

Traffords' Terms of Business

Traffords Limited (Established 1982)
(Incorporating Trafford Facilities Ltd, Established 1959)

hereafter may also be referred to as "We", "Our" or "Traffords"

You should carefully read these Terms that apply to our appointment by you and the services we will provide.

Section 1 - The Financial Conduct Authority

Traffords Ltd of 7 Doolittle Yard, Froghall Road, Ampthill, Bedford MK45 2NW is authorised and regulated by the Financial Conduct Authority. Our FCA Register number is 304570.

Our permitted business is arranging general insurance contracts. We do not provide assistance with Financial Services and Mortgages but upon request can place you in contact with someone who can help you.

We are also authorised and regulated by the Financial Conduct Authority in respect of our current Consumer Credit permissions.

You can check this on the Financial Services Register by visiting the FCA's website www.fsa.gov.uk/register/home.do or by contacting the FCA on 0800 111 6768.

Section 2 - Accepting our Terms of Business

By asking us to quote for, arrange or handle your insurances you are providing your informed agreement and acceptance to these Terms of Business.

Section 3 – About the Firm

Traffords Limited is an independent insurance intermediary and Coverholder at Lloyd's.

We record all telephone calls. Calls may also be monitored.

We do not charge any fees for providing quotations.

Section 4 – Complaints

It is our intention to provide you with the highest possible level of customer 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, please contact us:

- ... **in writing** Write to Traffords Ltd, 7 Doolittle Yard, Froghall Road, Ampthill, Bedford MK45 2NW
- ... **by telephone** Telephone 01525 717185
- ... **by email** Send an email to complaints@traffords-insurance.co.uk

Should you not be satisfied with our final response, you may be entitled to refer the matter to the Financial Ombudsman Service (FOS). More information is available on request or on their website. www.financial-ombudsman.org.uk

Further details will be supplied at the time of responding to your complaint.

Section 5 - Whose Products Do We Offer?

We have access to a number of insurers. For some contracts of insurance we will contact a range of insurers and provide you with quotations in order for you to select the best policy to suit your needs. However, in some situations we may only deal with a limited number of insurers or even a single insurer. Where we do this it is not because we are contractually obliged to do so but because this allows us to provide you with an efficient, cost effective service, and competitive pricing.

Motor & Household Insurance

We have a computerised quotation system that selects the most suitable insurers with whom we deal based upon the details you provide to us. You are then offered the most competitive option or options.

Legal protection cover may be either an "add on" option from the insurer providing the main policy purchased, or on motor insurance we offer a separate legal protection policy from only one provider.

Aircraft Insurance

We operate two own branded schemes each backed by different insurers and will offer one of these products. For these schemes we act as a Coverholder and the sale of policies is on a "non-advised" basis – we offer the standard product and it is for you to decide if it is correct for you but is designed by the insurer to meet the demands and needs of an aircraft owner.

Please note that there are only a few Underwriters involved in this class of business.

Pleasurecraft Insurance

We operate our own branded scheme and will generally provide this product but can source other markets where necessary. For our scheme we act as a Coverholder and the sale of policies is on a "non-advised" basis – we offer the standard product and it is for you to decide if it is correct for you but is designed by the insurer to meet the demands and needs of a boat owner.

Legal Protection is available for Pleasurecraft owners as an extra stand-alone legal protection policy from one provider.

Travel and/or Personal Accident Insurance

There are various travel and personal accident insurance products available however they are not suitable for all. At Traffords we arrange speciality travel (such as clients learning to fly an aircraft or a number of other varied activities) and as such there is a very limited product range for these individuals (sometimes limited to only one product).

The sale of policies is on a "non-advised" basis – we offer the standard product and it is for you to decide if it is correct for your requirements.

Commercial Insurance (including insurance for the self-employed)

We deal with a number of insurers and seek the most competitive option from those insurers that we feel are best suited to your requirements based on the details that you provide to us. This will vary depending upon each insurer's risk appetite at the time and any minimum premiums imposed by the insurer.

Section 6 - Quotation Validity Period

Quotations are valid for the validity period stated below (unless otherwise stated with your quotation):

Type of Product	Validity Period		Type of Product	Validity Period
Aviation	30 days		Travel	Some prices change daily *
Pleasurecraft	30 days		Commercial Insurance	14 days Minimum
Personal Accident	30 days			
Motor and House Insurance	Providing all information is accurate on any proposal form or statement of fact the quotation is valid for 30 days or your renewal date (whichever the sooner) except in a few cases where some insurers use live rates which vary day to day*. If any information is incorrect then the quotation may no longer be valid and you should contact us.			

