

## TERMS OF BUSINESS

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Authorised and regulated by the **Financial Conduct Authority**

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### **Firm's Identify**

Bluedrop Services(NW) Ltd  
Royal London Park  
Flanders Road  
Hedge End  
SO30 2LG  
**Tel No. 01489 772 511**                      **Fax.**  
**E-Mail: colin.mccabe@bluedropservices.co.uk**

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### **Our service**

In arranging insurance for our customers, we act as an Independent Intermediary. Our service includes advising you on your insurance needs, arranging your insurance cover with insurers to meet your requirements and helping you with any ongoing changes you have to make. We can also assist you with making a claim.

Please note that our Uninsured Loss Recovery Scheme is not an insurance product and is not covered by Financial Conduct Authority (FCA) Regulations. We will give you full details of any such arrangements before you make any commitment on any product we offer you.

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### **Disclosure**

It is your responsibility to provide complete and accurate information to insurers when you take out your insurance policy, throughout the life of your policy, and when you renew your insurance. Failure to disclose information pertaining to your insurance, or any inaccuracies in information given, could result in your insurance policy being invalid or cover not operating fully.

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.

**If you are in any doubt about whether information is material, you should disclose it.**

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### **Confidentiality and data protection**

All personal and sensitive information about our customers is treated as Private and Confidential.

We will only use and disclose the information we have about customers in the normal course of arranging and administering their insurances, and will not disclose any information to any other parties without their written consent. Unless we are notified of any changes, we shall assume the personal and sensitive data we hold about our customers is correct, and shall use it to provide quotations when policies fall due for renewal.

In the interests of security and to improve our service, telephone calls you make to us may be monitored and/or recorded.

We may pass information about you to credit reference agencies for the purposes of arranging payments by instalments, and may also pass to them details of your payment record with us.

Under the Data Protection Act 1998, individuals have a right to see personal information about them that we hold in our records. A charge may be made for this service. If you wish to exercise this right, or have any other related queries, you should write to us at the above address.

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#### **Motor and home insurance anti-fraud registers**

Insurers share information with each other via the Claims and Underwriting Exchange Register, and the Motor Insurance Anti-Fraud and Theft Register, to aid the prevention of fraudulent claims.

In the event of a claim, the information you supply on the claim form, together with any other information relating to the claim, will be put on the Registers.

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#### **Motor Insurer Information Centre (MIIC)**

Insurers are legally required to provide details of motor insurance policies to the MIIC. The information describing your insurance cover will be added to the Motor Insurance Database (MID), to which the police and other government agencies have access. This helps the pursuance of claims following accidents and aids detection of those who are in contravention of the law by not taking out insurance.

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#### **Use for marketing purposes**

We may use information held about you, to provide you with information about other products and services which we offer, and which we feel may be appropriate to you, by email, telephone, post or other means.

You may exercise your right to give notice to stop data being processed for marketing purposes by contacting us at any time. Please contact us on the above telephone number or write to us at the above address.

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#### **Claims**

We have no authority to handle claims on behalf of insurers. In the event of an incident occurring which may give rise to a claim under your policy, you should notify the insurer direct as soon as possible using the contact details in your policy document.

When we receive notification of an incident that might give rise to a claim under your policy, we will inform the insurer without delay.

We shall use our best endeavours when acting on your behalf in relation to a claim, to handle all elements of the claim with due care, skill and diligence.

We will advise you promptly of insurers' requirements concerning claims, including the provision, as soon as possible, of information required to establish the nature and extent of a loss.

If there is any conflict of interest, we shall only handle a claim on your behalf after we have disclosed to you all information you require, to enable you to decide whether to give your informed consent, and you have given that consent.

We will forward any payments received from insurers in respect of any claim, to you, without delay.

We will notify you of any request for information we receive from your insurers.

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#### **Complaints**

It is our intention to provide you with a high level of customer service at all times. If there are occasions when we do not meet these standards, please contact the member of staff you were dealing with, either verbally or in writing. They will take details of your concerns and we will then acknowledge in writing, advising you of who is dealing with the matter. A copy of our full Complaints Handling Procedures is available on request.

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#### **Cancellation rights of Insurance Policies**

##### **1. Where cancellation rights exist.**

If you are an individual or sole trader (including a partnership in England and Wales) buying or renewing a policy which provides cover for you in both a private and business capacity, you have the right to cancel your policy during a 14 days either from the date of purchase or the day on which you receive your policy documentation, whichever is the later. When renewing an existing policy the period applies from the date you renew the policy or the day on which you receive the policy documentation, whichever is the later. If you exercise this right and the cover has not commenced, you will be entitled to a full refund of the premium paid. If the insurance has commenced and provided that you have not made a claim, you will be entitled to a refund of the premium paid,

subject to a deduction for any time that you have been on cover (calculated as a proportion of the annual premium) and a deduction of a proportion of the arrangement charge sufficient to cover our costs.

To exercise your rights to cancel, please contact this office on the address shown. You will be required to return any certificate of motor insurance immediately.

2. When cancellation rights do not exist.

Unless otherwise stated, insurance policies are arranged for a period of 12 months and you are required to pay the full amount stated. If you cancel the insurance before the expiry date, ( other than in accordance with paragraph 1 above) and there have been no claims, you may be charged short period rates in accordance with the scale of charges detailed by insurers terms and conditions shown in your policy document. We do not refund commission or charges as this was earned for arranging the policy. Policyholders may cancel annual policies on return of the policy and or Certificate of Insurance. If there are any unpaid monies when the policy is cancelled, we may withhold documents such as any no claims bonus to which you are entitled, until full payments is made. If you paid the premium by instalments the credit charges made by the premium finance provider will not be refunded.

