

# Terms of Business – SEP Insurance Services Ltd

## Law and Language

This Terms of Business is subject to English Law and the jurisdiction of the English Courts. We will use the English language for all communications, the contractual terms and conditions, and any information we are required to supply to you, before and during the duration of the contract.

## Your Duty to Disclose

It is your responsibility to provide complete and accurate information to insurers when you take out an insurance policy, throughout the life of the policy, and when you renew your insurance.

It is important that you ensure all statements you make on proposal forms, claim forms and other documents are full and accurate and we recommend that you keep a copy of all correspondence in relation to the arrangement of your insurance.

Please also note that any renewal of insurance will be made in reliance upon the information provided by you in connection with your previous insurance policy – we will assume that such information remains correct unless you tell us otherwise.

Please note that if you fail to disclose any material information to us and your insurers, this could invalidate your insurance cover and could mean that part or all of a claim may not be paid. You should take particular care to check the accuracy of all information you provide. If in doubt about any point in relation to material facts, please contact us immediately.

## Acceptance

The purpose of this agreement is to set out our professional relationship and detail the services we will provide to you. For your own benefit and protection, you should read all the information carefully and in particular, we would like to draw your attention to the “IMPORTANT INFORMATION” section. If you do not agree to any part of the information, please tell us. We assume that you accept the terms of this agreement unless we hear from you.

## The Regulator

The Financial Conduct Authority (FCA) is an independent watchdog that regulates financial services. The FCA has authorized us to advise, arrange, deal in and assist with the placing and administration of all types of General Insurance policies.

Our Financial Services Register number is 806696 and you can check our status and permissions at [www.fca.org.uk](http://www.fca.org.uk) or by contacting the FCA on 0800 111 6768.

## Financial Crime

Please be aware that current UK money laundering regulations require us to obtain adequate ‘Know Your Client’ information about you. We are also required to cross check you against the HM Financial Sanctions List as part of the information gathering process. We are obliged to report to the National Crime Agency any evidence or suspicion of financial crime at the first opportunity and we are prohibited from disclosing any such report.

## Confidentiality and Data Protection

We will exchange the information that you provide to us with insurance companies and other brokers or agents for the purposes of obtaining quotations and arranging cover, this may result in a credit check to confirm your identity and minimize the risk of fraud. We will treat all information as private and confidential, and in strict accordance with the Data Protection Act 1998 (DPA), even when you are no longer a customer and only share information if we are required to do so by law, or regulation.

Under the DPA, you have a right to a copy of any personally identifiable information about you that we hold in our records, you can obtain details by writing to us at the usual address. A nominal charge might apply in providing the information to you.

We will, in addition use information for marketing similar products or services by us and carefully selected companies. Contact may include SMS text, post, telephone or e-mail. **If you do want us to use your information in this way, please let us know.**

## Our Fees, Commission and Charges

We usually receive a commission from the insurance provider with whom we place your business. , The commission will be paid to us either when we are in receipt of cleared funds from you (or the premium finance company, if one has been used) or, when the insurer has received cleared funds from us in respect of the premium due under your policy. The individual agreements we have with each insurer will determine which of the two methods above is used to make this transfer of commission.

We also receive commission for arranging finance agreements for the payment of insurance premiums and this is usually expressed as a percentage of the individual loan and is paid to us directly by the premium finance provider. We may also receive a commission or fee for passing introductions to other professional firms. In addition, we may make charges to cover the administration of your insurance, but they will only be to cover basic costs.

## Cancellation

Policies voided or cancelled from inception by insurers will be treated as a cancellation and we will retain any commission and fees before returning the net premium to you. By accepting these terms of business, you agree that we may retain the portion of the premium that relates to commission that would have been due to us.

Where we arrange low or non-commission paying products, we will charge an arrangement fee not exceeding 30% of the premium and will advise you of the actual amount at the time of quotation or renewal. These fees may be subject to change. Where there are changes, we will confirm this clearly and the actual amount will always be disclosed to you before you commit to purchasing the product. You are entitled to request at any time, information about the commissions that we may have received in connection with your insurance, if you want this information please contact us.

## Our Service

We can act both as agent of insurer, and on behalf of you, the customer. We have in place management controls to deal with any conflicts of interest that might arise. Unless we advise you otherwise, we are acting on your behalf. We also act on behalf of insurers when collecting premiums under risk transfer. We will confirm to you the level of service we are providing as part of our sales process.

