

**Terms Of Business Applying to General Insurance Customers**  
**PLEASE READ THIS DOCUMENT CAREFULLY**

**Our Status**

The Financial Services Authority regulates sales, advisory and service standards, to make sure that general insurance clients are treated fairly. Frank Pickles (Insurance Brokers) Ltd are an Independent Insurance Intermediary and are authorized and regulated by the Financial Services Authority (FSA). Our FSA registered number is 305297. Details of our firm can be checked on the FSA Register at [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by telephone on 0845 606 1234.

**Definitions**

The FSA rules classify customers into two types, namely:

- **Retail, defined as an individual who is acting for purposes which are outside his trade, business or profession (that is mainly personal insurances); or**
- **Commercial, defined as a customer who is not a retail customer (that is taking out insurance to protect a business.)**

Some of the FSA rules vary, dependent on whether you are a retail or commercial customer. Where such variations affect this Terms of Business, they have been clearly highlighted in the paragraph headings.

**Our service includes:**

- Investigating and assessing your insurance needs
- Advising you on your insurance needs
- Arranging your insurance cover with insurers to meet your requirements
- Helping you with any ongoing changes you have to make
- Issuing policies

**Whose products do we offer?**

We offer products from a range of insurers for motor, household, commercial, travel, personal accident, caravan, and pleasure craft insurance.

We offer some insurances using only one insurer for that insurance.

**Charges/Fees**

Frank Pickles (Insurance Brokers) Ltd is normally paid a commission by an insurance provider for arranging a policy. In addition to the premiums charged by insurers, we normally make the following charges to cover the administration of your insurance. These charges are non refundable:

Renewals - £15

Mid-term adjustments/Temporary Change - £20

Unpaid cheques - £15

New Policies Not Proceeding Prior To Commencement Date - £30

Where a policy is arranged but for any reason does not proceed (eg. Vehicle never collected) a charge of £30 will be made provided we are notified prior to the insurance cover commencing. If we are notified after the commencement date then standard cancellation charges will apply including charges made by the insurer.

Replacement/duplicate certificates, covernotes and proof of no claims bonus.

We charge £20.00 for replacement/duplicate certificates or covernotes

One Off Letters - £20

**Cancellations and Refunds:**

Insurers reclaim commission paid to us when you cancel a policy before renewal. As a consequence we will make a deduction to the value of the commission reclaimed, from any return premium to be paid to you, subject to a minimum charge of £30.

For certain commercial policies, insurers will only provide cover where the premium is due, in full, on inception of the policy. This means that no refund will be paid if the policy is cancelled before renewal. We will advise you if this affects you.

In view of the cost involved in making changes to your policy, we will not issue refunds of less than £15.

Please note certain policy are non refundable i.e there is no refund following cancellation. These been Legal Protection, Breakdown, Key Cover, certain property and liability policies, any other type we will advise.

### **Other Payments**

We can offer the facility for you to pay your premium by instalments, through Canealpha Ltd. Where facilities are arranged this way, Frank Pickles (Insurance Brokers) Ltd does not receive commission from this.

### **Payment Terms**

Our payment terms are as follows (unless otherwise agreed by us in writing). New policies require immediate payment on or before the inception date of the policy. Alterations to existing policies require immediate payment on or before the effective date of the change.

Renewal premiums are due in full before the renewal date.

### **Claims handling & notification:**

Frank Pickles (Insurance Brokers) Ltd does not have a delegated authority to pay claims and in the event of a claim acts for the insured. We will assist you in making that claim and pass details onto the insurer.

If you are involved in an accident or have occasion to claim on your policy for any other reason you must notify us immediately using our details given above/below, and we will promptly advise you and, if appropriate, issue you with a claim form and pass all details to your insurer. Alternatively, your policy document may include details on whom to contact and what information is needed in order to make a claim. You should not admit any liability nor agree to any course of action, other than emergency measures carried out to minimise the loss, until you have agreement from your insurer.

### **Cancellation Rights (note: applies only to Retail customers)**

Your insurer gives you the right to cancel the contract within 14 days of

- the day of the conclusion of the contract; or, if later
- the day on which you receive the contractual terms and conditions and information in a durable medium.

### **Complaints Procedure**

If you have a complaint concerning the service you receive from us please write to Malcolm Walsh, Frank Pickles (Insurance Brokers) Ltd, 33/35 Cross Green, Otley, LS21 1HD or by telephone: (01943) 850999.

Complaints we cannot settle may be referred to the Financial Ombudsman Service (FOS), subject to eligibility (see below).

### **Compensation Arrangements**

If you make a valid claim against Frank Pickles (Insurance Brokers) Ltd in respect of the insurance we arrange for you and we are unable to meet our liabilities in full, you may be entitled to redress from the Financial Services Compensation Scheme (FSCS). This depends on the type of business and the circumstances of the claim (see below).

Insurance arranging and advising is covered for 100% of the first £2000 and then 90% of the remainder 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 arrangements is available from the Financial Services Compensation Scheme (FSCS) and the Financial Services Authority.

### **Eligibility for using FOS or FSCS**

All clients who are buying insurance for themselves as a private individual ("Retail" client) and "Commercial" clients, where the business for which they are purchasing insurance has a turnover of less than £1M per year, are eligible to use these two facilities.

