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TERMS OF BUSINESS AND PRACTICES

CONSUMER

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The purpose of this document is to set out the basis of the way in which we conduct our business for our consumer clients. What follows is a summary of the principles and practices which govern the way we operate. By asking us to quote for, arrange or handle your insurances, you are providing your informed agreement to these terms of business.

Cheshire Insurance Brokers a trading name of Specialist Risk Insurance Solutions Limited is authorised and regulated by the Financial Conduct Authority (FCA). This can be checked on the FCA register at <https://register.fca.org.uk/> or telephone 0800 111 6768.

Please read this document carefully. It provides you with information about the basis on which we agree to act for you in arranging insurance on your behalf. We specifically draw your attention to the sections on handling your money and in particular the treatment of interest or other investment income earned on client money and the payment of client money to third parties. Please contact us immediately if there is anything in these terms of business that you do not understand or with which you disagree as proceeding with a quotation or renewal will be taken as your acceptance of these terms of business.

The principles of utmost good faith and integrity have been enshrined within the London insurance market for over 300 years. These same principles form the basis of our business culture.

Our service

We are an insurance intermediary and the permissions granted to us by the FCA allow us to deal with non-investment insurance contracts. We deal with both advised and non-advised sales. We shall let you know in writing if we arrange insurance for you but do not offer advice. We aim to treat our customers fairly at all times. In providing our service, we may sometimes act as an agent of the insurer. We will inform you if this situation arises.

If you are unsure about any aspect of our terms of business or have any questions regarding our relationship with you, please contact us.

Insurers

Following an analysis of the market, we use a limited number of insurers who are best suited to our requirements. We are not obliged to conduct business in this manner, but do so in the best interests of our clients. You may ask us for a list of the insurers we deal with.

Whilst we are unable to guarantee the solvency of any insurer, stringent checks are made on all markets used.

Documentation

We will confirm in writing details of all covers effected including the identity of the insurer. Our aim is to provide all correspondence in a simple and understandable format. It is important that you read all insurance documents issued to you and ensure that you are aware of the cover, limits and other terms that apply. Particular attention must be paid to any warranties and conditions as failure to comply with them could invalidate your policy and claims may not be paid. In the event of any remaining areas of uncertainty, please contact us. Our staff are always happy to clarify the cover provided. We want to make it easy for you to do business with us. We monitor to ensure prompt production of policy documentation by insurers.

We recommend that you retain all paperwork relevant to your insurances, as this may be useful for future reference.

Payment

We will provide you with a quotation before your insurance arrangements are concluded. This will tell you the total price to be paid and identifies any fees, taxes and charges separately from the premium. We will provide you with a debit note detailing the amounts due and the terms of payment. Some insurers include terms of settlement on certain contracts; others require that the premium be paid within certain strict guidelines. This is a condition of the policy and must be complied with to ensure that payment schedules are met in full. Failure to meet deadlines can lead to a policy being cancelled and render the contract void.

Statement of account

It is our practice to send a statement to our clients on a regular basis with details of debit and credit notes included. All balances must be settled within the terms of credit. In the event of any uncertainty with regard to any item, please notify us as soon as possible to allow such matters to be resolved.

Handling money

How do we handle your money?

In our role as an intermediary between you and your insurers we may hold money:

- paid by you to be passed on to insurers
- paid to us by your insurers, to be passed on to you
- paid by you to us for our services, but which we have not yet reconciled.

For your protection, the way that we handle your money is designed to protect your interests in the event of our financial failure.

Insurer money (money we hold as agent of an insurer):

Where we have an agreement with your insurer to hold money as their agent, any premiums you pay to us are treated as having been received by the insurer as soon as they are received by us. Claims payments and/or premium refunds are treated as received by you when they are actually paid to you. Where we receive monies as agent of your insurer, we can only deal with that money in accordance with the instructions of the insurer. This means that, for example, if you want us to return such monies to you, we can only do so with the agreement of the insurer.

