

Terms of Business Agreement

Between Premium Choice Limited and the policyholder



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TERMS OF BUSINESS AGREEMENT BETWEEN PREMIUM CHOICE LIMITED AND THE POLICYHOLDER

This document provides important information about who we are and how we deal with your insurances.

These Terms of Business outline the terms and conditions on which we act and contain details of both our and your responsibilities. It is important that you take time to read these carefully as by requesting a quote and/or asking us to handle or arrange your insurances, you are providing your informed consent to these Terms of Business.

If there is any element of these Terms of Business that you do not understand or would like to discuss, please contact us immediately.

1. Definitions

Throughout these Terms of Business, the following definitions apply:

- 'You' or 'your' means you.
- 'We' or 'us' or 'our' means Premium Choice Limited.

2. Who is Premium Choice?

Premium Choice Limited is an independent insurance broker that is registered in England, registration number 3845329 and based at Premium Choice Limited, Pendeford House, Pendeford House, Pendeford Business Park, Overstrand, Wolverhampton, WV9 5AP.

Our permitted business activities are, making arrangements with a view to transactions, dealing as agent, assisting in the administration and performance of a contract and agreeing to carry out regulated activities in respect of general insurance contracts.

Premium Choice Limited is authorised and regulated by the Financial Conduct Authority, number 312245.

The Financial Conduct Authority (FCA) is an independent body that regulates the UK financial services industry. Our details may be confirmed by searching the FCA's Register; www.fca.org.uk or by phoning the FCA. You can call the FCA on 0800 111 6768 or 0300 500 8082 from 8am to 6pm, Monday to Friday (except public holidays) and 9am to 1pm, Saturday. From abroad you can call them on +44 207 066 1000.

3. Our Service

Premium Choice distribute insurance products and services and can operate on both an advised sale and non-advised sale basis.

In helping to arrange your insurance contract, Premium Choice acts as an insurance intermediary.

Our services may include advising you on your general insurance needs, arranging insurance cover with insurers to meet your requirements, issuing policy documentation to you in a timely manner and helping you with any ongoing changes you wish to make to your insurance.

Advised Sale Basis

Where we operate on an advised sale basis, we will provide you with a personalised recommendation for product suitability, based on undertaking a full analysis and appraisal of your individual and specific demands and needs, relevant to your insurance requirements.

If we are operating on an advised sale basis, we will confirm this with you during our conversations, which will also be detailed again within any documentation that we provide you with.

Non-Advised Sale Basis

Where we are not providing personalised advice or a personalised recommendation, for example, where you have entered your details on-line, you will answer a series of underwriting and risk requirement questions, based on your demands and needs, to narrow down the selection of products available to you.

You will then need to make your own choice about how to proceed and whether the product is suitable for your needs.



On-Line Purchase - Demands and Needs

Where you have completed the purchase of a product online, you will have been provided with clear information in relation to price, cover and features of available products. The products available will have been displayed from the answers you provided. By purchasing your product online, we will not have provided any advice or recommendation, and you will have solely determined and selected the product most suitable for your requirements.

4. The Basis on which we act

Most of our work, as an insurance intermediary, is done on behalf of our customers and in these circumstances, we are acting as agent for the customer. Examples of where we act as agent of the customer are detailed below;

- Where we provide you with a quotation for your insurance;
- Where we place your insurance, on cover, with an Insurance company;
- Where you ask us to make amendments to your existing policy;
- Where we undertake the renewal of your policy;
- Where we perform general policy validation services.

In some instances, we perform activities specifically on behalf of your insurance company and in those circumstances, we are acting as agent for the insurer. Examples of where we act as agent of the insurer are detailed below:

- Where the insurer asks us to cancel your policy on their behalf;
- Where we collect premiums due and any outstanding insurer monies;
- Where the insurer asks us to obtain additional information from you;
- When we issue policy documentation to you;
- Where we perform additional policy validation services on behalf of the insurer.

Premium Choice may also design and develop insurance policies on behalf of insurance companies. Such products may be marketed as products of Premium Choice but will always be underwritten by an insurance company.

5. Product Selection

We have selected the insurance products and services that we offer you from a limited number of insurance companies and service providers. We review this panel on a regular basis to ensure their products remain suitable and competitive for our customers. A full list of the companies whose products and services we offer is available by visiting our website.

6. Insurer Solvency

We do not guarantee the ongoing ability or solvency of any insurer we place business with to meet their contractual obligations, and do not accept any liability for any losses that you may incur arising directly or indirectly from the financial failure of any insurer. However, we do perform due diligence on the insurance providers that we use, this will consider and review insurer solvency, audited accounts, industry analysis of the market together with information provided from the FCA register.

7. Quotation Validity

Quotations are only valid on the day that they are provided, unless advised by us to the contrary or unless otherwise stated.

