



## IMPORTANT INFORMATION

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## TERMS OF BUSINESS

In no particular order of priority, this document sets out the terms which apply to our appointment by you and the services we will provide unless there is specific prior written agreement to the contrary.

It is therefore important that you carefully read, understand and agree these terms and, if you have any queries, to address these with us first *before* we do any business.

If you have any queries or wish to discuss any aspect of these terms then please, in the first instance, contact:

**The Compliance Manager**

ALDIUM Insurance Services Ltd  
Viscount House  
High Street  
Neston  
Wirral  
CH64 9AD

tel: 0151 336 5881

fax: 0151 336 2141

web: [www.aldium.co.uk](http://www.aldium.co.uk)

email: [compliance.manager@aldium.co.uk](mailto:compliance.manager@aldium.co.uk)

## **A. Who We Are**

1. We are ALDIUM Insurance Services Ltd.
2. We are independent insurance brokers whose owners work exclusively for the company.
3. We have no holdings in any Insurance Company nor does any Insurance Company or any parent company have any holdings in ALDIUM.
4. We have extensive training programmes and examination requirements to ensure all our staff provide services to a high professional standard and in accordance with these Terms of Business.

## **B. What We Do**

1. We assess general insurance needs, provide advice and make recommendations based thereon.
2. We arrange insurance, deal with alterations and renewals.
3. We provide advice and assistance in any claims except where there may be a conflict of interest and we do not have your informed consent to proceed.

## **C. We are Regulated By**

1. We are authorised and regulated by the **Financial Conduct Authority (FCA)**.
2. **Our FCA** Register number is 306687
3. Our permitted business is arranging general insurance contracts.
4. You can check this on the **FCA** Register by visiting the **FCA** website [www.fca.org.uk](http://www.fca.org.uk) or by contacting the FCA on 0800 111 6768.

## **D. Professional Indemnity Insurance**

1. We conform to FCA regulations which require that we maintain Professional Indemnity Insurance against negligent acts, errors or omissions.

## **E. Charges & Fees Structure**

Our normal income is derived from the commission received from Insurers on policies placed with them but there are a few circumstances where we will make further charges:

1. A fee of £75 as an underwriting fee in relation to the establishment of care home cover.
2. An administration charge of usually not more than £50 can be made on new business, mid-term alterations and renewals for personal and certain types of business insurances. There are, however, occasions when a charge might exceed £50 and you can apply to us for details of the relevant insurances and the likely charges. All charges will be advised in the documentation we supply.
3. A duplicate certificate charge of up to £10, in addition to any charge made by the insurance providers.
4. For cancellations after the expiry of the cooling off period (see O1) or where a mid-term adjustment is requested which reduces the cover provided by the policy, we reserve the right to charge you for our time and costs. This will usually result in us reducing the amount refunded to you by the full amount of the commission and fees/charges we would have received had there not been a cancellation or reduction in cover. In addition, any return will be net of any cancellation charge made by the insurance provider.
5. Reminder letters we have sent for payments not received within our credit terms will incur a charge of £15.
6. Any unpaid cheques or re-presentation of a cheque will incur a charge of £25 per transaction.
7. You will be charged a minimum of 25% of the original premium due where cover has been provided and subsequently cancelled (involuntary or otherwise) due to non-payment or failure to return any required forms within our credit terms unless:
  - i. You are classified as a consumer (see G1) and are entitled to a cooling off period although, in such circumstances, we may make a charge sufficient to cover our administration costs.
  - ii. We have advised you of a minimum and deposit premium (see O 2 i) which is payable anyway.
8. For cancellations, there will be no return of any part of any fee or administrative charge referred to above.
9. If we have to cancel and reissue a cheque, a charge of £10 may be made.
10. If you are a non- consumer (see G2) you are entitled, at any time, to make a request in writing for information regarding any commission which we may have received as a result of placing your insurance business.

Whilst we do not anticipate any further costs arising, it is possible that other taxes and/or charges may apply which are not imposed by or due to us