Client money (money we hold as your agent in the UK):

Where we do not have an agreement with your insurer to hold money as their agent, we will hold premiums you pay to us as your agent. Money we receive from your insurer which is payable to you will be your property whilst we hold it. We may also hold money as your agent where you have paid this to us in respect of our fee for a service, until such time as we have reconciled the payment against the relevant service. Money we hold as your agent is referred to as "Client Money". FCA rules require us to keep Client Money separate from our own money. We hold Client Money with an approved bank, segregated in a client account subject to a Statutory Trust ("ST"). The aim of the ST is to protect you in the event of our financial failure. Please tell us if you do not wish us to hold any money for you in a particular jurisdiction. Any interest earned on Client Money held by us will be retained by us for our own use, rather than paid to you.

Holding both insurer and client money:

We may hold both Insurer and Client Money together in the ST. When this happens, your interests as our client will continue to be protected.

Payment to third parties:

We may transfer Client Money to another person, such as another broker or settlement agent, for the purpose of carrying out a transaction on your behalf through that person. This may include brokers and settlement agents outside the UK. The legal and regulatory regime applying to a broker or settlement agent outside the UK may be different from that of the UK. This means that, in the event of a failure of the broker or settlement agent, this money may be treated in a different manner from that which would apply if the money were held by a broker or settlement agent in the UK. You may notify us if you do not wish us to pass your money to a person in a particular jurisdiction.

Investments:

We may invest cash held in the client bank account in accordance with the Client Money Rules. If we do this we will be responsible for meeting any shortfall in the value of the investments held at the time of realising such investments.

Payment to third parties

We may transfer client money to another person, such as another broker or settlement agent, for the purpose of effecting a transaction on your behalf. Where a broker or settlement agent is outside the UK, the legal and regulatory regime applying to the broker or settlement agent will be different from that of the UK and, in the event of a failure of the broker or settlement agent, the client money may be treated differently than if the client money were held by a broker or settlement agent in the UK. You may notify us that you do not wish your money to be passed to a person in a particular jurisdiction.

Remuneration and other earnings

We receive remuneration for our services by receiving a percentage of the insurance premium by way of commission or brokerage. Alternatively, an agreed administration fee for placing and /or administering the insurance may be charged or in some instances a combination of a fee and brokerage. Our commission will be deducted upon receipt of the premium from you (unless your insurer indicates to the contrary) and consistent with market practice this will be before we pay the money to insurers.

We may earn income in a number of other ways. Some insurers may provide efficiency fees or production over-riders periodically to reflect the benefit of receiving large amounts of business from a single source that has been handled promptly and efficiently to the insurer or where we have provided specific services to the insurer relating to business development activities, product, industry sector or financial analysis. Occasionally certain insurers may pay a commission to us to reflect the profitability of our account with them. We may also earn interest in the processing and collection of premiums and the recovery of claims. Any interest or other investment income earned on client money held by us will be retained by us for our own use rather than paid to you. On request we will be pleased to provide information about any remuneration and other earnings received by us in the handling of your insurances.

Where we arrange premium finance on your behalf we may be remunerated for our assistance in putting this financing in place. We can provide details of our remuneration on request. Our preferred provider of premium finance is Close Brothers Limited (trading as Close Brothers Premium Finance). However, whilst we may recommend a provider to you, you remain free to make your own choice of premium finance provider and insurer's own credit facilities may be available.

Cancellation of your insurance, the 'cooling-off' period and refunds

Your insurance contract may include a cancellation clause. The terms of your policy may allow insurers to retain the premium in full or in part in the event of cancellation before the policy expires. In the event of a refund of premium due to cancellation or otherwise when our remuneration has been earned, our brokerage or fees will not normally be returnable but are always in line with our remuneration policy detailed above.

You are also entitled to a statutory 'cooling-off' period which ends 14 days after you receive your policy documents. This gives you the opportunity to reconsider whether or not this policy is right for you and whether or not it fulfils your insurance needs. During this time you can cancel the policy by giving us written notice. You will be charged by the insurer for the period of time you have been insured, but if you have already paid the full annual premium, you will be entitled to a refund of this amount less the charge for the time when the policy was in force. If you make a claim within the 'cooling-off' period, your insurer may refuse a refund. The statutory right to cancel does not apply to a short term policy of less than on- month's duration. If you do not exercise this right to cancel, you will still retain the ability to cancel your insurance in accordance with the insurer's cancellation provision.

