

KDH Insurance Terms of Business Agreement

Churchill Court, Faraday Drive, Bridgnorth, Shropshire. WV15 5BA



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, including explaining the contractual terms and conditions, and any information we are required to supply to you, before and during the duration of the contract.

Acceptance

The purpose of this agreement is to set out the services we will provide to you. For your own benefit and protection please read all of the information carefully. If you do not agree to any part of the information, please tell us. The agreement is issued to you on the basis you accept the terms of the agreement unless you tell us otherwise.

The Regulator

The Financial Conduct Authority (FCA) is an independent watchdog that regulates financial services.

KDH Insurance Brokers Limited is an independent Insurance Broker which is authorised and regulated by the Financial Conduct Authority under FCA Firm Reference Number 492129. Further information can be obtained at <https://register.fca.org.uk/> or by contacting the FCA on 0800 111 6768. KDH Insurance Brokers Limited is Registered in England 04995496

The regulator has authorised us to advise, arrange, deal in and assist with the placing and administration of all types of General Insurance policies and Pure Protection Policies. This typically includes Car, Home, and Commercial Risks (i.e. Manufacturers, retailers and professionals).

We are also authorised to undertake limited credit broking intermediation, we are not a lender but this means we can act for a lender in the introducing and arranging of finance to pay insurance premiums.

Privacy Notice & Data Protection

We will process your data responsibly, fairly and in strict accordance with the General Data Protection Regulations (GDPR) and Data Protection Act 2018. These regulations require us to inform you of:

- Our lawful bases of processing;
- The information we collect, and how we use and share that information;
- How long we keep information, including the purposes (e.g. administer your policy);
- The technical and organisational measures we have in place to safeguard your information;
- Your rights as an individual data subject; and
- Our approach to marketing

As with many organisations, and to ensure Customers can easily access details on the areas listed above, we have developed a separate **Privacy Notice**. This can be found on the 'Privacy Policies' page of our website, alternatively you can obtain a copy by writing to us.

It is vitally important to take time to read this document carefully as it contains full details of the basis on which we will process, such as collecting, using, sharing, transferring and storing your information.

It is also your obligation to ensure you show this notice to all parties related to any insurance arrangement. If you have given us information about someone else, you are deemed to have their permission to do so.

If you have any questions, including a copy of the privacy notice, or any further information about our approach to the GDPR and DPA 2018 you can e-mail dataprotection@kdhinsurance.co.uk or write to our Compliance Manager at KDH Insurance Brokers Ltd, Progress House, Churchill Court, Faraday Drive, Bridgnorth, WV15 5BA.

Our Fees, Commission and Charges

We receive commissions from insurance companies and in addition, we may charge a fee or a combination of both. The agreements we have with insurance companies will determine when we receive our commission and fees.

Insurance Terms & Conditions

We will explain your insurance terms and conditions including significant terms, conditions and limitations (including the basis of any minimum, deposit or non-refundable premium) together with your duty to provide all materially

important information, in completeness 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 you make or notify changes as part of our relevant sales process.

We also receive commission for undertaking limited credit broking intermediation activities, typically when arranging finance agreements for the payment of insurance premiums a percentage of interest charged 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. You are entitled to request information about the commissions that we may have received in connection with your insurance, if you want this information you should contact us.

In addition, we may make charges to help cover the cost of administration associated with your insurance. Where we are required to undertake additional activities on your behalf that require us to spend more time assisting you with your requirements, we may apply an increased charge to those set out below for our services. We will always agree this with you prior to you becoming liable to pay the charge. The following represents our current standard charges:

Standard charges

Arranging new policies	£ 50
Mid-term adjustments	£ 15
Refunds (we refund net of our commission) for amounts over	£ 25
Renewals	£ 50
Debit/Credit Card	0 %
Cancellation	£ 45 [#]
Duplicate Copy Documents	£ 15

[#]We may also retain our commission in the event of policy cancellation.

Our Service

We 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, in each case we are acting on your behalf. We also act on behalf of insurers when collecting premiums under risk transfer.

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 the insurance arrangement. Depending on the complexity of your requirements and our understanding of your knowledge of the insurance you require, we will either:

Provide you with advice and guidance, after assessing your demands and needs and recommend a suitable policy based on our experience of dealing with similar risks.

Alternatively, we will provide you with information only; including generic comparable information, you will need to make your own choice as we will not provide you with any advice or specific recommendations.

We will confirm to you the level of service we are providing as part of our sales process. 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. Where we utilise the services of another intermediary to place your insurance, we will state the name of the intermediary we use and the name of the insurer.

If you mislay your policy at any time, we will issue a replacement policy document, subject to our standard charges if you request it.

Our Selection (Fair analysis)

We offer products from a wide range of insurance companies. However, for some policies such as Legal Expenses we may only offer products from a single insurer.

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 and personal analysis of the market.

Sometimes we may only approach a specified number of insurers and this is a Panel, or in some cases, we may only approach one insurer, in either case we will tell you the basis of our selection as part of our selling process. We will also provide a list of the companies that form the Panel we have approached at your request.

