



Frontrunner Insurance Services Ltd – Terms of Business Agreement

INFORMATION REGARDING OUR SERVICES

- 1. Our Contact Details:** - Frontrunner Insurance Services Ltd, 113 Craven Park Road, London N15 6BL. Telephone number 020 8809 1206, email info@frinsurance.co.uk.
- 2. Financial Conduct Authority (FCA):** - We are authorised and regulated by the Financial Conduct Authority (FCA). Our FCA Register Number is 465390. You can check our status and permissions at www.fca.org.uk/register or by contacting the FCA on 0800 111 6768. Our permitted business is advising on, arranging and administering general insurance contracts.

- 3. Our service:**

Our service includes:-

- Discussing and establishing your insurance needs
 - Arranging appropriate insurance cover with insurers which meets your requirements
 - Assisting you in making any necessary mid-term amendments or additions
 - Assisting and helping you with any claim you need to make
 - Telling you when your policy is due for renewal
- 4. What products do we offer:** - We offer non-life Insurance products from a range of insurers / providers. Further details are available on request. We sell our products as agents or sub-agents. We will tell you on request how your policy is being transacted.
 - 5. Professional Indemnity:** - We conform to the FCA requirements in respect of Professional Indemnity Insurance. This type of insurance is mandatory.
 - 6. Confidentiality/Data Protection:** - Unless required by law, public interest, or you provide consent, all information you supply will be kept confidential to us and parties involved in the normal course of arranging and administering your insurance. We can only take instructions to affect a new policy or amend an existing policy from the policyholder or their legal representative.

Frontrunner Insurance Services Limited is registered as a data controller under the Data Protection Act 1998, registration number Z9785830. We will hold and process your personal data for insurance administration only. You have the right to see personal information about you that we hold in our records. Should you have any queries please write to us at the above address.

- 7. Disclosure of Information:** – The information you supply forms the basis of the contract between you and the insurer and it is therefore vital that this information is complete and accurate. The premium is calculated and specific cover requested in accordance with information you provide. If that information is inaccurate or there is a change in your circumstances then the cover and/or premium could be affected. You must advise us of any changes in your circumstances either during the life of your policy or at renewal. Failure to do so leaves you at risk of having the policy voided and could mean that part, or all, of a claim may not be paid. It is important that you ensure that all statements you make on proposal forms, claim forms and other documents are full and accurate. **Please ensure that you read everything you receive from us or the insurer carefully.** It is your responsibility to advise us if any information is incorrect and we cannot be held responsible for any errors or omissions made. You are advised to keep copies of documentation sent to, or received from, us for your own records.

The Insurance Act 2015

The Insurance Act 2015 is a major change to insurance legislation, effective from August 2016, and is designed to provide a fairer environment for the client in terms of claims. Whilst it reduces the ability of Insurers to impose onerous terms & conditions, it reinforces the responsibility for clients to provide ALL appropriate information about their risk by way of a 'fair presentation' to the Insurer. It is therefore essential that you assist us to provide as much relevant information about the insurance risks as possible to enable us to meet this responsibility and obtain suitable cover on your behalf. Please request a copy of our 'Illustrative Material Information' document for examples of Material Information you are required to provide.

- 8. Awareness of Policy Terms:** – When policy documentation is issued, you are strongly advised to read it carefully as the policy wording, schedule and any certificate of insurance form the basis of the cover you have purchased. We will bring all important terms, conditions and warranties to your attention. If you are in any doubt about these, please contact us to request clarification. You must ensure that you understand all policy requirements and are able to follow these exactly. If not, please advise us immediately, as breach of any policy terms, conditions or warranties may enable your insurer to terminate the policy from the date of the breach and/or repudiate a claim under your policy.
- 9. Material Damage Sums Insured:-** It is essential that the sums insured selected by you are correct as if they prove inadequate at the time of a loss the claim will be reduced in proportion to the degree of under-insurance by the condition of Average. (Please see a description of Average below 10.).

The sum insured e.g. for Buildings should represent the cost of rebuilding the premises in their existing form including allowance for site clearance costs and professional fees. The sum insured for e.g. Trade Contents other than Stock should represent the cost of replacement with equivalent new items. If you wish to insure any items on a 'current market value' basis please discuss this with us. We do not act as valuers and it is your responsibility to ensure that the sums insured under your policy are what you consider to be adequate. If you are in doubt we recommend that a professional valuation is obtained.

