

## Terms of Business

### **Accepting our Terms of Business**

Please read this document carefully as it sets out the terms on which we agree to act for our clients and contains details of our regulatory and statutory responsibilities. Please contact us immediately if there is anything in these terms of business which you do not understand or with which you disagree.

### **Status as an Independent Intermediary and regulatory authorisation**

Merenda & Co Ltd is authorised and regulated by the Financial Conduct Authority. Our FCA Register number is 477705. You may check this on the FCA's register by visiting FCA website, [www.fca.org.uk/register](http://www.fca.org.uk/register) or by contacting the FCA on 0800 111 6768.

### **Permissions**

We are permitted to arrange, advise on, deal as an agent of insurers, assist in claims handling, help with ongoing changes, introduce to an insurer/premium finance provider(s) and arrange lending facilities in respect of general insurance policies on behalf of our clients.

### **Our service**

We have access to leading insurers and often select your insurance product from a wide range of insurers, however there are times when we use a select panel of insurers/finance providers (please ask us if you would like a list of these insurers) or even a single insurer/finance provider. We will always advise you of our selection range prior to you committing to purchase an insurance policy. In certain circumstances we will use the services of another intermediary to place your insurance and in these circumstances we will always advise you of the name of that intermediary.

Upon assessment of your requirements, we will make a recommendation for a particular insurance product. Our advice will be confirmed in a Demands & Needs Statement which will clearly state the reasons for our recommendation. In some circumstances we may not provide you with advice, for example:

- if we renew your insurance cover with your existing insurers without re-broking your insurance and where no recommendation or opinion on the product's suitability has been provided; and/or
- if we simply provide you with information on a product.

If we do not provide you with advice we will always make this clear to you in our documentation.

### **Complaints and compensation**

Our aim is to provide all of our clients with an excellent level of service. However we recognise that there may be an occasion, when you do not feel satisfied with the service you have received from us. We take complaints very seriously and with this in mind we have developed a Customer Complaints Procedure which lets you know how you can get in touch with us and how we will deal with your complaint or issue.

Should you need to make a complaint, please contact our Complaints Manager using any of the following methods:

- In person
- In writing – Merenda & Co Ltd., 34 Ness Road, Shoeburyness, Essex SS3 9DF
- By telephone – 01702 292606
- By email – [colin@merenda.co.uk](mailto:colin@merenda.co.uk)
- Via Website

We will endeavour to resolve your complaint by the close of business of the next business day. However, if this is not achievable, you can be assured that we will deal with your complaint promptly and fairly, in line with our formal complaint handling procedures a copy of which you will receive on receipt of your complaint.

We are covered by the FCA Compensation Scheme (FSCS) for insurance mediation only; this does not extend to consumer credit lending i.e. credit broking/lending. The FSCS is the UK's compensation fund of last resort for clients of authorised financial services firms. You may be entitled to compensation from the FSCS if we cannot meet our obligations. This depends on the type of business and circumstances of the claim.

Insurance advising and arranging is covered for 90% of the claim with no upper limit, although compulsory insurance is protected in full. Further details regarding the FSCS can be obtained from its website [www.fscs.org.uk](http://www.fscs.org.uk).

We do not guarantee the solvency of any insurer we place business with.

### **How and when to make payments**

You must provide the premium due in cleared funds in accordance with the amounts and payments dates specified in our letter/invoice. Failure to meet the payment date may lead to insurers cancelling your policy.

We normally accept payments by cash (subject to a limit), cheque, debit card, credit card or by bank transfer.

It is sometimes possible to spread payments through an insurer's instalment scheme or a credit facility that we have arranged with our preferred premium finance provider. However acceptance will be subject to a credit check. If you choose to pay for your insurance premium through our selected premium finance provider we will provide you with a breakdown of costs of your monthly instalments and a document outlining key features of the credit agreement. **Please note that cover will cease if you fail to keep up payments under a credit agreement.**

### **Fees & Charges**

We reserve the right, at our discretion, to make an administration charge. These are as follows: New business, mid-term adjustments, lost documents, temporary change, renewals - £20. These are non-refundable. The minimum fee for commercial business is £30 or as agreed. Additionally on cancellation, we will not refund any commission applicable to your policy. Copies of personal data we hold about you - £10 per request. These fees may be subject to change and where this is the case you will always be advised of the actual fee in writing and before you make your decision to purchase insurance from us.

Where we arrange cover which is subject to no commission or a low commission payment from insurers, we will charge an arrangement fee. We will always advise you of the actual amount when we are providing you with a new or renewal quotation. We usually receive a commission from an insurer when placing your business and from a finance company when arranging finance for you. We occasionally receive additional remuneration from insurers, finance providers and other associated business partners for business we place with them. Please feel free to ask us for any further information.

### **Insurer Monies Trust Account**

We hold all client money as agent of the insurer which means that upon receipt of your premium by us, it is deemed as having been received by the insurer. We hold your monies in an insurer monies trust account with an approved bank under a non-statutory trust arrangement in accordance with Financial Conduct Authority rules.

This means that we are entitled to and may use client money held on behalf of one client to pay another client's premium before the premium is received from that other client, and to pay claims and premium refunds to another client before we receive payment from the insurer. However, we are not entitled to use client money to pay commissions to our company before we receive the relevant premium from the client. It is our policy to retain any interest that may be earned on monies held in our insurer monies trust account.

