McCarroll McConnell & Co Ltd – Client Terms of Business

McCarroll McConnell & Co Ltd is part of the Adler Fairways group of companies and is an independent insurance broker. Our address is: Pennybridge Industrial Estate, Ballymena, BT42 3HB. The parent company of the insurer Intact Insurance UK Limited has an indirect minority ownership in McCarroll McConnell & Co This does not affect our commitment to act in our clients' best interests

McCarroll McConnell & Co is authorised and regulated by the Financial Conduct Authority ("FCA"), the independent watchdog that regulates financial services. Our FCA Register number is 306066 Our permitted business includes insurance advising and arranging. You can check this by visiting the FCA's website or by contacting the FCA on 0800 111 6768. The FCA 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.

We are also authorised to undertake the following Consumer Credit Activities: Credit broking and debt administration.

Please read this document carefully. It sets out the terms on which we agree to act for you and contains details of our regulatory and statutory responsibilities. Contact us immediately if there is anything which you do not understand.

We would particularly draw your attention to the following sections of these Terms of Business:

- Duty of Fair Presentation (For Commercial Clients)
- Reasonable Care (For Consumer Clients)
- Premium Payment
- Cancellation
- Minimum and Deposit premiums (M&D)
- Client Money Arrangements

HOURS OF BUSINESS AND INSTRUCTIONS

Our usual office hours are 09.00 – 17.00 Monday to Friday other than Bank and Public Holidays. Please note, we cannot accept instructions from you outside of these times and may still require time after your instructions to obtain cover from Insurers.

ADVISING ON/ARRANGING YOUR INSURANCE

We are an insurance distributor (intermediary) and can act both as agent of insurer, and on behalf of you, the customer. Unless we advise you otherwise, we are acting on your behalf. We act as agents of the insurer in collecting premiums and handling refunds due to clients. Such monies are deemed to be held by the insurer(s) with which your insurance is arranged.

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 your existing insurance arrangements with us and other parties. We will provide you with advice and guidance, after assessing what you want and need, we will personally recommend a suitable policy based on our experience of dealing with similar risks.

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.

If we use the services of another intermediary to place your insurance, we will advise you of the name of the intermediary we use and the name of the insurer. In some instances, we may approach and MGA (Managing General Agent). Details of the placement of your policy will be confirmed to you.

We will usually recommend an insurance solution that meets your demands and needs. The number of insurers approached will depend upon the type of insurance required and sometimes a selection of insurers or single insurer may be used. If you wish, you may ask for a list of insurers with whom we offer insurance. We will confirm to you whether we have approached the whole market, a selection of insurers or a single insurer.

Upon receipt of your instruction we will place cover with insurance providers and keep you informed of progress of our negotiations. We will advise you of any inability to place your insurance.

SECURITY

We will advise you of the insurers with whom it is proposed to place any insurance on your behalf. However, we cannot and do not guarantee the solvency or continuing solvency of any insurer used. You should note that the financial position of an insurer can change after cover has incepted. A liability may arise to pay the premium in part or in full under policies where a participating insurer becomes insolvent.

PRODUCT OVERSIGHT AND GOVERNANCE FRAMEWORK

All of the products we offer are ultimately manufactured by product providers (usually the Insurance Companies providing cover);

Our framework, means we have in place written processes, to ensure that:

- For any existing products we, distribute, and any new products we propose to distribute, we will have procedures in place to consider, on a continuing basis, whether the product offers fair value to customers in the target market.
- Where we identify any aspects of a product that may mean the product does not offer fair value, we will:
    - take appropriate action to mitigate the situation and/or prevent further occurrences of any possible detriment to customers, including, where appropriate amending our distribution strategy, and
    - inform any relevant manufacturers promptly about any concerns we have and any action we are taking.
- Any distributors (including us, and our employees) have the necessary knowledge, experience, and competence to understand the product and ensure it is consistent with a customer (or potential customers) demands and needs; even where our distribution chain is long, we aim to ensure this goal is met.