## **F Handling Your Money and/or Insurer Money**

1. We hold all client money collected for onward transmission to Insurers and return premiums, credits/and claims payments due to clients from Insurers in a Client Bank Account under a Statutory Trust in accordance with the authorisation we have from the **FCA**.
2. Insurers generally have asked us to hold money as their agent and, in such circumstances, payments you make to us are, therefore, deemed to have been paid to the Insurer.
3. For the purposes of some transactions, client money may pass through other authorised intermediaries or third parties.
4. In the event that such other authorised intermediaries or third parties have informed us that they hold your money in an account which allows them, under the rules imposed by the **FCA**, to use your money to make advances of credit, then we will undertake to inform you of this and provide you with an opportunity to decline to proceed.
5. We cannot guarantee the solvency of any insurer with which we place business. This means that you may still be liable for any premium due and not be able to recover the premium paid, whether in full or in part, should an insurer become insolvent.
6. Because we hold your money for relatively short periods of time, the level of interest earned is too nominal for it to be economic for us to distribute to clients and, in these circumstances, the **FCA** do not require that interest be paid to customers in respect of money held in client bank accounts.
7. In the event that a cheque is issued to you and not presented by you within the required timescale for cheque presentation, we may take no further action and the amount and any interest accrued will be retained by us.
8. In order to meet administration costs, we reserve the right to retain £1.50 of any overpayment you may make. Overpayments of £1.50 or less shall, therefore, be retained in full.

## **G. Your Duty of disclosure & Fair Presentation**

### **1. Consumer Customers Only**

Under the Consumer Insurance (Disclosure & Representation) Act 2012 it is your duty as a consumer to take reasonable care not to make a misrepresentation to an insurer. Under the act a consumer is defined as an individual who enters into an insurance contract wholly or mainly for purposes unrelated to the individual's trade, business or profession. A failure by the consumer to comply with the insurers request to confirm or amend particulars previously given is capable of being misrepresentation for the purposes of this act.

It is important that you ensure all statements you make on proposal forms, claim forms and other documentation are full and accurate and we recommend that you keep a copy of all correspondence in relation to the arrangement of your insurance. Under the act an insurer has a remedy against a consumer in respect of qualifying misrepresentations in breach of the consumers' duty of reasonable care where the insurer deems the misrepresentation to be either deliberate, reckless or careless.

**If in doubt about any point in relation to your duty to take reasonable care and subsequent qualifying misrepresentations please contact us immediately.**

### **2. Non Consumer Customers Only**

It is your responsibility to provide a fair presentation of the insurance risk based on you conducting a reasonable search for information. This could require you to obtain information from senior managers within your organisation or other parties to which the insurance relates or who carry out outsource functions for your business.

You must disclose every material circumstance which you know or ought to know, or failing that disclose sufficient information to put your insurer on notice that it needs to make further enquiries. You must ensure that any information you provide is correct to the best of your knowledge and representations that you make in expectation or belief must be made in good faith.

If you fail to make a fair presentation of the risk not just at inception but ongoing throughout the period of insurance cover and at each renewal, this may result in additional terms or warranties being applied from inception of the policy or any claim payment being proportionately reduced. In some cases this could result in your policy being declared void by an insurer and your premiums returned. Any deliberate or reckless breach of the duty of fair presentation could result in your policy being declared void by an insurer with no refund of premium.

**If in doubt about any point in relation to material circumstances and reasonable search please contact us immediately**

## **H. Credit Terms and Instalment Payments**

1. We do not sell credit facilities as a product. We offer this facility as a service to our customers as we are aware that many of our customers request such a service.
2. Where you choose to pay your premium by instalments, we may use a scheme operated by your insurer, or we may use a single finance provider and will provide you with the details if required. We must point out that failure to make a payment of an instalment could well result in the cancellation of the insurance policy and we would refer you to the **Cancellations** section below.
3. Payment is required *strictly* within 7 days of the date you were invoiced or by the effective date shown on the invoice, whichever is the later of the two.
4. Please avoid paying unnecessary charges (as above) or involuntary cancellation of your insurance by paying promptly within these terms.

## **I. The Products We Offer**

1. We are not tied to any particular product provider and, for most types of insurance, we offer products from a range of providers.
2. For some types of insurance we offer products from a limited number of product providers and we will always advise you if this is the case and you can ask us for a list of those providers.
3. There are certain products for which we deal exclusively with one product provider, who we have selected for their excellent policy cover and value for money as listed below:
  - i) Breakdown Insurance RAC Limited
  - ii) Legal Expenses Insurance (Motor) Action 365, Auto Legal Protection Services Ltd.
  - iii) Legal Expenses Insurance (Business) Arag, Markel
4. Your policy document can be checked to establish the law and language applicable to the contract.
5. If you have already received a policy document from us or your Insurers but would like a copy, please contact us.
6. We cannot guarantee the solvency of any insurer with which we place business. This means that you may still be liable for any premium due and not be able to recover the premium paid, whether in full or in part, should an insurer become insolvent.