We would also draw your attention to the section headed 'Ending your relationship with us', which you will find towards the end of the document.

Conflict of interests

Occasions can arise where we, one of our associated companies, clients, or insurers, may have a potential conflict of interest with business being transacted for you. If this happens, and we become aware that a potential conflict exists, we will advise you of the potential conflict and explain how it has arisen. We will also take appropriate action to avoid any detriment to you. This may, for example, involve the creation of "ethical barriers", where we act for you and another party in the same transaction, in order to restrict access to your information to those acting on your behalf.

Introductions

We may enter into agreements for the introduction of business to the company. The agreements provide for the remuneration of such introducers.

Confidentiality and data protection

This is a summary of how we use relevant information about you to arrange and administer your insurance. This information includes details such as your name, address and contact details and other information that we collect about you in connection with arranging and administering your insurance. This information may also include more sensitive details such as information about your health and any criminal convictions you may have and other sensitive information. Our full privacy statement can be found on our website www.srinsurancesolutions.co.uk, or can be provided on request. You should review our privacy statement to ensure that you understand how we use data and your rights in respect of that data.

We will process any personal information we obtain in the course of providing our services in accordance with Data Protection Law and we have policies and procedures in place to protect and manage that information. We treat all information provided by our clients as private and confidential and we will always work to ensure that personal data is processed lawfully, fairly and in a transparent manner and in compliance with Data Protection Law. This may require us to enter into other written agreements with you to enable us to comply with Data Protection Law.

Personal data that we collect will only be disclosed in the normal course of negotiating insurance transactions undertaken on behalf of our clients and administering insurance. We will however need to use and disclose information provided by our clients which may include personal and sensitive personal data in order to obtain insurance quotations and in the course of arranging, placing or administering insurance. This may involve passing information on to insurer(s), other intermediaries and other product or service providers which supply us with business and compliance support in relation to such insurance. We may also need to pass such information on to industry regulators, auditors or in the event that the information is requested by a court of competent jurisdiction. The use and disclosure of your personal data by various insurance market participants such as intermediaries, insurers and reinsurers is further explained in The Lloyd's and London Insurance Market Core Information Notice. Our core uses and disclosures are consistent with this notice and we recommend that you review this document which can be accessed via the link in our privacy notice.

Depending on the circumstances or nature of the insurance we may need to transfer personal data out of the jurisdiction of the European Economic Area. If this is necessary we will always ensure that your data is protected as required by Data Protection Law.

We may use your data for research, statistical analysis and crime prevention including the investigation of fraud. Sometimes we will also contact you or pass your details to other companies associated with us in order to promote products or services which may be of interest to you. We will only do this however in accordance with our obligations under Data Protection Law.

In some circumstances, we will need to pass information about you on to credit reference agencies and premium finance providers in connection with the assessment of your financial standing generally and in particular where you have requested a premium instalment plan. This may include details of your payment record to us.

Where using personal data relies on your consent, we will obtain that consent or ensure that the consent is obtained from you in accordance with Data Protection Law. Where this is the case, you will be entitled to withdraw that consent. That may mean however that we are unable to arrange, place or administer your insurance properly.

In some cases you will have the right to ask us to stop using your personal data, to tell us that you no longer want to receive information from us, to ask us to correct information we have about you or to ask us for the information we hold about you. Full details of your rights under Data Protection Law and how to enforce those rights are set out in our privacy statement on our website.

If at any time you want us, or any company associated with us, to cease processing any personal data or sensitive personal data we hold about you, or to cease contacting you about products and services, you should write to our Compliance Officer.

“Data Protection Law” means all applicable statutes and regulations in any jurisdiction pertaining to the processing of Personal Data, including but not limited to the privacy and security of Personal Data.

