

## **TERMS OF BUSINESS**

### **WHO WE ARE & HOW TO CONTACT US**

- i4me Limited (“we”, “us”, “our”), trading as i4me; Companies House Register Number 09777503.
- Address: 295 Aylsham Road, Norwich, NR3 2RY; telephone: 01603 786881; email: [info@i4me.co.uk](mailto:info@i4me.co.uk); website: [www.i4me.co.uk](http://www.i4me.co.uk).

### **ACCEPTING OUR TERMS OF BUSINESS**

- This document is our standard Terms of Business on which we intend to rely. It is governed by the laws of England and Wales and the parties agree that any dispute arising out of it shall be subject to the exclusive jurisdiction of the English Courts. For your own benefit and protection, you should read this carefully and contact us if you have any questions or require further information.
- By asking us to quote for, arrange or handle your insurances, you are providing your informed agreement to these Terms of Business.
- Please let us know if you require this document in large print, Braille, or another language. We may be able to arrange translation and Braille, but we reserve the right to charge you for the cost of this.

### **HOW WE ARE REGULATED**

- We are authorised and regulated by the Financial Conduct Authority (FCA).
- Our FCA Firm Registration Number is 971687.
- You can verify this information with the FCA by visiting their website at [www.fca.org.uk/register](http://www.fca.org.uk/register) or calling them on 0800 111 6768.

### **THE BUSINESS WE UNDERTAKE**

- Our permitted business is arranging non-investment insurance contracts, assisting in the administration and performance of non-investment insurance contracts, dealing as agent in non-investment insurance contracts, and making arrangements with a view to transactions in non-investment insurance contracts credit broking (and supplementary debt-related administration) in relation to insurance instalment facilities.
- We can hold customer money. This means that we protect the money held and/or controlled on behalf of our customers. We cannot lend this money or use it to finance our own business.

### **CUSTOMER CLASSIFICATION**

- All customers are treated as retail consumers, which means that they have the greatest protection under FCA regulation.

### **OUR SERVICES**

#### **The capacity in which we act for you:**

- We act as an insurance intermediary, not an insurer. We will usually act on your behalf when arranging your insurances, when helping you make any changes to your policy, and when you renew your insurance.
- When handling customer money, we may act for the insurer or for the customer, depending on the arrangements we have with a particular insurer (see section “Handling Customer Money”).

#### **Helping you decide if the insurance is right for you:**

- We will undertake a “non-advised” sales process with you. We will assess your demands and needs, but we will not provide advice, opinion, or recommendation.
- We will ask some questions to narrow down the selection of products and we will provide you with information about the policy. This will enable you to make an informed decision as to whether it is right for you and whether to proceed.

#### **Products and insurers:**

- We offer our primary property insurance products from a limited number of insurers (a “panel”), not on the basis of a fair and personal analysis of the market. This panel may change from time to time. You can ask us to provide details of the panel.
- We also offer the following additional products, but you can only buy these alongside a primary product (on initial purchase or on renewal), and they are only available from MSL Legal Expenses Limited:
  - Home Legal Expenses.
  - Holiday Home/Holiday Let Legal Expenses.
  - Caravan Legal Expenses.
  - Holiday Home/Holiday Let Home Emergency insurance.
- We will not under any circumstance guarantee the solvency of any insurer.

#### **Claims:**

- We do not have authority from insurers to handle claims on your behalf - insurers either manage claims themselves or will appoint third party claims handlers. We may be able to assist with some aspects of the process, such as informing you of insurers’ requirements, providing information they require to establish the nature and extent of any loss, obtaining updates etc. Ultimately, however, claims are resolved at the sole discretion of insurers.