## **J. Financial Services Compensation Scheme (FSCS)**

1. We are covered by the FSCS
2. You may be entitled to compensation from the scheme if we cannot meet our obligations depending upon the type of business and the circumstances of the claim.
3. Further information about compensation scheme arrangements is available from the FSCS at [www.fscs.org.uk](http://www.fscs.org.uk)

## **K. Confidentiality of Personal Data**

1. All personal information is treated by us as confidential and we have endeavoured to ensure the full security of our systems including computer systems.
2. We shall adhere to the principles of Data Protection within the EU General Data Protection Regulation (GDPR) and we undertake to comply with the GDPR in all our dealings with your personal data. You have a right to ask for a copy of the information we hold on you and be informed as to the reason for it being processed. You also have a right to have inaccurate information amended or deleted.
3. All personal information is processed on a lawful basis in accordance with the relevant legislation.
4. We will not use or disclose personal information, other than in the normal course of arranging, placing and administering your insurances (which may involve passing information about you to the Financial Conduct Authority, insurers, other intermediaries, risk management assessors, uninsured loss recovery agencies and other third parties involved directly or indirectly in your insurance) except where we are compelled by law (including by regulators or law enforcement agencies) to disclose such information. In such instances personal information held by us may be disclosed on a confidential basis and in accordance with the Lawful basis within the General Data Protection Regulation, to such third parties. To ascertain the most appropriate payment options for you and to protect you from fraud, we use public and personal data from a variety of sources, including credit reference agencies and other organisations. Our search will appear on your credit report and will be visible to other credit providers whether or not your application proceeds. If you do not proceed it will be clear the search was for quotation purposes. By agreeing to the terms and conditions you agree to these uses of your information.
5. We may also pass information about you to credit reference agencies and premium finance providers in connection with the assessment of your financial standing generally and, in particular, where you have requested a premium instalment plan – this may include details of your payment record with us.
6. In the interests of security and to improve our service, telephone calls you make to us may be monitored and / or recorded for training purposes.
7. For your protection, we will generally only speak on the telephone to the Insured Person or an authorised contact. It may be that we shall ask some questions to verify identity.
8. Insurers pass information to the Claims and Underwriting Exchange run by Insurance Database Services Ltd and the Motor Insurance Anti-Fraud and Theft Register run by the Association of British Insurers for the purposes of checking information provided and preventing fraudulent claims.
9. Motor insurance details are added to the Motor Insurance Database run by the Motor Insurers Information Centre that has been formed to help identify uninsured drivers and may be searched by the police.
10. In the event of an accident the database may be used by Insurers and the Motor Insurers Bureau to identify relevant policy information.
11. If contact with you has been brought about by virtue of a direct marketing arrangement we have with your employer, trade association, an introducer or such like, we will only process your personal data under which we have a Lawful basis to do so in accordance with GDPR.
12. Where a third party holds a financial interest in your policy, we will assume, unless informed by you to the contrary, that you have given consent to us to release information to them concerning any insurances, alterations or renewals we arrange on your behalf
13. More information can be found in our full 'Privacy Notice' on our website at <https://www.aldium.co.uk/privacy-policy/>

#### **L. Conflict Of Interest**

1. If a conflict or potential conflict of interest should ever arise in terms of a claim or our handling of a claim, we will obtain your informed consent before proceeding.
2. We have an arrangement with a finance company which enables us to offer you the service of being able to pay your premium by direct debit instalments if you wish. We do derive income from the volume of business the finance company obtains from us. However, you are under no obligation to utilise the service offered and may make your own separate arrangements.
3. For your further protection we have in place a formal Conflict of Interest policy which is regularly reviewed at senior management level.

#### **M. Documentation**

1. We will issue all documentation to you in a timely manner. Documentation relating to your insurance will confirm the basis of the cover and provide details of the relevant insurers. It is therefore important that the documentation is kept in a safe place, as you may need to refer to it or need it to make a claim. A new policy/policy booklet is not necessarily provided each year, although a duplicate can be provided at any time upon request. You should always check the documentation to ensure all the details are correct and if this is not the case you should contact us immediately.

#### **N. Inappropriate Conduct**

1. This Agreement is made with you on the basis that you have not been involved at any time and will continue to seek not to become involved in any activity which might tend to bring you into public disrepute, contempt, scandal, or ridicule, or which might tend to reflect unfavourably on Aldium. Furthermore, this Agreement is based on the understanding that our mutual dealings will be conducted in a manner characterised as being honest, moral and decent. If, in the sole judgement of Aldium, there is a failure in any of these regards then Aldium reserves the right to cancel this Agreement by giving you 14 days' notice in writing.

