

## Lyon Cole Limited - Terms of Business

This document is effective from 1<sup>st</sup> April 2014 (and supersedes all Terms of Business previously issued by us) It sets out the terms upon which we agree to act for our clients and contains details of our regulatory and statutory responsibilities. It also sets out some of your responsibilities. **Please read it carefully** and contact us immediately if there is anything which you do not understand or with which you disagree.

### 1. About Our Company

Lyon Cole Limited is an independent insurance broker, authorised and regulated by the Financial Conduct Authority (FCA) to transact general insurance business. Our FCA Firm Reference number is 310959. This information is available to check on the FCA's Register by visiting the FCA's website [www.fca.gov.uk/register](http://www.fca.gov.uk/register) or by contacting the FCA on 0845 606 1234.

### 2. Our Products and Services

We select products from a wide range of insurers. However, in respect of travel insurance we only select products from a limited number of insurers.

Our service includes advice on risk exposure and insurance needs, arranging cover to meet requirements, help with ongoing changes and assistance with claims made on insurance policies we have arranged.

If we ever choose a personal insurance product which falls outside the above selection criteria, we will tell you before you agree to take out or renew that particular policy.

For business insurances we will inform you at inception and at every renewal how we made our product selection and the capacity in which we are acting.

For certain types of insurance we are also authorised to issue policy documentation and/or certificates on behalf of insurers.

Unless you tell us otherwise we will act on the understanding that we have your authority to agree to insurance policy wordings on your behalf.

### 3. Methods of Communication

We will normally communicate with you by post, telephone and, where available, fax or e-mail in additions to any meetings we may have with you. Please let us know if you would prefer not to receive communications by any particular medium.

### 4. Disclosure

You are responsible, on an ongoing basis, for providing us and/or your insurers with all material facts relating to the insurance covers we arrange on your behalf. Material facts are those which are likely to affect the assessment and acceptance of risks being insured.. Failure to provide full and accurate information may mean that your cover is invalid. **If you are in any doubt as to what facts are considered to be material then, you should disclose them to us or your insurers.**

It is important that all statements that you make on proposal forms, claim forms and declarations are full and accurate. If a form or declaration is completed on your behalf, you should check that the answers shown to any of the questions are true, accurate and complete before signing the document.

You are advised to keep copies of any correspondence you send to us or direct to your insurers.

### 5. Insurer Security

Whilst we monitor the financial strength of the insurers with whom we place business it should be noted that the claims-paying ability of even the strongest insurers could be affected by adverse business conditions. We cannot, therefore, guarantee the solvency of any insurer or underwriter.

### 6. Remuneration

Our remuneration will be either a fee, as agreed with you, and/or brokerage, which is a percentage of the insurance premium paid by you and allowed to us by the insurer with whom the insurance policy is placed. In the ordinary course of our business we sometimes earn income in the form of management/administrative expenses allowed to us by insurers to cover costs incurred in carrying out work on their behalf and in the form of volume, growth or profitability payments. We may also receive income from providers of premium financing facilities where, with your agreement, we have made such arrangements on your behalf and from claims handling management companies where your details have been disclosed to them in connection with a claim. We may sometimes also earn income for the provision of other services to you, which will be agreed with you on an individual basis. For each insurance policy, including any subsequent renewal, you have a right to request information regarding any remuneration that we have received as a result of placing your insurance business.

### 7. Professional Fees and Charges

Our professional fees are generally charged on the following fee scale:

<b>Premium level</b>	<b>Fee charged</b>	<b>Premium level</b>	<b>Fee charged</b>
£0 to £100	£0	£100 to £250	£25-£50
£250 to £1,000	£50-£100	£1,000 to £2,500	£100-£250
£2,500 to £5,000	£250-£1,000	£5,000 & over	£500+

**Lyon Cole Limited**  
Registered in England and Wales No: 3333907  
Directors: M L Cole (Managing), A Slocombe

Professional fees will always be advised to you in advance and shown separately on our invoice. Any other fees relating to any particular insurance policy will be included in the quotation you receive.

In the event of an adjustment that results in a return of premium or cancellation mid-term we will refund you the premium due net of our full commission and any charge made by insurers. Where the premium is being paid by instalments we will claim our full commission along with any charge made by the insurers in the calculation of any outstanding monies.

