

# Terms and Conditions of Business

## 1. About us

Right Choice Insurance Brokers (RCIB) (registered in England, company number 6423401) of St James House, 27 - 43 Eastern Road, Romford, Essex RM1 3NH is authorised and regulated by the Financial Conduct Authority (registration number 475620).

We are an independent insurance intermediary. We also trade under the following names: **AutoAid Breakdown, Autonational Rescue, Autosaint, Bike Devil, Bennetts Car, EuroRescue, First Insurance Services, Ladybird, Naked Pet and Pink Pound Insurance.**

Where we are making a personal recommendation based on a fair and personal analysis, we will examine sufficient insurance contracts, based upon cover, premiums and service. In all other cases for example, when we conduct a limited search, or offer no advice or personal recommendation, or where we are contractually bound to offer a particular insurer, we may offer a contract from a single insurer. A list of the insurers we deal with is available on our website. Where a sale is completed online, we do not give advice or make a personal recommendation. We use another insurance intermediary to help place your business. As an insurance intermediary we act as your agent. We also have relationships with insurers and act for them in a limited capacity. Some insurers allow us to set the premium required and may have also provided us with claims handling authority. We will make you aware of this situation if we believe it creates any possible conflict of interest. We are subject to the laws of agency and will always act in your best interests.

## 2. Your duty of disclosure

You have a duty to take reasonable care and to provide complete and accurate information when answering questions asked as part of an insurance application. This duty falls under the Consumer Insurance (Disclosure and Representations) Act 2012. You will be deemed as a consumer if you are purchasing insurance for non-commercial purposes. Incorrect information may invalidate your insurance resulting in your policy being cancelled, voided, an additional premium being incurred and or any claims not being paid.

You must inform us immediately of any changes to your policy details during the life of your policy, including at renewal. Please read all policy documentation carefully and inform us immediately if they contain incorrect or incomplete information.

## 3. Remuneration

When we sell you a policy the insurer will usually pay us a commission from the premium you pay. Where we receive no commission from the insurer, we will apply a fee in lieu of commission which will be included in the total quote before you agree to buy. In addition, we also have individual services charges to cover the administration of your insurance policy. Such charges are non-refundable and are shown in section 5. We may receive other income based on the profitability or volume of our accounts from an insurer, or commission for arranging instalments from a premium finance provider. We may also earn income from claims management companies. You have the right to ask us about our earnings at any time, because the commission rates paid by insurers are variable and do not always reflect the level of work carried out by us.

## 4. Protecting your money

We hold your premium payment under risk transfer as an agent of the insurers and we do this by paying it into an **insurer premium trust account** until it is passed to the insurers. This is to protect your money and means that whilst your money is in the account, it cannot be used for any purpose other than paying the insurers or any intermediaries through whom we may have arranged your insurance. We will retain any interest earned on the account. In the event of any refund of money being due, it may take up to 30 days for the funds to arrive from the insurer and be returned to you.

## 5. Fees & Charges

Type of Charge	Amount	Reason for the charge
Arranging a new policy or renewal	£75	To cover the costs in arranging and setting up your policy.
Making a change to a policy which results in either no change in the premium or an additional premium*	£35	To cover the costs of making an adjustment to the policy and issuing documentation/ correspondence.
Making a change to a policy which results in a return of premium*	10% of return premium + £35	To retain the agreed upon commission and cover the costs of making an adjustment to the policy and issuing documentation/ correspondence.
Cancellation of a policy**	£60 plus time on cover charge in addition to 10% of any refund.	To cover the cost in cancelling the policy, administering any further correspondence and any commission lost.
Incorrect information supplied/ non-disclosure identified on the policy***	£45	To cover the costs of checks to identify any errors, issuing documentation/ correspondence and adjusting the policy.
Administration of a dishonoured payment	£20	To cover costs in relation to any cancelled or failed finance payments and issuing documentation/ correspondence.
Early settlement or cancellation of finance agreement if paying by instalments	£25	To cover costs of liaising with the finance company, issuing documentation/ correspondence relating to the finance agreement.
Debt Collection	20% is added to the amount sent to debt collection. (Further information below).	To cover the costs of liaising with the debt recovery company, issuing documentation/ correspondence relating to the debt.

