

Law and Language

This Terms of Business is subject to English Law and the jurisdiction of the English Courts. If you want to alter this to Scottish Law, the Law of Northern Ireland or any other jurisdiction then you must ensure that the rest of this TOBA is acceptable within those jurisdictions. We will use the English language 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.

The Regulator

The Financial Conduct Authority (FCA) is an independent watchdog that regulates financial services. The FCA has authorised us to advise, arrange, deal in and assist with the placing and administration of all types of General Insurance policies. Our FCA Register number is 308106 and you can check our status and permissions at <https://register.fca.org.uk> or by contacting the FCA on 0800 111 6768.

Confidentiality and Data Protection

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

- a) Disclose and exchange the information you provide to us with insurers and their agents, other brokers, agents and finance companies for the purposes of obtaining insurance quotations for you, placing insurance on your behalf and all matters relating to your insurances, including the making of claims. This may result in a credit check to confirm your identity and minimise the risk of fraud;
- 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.

We will treat all information in strict accordance with the Data Protection Act 1998 (DPA), even when you are no longer a customer and only share information if we are required to do so by law, or regulation. 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 however if you do not wish to receive such information, please let us know by freepost: The Marketing Manager, RSYZ-UZLS-RKSH, Pavey Group, Minerva House, Orchard Way, Torquay, TQ2 7FA. Contact may include SMS, text, post, telephone or e-mail. Under the DPA, you have a right to a copy of any personally identifiable information about you that we hold in our records, you can obtain details by writing to us at the usual address. We reserve the right to charge a fee, this will be capped at £10 for this service.

We are required to retain data we hold on file or electronically for a period of seven years after the date of expiry of the policy. Electronic files are maintained securely and data encrypted, expired paper files are stored in a secure remote filing unit.

Call Recording

Pavey Group has a telephone system that is capable of recording conversations. As with most organisations, this is standard practice that allows the recording of telephone calls for quality monitoring, training, compliance and security purposes. You will be advised at the start of the call if your call is being recorded. Personal data collected in the course of recording activities will be processed fairly and lawfully in accordance with the Data Protection Act 1998. Call recordings will be held for a period of 12 months and then deleted, subject to it not being needed for ongoing quality and control purposes or criminal actions.

Our Service

We are an independent insurance broker, we can act both as agent of you, the customer and on behalf of the insurer. We have in place management controls to deal with any conflicts of interest that might arise. We act on behalf of insurers when collecting premiums under risk transfer (see Premium section). Unless we advise you otherwise, we are acting on your behalf. 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. We can also assist you with making a claim.

IMPORTANT - to ensure that your insurance is renewed, payment of the premium must be tendered by you before the expiry date of the current policy. No days of grace are given, unless specifically arranged and agreed by your insurer. Certain documentation will not be released to you until payment of premium has been made in full.

We usually offer advice from a range of insurers, representing a fair analysis of the market, however, under certain circumstances we may only deal with a limited selection of the market, or single insurer. We will confirm, for each individual policy we provide you with, the basis of our advice in our Quotation Letter. After speaking with you, we will advise and make a recommendation to you once we have assessed your demands and needs. Our advice will be confirmed in a demands and suitability statement within our Quotation Letter, giving reasons for our recommendation. However, in the event that we have not been able to speak with you personally, we would not be in a position to have fully assessed your demands and needs, therefore you would have to make your own decision as to whether the product offered is suitable for you (in any event, this would apply to all Legal Expenses products). Whilst we will use all reasonable endeavours to review Insurer information to protect your interests, Insurer financial standing & predictability of solvency is not guaranteed by us.

What you will pay for our services

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 administration of your insurance:-

		For Premiums over £500	less £500
Arranging new policies	(i) Personal Insurances	£nil	£25
	(ii) Business Insurances	£nil	£25
Mid Term Adjustments	(i) Personal Insurances	£nil	£nil
	(ii) Business Insurances	£nil	£nil
Renewals	(i) Personal Insurances	£nil	£25
	(ii) Business Insurances	£nil	£25

Mid Term Cancellations - These are refunded NET of commission.

Issuing Replacement Certificates or Cover Notes - £nil

Methods of Premium Payment

- (i) Payment by Credit Card - A charge of 2% of the premium
- (ii) Payment by Personal Debit Card - No charge
- (iii) Payment by Corporate Debit Card - A charge of 1.75% of the premium

Insurance Premium Tax - Your premium detailed in the policy will include IPT at the prevailing rate. Some policies are subject to Value Added Tax (VAT) not IPT. Should the rate of IPT or VAT be amended by the Government, your premium will be amended by the insurer to reflect the change.