### **Cancellation of insurances**

Your policy document will provide you with specific information on your full rights to cancel your insurance. A personal policy which lasts for more than one calendar month offers you the facility to cancel the cover (providing there have been no claims) within 14 days from the policy start date or the date when you receive the full policy documentation from us or your insurers, whichever occurs later. You will be entitled to a refund of premium less our administration charge and a charge by your insurer for the time your insurance cover was in place.

Please contact us in writing or by e-mail should you want to exercise your right to cancel. Your certificate of insurance must be returned to us or to your insurer before your policy can be cancelled. A fee will be charged in accordance with our Fees & Charges above.

### **Refund Procedures (outside of cancellation rights)**

Where you cancel your personal insurance outside of the 14 day cancellation period or where you cancel your commercial policy at any time, we reserve the right to charge for our time in providing you with advice and for the administration costs involved. This results in us retaining our original commission and fees. For some insurance contracts, insurers will not provide refunds for mid term cancellation of cover. We will advise you of this if it affects you. Taking into account the administration costs when amending your policy, we do not provide refund payments of less than £50.

### **Termination of Agreement**

Our agreement may be terminated by either one of us giving 7 days notice in writing to the other. You will be liable to pay for any outstanding transactions or adjustments prior to termination without any penalty fee as long as these are settled immediately on termination. We will be entitled to retain any fees or commission payable in relation to business transacted prior to date of the termination.

### **Consumer – Information we need to know**

Your policy document will state your customer classification. You must take reasonable care to provide complete, accurate and honest answers to the questions we ask when you take out, make changes to, and renew your policy. Please also tell us if there are any changes to the information set out in the Statement of Fact, certificate of insurance (if applicable) or on your schedule.

If any of the information provided by you changes after you purchase or renew your policy and during the period of your policy please provide us with details.

If any of the information provided by you is not complete and accurate:

- your insurer may cancel your policy and treat it as if it never existed; or
- your insurer may refuse to pay any claim, or
- your insurer may not pay any claim in full, or
- your insurer may revise the premium and/or change the compulsory excess, or
- the extent of the cover may be affected.

In respect of motor policies, it is an offence under the Road Traffic Acts to provide incomplete or inaccurate information to the questions asked in your application for the purpose of obtaining a certificate of motor insurance. Insurers recommend you keep a record (including copies of letters) of all information provided to them or us for your future reference. A copy of the completed application form (if applicable) will be supplied on request within a period of three months after its completion.

### **Commercial Clients' Duty of Disclosure**

It is your responsibility throughout the lifetime of a policy and at renewal, to provide us and your insurers with complete and accurate information. You should check details on any forms that have been completed on your behalf to ensure they are correct. All material facts should be disclosed, relating to the insurance cover we arrange for you. Material facts are those which are likely to affect both the assessment and acceptance of risks being insured. If you are unsure whether a fact is material, you should disclose it. Failure to provide full and accurate information may invalidate your cover, thus any future claim may be declined. If you are in any doubt as to what may constitute a material fact then please do not hesitate to ask us.

### **Confidentiality of Information**

To help make sure you receive a competitive quotation, offer of appropriate payment options, protection against fraud and to verify your identity, insurers may use publicly available data which they obtain from a variety of sources, including a credit reference agency and other external organisations. Their search will appear on your credit report whether or not your application proceeds.

All information on our records relating to you will be treated as private & confidential and will only be disclosed to others such as our business partners, insurers, credit providers and other third parties who are directly involved in the normal course of arranging and administering your insurance.

We may use the data we hold about you to provide you with information of products & services we consider may be appropriate. Please notify us in writing if you do not want to receive such information.

Under the Data Protection Act 1998, you have the right to ask us for a copy of any personal information about yourself that we hold on our records. Please contact us if you require any more information.

### **Phone Calls & Confidentiality**

Please be aware that phone calls may be monitored for training and compliance purposes.

### **Renewal of Contract**

We write to you in good time before your renewal date, offering you renewal terms or in situations where we are not inviting renewal, we will advise you. Renewal of the contract is based on the information you supplied when we arranged your current contract along with any amendments you have made during the period of cover. **It is vital that you advise us of any changes to your requirements.** Where we offer you renewal terms and your insurance premium is paid by monthly direct debit instalments, in the absence of a response from you we will deem this as your consent to renew the contract automatically. This will ensure that you are not in a position without insurance cover.

### **Notification of Claims or Incidents**

Many insurers provide a 24 hour helpline in respect of claims. Please consult your policy documentation for contact details. Please ensure you report all incidents that could give rise to a claim as soon as you become aware of them either by contacting your insurer or ourselves. In some circumstances late notification can result in a claim being rejected. If you receive any correspondence from a third party in relation to your claim, please pass it to us or your insurer immediately and unanswered. If you require any assistance regarding a claim or incident, please do not hesitate to contact us.

### **Conflicts of Interest**

Our company ethics and culture towards customer services means that we never deliberately put ourselves in a position where our interests' or our duty to another party prevents us from discharging our duty to you. Where we become aware of any actual or potential conflict of interest we will inform you of the situation, the options available to you and we will ask for your consent to proceed.

### **Bribery & Corruption**

Our company culture and ethics mean that we do not bribe or use any other means to improperly influence the decisions of clients, potential clients or government officials. Our business is structured with appropriate systems and controls so as to comply with the requirements of the Bribery Act 2010.

### **Law and Jurisdiction**

These terms of business are governed by and construed in accordance with English law. In relation to any legal action or proceedings arising out of or in connection with these terms of business, we both irrevocably submit to the non-exclusive jurisdiction of the English courts.