## Needs and Demands

We will ask questions to enable us to assess reasonably your insurance requirements, this may include checking information that we already hold about you and your existing insurance arrangements with us and other parties. We will provide you with advice and guidance, after assessing what you want and need and recommend a suitable policy based on our experience of dealing with similar risks.

In all cases our service will include arranging and administering your insurance, including helping you with on-going changes and assisting you if you need to make a claim, or where we outsource claims handling facilities to give you an enhanced service. If we use the services of another intermediary to place your insurance, we will advise you of the name of the intermediary we use and the name of the

insurer. If you mislay your policy at any time, we will arrange a replacement policy document, if you request it.

### Our Selection (Fair Analysis)

We offer products from a wide range of insurance companies. Our selection usually involves presenting to a reasonable number of insurance companies that will insure for the risk at hand, and this is called a fair analysis of the market.

Sometimes we may only approach two or three insurers and this is a limited Panel, or in some cases, we may only approach one insurer, in either case, we will tell you the basis as part of our selling process. You can also request a list of the companies that form the Panel we have approached.

### Financial Strength

We regularly assess the financial strength of the Insurance Companies and other intermediaries that we deal with. The process usually involves general observation of the financial ratings applied by independent rating agencies such as Standard & Poor's and A M Best published with other readily available information within industry guides, newsletters and press releases. Whilst we take care to deal with companies that maintain reasonable solvency margins, we cannot guarantee their financial ability to pay claims.

### Money

We will hold money that you pay to us in accordance with the regulator's rules or under a risk transfer agreement with insurers.

### Payment Options

We will provide you with full details of all the payment options available to you when we provide you with your insurance premium. If you choose to enter in a finance arrangement, this will be subject to interest charges that we will confirm to you when providing the full details. Importantly, the arrangement you will enter will be with the finance company not us. It is an entirely separate contract irrespective of the insurance contract. In the event of your failure to meet with the contractual obligations regarding payment the finance provider could approach the insurer to seek a termination of the insurance contract to recoup their outstanding finance arrears. You will be liable to pay their costs and charges if you do not keep up your repayments and cover is cancelled under your policy.

This is because the agreement is between you, the policyholder and the finance company direct, not us or the insurer.

Please note that we only use <<Close Premium Finance>> for the provision of premium finance facilities. Please Note: Your policy cover will cease if you fail to keep up payments on an instalment agreement or premium finance facility related to it. Your Right to Cancel (Applicable to Consumers only) Please contact us if you wish to cancel any policy that we have arranged for you. Customers acting outside their trade or profession (Consumers) will usually have a legal right to cancel policies for any reason, subject to no claims having occurred, within 14 days of receiving the full terms & conditions. You will always be advised where this Right applies. A charge may apply for the period of cover provided and, in addition, an administration charge will apply as shown in the charges section above, cancellation under this right must be in writing, prior to expiry of the cancellation period, to our usual office address.

### Complaints

Our aim is always to provide our customers with a first-class service; however, we are aware that, occasionally, it is possible that we may fail to meet your expectations. If for any reason we have not met your expectations, let us know as soon as possible, by calling our main office telephone 01635 317 950 or write to 3 Hattersley Court, Ormskirk, Lancashire, L392AY.

If we are unable to resolve the issue to your satisfaction by the end of the next business day, we will formally investigate the matter. You will receive an acknowledgement of the matter together with a copy of our complaints process promptly and certainly within 5 working days. We will then aim to investigate and provide a resolution as quickly as possible, informing you of the position at no later than 4 weeks and a final response no later than 8 weeks. If you are not happy with our response, or the position after a period of 8 weeks, you may be eligible to refer your complaint to the Financial Ombudsman Service (FOS) for an independent assessment and opinion. The FOS Consumer Helpline is on 0800 4567 (free for people phoning from a "fixed line" (for example, a landline at home) or 0300 123 9123 (free for mobile-phone users paying monthly charge for calls to No's starting 01 or 02). Alternatively you can contact them at Financial Ombudsman Service, Exchange Tower, London E14 9SR. [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk) A full copy of our complaints procedure is available on request.

### Financial Services Compensation Scheme (FSCS)

If we are unable to meet our obligations, you may be entitled to compensation from the FSCS. If we have advised or arranged insurance for you this will be covered for 90% of a claim, without any upper limit, however compulsory classes of insurance (such as motor insurance) is covered for 100% of a claim. Further information is available from the FSCS helpline on 0207 892 7300 and [www.fscs.org.uk](http://www.fscs.org.uk). The FSCS is the UK's statutory fund of last resort for customers of authorized financial services firms. Compensation is usually payable if an authorized firm is unable or unlikely to pay claims usually because it has ceased trading or become insolvent.