PREMIUM PAYMENT

You must provide the premium due in cleared funds in accordance with the amounts and payment dates in our debit notes. Failure to meet the payment dates may lead to insurers cancelling your policy without further notice.

Where insurers have specified that the premium must be received by a certain date, failure to comply can result in the automatic termination of your insurance with insurers retaining a portion of your premium for the time on risk which has elapsed.

FEES & CHARGES

No charge will be made for Debit or Credit Card transactions. We reserve the right to charge you £25 if you issue a cheque to us which does not clear on the first presentation. In addition, the following charge(s) may be applied to cover the administration of your insurance:

Payment for our services is generally by way of any one or a combination of the following:

- We usually receive a commission from the insurer which is expressed as a percentage of the annual premium you pay. Commission will be taken by us on receipt of cleared funds from you or when the insurer has received the cleared funds from us depending on the arrangement in place with each insurer.
- We will also usually charge you a standard administration fee when taking out a policy with us. Where we charge administration fees full details will be advised to you before you take the policy out or carry out the mid-term adjustment to the policy.
- We may also charge you other fees in place of, or in addition to, the commission we earn from insurers. We will advise you of any such fees before you take the policy out.
- No fee charged is refundable.

Additionally, we also receive remuneration in certain circumstances as set out below:

- We may receive a payment from certain insurers based on sales or performance.
- We may sometimes be paid Fees for Services. This is a payment made by an insurer in return for the provision of services over and above those covered by the commission paid and is based on gross written premiums.
- We may sometimes be paid Insurance Service Brokerage (ISB). This is a payment made by an insurer in return for the provision of services to support the development and administration of the insurer's insurance business where no commission is paid.
- Where you pay your premiums by monthly instalments, we receive a payment from the finance provider for introducing you, which is usually a percentage of the amount financed. Whilst we may recommend a provider to you, you remain free to make your own choice of premium finance provider.
- Where you purchase non-insurance products from us we may earn a fee from the supplier which is usually a percentage of the purchase price.
- Where you agree to utilise the services of a third party provider (e.g. replacement vehicle) we may earn a fee from that provider
- Some of our staff may be paid a bonus if they hit pre-agreed sales targets

You are entitled, at any time, to request details of the level of commission that we may have received from insurers in placing your insurance business.

CANCELLATION & MID-TERM ADJUSTMENTS

In the event of cancellation of the insurance contract after inception and/or mid-term adjustments and any other refunds, insurers may return some or all the premium to us. In such circumstances, and where the insurer has provided a refund, we will return this to you less an administration fee and/or a deduction of the commission which is repayable to the insurer.

INSURANCE PREMIUM TAX (IPT)

Your premium detailed in the policy will include IPT at the prevailing rate. Should the rate of IPT be amended by the Government, your premium will be amended by the insurer to reflect the change.

REMUNERATION

Our remuneration for our services is normally in the form of commission which is a percentage of the insurance premium paid by you and allowed by the insurer(s) with whom the insurance is placed. Other remuneration options include a brokerage fee or a combination of a fee and commission percentage.

Our remuneration is earned at the inception of the policy and each successive renewal date and brokerage and/or fees will not usually be returnable.

In addition to client fees and/or brokerage payments we may also receive remuneration by way of:

- Interest earned on insurance monies passing through our bank accounts
- Expense allowances or commissions from insurers for managing and administering certain covers, binding authorities and other similar facilities.
- Profit commissions or profit shares paid by insurers on specific facilities and arrangements for a limited class of business
- Administrative service fees which may be paid for limited specific service we provide to insurer(s) as part of the placing or claims process

We will deal with you openly and, when requested, we will disclose the amount of any additional income (or where that is not feasible a reasonable estimate of the additional income or its basis of calculation) from the above and any other sources which we may receive in relation to insurance which we arrange.

