



# Active Cover - Terms of Business and Regulatory Information

## 1. Regulatory Information & Our Terms of Business

In these Terms reference to “we” or “us” are to Dryan Trading Limited, t/a Active Cover (“Active Cover”) acting in the capacity of Lorica Insurance Brokers’ Appointed Representative. We recommend that you read carefully these Terms that apply to our appointment and the services that we will provide. You should use this (and associated documents) to decide if our services are suitable for you. In particular we draw your attention to section 8 which details how we are remunerated and how we treat refunds and also to section 19, which details the maximum amount that we will be liable for in the event of negligence. These terms of business apply unless agreed otherwise in writing and supersede any previous discussions or arrangements. By instructing us to act on your behalf you are agreeing to be bound by them. Please ask us for clarification if you are unsure as to their meaning.

## 2. Who are we regulated by?

Active Cover is an Appointed Representative of Lorica Insurance Brokers who are authorised and regulated by the Financial Conduct Authority (FCA), registration number 310032. This can be verified by visiting the FCA’s web site [www.register.fca.org.uk](http://www.register.fca.org.uk) or by contacting the FCA on 0800 111 6768. Our permitted activities are recommending insurance policies, arranging insurance cover, dealing as an agent and assisting with the administration and performance of policies – all in connection with General Insurance. Our registration number is 751565.

## 3. Compensation Scheme

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 you are and the circumstances of the claim. Insurance advising and arranging is covered for 90% of the claim, without any upper limit. Further information about compensation arrangements is available from the FSCS ([www.fscs.org.uk](http://www.fscs.org.uk)) or by telephone on 0800 678 1100.

## 4. Complaints procedure

We recognise the importance of service and set ourselves high standards. Should there be an occasion when we do not meet your expectations you can contact us by telephone, in writing, by email or in person. Please use the contact details provided to you with these terms. Contact details can also be found at [www.activecover.co.uk](http://www.activecover.co.uk) or you can call our customer support line (administered by Lorica Insurance Brokers) 0333 400 0759.

We will endeavour to resolve your complaint quickly, fairly and impartially. If we are unable to resolve your complaint, you may be entitled to refer your complaint to the Financial Ombudsman Service (FOS). We will tell you when you become eligible to use their service, and would ask that you always give us the opportunity to resolve your complaint first. Further details of our complaint processes are available on request and you can find further information about the FOS at their website, [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk).

## 5. Our services

Lorica Insurance Brokers administers the sales process on our behalf. We are an insurance intermediary and act on your behalf as your agent in arranging your insurance cover. Neither Active Cover or Lorica Insurance Brokers will make recommendations to you regarding the suitability of insurance contracts, but will provide you with sufficient information to make this decision yourself.

Our website will explain the main features of the products and services that we offer you including details of the insurer, the cover they are prepared to offer, and details of any unusual restrictions, exclusions, conditions or obligations you must meet.

## 6. How we select the providers of the products and services we recommend

We will offer products provided by a single insurer, which will be detailed to you during the sales process.

## **7. Consumers cancellation rights**

This section applies to **Consumers** defined as an individual (that is, a person rather than a company or partnership) who enters into an insurance contract (even if this is arranged through a third party) wholly or, mainly for purposes unrelated to the individual's trade, business or profession).

Details of your cancellation rights (including how to exercise them) can be found in your policy documentation. Generally, you have the right to cancel your insurances within 14 days of the day you receive your documents or you go on cover, whichever is the later event. Note that this right does not usually apply to policies of less than one months duration, such as short term travel insurance. If you are unsure of your rights and how to exercise them you can contact us for guidance.

## **8. How we are remunerated & deal with refunds of premiums**

Unless otherwise agreed we derive our earnings from commissions paid to us by the insurance company with whom we have placed your insurance. We may also have an agreement with insurers and/or other third party providers that if our account with them meets certain pre-agreed volume or profit targets during a defined period then we will receive additional remuneration. In addition, Lorica Insurance Brokers who undertake policy administration for us, will make a modest charge for their services as detailed in section 9 below. Lorica Insurance Brokers will take commission due to them upon receipt of your premium unless their Terms of Business with the provider specifies otherwise.

## **9. Administration fees**

Fees will be charged as follows:

- Each time you take out a policy with us, or renew an existing policy, a fee of £11.50 will be charged by Lorica Insurance Brokers;
- Each time you make a change to an existing policy (but not including notifying a claim), a fee of £5.00 will apply. This includes each time you ask us to provide you with a copy of your policy documentation or if you cancel your insurance.

