

## **Terms Of Business**

### **Introduction**

Please read this document carefully. It sets out the terms on which we agree to act for you, our client, and contains details of our regulatory and legal responsibilities. If you are unsure about any aspect of these terms, or if you have any questions about our relationship with you, please contact us immediately. By doing business with us you agree to do so based on the terms of this document unless we both agree otherwise. This document replaces any previous version you may have had.

### **Definitions:**

"Our", "Ourselves "Us", "We" – means Thistle Insurance Services Limited

"You", "Your" – means our customer, or prospective customer

### **1. Regulation**

We are authorised and regulated by the Financial Conduct Authority (FCA) which is the independent watchdog that regulates financial services in the UK.

Our permitted activities as an insurance intermediary include arranging general insurance contracts. Our FCA Firm Reference Number is 310419. These details and our authorised trading names can be checked by visiting the Financial Services Register at website <https://register.fca.org.uk> or by contacting the FCA on 0800 111 6768. Our company is registered in England & Wales under Company Registration Number 00338645. Our Registered Office is Rossington's Business Park, West Carr Road, Retford, Nottinghamshire, DN22 7SW.

We confirm that this document and the terms stated in it shall continue to apply if we change our company name. We will notify you if that happens, and also tell you if our Company Registration Number or FCA Firm Reference Number changes.

### **2. Our Service To You**

We source and arrange products but do not offer advice or make recommendations when arranging your insurance. However, We may ask some questions to narrow down the product offered on which We will provide details, however this does not mean that we are making a recommendation and you will then need to make your own choice about how to proceed.

Our service includes:

- Arranging insurance cover to meet your requirements; and
- Helping you with any ongoing changes you have to make.

We will tell you if we cannot place some, or all, of your insurance needs.

### **3. The Capacity In Which We Are Acting**

We act under an agreement with our Insurers which allows Us to provide a quotation, confirm cover and issue policy documents to you, acting on their behalf. We also deal with the majority of all claims on behalf of the Insurer under a delegated claims handling authority. If this is not the case for your claim, We will inform you.

### **4. How We Make Our Selection**

Before we place your policy(ies), we will tell how widely we have searched the insurance markets available to us. The widest search is called a 'fair and personal analysis' but if we have only been able to carry out a more limited search, we will provide you with a list of the insurers with which we conduct business.

If we have approached or deal with only one insurer for a particular kind of insurance, we will tell you. Unless notified to you, we are not under a contractual obligation to conduct business exclusively with one or more insurance undertakings although on some occasions we may offer cover from only one market.

To assess the insurance product that most suits your needs, we may use another intermediary to help place your business. We will tell you if this is the case.

When you ask us to obtain quotations you should be aware that some of the insurers we approach will carry out credit checks as part of the underwriting process. This means they will review information held by a credit reference agency. Whilst a record of the search will be added to your credit record, we are advised this will not have any detrimental effect on your credit rating or history.

## 5. Disclosure of Information

Your insurance is based upon the information provided to the insurance company.

Consumers:

If you are a 'consumer' (which means you are an individual buying insurance wholly or mainly for purposes unrelated to their trade, business, or profession) you must take reasonable care to answer all questions fully and accurately. Once cover has been arranged, you must tell us immediately of any changes to the information you gave to us. This is so that we can tell your insurers about the changes. If you do not give accurate and up-to-date information to us for your insurers, they may invalidate your insurance cover. Insurers may also refuse to pay any claim you make or may reduce the claim payment to you.

Commercial customers:

If you are not a consumer, then you are a 'commercial customer.' You must present the risk (including information about you, other directors, senior managers, the firm, details of what you want to insure, previous claims and any other information) fairly.

You must disclose this before a new policy is set up, or before an existing policy is renewed. This means that before you tell us to go ahead and arrange your policy(ies), you must disclose to insurers anything that might influence an insurer in:

- fixing the premium;
- setting the terms; or
- determining whether they would take the risk.

If you are uncertain whether anything should be disclosed, you should disclose it.

To identify what must be disclosed, you must carry out a 'reasonable search' before giving us the information to present the risk to insurers. This includes (but is not limited to) consulting with all senior managers in your business.

A senior manager is anyone who plays a significant role in the making of decisions about how your activities are to be managed or organised. A senior manager can be a member of your board of directors or formally in a senior management role, but they do not have to be either of these.

You must also consult with anyone who has particular knowledge about the risk(s) to be insured.