MINIMUM AND DEPOSIT PREMIUMS (M&D)

Your commercial insurance policy may be subject to a Minimum & Deposit premium. In this case there is no refund in the event of cancellation, and you will be liable for 100% of the premium even if you are paying by instalments. You will be notified from the outset if your policy is subject to this condition. If you are unsure whether your policy is subject to a Minimum & Deposit premium, please contact us.

DUTY OF FAIR PRESENTATION (FOR COMMERCIAL CONTRACTS)

It is your responsibility to provide a fair presentation of the insurance risk when requesting a quotation from us. This should include you conducting a reasonable search for information within your organisation and approaching relevant senior employees of both your company and any other connected company in relation to the risk. You must thereafter disclose every material circumstance which you know or ought to know. Failing this, you must disclose enough information to put your insurer on notice that it needs to make further enquiries regarding the material fact. You must also ensure that the information provided to us is correct to the best of your knowledge and that all representations made to us in either expectation or belief are made in good faith.

Failure to make a fair presentation of the risk may result in additional terms or warranties being applied to your policy from inception or any claim amount being reduced proportionately. In certain circumstances, your insurer may declare your cover void and will return any premiums already paid. If the insurer views the omission as a deliberate or reckless breach of the duty of fair presentation, they may void your policy and retain all premiums paid.

Whether specifically requested by us or your Insurer, you should disclose all material circumstances and facts. If you need further clarity regarding a material circumstance or fact, please contact us immediately.

REASONABLE CARE (FOR CONSUMER CONTRACTS

You must take reasonable care to provide complete and accurate information to us and your insurer, when you take out your insurance policy, throughout the life of your insurance policy and when you renew your insurance policy.

Failure to provide correct information or disclosure of false information could invalidate your insurance, result in a claim not being paid and/or an additional premium being charged.

You must check all details on any proposal form or statement of facts and notify us immediately if any information needs to be corrected.

The answers or statements you have provided will be shown and they must be given to the best of your knowledge and belief. It is important that you ensure all statements you make on proposal forms, claim forms and other documents, are full and accurate. If a form is completed on your behalf, you should check that the answers shown to any questions are true and accurate before signing the document.

You are reminded that it is an offence under the Road Traffic Act to make any false statements or withhold any relevant information to obtain a certificate of motor insurance.
Please note that under the Rehabilitation of Offenders Act 1974 you are not required to disclose convictions regarded as “Spent”. You are advised to keep copies of any correspondence you send to us or direct to your insurer.

McCarroll McConnell & Co Limited is authorised and regulated by the Financial Conduct Authority under the Registration Number 306066. McCarroll McConnell & Co Limited is part of Adler Fairways Insurance Group and is registered in England and Wales under registration number NI049105.
Our registered address is 17 Pennybridge Industrial Estate, Ballymena, County Antrim, BT42 3HB.

DOCUMENTATION

We will issue written documentation confirming details of the policy purchased, including the identity of your Insurers and any specific conditions or warranties. We will advise you of the dates(s) on which any premiums are due, and if relevant, the consequence of late payment. Where required by regulation we will also:

- Set out your demands and needs as understood by us
- Confirm whether the contract has been personally recommended and, if so, the reasons for making that recommendation
- Include a summary of the key aspects of your policy or Insurance Product Information Document (IPID)
- Provide you with the policy confirmation
- Provide you with renewal terms in good time before the expiry of your policy or notify you that renewal is not being invited.

Please read through any summaries of cover, letters, or registers of insurance which we issue and advise us immediately of any inaccuracies or omissions as this forms the basis of your insurance. These documents attempt to provide you with a summary of the main points only of the policy. You should be aware that there will be other terms and conditions of the insurance which are not shown in such documents and which will restrict or exclude cover. It is most important that you read through the policy documentation in its entirety and ask us if any point is unclear or if additional or amended cover is required. If your cover includes Employers Liability Insurance, you must by law retain the certificates for 40 years. Please also take care to store all insurance documents in a safe place. Please take note to read any claims notification provisions and any warranties and conditions as failure to comply may invalidate or affect cover.

