



TERMS OF BUSINESS & STATUS DISCLOSURE

Please read this document carefully as it sets out the terms on which we agree to act for our clients and contains details of our regulatory and statutory responsibilities. Your acceptance of these Terms of Business does not in any way affect your normal statutory rights. The Financial Conduct Authority (FCA) requires us to give you this document which is intended to help you decide if our services are right for you.

About us

Mercia Marine (Underwriting) Limited is an Underwriting Agency and general insurance broker operating from First Floor, Christ Church Hall, Avenue Road, Malvern WR14 3AY. We are authorised and regulated by the Financial Conduct Authority (FCA). Our FCA Reference number is 304948. We are permitted to advise on, arrange and deal as agent of insurers and clients for general insurance contracts. You may check this information on the FCA Register by visiting the FCA website www.fca.org.uk or by phoning the FCA on 0800 111 6768 from the UK or +44 20 7066 1000 from abroad.

Mercia Marine (Underwriting) Limited has no direct or indirect holding in any Insurer and no Insurer has any direct or indirect holding in us.

Level of service and products offered

For the insurance of marine craft and marine businesses, we administer insurance with a single or limited number of insurers from whom we have received delegated authority to act on their behalf in providing quotations, effecting cover, issuing policy documentation and collecting and processing premiums. If we provide insurance for you under these arrangements we act as the agent of the insurer(s). We do not provide a personal recommendation but we will explain the main features of the products and services we offer you including details of the provider, main details of the cover and benefits, any unusual restrictions or exclusions, any significant conditions or obligations and the period of cover.

If we find that your requirements cannot be met by any of these insurers, we may, with your consent, seek a quotation from a limited number of other insurers known to us. If we obtain such a quotation, we shall give you the details but it will not be a personal recommendation. You will need to make your own choice about how to proceed.

Before your insurance contract is concluded, you will be provided with a statement setting out your demands and needs. This statement may be incorporated within other insurance documentation. We will try to ensure that we provide you with enough information early enough for you to make an informed decision about the insurance being proposed.

If we are unable to match your requirements, we will explain the differences between those requirements and the insurance proposed. If you request it or if you require immediate insurance cover, we will give you this information orally but, in any event, we will still provide you with the statement immediately after conclusion of the insurance contract. Unless otherwise agreed, any quotation given will remain valid for a period of thirty (30) days from the date of issue of the quotation.

Insurer solvency

We ourselves do not act as an insurer. Whilst we will take all reasonable steps to place your insurance with an Insurer capable of meeting its future liabilities, we are unable to guarantee the continuing solvency of any company and do not accept liability for any losses arising or any additional costs in replacing the insurance with an alternative insurer.

Money Laundering / Proceeds of Crime Act

Under UK Money Laundering regulations, we are obliged to report to the National Criminal Intelligence Services any situation giving rise to a suspicion of money laundering and we are prohibited from disclosing any such report. We are also required to cross-check you against the HM Financial Sanctions List as part of the information gathering process.

Your duty to disclose information - IMPORTANT

1. Consumer Customers

You must take reasonable care not to make a misrepresentation to an 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, recklessly or carelessly misinform the insurers, this could mean that part of or all of a claim may not be paid.

2. Commercial Customers

If the insurance is arranged wholly or mainly for purposes related to your trade, business or profession you have a duty to disclose all material facts whether or not the insurer asks for specific information. This duty applies throughout the life of your policy 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 your claim will not be paid.

Premium payment

We will be responsible for issuing invoices for all new and renewal premiums and mid-term alterations as soon as practicable after start of cover or renewal. We will remit premiums to insurers in accordance with the agreed terms of trade.

You will be responsible for paying promptly all of our invoices for premiums, duties, fees and tax to enable us to make the necessary payments to insurers.

For the avoidance of doubt, we have no obligation to fund any premiums, duties, fees and taxes on your behalf and have no responsibility for any loss which you may suffer as a result of insurers cancelling the insurance or taking any other prejudicial steps as a result of late payment of such sums if such delay is attributable to you. You agree that the settlement of premiums in good time is your responsibility. Full payment is required when cover commences. We are, however, able to offer an instalment facility with a premium finance company at appropriate interest rates.

Client Money

Any payment we receive from you will be held in a Statutory Trust Client Bank Account. In most cases the payment we receive will be held on behalf of the provider with whom we arrange your policy, as their agent. This means that any payment you make to us will be regarded as having been made to the insurer. This is known as "risk transfer". We hold Clients Monies on trust and this means that whilst we have legal ownership over Client Monies, such money remains in the beneficial ownership of our clients. We are not permitted to, and do not, use Client Money balances to provide credit for clients, or potential clients. Money held on behalf of Insurers will only co-mingle with client money for specific Insurers whose permission to co-mingle has been granted.