If you deliberately or recklessly (i.e. without care) fail to comply with your obligations to present the risk fairly, insurers may avoid the policy. This means they can retain all premiums and treat the policy as if it never existed. They can keep the premium and refuse to pay any claims. You might also have to repay any claims payments already made.

If you do not present the risk fairly, but this was neither deliberate nor reckless, the Insurers' response will depend upon what would have happened if you had complied with your obligations. There are three possibilities, depending on how severe your failure was:

- a. If insurers would not have provided the policy at all, then they may avoid your policy and treat it as if it never existed. They may refuse to make any claims payments and demand the return of any claims payments already made. However, insurers would have to return any premium payments you had already made.
- b. If insurers would have provided the policy but on a different basis e.g. with a higher excess or lower limit of cover, your policy will remain in force but will be treated as if those different terms applied from the start of the policy. This could result in a claim not being paid at all, or only partially paid.
- c. If insurers would have provided the policy but charged a higher premium, insurers may reduce any claim payment in proportion to the difference in premium. That is, in proportion to the difference between the premium they charged and the premium they would have charged if you had fairly presented the risk. This could result in a significant reduction to the amount of any claim payment under the policy.

All statements and facts you put on any forms or documents should be full, true, and accurate. They must be given after you have made a reasonable search. Where someone completes forms or documents on your behalf, you must check them for accuracy and completeness before signing them. You must always read the declaration and make sure you understand it before you sign.

## 6. Cancellation

If you are a customer acting outside their trade, business, or profession (i.e. a 'consumer') then you usually have the legal right to cancel a policy within 14 days of receiving the full policy terms and conditions. This timescale may vary depending on the type of policy purchased, but the terms will be explained in your policy documents.

Where 14-day cancellation rights apply:

The right of a consumer to cancel does not apply:

- if an incident has occurred within those 14 days, where a claim is or could be made, including by someone else;
- if the policy has completed its purpose (e.g. a total loss claim paid for a car);
- to policies of less than one month in duration, such as a short-term travel insurance (we will tell you in writing if you have cancellation rights for any short-term policy we arrange for you).

You must contact us within the 14-day period where the Right to Cancel applies. The insurer and ourselves may make a proportionate charge for the amount of time we have been on cover and our fees will not be returnable.

### Where 14-day cancellation rights do not apply:

This section applies to:

- consumers who cancel after their 14-day 'Right to Cancel' period; and

And in these situations, please note the following:

- Premium refunds: insurers may only return a proportionate amount of the premium. You may be charged an administration fee to cancel. Our commission and/or fees will not be returnable. Please refer to your policy documents for more details or contact us if you are unsure.

For all policies, if you do not pay your premium by the due date, your cover may be cancelled. This could take place immediately, or your insurers could give you notice of cancellation.

If you pay by instalments, there is the possibility that the amount paid prior to the cancellation date may not cover the overall amount due up to the date of cancellation. In that situation you will remain liable to pay the difference between those amounts.

Minimum Refunds – we will not provide a refund where the refund amount is £10.00 or less.

If you wish to cancel your policy(ies) please contact us.

## **7. Our Earnings**

We receive remuneration in connection with your policy(ies) which will include a commission payment from your Insurer/Product or Service Provider and is calculated as a percentage of the total annual premium (excluding Insurance Premium Tax). The remuneration received will also include, but is not limited to, remuneration from the Insurer/Product or Service Provider based on our overall account with that firm meeting certain criteria at either a Group or individual business level.

Unless we otherwise agree (for example, if we agree a Fee in Lieu of Commission) we will charge fees on the following basis dependent upon the total overall premium level due to ourselves. Fees charged are non-refundable.

We will apply the following fees for arranging and administering your insurance product. These fees are non-refundable.

- Cancellation fee - £25.00 for 12-month policies.
- Admin Fee £15 for new business and renewals.

We do not charge on policies that in our sole opinion are ancillary to the main policies arranged by us. Our fees are non-refundable if you cancel your policy.

Any fee charged will not cover any work we do in relation to insurance policies which have not yet incepted or which we are not yet responsible for administering.

Other companies may be involved in placing your policy (ies). If they charge a fee for those services, we will tell you what those fees are, and they will be included in the price we charge you.

We are entitled to keep all our earnings (i.e. commission and fees) for the full policy period. This will apply even if:

- the contract is terminated for any reason; or
- you choose to appoint another intermediary in our place.

You can ask us at any time for information about our earnings.