CLAIMS

You must notify us as soon as possible of a claim or circumstances which may give rise to a claim. We will advise you what you need to do to pursue your claim; you should note you will need to state all material facts concerning your claim. We will remit claims payments to you as soon as possible after they have been received on your behalf. We will provide you with every assistance in submitting a claim and seeking to obtain reimbursement. However, if an insurer becomes insolvent or delays making settlement, we do not accept liability for any unpaid amounts.

Where you have elected to appoint another insurance broker/provider or have moved your cover(s) elsewhere, we reserve the right to cease assisting you with a current and ongoing claim. In these instances, and upon request, we may provide or continue to provide a claims handling service subject to payment of a reasonable fee.

COMPLAINTS

It is always our intention to provide a high standard of service. If our service falls below the standard our clients reasonably expect and they have cause for complaint, we will endeavour to ensure that at the appropriate stage the matter is handled fairly and promptly by a suitably senior and independent member of staff.

If you wish to register a complaint, please contact the 'Compliance Officer' in writing at the address shown above; or telephone 0121 764 5500.

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If we consider that your complaint does not relate to our services (for instance, if the matter concerns the performance of your insurer) we will put you in contact with an appropriate person to whom your complaint may be addressed. We have a formal complaint procedure, details of which we will send to you either on receipt of a complaint or on request. If we are unable to settle your complaint you may be entitled to refer it to the Financial Ombudsman Service at Exchange Tower, London E14 9SR: telephone 0800 023 4567; email complaint.info@financial-ombudsman.org.uk; website www.financialombudsman.org.uk

TRANSFERRED BUSINESS

Where you appoint us to service your insurance policies mid-term and transfer your current insurance policies from another broker to ourselves, we shall not be liable during the current insurance period for any loss arising from any errors or omissions or gaps in insurance cover or advice which has not been provided by us. If you are concerned that your previous cover was not adequate to meet your insurance requirements, please highlight this to us immediately prior to your policy transferring across. If you do not advise us of any issues, we will review your insurance requirements at each subsequent renewal.

LIABILITIES

Our liability to you in breach of contract, negligence, breach of statutory duty or other claim arising out of or in connection with this agreement or the services provided to us shall be limited as follows:

- In respect of personal injury or death caused by our negligence, £10 million
- In respect of breach of contract and/or breach of statutory duty relating to the services we provide you, £10 million
- Subject to clauses (I) and (II) above, in respect of the following losses: loss of revenue; loss of opportunity; loss of profits; loss of anticipated savings; or any other indirect or consequential loss, we will have no liability in any circumstance.

CONFLICTS OF INTEREST

As outlined, we generally act as your agent in advising you, arranging your insurance and assisting you in the event of a claim; and where we act as agent of the insurer, we will inform you. We will always act honestly, fairly and professionally ensuring your best interests are our priority and our ownership structure does not impact that. In certain circumstances, we may act for and owe duties of care to insurers and/or other parties. For example, we may find that the interests of two clients for whom we act conflict. Where we become aware of any actual conflict of interest with our duty to you, we will inform you of the situation and the options available to you before we proceed

CLIENT MONEY ARRANGEMENTS

McCarroll McConnell & Co Ltd does not hold client money. Depending on the insurer we place your business with if a risk transfer agreement is in place, then we act as agent of the insurer in collecting premiums and handling refunds to clients. Such monies are deemed to be held by the insurer(s) with which the insurance is arranged. Where we do not have a risk transfer agreement in place with your insurer we cannot accept or hold monies on your behalf, in these circumstances we will ask you to pay the insurer directly or your finance provider to do so.

PAYMENT TO THIRD PARTIES

We may transfer client money to another person, such as another broker or settlement agent, for the purpose of effecting a transaction on your behalf through that person. This may include brokers and settlement agents outside the UK. The legal and regulatory regime applying to a broker or settlement agency outside the UK may be different to that of the UK, and, in the event of a failure of the broker or settlement agency, this money may be treated in a different manner from that which would apply if the money were held by a broker or settlement agent in the UK. You may notify us if you do not wish your money to be passed to a particular person in a particular jurisdiction.

