

# Terms of Business

This document details our service and our arrangements for dealing with your insurance. Please read it carefully and retain a copy for your records.

The English language will be used for all communications, the contractual terms and conditions, and any information we are required to supply to you, before and during the duration of the contract and this agreement shall be subject to English Law (Scottish Law, where issued in Scotland).

## **The Financial Conduct Authority**

The Financial Conduct Authority is the independent watchdog that regulates financial services. Daines Kapp Insurance Brokers Limited is authorised and regulated by the Financial Conduct Authority. Our FCA Register number is 305208.

You can check our status at [www.fca.org.uk/firms/systems-reporting/register](http://www.fca.org.uk/firms/systems-reporting/register) or by contacting the FCA on 0800 111 6768. Our permitted business includes advising, arranging, dealing in and assisting with the placing & administration of General Insurance policies

## **Confidentiality and Data Protection**

We will treat all your personal information as private and confidential to us and anyone else involved in the normal course of arranging and administering your insurance, even when you are no longer a customer. We will not give anyone else any personal information except on your instructions or authority, or where we are required to do so by law, or by virtue of our regulatory requirements. We may use information we hold about you to provide information to you about other products and services, which we feel may be appropriate to you. Under the Data Protection Act 1998 you have the right to see personal information about you that we hold in our records. If you have any queries please write to us at our usual office address.

## **Our Service**

We are an independent insurance intermediary, who acts on our customers' behalf in arranging insurance. Our services include: advising you on your insurance needs; arranging your insurance cover with insurers to meet your requirements; and helping you with any ongoing changes you have to make. As part of our service, we will assist you with any claim you need to make and tell you what your responsibilities are in relation to making claims.

We will not provide You with any advice in relation to policies purchased solely through our Website and You will need to make Your own decision on the suitability of any such product.

## **Our Service in relation to the provision of Premium Finance**

We are authorised as a credit broker. We only offer the credit facilities of insurers and/or Premium Credit Limited and We will not provide any advice on the suitability of credit facilities to Your needs. We may use providers who will conduct a credit check, which will be recorded on Your credit record. **Please contact us if You do NOT consent to a credit check being undertaken**, however this may affect our ability to offer instalment facilities to You.

**Please Note:** Your policy cover will cease if You fail to keep up payments on an instalment agreement or premium finance facility related to it and Your credit rating may be affected. In entering into a credit agreement to pay Your insurance premium, You give the finance provider the legal Right to cancel Your insurance policy on Your behalf in the event that You default on the loan, and offset any refunded premium against the outstanding amount owed to them. This means that if You default on Your payment terms and the finance provider requests that We cancel Your policy, We will do so as Your agent.

## **Information on how We treat Payments You make to Us**

Under the terms of our agreements with the Insurance companies with whom We place business, We normally receive premiums You pay to us as Agent of the Insurer. All insurance premiums You pay to us are protected in a Non-Statutory Trust Client Account until We pay insurers. We may use premiums kept in this account to provide credit to our customers, and, as a result we maintain additional capital resources and strict credit-control and monitoring procedures, as required by the FCA. We do not pay any interest on premiums held by us in the course of arranging and administering Your insurance.

## **Payment Options**

We normally accept payment by cheque, bacs or the following credit/debit cards – Visa, Mastercard, Maestro. You may be able to spread Your payments through insurers' instalment schemes or a credit scheme, which We have arranged with an established insurance premium finance provider. We will give You full information about Your payment options and the appropriate finance agreement when We discuss Your insurance in detail.

## **Are we covered by the Financial Services Compensation Scheme (FSCS)?**

We are covered by the Financial Services Compensation Scheme (FSCS).

Insurance advising and arranging is covered for 90% of the claim, without an upper limit. For compulsory insurances (for example, motor insurance and employers' liability insurance), insurance advising and arranging is covered for 100% of the claim, without an upper limit. Further information about compensation scheme arrangements is available from the FSCS.

## **Our Fees and Charges for the services We provide to You**

We usually receive a commission from the insurer with whom We place Your business and, in addition, We normally make the following charges to cover the administration of Your insurance:

Arranging new policies	£35
Mid term adjustments	£35
Mid term cancellations and other refunds are refunded NET of commission. We may, in addition, charge a £25 administration fee.	
Renewals	£ 35
Replacement/duplicate certificates or cover notes	£ 15

Occasionally we may arrange a policy on which we earn no commission and in these cases we will advise you of the arrangement fee before you take the policy out. We may also make additional charges specific to the arrangement and servicing of certain policies, but these will always be advised to You in advance

## **What to do if you have a complaint**

Our aim is to provide a first class service, however, if you wish to register a complaint, please contact us **by writing** to Kevin Daines, Daines Kapp Insurance Brokers Limited, Daines Kapp House, 4 Baldock Street, Ware, Herts SG12 9DZ, or, **by phone** Telephone 01920 484844, **by fax** 01920484833.