## **8. Fees In Lieu Of Commission**

If you are a Commercial Customer, instead of receiving commission from your Insurer(s), we may decide to charge a fee for work undertaken on your behalf, called a "Fee in Lieu" (FIL). The amount will be agreed with you in advance and/or stated in our quotation – and where this happens, we will provide you with a FIL Service Agreement setting out how this operates and which policy(ies) it relates to. We do not normally offer FIL arrangements to consumers.

Where a FIL is agreed with you, we will also receive Insurer Service Brokerage (ISB) from Insurers to fund administrative work that we undertake on their behalf (calculated as a small percentage of your premium).

## **9. Security Of Insurer**

We will endeavour to check the financial security of all insurers by using industry rating agencies information where it is available. However we cannot guarantee the future solvency of any insurer we place business with.

## **10. Documentation**

We will issue policy documentation to you in a timely manner and as soon as reasonably possible.

You must comply with the terms and conditions of your insurance policy. This applies to any terms described as 'warranties' or 'conditions precedent to liability.' If you fail to comply with all terms it could result in your policy being cancelled or claims not being paid.

Your insurance policy may create ongoing duties for you. These are things which you must do or continue to do. For example:

- Your policy may create a duty on you to tell us of any change in circumstance that the insurers may regard as important to the ongoing insurance arrangements. If you are unsure if something is important you should tell us.
- For commercial customers, your policy may create a duty for you to notify vehicle changes as required by the Motor Insurance Database. If you do not notify such changes, Insurers may cancel your policy or refuse to deal with any claims. Also, in respect of the Motor Insurance Database, you may be liable to prosecution for such failures.

We will send you your policy documentation, including your policy wording and certificate (if applicable) once we receive from insurers. If there is a delay, you can ask us to send you a specimen or standard policy.

We strongly advise employers to keep a complete record of their Employers' Liability insurance. This is because some diseases can appear decades after exposure to their cause. This means that former or current employees may decide to make a claim a long time after the period during which they were exposed to the cause of their illness.

When policy documents are issued to you, we strongly advise you to read them carefully. This is because the policy wording, the policy schedule and any certificate of insurance are the basis of the insurance contract you have purchased. If you are in doubt over any of the policy terms and conditions, please seek our advice promptly.

## **11. Terms Of Payment**

You must pay the amount due, in cleared funds, on or before the payment date(s) specified on our invoice (s). If you fail to make payments on time, that may lead to insurers cancelling your policy and/or not paying claims.

If you owe us any amount, we may deduct it from money which we may receive on your behalf from Insurers or other parties (including but not limited to claims monies or premium refunds).

Your premium may be reduced during the policy term - for example, following a reduction in cover or the cancellation of a policy. This may result in Insurers refunding premium, which we will handle in one of three ways;

- a. Where the premium refunded is less than £10, we will retain that refund in full;
- b. Where the premium refunded is more than £10, we will refund you the premium, but net of any commission that the Insurer would otherwise ask us to pay back to them. This is because the majority of our costs are incurred at new business or renewal; and
- c. Where you are a Consumer and have exercised your 14-day cancellation right in clause 7, we will pass on the entirety of any insurer refund to you. You can still cancel your insurance after the expiry of your 14-day cancellation right in clause 7, but if you do, refunds will be determined in accordance with the other provisions of this clause.

This clause should be read together with Clauses 6 and 7 regarding Cancellation and Our Earnings.

## **12. Taxation**

Insurance premiums attract Insurance Premium Tax at the prevailing rate. Engineering inspections and some other services attract VAT at the prevailing rate. Some fees may not have a taxation element at all. If you are VAT registered then the VAT element may be recoverable by you. Insurance Premium Tax is not recoverable.

## **13. Your Instructions**

We will use reasonable effort to act in accordance with your reasonable instructions. If we are not able, or if it is not possible to achieve what you want, then we will tell you. You may instruct us by e-mail, by telephone or during face-to-face meetings. However, you can only rely on us having received your instructions if we have confirmed them in writing. We reserve the right to refuse instructions but, if we do, we will tell you if this is the case.

We use email for most of our written communications. Such communications are not completely secure and may spread harmful viruses. Please tell us if you would prefer us not to use e-mails, and we will use another means of communication with you.

Our office hours are Monday to Friday, 9.00am to 5.00pm. The office is not open for business on statutory ('Bank') holidays. There may be a delay in responding to instructions if they are received outside of office hours. We do not issue receipts or acknowledgements unless specifically requested by you in writing.