FUNDING

Notwithstanding the operation of the non-statutory trust as described above, our policy is not to generally fund premium on your behalf to insurers, nor to fund claims to you due from insurers. If this does occur you acknowledge that any funded amount whether arising as a result of a payment by us or a deduction by you from amounts payable to us is to be refunded to us immediately, and that for the duration of any funding such funded amounts are not considered to be a gift from us. We reserve the right to charge interest of any such funded items from the date the funding commenced to date of payment.

RIGHTS TO SET OFF

We, the insurer or claims handler shall be entitled (but not obliged) without notice to you, to set off any amounts due from you against any amounts which we may receive on your behalf (such as claims monies, refunded premiums and other sums).

PAYMENT OPTIONS

We will provide you with full details of all the payment options available to you when we provide you with your insurance premium. If you choose to enter in a finance arrangement, your details will be passed to a third party (insurer or lender) to enable them to contact you and you should contact us at the address given in this document if you do not want your details passed to that party. This finance arrangement will be subject to interest charges that we will confirm to you when providing the full details. Importantly, the arrangement you will enter will be with the finance company not us. It is an entirely separate contract irrespective of the insurance contract.

In the event of your failure to meet with the contractual obligations regarding payment the finance provider could approach the insurer to seek a termination of the insurance contract to recoup their outstanding finance arrears. You will be liable to pay their costs and charges if you do not keep up your repayments and cover is cancelled under your policy. This is because the agreement is between you, the policyholder and the finance company direct, not us or the insurer.

It is important that you read the finance agreement that is sent to you before you agree to enter into such an agreement.

AUTOMATIC RENEWAL

If your policy is set to automatically renew, unless you advise us to the contrary, the renewal premium will be collected by the same payment method as before the policy is due for renewal, we will confirm the new premium to be collected in good time. We also reserve the right to automatically renew any additional policies that you take out with this policy, such as breakdown

assistance cover. Whilst you will not need to instruct us to renew your policy it is important to remember that you will still need to check all the details, we hold about your insurance each year, ensure they are correct and tell us if anything has changed.

Should you wish to cancel your continuous payment authority/auto renewal at any time or update your card details, please contact us.

If your policy is not set to automatically renew. It is important that you contact us to arrange cover as If we do not hear from you all cover will end on your policy expiry date.

DATA PROTECTION & GDPR

Please read this section in connection with the separate Privacy Policy which we have sent to you.

Once you have provided your consent, we will exchange the information that you provide to us with insurance companies and other brokers or agents for the purposes of obtaining quotations and arranging cover, this may result in a credit check to confirm your identity and minimise the risk of fraud. We will treat all information as private and confidential, and in strict accordance with the Data Protection Act 1998 (DPA) & General Data Protection Act 2018 (2018), even when you are no longer a customer and will only share information if we are required to do so by law, or regulation.

Under data protection law, you may have a right to access the information which we hold about you, or to have inaccurate or incomplete information corrected. If you wish to exercise your rights, please contact us in writing. Under the GDPR, you also have a right to be 'forgotten', this means that you can ask for the information which we hold about you to be deleted. However, by doing so, we will be unable to continue to handle your insurance arrangements.

We will, upon receipt of your consent, use information for marketing similar products or services by us and carefully selected companies. Contact may include SMS text, post, telephone or e-mail. If you have previously given your consent for us to store your personal data and would like to withdraw this, please let us know. Further details regarding your rights are contained within our Privacy Policy.