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Claims

We will provide you with full details (when you take out and again when you renew your insurance) in the unfortunate event you need to make a claim.

Money

We will hold money that you pay to us in accordance with the regulators rules or under a risk transfer agreement with insurers. This will include holding your money the following ways.

A statutory trust client bank account that only allows us to use the money held in trust on behalf of a customer for paying that customer's premium to an insurance company and to pay premium refunds or claims we receive from that insurance company to the customer. We cannot use that customer's money to pay other customers premium or refund. We do not pay any interest on premiums held by us in the course of arranging and administering your insurance, unless, in the case of consumer transactions we receive more than £20 per transaction, and then we will ask for your permission to retain the interest. Unless you tell us otherwise, you are consenting to us holding your money in this way.

In the event that this firm becomes insolvent Customers monies remains protected.

We will not pay Customers interest whilst we hold Customers monies and we may deploy the services of other regulated firms to provide our services, this may include Customer monies passing to other regulated firms however we will always inform you if at any time we are required to pass monies to a firm that operates outside the UK whereby the protection for Customer monies may be different.

Premium Finance

Using premium finance makes the overall cost of your insurance policy/policies more expensive. We will ask you to confirm that you have actively elected to pay via premium finance.

A full breakdown of the cost of your insurance and the cost of credit will be provided as part of your new business or renewal quotation before you make a decision whether to proceed.

Your agreement will last for 12 months but the premium finance may last for a shorter period, usually 9 months for a new policy and 10 months for a renewal.

In arranging premium finance, we act as a credit broker to provide you with a premium finance facility which is designed solely for the purposes of facilitating a loan for repayment of insurance premiums. We will only provide you with information about this payment option on a non-advised basis from which you will need to make your own decision as to the suitability of this facility and whether you wish to proceed. Where we arrange premium finance on your behalf, we are remunerated for our assistance in putting this financing in place. We can provide details of our remuneration on request.

Insurers' own credit facilities may also be available if appropriate and we will advise you if competitive credit terms are available through your insurer so that you are able to make an informed choice as to which is most suitable for your needs. Alternatively, you have the option of sourcing your own credit agreement.

If you owe us money, we may also seek to recover the additional cost incurred in obtaining settlement of the sum owed in addition to other charges that may apply.

What Happens in the event of a late payment?

Any payment not received within the due date will have a charge of 1% of the outstanding balance or £25, whichever is the greater, placed against it on the 31st day and this charge is non refundable. The charge will reoccur on the 61st day, 91st day and will be increased to 2% or £50, whichever is the greater from the 121st day and every 20 days thereafter until payment is received.

Demands & Needs

We will assess the suitability of any insurance we arrange based on the insurance protection you have requested and our understanding of what you require based upon our experience of dealing with that particular type of insurance and a reasonable understanding of products available in the insurance marketplace.

Cancellation

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. Our commission (up to 30% of the total annual premium) and/or our fees are fully earned from the date that your insurance cover commences and may not therefore be refundable in the event of cancellation or early termination of your policy.

Cancellation under this right must be in writing, prior to expiry of the cancellation period to our office address.

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.

Complaints

We are committed to providing our customers with a high standard of service but understand things can go wrong. If for any reason we have not met your expectations, let us know as soon as possible, either informing your usual contact, or calling our main office telephone, or write to the Operations Director, KDH Insurance Brokers, Progress House, Faraday Drive, Shropshire WV15 5BA or email complaints@kdhinsurance.co.uk.

If we are unable to resolve the issue to your satisfaction within 3 working days, we will formally investigate the matter. You will receive an acknowledgement of the matter together with a copy of our complaints process within 5 working days. We will then aim to investigate and provide a resolution as quickly as possible, informing you of a final response no later than 8 weeks.

Even in circumstances where you are not eligible to refer such concerns to the FOS we will attempt to resolve a particular matter promptly through negotiation, if the matter cannot be resolved directly with us (usually with 6 months from the date of receipt of the concern) we will seek the assistance of an independent compliance firm or mediator as might be agreed between us and any complainant or as any parties may agree to try and resolve the matter.

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 023 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 020). Alternatively, you can contact them at Financial Ombudsman Service, Exchange Tower, Harbour Exchange, London, E14 9SR 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 0800 678 1100 or 0207 741 4100 and www.fscs.org.uk. The FSCS is the UK's statutory fund of last resort for customers of authorised financial services firms. Compensation is usually payable if an authorised 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. In the event the rate of IPT is amended premiums will be amended by insurers to reflect the change. Some policies are subject to Value Added Tax (VAT) not IPT and should the rate of VAT be amended premiums will be amended by insurers to reflect the change. Further information can be found at www.gov.uk

Termination

You or we may cancel this agreement at any time however each party must provide at least 30 days written notice of instructions. In the event we terminate the arrangement we will provide you with reasonably sufficient time to re-arrange your insurance (if required) and we will always notify you of termination in writing together with an explanation (if appropriate).