* Prices may be subject to change without notification

Section 7 – Your Demands and Needs

This is a short summary showing how we ensure that the product that we offer complies with your demands and needs. In all cases an Insurance Product Information Document (“IPID”) document will be provided to you and the decision as to whether to purchase the product that we offer is always your choice. All of our Products have a cooling off period.

Motor & Household Insurance	<p>We have a computerised quotation system on which we will enter the answers to your questions to ensure that your demands and needs are met.</p> <p>The product offered will meet your demands and needs as being an insurance product suitable for the owner of a car or house.</p>
Pleasurecraft & Aircraft Insurance	<p>We will ask you to provide us with the appropriate information (or you may complete either a manual or internet form) that will provide us with the necessary details to relay to the insurers who underwrite this class.</p> <p>The product offered will meet your demands and needs as being an insurance product suitable for the owner of a pleasurecraft or aircraft.</p>
Travel &/or Personal Accident Insurance	<p>We will ask you to provide us with the appropriate information (or you may complete either a manual or internet form) that will provide us with the necessary details to relay to the insurers who underwrite this class.</p> <p>The product offered will meet your demands and needs as being an insurance product suitable for someone requiring full travel insurance (or just limited personal accident cover) providing that you have declared to us all of the activities in which you either intend to or will undertake during the validity of the cover.</p>
Commercial Insurance (including insurance for the self-employed)	<p>We will ask you to provide us with the appropriate information verbally or in most cases for you to complete a manual form that will provide us with the necessary details to relay to the insurers who underwrite this class.</p> <p>The product offered will meet your demands and needs as being an insurance product suitable to cover the risks you ask to be covered for your business dealings.</p>

Section 8 - Cooling Off Period

All insurers have to offer a cooling off period, which must be a minimum of fourteen days. If you cancel a policy during this cooling off period that we have arranged then we will return the credit provided by the insurer to you, less an administration charge of £40.00

This administration charge is set at the lowest amount we feel we need to charge to you to cover our work in arranging the policy, consisting of postage, telephone calls and printing and paperwork. It by no means covers the cost to our company for staff time that will have been put into arranging your policy.

Section 9 - Handling of Premiums

Our financial arrangements with all insurance companies are on a risk transfer basis, which means that we hold premiums and refunds due to clients on behalf of the insurance undertaking concerned and under a risk transfer agreement. Such monies are deemed to be held by the insurer(s) with which your insurance is arranged.

All payments of your premium should be made payable to Traffords, unless we have advised you to the contrary. Interest will not be paid to customers in respect of money held in trust accounts.

Section 10 - Failure to Pay Premiums

If at any time you refuse to pay the appropriate premium, charge or fee falling due in respect of any contract of insurance or if premium payment is being made by monthly direct debit mandate under a premium funding facility and payments fail for any reason and the outstanding balance is not cleared, after due notice you will automatically be deemed to have instructed us to cancel the policy.

Section 11 – Arranging cover and Terms of Payment

Should you wish to proceed with cover or any amendment we must receive your instructions and appropriate payment. You must provide us with adequate working time to enable us to correspond with and to arrange cover with underwriters. We cannot provide your confirmation of cover until underwriters have provided same to us. You are recommended to contact us early enough to complete this process and receive your confirmation of cover before you require cover, as otherwise you must assume you are not insured until your confirmation arrives. We are more than happy to provide such confirmation by email / fax should you desire.

Important: The policies we offer are annually renewable and do not automatically renew. There are no days of grace on any policy type and you must arrange further insurance with us before the expiry of any policy or you will no longer be covered.

Section 12 - Charges and Fees for our Services (in addition to any charges levied by your insurer)

The charges below are those levied for the most common transactions through the year. If the service is not stated below then please ask for the anticipated charge however the most that will be levied is £60.00

All Policies

Document Fee &/or Administration Fee <small>(any and all fees are always included within the premium that we quote to you)</small>	Up to £ 60.00
Faxing of a Schedule <small>(service not provided until receipt of payment – credit/debit card payment accepted)</small>	£ 2.00
Posting of a Duplicate Schedule <small>(service not provided until receipt of payment – credit/debit card payment accepted)</small>	£ 5.00
Posting of a Duplicate Policy Wording <small>(service not provided until receipt of payment – credit/debit card payment accepted)</small>	£ 10.00
Email (where possible) of a Duplicate Policy Wording	£ free
Cheque not honoured by bank	£ 25.00
Change of postal address	£ free where the insurer does not charge an additional premium for the change in risk, otherwise an administration fee will apply.
Cancellations <small>(Also applicable to refunds for deletion of Aircraft or Boats where more than one is insured on the same Policy/Certificate)</small>	Refunds are returned net of our commission, less a £40 administration charge. The amount is returned by the same method as the premium was originally paid, except when originally paid by cash the premium will be returned by cheque.

