

TERMS OF BUSINESS

The Financial Conduct Authority (FCA)

The FCA is the independent watchdog that regulates financial services. Please use this information to decide if our services are right for you.

Who regulates us?

Acorn to Oaks Financial Services Ltd is authorised and regulated by the Financial Conduct Authority. Our FCA number is 486131. You can check this at www.fca.org.uk/register/firmSearchForm.do or by contacting the FCA on 0800 111 6768. Our permitted business is advising on, arranging and assisting in the administration and performance of a contract of insurance. We are also authorised and regulated to carry on credit broking.

Our Service

We are an Insurance Intermediary and as such we act as the agent of our client. However, in certain circumstances we may act for and owe duties of care to other parties. We will advise you when these circumstances occur so you will be aware of any possible conflict of interest. We will advise and make a recommendation for you after we have assessed your insurance needs. If we are unable to make a recommendation or offer advice or where your requirements cannot be fully met we will provide you with enough information to enable you to make an informed purchasing decision. We will assist you in effecting any changes that you need to make to your insurance policy, with the renewal of your insurance policy and with any claim you need to make. We are also a credit broker in that we introduce those wishing to pay by instalments to firms that are able to lend money under a regulated credit agreement by way of business.

Whose products we offer

In the majority of cases we will carry out a 'fair analysis' of the market in order to identify a suitable product. This means that we will compare products from a sufficiently large range of insurance providers in terms of cover, price, quality of service and other relevant features in order to select appropriate policies for you. If this is not the case we will advise you of the breadth of our marketing prior to inception of the policy. For those wishing to pay by instalments we only introduce clients to Close Premium Finance Limited and Premium Credit Ltd. We will advise you if competitive credit terms are available through your Insurer or, you have the option of sourcing your own credit agreement

Information on Costs

In addition to the premiums charged by insurers, we may charge a professional fee to cover the placing and ongoing handling of your insurance. We normally make the following standard charges to cover the administration of your insurance:

Arranging new policies and renewals:	£ 10
Mid-term adjustments:	£ 10
Replacement/duplicate certificates or cover notes:	£ 10
Administration charge for each default on Finance Payment:	£ 20

From time to time depending on the work and risk involved it may be necessary to charge greater fees. The specific amount and purpose of any professional fee and administration charges will always be advised to you in advance. We earn the entirety of our commission and/or fees when your risk is successfully placed and take our commission and/or fees immediately upon receipt of payment unless agreed otherwise with your insurer.

Disclosure of Earnings

You are entitled at any time, to request information regarding earnings that we, or any other intermediary we have used, receive as a result of placing your business. In addition to commission from insurers, we may also receive payments based on volumes of business or profitability of the account placed with them. We also occasionally receive over rider income from Close Premium Finance or Premium Credit for loans with them we will disclose this to you on request. These payments can vary from year to year. Such remuneration is only earned on the basis that it does not detract from our obligation to act in our client's best interest at all times.

Payment Terms

We normally accept payment by cheque, BACS or credit card. A 2.5% charge will be levied for payment by credit card. We require full payment of the premium within 14 days of cover being affected. You may be able to spread your payments through a credit scheme either run by your insurer or by finance provider and we will advise you further if these options are available.

Default Payments with the Finance Provider

If you default on your payments with our finance providers they will add a default charge to your credit agreement.

How we will handle your money

Our Statutory Trust account has been set up in accordance with strict rules laid down by the Financial Conduct Authority. We are the Agent of Insurers for the collection of certain premiums. In arranging your insurance we may employ the services of other intermediaries who are regulated by the FCA and your premium may be passed to these intermediaries for payment to insurers. Any interest, or investment returns, earned on your money whilst in our possession will be retained by us.

Mid-term adjustments or cancellations

In the event of an adjustment that results in a return of premium or cancellation mid-term we will refund 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.

Consumer Cancellation Rights

Persons operating outside their business trade or profession have 14 days to cancel the insurance policy without penalty. The cancellation period begins the later of, the day of the conclusion of the contract or when the contractual terms and conditions are received. Exercising the right to cancel means that you have withdrawn from the contract and that cover is terminated. When exercising the right to cancel, costs may be incurred for the service provided.