Additional Charges - Where we are asked to undertake complex and time consuming functions on your behalf, it may be necessary for us to charge additional fees to cover our administration costs. In such cases you will be advised by us of the appropriate fee prior to incurring the charge.

We may arrange a policy on which we earn no commission (a 'net-premium policy') and in these cases we will advise you of the arrangement fee before you take the policy out. Specific charges, which apply to individual policies will be confirmed in our Quotation Letter. The specific charge and purpose of any additional charges will always be advised to you in advance, prior to you taking the policy out. **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 through Insurers &/or Premium Finance providers.**

Claims

We have no authority to handle claims on behalf of insurers. In the event of an incident occurring which may give rise to a claim under your policy, you should notify the insurer direct as soon as possible using the contact details in your policy document or alternatively contact us. If you notify us of an incident that might give rise to a claim under your policy, we will inform the insurer without delay and use our best endeavours when acting on your behalf in relation to a claim. Our claim service can be continued beyond the period of our appointment as your broker or adviser subject to payment of a separate fee to be agreed at the time.

Recovering uninsured losses from third parties on your behalf - We do not usually undertake uninsured loss recoveries ourselves, but instead use a tested third party facility. For Motor policies, we offer a Vehicle Legal Protection & Assistance policy with DAS Legal Expenses Insurance Company Ltd. Costs for accessing such

facilities vary according to policy type, but costs are available on request and you must make your own decision as to whether this product is suitable for you.

WARNING - YOUR DUTY TO GIVE INFORMATION

Consumers - When applying for or amending your insurance policy, we / your insurer will ask a number of questions to assess the risk prior to agreeing cover. It is your duty to ensure that you answer all questions honestly & reasonably in order that we / your insurer can be in a position to offer terms which are designed to meet your demands & needs. This is vital & extremely important for if you fail to tell us or the insurer something when asked, or if you answer carelessly or act deliberately or recklessly in making misrepresentations when answering questions, your policy may leave you with no insurance protection; insurers may not pay a part or all of your claim & may cancel your policy.

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 existed 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. In some circumstances, insurers may contract out of the above terms, in this event we will inform you and seek your agreement prior to placement of cover.

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.

What to do if you have a complaint

We are committed to providing you with an exceptional level of service and customer care. We realise that things do go wrong and there may be occasions when you feel that we have not provided the service you expected. If you feel you have cause for complaint, write, telephone or call into the office that arranged your insurance. Advise our staff of the situation and be prepared to give them:-

- (i) your policy or claim number and the type of policy you hold
- (ii) a clear and concise reason for your complaint

Our aim will be to resolve your complaint within one working day of receiving all the above information. Where that is not possible, we will write to you within five working days and:-

- (i) confirm who is handling your complaint
- (ii) confirm when we will reply to you
- (iii) provide you with a copy of our complaints procedure

If, when you receive our response, you are still unhappy, please confirm your reasons in writing to Geoff Gale at Pavey Group, Burrator House, Peninsula Park, Rydon Lane, Exeter, EX2 7NT to consider the matter further. He will then inform you of the position at no later than 4 weeks and a final response no later than 8 weeks.

If you are not happy with our response, or the position after a period of 8 weeks, you may be eligible to refer your complaint to the Financial Ombudsman Service (FOS) for an independent assessment and opinion.

The FOS Consumer Helpline is on 0800 023 4567 (free for people phoning from a "fixed line" (for example, a landline at home) or 0300 123 9123 (free for mobile-phone users paying monthly charge for calls to No's starting 01 or 02). Alternatively you can contact them at Financial Ombudsman Service, Exchange Tower, Harbour Exchange Square, London, E14 9SR. www.financial-ombudsman.org.uk

Financial Services Compensation Scheme (FSCS)

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 with no upper limit. For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim, with no upper limit. For further information about compensation scheme arrangements is available from the FSCS on 0800 678 1100 or 020 7741 4100 and website : www.fscs.org.uk.

Cancellations & Cancellation Rights

Please note the following cancellation conditions with regards to premium refunds:

- Where there has been a claim submitted during the current period of insurance your insurers are not obliged to allow a refund of premium. Any outstanding premiums owed on the policy e.g. outstanding direct debit /standing order payments will become due immediately. Please note that we cannot process your claim until all outstanding monies are settled and cleared in full.
- Instalment credit charges are non-refundable.
- Mid term cancellation of a claim free policy will normally attract refunds of premium based on a short period scale that is weighted in favour of your insurer.
- Certain commercial policies do not allow for a cancellation return of premium e.g. all professional indemnity contracts, malpractice contracts, marine cargo contracts and liability policies placed with Lloyds of London, particularly those subject to minimum and deposit premiums.
- Holiday and annual travel policies cannot be cancelled mid-term and no premium refund will be allowed.