In the event that your policy is voided by the insurance company for non-disclosure, we will retain all commissions and fees earned in arranging your Insurance policy.

Section 13 - Identity and Credit Checks

To protect you from fraud we may request supporting documentation in order to verify your identity. Insurers and/or Premium Finance Providers may also undertake further checks using publicly available data from external organisations including credit reference searches with a credit reference agency. Any searches will appear on your credit report whether or not an application proceeds. By accepting our Terms of Business you agree to allow these checks to be made on your behalf.

Section 14 - Financial Crime

Please be aware that current UK money laundering regulations require us to obtain adequate 'Know Your Client' information about you. We are also required to cross check you against the HM Financial Sanctions List as part of the information gathering process.

We are obliged to report to the National Crime Agency and/or Serious Fraud Office any evidence or suspicion of financial crime at the first opportunity and we are prohibited from disclosing any such report.

We will not permit our employees or other persons engaged by them to be either influenced or influence others in respect of undue payments or privileges from or to insurers or clients.

Section 15 - Insurance Databases

Most insurers exchange information with each other through various databases to help check and verify the information provided and also to help prevent fraudulent claims.

All insurers will now supply details of motor insurance policies to a database known as the Motor Insurance Database to which the Police and other insurers have access. This database helps detect people who break the law by not taking out insurance and helps insurers pursue these individuals in the event of a claim following an accident.

Section 16 – Your Duty of Disclosure (Consumer Customers)

The Consumer Insurance (Disclosure and Representation) Act 2012 makes it your duty as a consumer to take reasonable care not to make a misrepresentation to an insurer.

Under the act a consumer is defined as an individual who enters into an insurance contract wholly or mainly for purposes unrelated to the individual's trade, business or profession. A failure by the consumer to comply with the insurers request to confirm or amend particulars previously given is capable of being a misrepresentation for the purpose of this act.

It is important that you ensure all statements you make on proposal forms, claim forms and other documents are full and accurate and we recommend that you keep a copy of all correspondence in relation to the arrangement of your insurance. Under the act an insurer has a remedy against a consumer in respect of qualifying misrepresentations in breach of the consumers' duty of reasonable care where the insurer deems the misrepresentation to be either deliberate, reckless or careless.

We act as YOUR agent (and do not have any claims decision making ability on any insurance type) and to help us help you, you should notify us immediately of any change in your circumstances or any facts affecting your insurance. We will require confirmation of this in writing before we take any action upon it. You should not assume that such a change has been effected until this is confirmed to you in writing, by us.

Disabilities, illnesses, medical history (even if now declared fit), accidents, claims, losses, convictions (motor or other) are important facts. You should tell us all of these, and should not omit any details because you think that they are irrelevant or immaterial (in case of Motor Policies modifications to cars are material, such as alloy wheels, engine modifications. This list is not exhaustive). You should always tell us straight away (not just at renewal) to ensure that we can notify your insurer at the correct time and that your insurance remains valid. You do not have to disclose convictions which are protected under the Rehabilitation of Offenders Act. If there is any doubt, please ask us.

You must take reasonable care to answer all questions honestly and to the best of your knowledge. If you have not answered any questions correctly your insurance may be cancelled and any claim rejected or not fully paid.

If in doubt about any point in relation to your duty to take reasonable care and subsequent qualifying misrepresentations please contact us immediately.

In the event that your policy is voided by the insurance company for non-disclosure, we will retain all commissions and fees earned in arranging your Insurance policy.

Section 17 - Your duty of fair presentation (Non-Consumer Customers)

The Insurance Act 2015 imposes an obligation on all business insureds (i.e. an insured who has bought insurance wholly or mainly for purposes related to their trade, business or profession) to 'make a fair presentation of the risk' prior to the policy commencing. A fair presentation is one that discloses, in a manner that is reasonably clear and accessible, every material circumstance which is known or ought to be known by the policyholder's senior management or those responsible for arranging insurance, following a reasonable search. This is the case before your cover is placed, when it is renewed and any time that it is varied. A circumstance is material if it would influence a prudent insurer's judgment in determining whether to take the risk and, if so, on what terms. If you are in any doubt whether a circumstance is material we recommend that it should be disclosed to put your insurer on notice that it needs to make further enquiries.

