



City Gate 2, Cross Street, Sale, Manchester M33 7JR

Tel: 0330 024 0087

Email: info@principalinsurance.co.uk

Website: www.principalinsurance.co.uk

Terms of Business

1. Accepting our Terms of Business

By asking us to quote for, arrange or handle your insurances, you are providing your informed agreement to these Terms of Business. We draw your particular attention to the section headed 'Your Responsibilities', 'Use of personal data' and specifically the paragraph explaining how 'sensitive personal data' will be used;

For your own benefit and protection, you should read these terms carefully. If you are unsure about any aspect of our Terms of Business or have any questions regarding our relationship with you, please contact us at the above address.

2. The Financial Conduct Authority

Principal Insurance Limited is authorised and regulated by the Financial Conduct Authority (FCA). Our FCA Register number is **551900**. Our permitted business is introducing, advising, arranging, and dealing as agent and assisting in the administration and performance of general insurance contracts.

You may check this on the Financial Services register by visiting the FCA website, www.fca.org.uk/register or by contacting the FCA on 0845 606 1234.

3. Our Service, advising you and helping you to decide.

We source and arrange a large number of products. For most products offered we make personal recommendations when arranging your insurance. We do this by asking you a number of questions to assess your demands and needs. We will always make it clear to you whether the service we are providing is one where we are making a personal recommendation or a service where you are required to make your own informed decision. You will receive confirmation of the type of service you have received within your full insurance documentation. We will not in any circumstance guarantee the solvency of any insurer.

4. Our product range and the range of insurers used

We arrange personal and commercial insurances through a range of insurers, but for certain products, we only arrange products from a limited number of insurers or only offer products from a single insurer. We will give you further information about this before we finalise your insurance arrangements; where we select products from a limited number of insurers you may ask us for a list of the insurers we deal with for these products.

All our motor policies have legal cover included. The legal policy cannot be removed and there is no charge for this benefit.

5. Complaints and compensation

We aim to provide you with a high level of customer service at all times but, if you are not satisfied, please contact us at the details above. When dealing with your complaint, we will follow our complaint handling procedures; a summary of these procedures is available on request. If you are still not satisfied, you may be entitled to refer the matter to the Financial Ombudsman Service.

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. If you are eligible to claim from the FSCS, compensation is available as follows:

- Insurance advising and arranging is covered for 90% of the claim, without any upper limit
- For compulsory classes of insurance (such as Third Party Motor or Employers Liability), insurance advising and arranging is covered for 100% of the claim without any upper limit

Further information about compensation scheme arrangements is available from the FSCS on 020 7892 7300 or www.fscs.org.uk.

6. Payment for our services

Motorcycle / Car Insurance

We normally receive commission from insurers or product providers. We also charge you non-refundable fees for handling and administering your insurances;

New business/renewal administration fee: up to £75.00

Mid-term Adjustment: up to £50.00

Your Right to Cancel: up to £30

Cancellation Fee: up to £75.00

Paper documentation request: £5.00

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Sorn Insurance

We normally receive commission from insurers or product providers. We also charge you non-refundable fees for handling and administering your insurances;

New business/renewal administration fee £47.50

Your right to cancel; £47.50 New Business Fee non refundable but full return of insurer premium unless there is a claim.

Private Van Insurance

We normally receive commission from insurers or product providers. We also charge you non-refundable fees for handling and administering your insurances;

New Business/Renewal administration Fee:

Insurer premium up to £187.50 the fee will be up to £75.00

Insurer premium is over £187.50 the fee will be up to a maximum of 40% of the insurer premium

Mid-term Adjustment: up to £35.00 plus up to 20% of any return premium from your insurer

Your right to cancel: up to £75.00

Cancellation Fee: up to £75.00 plus up to 20% of any return premium from your insurer

Paper documentation request: £5.00

Commercial Van Insurance

We normally receive a commission from insurers and if you use your van for a commercial purpose, you have the right to ask us for details of the commissions we earn.

Because the commission rates paid by insurers are variable and don't always reflect the level of work we have carried out, we may also make service charges over and above the charges made by your insurers to cover the administration of your insurance policy. These charges will be agreed with you in advance.

New Business/Renewal administration Fee:

Insurer premium up to £187.50 the fee will be up to £75.00

Insurer premium is over £187.50 the fee will be up to a maximum of 40% of the insurer premium

Mid-term Adjustment: up to £35.00 plus up to 20% of any return premium from your insurer

Your right to cancel: up to £75.00

Cancellation Fee: up to £75.00 plus up to 20% of any return premium from your insurer

Specialist Commercial Policies: up to £1000

Paper documentation request: £5.00

You will receive a quotation which will tell you the total price to be paid, and which identifies any fees, taxes and charges separately from the premium, before your insurance arrangements are concluded.

We also draw your attention to the sections headed 'Cancellation of insurances'.

7. Specialist Commercial Policies

We normally receive a commission from insurers and you may at any time ask us for details of this. Because the commission rates paid by insurers are variable and don't always reflect the level of work we have carried out, we may also make service charges over and above the charges made by your insurers to cover the administration of your insurance policy. These charges will be agreed with you in advance.