At all times, we are not under any contractual obligation to provide you with insurance products and/or services.

8. Your Responsibilities

You are responsible for answering any questions in relation to any insurance cover honestly and to the best of your knowledge, providing complete and accurate information, always.

This is particularly important before taking out a policy but also at renewal or if you make a mid-term amendment to your policy. If you fail to disclose information or misrepresent any fact which may influence an insurer's decision to accept the risk or the terms offered, this could invalidate the policy and mean that claims may not be paid.

It is important that you read and check all documentation issued to you and ensure that the information is correct, you are aware of the cover, limits and other terms that apply and that it meets your requirements. You must check all details on your Statement of Fact and pay particular attention to any declaration you may be asked to sign.

You must comply with the terms and conditions of any insurance policy you purchase, including any express or implied warranties. Failure to comply may entitle the insurer to cancel your insurance contract and/or risks a claim you make not being paid in part, or in full.

You must inform us immediately of any changes in circumstances which may affect the services provided by us or the cover provided by your policy. If you are unsure about any matter, please contact us for help.

Commercial Customers

If you are dealing with us in a commercial capacity, then you are under a duty of fair presentation. You are required to disclose every matter which you know, or ought to know, that would influence the judgement of an insurer in deciding whether to insure the risk and on what terms.

If you are unsure whether a matter is relevant or not you should provide sufficient information to put an insurer on notice that it needs to make further enquiries should it consider it necessary.

9. Payment of your Insurance Premium

For new policies taken out, we must receive your payment before cover commences.

We are entitled to offset any amount you owe us against any monies we may receive on your behalf (i.e. settlement money, refunded premiums and other sums).

It is important for you to understand that non-payment of your premium, either in full or partially or a default on a credit agreement may result in the cancellation or lapsing of your policy by us. If you default on a credit agreement and we are unable to discuss the circumstances of the default, we shall be entitled to provide you with 7 days-notice of cancellation of your policy.

If we cancel your policy because of your non-payment of premium, you will also be liable for any charges the insurer may make in respect of their time on risk and any cancellation and/or administration charges that may apply.
Please see section 13 for cancellation of your policy.

We use a third party to collect and store payment card information in accordance with industry standards and operate a Continuous Payment Authority to help assist you in the reconciliation of your accounts.

10. Continuous Payment Authority

Whenever you provide us with your credit and/or debit card details you are entering a continuous payment authority. A continuous payment authority gives us the right to:

- Take payments from your card on a date of our choosing;
- Take payments from your card for different amounts.

We reserve the right to use the continuous payment authority to collect payment for mid-term changes, defaulted instalments and balances due to us following policy cancellation. Where we intend to use the continuous payment authority, we will inform you in advance of doing so.

If a payment request is unsuccessful, we will make a maximum of 2 further collection attempts within a 30-day period. You can make alternative arrangements to pay any money owed by calling us on 0330 127 4515.

This authority can be cancelled at any time by contacting us and letting us know that you would like to withdraw your permission for money to be taken from your card. You also have the right to cancel the authority directly with your card issuer.

11. Our Fees and Charges

Amendments to policies may be arranged and continuation of cover is subject to acceptance by insurers and payment of any additional premium required inclusive of Insurance Premium Tax (IPT) at the prevailing rate.

Where we are required to undertake additional activities on your behalf that require us to spend more time assisting you with your requirements, we reserve the right to apply an increased charge for our services. We will agree this with you prior to the sale or transaction for the additional activity required to be carried out.

The current scale of fees that apply for when we arrange or make changes to your policy are detailed below.

Type of Change	Amount	Reason for the charge
Policy Arrangement Fee	£50	To cover our costs in setting up a policy.
Underwriting Risk Policy Changes	£45	To cover our costs in administering the underwriting changes made to your policy. For example change of address, change of vehicle, change of driver or any other changes that require an insurer's/underwriters approval
Non-Underwriting Risk Policy Changes	£20	To cover our costs in administering the changes made to your policy that do not require the involvement of an insurer/underwriter. For example – Change of registration number or change of marital status
Validation Changes	£50	To cover the increased cost in making further changes to your policy following anomalies identified during the policy validation process (which involves checking all the information provided by you in relation to your policy is accurate and liaison with insurers/underwriters as required).
Cancellation of Policy	£50	To cover our costs in setting up your policy, and administering insurer/underwriter liaison, time on risk charges, any finance company liaison and any return of premium calculations or seeking recovery of any outstanding monies due.
Cancellation of Policy If due to Non-Disclosure, Misrepresentation and/or Voidance.	£100	<p>To cover our additional costs in cancelling your policy following misrepresentation or fraud.</p> <p>Important Note : Although no additional fees will be charged for the cancellation of your policy , as detailed above, you may incur additional costs - for example -</p> <p>Our commission earned from the date that your insurance cover commences and may not therefore be refundable in the event of cancellation/ termination of your policy after 14 days cooling off period.</p> <p>A pro rata amount of any broker discount provided when you took out your policy. You will also be liable for any charges the insurer may make in respect of their time on risk and any cancellation and/or administration charges that may apply.</p> <p>Please refer to section 13 Cancelling your policy</p>
Debt Recovery	£75	To cover our costs in referring your outstanding debt to a debt collection agency or service.

