

# TERMS OF BUSINESS AGREEMENT

13 September 2013 **Rigton Insurance Services Limited**  
**Chartered Insurance Brokers**

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In transacting your business with Rigton Insurance Services Ltd you are deemed to have accepted our Terms of Business.

## Our service

In arranging insurance for our customers, we act as an Independent Intermediary. Our service includes 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.

## Your Duty to Provide Information

It is your duty to take reasonable care to answer all questions honestly and to the best of your knowledge. If you do not your insurance policy may be cancelled or treated as if it never existed or your claim may be rejected or not paid in full. It is important that all statements you make on proposal forms claim forms and other documents are full and accurate. If a form is completed on your behalf, you should check that the answers shown to any of the questions are true and accurate before signing the document. Failure to provide requested information to your insurers could invalidate your insurance cover and mean that part or all of a claim may not be paid.

## Disclosure of Material Facts (Commercial Customers)

It is your responsibility to provide complete and accurate information to insurers when you take out your insurance policy, throughout the life of your policy and when you renew your insurance. Failure to disclose any material information to your insurers could invalidate your insurance cover and mean that part or all of a claim may not be paid, your policy being invalid or cover not operating fully. If you are in any doubt as to whether information is material, you should disclose it

It is important that you ensure all statements you make on proposal forms, claim forms and other documents are full and accurate. If a form is completed on your behalf, you should check that the answers shown to any questions are true and accurate before signing the document. If you are in any doubt about whether information is material, you should disclose it.

You are reminded that it is an offence under the Road Traffic Act to make any false statements or withhold any relevant information to obtain a Certificate of Motor Insurance.

Please note that under the Rehabilitation of Offenders Act 1974 you are not required to disclose convictions regarded as 'Spent'.

## Confidentiality and data protection

All personal and sensitive information about our customers is treated as private and confidential.

We will use and disclose the information we have about customers in the normal course of arranging and administering their insurances, and will not disclose any information to any other parties without their written consent. Unless we are notified of any changes, we shall assume the personal and sensitive data we hold about our customers is correct, and shall use it to provide quotations when policies fall due for renewal.

In the interests of security and to improve our service, telephone calls you make to us may be monitored and/or recorded.

We may pass information about you to credit reference agencies for the purposes of arranging payments by instalments, and may also pass to them details of your payment record with us.

Under the Data Protection Act 1998, individuals have a right to see personal information about them that we hold in our records. A charge may be made for this service. If you wish to exercise this right, or have any other related queries, you should write to us at the above address.

## Access to records by a regulator or complaints resolution body

We may have to allow access to your records by a regulator or a complaints resolution body, or their appointees or representatives, who have been appointed to undertake monitoring or investigatory activities.

## Motor and home insurance anti-fraud registers

Insurers share information with each other via the Claims and Underwriting Exchange Register, and the Motor Insurance Anti-Fraud and Theft Register, to aid the prevention of fraudulent claims. In the event of a claim, the information you supply on the claim form, together with any other information relating to the claim, will be put on the Registers.

## Motor Insurer Information Centre (MIIC)

Insurers are legally required to provide details of motor insurance policies to the MIIC. The information describing your insurance cover will be added to the Motor Insurance Database (MID), to which the police and other government agencies have access. This helps the pursuance of claims following accidents and assists in the detection of people who drive uninsured.

## Use for marketing purposes

We may use information held about you, to provide you with information about other products and services which we offer, and which we feel may be appropriate to you, by email, telephone, post or other means. You may exercise your right to give notice to stop data being processed for marketing purposes by contacting us at any time. Please contact us on the above telephone number or write to us at the above address.

## Claims

We have no authority to pay claims on behalf of insurers. In the event of an incident occurring which may give rise to a claim under your policy, you should contact ourselves for guidance. In certain circumstances we will advise you to contact the insurer direct using the contact details in your policy document.

When we receive notification of an incident that might give rise to a claim under your policy, we will inform the insurer without delay and, in any event, within 2 working days.

We shall use our best endeavours when acting on your behalf in relation to a claim, to handle all elements of the claim with due care, skill and diligence.

We shall advise you promptly of insurers' requirements concerning claims, including the provision, as soon as possible, of information required to establish the nature and extent of a loss.