Premium payment agreement

You may be offered the opportunity to pay premiums by instalments by bank transfer. Once established we are not permitted to change any schedule unless previously advised in writing. All premiums notified as part of an instalment plan must be completed as per the contract. Any failure to meet the financial requirements can prejudice the contract and render it voidable.

Claims

To assist us to process any claim made by you it is vital that you notify us promptly when an incident, which may give rise to a claim, occurs. Delays may prejudice negotiations and entitle the insurer to repudiate the claim. In the event of uncertainty, the incident should always be reported. For assistance and advice please contact our Claims Manager.

At the conclusion of any claim we will issue confirmation notices to you detailing the settlement sum and any excess deducted. Should this amount appear on any statement of account in lieu of payment we will endeavour to settle this without delay. Any credit should not be taken until it is shown on the statement of account.

Complaints

In the event that our service does not meet your expectations, we ask you to make a complaint to us by contacting our Compliance Officer, either by telephone or in writing. We will acknowledge your complaint promptly, explain how we will handle it, and tell you what you need to do. We will keep you informed of the progress of your complaint.

We will handle your complaint fairly and, as part of our quality procedures, we will use it to maintain and improve our client service.

Should you remain dissatisfied with our handling of your complaint, or its outcome, you may have the right to refer the matter to the Financial Ombudsman Service (FOS). We enclose documentation detailing our Complaints Procedure.

Financial Services Compensation Scheme

We are a member of the Financial Services Compensation Scheme (FSCS) which means you may be entitled to compensation from the scheme if we cannot meet our obligations, depending on the circumstances of the claim. Compulsory classes of insurance, insurance advising and arranging is covered for 100% of any claim, without upper limit. For other classes, coverage is 90% of any claim without upper limit. Further information about the compensation scheme arrangements is available from the FSCS at <https://www.fscs.org.uk>.

Your duty of care

Your insurance is based upon the information provided to the insurer and this means that you must take reasonable care to answer all questions fully and accurately. In other words, all information provided to the insurer must be complete and accurate and all questions answered honestly and to the best of your knowledge. Failure to provide accurate and up to date information may invalidate your insurance cover and mean that a claim may not be paid. A failure to comply with a request to confirm or clarify information previously provided is also capable of being a misrepresentation and could invalidate your insurance cover. Once cover has been arranged, you should notify us of any changes to the information that has been provided to your insurers as soon as possible as your policy may include a requirement to do so and failure to notify such information may invalidate your insurance.

Third Party (Rights Against Insurers) Act 2010

Where an insured becomes insolvent and has incurred a liability to a third party, the third party may be entitled under the Third Party (Rights Against Insurers) Act 2010 ('the Act') to make a claim against the relevant insurer directly. Pursuant to this right the third party will be entitled under the Act to obtain policy information from any party it believes holds that information including the insured's broker. That party has twenty-eight days in which to comply with the request for information. Where we receive a request under the terms of the Act we will contact you and discuss the request before releasing any information. If we are unable to make contact with you we will not be in breach of our duty of confidentiality to you by releasing information in response to such request, even where it transpires that you are not insolvent, nor have you incurred a liability to the third party, provided we have made reasonable efforts to establish the facts.

Ending your relationship with us

Subject to your immediate settlement of any outstanding premiums and fees, you may instruct us to stop acting for you and we will not impose a penalty. Your instructions must be given in writing and will take effect from the date of receipt.

In circumstances where we feel we cannot continue providing services to you, we will give you a minimum of 7 days notice.

Unless otherwise agreed in writing, if our relationship ends, any transactions previously initiated will be completed according to these terms of business. You will be liable to pay for any transactions concluded prior to the end of our relationship and we will be entitled to retain commission received for conducting these transactions, together with all fees charged by us for services provided.

SRG A Specialist Risk
Group Company

Cheshire Insurance Brokers is a trading name of Specialist Risk Insurance Solutions Limited. Specialist Risk Insurance Solutions Limited is authorised and regulated by the Financial Conduct Authority (FRN: 473138). Registered Address: 6th Floor, One America Square, 17 Crosswall, London EC3N 2LB. Registered in England and Wales (Company No: 06368755).

(Please note the trading name is subject to approval.)

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