If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service, for an independent assessment and opinion.

The FOS Consumer Helpline is on **0800 023 4567** and their address is: Financial Ombudsman Service, Exchange Tower, London, E14 9SR

## **Cancellation of this Agreement**

This agreement will remain in force unless cancelled by either party in accordance with the terms below or You have no insurance business placed through Us. You may cancel the agreement at any time, subject to notification in writing to our usual office address. In the event of cancellation, We shall be entitled to retain any commissions and fees earned prior to the date of cessation of the agreement in full. We have the right to cancel this agreement subject to one month notice in writing to your last notified address.

## **Claims**

All incidents which could lead to a claim must be reported as soon as practicable. Your insurer's claims contact number is shown in Your policy.

## **Sums Insured and Indemnity Limits**

You will be responsible for ensuring that all sums insured and indemnity limits are adequate for the cover requested. We will advise You of the basis of calculation for sums insured and will, on request, give You details of external experts, such as surveyors and valuers, which You may wish to consult. The following information on calculating business interruption sums insured is given for guidance, but you should always seek specific advice from us if you are in any doubt as to what should be included.

## **Business Interruption / Loss of Profits Insurance**

Several types of cover exist; Gross Profit basis (usual for manufacturers, retailers etc); Gross Revenue basis (normally for consultants, professions); and Increased cost of working basis, for businesses that believe there would be no loss of profit or revenue in the event of a claim, but would need to cover increased trading costs until the claim is settled.

'Accounting Gross Profit' and 'Insurance Gross Profit' are not the same thing. Where your policy includes this cover, the Sum Insured for 'Gross Profit' should normally be calculated using the following method:

Annual turnover *plus* year-end stock and work in progress; *less* opening stock (and work in progress) and purchases, bad debts and uninsured variable expenses (such as the purchase of raw materials or shipping costs)

Gross Revenue insures the total turnover without deductions and Increased Cost of Working is based on projected additional costs of temporary relocation and other forecast additional costs.

Business interruption sums insured should then be adjusted to take into account the indemnity period (eg. doubled for 2 years indemnity period)

## **Average**

In the event of under-insurance, Insurers may reduce the amount of any claim settlement in the same proportion as the sum insured bears to the total value of the insured items.

## DECLARATIONS

### Our Service and Obligations to You:

**We will conduct a fact-find to evaluate Your insurance needs with the member of Your business that You choose to nominate as Your Insurance Contact (as stated below), who will be responsible for ensuring that Your disclosure obligations to insurers are met.**

We will act as Your agent in sourcing a policy to meet Your demands and needs and presenting the information provided by Your nominated Insurance Contact in a manner which is clear and accessible to insurers. Where we operate under any delegated authority from insurers we will act as their agent when issuing cover and in handling any claim you may make, and We will always advise You where this is the case.

We will advise and make a recommendation for You after We have assessed Your demands and needs. Our advice will be confirmed in a demands & needs and suitability statement, giving the reasons for Our recommendation.

We typically offer advice from a range of insurers, representing a fair analysis of the market, which means that We will have compared products from a sufficiently large range of insurance providers in terms of cover, price, quality of service and other relevant features in order to select appropriate policies for You. However, under certain circumstances We may only deal with a limited panel, or single insurer or We may use another, specialist, intermediary to access the insurance product that most suits Your needs. We will always inform You where this is the case.

We usually receive a commission from the insurer and premium finance provider with whom We place Your business and, in addition, We will normally make the charges as shown in our Terms of Business Agreement to administer your policy. 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 which We receive from underwriters. 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.

### Your Responsibility to Provide Information:

You have a duty under the Insurance Act 2015 to make a fair presentation of the risk to insurers. This duty applies when You take out Your insurance cover, throughout the life of Your policy, and when You renew Your insurance.

This duty includes a need for **Your nominated Insurance contact** (above) to undertake a reasonable search for *material information* which is known, or ought reasonably to be known, by anyone playing a significant role in making business decisions in Your business (such as Your company's principals, directors, senior management or shareholders) and staff responsible for arranging or administering Your firm's insurance.

You should advise Us of any particular concerns which led You to seek insurance cover and any special or unusual facts relating to the risk.

You must ensure that all *material statements* of fact are substantially correct and not misleading, and any *material information* which is a matter of expectation or belief (eg. an estimate or forecast) is provided in good faith.

Failure to disclose any material information or change in circumstances to Your insurers which could influence the cost, or their decision to accept Your insurance, could mean that Your policy could be invalidated or cancelled without refund, or that part or all of a claim may be not be paid. 'Material Information or changes in circumstances' could include Your inability to comply with any conditions or warranties applicable to your policy, which should be notified to Us immediately.

'*Material statements*' and '*material information*' are information which could influence the judgement of a prudent insurer in determining whether to take on a risk and on what terms.