### **COMPLAINTS**

- If you want to complain about anything you believe we have done or not done in connection with any aspect of our services, products arranged or administration, please contact us in writing, over the telephone or via email as per the contact details at the top of this Terms of Business.
- You can ask someone to do this for you, but we may have to obtain evidence that they are authorised to act on your behalf, and they are who they say they are.
- When dealing with your complaint, we will follow our complaint handling procedures - a summary of these procedures is available on request. If you cannot settle your complaint with us, you may be entitled to refer it to the Financial Ombudsman Service (FOS). Most retail consumers are eligible to use the FOS. Some businesses, charities, and trusts are also eligible, but some are not. Ultimately, eligibility is determined by FOS. For further information, you can visit the FOS website at [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

### **FINANCIAL SERVICES COMPENSATION SCHEME (FSCS) COMPENSATION ARRANGEMENTS**

- We are covered by the FSCS for our insurance mediation activities. You may be entitled to compensation if we cannot meet our obligations; but this depends on the type of business and the circumstances of the claim.
- For the types of insurance we arrange, the FSCS limit is 90% of the claim without any upper limit.
- The FSCS does not cover consumer credit and payment options. This means that it will not cover any premium finance arrangements you may make with Premium Credit Limited (see section “Premium Credit Limited”).
- Further information about compensation scheme arrangements is available from FSCS at [www.fscs.org.uk](http://www.fscs.org.uk), 0800 678 1100 (freephone) or 020 7741 4100.

## HANDLING CUSTOMER MONEY

- Our financial arrangements with most insurance companies are on a “Risk Transfer” basis. This means that we act as agent of the insurer in collecting premiums and handling refunds owed to customers. In these circumstances, such monies are deemed to be held by the insurer(s) with which your insurance is arranged. If Risk Transfer does not apply, we will hold such monies in a Non-Statutory Trust account pending payment. We will retain interest earned on these monies.
- A summary of the FCA’s rules is that firms must arrange adequate protection for customers’ assets when it is responsible for them. This essentially means that we must keep it separate from our own, so it cannot be put at risk, either by us using it for investment or it being identified as part of our own assets in the event of the company being liquidated.
- We will remit premiums to insurers, after deduction of our commission, in accordance with the terms of our agreements with insurers.

## YOUR RESPONSIBILITIES

### Disclosure, Accuracy & Record-Keeping:

- At all times, you must take reasonable care to answer any questions in relation to any proposal for insurance cover honestly and to the best of your knowledge and belief, providing complete and accurate information to us and to your insurer. This also applies to your responses in relation to any assumptions you may agree to in the process of applying for insurance cover. This is particularly important before taking out a policy, but also at renewal or if you make a mid-term adjustment. If you fail to disclose information or misrepresent any fact which may influence the insurer’s decision to accept the risk or the terms offered, this could invalidate the policy and mean that claims may not be paid.
- You must check all details on any Proposal Form, Statement of Fact or Claim Form, paying particular attention to any declaration you are asked to sign. You must notify us immediately if any information is incorrect, especially as assumptions may be made in some cases. You must ensure that all answers or statements you provide in any circumstance are full, accurate and to the best of your knowledge and belief. If someone completes any document or gives any information on your behalf, you should check it before signing the document or declaring the information to be accurate. If you give incorrect or false information, you could incur an additional premium, cause rejection of a claim, or invalidate your insurance. Insurers may cancel your policy from inception and retain any premiums paid.
- You must inform us immediately of any changes in circumstances which may affect the services provided by us or the cover provided by your policy.
- If you are in any doubt about whether information is material, you should disclose it.