## **14. Claims**

In the event of an incident which could give rise to a claim you must tell the insurer as soon as possible. If you do not, an insurer may refuse to deal with your claim or reduce the amount that you receive from them. You must notify insurers of all incidents even if you think you are not liable or at fault.

Your policy(ies) may also be subject to claims notification conditions and/or warranties. If you fail to comply with these, it may mean a claim will not be paid. Therefore in the event of an incident that may give rise to a claim please also refer to your policy wording to check for such conditions or warranties.

Unless we agree otherwise, we will help you to submit your claim to the insurer and obtain settlement from insurers. We do not accept liability for any unpaid claims amounts if an insurer becomes insolvent or delays making settlement.

We may charge you a fee for our claims service when we act as your agent, if we intend to do this, we will discuss this with you

before you incur any liability to pay us. In some claim situations, we may be acting as agent of the insurer, and we will tell you if this is the case.

## **15. Complaints**

We take all complaints seriously. If you are not satisfied with the level of service, you have received from your insurer please follow the complaints procedure set out in your policy documents. If your complaint is about our service, your insurance policy, or a claim, please contact us in any of the following ways:

- in person
- by telephone, email or in writing using the contact information stated on the documentation accompanying this Terms of Business
- by email to [sandacomplaintsteam@pib-insurance.com](mailto:sandacomplaintsteam@pib-insurance.com).

We will promptly acknowledge your complaint in writing, and we aim to investigate your complaint and respond to you within 8 weeks. If we take longer than 8 weeks, or you are not satisfied with the outcome, you may be eligible to contact the Financial Ombudsman Services (FOS). We will give you details in our response of how you can ask FOS to review your complaint.

Please ask us if you would like a copy of our complaint procedures.

## **16. The Financial Services and 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. Insurance advising and arranging is covered for 90% of the claim amount with no 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 scheme arrangements is available from the FSCS and can be found on their website [www.fscs.org.uk](http://www.fscs.org.uk). The FSCS does not apply to the following types of insurance: aircraft, ships, goods in transit, aircraft liability, liability of ships and credit.

## **17. Limitation and/or exclusion of our Liability to you**

If you are categorised by the FCA as a 'consumer' (broadly an individual acting for purposes outside your trade, business, or profession) our liability for losses suffered by you as a direct consequence of any negligent performance of our services shall be limited in all circumstances to £20,000,000 per event. If you are not categorised as a 'consumer' our total liability shall be limited to £5,000,000.

In respect of any other claim arising out of our performance or non-performance of our services our liability shall be limited to the amount of commission and fees which we have received for arranging your insurance during the 12 months prior to such claim arising.

If you feel that the above limits are not sufficient for you or your business, we will be happy to discuss a higher limit of liability. If agreed, this will be set down in writing and form part of these Terms of Business. There may be an additional charge or other terms if we agree to amend this clause, which will be discussed with you prior to any amendment taking place.

## **18. Data Protection**

We are registered with The Information Commissioners Office in the UK and undertake to comply with the Data Protection Act and regulations in all our dealings with your personal data. Your personal information will be kept secure.

Our latest privacy policy is always available on our website at <https://www.thistleinsurance.co.uk/privacy-policy>. It explains how we use and look after your personal data, who we share it with, and what data protection rights you have. We can post you a copy of our privacy notice if required.

## **19. Law and Jurisdiction**

These Terms of Business shall be governed by and construed in accordance with English Law and shall be subject to the exclusive jurisdiction of the courts of England and Wales.

## **20. Third Party Rights**

These Terms of Business are intended to confer rights only on you and us. The provisions of the Contracts (Rights of Third Parties) Act 1999 are excluded.

## **21. Money Laundering/Proceeds of Crime**

If we suspect criminal offences such as money laundering or terrorist financing, we must report this to the National Crime Agency. These reports are confidential, and we will not tell you if they have been made.

Claims payments will only be made to you, the insured parties, or those entitled to receive them.

## **22. Criminal Finances Act 2017**

We do not tolerate tax evasion, bribery, fraud, corruption, money laundering, terrorist financing and other financial crimes. If a company fails to prevent facilitation of tax evasion, this is an offence under the Criminal Finances Act 2017 (CFA).

Our processes include reasonable procedures to prevent the facilitation of tax evasion as well as other financial crimes. The CFA puts responsibility on all companies to comply with this legislation, and we expect all commercial customers to comply with the requirements of the CFA.