Insurers

Whilst we take every care to check the financial stability of any firm with which we place business, we cannot be held responsible if that firm subsequently ceases to trade.

Treating Customers Fairly (TCF)

We set high standards for ourselves and it is our intention to treat customers fairly at all times. We have appointed Name of Claire Oakley to oversee TCF within this firm. If at any time you feel that you have not been treated fairly please contact us in order that the matter may be addressed.

Cancellations due to premium instalment default

If any credit agreement payment is not met, you acknowledge and agree that we may instruct on your behalf the relevant insurer to cancel the insurance and to collect any refund of premiums which may be made by the insurer and use it to offset any outstanding costs. Cancellation of the insurance policy will mean there is no cover in force should a claim occur.

Your Duty to Provide Information (consumers)

It is your duty to take reasonable care to answer all questions honestly and to the best of your knowledge. If you do not, your insurance policy may be cancelled or treated as if it never existed or your claim may be rejected or not paid in full. It is important that 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 of the questions are true and accurate before signing the document. Failure to provide requested information to your insurers could invalidate your insurance cover and mean that part or all of a claim may not be paid.

Fair presentation of risk (non-consumer clients)

It is your statutory duty before entering into a contract of insurance, prior to an alteration and at renewal to make a fair presentation of the risk to be insured and to ensure that information is provided in a clear and accessible format. Once we have collated the information about the risk copies of the information will be sent to you for checking. Every material circumstance known to you should be disclosed. We will expect you to make reasonable enquiries and proactively gather information however, where this is not practical you must make us aware, as your broker, that further enquiries are needed to accurately underwrite the risk. Any questions put to you in a proposal form or otherwise must be answered honestly, accurately and in good faith.

Claims

As part of our service we can assist you with any claim you need to make. When you first become a customer we will give you details of how you can make a claim and tell you what your responsibilities are in relation to making claims. If you are ever in any doubt as to what action to take in the event of a claim, please contact us at the address above

Complaints

It is our intention to provide you with a high level of customer service at all times. If you should wish to make a complaint about our service we have a formal complaints procedure. In the first instance you should address your complaint to Claire Oakley, Complaints Manager. We will supply you with a copy of our complaints procedure upon receipt of a complaint or at any time upon request. You will be advised of any redress available to you, should you believe the matter has not been resolved to your satisfaction. If you cannot settle your complaint with us you may be entitled to refer it to the Financial Ombudsman Service. Alternatively other out of court complaint and redress procedures may be available.

Credit Searches

We may share your information with and obtain information about you from credit reference agencies. If you require information about the credit reference agency we have received information from or the credit reference agencies we have approached please do not hesitate to contact us. Please note that any searches undertaken prior to you proceeding with your application will be soft searches and will not affect your credit rating.

Financial Services Compensation Scheme (FSCS)

We are covered by the FSCS. 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. Full details and further information on the compensation scheme is available from the FSCS <http://www.fscs.org.uk/>

Confidentiality

All personal information about you will be treated as private and confidential. We are registered under the Data Protection Act 1998 and we undertake to comply with the Act in all our dealings with your personal data. Your personal information will be kept secure. If you require more information on how we use your personal data please contact us and request a copy of our Privacy Notice.

Claims and Underwriting Exchange Register and Motor Insurance Anti-Fraud Register

Insurers pass information to the Claims and Underwriting exchange register operated by Database Services Limited and the Motor Insurance Anti-Fraud Register compiled by the Association of British Insurers. The objective is to check information provided and to prevent fraudulent claims. Motor insurance details are also added to the Motor Insurance Database operated by the Motor Insurers' Information Centre (MIIC), which has been formed to help identify uninsured drivers and may be accessed by the police to help confirm who is insured to drive. In the event of an accident, this database may be used by insurers, MIIC and your motor insurer to identify relevant policy information. Other insurance related databases may also be added in the future.

Applicable Law

This Terms of Business document is subject to English Law and the jurisdiction of English Courts.

Important Information

Please bear in mind that cover is not effective until advised to and accepted by insurers.

Any claim must be notified to Acorn to Oaks Financial Services at the first available opportunity.