#### 8. Methods of Payment and Settlement Terms

We normally accept payment by cheque or bank transfer. We require full payment of the premium within 14 days of cover being effected. You may be able to spread your payments through insurers' instalment schemes or a credit facility and we will give you full information about your payment options and details of the interest payable at the time we provide you with a quotation and at renewal.

Where payment for the contract you have undertaken is by regular instalment, for example by direct debit, you give your consent to the contract being automatically renewed, without further reference to you, at the renewal date. This means that insurance will continue to be provided to you, and you will be obliged to continue to pay for such insurance, unless you specifically contact us at renewal to notify us that you no longer require such insurance.

#### 9. Quotations

Unless stated otherwise in our documentation all quotations provided for new insurances are:

- Valid only for a period of 30 days from the date of issue and
- Subject to satisfactory completion of the insurer's Proposal form or a signed and dated Statement of Facts.

You should be aware that quotations may change or be withdrawn if the information given to us or your insurers in proposal forms or declarations differs from that provided at the time the quotation was issued.

#### 10. Handling Client Money

We hold all client money collected for onward transmission to insurers and return premiums due to clients from insurers in a client bank account under a Statutory Trust in accordance with FCA rules. For the purpose of some transactions please note that client money may pass through other authorised intermediaries before the insurer receives it. Where we collect or hold money as agent of the insurer we may also hold that money in the same client bank account. Client money will be deposited with one or more approved banks, a list of which is available on request. Please notify us immediately if you do not wish us to use any bank or banks on this list. We may earn interest on monies held in our client bank account to which you consent to us retaining.

#### 11. Changes to your Insurance Cover

We will normally deal with any requests to increase or amend cover on the day your instructions are received, or the next working day if a weekend or public holiday. Sometimes changes cannot be processed without obtaining additional information. If additional information is required we will contact you as quickly as possible. We will confirm changes to your policy, once agreed, in writing. We will also advise you of any extra premiums you must pay or premiums we must return to you.

#### 12. Claims

Many insurers provide a 24-hour Helpline in respect of claims and you should consult your policy documentation for contact details. Please ensure that you report all incidents that could give rise to a claim as soon as you become aware of them, either by contacting your insurer on their helpline or by telephoning our office. You will be advised if you need to complete a claim form or produce documentation to support your claim. In certain circumstances late notification may result in your claim being rejected.

If the claim involves damage to your property, please do not dispose of damaged items and/or authorise repair work (except in an emergency or to prevent further damage) until your insurers or we advise that you can. If your claim involves damage to third party property or injury to persons please pass copies of all correspondence, including solicitors' letters, to us immediately and unanswered. Any attempt to negotiate or respond to the incident without prior reference to your insurers or us might prejudice your cover. You should be aware that a claim arising after renewal of the policy has been invited might affect the assessment and acceptance of renewal by your insurers.

If we act on behalf of an insurer in negotiating and settling claims we will inform you that we will be acting on behalf of the insurer, not you, at the point of claim.

#### 13. Receipt of Instructions

We do not consider instructions to arrange or change cover which are sent to us by post, electronic mail or facsimile to have been received until they reach the relevant personnel in our offices. We do not accept responsibility for instructions which do not reach us at all due to failures in the postal, electronic or telecommunications systems.

#### 14. Documentation

Our aim is to produce documentation and issue correspondence in a clear and understandable format. In the event of any uncertainty we would ask you to let us know immediately - our staff are always happy to clarify the cover provided. You should check all policy documentation to ensure that the details are correct and the cover provided meets with your requirements. Any errors should be notified to us immediately. All policies contain conditions and exclusions and some contain warranties and excesses. It is your responsibility to examine the document to familiarise yourself with these. A breach of a policy condition may result in non-payment of a claim and breach of a warranty may invalidate the cover if it is not complied with precisely.

We recommend that you keep policy documents for as long as a claim is possible under the policy. If your policy includes Employers' Liability insurance it is prudent to keep a copy of all Employers' Liability Certificates issued.

#### 15. Transferred Business

If we take over the servicing of insurance policies which were originally arranged through another insurance broker or intermediary or directly with an insurer we do not accept liability for any claim arising out of the advice given by that broker, intermediary or insurer, nor for any errors, omissions or gaps in your current insurance protection. We would ask you to contact us without delay should any aspect of a policy which has been transferred to us or cause you concern or if you need an immediate review. Otherwise we will endeavour to review all transferred policies as they fall due for renewal.