If there is any conflict of interest, we shall only handle a claim on your behalf after we have disclosed to you all information you require, to enable you to decide whether to give your informed consent, and you have given that consent for us to handle the claim.

We shall forward any payments received from insurers in respect of any claim, to you, without delay.

We shall notify you of any request for information we receive from your insurers.

## Treating Customers Fairly

Rigton Insurance Services Ltd has a documented policy of "Treating Customers Fairly" that requires us to ensure that:

1. Customers should clearly understand the nature of the services we provide
2. Customers must clearly understand the risks of the covers placed
3. We must communicate in an open, transparent and easily understandable fashion and have a clear understanding of the customers demands and needs
4. We must be clear regarding the suitability of our recommendations to customers
5. We will not provide services that we are not properly equipped or are unable to deliver
6. Our complaint procedures must be documented, impartial, and available to the customer

## Complaints

It is our intention to provide you with a high level of customer service at all times. If there are occasions when we do not meet these standards, please contact the member of staff you were dealing with, either verbally or in writing. They will take details of your concerns and we shall then acknowledge in writing, advising you of who is dealing with the matter. A copy of our full Complaints Handling Procedures is available on request.

If you cannot settle your complaint with us you may be entitled to refer it to the Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London E14 9SR. Consumer helpline 0845 080 1800.

## The Financial Services Compensation Scheme (FSCS)

We are covered by the 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.

## Cancellation rights (the mediation contract)

The Mediation Contract is the agreement between you and us for the insurance mediation services that we provide to you in respect of your insurance requirements.

Once you have entered into the Mediation Contract with us, you are entitled to a period of reflection during which you may decide whether to proceed with the purchase of the Mediation Contract. The duration of this cancellation period is 14 days and commences from either:  
\* the day of conclusion of the Mediation Contract; or

\* the day on which you receive the full terms of the Mediation Contract detailing the full contractual terms, conditions and information of the contract; whichever is later.

To cancel this Mediation Contract within the cancellation period, please write to us at the above address. If you do cancel this Mediation Contract within the cancellation period, you may be charged a proportion of any of our fees that we have incurred.

This Mediation Contract can be cancelled at any time by either party in writing by giving 14 days notice. If you wish to give notice of cancellation, please write to us at the above address. If we wish to cancel this Mediation Contract we shall write to you at the last known address we have for you on our records.

If you decide to cancel the Mediation Contract with us at any time other than during the cancellation period, we will retain in full any commission earned or fees that you have paid. These cancellation rights are applicable only to those of our clients that we classify as Consumer Customers and not to those classified as Commercial Customers.

### **Premiums and financial aspects**

In order to be able to offer you credit facilities, we are registered under the Consumer Credit Act and our Licence Number is 327521.

We accept payment by cash, guaranteed cheque and debit card. We also accept payment by credit card where we make an administration charge of 3%.

You may be able to spread your payments through insurers' instalment schemes, a credit scheme with a third party finance provider, or a facility we have arranged ourselves. We shall give you full information about your payment options when we discuss your insurance in detail.

We may keep certain documents, such as your insurance policy documents or Certificate, while we are waiting for full payment of premiums. In these circumstances, we shall ensure that you receive full details of your insurance cover and will provide you with any documents that you are required to have by law.

### **Risk Transfer**

Premiums that we collect from you are held in an insurance broking bank account specifically used for the purpose of holding client premiums. By virtue of agreements we hold with each insurance company, we collect premiums as their agent. Therefore, once we have collected premiums from you, under the terms of our agreements with insurance companies, those premiums are treated as having been paid to them. We will remit the premiums to insurers, after deduction of our commission, in accordance with the terms of our agreements with insurers.

Insofar as those insurances we place via other intermediaries are concerned in most cases the principle of Risk Transfer applies. However this is not so in every case as this depends upon the secondary intermediary's agreement with the insurer with whom the business is placed. However in all cases the premiums we collect from you are held in an insurance broking bank account specifically used for the purpose of holding client premiums. Such premiums are placed in a Statutory Trust as explained below.

