

# **Terms of Insurance Business**

## **About us**

Acorn Insurance and Financial Services Ltd of 98 Liverpool Road, Formby, Liverpool, Merseyside, L37 6BS is authorised and regulated by the Financial Conduct Authority (FCA). Acorn Insurance Group, Motorcade Insurance, Pay How You Drive, TaxiMaster Insurance, Ladies First, Lighthouse Insurance Services and Granite Underwriting are trading names of Acorn Insurance and Financial Services Ltd. Ferrari Insurance Services Ltd and David Day are appointed representatives. We are permitted to arrange, advise on and deal as an agent of insurers and clients and assist in claims handling with respect to non-investment insurance policies. Our firm reference number is 311873, which may be verified on the FCA's Register by visiting the FCA's website at <http://www.fca.org.uk> or by contacting the FCA on 0800 1116768. Although we are permitted to provide advice, all our sales are conducted on a non-advised basis. This means that you will not receive any advice or personal recommendations from us. We will provide details about the products or policies from which you can make a decision about their suitability for you.

## **Product Providers**

We only select insurance products from a limited number of insurers; please visit our website at [www.acorninsure.co.uk](http://www.acorninsure.co.uk) to see a list of the insurers we deal with for your requested product. For policies purchased online either via our website or on an aggregator site (commonly referred to as price comparison sites), we will only select an insurance product from a single insurer, Haven Insurance Company Ltd. For optional add on policies, for example Keycare or breakdown cover, we will only select insurance products from a single insurer per product. For Keycare Insurance we deal with Ageas Insurance Ltd and for Motor Breakdown the policy is arranged by Haven Insurance Company Ltd. Any additional optional add on policies which you purchase in conjunction with your main policy are linked and will be cancelled in line with the main one. We will not in any circumstances act as an insurer nor guarantee or warrant the solvency of any insurer.

## **Compensation arrangements**

We are covered by the Financial Services Compensation Scheme (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. Insurance advising and arranging is covered for 90% of the claim, without any upper limit. For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim, also without any upper limit. Further information about compensation scheme arrangements is available from the FSCS on 0800 678 1100 or 020 7741 4100 or by visiting <http://www.fscs.org.uk>

## **Your duty of disclosure**

### **Consumers:**

You must take reasonable care not to make a misrepresentation to the insurer. This means that all the answers you give and statements you make as part of your insurance application, including at renewal and when an amendment to your policy is required, should be honest and accurate. If you deliberately or carelessly misinform the insurers, this could mean that part of or all of a claim may not be paid. We use your information to carry out checks on databases which help detect and prevent fraud and financial crime. If false or inaccurate information is provided and fraud is identified, details will be passed to fraud prevention agencies to prevent fraud and money laundering. Further details explaining how your details may be used or how the information held by fraud prevention agencies may be used can be obtained from us at your request.

### **Commercial customers:**

If the insurance is arranged wholly or mainly for purposes related to your trade, business or profession you have a duty of fair presentation which means you must disclose every material circumstance and take reasonable searches which is important to the assessment of your insurance risk. Alternatively, you must disclose sufficient information that would put the insurer on notice that it needs to make further enquiries to establish those material circumstances. Otherwise incorrect information may invalidate your insurance. This duty applies throughout the life of your policy, when any variation is made and when you renew your insurance. Material facts are any facts which may influence the insurer's decision to accept the policy and/or what terms are applied. Failure to disclose a material fact may invalidate your insurance and could mean that part or all of a claim may not be paid. We use your information to carry out checks on databases which help detect and prevent fraud and financial crime. If false or inaccurate information is provided and fraud is identified, details will be passed to fraud prevention agencies to prevent fraud and money

laundering. Further details explaining how your details may be used or how the information held by fraud prevention agencies may be used can be obtained from us at your request.

### **How to cancel**

If you wish to cancel your policy, please contact our customer service department. If you are paying on direct debit please speak to customer services before cancelling your direct debit.

### **Your Cancellation Rights**

#### **Within 14 days**

If you are a consumer, and your policy is for a duration of 31 days or more, you have the right to cancel your policy within the "cooling off period" which is 14 days of when you purchase your policy, or when you receive your policy documents, whichever is the later. For a renewed policy, this is within 14 days of your renewal date. We consider Taxis, Commercial Vehicles and Motor Trade policies to be Commercial business and as a result no statutory right to cancel (cooling off period) applies.