### Insurance Premium Tax (IPT)

Your premium detailed in the policy will include IPT at the prevailing rate. Should the rate of IPT be amended by the Government, your premium will be amended by the insurer to reflect the change.

### Termination

You may cancel this agreement with us at any time. You must provide at least 7 days written notice of instructions. We also reserve the right to cancel this agreement at any time. In any event, we will provide you with reasonable time to re-arrange your insurance and we will notify you of termination in writing together with an explanation if appropriate.

## WARNING – CONSUMERS WHERE THE MAIN PURPOSE OF THE CONTRACT IS FOR PRIVATE USE

### Your duty to give information

When applying for or amending your insurance policy, we and / or your insurer will ask a number of questions to assess the risk prior to agreeing cover. It is your duty to ensure that you answer all questions raised by insurers or us honestly and reasonably. These questions are designed to enable us or the insurer to obtain a comprehensive picture of the nature of the risk to be insured, and only by asking such questions and receiving answers which are given honestly and with reasonable care, can we or the insurer be in a position to offer terms which are designed to meet your demands and needs.

The reason why this is vital and extremely important is that if you fail to tell us or the insurer something when asked, or, if you answer carelessly or act deliberately or recklessly in making misrepresentations when answering questions, your policy may leave you with no insurance protection; insurers may not pay a part or all of your claim and may cancel your policy. You may find it difficult to re-arrange cover because you did not tell an insurer everything when asked, and you will have to disclose this fact when you reapply for insurance.

**FAILURE TO ANSWER QUESTIONS HONESTLY AND REASONABLY, WHEN ASKED, MAY LEAVE YOU WITH NO COVER AND A CLAIM NOT PAID.**

## WARNING – COMMERCIAL CUSTOMERS ( OR WHERE THE MAIN PURPOSE OF A CONSUMER CONTRACT IS NOT FOR PRIVATE USE)

Your duty to give information

**IT IS IMPORTANT THAT YOU UNDERSTAND YOUR DUTY TO PROVIDE ALL MATERIALLY IMPORTANT INFORMATION, FULLY, COMPLETELY AND ACCURATELY TO US AND YOUR INSURERS NOT ONLY WHEN YOU TAKE OUT YOUR INSURANCE, BUT ALSO THROUGHOUT THE LIFE OF YOUR ARRANGEMENT, AT THE ANNUAL RENEWAL OR AT ANY OTHER TIME WHEN CHANGES OCCUR.**

Materially important information is any information that could influence an insurer's decision to accept your risk including the cost of your insurance. For example, details of previous insurance claims that you have made, or reported. Personal information about you, such as Criminal Convictions (you have a duty to give this information even when the insurance relates to a business and not you). General information about the risk, such as the construction of a building, (for example, concrete floor, timber frame with brick, stone, and a slate roof) if you are not sure how much information to provide or do not understand the question please ask. The reason why this is vital and extremely important is that if you fail to tell us something, your policy will leave you with no insurance protection; insurers will not pay any claims and will cancel your policy. You will find it difficult to re-arrange cover because you did not tell an insurer everything, and you will have to disclose this fact when you reapply for insurance.

**FAILURE TO DISCLOSE THESE FACTS MAY LEAVE YOU WITH NO COVER AND A CLAIM NOT PAID.  
WARNING**

### Warranties and Conditions Precedent

Your policy contains several WARRANTIES and CONDITIONS PRECEDENT. These are onerous or restrictive terms which you must comply with word for word, otherwise the insurer might not pay any claims and might cancel your policy from the start. Even if there is no connection between a breach of these terms and the cause of the loss. Failure to comply with these terms may leave you with no insurance cover and your claim not being paid! An insurance warranty is not a good thing, it does not mean that it is a guarantee of something; it typically means that you must comply with terms in order that your insurance protection remains operative. Conditions Precedent: Some conditions do impose a responsibility on you to have done something or completed something before a certain section of the policy will operate. If you do not do the thing stated, cover will not be in place.

**FAILURE TO COMPLY MAY LEAVE YOU WITH NO COVER AND A CLAIM NOT PAID. IMPORTANT**  
Warranties are not always referred to as such within a policy and schedule. They may be referred to as conditions, endorsements, special terms as well as warranties. It is important that you look out for these and if you have any doubt about a statement, please ask us for advice. **FAILURE TO COMPLY WITH THESE MAY LEAVE YOU WITHOUT ANY COVER IN THE EVENT OF A CLAIM AND THE CLAIM MAY NOT BE PAID.**