Cancellation of your insurance can only be processed upon written confirmation from yourself. Cooling Off Period (Applicable to Customers acting outside their profession (Consumers)

Please contact us if you wish to cancel any policy that we have arranged for you. Customers acting outside of their trade or profession (Consumers) will usually have a legal right to cancel policies for any reason, subject to no claims having occurred, within 14 days of received the full terms & conditions. To exercise your right to cancel, the intended cover period must exceed 30 days for Holiday Insurance, this would be calculated from the date of issue of the policy (cancellation cover starts at this point) to the last day of your trip. If you decide to exercise your cancellation rights, you should do so by confirming this in writing to us and return the policy, certificate(if applicable) and schedule. A charge may apply for the period of cover provided and, in addition, an administration charge will apply as shown in the charges section above. When we receive your request we will instruct your insurer to cancel the insurance.

We will hold money that you pay to us in accordance with the regulators rules or under a risk transfer agreement with insurers. This will include holding your money in the following way.

Premium and Financial aspects

A statutory trust client bank account that only allows us to use the money held in trust on behalf of a customer for paying that customers premium to an insurance company and to pay premium refunds or claims we receive from that insurance company to the customer, once the premium has been received from that insurance company. We cannot use that customers money to pay another customers premium or refund. We do not pay any interest on premiums held by us in the course of

arranging and administering your insurance, unless, in the case of consume transactions we receive more than £20 per transaction, and then we will ask for your permission to retain the interest. Unless you tell us otherwise, you are consenting to us holding your money in this way.

By holding your money in this way, means that in the event that this firm becomes insolvent your money remains protected.

In arranging your insurance we may employ the services of other intermediaries who are regulated by the FCA and your premium may be passed to these intermediaries for payment to insurers. These firms are also required to hold clients money in a separate trust account. We will also inform you if at any time we are required to pass your premium to firms that operate outside the UK where the protection may be different. Should you not wish us to pass premiums to a firm outside of the UK, please inform us.

We usually receive a commission from the insurance provider with whom we place your business, and in such a case, the commission will be paid to us either when we are in receipt of cleared funds from you (or the premium finance company, if one has been used) or, when the insurer has received cleared funds from us in respect of the premium due under your policy. The individual agreements we have with each insurer will determine which of the two methods above is used to make this transfer of commission. We also receive commission for arranging finance agreements for the payment of insurance premiums and this is usually expressed as a percentage of the individual loan and is paid to us directly by the premium finance provider.

We may also receive a commission or fee for passing introductions to other professional firms. In addition, we may also charge you a fee for arranging your insurance and full details will be provided to you at the outset.

We will provide you with full details of all the payment options available to you when we provide you with your insurance premium. If you choose to enter in a finance arrangement, your details will be passed to a third party (insurer or lender) to enable them to contact you and you should contact us if you do not want your details passed to that party. This finance arrangement will be subject to interest charges that we will confirm to you when providing the full details. Importantly, the arrangement you will enter into will be with the finance company not us. It is an entirely separate

contract irrespective of the insurance contract. In the event of your failure to meet with the contractual obligations regarding payment the finance provider could approach the insurer to seek a termination of the insurance contract to

recoup their outstanding finance arrears. You will be liable to pay their costs

and charges if you do not keep up your repayments and cover is cancelled under your policy. This is because the agreement is between you, the policyholder and the finance company direct, not us or the insurer.

It is important that you read the finance agreement that is sent to you before you agree to enter into such an agreement. We do not charge any fees to you for introducing you to a credit provider.

If you are a consumer as defined under the Consumer Credit Act, you will have the benefit of a 14 day cooling off period. Please note: Your policy cover will cease if you fail to keep up payments on an instalment agreement of premium finance facility related to it.

Credit Searches & Accounting

In assessing your application for Insurance, to prevent fraud, check your identity and maintain its' policy records, the Insurer may: Search files made available to it by Credit Reference Agencies who may keep a record of that search. The Insurer may also pass to Credit Reference Agencies, information it holds about you and your payment record. The information will be used by other credit lenders for making credit decisions about you and the people with whom you are financially associated for fraud prevention, money laundering prevention and for tracing debtors.

The Insurer may ask Credit Reference Agencies to provide a credit scoring computation. Credit scoring uses a number of factors to work out risks involved in any application. A score is given to each factor and the total score is obtained. Where automatic credit scoring computations are used by the Insurer, acceptance or rejection of your application will not depend only on the results of the credit scoring process. Insurer searches will appear on your credit report whether or not you select a policy from them.