to ensure that the Motor Insurance Database is kept up to date. You must advise our office of any changes for temporary or permanent vehicles that you wish to include under the policy, prior to cover being required. We will not be held responsible should you fail to notify our office of any changes.

All vehicles insured must be registered in the name of the policyholder as shown on your Certificate of Motor Insurance. In some circumstances, for Fleet & Motor Trade clients, Insurers at their own discretion, may insure a vehicle which is registered in the personal name of a Director under a company policy but cover will only be operative once agreed by the Insurers.

## Employers' Liability Certificate

If your policy requires you to have a Certificate of Liability Insurance, it must be appropriately displayed at your place of business.

## Quotations

New Business quotations provided are valid only for a period of 14 days from the date of issue, unless otherwise notified and subject to satisfactory completion of the Insurer's Proposal Form or a signed and dated Statement of Facts.

You should be aware that quotations may change or be withdrawn if the information given to us or to your Insurers in proposal forms or declarations, differs from that provided at the time the quotation was issued. In this event, Insurers have the right to withdraw the quotations.

## Proposal forms

For certain types of insurances a completed proposal form will be required. If necessary, we will be pleased to provide you with advice and assistance on how to complete the form. If a form, statement of fact or declaration is completed by our office on your behalf, it is your responsibility to check that the answers given to all questions are true and complete and that no material information has been withheld. Any amendments may affect your terms, premium and in some cases Insurers may withdraw cover. It is recommended that you keep copies of any correspondence you send to us or direct to the Insurers.

## Changes to your cover

We will normally deal with requests to increase or amend cover on the day your instructions are received, or the next working day if a weekend or public holiday. Sometimes changes cannot be processed without obtaining additional information. If additional information is required we will contact you as quickly as possible.

We will confirm changes to your policy, in writing, once they have been agreed by the Insurers. We will also advise you of any extra premiums you must pay or premiums we must return to you.

## Receipt of instructions

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

## Your Sums Insured

You must ensure that your sums insured are adequate as many policies will be subject to average and any claim amount may be reduced in proportion to the amount of under insurance. Your renewal may be an appropriate occasion to review your cover and the sums insured. Alternatively if you wish to review your sums insured mid term please contact our office for assistance.

## Minimum Security

It is your responsibility to ensure that you meet the minimum security requirements of your policy, you should refer to your policy documentation for specific security requirements. If there is an alarm warranty on your policy, you must ensure you comply with the Insurers requirements with regards to the signalling, maintenance contract and Police response (usually Level 1 is required).

## Electrical Inspection Warranty

Many policies require you to ensure that the Risk Address has been inspected by an electrical contractor who is a member of the Institute of Electrical Engineers. Any faults identified by the inspection must be rectified immediately. Please refer to your policy which will specify how often inspections are required.

## Terrorism

Terrorism cover for Commercial and Residential properties may be limited (in many cases no cover at all is given). If FULL cover is required we would strongly recommend that you contact us.

## Transferred business

If we take over the servicing of insurance policies which were originally arranged through another source, whether an 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 error, omissions or gaps in your current insurance policy. Should you be concerned about your policy, we would ask you to contact us without delay for an immediate review of your cover.

## Renewal and Methods of payment

We normally accept payments by cheque, credit/debit card or by bank transfer. It is often possible to spread payments through instalment schemes or a credit facility we have arranged with a specialist premium finance provider. A 2.5% charge will be added to all payments by credit card. Debit cards are free of charge.

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

Where payment for the contract you have undertaken is by regular instalments, for example by direct debit, you give your consent to the contract being automatically renewed at the renewal date. This means that insurance will continue to be provided to you, and you will be obliged to continue to pay for such insurance, unless you specifically contact us at renewal to notify us that you no longer require such insurance.

## Payment of premium

We will advise you of the premiums you must pay for your insurance when cover has been arranged. Our terms of credit are shown on the documentation provided and you are responsible for prompt settlement in order that we can make the necessary payment to your Insurers. In certain circumstances Insurers may require payment of premiums by a specified date. Failure to comply may allow the Insurers to void the policy from the start date of cover. We will not fund any premiums on your behalf and we will not 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.

Please note that if your payment is not honoured, whether it is Direct Debit, Cheque, BACS, CHAPS or Card your policy may be cancelled back to when this payment was due e.g. inception, renewal. Whether you have documentation or not your policy may no longer be operative and therefore no cover will be in effect.

## Fees and charges

Our standard fees are stated below. Any other fees charged will be agreed with you prior to your commitment and clearly shown in writing, such as Renewals and New Business. Receipts only issued upon request.

