

# TERMS OF BUSINESS

---

## Kensington Insurance Brokers Limited

(trading as Chelsea Insurance Brokers & Mayfair Insurance Brokers)

Kensington Insurance Brokers Limited is an independent insurance broker. We are able to offer a wide range of insurance products. We also have contractual arrangements in place with a number of insurers who offer specifically tailored products.

We are committed to provide a high standard of professional service for our clients and have therefore prepared this document to ensure that our clients have a thorough understanding of the scope and limitations of our services and an appreciation of the standards, conduct and service we are obliged to maintain. Please contact us immediately if there is anything in these terms of business which you do not understand or with which you disagree.

We act as agent for our clients and are subject to the law of agency. However, in certain circumstances we may act for and owe duties of care to other parties. We will advise you when these circumstances arise so you will be aware of any possible conflict of interest.

We are authorised by the Financial Conduct Authority (FCA) and are regulated by its Handbook of rules and guidance. The FCA has granted us permission to carry out regulated activities in relation to the selling and administration of general insurance products. You can check this by visiting the FCA's website at [www.fca.gov.uk/register](http://www.fca.gov.uk/register) or by contacting the FCA on 0845 606 1234.

Under the FCA rules we are required to comply with a number of principles including the following:

- Conduct our business with integrity and pay due regard to the interests of its customers and treat them fairly.
- Conduct our business with due skill, care and diligence
- Pay due regard to the information needs of our clients and communicate information to them in a way that is clear, fair and not misleading Act with due care, skill and diligence when acting for a customer in relation to a claim, and avoid conflicts of interest

We will provide advice or information on the basis of our knowledge of the insurance market which can mean utilising one or more insurers who we know to specialise in a particular area rather than surveying the whole of the market. We maintain a list of insurers for each class of business which is available on request.

### **Insurance Requirements**

We will discuss your requirements with you and we will endeavour to arrange your insurance, with insurer(s) in accordance with your instructions. Our understanding of your insurance needs together with our solutions, including the basis of our recommendation of insurer, will be explained within the documentation we will send to you. Our aim is to provide you with sufficient information to

enable you to decide whether to accept the quotation we have obtained to cover your insurance needs.

### **Duty of Disclosure**

1. As a proposed insured, it is your responsibility to disclose all material information to insurers when obtaining cover.
2. Information is material if it would affect the insurer's consideration of the risk involved, or if the misrepresentation/non-disclosure induces the insurer to enter into the contract of insurance on particular terms.
3. The insurer is not required to make enquiries, the onus falls upon you as the insured.
4. If any material information is omitted or misrepresented, insurers may have the right to void the policy in force and return the premium. This means there is no longer an insurance policy and no claims will be paid.
5. The duty of disclosure arises when the insurance is first taken out, when renewed, amended and during the policy term. The policy document may specifically require notification of such changes.
6. Please contact us immediately if you need to make mid-term changes to your policy so that we can obtain approval of the changes from the insurers and any further information required.

### **Security**

We do not guarantee the solvency of any insurer used but will use our best endeavours to provide adequate security. We monitor the financial soundness of insurers by reviewing information provided by rating agencies. In the event of the insolvency of an insurer we do not accept liability for outstanding monies. If you have particular concerns or requirements in respect of the security we use we will be happy to discuss these with you.

### **Confirmation of Cover / Payment of Premiums**

Where you are renewing an insurance cover, previously placed through us, it is imperative we receive your renewal instructions in advance of renewal date as we need to confirm cover with insurers. To this end we will endeavour to issue a renewal invitation in adequate time.

Where we are arranging your insurance for the first time, the documentation we will send you to confirm cover, will include: a policy summary, a statement of demands and needs, inclusive of details of the insurers used, and a debit note (invoice) showing the premium amount and when payment is due.

Once payment has been received we will pass on the premiums to insurers, on your behalf, within their terms of trade. Any failure by you to meet the payment date set by us may in turn delay payment to insurers and as a result lead to insurers cancelling the policy.

### **Policy Documents**

Any policy amendments that are required will be forwarded to you as soon as it is received from the insurer. Please read the documents to ensure that the policy accurately reflects the cover originally

requested. Please pay particular attention to any policy conditions/exclusions or warranties that may affect the validity of the insurance which in turn may affect any claims payments. We will forward all documentation to you promptly, but reserve the right to retain specific documents until all payments have been made.

### **Claims**

Where another party is involved in handling the claim we will endeavour to provide information or advice as appropriate.

