

# Premium Instalment Plan

Your guide on paying your premium by instalments



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## PREMIUM INSTALMENT PLAN

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## IMPORTANT INFORMATION ABOUT YOUR PREMIUM INSTALMENT PLAN

The information in this document has been produced by Premium Choice Limited, to help you make an informed decision about whether paying by instalments is right for you.

When applying for a loan to facilitate payment of your premium by instalment facilities, your application for credit will be passed to the credit provider, who in assessing your application may use credit scoring, credit reference agencies, and automated decision-making systems. These checks will include electoral roll and credit information.

The credit reference agency will add details of the search and your application to your credit file. This type of check may affect your credit score as it does leave a mark on your credit file which prospective lenders will consider when assessing your eligibility for future credit.

**It is important that you have read and understand this information and considered what is involved in entering into the agreement. If you do not understand any part or have a question you should contact Premium Choice on 0330 127 4515.**

### PAYING BY INSTALMENTS

Premium Choice Limited (PCL) works exclusively with Close Brothers Limited trading as Close Brothers Premium Finance to provide your instalment plan.

#### What does this mean?

- Premium Choice Ltd act as a Credit Broker and not the actual lender, which is Close Brothers Premium Finance.
- Premium Choice Ltd is an Insurance Intermediary that provides access to credit (The Credit Broker).
- Your premium instalment plan is funded by a credit agreement, so we are able to offer you one simple method of payment for one or more insurance products you may have with us. You are always free to choose how to pay for your insurance with us.
- We will not charge you a fee for introducing you to Close Brothers Premium Finance, but receive a commission from Close Brothers Premium Finance, which is a percentage of your loan amount interest charged.

#### Are there any restrictions?

- Instalments are only available to applicants who are over 18 years of age.
- We do not have access to any other lenders, although some insurers may sometimes provide their own instalment plan and where this is the case, we will notify you of this separately.
- We are unable to offer any advice on which payment option is most suited so you should take the time to ensure this payment plan is right for you.
- If you would prefer to pay in a different way, either now or at a later date, then please get in touch with us as soon as possible.
- The Instalment Option is subject to you entering into a regulated Consumer Credit Agreement. The lender requires applicants to enter into a Credit Arrangement, specifically a Running Account Credit Agreement (RACA) which is regulated by the Consumer Credit Act 1974. By entering into the agreement with the Lender, you will be agreeing to repay the amount of credit by way of monthly repayments. The intention of the RACA is to provide you with the added flexibility to administer payment of additional and future insurance premium through the credit arrangement, should you choose to do so.

### COST

During your online journey you will have been presented with the costs associated with the Instalment Option along with your Insurance Quote.

#### The information that is included;

- The Premium (this shows 12 months insurance premium that will be subject to credit should you choose the pay monthly option).
- The Deposit (this is the amount you will have to pay upfront).
- The total amount of Credit (this is the amount after paying a deposit that you will apply for on credit).
- The Interest Rate (this is a fixed rate of interest which is applied to total amount you will apply for on credit, eg the interest rate charged for the balance only).
- The Total Charge for Credit (this is the amount in pounds and pence that you pay for choosing to pay by instalments).
- The APR (this is the cost of the interest expressed as an annual percentage rate. The APR is intended to make it easier to compare other lenders options).
- The Total Amount Repayable (this is the total you will pay including, the deposit and the interest).

The primary objective of providing this cost information is to ensure you can make a clear comparison between paying 'In Full; versus the 'Instalment Option' before you select your payment option.

## CANCELLATION

**Once you have entered into the finance arrangement you will have 14 days to withdraw from your agreement.** The 14-day cooling off period shall start the day after you receive a copy of your agreement from "The Lender", Close Brothers Premium Finance. If you wish to withdraw you will need to provide notice to the Lender. Close Brothers Premium Finance will treat the credit agreement as if it was never entered into but you must repay any amount of credit within 30 days commencing the day after the day you notified the Lender of your intention to withdraw.