Provided your policy is for a duration of 31 days or more and you have not incurred any claims during that period the insurer will pay a pro-rata refund of premium. In addition, we will keep an amount which reflects the administrative costs of arranging and cancelling the policy. Details of these amounts are given in our Fees and Charges below. Please refer to your policy summary or your policy document for further details. .

If the refund provided by the insurer is insufficient to cover our charges you will be required to pay the balance to us.

#### **After 14 days**

If you wish to cancel outside of the statutory cancellation period of 14 days (where this applies) provided you have not incurred any claims during the period you may receive a pro rata refund of premium. Please refer to your policy summary or your policy document for further details as some insurers may use a short-period cancellation scale for calculating refunds. In addition, we will also keep an amount that reflects the administrative costs of arranging and cancelling the policy (see our scale of charges below). If the refund provided by the insurer is insufficient to cover our charges you will be required to pay the balance to us.

Where applicable, all refunds will be processed to the same debit/credit card that was used to make payment on the policy. If you were paying for your premium on direct debit, any refund will be offset against any outstanding direct debit payments and any shortfall will become payable by you. If you are paying on direct debit, your insurer may pay your claim settlement to the finance house to discharge any sums owed to them.

If you have had any fault or open claims on our insurance policy there is no refund of premium so this means that you will be liable for the full premium, even if you decide to cancel the policy and/or your policy is cancelled for non-payment.

If you take out a new policy with us and make payment towards this new policy but have a previous policy with us that has an outstanding balance we reserve the right to transfer any money paid on the new policy to cover the debt outstanding on your previous policy. If you are a commercial customer, any rights to cancellation will be detailed in your policy.

### **Short Term Policy Cancellations**

In the event of cancellation of a policy which is issued for a period **of less than 6 months** there is no return premium from the insurer when outside the Cooling off period (if applicable), with the exception of a learner driver policy, subject to the insurer terms and conditions. Please refer to your policy documents for full details. This does not affect your statutory rights.

## **Fees and Charges**

In addition to premiums charged by insurers we make the following charges. Such charges are non-refundable and detailed below:-

### **Arrangement Fees for setting up and renewing your policy (non-refundable) -**

7 Day Policies – new policies and renewals: £7.20

30 Day Policies - new policies and renewals: £15.50

90 Day Policies - new policies and renewals: £40.00

6 Monthly Policies – new policies and renewals £55.00

Learner Driver Policy – new policies and renewals £15.00

Annual Private Car, Taxi, Telematics and Commercial Vehicle policies – new policies and renewals: £92.50.

Annual Motor Trade policies – new policies and renewals: £85.00

Household policies – renewals: £10.00

Annual Fleet New Business and Renewals: £85.00 per vehicle

Please note these charges are non-refundable in the event of cancellation

### **Amendment Fees -**

Mid-term motor adjustments - £25.00 Mid-term

household adjustments - £10.00

Mid-term adjustment Fleet - £85.00 pro-rata per vehicle.

### **Cancellation Fees**

Cancellation of an Annual Motor Private Car Policy within the 14 days -Nil Cancellation

of an Annual Motor Private Car Policy between 15-30 days - £50.00 Cancellation of an

Annual Motor Private Car Policy after 30 days - £100

Cancellation of Annual Taxi, Commercial Vehicle, Fleet or Motor Trade Policy - £100.00

Cancellation of an Annual Telematics Policy - £250.00

Cancellation of Annual Household Policy £20.00

### **Other Fees**

Issuing of duplicate documents - £15.00 per document

Unpaid cheque £15.00

Prior to acceptance, charges payments and frequency of collection will be explained to you in full. No cover will be incepted until the agreed payment has been received. We accept payment in cash, cheque and most forms of credit and debit cards with the exception of Amex and Diners Club. Please note for cash transactions we may require two forms of ID.

### **Our earnings**

In return for placing business with insurers, underwriters and other product providers we normally receive a commission from them which is a percentage of the annual premium that you are charged with. You are entitled, at any time, to request information regarding any commission which we may have received as a result of placing your insurance business.

Please be assured that at no time will the way in which we are remunerated conflict with our responsibilities to meet your needs and treat you fairly.

### **Payment by Instalments**

We act as a credit broker, this means that we can arrange instalment facilities for you with a lender. The lender we will offer you is Granite Finance Ltd, a sister company of Acorn Insurance. We never take a fee from customers for this credit broking service and any charges imposed by the lender will be explained in the Consumer Credit Agreement provided by them. This is a Credit Agreement between you and Granite Finance Ltd and is in effect a loan for the initial premium and/or renewal of your policy and this agreement should not be cancelled until this has been repaid in full to Granite Finance Ltd, even if the insurance is cancelled.