In the event of cancellation, we do not refund any commission or fees.

Any premium refunds due will be reduced by any service charge and any other sums owing in respect of the policy.

Before the conclusion of your insurance contract (or at renewal), we will remind you of your right to request information regarding any commission payments we may receive as a result of placing your insurance business.

8. Handling money

We act as agents of the insurer in collecting premiums and handling refunds due to clients. Such monies are deemed to be held by the insurer(s) with which your insurance is arranged.

9. Cancellation of insurances

You should make any request for the cancellation of a policy in writing and any relevant certificate of insurance must be returned to us or to the insurer concerned. In all instances, cancellation requests can only be made by the policyholder.

In the event of cancellation, charges for our services will apply in accordance with the 'Payment for our services' section.

The terms of your policy may allow insurers to retain the premium in full or to charge short-period premiums in the event of cancellation before the policy expires details of this are in the policy wording.

10. Your responsibilities

You are responsible for providing the complete and accurate information which insurers require in connection with any proposal for insurance cover. This is particularly important before taking out a policy and at renewal, but it also applies throughout the life of a policy. In order to

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provide you with an accurate quotation and correct policy documentation, we will ask you a series of questions, it is important that you answer these questions honestly and to the best of your knowledge, failure to do so could 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 or Statement of Facts.

It is important that you read all insurance documents issued to you particularly any proposal forms and Statements of Facts and ensure that you are aware of the cover, limits and other terms that apply. Particular attention must be paid to any warranties and conditions as failure to comply with them could invalidate your policy. 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 find there is an error in any of your documentation, you must speak to us immediately so we can amend your details. If you are unsure about any matter, please contact us for guidance.

11. No Claims Bonus

If you have informed us that you are entitled to No Claims Bonus but this is not validated with the relevant proof, your policy may be subject to an additional premium, it may be cancelled or be made null and void from the inception date of your policy.

12. Fraudulent and False Claims

If you knowingly make a claim that is false or fraudulent in anyway, your policy will become void and no payment will be made against the claim.

13. Dealing with others on your behalf

If you wish for a partner/spouse to contact us in connection with your insurance policy, subject to answering security questions, we will deal with a person whom we reasonably believe will be acting on your behalf, relating to your policy or a claim.

14. Renewing your policy

For your protection prior to your renewal date, we will send you a renewal invitation which will detail the premium due and the details we hold regarding your policy. It's important you check your details to ensure the information we have is accurate and you inform us of any changes in your circumstances.

To ensure that the policy continues to meet your needs we may offer an alternative insurer at renewal. If you are happy with the quote and insurer offered there may be nothing further for you to arrange and your card or designated bank/building society may be automatically debited for your renewal. **Further details of whether or not your policy will be automatically renewed will be confirmed on your renewal invitation.**

If you do not wish us to renew your policy automatically, please inform us at least 7 days prior to your renewal date. If we do not hear from you, we will take this as your authority to accept the renewal terms and will accept on your behalf the policy offered. Please note that if we confirm your policy will not be automatically renewed, cover will cease on your renewal date unless you contact us beforehand to make a payment.

15. Use of personal data

We will process any personal information we obtain in the course of providing our services to you in accordance with the Data Protection Act 1998. In administering your insurances it will be necessary for us to pass such information to insurers and other product or service providers which may also provide us with business and compliance support. This may include a credit reference agency, the Claims and Underwriting exchange (CUE), Motor Insurers Database (MID), MyLicence (DVLA & Motor Insurance Bureau database) and other similar databases. The purpose of this is to assist in checking the information you provide to us and to prevent fraud.

We may also disclose details to relevant parties, as necessary, to comply with regulatory or legal requirements. We may contact you or pass your details to other companies associated with us in order to promote products or services which may be of interest to you. We will not otherwise use or disclose the personal information we hold without your consent.

Some of the details you may be asked to give us, such as information about offences or medical conditions, are defined by the Act as sensitive personal data. By giving us such information, you signify your consent to its being processed by us in arranging and administering your insurances.

Subject to certain exceptions, you will be entitled to have access to your personal and sensitive personal data for which you will be charged a fee of £10. If at any time you wish us, or any company associated with us, to cease processing any of the personal data or sensitive personal data we hold, or to cease contacting you about products and services, please write to the address overleaf.

16. Credit Checks

To make sure you get our best deal and to ascertain the most appropriate payment options for you and to protect you from fraud, some insurers use public and personal data from a variety of sources, including a credit reference agency and other organisations. The search will appear on your credit report whether or not your application proceeds. If you have any questions about this or any other matter, please do not hesitate to contact us.

17. Conflict of interests

Occasions can arise where we, or one of our associated companies, clients or product providers, may have a potential conflict of interest with business being transacted for you. If this happens, and we become aware that a potential conflict exists, we will write to you and obtain your consent before we carry out your instructions and we will detail the steps we will take to ensure fair treatment.

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18. Claims handling arrangements

You should take note of the required procedures in the event of a claim, which will be explained in the policy documentation. Generally, insurers require immediate notification of a claim or circumstances which might lead to a claim. We will employ due care and skill if we act on your behalf in respect of a claim.