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### **Premiums and financial aspects**

In order to be able to offer you credit facilities, we are registered under the Consumer Credit Act and our Licence Number is 638209.

We normally accept payment by guaranteed cheque and credit/debit cards. Please note that there is a 3% surcharge for payment by credit card.

You may be able to spread your payments through insurers' instalment schemes, a credit scheme with a third party finance provider, or a facility we have arranged ourselves. We will give you full information about your payment options when we discuss your insurance in detail. Further to this we may receive remuneration from the third party finance provider for placing instalment plans on their facility.

We may keep certain documents, such as your insurance policy documents or Certificate, while we are waiting for full payment of premiums. In these circumstances, we will ensure that you receive full details of your insurance cover and will provide you with any documents that you are required to have by law.

### **Risk Transfer**

Premiums that we collect from you are held in an insurance broking bank account specifically used for the purpose of holding client premiums. By virtue of agreements we hold with insurers, we collect premiums as agent of the insurer. Therefore, once we have collected premiums from you, under the terms of our agreements with insurers, those premiums are treated as having been paid to the insurer. We will remit the premiums to insurers, after deduction of our commission, in accordance with the terms of our agreements with insurers.

### **Client Money Segregation (Statutory Trust)**

Premiums that we collect from you will be segregated into and held in a Client Money Bank Account. The client money will be held by us as trustee on your behalf. The Client Money Bank Account is set up as a trust governed by FCA rules. This means that once the client money is segregated into the Client Money Bank Account, it falls into our legal ownership but remains in the beneficial ownership of customers whose premiums are deposited in the Account. If we become insolvent, the terms of the trust dictate that customers will have a prior claim on the client money in the Account according to their respective interests in the client money. The costs relating to the distribution of client money may have to be borne by the trust.

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### **Return premiums**

Return premiums usually arise if an insurance risk is reduced or a policy cancelled.

On a return premium, we repay commission on the amount to your insurer and this will be deducted from the final amount due to you.

In view of the costs involved, we will not issue any return premium that is less than £25 (after deducting reclaimed commission). An amount less than £25 will be held to your credit and can be utilised against any future insurance policy with us.

If a policy is cancelled, we will refund any return premium due (after deduction of the commission and our charge).

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## **Quotations**

All quotations are subject to change in respect of the amount of premium indicated, and/or the terms and conditions that are applied.

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## **Policy terms, conditions and warranties**

You should read through all policy terms, conditions and warranties shown on your policy documentation. Please ensure you understand them and are able to follow their requirements exactly. If not, please advise us immediately, as a breach of any terms, conditions or warranties may enable your insurer to terminate your policy from the date of that breach, and/or repudiate a claim under your policy.

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## **Renewal premiums paid by instalments**

We will contact you when your policy is due for renewal and let you know how to continue with your cover. In order to protect your interest, where insurers are willing to renew the policy and payment is made through an instalment plan we arranged we reserve the right to automatically renew your policy and to arrange continuation of the instalment facility unless you specifically notify us in writing that you wish to cancel your policy prior to the renewal date. Where (in the absence of instructions to the contrary) we renew the policy on your behalf you may be liable to make payment to us and or your insurance company.

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## **Disclosure of commission**

If you would like to know the amount of commission that we are paid in respect of your insurance contract, this information is available on request.

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## **Earning interest on customer premiums**

We hold premiums that you pay to us in a Client Money Bank Account. Under FCA Regulations we have to inform you that we may earn interest from the money held in our Client Money Bank Account which may exceed £20 for any one transaction that you make with us. Interest earned will not be held for the benefit of customers.

By accepting these Terms of Business, you are giving your consent for us to act in the manner described in this Section.

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## **Customer money passed to another person**

In accordance with FCA Regulations we have to inform you that in managing and/or arranging your insurance requirements, we may transfer money that you have paid us, in payment of an insurance premium, to another insurance intermediary.

By accepting these Terms of Business, you are giving your consent for us to act in the manner described in this Section.

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## **Customer money passed to another person outside the UK**

In managing and/or arranging your insurance requirements, we may transfer money that you have paid us, in payment of an insurance premium, to another insurance intermediary operating outside of the United Kingdom.

Unless you notify us that you do not wish your premiums to be transferred in the manner outlined in this Section, by accepting these Terms of Business, you are giving your consent for us to act in the manner described in this Section.

We have a duty under FCA Regulations to inform you that:

- the legal and regulatory regime applying to the insurance intermediary may differ from that in the United Kingdom; and
  - Consequently if the insurance intermediary fails, the premium may be treated in a different manner from that which would apply if the premium was held by an insurance intermediary in the United Kingdom.
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## **Segregation of investments**

We hold premiums that you pay to us in a Client Money Bank Account. We may invest these premiums in a range of permitted designated investments as prescribed by FCA Regulations. In the event that there is any shortfall in our client money resource attributable to falls in the market value of any of these permitted designated investments, we shall make provision for, and bear the cost of, any such shortfall.

By accepting these Terms of Business, you are giving your consent for us to act in the manner described in this Section.

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**Governing law**

This Agreement shall be governed by the laws of England and Wales and the parties agree herewith that any dispute arising out of it shall be subject to the [non-] exclusive jurisdiction of the English Courts.

This Agreement shall be governed by the laws of Scotland and the parties agree herewith that any dispute arising out of it shall be subject to the [non-] exclusive jurisdiction of the Scottish Courts.

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**Other taxes or costs**

Other taxes or costs, or both, may exist in relation to the products and services offered by us which are not paid through, nor imposed, by us.