## **10. Payment options**

Our payment terms are as follows:

- New policies – full payment of premium on or before the inception date of the policy;
- Mid-term adjustments to existing policies – full payment of any additional premium and fees on or before the effective date of the change;
- Renewals – full payment of premium and any fees prior to the renewal date.

We will give you full information about your payment options during the sales process on our website. Defaulted payments beyond inception or renewal date in some situations may be interpreted as exhibiting an intention not to pay. This may result in all or part of your claim not being paid, or your insurers cancelling your policy.

## **11. Changes to your cover**

Please refer to your policy documentation or contact us to confirm what changes can be made to your policy, as only limited changes can be made mid term (e.g. a change of address). We will normally deal with requests to increase or amend your insurance cover on the day your instructions are received, or the next working day if a weekend or public holiday. Sometimes changes cannot be processed without obtaining additional information. If additional information is required we will contact you as quickly as possible. We will confirm changes to your policy in writing once they are agreed. We will also advise you of any extra premiums you must pay or premiums we must return to you.

Please note instructions sent by post, electronic mail or fax are not deemed received until actually received by us; we cannot accept responsibility for failures in the postal, electronic or telecommunications systems. Giving instructions to us does not mean that cover is in place. For the avoidance of doubt cover is not in place until it is confirmed by us.

## **12. Renewals**

When arranging insurance cover you gave us your permission to renew your policy using the payment method provided. We will contact you in good time before the expiry of your insurances to remind you of that explicit consent and of the cover being provided. If we do not hear from you before renewal we will (in accordance with the consent you have given) renew your cover on your behalf and confirm that this has been done. You will become liable to make payment to us and/or your insurer or continue payment by instalments, as applicable. Please note that unless you advise otherwise, on the renewal of insurance, reliance will be made on the information previously provided by you in connection with the insurance policy or policies that are the subject of renewal. Cover will not be in force unless the premium is paid in full on or before the renewal date.

### **13. Documentation**

Our aim is to produce documentation and correspondence promptly and in a clear and understandable format. You should check all policy documentation issued by us or your insurers to ensure that the details are correct and the cover provided meets your requirements. Any errors or omissions should be notified to us immediately, as they may lead to your insurers declining to meet claims.

### **14. How we handle Client Money**

Regulatory rules are designed to protect you in the event that we fail and are unable to transfer premiums received from you to insurers (or vice versa). Most Insurers that we deal with have appointed us to act as their agents for the collection of premiums, payment of claims and refunds of premiums. This means that premiums are treated as being received by the insurer when received in our bank account, improving your level of protection.

Where we are not acting as agent of an insurer then we will hold client money with an approved bank in a Non-Statutory Trust Account. Where we hold money in a Non-Statutory Trust Account we are entitled to use client money to make advances of credit, for example to pay another client's premium before the premium has been received from the other client and to pay claims and premium refunds before such monies have been received from the insurer.

We may transfer client money to another authorised intermediary, for the purpose of effecting a transaction on your behalf through that person or company. We will retain any foreign currency exchange gain or interest earned on any client money we hold. From time to time we may need to transfer client money to a different account (if for example we change our bank) or to a different legal entity within our group (if for example we re-organise our business). If we do this, any client money will be transferred to the new bank account with the same trust protection as the previous account. By accepting these terms you are consenting to us holding and dealing with client money in this way.

We may transfer client money to another entity or person, such as another insurer, broker or settlement agent, for the purpose of effecting a transaction on your behalf through that entity or person. This may include brokers and settlement agents outside the UK. The legal and regulatory regime applying to a broker or settlement agent outside the UK may be different from that of the UK and in the event of a failure of the broker or settlement agent, this money may be treated in a different manner from that which would apply if the money were held by a broker or settlement agent in the UK. We will notify you if this is the case. You may also notify us if you do not wish your money to be passed to an entity or person in a particular jurisdiction.

### **15. Our right to set off monies you owe us**

We shall be entitled (but not obliged) without notice to you to set off any amounts due to us from you against any amounts which we shall receive on your behalf (such as claims monies, refunded premiums and other sums).

### **16. Your Responsibilities**

To provide accurate, complete and timely information to enable us to fulfil our obligations under these terms of business including assisting you to make a fair presentation of the risk where relevant. It is understood and agreed by you that it is your responsibility to provide all such information both before and after inception of cover, and on renewals. This responsibility applies whether or not the information is available elsewhere to Us or Lorica Insurance Brokers Limited.

We shall provide the Service in reliance on the information and data provided by you. Any answers or statements given on a proposal or claim form or any other material document completed by you are your responsibility and should therefore be checked carefully. Unless otherwise agreed in writing we are under no obligation to investigate or verify the accuracy or completeness of any information or data provided by you and no liability shall arise for any errors or deficiencies in the Service arising out of or based on such information or data.