### **Holding Client Money**

As an insurance broker we will receive and hold premiums and claims monies in the course of carrying out our business. The monies will be treated as client money until it reaches insurers or yourself in the case of claims payments. Monies are held in an approved bank and details of the account will be supplied separately on request. Client monies are segregated from all other funds and are held under the protection of a non- statutory trust account in accordance with FCA requirements. This means that in exceptional circumstances we may use one client's funds to pay another client's premiums and similarly to pay claims and premium refunds to a client before receiving the funds from insurers. This is acceptable under FCA rules and is no different to how we and the insurance industry have operated in the past. Any interest earned on client money will be retained by us.

### **Remuneration for our Services**

We will normally receive brokerage, being a percentage of the overall premium, which is allowed to us by insurers. This does not affect our position in relation to our responsibilities under the law of agency. In certain circumstances we may charge you a fee as well or instead of brokerage but this will be made clear to you.

Insurers may pay us profit commission dependant on the profitability of the business we place with them or a volume over-rider, which is based on the amount of premium paid to them during a period.

If we arrange finance for your premium, via a finance company. They may pay us profit commission and or an over-rider.

### **Cancellation of Cover**

If you wish to cancel your policy you should advise us in writing and return any documents we request including your insurance certificate. Direct debits/standing orders should not be cancelled until cancellation has been agreed as otherwise you may be liable for continuing charges to the insurance company. Under some contracts a proportionate refund is not granted when the insurance is cancelled mid term. When a claim has been submitted, it is possible no refund of premium will be allowed.

### **Retention of Documentation**

We will maintain records of the insurance contract(s) we arrange on your behalf. It is our policy to keep placing and claims records in accordance with best practice within the insurance industry. We

will automatically destroy records after these periods unless you ask us to do otherwise. We are happy to provide this service free of charge for as long as you are our client.

### **Complaints**

If you have a complaint against your insurer(s) you will find their complaints procedure included in the policy documentation. If you wish to complain about the way we have transacted your business we recommend that you initially telephone our office to discuss your concerns with the relevant person or department. If you remain dissatisfied and wish to register a formal complaint please write to our Compliance Officer.

Financial Ombudsman Service South Quay Plaza 183 Marsh wall London E14 9SR

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme in the unlikely event that we cannot meet our obligations. This depends upon the type of business and the circumstances of the claim. Further information can be obtained from the FSCS on their web-site [www.fscs.org.uk](http://www.fscs.org.uk) or by telephone on 020 7892 7300.

### **Proceeds of Crime Act (POCA)**

Under the POCA we may need to obtain evidence of the identity of our clients. For individuals this could be evidenced by a passport or utility bill or for companies this could comprise of a certificate of incorporation, list of directors or shareholders and the registered address. If there is any evidence or suggestion of suspicious transaction then we are obliged to report this to the National Crime Intelligence Service.

### **Privacy Notice and Confidentiality**

When you contact us for an insurance quotation we collect the relevant information needed by an insurer to calculate the premium and understand your insurance needs. We collect this information during our meetings or telephone conversations with you and through the completion of proposal forms. The information we collect will be passed to insurers to enable them to calculate a competitive insurance quotation to meet your requirements. In order to obtain the most competitive cover it may be necessary to pass your information to other insurance intermediaries who are authorised and regulated by the Financial Conduct Authority.

Should you wish to pay your premium by instalments we may pass your information to a premium finance provider however, this will not be done without discussing payment options with you first.

We will retain any information we have collected about you for up to 2 years after our professional relationship has terminated.

### **General Data Protection Act (GDPR)**

Under the provisions of this act we are obliged to seek express provision from you to keep you informed about products, services and information that we feel you need to be aware of in respect of general insurance. You have a right to obtain a copy of the personal information that we hold about you. If you believe that any information held is incorrect or incomplete, you should contact us. Any information that is found to be incorrect or incomplete will be amended promptly. You also have a right to "be forgotten", this means you can ask for the information which we hold about you

to be deleted from our records but this will mean that we will be unable to continue to handle your insurance arrangements.

**Confidentiality**

Unless required by law or public interest or you give your consent, all information you supply will be kept confidential to us and parties involved in the normal course of arranging your insurance. We use the services of [www.sanctionssearch.com](http://www.sanctionssearch.com) to meet our regulatory obligations to check HM Treasury Sanctions Lists.

**Law and Jurisdiction**

These terms of business shall be governed by and construed in accordance with English law.