### Importance of Correct Sums Insured, the Consequences of Underinsurance & the Average Clause:

- We are not able to advise on sums insured. It is your responsibility to tell us the full total rebuilding costs of buildings and new for old replacement value of contents when we ask and to contact us immediately if they change at any time during the policy term. You must understand the consequences of not having the correct sums insured.
- If your sums insured are inadequate, you will be underinsured. You will not receive the full value of your claim and you will therefore bear a proportion of the loss yourself. In such circumstances, insurers may apply “average” or “proportionate remedy” to the claim, depending on insurer/policy. Either of these allows the insurer to reduce their liability proportionately by the amount you have underinsured. See examples below.
- **Average:** the claim paid out is usually based on  $(\text{sum insured} \div \text{true value at risk}) \times \text{claim} = \text{claim paid}$ . Example of underinsurance and averaging, using the rebuilding sum insured: You insure your house for £300,000. You make a claim for £100,000, but the true rebuild cost at the time of claim is £400,000. Insurers pay out £75,000, i.e.  $(£300,000 \div £400,000) \times £100,000 = £75,000$ . The remaining £25,000 is your responsibility.
- **Proportionate remedy:** the claim paid out is usually based on  $(\text{premium paid} \div \text{correct premium}) \times \text{claim} = \text{claim paid}$ . Example of underinsurance and proportionate remedy, using the rebuilding sum insured: You insure your house for £100,000. The annual premium is £300. You make a claim for £10,000 for a burst pipe. The true rebuild cost at the time of claim is £150,000, for which the correct annual premium would have been £400. Insurers pay out £7,500 i.e.  $(£300 \div £400) \times £10,000 = £7,500$ . The remaining £2,500 is your responsibility.
- If you have any doubts about rebuild costs, you could speak to a surveyor or use the Building Cost Information Service calculator at the website of the Royal Institute of Chartered Surveyors at [www.rics.org](http://www.rics.org). Internet calculators are available regarding contents sums insured, but they will only give you estimates based on the data you input – you will still have to have a reasonable understanding of the contents’ value.
- Sums insured will be shown on the policy schedule and/or the quote summary. You should check these and contact us immediately if they appear to be incorrect.

### Policy Terms, Conditions, Endorsements & Warranties:

- You must read and accept all policy terms, conditions, endorsements, and warranties and ensure that you are able to follow all requirements. If you cannot, you must tell us immediately, as a breach may cause your insurer to terminate your policy from the date of that breach and/or reject a claim.

## QUOTATIONS

- Quotations are usually valid for a period of 30 days. If not taken up within this period, you should contact us for a revised quotation.
- Some insurers we use to place business carry out a credit check when you apply for a quotation. This is a soft search which can only be seen by you and does not affect your credit score. The information is used to confirm your identity and to help prevent fraud.

## FINAL ACCEPTANCE OF RISK

- Most customers can go on-risk when they complete the quotation with us online or over the phone. However, in some case, insurers require us to refer to them before we can put the policy on-risk. In all cases, final acceptance of the risk remains at the discretion of the insurer.

## UNDERSTANDING YOUR INSURANCE

- When going through the online quotation process or speaking to us on the phone, we will give you enough information to decide if the policy is right for you. This will not be the full policy information, however.
- In order to fully understand your insurance, you must read your Policy Documents, your Insurance Policy Information Document (IPID), and your Schedule. Some of these documents provide a general overview of the policy, whilst others are tailored to you specifically. They will explain what is covered, what is not covered, and how cover can change under certain circumstances. They sometimes cross-reference one another.
- This is a standard industry approach to providing policy information, but we appreciate it is a lot of material. You should do your best to understand your insurance policy, and should familiarise yourself with this documentation as soon as you can and as thoroughly as you can, but please do not hesitate to contact us with any questions or concerns you may have.

## PAYMENT FOR OUR SERVICES

- You may be assured that the way in which we are remunerated will not conflict with our responsibilities to meet your demands and needs and to treat you fairly.
- Our primary source of remuneration is commission from insurers, underwriters and/or other product providers. In return for placing business with them, they generally pay us a commission, which is a percentage of the annual premium that they charge you.
- Our secondary source of remuneration is administration fees. These are payable directly by you – we add them onto your insurance premium. Our fees are:

| Administration Fee Type                                  | Administration Fee Amount |
|--|---------------------------|
| Administration of new or renewed policy (non-caravan)    | £40.00                    |
| Administration of new or renewed policy (caravan)        | £22.50                    |
| Administration of mid-term adjustment (all policy types) | £22.50                    |
| Administration of cancellation (all policy types)        | £22.50                    |