To review carefully any documentation supplied by us and advise immediately if any such documentation does not appear to be in accordance with your instructions or requirements

### **17. Your Duty to disclose Information as a consumer**

You are under a legal duty to take reasonable care not to make misrepresentation to the insurer. You will be deemed to have made a misrepresentation without reasonable care if you deliberately, recklessly, or carelessly answer insurers' specific questions incorrectly. A misrepresentation which is made dishonestly is always to be taken as showing a lack of reasonable care.

Depending on the type of misrepresentation made, this could result in your insurance contract being rendered void (so that claims would not be paid and you would have no cover), the terms of your insurance contract being amended, or insurers

reducing proportionately the amount of your claim they pay to take account of any increased premium that they would have charged.

#### **18. Insurer security**

We cannot guarantee either the availability of an insurance contract or the financial security or solvency of an insurer.

#### **19. Our liability to You**

Our liability to you for losses shall be limited as follows:

- in respect of any claim for personal injury or death caused by our negligence, no limit shall apply;
- in respect of any claim which results from any fraudulent act(s) (including theft or conversion) by us, no limit shall apply;
- in respect of any claim for losses as a direct consequence of any negligent performance of our services, a limit in all circumstances of £5,000,000 for any one claim or series of claims arising from one incident shall apply.
- in respect of any other claim arising out of the exercise of our duties or the failure of such duties our liability shall be limited to the amount of commission and fees which we have received for arranging your insurance cover during the 12 months preceding your claim;

but no liability shall arise for:

- any additional cost of working, consequential or economic loss including, without limitation, loss of business, loss of revenue, loss of profit, loss of opportunity and/or loss of contracts (whether direct or indirect); and/or
- in respect of any claim for breach of contract, negligence, breach of statutory duty or other claim howsoever arising in respect of any delay or failure by us to perform any of our obligations in connection with the Services where such delay or failure results directly or indirectly from any of your acts or omissions or those acting on your behalf.

Both you and we agree that the foregoing limitations and exclusions are reasonable, based on the level of risk assumed by us in connection with the Services we provide and the fees and/or brokerage earned under these terms of business. If we take over the servicing of insurance policies which were originally arranged through another insurance broker, intermediary or insurer we do not accept liability for any claim or claims arising from the advice given by that broker, intermediary or insurer, nor for any errors omissions or gaps in the insurance protection provided.

You acknowledge and agree that you are only entitled to claim against us, and not individual employees or consultants. You are welcome to contact us to discuss increasing the limitations of our liability and/or varying the exclusions we have set out. However, an additional charge and other terms may apply should we agree to amend this clause.

#### **20. Data Protection**

We are registered with The Information Commissioners Office in the UK and we undertake to comply with the most current Data Protection Act and regulations in all our dealings with your personal data. Your personal information will be kept secure.

Our Data Protection Officer's contact details are: Data Protection Officer, Data Protection Officer, Gable House, 239 Regents Park Road, Finchley, London N3 3LF , Email: [sd@activecover.co.uk](mailto:sd@activecover.co.uk)

We collect your personal data for use by PIB Group Limited and subsidiary companies, which includes Lorica Insurance Brokers. We use this personal data for the provision of information or to fulfil the requirements of a contractual or service relationship which may exist between you and our organisation. In addition, special categories of personal data such as data about your health and criminal convictions may be processed on a public interest basis if this is necessary for insurance purposes.

If you provide personal data to us relating to any person other than yourself, you must ensure that they understand how their personal data will be used and that you are authorised to disclose it to us, and to consent to its use on their behalf.

Your data may be passed on to other insurance providers to fulfil the contract or service. More information on how the Insurance market works is available from the London Insurance Market Core Uses Information Notice available on-line here: <https://www.londonmarketgroup.co.uk/gdpr>

We may share your information with credit agencies and other companies for use in credit decisions, for fraud prevention and to pursue debtors. Specifically, if you ask us to arrange finance for your payment of premium, the companies we ask may perform a credit check. This may happen at inception and each renewal of the policy.

If you ask us to obtain insurance on your behalf outside of the European Union, you accept that personal data associated with that policy will be covered only by local data protection law and will not be covered by European or UK data protection regulations.

We may use your personal data for other similar purposes, including marketing and communications, but that will only occur if we have your consent or another legal justification for doing so. You have a right at any time to stop us from contacting you for marketing purposes.

Please be aware that telephone calls may be monitored and/or recorded.

You have the right to request access to any of your personal data we may hold. If any of that information is incorrect, you can request that we correct it. If we are not using your information correctly, you can request that we stop using it or that we delete it completely.