Businesses purchasing insurance who have a turnover greater than £1M per year are not eligible to use these services.

**Protection for clients' assets:**

Recent European legislation has set out necessary measures that should be taken by insurance firms to offer adequate protection for clients' assets when the firm is responsible for them. There are two particular approaches, which firms can adopt:

- 1) **The first is to provide by law or contract for a transfer of risk from the insurance intermediary to the insurance provider (often referred to as 'binding authorities' or risk transfer)**
- 2) **The second is that clients' money is transferred to strictly segregated client trust accounts. These client accounts can be written under a statutory or non-statutory trust.**

**Holding Money as an Agent of an Insurer (Risk Transfer)**

When an insurance intermediary such as Frank Pickles (Insurance Brokers) Ltd acts as agent for an insurer (to receive and handle premiums, claims money and premium refunds) the insurer bears the risk for any losses that may arise from the (albeit unlikely) failure of an intermediary to make a transfer of premiums, claims money or premium refunds. Such failure could occur, for example, because it is lost through either party's insolvency. When the insurer bears the risk for such losses, we and the industry, often refer to this as 'Risk transfer'.

Depending on the insurer, Frank Pickles (Insurance Brokers) Ltd may act as their agent for the purpose of:

- receiving and holding premiums (i.e. we have the authority to commit the insurer to risk)

In theory, clients should be adequately protected because money (i.e. premiums) will be treated as being received by the insurer when we actually receive them. Claims money and premium refunds will only be treated as received by you when they are actually paid over to you.

**Client Money Accounts**

When you pay your premium to us, Frank Pickles (Insurance Brokers) Ltd hold it in a non-statutory client money account.

**Consent to use of Non-statutory trust client bank account**

Unlike a statutory trust, a non-statutory trust may be used to make advances of credit, to enable a client's premium obligation to be met before the premium is remitted to Frank Pickles (Insurance Brokers) Ltd. Similarly, it allows claims and premium refunds to be paid to a client before receiving remittance of those monies from the insurer.

An intermediary firm may only operate a non-statutory trust if it can meet certain conditions laid down by the FSA. We can reassure you that Frank Pickles (Insurance Brokers) Ltd meets these conditions and other requirements as set out under the FSA client money rules.

In accepting these terms of business you consent to Frank Pickles (Insurance Brokers) Ltd holding your money in a non-statutory trust client bank account.

**Transfer of retail client money to a third party**

As a retail client your premium may be paid to someone other than your insurer – for instance we may pay your premium to another broker who has arranged the policy. If this is the case we will use appropriate skill, care and judgment in our selection of third parties in order to ensure adequate protection of client money.

**Payment of Interest on Client money Accounts**

On monies pending in the client trust account Frank Pickles (Insurance Brokers) does not expect any interest due to exceed £20 per retail client transaction.

**Data Protection**

So that we may fully understand your circumstances and requirements, Frank Pickles (Insurance Brokers) Ltd will need to collect information about you which we will hold as Data controllers under the Data Protection Act 1998. Frank Pickles (Insurance Brokers) Ltd will use and disclose the information we have about you in the normal course of arranging and administering your insurance.

Our regulator the FSA requires us to keep records of our business transactions for minimum periods of time depending on the transaction type. However, we will not keep records longer than is necessary. Under the

Data Protection Act 1998 (DPA 1998), you or your appointed agent, have a right to inspect computer (and certain manual) records relating to yourself and your transactions through ourselves and where appropriate have it corrected or deleted. All such requests for information must be referred to the Data Protection Officer. As we treat all our clients' records as confidential, we reserve the right to give you copies of your records, where in certain circumstances to release the original would compromise other clients' confidentiality or where access to your data is necessary to protect your privacy. You do not have the right to demand access to data for any other purpose. You agree that Frank Pickles (Insurance Brokers) Ltd may on occasion use your personal details so that we can inform you of other products and services which may be of interest, either by telephone, post, or other appropriate methods. If you do not wish to receive such marketing information and contact from us, simply tell us when you next call, or write to us. Please note that by accepting these Terms of Business you specifically agree to information about you being used or disclosed in the manner described.

Note: If you change your mind, in the future, and decide you **no longer wish to receive marketing information from us, or for us to disclose information about you to other parties for marketing purposes, simply tell us when you next call, or write to us.**

#### **Your consent to these Terms**

By accepting these terms of business we assume that you agree to the terms and conditions advised therein. If we receive payment or a completed direct debit mandate from you and have not received correspondence to the contrary, we will take receipt of the payment, or direct debit mandate as further indication of your agreement to these terms. If you are unhappy with any aspect of these terms of business or wish clarification on any aspect please contact us on 01943 850999 or call in to our office to discuss. These terms of business will come into effect from the date of receipt

#### **Termination of this agreement**

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 may terminate your instructions at any time. We reserve the right to require such termination to be in writing. We may terminate this agreement by giving you a minimum of fourteen days notice. No penalty shall be payable on any termination but we shall be entitled to remuneration for work undertaken prior to such termination. Any such termination shall be subject to completion of any transactions, which are in progress at that time.