- We do not charge for arranging legal expenses insurance, but MSL do pay us commission on every policy we sell.
- Premium Credit Limited pay us for arranging premium finance (see section "Premium Credit Limited"). Using premium finance makes the overall cost of the insurance more expensive than paying the premium in a single lump sum.
- We may also earn a "profit-share" from insurers. This is based on the amount of business we place with them and how many successful claims are made. Any such payment is not mandatory and is not guaranteed to be made. Profit-share payments are not directly linked to individual policies – insurers take the whole book of business into account. Consequently, it is not possible to calculate such payments on an individual policy basis and so we are unable to disclose to you how much your policy contributed – if at all – to any such payment made to us. Any payment will represent only a small proportion of the normal commission we receive.
- Other taxes, costs, or both, that are not paid through us and are not imposed by us, may exist in relation to the products and services we offer.
- We will provide a full breakdown of the cost of your insurance and the cost of any credit arrangement as part of your new business or renewal quotation before you decide whether to proceed. The quotation will tell you the total price to be paid, plus any fees, taxes, and charges separately from the premium(s).
- In the event of any debt, you will be responsible for all costs we incur that we deem reasonable in the recovery of any outstanding balance, including the employment of a debt collection agency and all potential legal costs. We reserve the right to determine "reasonable". Debt collection charges will be levied against the value of the outstanding debt. The rate may vary but will not exceed the greater of 20% or £25.
- We also draw your attention to the sections "Cancellation of Insurances" and "Ending Your Relationship with Us".
- You are entitled to request information regarding any remuneration which we may have received as described above.

#### YOUR CHOICE OF PREMIUM PAYMENT & ITS EFFECT ON RENEWALS

- The way in which you choose to pay premiums affects the way that your policy renews. You have a choice of paying by one of the following two methods:
  - 1. Lump sum (the full premium):**
    - We will provide you with the renewal premium and terms for the coming insurance period in good time before the renewal of your policy.
    - You will have the option of automatic renewal, which means that, if you intend to renew the policy, you are not required to take any action. The policy will renew automatically at the new premium (typically, premiums increase year-on-year). However, please be aware that your policy will lapse if it is not renewed or we cannot take payment.
    - If you do not choose automatic renewal, your policy will not renew automatically – you will have to manually accept the new policy in order to have continuing cover. Unless you renew and we have received payment, your policy will lapse on its renewal date, and you will be without cover.
    - We usually accept payment by BACS, cheque, Visa, Maestro Visa Debit, and MasterCard. Please note that, if you want your policy to renew automatically, you will have to pay by card.
  - 2. Monthly direct debit (spread over a period of months):**
    - Typically, this is spread over 12 months. See also section "Premium Credit Limited".
    - We will provide you with the renewal premium and terms for the coming insurance period in good time before the renewal of your policy.
    - If you intend to renew the policy, you are not required to take any action. The policy will renew automatically.
    - If you do not intend to renew the policy, please let us know as soon as possible or we will automatically renew on your behalf. You should also cancel your direct debit instruction with your bank prior to the renewal date.

#### RENEWALS

- Under normal circumstances, we will offer renewal of your insurance cover, subject to insurers' acceptance and new terms and conditions (if any).
- There may be occasions when we are unable to offer renewal with your existing insurer. If this is the case, we will normally seek an alternative insurer from our panel, but there are circumstances when this may not be possible. We will communicate this to you.
- You should ensure that you know when your policy is due to expire. Whilst every effort is made to offer renewal terms in good time, there may be rare occasions when this is missed. If your policy has expired, you will not have any insurance and will be unable to make a claim.
- Some insurers will offer a no claims discount. If a claim is submitted after your renewal has been invited and the claim relates to the previous period of insurance, this will affect your no claims discount. You will be liable to pay additional premium, even if the renewal has been concluded.
- Insurers will sometimes make changes at renewal. This is usually communicated to you in the form of a "Notice to Policyholders", which will be enclosed in your renewal pack. This pack is issued in good time before renewal, and you should ensure that you read and understand any changes to your policy.
- Some insurers we use to place business carry out a credit check when you apply for a quotation. This is a soft search which can only be seen by you and does not affect your credit score. The information is used to confirm your identity and to help prevent fraud.