You will not have to pay the lender any interest or charges, but you will have to make alternative arrangements to pay for your insurance policy. Otherwise, your insurance policy may be cancelled.

You can of course choose to cancel your arrangement at any time by also giving notice, providing you can repay the amount of any outstanding credit in full.

**Contact:** Close Brothers Premium Finance

**Telephone:** 0333 321 8566

**Email:** customerservicespf@closebrothers.com; or

**Post:** Close Brothers Premium Finance, Wimbledon Bridge House, 1 Hartfield Road, London, SW19 3RU.

## MISSED PAYMENTS & FAILURE TO PAY

Please contact Close Brothers Premium Finance immediately if you are having payment difficulties or think that your payment may not be made as planned. Close Brothers Premium Finance are best placed to discuss any suitable options with you, which could avoid additional charges or more serious consequences, such as;

- If you miss a payment on your direct debit, then Close Brothers Premium Finance will charge you a £30 fee and add it to the next payment.
- Non-payment may mean that your agreement is terminated, and you will have to pay the full outstanding balance.
- With continued non-payment, legal proceedings may be made against you incurring additional costs and charges and possibly lead to a County Court Judgment (a CCJ).
- Non-payment may be reported to credit reference agencies which can adversely affect your credit rating and you may find it more difficult to obtain credit, insurance or other products in the future.
- This may result in the cancellation of any insurance policies financed by Close Brothers Premium Finance.
- Premium Choice Ltd fees for any cancellation are set out in our Terms of Business document and insurers may also charge you additional charges as detailed in your insurer policy documentation issued.
- Any refund of premium arising from the cancellation of your insurance policy will be used to repay any monies you owe Close Brothers Premium Finance, or where we have paid Close Brothers Premium Finance, any monies you owe us.
- Premium Choice Ltd may also use any money you may receive from the Financial Services Compensation Scheme (FSCS in the event of insurer insolvency) to repay all or part of any outstanding balance under the credit agreement.

## CHANGES TO YOUR INSURANCE POLICY

If you make a mid-term change to your policy, we will always advise you of the change in insurance premium and any associated insurance charges.

Most changes to your insurance premium can also be accommodated within the credit agreement if you prefer and Close Brothers Premium Finance will send you a revised payment schedule up to the renewal of your policy.

If you would prefer to pay any additional premium as a one-off payment, please let us know at the time of making the change. If the change in premium is small this could help you avoid an additional transaction charge for the credit.

## RENEWAL OF YOUR INSURANCE AND PAYMENT PLAN

Fees and charges can change over time but will only be applied from renewal. Please check at each renewal that the terms remain appropriate for your needs as the interest rate /APR%, fees and charges can change. Please check your renewal documentation to ensure these remain appropriate for you.

Please contact us ahead of the renewal date of your insurance policy if you want to pay by an alternative method, to avoid paying any charges applicable under the credit agreement.

## SUITABILITY

Premium Choice Ltd is a Credit Broker and obliged to provide you with a limited amount of information to enable you to assess your ability to repay your instalments. In applying for credit, you should at least consider the following;

- Taking in to account your regular and routine monthly commitments, whether you have sufficient income to meet the repayments?
- Are there any circumstances which might influence your ability to sustain the repayments in the future?

If you remain unsure about your ability to afford and repay the Instalment Option, we suggest the use of a Money Calculator or that you seek specialist independent advice.

The running account credit agreement gives you an easy way to spread the cost of your insurance premium over a period of time, allowing you to manage your cash-flow more easily over the life of your insurance policy. It is specifically designed for the repayment of insurance premiums and isn't suitable for any other use.

If you are considering paying for the insurance policy premium upfront in one payment, the finance arrangement may not be suitable for you.