The precise terms of your cover are obtained in your policy document; this includes warranties, conditions, endorsements and procedures. If you do not comply with the policy requirements in the event of a claim your policy might not be paid out. If you are in any doubt whether you are complying with the requirements of the insurance **you must seek our clarification**.

Warranties

All warranties **must** be complied with, as failure to adhere to them can invalidate your policy and mean that any claim/s may not be paid out even if the breach of warranty was not relevant to the loss itself. If for whatever reason you cannot comply with any of them, you **must** advise us immediately so that we can discuss this with your insurer/s.

Business Description

The description of your business activities/occupation must always be accurately described on all policies. If the business description we have for you is incorrect or not broad/detailed enough, please advise us straight away. Failure to have the correct business description noted on the policy can invalidate a claim.

Location

Insurers must be aware of all premises/sites from where you operate your business. Please ensure that all these addresses appear on the appropriate schedules

Occupancy of the property

We have arranged your insurance policy based on the information you have provided to us. This takes account of the tenants of the property; these are listed on your policy. It is vitally important that you ensure that should **any part of your property** be unoccupied or the whole of your property be unoccupied that you **let us know immediately**. If you do not let us know and subsequently have a claim on your policy then the insurance may be voided by the insurance company. This may mean that the policy would not pay out in the event of a claim. When you tell us of any changes in your circumstances then we can discuss them with the insurance company and put the policy on the right footing for you.

Sums Insured

It is essential that sums insured or declared values are maintained at an adequate level. Failure to do so could result in a claim being settled at a reduced amount or not at all. If the property is on a day-one or re-instatement basis (new for old), the declared value/sum insured must represent the cost of replacing the insured property as new (including the amount for debris removal costs and architect's & surveyors fees if buildings are insured.) Where property is insured on an indemnity basis (second-hand), a claim settlement will take into account deductions for depreciation, wear & tear age and condition of the property and the sum insured calculated on that basis.

A condition known as "average" would apply in situations where you are found to be under-insured, and as an example, please read the following:

If you insure a building for £100,000, but in actual fact it should really have been £150,000 (i.e. under insured by a 1/3), then in the event of a partial loss e.g. small fire, the final claim settlement would reduce by

a 1/3. Any excess would then be deducted. This highlights the need to ensure accurate sums insured.

Example:

<i>Building true rebuilding costs</i>	<i>£150,000</i>
<i>Policy Sum Insured</i>	<i>£100,000 (two thirds of true rebuilding costs)</i>
<i>Claim</i>	<i>£12,000</i>
<i>Payment</i>	<i>£8,000 (two thirds of what you would want)</i>

Duty of Disclosure of Material Facts

Your Policies have been prepared on the basis of the information provided by you. It is important that this contains all facts which would be material to the risk. Under English Law, insurance contracts impose an onerous duty of disclosure on the Insured. It is your duty to disclose all material facts to Underwriters and you should not rely on casual observation of any material aspect of the risk, by your broker or other party, as satisfying this obligation.

A material fact is:

"A fact which may influence an Underwriter's Judgement in their assessment of a risk"

Failure to comply with this obligation could prejudice your rights to recover in the event of a claim or allow Underwriters to void the Policy from its inception. The duty of disclosure is ongoing and applies from the moment discussion commences with insurers, prior to the issue of any policy document, throughout the period of insurance and at renewal. For your own protection, please adhere exactly to the Duty of Disclosure.

For example you should disclose any addition, disposal or change that may affect:

- Previous claims
- Business activities or processes
- Buildings/premises or contents
- Fire or security installations or protections
- Financial difficulties/ CCJ's of Directors/ Previous companies/ personal bankruptcy or insolvency.
- Overseas trading patterns, particularly involving North America
- Contractual liabilities &/or Hold harmless agreements
- Driving offences, particularly involving drink or dangerous driving
- Health factors that may affect driving
- Hiring, borrowing or leasing of plant & equipment either in or out
- Changes to sums insured especially increases
- Any incidents that would normally be covered by insurance whether claimed for or not

The list is not exhaustive; if you are in doubt as to whether a fact is material, please contact us.

You should also note that should a new person become responsible for insurance matters within your organisation, you must **immediately** inform us to ensure that the new person has the requisite understanding of the duty of disclosure