Mercia Marine (Underwriting) Limited is authorised and regulated by the Financial Conduct Authority

Registered Office: 6 Lloyd's Avenue, London EC3N 3AX

Registered in England No. 3758742

Our Remuneration

In the normal course of business we receive income as follows:

- a. Commission or brokerage paid to us by insurers on policies we place with them;
- b. Where commission is not available to us, we may charge you a fee for our services;
- c. We may be entitled to benefit from any earnings we are able to generate due to the amount of business placed with certain insurers and their underwriting performance, which are not identifiable to any particular client;
- d. Earnings we are able to generate through management of cash balances held on behalf of insurers and clients which are not identifiable to any specific account;
- e. Interest from a premium finance company on payments made by instalments;
- f. We sometimes ask other brokers to assist us in responding to your instructions where we believe this is to your benefit. Unless a fee arrangement has been agreed, these brokers will usually be paid by brokerage which will be included in the premiums charged.
- g. In addition we also make charges to cover the administration of your insurance. These may include:

Consumer

	Quadrant	Dinghy	Other
New Business	£11.00	£6.00	As advised
Renewals	£11.00	£6.00	As advised
Mid-term adjustments	£11.00	£6.00	As advised
Lost papers/documents	£11.00	£6.00	As advised
Mid-term cancellation – deduct from refund	£11.00	£6.00	As advised

As a Consumer, you have the right to cancel your policy during a period of 14 days after the later of the day of purchase of the contract or the day on which you receive your policy documentation. As long as you have not made any claims, you will be entitled to a full refund of premium and tax paid but we will retain the New Business administration charge.

Commercial Customer

New Business	£26.00	Mid-term adjustments	£11.00
Renewals	£26.00	Lost papers/documents	£15.00
Mid-term cancellation – deduct from refund	£15.00		

NOTE: Some policies are charged on a "Minimum and Deposit" basis. This means that there is no refund of premium if the policy is cancelled prior to the expiry date.

Confirmation of Cover

We will provide you with cover notes and/or written confirmation that cover has been put in place, including the terms of the insurance and the insurers involved. If you are a Consumer, these will normally be sent to you within 5 working days from the date when cover began. If you are a Commercial Customer the documents will be sent to you within 30 days of the start of cover.

You agree to review all information upon receipt and to let us know immediately if the details of the cover or the participating insurers do not meet with your approval, or do not reflect the instructions previously given to us and particularly if any cover required is excluded. You agree that it is solely your responsibility to ensure that cover has been effected correctly.

Claims

It is essential that we are notified immediately of any claim, or circumstances that may give rise to a claim so that we can ensure that your claim is passed to the insurer promptly or inform you that we cannot deal with the notification. You should not admit liability nor agree to any course of action, other than emergency measures carried out to minimize the loss, until you have agreement from your insurer. Most Insurers set out their claims procedure in their policy document. Many of them operate telephone help-lines for customers to use. We are, of course, at your service to assist in the event of any problems and will be happy to provide help and advice as to how to proceed at any stage of the claim.

Termination of Authority

You may terminate our authority to act on your behalf with 14 days notice or as otherwise agreed without penalty. Notice of this termination must be given in writing and will take effect from the date of receipt. Termination is without prejudice to any transactions already initiated which will be completed according to these terms of business unless otherwise agreed in writing. You will be liable to pay for any transactions or adjustments effective prior to termination and we will be entitled to retain any and all fees or brokerage payable in relation to policies placed by us prior to the date of termination.

Duty of Care and Confidentiality

We will keep records of all our business transactions for a minimum period of three years. We are registered under the Data Protection Act 1998 and we undertake to comply with the Act in all our dealings with your personal data. We treat all of our clients' records as private and confidential to us and anyone else involved in providing your insurance, even when they are no longer a client. We will, however, use and disclose the information we have about you in the course of arranging, placing and administering your insurance to insurers, other intermediaries, risk management assessors, uninsured loss recovery agencies and other third parties involved in your insurance. We may also pass information about you to credit reference agencies and premium finance providers where you have requested a premium instalment plan. Insurers pass information to the Claims and Underwriting Exchange run by the Insurance Database Services Ltd and the Motor Insurance Anti-Fraud and Theft Register run by the Association of British Insurers. The aim is to check information provided and also prevent fraudulent claims. You have the right of access to your personal records held on our files. This may incur a small administration fee and we will tell you what the fee is if you ask for a copy of your information.

Complaints and the Financial Services Compensation Scheme (FSCS)

Our aim is to act fairly and reasonably at all times and provide you with a professional service. Should you have any complaints about the service provided, please write to The Compliance Director, at the above address or ring us on 01684 564457. Alternatively you can contact your insurer whose details and address are given in your policy document. If you cannot resolve your complaint with us, you may be entitled to refer it to the Financial Ombudsman (FOS) to which we subscribe. The contact details are as follows: The Financial Ombudsman Services, South Quay Plaza, 183 Marsh Wall, London E14 9SR or e-mail financial-ombudsman.org.uk. The telephone number is 0207 964 1000. The FOS is available to Consumer (private) customers and Commercial customers with a turnover of less than £1,000,000. We are also covered by the Financial Services Compensation Scheme (FSCS) and you may be entitled to compensation from the scheme if we cannot meet our obligations. Further information about the compensation scheme will be provided at the appropriate time but marine business is not covered by the scheme.

Governing Law

Mercia Marine (Underwriting) Limited undertakes its activities as a provider of risk services in accordance with the Laws of England and Wales and any disputes will be governed by and construed in accordance with the Laws of England and Wales.