**It is important that you have read and understand this information and considered what is involved in entering into the agreement. If you do not understand any part or have a question you should contact Premium Choice on 0330 127 4515.**

## NEXT STEPS

Your application for credit will be assessed by the Lender, Close Brothers Premium Finance, who will then write directly to you explaining what you must do next including, sending you a Welcome Pack. This will contain your pre-contract information, the credit agreement and other important information.

### How will my data be handled as part of this process?

- If you choose the Instalment Option; you will be prompted to provide additional information, including details of a bank account for the purpose of a bank verification check, to authenticate your status. You must be able to provide authority to debit the bank account.
- Your personal information, including bank details will be passed onto Close Brothers Premium Finance in order to set up and manage your instalment plan with you.
- Close Brothers Premium Finance may provide periodic updates to us in order that we can monitor their service and inform us of any difficulties you may have in making payment, so we can take steps to ensure your cover remains in force.
- If you have any objections or concerns regarding the way in which your data is handled or the credit checks undertaken, then please contact us on 0330 127 4515.

### How will my application be assessed?

- Credit is always subject to financial circumstances and status.
- You should inform of us or Close Brothers Premium Finance of any difficulties you may foresee in making repayments during the contract.
- To enter into a Close Brothers Premium Finance credit agreement, you must be resident in the UK, aged 18 years or over, hold a bank or building society current account which can support Direct Debit payments and have not been declared bankrupt.
- Close Brothers Premium Finance may use a credit reference agency that leaves a record of the search, or obtain further information about you to carry out credit worthiness checks and other checks required by law.
- Close Brothers are able to provide you with details of any credit reference agency consulted, should this information be required.

**IMPORTANT:** You should ensure you carefully read and reasonably understand the contents of the Welcome Pack provided by Close Brother Premium Finance. The documents within the pack will clearly articulate the key details about your agreement including:

- the Standard European Consumer Credit Information(SECCI);
- the cost of the credit agreement;
- the minimum monthly payments;
- the dates payments are due;
- the terms and conditions of the credit agreement;

It is important that you read and understand this information and consider what is involved in entering into the agreement. If you have any questions about the information you should contact Close Brothers Premium Finance. You will need to sign a copy of the Credit Agreement and return it by the date requested. If you don't sign the agreement, you will need to find another way to pay for the insurance policy.

The assessment will take place after you have signed the credit agreement. If your application is unsuccessful Close Brothers Premium Finance will notify you in writing and you will need to find an alternative way to pay for your insurance premium.

### ONLINE ACCOUNT SERVICING

Close Brothers Premium Finance will give you access to your account information online. You will have the option to log in to your online account at [www.closebrothersbanking.com](http://www.closebrothersbanking.com) using the details from your registration email. This facility will allow you to view your payment schedule, copies of the documentation the Lender has issued and provide a means to update your address and bank details.

### IF YOU REQUIRE MORE INFORMATION BEFORE DECIDING?

If you have any questions before or after proceeding with your application, you may contact Premium Choice Ltd by calling 0330 127 4515 alternatively Close Brothers Premium Finance on 0333 321 8566, Email: [customerservicespf@closebrothers.com](mailto:customerservicespf@closebrothers.com); or Post:

Close Brothers  
Premium Finance  
Wimbledon Bridge House  
1 Hartfield Road  
London  
SW19 3RU

### DIRECT DEBIT GUARANTEE

This is a guarantee that is offered by all companies that accept instructions to process payments using direct debit. If there are any changes to the amounts, date or frequency of your direct debit payments you will be notified at least 8 working days in advance of your account being debited. If you request a payment to be collected, confirmation of the amount and date will be given to you at the time of request. If an error is made in the payment of your direct debit you will be entitled to a full and immediate refund of the amount collect in error.

If you receive a refund to which you are not entitled, you must pay it back when asked. You can cancel a direct debit at any time by simply contacting your bank or building society. Written confirmation may be required. You should also notify us.

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premium  
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