## **23. Sanctions and/or Embargoes**

If sanctions and/or embargoes are imposed by Governments, and/or banks choose not to handle payments in respect of various countries or persons, this may restrict the provision of insurance cover, the services that can be provided or payments under such cover.

It is everyone's responsibility to comply with relevant sanctions legislation, and we expect you to comply with the requirements of any sanctions legislation that may apply to you. We expect you to fully disclose any exposure that you are aware of, or become aware of relating to either sanctioned persons, locations, or goods where it may have an impact on our business. In performing our duties, following from the above, we may have to:

- i. advise you that our bank(s) have chosen not to handle payments relating to your transaction which will prevent the provision of cover and related services;
- ii. suspend any payments until a relevant governmental body confirms that no sanctions/embargoes have been breached and/or a licence can be issued by the relevant authority; and
- iii. advise you that some insurers may seek to cancel cover if they believe there has been a sanctions/embargo breach.

We will make reasonable efforts to warn you should we become aware that an issue may impact upon the insurance we place on your behalf or restrict the payment of any premiums or claims.

## **24. Liability for Directors, Officers or Employees**

You agree not to make any claim personally against any employee, director or officer arising out of the work and services provided under these Terms of Business. This clause does not in any way limit or affect our liability to you as set out above.

## **25. Setting Sums Insured, Policy Estimates and Indemnity Values**

It is always your responsibility to tell us (or your insurer) the sums insured and/or indemnity values and/or policy estimates you want to have for your policy(ies). This is because insurers will rely on this information when deciding on the policy terms and premiums to apply to your policy. If you are underinsured, or have mis-stated policy estimates, insurers may not pay a claim in full or in part.

## **26. Other Services**

We provide you with insurance information in a professional manner. However, Our service to you under these Terms of Business do not take into account Health and Safety Consultancy, or employment law considerations.

At your request, we can put you in touch with PIB Group colleagues with specialist expertise in Health and Safety Consultancy, or employment law advice. If you decide to engage with them, that work will be covered by a separate and more specific Terms of Business Agreement.

Insurance Broking staff can take instructions from you on Insurance Broking Services only. You must instruct Health and Safety Consultancy or employment law specialists directly. Insurance advice may differ from or conflict with other advice which you may receive. In this event, you need to let us know in order that we can help you deal with any such conflict or difference.

## **27. Committal To Terms**

This agreement shall become effective between both parties when cover is taken out and supersedes all previous agreements whether oral or written.

## **28. Termination Of This Agreement**

You may cancel these Terms of Business with us at any time. If you do so, we will continue to be entitled to receive any fees or commissions payable. We reserve the right to resign as your broker. If policies are to be cancelled, you will be given notice in accordance with the terms of the insurance policy (ies). We will continue to fulfil any outstanding regulatory responsibilities to you following termination of these Terms of Business.

## **29. General**

Each of our rights or remedies is without prejudice to any other right or remedy we may have whether under a contract or not.

You are responsible for their compliance with applicable laws. If we suffer financial loss because of your failure to adhere to applicable laws we may pursue damages to the extent of the loss.

Our failure or delay in enforcing (in full or part) any provision of a contract will not be construed as a waiver of any of our rights under a contract.

### **30. Confidentiality**

We agree to keep all information provided by you to us confidential, save that you authorise us to:

- a) disclose such information to insurers and their agents for the purposes of obtaining insurance quotations for you, placing insurance on your behalf and all other matters relating to your insurances, including the making of claims;
- b) share such information with our own insurers and professional advisors on terms that preserve confidentiality or where we are required by law or by order of the court to disclose such confidential information.

However, we will not be bound to keep any information confidential where it is or becomes in the public domain, it was already known to us or becomes known to us independently of you, or if you authorise us to disclose such information. Where we have asked for your consent to use your personal data, you have the right to withdraw that consent at any time. If you withdraw your consent, we will stop using your personal data where legally possible. Any processing undertaken before your withdrawal remains valid and lawful.

### **31. Severability**

If any part of these Terms of Business is or becomes illegal, invalid, or unenforceable then that part shall be deemed to be removed from these Terms of Business and shall not in any way affect the legality, validity, or enforceability of the remaining Terms of Business.

### **32. Waiver**

Your rights and our rights under these Terms of Business may be waived if specifically agreed in writing by you and us but not otherwise.

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