#### 16. Termination of Authority

You may terminate our authority to act on your behalf with 14 days' written notice or as otherwise agreed. Notice of this termination must be given in writing and will take effect from the date of receipt. Termination is without prejudice to any transactions already initiated unless otherwise agreed in writing. You will be liable to pay for any transactions or adjustments effective prior to termination and we will be entitled to retain any and all fees or brokerage payable in relation to policies placed by us prior to the date of termination.

#### 17. Conflicts of Interest

As independent insurance brokers we act as the agent of our client. We are subject to the law of agency which imposes certain duties on us. We also have proper regard for the interests of others, including the insurers for whom we also act.

Where we become aware of any actual or potential conflict of interest we will inform you of the situation, the options available to you and obtain your consent before we carry out your instructions.

#### 18. Duty of Care and Confidentiality

We will keep records of all our business transactions for a minimum period of three years. We treat all our clients' records as confidential even when they are no longer a client. Information is only disclosed in the normal course of negotiating, arranging and administering your insurance. This may include disclosing information to agents and service providers such as loss adjusters and approved contractors. With a few exceptions, for example information requested by a court, regulatory body, or information which is already in the public domain, we will not release information to any other party without your prior consent.

We may also use the data we hold about you to provide you with information about products and services which we feel are appropriate. You are requested to let us know if you do not want to receive this information.

We cannot be held responsible for incorrect data held in the event of non-disclosure.

We are registered under the Data Protection Act 1998, you have the right of access to your personal records held on our files. This may incur a small administration fee and we will tell you what the fee is if you ask for a copy of your information.

#### 19. Statutory Right of Cancellation

If you take out a personal insurance policy through us which lasts for more than one calendar month you may cancel the cover up to 14 days from the later of the policy start date or the date you receive full policy documentation from us or your insurers or the renewal date or the date you receive full renewal documentation from us or your insurers. You will be informed if you have such a Cancellation Right in separate documentation. Should you decide to exercise the Cancellation Right you will be entitled to a refund of premium less an appropriate pro rata charge for the period of cover given before the cancellation right was invoked. If the premium has not been paid, a charge may be made for the period of cover given prior to the exercise of the Cancellation Right. Should any claim occur prior to the exercise of the Cancellation Right where the claim terminates the insurance cover, your insurers may not allow a refund of any of the premium paid. If this Cancellation Right is not exercised within the 14-day period as stated above, and you decide to cancel the policy at a later date, the amount of any premium refund will depend upon the cancellation terms of your insurance policy. To exercise the Cancellation Right you should contact us at our normal address or your insurers at the address shown on your policy.

#### 20. Policy Cancellation

If you wish to cancel your policy in circumstances other than as described in the section headed Statutory Right of Cancellation, you may be entitled to a refund of part of your premium as long as no claims have occurred during the time you have been on cover. The refund due may not necessarily be proportionate to the remaining period of cover. Additionally you should note that: Insurers do not normally allow refunds in cases where a minimum and deposit premium has been charged; cancellation may not be possible until you return your certificate of insurance to us or your insurers; and cancellation of a direct debit does not necessarily cancel a policy and any balance of premium owing may be requested by the insurers. When your policy ends or is cancelled, we will send you any documentation and information to which you are entitled on request.

#### 21. Complaints

We will endeavour to act fairly and reasonably at all times and provide you with a professional service. Should you have any complaints about the service provided, please contact us in writing addressed to the Managing Director, Lyon Cole Limited, 40High Street, Dunmow, Essex, CM6 1AH, or telephone us on 01371 874470 or by email to [mark@lyoncole.com](mailto:mark@lyoncole.com)

If you cannot resolve your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service.

#### 22. Financial Services Compensation Scheme (FSCS)

We are covered by the Financial Services Compensation Scheme (FSCS) and you may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Insurance advising and arranging is covered for 90% of the claim, without any upper limit. For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim, without any upper limit.

Further information about compensation scheme arrangements is available from the FSCS.

#### 23. Law and Jurisdiction

These Terms of Business shall be governed by and construed in accordance with English Law. In relation to any legal action or proceedings arising out of or in connection with these Terms of Business we both irrevocably submit to the exclusive jurisdiction of the English courts.

YOU ARE DEEMED TO HAVE ACCEPTED THESE TERMS OF BUSINESS AND GIVE YOUR CONSENT FOR US TO OPERATE IN THE WAYS DESCRIBED, UNLESS YOU ADVISE US OTHERWISE WITHIN 7 DAYS OF RECEIPT