You must ensure that any information you provide is correct to the best of your knowledge and representations that you make in expectation or belief must be made in good faith. If you fail to make a fair presentation of the risk this may result in additional terms or warranties being applied from inception of the policy or any claim payment being proportionately reduced. In some cases this could result in your policy being declared void by an insurer and your premiums returned. Any deliberate or reckless breach of the duty of fair presentation could result in your policy being declared void by an insurer with no refund of premium.

If in doubt about any point in relation to material circumstances and reasonable search please contact us immediately.

In the event that your policy is voided by the insurance company for non-disclosure, we will retain all commissions and fees earned in arranging your Insurance policy.

Section 18 – Limitations and Exclusions of our Liability

The following provisions set out our entire financial liability to you:

You acknowledge and agree that you shall only be entitled to make a claim against us and not against any individual employee or consultant engaged by us.

Our liability for losses suffered by you as a direct consequence of any negligent performance of our services **shall be limited in all circumstances** to £2,000,000 per claim. In respect of any other claim arising out of our performance or non-performance of the services hereunder 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 prior to such claim arising. We shall not be liable to you for any pure economic loss, loss of profit or loss of business (whether direct, indirect or consequential) which arises out of or in connection with our services. Nothing in this paragraph excludes or limits our liability for death or personal injury caused by our negligence.

Section 19 - Awareness of Policy Terms

When a policy or other insurer documentation is issued you are strongly advised to read it carefully as it is these documents, the policy schedule and any certificate of insurance that forms the basis of the insurance contract you have purchased.

Your policy is issued on the basis of the information provided by you. It is your responsibility to check that your policy is correct and sufficient for your needs. If the policy is not correct or you have a query, you should contact us immediately.

If you are in doubt over any part of the policy terms, conditions, exclusions or warranties please raise these doubts with us promptly. You should ensure that you are aware of the policy cover, policy limits and other terms that apply. Particular attention should be paid to any warranties and conditions as failure to comply with them could invalidate your policy.

Section 20 - Conflict of Interest

Occasions can potentially arise where we or a company with which we are associated, another client or product provider will 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 discuss this with you to detail the steps we will take to ensure fair treatment.

Section 21 - Solvency of Insurers

We cannot guarantee the solvency of any insurer with which we place business. This means that you may still be liable for any premium due and not be able to recover the premium paid, whether in full or in part, should an insurer become insolvent.

Most insurers with whom we deal are also covered by The Financial Services Compensation Scheme (FSCS)

Section 22 - Termination of Authority to Act as Agent

You or we may terminate our authority to act on your behalf by providing at least 14 days' notice in writing (or such other period we agree).

Termination is without prejudice to any transactions already initiated by you, which will be completed according to these terms of business unless we agree otherwise in writing.

Section 23 - Communications/Documentation

We will issue all documentation to you in a timely manner. Documentation relating to your insurance will confirm the basis of the cover and provide details of the relevant insurers. It is therefore important that the documentation is kept in a safe place, as you may need to refer to it or need it to make a claim. A new policy/policy booklet is not necessarily provided each year, although a duplicate can be provided at any time upon request. You should always check the documentation to ensure all the details are correct and if this is not the case you should contact us immediately.

Section 24 - Insurer Documentation

In accordance with this Terms of Business document you authorise us to keep certain documents such as your insurance policy documents or certificate of insurance while we are waiting for full payment of premiums or administration charges.

For Motor Insurance and Household Insurance we may retain your original renewal notice where this is or may be required to provide proof of a no claims discount entitlement. In these circumstances we will ensure you receive full details of your insurance cover and we will provide you with any documents which you require by law.

Section 25 – Employers Reference Number (ERN)

If you have Employers Liability cover then your insurers will require your Employer's Reference Number (ERN) or commonly referred to as Employers' PAYE Reference in order for the Certificate of Employers' Liability to be released. This is the unique identifier that any UK business employing one or more employees should have. Alternatively, if you are PAYE/ERN exempt then please advise us at your earliest convenience. All insurers issuing Employers Liability cover from the 1st April 2011 will now require this information for the Employer's Liability Tracing Office.

Section 26 – Refunds Procedure

Where a policy is cancelled before expiry, insurers charge to cover their costs, with the balance refunded to you, subject to no claim having been made. Full details can be found in your policy wording. In the event of an adjustment giving rise to a return of premium the amount may be refunded or held to credit.

Your attention is specifically drawn to the following:-Where you cancel your policy after the expiry of the cooling off period or where you request a mid-term adjustment which results in a refund of premium, we reserve the right to charge you for our time and costs. This will usually result in us reducing the amount refunded to you by the FULL amount of the commission had you not cancelled and a fee for the extra work involved.