SANCTIONS

Upon inception of a policy, renewal and when changes are made to your policy mid-term, we submit a sanction check to ensure that no sanctions will be, or are likely to be breached, as a result of us acting on your behalf or in placing insurances. Whilst we will try and comply with all relevant sanctions legislation (in the UK, European Union or elsewhere), it is for you to ensure compliance with such legislation and we will not accept responsibility for any breaches of sanctions legislation that you may commit in any part of the world. If we suspect or find there had been a breach of such legislation, we shall be entitled to refer such matter to the appropriate authorities without notice to you. In such circumstances, we reserve the right to withdraw from providing our services to you in support of any cover or insurances and shall not be liable to any services or services in support of any claim which is ongoing.

METHOD OF COMMUNICATION

Whilst you do have a choice in the way we communicate with you, we will principally provide you with information using electronic means (usually this will be e-mail or some other means to enable you to access information electronically). During the process of dealing with us you will be given an option to receive information in this way, meaning if you would like information in a paper format, we will be happy to provide it.

E-MAILS

We may communicate with you and with other parties in order to provide our services to you, by e-mail. By engaging in this method of communication we both accept the inherent risks e.g. the security risks of interception of or unauthorised access to such communication. In the event of a dispute, neither of us will challenge the validity of this method of communication.

COMPENSATION

Depending on the type of business and the circumstances, you may be entitled to compensation from the Financial Services Compensation Scheme ("FSCS") if we cannot meet our obligations to you. Full details and further information on the Scheme are available from the FSCS at Financial Services Compensation Scheme, 10th Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU; telephone 0800 678 1100 or 020741 4100; email; enquiries@fscs.org.uk.

MONEY LAUNDERING/PROCEEDS OF CRIME ACT

We are obliged to report to the National Criminal Intelligence Service any evidence or suspicion of money laundering at the first opportunity and we are prohibited from disclosing any such report.

ANTI BRIBERY & CORRUPTION

We are committed to the prevention, deterrence and detection of bribery. We have zero tolerance towards bribery and corruption and operate in compliance with the UK Bribery Act 2010.

STATUTORY REQUIREMENTS

We are registered under the Data Protection Act 1998 and Consumer Credit Act 1974.

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 non-exclusive jurisdiction of the English courts. The Contract shall not be transferrable or assignable by the you to any other party. The provisions of the Contracts (Rights of Third Parties) Act 1999 are specifically excluded from the Contract. If any term or condition of the Contract is for any reason held to be illegal, invalid, ineffective, inoperable or otherwise unenforceable, it shall be severed and deemed to be deleted from this agreement and the validity and enforceability of the remainder of this agreement shall not be affected or impaired thereby.

We will use the English language for all communications, the contractual terms and conditions, and any information we are required to supply to you before and during the duration of the contract.

TRAINING

We maintain training to a minimum standard to ensure our workforce is appropriately skilled but where specialism in particular activities is required, we have in place more detailed requirements, including the need for our staff to attain a professional qualification where relevant.

COPYRIGHT AND INTELLECTUAL PROPERTY

Adler Insurance Group own the copyright and all other intellectual property rights subsisting in this agreement. You are not permitted to redistribute or extract any information in whole or in part other than for your personal, non-commercial use, unless otherwise stated. Our status as the authors of material within this agreement must always be acknowledged. Except as set out above, you may not reproduce, modify or in any way commercially exploit any of the information contained unless expressly permitted in writing by Adler Insurance Brokers Limited (These prohibitions are without limitation to the legal rights of Adler Insurance Brokers Limited). If you print off, copy or duplicate any part of this agreement in breach of these terms, you must, at our option, return or destroy any copies of the materials you have made.

WORK PRODUCT

We accept no responsibility for any consequence that arises from a third party relying upon any report, letter, information or advice we provide to you without us providing our prior written consent that the third party may do so.

TERMINATION

This Terms of Business agreement can be cancelled by either party by giving 7 days' notice of cancellation in writing to the other party. As our client, you will remain liable to pay any funds due to us for adjustments and transactions already made and for any further transactions or adjustments which you make prior to the effective termination date. We shall be entitled to retain any and all commission and or fees payable in relation to insurance cover placed as agreed with you prior to the effective termination date