

## Our Terms of Business - Please Read Carefully

### These terms of business apply unless agreed in writing otherwise

BJK Insurance Brokers is a trading name of Giles Insurance Brokers Ltd, a company authorised and regulated by the Financial Services Authority (FSA), registration number 311786. This can be verified by visiting the FSA's web site <http://www.fsa.gov.uk/register> or by contacting the FSA on 0845 606 1234. We may provide services that are not regulated by the FSA because they do not relate to cover provided by an insurance policy.

In arranging your Insurance we are acting for both yourselves and Insurance Companies. This is evidenced by distinct Terms of Business Agreements with each party.

We are remunerated by Insurers for certain activities which may include:

Prospecting and soliciting new clients, establishing client relationships, understanding the nature of the products we sell, collecting basic information from you (usually in a proposal form) obtaining quotations and placing cover, collecting and submitting paperwork, issuing policy documentation and collecting premiums.

We are remunerated by you for certain activities which may include:

Comparing Insurers products and security, providing risk advice, gathering enhanced data and providing it to Insurers, comparing and negotiating premiums, reporting to you our findings and making recommendations, obtaining instructions from you, establishing and maintaining relationships with Insurers on your behalf, providing advice and assisting in completing proposal forms, checking and issuing policy documentation, checking terms and conditions imposed by Insurers meet your requirements, notifying and providing advice in the event of a claim.

We derive our earnings from a mixture of commission and professional fees, which apply for new business, mid-term adjustments and renewals. 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.

The professional fees will be dependent upon the level of premium, service, administration, complexity, seniority of staff involved, scarcity of supply and operational factors. Professional fees will always be advised to you in advance and will be non refundable in the event of policy cancellation.

We may also benefit from earnings we are able to generate

- i) due to the amount of business placed with certain insurers and the underwriting performance of those insurers that are not identifiable to any specific client or account.
- ii) through management of cash balances held, on behalf of insurers and clients, that are not identifiable to any specific client or account.
- iii) from our relationship with other non insurance companies whether or not identifiable to any specific client or account.

## Our Terms of Business continued

In the absence of any other agreement, non-payment of any premium or non-receipt of forms may be taken as your instruction to cancel cover. Any alterations resulting in a return premium will be payable net of commission. If a policy should be cancelled the net premium less commission, if any, will be returned to you less a £50 cancellation fee for commercial policies or £25 for all other customers. Sometimes there is no return premium, for example, following a claim. The return could be low due to insurer short period scales. For 'minimum and deposit' premium policies there is no return on cancellation. Please check with us before providing cancellation instructions.

We normally accept payment by cheque, credit card or cash. Alternatively you may be able to spread your payments through a credit scheme operated by a premium finance company. We may choose not to use Insurer credit facilities, our decision will depend upon a number of factors including ease of administration for you, interest rates and the ability to provide credit facilities that encompass all your policies, services and fee payments. Delays in payment beyond inception or renewal date in some situations may be interpreted by Insurers as exhibiting the intention not to pay. This may result in all or part of your claim not being paid. To safeguard your interest, payment must be made prior to inception or renewal date unless there is an agreement in writing otherwise. We will give you full information about your payment options when we discuss your insurance in detail. A £25 administration fee will apply if a cheque is not honoured by your bank and for any other type of returned payment.

We will safeguard client money by holding it in a designated statutory trust client account, held with the Clydesdale Bank plc, monitored by a manager responsible for client money transactions and any credit risk arising. With this account, we will not pay out premiums or claims without first having received the monies from our client or the insurer respectively. We may also hold premiums as agent of the insurer. By concluding a contract you confirm that you agree to these arrangements. No interest will be payable to our clients in respect of money held by Giles Insurance Brokers Ltd. We may on occasion transfer client money to third party insurance brokers who place your cover.

May we remind you that you have a duty to disclose all material facts. A material fact is defined as any information that may influence an underwriter's acceptance of a risk. If you are in any doubt whether a fact is material, it **MUST** be disclosed, because failure to do so may invalidate your cover and could mean that part or all of a claim may not be paid. Your duty to disclose is ongoing and does not apply solely at inception or renewal.

We may keep certain documents such as your policy document or certificate while we await full payment of monies due or forms that require to be completed by you. In these circumstances we will ensure that you receive full details of your insurance cover and will provide you with any documents which you are required to have by law.

Whilst we monitor the financial strength of the insurers with whom we place business it should be noted that the claims-paying ability of even the strongest insurers may be affected by adverse business conditions. We cannot therefore, guarantee the solvency of any insurer or underwriter.

## Our Terms of Business continued

We are covered by the 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. The maximum level of compensation you can receive from the Scheme for a claim against an insurance firm depends on the type of insurance policy. FSCS may arrange to transfer your policy to another insurer, provide a new policy or, if these actions are not possible, provide compensation:

- Compulsory insurance, such as third party motor insurance, is covered in full.
- Non-compulsory insurance (such as home insurance): the first £2,000 of a claim or policy is protected in full. Above this threshold, 90% of the rest of the claim or value of unused premiums will be met.
- Long-term insurance (such as pension plans and life assurance): the first £2,000 of a claim is protected in full. Above this amount, the Scheme covers payment to 90% of the value of a policy in liquidation.

Further information about compensation arrangements is available from the FSCS.

We may store your data and provide information to regulatory bodies and other parties, if required. From time to time you may also be contacted about products by us or selected third parties. Should you wish to prevent this, please contact us. Strict confidentiality will of course be maintained.

## Client Feedback

We want our clients to let us know what they think of our service. When we receive praise for a job well done or a suggestion that helps us improve our business processes, we communicate feedback electronically into our business improvement procedures.

We also take complaints very seriously. We recognise that you are our customer, and would welcome any suggestions you may have to improve the service we provide and will deal with any criticisms positively. We have a formal complaints procedure which is available upon request but is summarised below:

- We will acknowledge your complaint within 5 working days of receipt.
- We aim to resolve complaints within 20 working days.
- Once an assessment and full investigation of your concern has been made, we will respond with a decision.
- Most concerns can be resolved quickly but occasionally more detailed enquiries are needed. If this is likely, we will contact you with an update and give you an expected date of response. This will not be beyond 20 working days from when you first made your complaint.

Below are the steps you should take if dissatisfied.

*If your dispute is with the way your insurer has dealt with you:*

You should follow the complaints procedure laid out in your policy document, or contact us and we will explain the procedure to you.

*If your dispute is with the way we have dealt with you, please contact:*

*Stuart Charnock  
Branch Director  
BJK Insurance Brokers  
2<sup>nd</sup> Floor  
Devonshire House  
Riverside Road  
Pottington Business Park  
Barnstaple  
Devon  
EX31 1EY*

You should set out your complaint and make clear how you want the dispute resolved to your satisfaction.

If following our investigation and response to you, you are still not satisfied with the outcome, you may be eligible to contact the Financial Ombudsman Service (FOS). Details will be provided in our response to you.