The reason for this is that the majority of our costs are incurred either in initially finding and setting up your policy or in the annual renewal process when we might check the ongoing suitability of the cover the policy offers. These costs are recovered through the commission we earn. If you cancel, this does not give us an opportunity to recover the costs we incurred and would often result in us making a loss. In addition banks charge us for credit card refunds, cheque payments or electronic transfers.

For certain insurance policies, such as travel insurance and some commercial policies insurers will only provide cover where the premium is due in full on inception of the policy. This means that no refund will be paid if the policy is cancelled during the period of insurance.

For aircraft and pleasurecraft policies there is a sliding scale in favour of the insurer (short rate scale) that can be found in the policy wording.

In view of the cost involved in the banking system, we will not issue refunds of less than £10.00.

When you cancel a policy any return in premium has to be collected by us from your insurer (normally on a monthly accounting system) before we can pay it back to you. We do not fund return premiums in any circumstances. When we know how much the refund will be to you we will tell you in writing and confirm when we anticipate this to be collected on the accounting system.

Section 27 - Financial Services Compensation Scheme (FSCS)

We are covered by the FSCS. You may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and circumstances of the claim.

Insurance advising and arranging is covered for 90% of the claim, without any upper limit.

Further information about compensation scheme arrangements is available from the Financial Services Compensation Scheme at www.fscs.org.uk

Section 28 - Confidentiality of Information and Personal Data

We are a data controller for the information you provide to us including individual, identification and financial details, policy history and special category data (such as medical or criminal history).

Details of our legal basis for processing your information, along with details of any third party recipient whom it may be necessary to share your personal data with in order to fulfil the contract, retention period for data held, security of your data, your rights under the General Data Protection Regulations (GDPR) including the right to complain can be found in our full '[Privacy Statement](#)' which can be found on our website.

We will however use and disclose the information we have about you in the course of quoting, arranging, placing and administering your insurance. This may involve passing information about you to the Financial Conduct Authority, insurers, other intermediaries, risk management assessors, uninsured loss recovery agencies and other third parties involved (directly or indirectly) in your insurance. To make sure you get our best deal and to ascertain the most appropriate payment options for you and to protect you from fraud, we use public and personal data from a variety of sources, including credit reference agencies and other organisations. Our search will appear on your credit report and will be visible to other credit providers whether or not your application proceeds. If you do not proceed it will be clear the search was for quotation purposes. By agreeing to the terms and conditions you agree to these uses of your information. We may also pass information about you to credit reference agencies and premium finance providers in connection with the assessment of your financial standing generally and, in particular, where you have requested a premium instalment plan – this may include details of your payment record with us. We may also pass information about you to other companies with which we are associated. We or they may also use the information we hold about you to provide you with information on other products and services we or they can offer and which we or they feel may be of interest to you. Please notify us promptly in writing if you do not wish your details to be used for any of these purposes otherwise we shall treat the issue of these Terms as evidence of your informed consent. In the interests of security and to improve our service, telephone calls you make to us may be monitored and / or recorded for training purposes.

We do not release or sell your details to any other company. For our aviation customers: we have a good rapport with the Civil Aviation Authority (CAA) and have numerous emails confirming cover going backwards and forwards each day. When you arrange your insurance with us you agree that we can provide confirmation of you arranging, amending, cancelling and renewing your insurance direct with the CAA without any prior reference to you

Section 29 – Everything else

We do not offer advice in respect of any life, pension or investment products but upon request can place you in contact with someone that can.

Only where we have a duty to disclose our commission to you we will. Higher commissions are paid to us where we perform any additional service on behalf of the insurer. We will inform you if we receive a higher than usual commission for this type of work when we disclose our commission to you. It is also common on our own schemes that we may receive a further payment from an Underwriter if our portfolio is profitable to them. Our own schemes provide us with bulk purchasing ability to ensure that the schemes' premiums remain competitive year after year.

The cheapest is not always best. Products you decide to purchase should be the most suitable for you based on premium, claims excesses and policy cover. The decision as to whether to purchase the product that we quote is always your choice. You should never buy on price alone.

On certain specialist risks that you may ask us to assist you with, when there is little or no commission paid to us we have to make a charge for our services. Any premium you are quoted will include this charge.

If any provision of this Terms of Business is found to be invalid or unenforceable in whole or in part, the validity of the other provisions of these Terms and the remainder of the provision in question will not be affected.

These Terms 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 exclusive jurisdiction of the relevant court.

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.

These Terms constitute an offer by us to act on your behalf in the arranging and administration of your insurance.

In the absence of any specific acceptance communicated to us by you (whether verbal or written) you are deemed to accept our offer to act for you on the basis of these Terms, by conduct, upon your instructing us to arrange, renew or otherwise act for you in connection with insurance matters.