Uncleared Cheques	£35.00
Duplicate Certificates	£25.00
Mid Term Adjustments	£15.00

#### Methods of communication

Our normal methods of communication with you will be by post, telephone and, where available, fax or e-mail; in addition to any meetings we may have with you. Please let us know if you would prefer to receive communications by any one specific method.

When using electronic mail to communicate with us you accept the inherent risks of this method. You also accept responsibility for checking that messages received by you are complete. In the event of a dispute neither of us will challenge the legal evidential standing of electronic documents.

#### Making a claim

Many Insurers provide a 24-hour Helpline in respect of claims and you should refer to your policy documentation for contact details. Please ensure that you report all incidents that could give rise to a claim as soon as you become aware of them, either by contacting your Insurer on their helpline or by telephoning our office. You will be advised if a claim form is required.

In certain circumstances late notification may result in your claim being rejected.

If the claim involves damage to your property, please do not:

- dispose of damaged items and/or
- authorise repair work (except in an emergency or to prevent further damage) until your Insurers or we advise that you can.

All correspondence relating to third party property damage or injury to persons must be forwarded unanswered immediately to our office.

If a claim arises after the renewal of the policy has been invited, this may affect the assessment and acceptance of renewal by your Insurers and any alternative terms offered.

#### Conflicts of Interest

Occasions can arise where we, or one of our clients, will have some form of interest in business which we are transacting for you. If this happens, or we become aware that our interest or those of one of our customers conflicts with your interests, we will inform you and obtain your consent before we carry out your instructions. As an example, a conflict of interest may arise where we have authority to settle claims on behalf of the Insurer.

#### Protecting your information

All personal information about you will be treated as private and confidential (even when you are no longer a customer), except where the disclosure is made at your request or with your consent in relation to administering your insurance and except where law requires us. The FSA may ask us to provide it with access to our customer records in order that it may carry out a review of our activities.

Some or all of the information you supply to us in connection with your insurance proposal may be passed to other insurance companies for underwriting and claims purposes. Under the Data Protection Act 1988 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 address, shown in the About Us section.

#### Remuneration

We are remunerated for the services provided to our clients either by commission payments from Insurers, or fee payments from clients, or a combination of the two.

We may sometimes in the normal course of our business, also 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.

**You are entitled, at any time, to request information regarding any commission which we may have received as a result of placing your insurance business.**

#### Handling client and Insurer 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 (Risk Transfer) in which case your insurance is treated as being paid for, or we hold it in a non-statutory trust client bank account on trust for you. We may extend credit to other customers from this account and we may need to transfer money to another intermediary in some cases. However, your money will be protected at all times because of our requirements under the FSA rules. We also reserve the right to retain interest earned on this account. By accepting these Terms of Insurance Business you are giving your consent for us to operate in this way.

#### Compensation arrangements

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from this 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, without any upper limit. Further information about compensation scheme arrangements is available from the FSCS at <http://www.fscs.org.uk/>

#### Termination of authority

You may terminate our authority to act on your behalf with 14 days' notice or as otherwise agreed without penalty. 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 which will be completed according to these Terms of Business, 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.

#### Cancellation Rights

If you take out a personal insurance policy through us you may have a right to 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

The 14-day cancellation period increases to 30 days for Private Medical Insurance.

You will be informed if you have 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 time periods previously referred to 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.

- Insurers will not normally allow refunds in cases where a minimum and deposit premium has been paid
- In the case of Motor Insurance, the cancellation will only be possible once the certificate of insurance has been received in our office
- Cancellation of a direct debit may not necessarily cancel a policy and any balance owing may be requested by the Insurer

In the event that you choose to cancel your policy prior to its anniversary date (renewal date), we will retain the appropriate brokerage and/or fee income at the level set as if the policy had run to its planned anniversary date.

When a policy is cancelled mid term, any associated product such as Legal Expenses, Keycare and Loss Recovery Insurance will also be immediately cancelled as these products are only available with your main insurance policy. A refund will not usually be given.

#### Complaints

It is our intention to provide a high level of service at all times. However if you have reason to make a complaint about our service you should write to B K Insurance Brokers Limited, 1 Pampisford Road, Purley, CR8 2NG. You may be entitled to refer it subsequently to the Financial Ombudsman Service. Further information is available at <http://www.financial-ombudsman.org.uk/>

#### Promotions

From time to time B K Insurance Brokers will send promotional material to attract new business. Please note that any introductory offer applies to new business only, not to existing clients.

#### Law and jurisdiction

These Terms of Business will 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 jurisdiction of the English Courts