We retain our commission of 15% that is repaid back to the insurer on any return premium generated by an adjustment to the policy.

We review our fees on a regular basis to ensure they remain in line with the market and reflect the costs that we incur in processing changes.

12. Renewal of your Policy

When your policy is due for renewal we may offer to renew it for you automatically, to ensure continuity of cover, using the payment details that you have already provided to us.

It is not always possible for us to be able to automatically renew your insurance as there may be certain circumstances (change in your risk details, changes with an insurance company, product changes, etc) that prevent your insurance from being automatically renewed. In these circumstances we will need to discuss your policy with you before your renewal date or your policy will not renew.

We will contact you prior to your renewal date to confirm whether we are able to offer automatic renewal or whether we need to speak to you. Where we can offer renewal of your policy, we will confirm your renewal premium and policy terms before taking any payment.

If we are unable to offer any renewal terms, we will write to you at the last known address we have for you to let you know.

13. Cancelling your Policy

Once we have arranged your insurance cover and have processed your policy documentation you have a statutory right to cancel this insurance within an initial period of 14 days. If you wish to cancel your policy, then you will need to contact our customer services team. Subject to the cancellation terms of your policy, a refund of premium may be available. We aim to process all refunds within 30 days of receipt of notice of cancellation.

Details of any applicable cancellation terms and charges will be found in your policy documents. We will make a charge for our administration fee if your policy is cancelled.

If we are required to cancel your policy, we will provide you with 7 days-notice of that intention. This will either be by telephone, sent by email and/or post to your last known email and/or postal address that we have on file.

Our commission (15% of the total annual premium) and/or our fees are fully earned from the date that your insurance cover begins and therefore not refundable in the event of cancellation or early termination of your policy.

Also we will retain a pro rata amount of any broker discount provided when you took out your policy.

You will be liable for any charges the insurer may make in respect of their time on risk and any cancellation and/or administration charges that may apply.

14. Paying by instalments and Other Searches

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 will search information held by a credit reference agency about you. 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.

15. Fraud Detection and Prevention

We may undertake a credit check with credit reference agencies, fraud prevention agencies, and other public and privately available sources of information. This search will be recorded as a General Insurance search and will only be visible by you on your credit file.

We work hard to detect and prevent fraud and other financial crimes and employ specialist teams that enables us to validate information that is provided to us.

To prevent and detect Insurance fraud and fraudulent transactions we may, at any time, check, share and record any information provided by you with fraud prevention agencies, public bodies, including the police and this may extend to use information that is recorded by fraud prevention agencies in other countries..

If we are provided with inaccurate and/or fraudulent information and we identify fraud, then we will record and share this information and take all necessary action required. This information may also be shared with other companies that are also registered with the respective fraud prevention agencies.

A list of all the fraud prevention agencies that we use can be made available upon reasonable request by writing to the Head of Compliance at

Premium Choice Limited, Pendeford House, Pendeford Business Park, Overstrand, Wolverhampton, WV9 5AP, quoting your policy number reference.

16. Policy Validation

To help us in our continued effort to reduce Insurance fraud and to ensure the information we hold is accurate, we will validate the information that you provide us with and will also request information from you to assist in the validation process.

We have a large validations teams who are employed to help you and ensure that your policy details are correct. There may, on occasions, be times where we will have to make a correction to your policy because of further information obtained during the validation process and there may be an additional premium to pay as well as our administration fee.

In certain cases, the validation process may identify issues where Insurers may be unable to continue the policy, or had they known the correct information, they would not have accepted the policy. In these cases, the policy may be cancelled or in more serious cases declared void and of no effect since its inception.

If your policy is voided or cancelled because of information established during the validation process, please be aware charges may apply. If a change is made to your policy following validation because of different information, we will charge an administration fee and any additional premium that may be applicable.

Where you are unable to provide documentation that we request, to complete the validation of your policy, your policy may be cancelled.

Please remember it is your responsibility to check you have answered every question we ask honestly and accurately before buying your policy.

17. Electronic Communications

You are not able to unsubscribe from receiving transactional communication from us that is about any policy and/or service that you have taken out with us.

You can request that information is sent to you in a format other than electronic means however this will need to be agreed with us.

Receiving a transactional communication from us doesn't mean you are automatically subscribed to receive marketing communications from us.

You must take reasonable steps to ensure that the messages are complete and accurate and are secure against being altered during transmission and are free from harmful viruses.