\* Premiums payable and acceptance of any amendment made is at the discretion of your insurer. In addition to any premiums payable some insurers may apply a charge for making a change to a policy – please refer to your policy booklet.

\*\* The cancellation terms apply to policies cancelled at your request or where cancellation is actioned by us or the insurer. This includes cancellations as a result of post sales validation, whereby a non-disclosure is identified. For more information regarding cancellation terms and conditions please see section 11 'Cancellation of your Policy'.

\*\*\* Fee is applicable when an amendment is made. The fee will also be retained if the policy is later cancelled by us or yourself, whereby it is reasonable to do so. This fee is chargeable from date of purchase, and both within and after the 14-day cooling off period.

## 6. Fees and Charges relating to the Theo device (Autosaint Policies Only)

These fees and charges are in addition to the fees & charges as highlighted in section 5.

Type of Charge	Amount
Cost of loaning you the Theo device  These charges are non-refundable once the data feed has been initiated / the box has been fitted or after 14 days of the cover commencing.	£95 for new policies, after passing a driving test or a replacement device is required.  £15 where a change of vehicle requires a new device cradle or you require a new cradle due to replacing your windscreen.
Failure to return the Theo device when your policy is finished/ is cancelled, or returning the device in an unsuitable condition. Please refer to the Theo device lease section below for full details.	£25
Autosaint Box data charge (only payable at renewal)	£60

## **7. Theo Device Lease (Autosaint Policies Only)**

Theo is a trading style of ThingCo Limited who will loan you the Theo device cost illustrated above. The device remains the property of Autosaint at all times. By agreeing to these terms, you are agreeing that you will keep the device in good condition and use it properly and that you will not neglect, damage, tamper with or dispose of the device. If a fault occurs, we will repair or replace the Theo device. Unless the damage is caused by misuse, neglect, tampering, disassembling, accidental or deliberate damage. Or you fail to follow our reasonable instructions regarding the loaned device in which case you will be responsible for the repair or replacement cost.

When your policy finishes or is cancelled by us or you, they will send you a pre-paid, padded envelope to send the device back to us. If you fail to do so within 30 days of the point in which your policy ends or is cancelled, then we will charge you in line with the charge stipulated above.

If the device is lost or stolen you must notify us immediately, you will then need to pay the cost of loaning you a replacement device. Once you have paid this sum, we will supply you with a replacement device.

## **8. Continuous Payment Authority**

Whenever you provide us with your credit and/ or debit card details you are entering into a continuous payment authority. Continuous payment authority gives us the right to take payments from your card on a date of our choosing and take payment from your card for different amounts. Should you provide us with third parties card details, it is imperative that you inform the cardholder who will be making any payments about the continuous payment authority.

We reserve the right to use continuous payment authority to collect payment for mid-term changes, defaulted instalments and balances due to us following cancellation of your policy. Where we intend to use your continuous payment authority for this purpose, we will inform you in advance of us doing so and we will tell you the amount involved.

You can cancel this authority at any time by contacting us and letting us know that you would you like to withdraw your permission for money to be taken from your card. You also have the right to cancel the authority directly with your card issuer.

## **9. Instalment Payments**

Subject to our agreement you can choose to pay your premium with an initial payment and a number of subsequent regular monthly payments. You will be required to enter into a credit agreement with our chosen finance provider. When arranging instalments, we act as a credit broker and not a lender. We only offer instalment facilities from Close Brothers Premium Finance and Premium Credit Ltd (CBPF).

### **Close Brothers Premium Finance**

To assess your application CBPF will carry out an Anti-Money Laundering assessment and may use credit scoring, credit reference agencies and automated decision-making systems. If CBPF cannot validate your application, they will be unable to provide finance for your premium. This assessment will be performed after you have purchased the policy. If CBPF are unable to provide finance we will discuss the various payment options with you.