Granite Finance will charge an administration fee of £25.00 if you fail to make your direct debits on the due date, so please ensure you are fully aware when your payments fall due and read through your finance documents carefully to understand the nature of any additional fees and charges which may be imposed by them.

When paying for your premium on direct debit, any refund will be offset against outstanding direct debit payments and any shortfall will become payable by you. In addition, your insurer may pay your claim settlement to the finance house to discharge any sums owed to them.

If you have had any fault or open claims on our insurance policy there is no refund of premium so this means that you will be liable for the full premium, even if you decide to cancel the policy and/or your policy is cancelled for non-payment.

### **Documents sent by email**

If you have agreed to receive your policy by email we will send all documentation, including certificate of insurance to the email address you have supplied to us. Please note your insurer has the right to cancel a policy by giving you seven days notice which would be communicated by email. Please contact us if you change your email address.

### **Protecting your money**

Prior to your premium being forwarded to the insurer and for your protection, we hold your money as an agent of the insurer in an Insurer Trust Account. This means that it is regarded as having been received by the Insurer when placed in this account. We may need to transfer your money to another intermediary in some cases; where this happens it is still regarded as having been received the insurer when placed in the Trust Account. We also reserve the right to retain interest earned on this account. *By accepting this Terms of Insurance Business document, you are giving your consent for us to operate in this way.*

### **Protecting your information**

All personal information about you will be treated as private and confidential (even when you are no longer a customer), except where the disclosure is made at your request or we have a disclosure request to validate your insurance contract where the law requires us or any mutual third party requires us to validate your insurance contract. The FCA may ask us to provide it with access to our customer records in order that it may carry out a review of our activities.

Some or all of the information you supply to us in connection with your insurance proposal may be passed to insurance and other companies for underwriting, claims and premium collection purposes. Your data will be held in accordance with the Data Protection Legislation.

When we refer to the **Data Protection Legislation**, we mean: up to but excluding 25 May 2018, the Data Protection Act 1998 and thereafter

- (i) unless and until the GDPR (General Data Protection Regulation ((EU) 2016/679)) is no longer directly applicable in the UK, the GDPR and any national implementing laws, regulations and secondary legislation, as amended or updated from time to time, in the UK and then;
- (ii) any successor legislation to the GDPR or the Data Protection Act 1998.

Under the Data Protection Legislation, you have various rights in respect of your personal data (including the right to access and the right to find out about how your data is collected, used and stored). We have set out your rights in more detail in our privacy notice. This can be accessed by our website at [www.acorninsure.co.uk](http://www.acorninsure.co.uk)

We and/or the insurers and/or credit providers may use publicly available information about you from a variety of sources, including credit reference agencies and other external organisations to verify your identity or creditworthiness, to avoid fraud, and to obtain beneficial quotes and payment options on your behalf. Each of these searches may appear on your credit report. Again, further information regarding the use of your personal data can be found in our privacy notice, available at [www.acorninsure.co.uk](http://www.acorninsure.co.uk) . If you have any questions about what we do with your personal data, please contact the Data Protection Officer at [dataprotection@acorninsure.co.uk](mailto:dataprotection@acorninsure.co.uk)

## **How to Claim**

Please refer to your policy summary or your policy document if you need to notify a claim. You should contact the insurer within 24 hours using the contact details provided. Failure to report any accident within 24 hours may result in an increased excess being applied by your Insurer for a late report. If you are a Haven Policy Holder, a late reporting excess of £500 may apply if you do not report your claim within 24 hours. If in doubt about whom you should contact, please contact us on 01704-270027.

## **Awareness of Policy Terms**

All of our policies are underwritten by leading insurers please visit our website at <http://www.acorninsure.co.uk/links/policy-documents> where you can obtain policy wordings, and find out more information about the companies that we use and the services that we offer. You are strongly advised to read your policy wordings carefully, as it is that document, the Schedule of cover and any Certificate of Insurance which forms the basis of the Contract of Insurance you enter into. If you are in any doubt over the policy terms and conditions, please contact us promptly. The insurer's policy wordings provide important details about your policy. Please refer to your policy wordings which are available on our website but if you prefer for us to download your policy wordings then please call to request.