#### PREMIUM CREDIT LIMITED (PCL)

- If you choose to pay by monthly direct debit, we still must pay the full premium to the insurer at outset on your behalf.
- As a result, you will have to enter a credit arrangement with PCL, subject to your credit status being satisfactory (see below).
- PCL is an entirely separate third party insurance premium finance company. We have this arrangement because we do not have the regulatory permissions to extend credit facilities to customers. PCL therefore buys your debt from us, and you must repay them via the monthly direct debit.
- We have no input or control regarding the nature and terms of any agreements you enter into with PCL.
- PCL will charge you a fee for setting up or renewing a credit arrangement. This is added to your first month's payment.
- PCL may charge you if you default on a credit arrangement.

#### Credit Checks:

- Credit is subject to status and PCL may perform credit checks on you. These checks may use public and personal data from a variety of sources including credit reference agencies and other organisations. The information is used to assess your creditworthiness and to help prevent fraud.
- Any credit check will appear on your credit report whether your application proceeds or not. This may affect your ability to obtain credit in future. If this concerns you, you should consider discussing it with a financial adviser - we cannot advise you on this.
- In some circumstances, insurers may require you to pay monthly direct debits via their own in-house instalment schemes, which themselves may be arranged with third party finance providers. If this is the case, you should still consider the comments above in respect to credit checks.

#### MAKING A CLAIM

- You should read your policy wording to ascertain whom you should notify in the event of an incident that might give rise to a claim under your policy. You should make this notification as soon as possible, using the contact details in your policy documents. In the event of such an incident, you are required to mitigate further damage to the best of your ability; however, any reinstatement works should be authorised by the insurer/claims handlers before any such work is commenced.

#### CANCELLATIONS, COOLING OFF PERIODS, REFUNDS & RETURN PREMIUMS

- If you want to cancel a policy we have arranged, you can contact us as per the details at the top of this Terms of Business.
- We may charge you an administration fee for cancelling, as per the section "Payment for our Services".
- You will find full details of your cancellation rights and any related charges in the terms and conditions of the insurance policy.
- You will have 14 days (the "Cooling Off Period") to cancel your policy with effect from the later of:

- The day you receive the full terms and conditions of the policy.
- The day the policy is sold. We may need you to supply evidence of this.
- To exercise your right of cancellation, you must contact us within the time limits set out in your policy documentation.
- If you cancel your policy within the Cooling Off Period, but you want to be insured for that period, you will be charged for the period during which you were temporarily covered, and other charges (such as an administration fee) may be applied by us or the Insurer(s) to cover the costs in arranging the cancelled policy.
- If you cancel your policy within the Cooling Off Period and you wanted this to take effect from inception, we will fully refund you, without penalty.
- You will not receive any refund if you have made claim under the policy, whether the claim was successful or not.

#### Return Premiums:

- Return premiums usually arise if an insurance risk is reduced or a policy cancelled. We will refund to you any amount owed after deduction of commission and charges.

#### Return Premiums – Unoccupied Policies:

- **Policies with cover for a 3-or-6-month period:** no refund if the policy is cancelled before the end of the term.
- **Policies with cover for a 9-or-12-month period:** 50% of the pro-rata refund. For example, you arrange a 12-month policy for which the insurer's premium is £100. You cancel after 6 months. The pro-rata premium is £50, of which you receive 50%, i.e. £25. As stated above, you will not receive any additional refund of our fees.

#### Return Premiums – Legal Expenses Insurance:

- Return premiums are not payable.