### **Premium Credit Limited**

If you are paying your instalments via PCL, Premium Credit will send you a credit agreement, you must sign this to prevent a £10 charge being added, you will need to do this when you receive it. You can set up a Premium Credit account online or download the 'My Premium Credit' app to do this.

### **About your finance**

The interest for your finance arrangement will be provided to you during the quotation, you will also receive confirmation of your arrangement within your credit agreement. This is the amount of interest charged by the finance company for providing the instalment facility.

If you make a change to your policy which results in an additional premium, we may require you to pay the additional amount in full or make a part payment with the balance added to the remaining monthly payments.

In the event of payment default, we reserve the right to charge interest on any resulting debt, to pass on to you any fees or charges we incur and to collect the outstanding balance from the credit or debit card details held on file. We will use a third party to aid debt recovery and this may result in additional charges being incurred by you.

If, for any reason, the direct debit mandate is cancelled it is important that you contact us immediately.

If somebody is paying the premium deposit and/or instalments on your behalf it is your responsibility to show these details to that individual and to ensure that all payments are made in full and on time.

Please note that in the event of a claim, the full premium becomes payable immediately. If the claim involves the loss of or damage to your vehicle being settled on a total loss basis any outstanding or overdue balance of your premium will be deducted from the claim settlement amount. If the claim settlement amount is insufficient to cover that balance you will be required to pay the difference immediately.

## 10. Validation of your policy

If any non-disclosures or misrepresentations are identified, we and your insurer reserve the right to take the following action: declare the policy void, cancel the policy or continue the policy by amending the terms and/or premium.

If the policy is cancelled, we may be able to offer an alternative policy with a different insurer. We will write to you giving you 7 days' notice of the intended cancellation, and we invite you to contact us to discuss alternative options.

Where we can continue with the existing policy by amending the terms and/or premium the amendment will automatically be made. We will write to you and notify you of the revised changes that are being applied. This action is taken to ensure you remain insured.

- \* If you are paying by instalments the payments will be amended to reflect the revised offer, the finance provider will write to you before the next payment is due.
- \* If you have paid the premium in full, under the continuous payment authority terms the payment will automatically be debited from your card. We will give you 7 days' notice of our intended actions.

## 11. Cancellation of your Policy

RCIB can cancel your policy and apply standard fees for the following reasons, but this is not limited to:

- Misrepresentation – where you provide us with incomplete, incorrect, or untrue information.
- Documentation – where you have failed to provide requested documentation, this could also result in additional fees or the premium being due.
- Failed instalment payments – please see section on 'Instalment Payments'.

### Cooling off period definition

You have the right to cancel a policy at any time. If you cancel within 14 day cooling off period the cost will be reduced. The 14 day cooling off period starts when you purchase your policy or when you receive your policy documents, whichever is later.

For a renewed policy your 14 day cooling off period starts from the commencement date.

### What you will be charged

#### • Inside Cooling Off Period

If the policy is cancelled before cover has commenced a refund of any monies paid to the insurer will be refunded, the refund will be subject to the deduction of a cancellation fee of £60.

If the policy has started, provided no claims have been made or there have been no incidents which may give rise to a claim in that period, the insurer will pay a pro-rata refund of premium minus their administration charge. We will deduct a cancellation fee of £60 plus any other applicable service charges that you have incurred during the course of your policy from any refund provided by your insurer. If your policy is being paid by instalments the cancellation of finance charge will also apply. Where we receive no commission from the insurer, the fee applied in lieu of commission, will be retained pro-rata. If the refund provided by the insurer is insufficient to cover our charges you will be required to pay the balance to us.

#### • Outside Cooling Off Period

If the policy is cancelled before cover has commenced a refund of any monies paid to the insurer will be refunded, the refund will be subject to the deduction of a cancellation fee of £60.

If the policy is cancelled after the cooling off period provided no claims have been made or there have been no incidents which may give rise to a claim in that period, the insurer may pay a pro-rata refund of premium minus their administration charge. Please refer to your insurer's policy document for the terms that apply to your policy as some insurers may use a short-period cancellation scale for calculating refunds (please refer to the below table for an example).