#### **O. Cancellations**

1. Your policy document will detail your rights to cancel your insurance once you have taken it out. Depending on the type of policy you have purchased, you may be entitled to cancel within 14 or 30 days of either conclusion of the contract or receiving your policy documentation, whichever occurs later. This is often referred to as a cooling off period.
2. We cannot provide you with specific details in a document of this nature and would urge you to check the policy document itself. Nevertheless, we can draw your attention to certain features which are associated with cancellations:
  - i. If a premium is advised to be a Minimum & Deposit premium this means that the premium payable at the start of the policy will be the minimum the insurer will collect and you are required to pay the premium in full even if you have elected to make payment by instalments. There is no return of any part of any premium if the policy is stated to carry a Minimum & Deposit premium.
  - ii. Instalment credit agreement charges, administrative charges and fees are non-refundable.
  - iii. Any return premium due will be paid net of our commission which we reserve the right to charge for our time and costs.
  - iv. Cancellation refunds are not usually given by Insurers if there has been a claim on the policy in the same period of insurance including during any cooling off period (see 1 above).
  - v. Unless you have been advised of a Minimum & Deposit premium or you are entitled to a cooling off period, you will be charged a minimum of 25% of the original premium due where cover has been provided and subsequently cancelled due to non-payment or failure to return any required forms within our credit terms.
  - vi. Mid-term cancellations are invariably calculated by Insurers not on a strict pro-rata basis but take account of administration costs as well as the time on risk which will invariably be greater in the first period of insurance
  - vii. Insurers are unlikely to handle any cancellation until any certificate applicable has been returned.
  - viii. Failure to make prompt payment under a credit agreement arranged by ourselves will result in us being obliged to arrange cancellation of all policies to which the credit agreement refers in which circumstance we undertake to issue a 7 day notification in writing to your last known address.
3. If you decided to take this course of action, you would have to notify ourselves or the insurer and any monies you had paid would be returned to you within 30 days of receipt of this notification by the insurer, less any reasonable costs which the insurance provider or ourselves had incurred.

## **P. Claims**

1. We have our own claims department and will seek to ensure a quick and fair service with as little inconvenience as possible.
2. It is essential to notify your insurer (or us) immediately of all incidents that may result in a claim against your insurance policy. You must do so whether you believe you are liable or not. Any letter or claim received by you must be passed to your insurer (or us) immediately, without acknowledgement. Only by providing prompt notification of incidents can your insurance company take steps to protect your interests. Your policy summary and/or policy document will provide you with details on who to contact to make a claim.
3. Whilst we cannot detail here all the information we might require for all the different varieties of claim which could arise, we can say that the following information is essential to begin the process:
  - i. Policy number
  - ii. Date of incident
  - iii. Nature of incident
  - iv. Any third party details
  - v. A rough indication of the amount which may be involved
  - vi. Confirmation that the police have been informed if the claim involves theft or malicious damage.

## **Q. Termination of Authority**

1. You may terminate our authority to act on your behalf with 14 days notice or as otherwise agreed without penalty.
2. Notice of this termination must be given in writing and will take effect from the date of receipt.
3. Termination is without prejudice to any transactions already initiated which will be completed according to these terms of business unless otherwise agreed in writing.
4. You will be liable to pay for any transactions or adjustments effected 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.

## **R. Complaints**

2. If you wish to register a complaint, please contact us per the details at the front of this agreement.
3. We will acknowledge in writing within 3 days, telling you who is dealing with your concerns.
4. We will make every effort to deal with your concerns within those 3 days.
5. If our investigations take longer, we will endeavour to provide a full response within 28 working days.
6. If that is not possible, we shall keep you advised as to the reasons and will provide alternative timescales for a full response.
7. If you cannot settle your complaint with us within 56 days, you may be entitled to refer it to the Financial Ombudsman Service to which we subscribe.
8. None of these procedures affects your right to pursue any legal action.

## **S. Proceeds of Crime Act 2002**

1. As required by the Proceeds of Crime Act 2002, we have in place procedures to:
  - i. Meet our obligations under the current UK money laundering regulations which require us to obtain adequate "Know Your Client" information about you. We are required to cross check you against the HM Financial Sanctions List as part of the information gathering process
  - ii. Report to the National Crime Agency any evidence or suspicion of financial crime at the first opportunity and we are prohibited from disclosing any such report

## **T. Contracts (Rights of Third Parties) Act 1999**

1. The advice which we give you is for you alone and does not constitute advice to any third party to whom you may communicate it. We accept no responsibility to third parties for any aspect of our professional services or work that is made available to them.

## **U. Mid-Term Transferred Business**

1. When we are appointed to service insurance policies other than at their inception or renewal and which were originally arranged via another party, we shall not be liable during the current insurance period for any loss arising from any errors or omissions or gaps in your insurance cover or advice not supplied by us. Should you have any concerns in respect of a policy, which has been transferred to us, or if you require an immediate review of your insurance arrangements, you must notify us immediately. Otherwise, we shall review your insurance arrangements and advise accordingly as each policy falls due for renewal.