If you would like to make a request to see what personal data of yours we hold, you may make a request to our Data Protection Officer using the details above.

Where we have asked for your consent to use your personal data, you have the right to withdraw that consent at any time. If you withdraw your consent, we will stop using your personal data where legally possible. Any processing undertaken before your withdrawal remains valid and lawful.

### **21. Making a claim and notification of incidents**

You can make a claim under your policy by contacting the insurer directly. Details of help lines will be included in your policy documentation. Your insurer will advise if you need to complete a claim form or produce evidence to support your claim.

It is essential that any claim or incident which may give rise to a claim is reported to your insurers, as quickly as possible whether you believe you are liable or not. In certain circumstances late notification may result in your claim being rejected..

### **22. Payment of premiums using third party instalment facilities**

If you elect to pay for your insurance premium using a third party finance provider your details will be passed on to them. Any queries or questions about the service provided by them should in the first instance be directed to them. Where your policy is paid via premium finance and you elect to renew your cover (or we renew your cover pursuant to clause 12 of this agreement), we will again continue to pass your details to your finance provider unless we receive instructions to the contrary (e.g. if you decide not to continue with the premium finance arrangement).

If any direct debit or other payment due in respect of the credit agreement you enter into with your finance provider to pay premiums is not met when presented for payment, or if you end the agreement with them, or if you do not enter into a credit agreement with them we will be informed of this by the finance provider.

If you do not make other arrangements with us to pay your insurance premiums (please see clause 12 of this agreement) you acknowledge and agree that we may instruct on your behalf any relevant insurer to cancel the insurance and to collect any refund of premiums which may be made by the insurer, and if any money is owed to your finance provider under your credit agreement to pay it to them or if they have debited us with the amount outstanding, to use it to offset our costs.

In assessing your application for credit the finance provider will search the public information that a credit reference agency holds about you. The credit reference agency will add details of the search and your application to their record about you whether or not your application proceeds. This and other information about you may be used to make credit decisions about you and undertake checks for the prevention and detection of money laundering. If your application for credit is accepted, the finance provider will send you a welcome pack detailing their full terms and conditions and commence collection of your instalments.

A credit agreement will be included for you to sign and return. The finance provider may begin collecting your Direct Debits before you return your signed credit agreement to pay for any insurance cover you are receiving. If you have any questions about your instalments, contact the finance provider direct. Details of our preferred finance provider, Close Brothers Premium Finance are shown below.

On renewal of your insurance policy we will continue to pass your details to your finance provider unless you instruct us otherwise. Please read carefully the pre-contractual explanations and the information regarding the cost of credit (including any representative examples). Together they provide important information in relation to the credit facility available from the finance provider. To use most premium finance facilities you must be resident in the UK, aged 18 years

or over and hold a bank of building society current account which can support Direct Debit payments. Credit is available subject to status.

Our preferred third party supplier of premium finance is Close Brothers Premium Finance, who can be contacted as follows:

**Close Brothers Premium Finance Ltd**

Wimbledon Bridge House  
1 Hartfield Road  
Wimbledon  
London  
SW19 3RU

**Tel:** 0333 321 8566

**23. No waiver and amendments**

A failure at any time by us to enforce any right or obligation shall not be deemed to be a continuing waiver of such right or obligation. No amendment or variation of these Terms requested by you shall be valid unless confirmed in writing by our duly authorised officer or employee. We reserve the right to amend these Terms at any time during our appointment (including for the avoidance of doubt during the term of your insurance) by giving you not less than 7 days notice in writing to the last address we hold for you. We may freely assign all or any part of these Terms and/or the services to any third party only where such assignment or delegation ensures that your rights under these Terms will not be prejudiced.

**24. Prior agreement**

These Terms supersede all proposals, prior discussions and representations (whether oral or written) between us relating to our appointment as your agent in connection with the arranging and administration of your insurance.

**25. Governing law**

The Laws of England and Wales apply to this agreement and any dispute arising under it shall be subject to the exclusive jurisdiction of the English courts.

**26. The Criminal Finances Act 2017**

Lorica and its senior management have long been committed to a zero tolerance towards tax evasion, bribery and other financial crimes.

The new corporate offence of 'failure to prevent the facilitation of tax evasion' was introduced by the Criminal Finances Act 2017. In accordance with the new legislation and our zero tolerance policy towards financial crimes, we have adopted a proportionate and risk-based approach to identify and implement appropriate reasonable procedures to prevent the facilitation of tax evasion as well as other financial crimes.

We continue to monitor and manage our risk exposure to the failure to prevent the facilitation of tax evasion, bribery and other financial crimes and will amend the reasonable procedures adopted as appropriate.