### **Client Money Segregation (Statutory Trust)**

Premiums that we collect from you will be segregated into and held in a Client Money Bank Account. The client money will be held by us as trustee on your behalf. The Client Money Bank Account is set up as a trust governed by FCA rules. This means that once the client money is segregated into the Client Money Bank Account, it falls into our legal ownership but remains in the beneficial ownership of customers whose premiums are deposited in the Account. If we become insolvent, the terms of the trust dictate that customers will have a prior claim on the client money in the Account according to their respective interests in the client money. The costs relating to the distribution of client money may have to be borne by the trust.

### **Return premiums**

Return premiums usually arise if an insurance risk is reduced or a policy cancelled. On a return premium, we repay commission on the amount to your insurer and this will be deducted from the final amount due to you.

In view of the costs involved, we shall not issue any return premium that is less than £25 (after deducting reclaimed commission). An amount of between £25 and £100 will be held to your credit and can be utilised against any future insurance policy with us. If a policy is cancelled, we shall refund any return premium due (after deduction of the commission and our charge).

### **Quotations**

All quotations are valid for a period of 30 days and are subject to change in respect of the amount of premium indicated, and/or the terms and conditions that are applied.

### **Policy terms, conditions and warranties**

You should read through all policy terms, conditions and warranties shown on your policy documentation. Please ensure you understand them and are able to follow their requirements exactly. If not, please advise us immediately, as a 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 your policy.

### **Renewal premiums paid by instalments**

In good time before the renewal of your policy, we shall contact you with the renewal premium and terms for the coming year.

If you have not contacted us before the renewal date, we shall renew the policy automatically on your behalf. If you do not wish to renew the policy, please let us know as soon as possible. We should also advise you to cancel your direct debiting instruction with your bank prior to renewal date.

If it is your intention to renew the policy, no action is required by you, and the policy will renew automatically. We shall send your new certificate of insurance to you.

Please bear in mind that if you receive a note of your renewal premium direct from an insurer this does not necessarily mean that we are recommending that insurer for renewal, as many such invitations are issued by the insurer automatically. If you are unhappy about the figure they put forward please let us know. We will in any event put our recommendations forward to you.

### **Disclosure of commission**

If you would like to know the amount of commission that we are paid in respect of your insurance contract, this information is available on request provided you are not classified as a Consumer Customer.

### **Earning interest on customer premiums**

We hold premiums that you pay to us in a Client Money Bank Account. Under FCA Regulations if you are classified as a Consumer customer we have to inform you that we may earn interest from the money held in our Client Money Bank Account which may exceed £20 for any one transaction that you make with us. Our policy for the payment of interest is that such interest is earned and retained by ourselves. By accepting these Terms of Business, you are giving your consent for us to act in the manner described in this Section.

### **Customer money passed to another person**

In accordance with FCA Regulations we have to inform you that in managing and/or arranging your insurance requirements, we may transfer money that you have paid us, in payment of an insurance premium, to another insurance intermediary.

### **Customer money passed to another person outside the UK**

In managing and/or arranging your insurance requirements, we may transfer money that you have paid us, in payment of an insurance premium, to another insurance intermediary operating outside of the United Kingdom.

Unless you notify us that you do not wish your premiums to be transferred in the manner outlined in this Section, by accepting these Terms of Business, you are giving your consent for us to act in the manner described in this Section. We have a duty under FCA Regulations to inform you that the regulatory regime applying to the insurance intermediary may differ from that in the United Kingdom; and consequently if the insurance intermediary fails, the premium may be treated in a different manner from that which would apply if the premium was held by an insurance intermediary in the United Kingdom.

### **Governing law**

This Agreement shall be governed by the laws of England and Wales and the parties agree herewith that any dispute arising out of it shall be subject to the exclusive jurisdiction of the English Courts.

### **Other taxes or costs**

Other taxes or costs, or both, may exist in relation to the products and services offered by us which are not paid through, nor imposed, by us.

### **Commission withdrawal**

We receive commission from the premiums that you pay to us. We shall only withdraw commission after we have received the premium from you, and in accordance with FCA regulations and agreements that we hold with insurers.

Rigton Insurance Services Ltd Authorised and Regulated by the Financial Conduct Authority. Our FCA Register number is 118666, this can be checked on the Financial Services Register by visiting the FCA website [www.fca.gov.uk/register](http://www.fca.gov.uk/register) or by contacting the FCA on 08001116768