- 10. Average Clause and the Implications of Under Insurance:-** Please be aware your policy may be subject to "Average", whereby claims will be proportionally reduced if the sum insured is less than the full value at risk or where underinsurance is of a significant amount a claim could be rejected entirely. Bearing in mind the attitude of insurance companies towards underinsurance, we would urge you to check the current figures to ensure that they remain adequate. The principle of Average means that if you are insured for less than the full value for that item at the time of loss, then ANY claim payment will be reduced in the proportion that the sum insured bears the full value at risk. If the underinsurance is significant the insurer could reject the claim entirely. As an example, if a Property is insured for £300,000 but the full value of the Property at the time of loss is £400,000 a claim for loss of, say, £100,000 would result in a payment of £75,000 as follows: $\text{£100,000} \times \frac{\text{£300,000}}{\text{£400,000}} = \text{£75,000}$ It is therefore important to ensure your sums insured for all items represent the full value at risk at the commencement of the policy period and that protection is in place to allow for inflation during the period of insurance. For further information about "Average" please contact us.
- 11. Proposal Forms:-** We understand it is not always possible to request and receive acceptance signatures on proposal forms and documentation. Therefore any document you receive is issued on the understanding that you have duly understood all documentation and accepted the content contained therein regardless whether your signature has been applied to documentation or not.
- 12. What will you have to pay for our services? :** - Any charge for arranging insurance will be advised before payment is due. You will be given details of any other charges that may apply to your policy. We reserve the right to make appropriate charges in addition to any insurance premiums, for the arranging, amending, renewing and cancellation of any policy. These charges will always be advised to you upfront.
- 13. Claims: –** Please contact us in the first instance and we will advise you further how to proceed. We will remain available to assist you with your claim in seeking settlement from the insurers, or if you experience any problems. In all instances it is vital that you notify the insurer / us of any claims you have or of any circumstances that may give rise to a claim. You should not admit liability nor agree to any course of action, other than emergency measures carried out to minimise the loss until you have agreement from your insurer.

- 14. Payment Terms:** – We are the agent of insurers for the purpose of the collection of premiums. Payment is due before the insurance commences by either cash, cheque, BACS, credit card or via an insurance/finance company's direct debit scheme (where available). Payments by directdebit normally incur a credit charge by the insurance/finance company.
- 15. Our Earnings:** - We earn by receiving a commission payment from the insurer / provider with which the insurance has been placed. This amount will usually be calculated as a percentage of the insurance premium and the percentage will have been contractually agreed with the insurance company. We earn different percentages for different classes of business and from different insurance companies. On request we will advise how much commission we have earned from your transaction with us. In some instances where there is little or no commission to be earned or there is excessive administrative work we may look to charge a fee in which case we will advise you up front before you place your business with us. We may also charge an appropriate fee for mid term adjustments and other administrative work. In which case we will always advise up front how much this way be.
- 16. Client Money:** - Premiums collected from you will be segregated and held in a Client Money Bank Account. By virtue of agreements we hold with insurers we collect premiums as agent of the insurer. Therefore, once we have collected premiums from you they are treated as having been paid to the insurer. We will remit the premiums to insurers as soon as paid funds have cleared through this account and only then deduct any commissions / fees due to us.

17. Renewals / Renewal premiums paid by installments: – In good time before the renewal of your policy we will contact you with the renewal premium and terms for the coming year. We will also advise if applicable of any alternate terms and premiums from other insurers. If you do not contact us before the renewal date we will usually renew the policy automatically on your behalf and you will be liable for payment. **If you do not wish to renew the policy you should advise us as soon as possible and if paying by direct debit, when instructed, cancel your direct debit instruction with your bank prior to the renewal date.** If it is your intention to renew the policy no action is required by you and the policy will renew automatically.

18. Cancellations: – For certain policies there is a 14 day cooling off period - see insurers' policy wordings for more information. Cancellation of a policy can only be processed where instruction is in writing. Return premiums will be calculated only from when this instruction is received. In the event of a claim being reported during the period of cover, the full premium will be due to the insurer. All insurers make charges for the time on cover (after the cooling off period when applicable). Generally, after 8 months no refund will be given. When an insurance policy is cancelled the insurer takes back a proportion of our commission, therefore refunds may be less this amount.

19. Complaints: – It is our intention to provide a first class service at all times. However, if you have any reason to be dissatisfied with any aspect of our service you should, in the first instance, get in touch with us verbally or in writing. If we are unable to resolve the issue to your satisfaction by the end of the following business day following the receipt of your complaint, we will formally investigate the matter. You will receive a prompt 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 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 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 02). Alternatively you can contact them at Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London, E14 9SR. www.financial-ombudsman.org.uk. We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends upon the type of business and the circumstances of the claim. Further information about compensation scheme arrangements is available: Financial Services Compensation Scheme, 7th Floor, Lloyds Chambers, Pokeston Street, London E1 8BN – telephone number 0207 892 7300 – website www.fscs.org.uk.