### ENDING YOUR RELATIONSHIP WITH US

- Subject to your immediate settlement of any outstanding premiums and fees, you may end the relationship with us. You can do this in writing, by email, or by telephone, as per the contact details at the top of this Terms of Business. Your instructions will take effect from the date of receipt.
- We will not charge for this, i.e. ending the relationship with us but retaining the policy. (This is different to cancelling a policy, for which we may charge - see section "Payment for our Services".)
- Many of our policies are bespoke. If this is the case with your policy, you will not be able to transfer the servicing to another broker, i.e. you will have to cancel the policy and make alternative insurance arrangements. If you do not, you will be without insurance cover.
- If we want to end the relationship, we will give you a minimum of seven calendar days' notice. Valid reasons may include but are not limited to: non-payment of premium or fees, failure to provide requested documentation or information, deliberate failure to comply with terms set out within the Terms of Business or insurers' documentation, deliberate misrepresentation or non-disclosure, fraud, attempted fraud, use of threatening or abusive behaviour or language, intimidation or bullying of our staff or suppliers.
- Unless otherwise agreed in writing, if our relationship ends, any transactions previously initiated will be completed according to this Terms of Business. You will be liable to pay for any transactions concluded prior to the end of our relationship and we will be entitled to retain commission received for conducting these transactions, together with all fees charged by us for services provided, and any payments received from PCL.

### CONFLICTS OF INTEREST

- Typically, a conflict may arise between you and us in any of the following situations ("us" and "our" includes managers, employees, or any person directly or indirectly linked to us by control):
  - We stand to make a financial gain, or avoid a financial loss, at your expense.
  - We have an interest, different to your interest, in the outcome of a service provided to you, or a transaction carried out on your behalf.
  - We have a financial or other incentive to favour the interest of a customer or group of customers over your interests.
  - We receive an inducement from a third party in relation to a service we provide to you.
  - We carry on the same business as you.
- We have a legal and regulatory obligation to take all appropriate steps to identify, prevent, manage, and resolve conflicts. In the event of any of our business interests or activities creating a potential conflict of interest, we will ensure that we take all appropriate steps to manage it. We will do this by maintaining robust systems, controls, and staff training.
- In the unlikely event that we are unable to prevent the potential conflict, we will fully disclose to you the general nature and/or sources of the conflict and the steps taken to mitigate the risks.
- We will disclose sufficient detail for you to decide whether you want to proceed with any insurance we may arrange, including the steps we intend to take to ensure – as far as possible – fair treatment. If you feel uncomfortable, you do not have to proceed with any associated advice.

#### Relationships with Insurers:

- We have delegated underwriting authority – with pre-determined rates – to act as agent of certain insurance companies.
- We do not have claims handling authority for any insurance companies. This means that we cannot manipulate the rates to generate more income; we also cannot substantially influence the claims process and so cannot prejudice the likelihood of a customer making a successful claim.

### VULNERABLE CUSTOMERS

- The FCA defines a vulnerable customer as "someone who, due to their personal circumstances, is especially susceptible to detriment when a firm is not acting with appropriate levels of care". Vulnerability may result from different circumstances, such as:
  - Health, e.g. temporary or permanent physical or mental disability.
  - Life events, e.g. bereavement or unemployment.
  - Resilience, e.g. low income or high debt.
  - Capability, e.g. low knowledge of finance or low English language skills.
- We recognise that vulnerability is an important issue, and we will do our best to support any such customers.

### PROCESSING YOUR PERSONAL DATA

- For detailed information on how your information is used and your rights relating to it, please see our Privacy Policy at [www.i4me.co.uk](http://www.i4me.co.uk)
- We are the data controller of any personal data you provide to us or any personal information that has been provided to us by a third party.
- We will process your data to enable us to provide you with our services as your insurance broker. This is mainly quoting for, arranging, and administering your insurances, and arranging insurance premium finance.
- We may record telephone calls to help monitor and improve our service.
- We will only use your data for the purpose(s) for which it was collected, and we will only grant access to or share your data within i4me or other authorised third parties where we are entitled to do so by law. Your data may be shared with insurers, insurance intermediaries such as Managing General Agents, reinsurers, claims handlers, loss adjusters, service providers, professional advisers, regulators, police and government agencies or fraud prevention agencies.
- If you intend to provide us with the personal data of another individual, you must tell them you are doing so and direct them to our Privacy Notice. We may also require you to provide evidence that you have authority to act on their behalf.