Period of cover up to	One month	Two months	Three months	Four months	Five months	Six months	Seven months	Over seven months
Premium payable	30%	40%	50%	60%	70%	80%	90%	Full premium

We will deduct a cancellation fee of £60 plus any other applicable service charges that you have incurred during the course of your policy from any refund provided by your insurer. We will also retain 10% of any refund provided by your insurer in lieu of lost commission. If your policy is being paid by instalments the cancellation of finance charge will also apply. Where we receive no commission from the insurer, the fee applied in lieu of commission will be retained in full.

If the refund provided by the insurer is insufficient to cover our charges you will be required to pay the balance to us. After the cooling off period has expired, breakdown, excess reimbursement and other purchased add-on premiums are payable in full.

- **Short Period Policies of 30 days or less**

There is no entitlement to a return of premium on these policies even if you cancel within the first 14 days.

#### **Voidance of a policy**

No refund is given for deliberate or reckless misrepresentation, this is inclusive of any applicable fees and charges as detailed in section 5. This is to cover the costs of voiding the policy with the insurer, issuing documentation and/ or correspondence.

#### **12. Recording of calls**

Telephone calls may be recorded for training, quality and compliance monitoring purposes.

#### **13. Personal information**

We are committed to protecting your privacy and all personal information about our customers is treated as private and confidential.

We will only share your information with others where this is needed to service your policy or claim, with regulatory bodies for the purposes of monitoring and compliance or where we are required to provide this information by law.

If you wish to read our Privacy Notice which contains all information relating to how RCIB handle your personal data, you can find this on our website or you can request a copy by emailing [dataprotection@rcib.co.uk](mailto:dataprotection@rcib.co.uk) or if you wish to exercise one of your rights under the Data Protection Act 2018, then you can also use the above email.

#### **14. Identity and data searches**

We and the insurers we use may carry out searches to validate your identity and the accuracy of the information you have provided to us. To enable us to carry out these searches we will use the following services/ providers, however this is not limited to: Claims and Underwriting Exchange (CUE), Motor Insurance Anti-Fraud Theft Register (MIAFTR) and the DVLA database.

These databases hold details of incidents reported to insurers that have resulted in or may give rise to claims under policies for motor, household and other classes of insurance and enable us to validate the licence status and driving history of you and any other drivers. These checks are designed to help protect you, us and insurers from fraudulent activity and to enable us to carry out a complete assessment of any application you may make for insurance and premium financing.

#### **15. If you have a complaint**

We have a real commitment to customer care, we aim to be a company that puts the customer first.

**If at any time you are unhappy with any aspect of our service, please telephone us on 01708 336519 or email us at [help@rcib.co.uk](mailto:help@rcib.co.uk).**

If we are unable to resolve your complaint by close of business on the third working day after receipt, an acknowledgement will be sent no later than 5 working days after receiving your complaint confirming who is dealing with the complaint and when we will expect to respond to you. Within 8 weeks of the date we receive a complaint we will provide you with our final decision.

At any time, you can request a copy of our complaints procedures. You can also find some additional information by visiting our website <https://www.rcib.co.uk/help/complaint-guide/>.

If you remain dissatisfied you can refer your case to the Financial Ombudsman Service, Exchange Tower, Harbour Exchange, London E14 9SR, telephone 0800 023 4567. Email [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk). Website [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

**Financial Services Compensation Scheme (FSCS)**

We are covered by the FSCS. You may be entitled to compensation from the scheme if we are unable to meet our obligations. This depends on the type of business and the circumstances of the claim.

Compulsory insurance claims (e.g. Third-Party Motor claims) are covered for 100% without any upper limit, non-compulsory insurance claims (e.g. own vehicle damage and home claims) are covered for 90%.

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

**16. Governing law**

The laws of England and Wales govern this agreement and any dispute is subject to the jurisdiction of the English courts.