18. Financial Sanctions

Current UK money laundering regulations require us to obtain adequate 'Know Your Client' information about you.

We will use information about you and that of others named on your policy to ensure compliance with financial sanctions in effect in the UK and internationally. This will include the checking of your information against the HM Treasury list of financial sanctions targets as well as other publicly available sanctions lists.

We are obliged to report to the Serious Organised Crime Agency any evidence or suspicion of financial crime at the first opportunity and we are prohibited from disclosing any such report.

We do not allow our employees or other persons engaged by them to be either influenced or influence others in respect of making or receiving undue payments or privileges from or to insurers or clients.

19. Payment for our Services and the remuneration that we receive

We normally receive commissions of 15%, of the total annual premium, from Insurer(s) or product providers for our insurance broking services. Where we do not receive any commission from the insurer, we will agree our fee for the work involved with you, prior to inception or renewal of your policy.

In addition, we may make individual charges to solely cover the administration for policies that are inceptioned, amended or cancelled. We do not make any charges for preparing and discussing the renewal of your policy.

Some insurers may make additional payments to us which reflect the profitability of our account with them.

We also receive commission, expressed as a percentage of your loan, from the premium finance provider used to fund your policy.

We may also receive marketing contributions from companies whose products and/or services that we provide. This remuneration would be calculated as a percentage of the premium or against the volume of products or services sold.

20. Employee Remuneration

We remunerate our employees using a combination of fixed and variable rewards that are designed to ensure they always act in customers' best interests. All employees receive a base salary.

Some employees receive a base salary and participate in a variable reward (financial and non-financial) scheme that is based on performance, if they also achieve high levels of customer service and meet the quality assurance requirements set for their role.

21. Third Party Costs

You should be aware that any costs incurred by us from a third party such as a debt collection agency, legal professional or bailiff incurred during collecting a debt from you will be added to the overall amount of debt outstanding.

22. Handling Client and Insurer Money

We hold your premium (payments or refunds) in an account as agents of the insurer. It is considered as being held by the insurer whilst in this account – this is known as 'risk transfer'.

While it is in the account, your money cannot be used for any purpose other than paying the insurers or any brokers through whom we may have arranged your insurance, or in the case of premium refunds, returning the money to you.

Any interest that we may earn on the account is retained by us.

23. Confidentiality and Security

We will always ensure that any information you provide to us is treated as private and confidential by us.

For further information about how we handle your data when you have a policy with us, please refer to our Fair Processing Notice for full details.

24. Complaints

It is our aim to try and always provide you with a very high level of customer service. If you feel dissatisfied in any way with the service you have received we would like to hear from you.

To register your complaint, you should contact us on any of the following:

Email: Complaints@Premiumchoice.co.uk

Telephone: 0330 127 4517

Write to us at:

Customer Relations Manager
Premium Choice Insurance
Pendeford House
Pendeford Business Park
Overstrand
Wolverhampton
WV9 5AP

We will do everything we can to rectify the problem immediately but if we are unable to do so your complaint will be dealt with in accordance with our formal Complaints Procedure, a copy of which will be provided to you upon receipt of your complaint.

If your complaint relates to an insurer that is part of a Lloyds syndicate then you may wish to complain to them directly. If you are in any doubt if your insurer is part of a Lloyds syndicate then we will be happy to help. If you wish to ask Lloyd's to investigate your complaint you may do so by contacting: In writing: Complaints Team, Lloyd's, One Lime Street, London, EC3M 7HA. By email: complaints@lloyds.com, By phone: +44 (0)20 7327 5693, By fax: +44 (0)20 7327 5225, Website: www.lloyds.com/complaints

If you remain dissatisfied with our final decision or more than 8 weeks have passed since receipt of your complaint then you may approach the Financial Ombudsman Service, details of which can be found at www.financial-ombudsman.org.uk.

25. Compensation

We are a member of and covered by the Financial Services Compensation Scheme (FSCS). If we are unable to meet our obligations, you may be entitled to compensation from the scheme. Full details and further information on the scheme are available at www.fscs.org.uk.

26. Rights of Third Parties

No provision of this Terms of Business is enforceable under the Contracts (Rights of Third parties) Act 1999 by any person other than you or us.

27. Severability

If any provision of these Terms of Business is found to be invalid or unenforceable in whole or in part, the validity of the other provisions of these Terms of Business and the remainder of the provision in question will not be affected.

28. Force Majeure

We shall not be liable for any failure of or delay in the performance of this Agreement for the period that such failure or delay is

- (a) beyond our reasonable control;
- (b) materially affects the performance of any of our obligations under this agreement; and,
- (c) could not reasonably have been foreseen or provided against.

29. Variations

We reserve the right to update these terms from time to time without notice to you. We recommend you regularly revisit this page to ensure you have seen and are aware of our latest terms.

Pendeford House
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