## **Policy validation**

To ensure that the policy's we provide are appropriate to your needs and provide the correct cover, as well as preventing fraud we are required to validate the information you have provided to us. To do this we will contact you to confirm your details and collect any necessary information to assist in the validation process. By validating your Insurance Underwriting details, we are reducing the risk of incorrect information forming the basis of your insurance contract and future claims not being indemnified due to this incorrect information.

We will validate your information initially by checking a number of databases such as Claims and Underwriting Exchange, will need some further details from yourself such as your Driving Licence details and DVLA share code. Which can be sent to us at <http://www.acorninsure.co.uk/documentation-upload/>

We will also ask for a copy of your No Claims Bonus (where applicable) which will need to be sent to us within 30 days of the request to prevent any additional premium becoming payable

If supporting documentation is not received we reserve the right to cancel the policy or charge an increased premium. We may also cancel or void the policy if a serious misrepresentation or act of fraud is detected, but only if the policyholder has acted deliberately or carelessly in not telling us the truthful information required to validated the insurance application

## **Webpay and Tonepay Facility**

Please note for our short term 7 day or 30 day taxi policies you may be able to use our Tonepay or Webpay facility to purchase another short term new business policy subject to no changes, we are unable to guarantee the services as they operate on several software's which are not within our control and we cannot be held responsible for non-receipt of policy documents utilising these services. Should you wish to utilise these system please do so in advance of your last policy expiring to ensure you have time to check receipt of your documents and to call us during our opening hours if these are not received.

## **Complaints**

It is our intention to provide a high level of service at all times. However we recognise that things can go wrong occasionally and if this occurs we are committed to resolving matters promptly and fairly. If you wish to register a complaint first please contact us, we will try to put things right immediately. You can complain by letter at the above address, telephone 01704 270027 or email at [complaints@acorninsure.com](mailto:complaints@acorninsure.com). In all cases please quote your policy number or other reference we have given you. If you cannot settle your complaint with us you may be entitled to refer the matter subsequently to the Financial Ombudsman Service free of charge. You can contact the Financial Ombudsman Service by telephoning 08000234567 and further information is available at <http://www.financial-ombudsman.org.uk/>. If you do decide to refer any matter to the Financial Ombudsman Service your legal rights will not be affected. We will provide a summary of our complaints handling procedures should you make a complaint which we cannot resolve informally and at any other time, upon your request.

## **Conflicts of Interest / customers best interests**

As insurance brokers we generally act as your agent in arranging your insurance and assisting you in the event of a claim; we will always act honestly, fairly and professionally ensuring your best interests are our priority. In certain circumstances we may act for insurers and/or other parties. Where we become aware of any actual or potential conflict

of interest with our duty to you, we will inform you of the situation, the options available to you and obtain your consent before we proceed.

Directors of Acorn Insurance are shareholders in Haven Insurance, an Insurer used by Acorn to place your business. Acorn Insurance is owned by a holding company which also owns Haven Insurance. Acorn Insurance has procedures in place to ensure that Haven Insurance is used only where it is appropriate and in the best interests of the customer.

### **Money laundering/Proceeds of crime**

We are obliged to report to the National Crime Agency any suspicion of money laundering or terrorist financing activity and we are prohibited from disclosing any such report.

### **Adequacy of insurance values**

It is the responsibility of the insured to ensure that all sums insured and policy limits are adequate. It is strongly recommended that the appropriate Professional (e.g. Surveyor/Accountant) be consulted to ensure that the sums insured and limits under the policy are suitable.

### **Insurer security**

The insurers we use are regulated and are required to have adequate capital resources. However, we cannot guarantee the solvency of any insurer we place business with. An insolvent insurer may be unable to pay claims or may be unable to pay them in full and you may have to pay a further premium to pay for alternative insurance cover

### **Termination**

You or we may terminate authority to act in connection with your insurance arrangements at any time. Notice of termination must be given in writing and will be without prejudice to the completion of any transactions already commenced. Any business currently in progress will be completed unless we receive instructions to the contrary. Any premiums or fees outstanding will become payable immediately. In circumstances where we feel we cannot continue providing services to you, we will give you a minimum of 7 days' notice. However, under certain circumstances, such as suspected fraud and/or misrepresentation, your insurers may exercise their right to cancel your policy with immediate effect. Please refer to your policy documents for full details.

### **Law and jurisdiction**

These Terms of Business shall be governed by and construed in accordance with English Law and shall be subject to the exclusive jurisdiction of the courts of England and Wales.