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. Please contact us immediately if there is anything in these terms of business you do not understand or which is not acceptable to you.

**Introduction**

Davies Finance Limited & Cheshire Asset Finance Ltd t/a Davies Corporate Finance (which herein will be referred to as DCF) are authorised and regulated by the Financial Conduct Authority (FCA), which is our regulator. We follow the rules and principles established by the FCA for our regulated activities. Our FCA registration number for Davies Finance Ltd is 546140 and our permitted business activities are arranging and advising on non-investment insurance contracts and the provision of regulated finance products and services, including credit broking and as a lender. This information can be checked by visiting: <http://www.fsa.gov.uk/register/firmBasicDetails.do?sid=264570>

Cheshire Asset Finance Ltd is an Appointed Representative of Asset Finance Solutions (UK) Ltd / Registered Company Number 5365369, which is Authorised & Regulated by the Financial Conduct Authority (FCA Number 625035) and our permitted business activities under our AR status is the provision of regulated finance products and services, mainly credit broking activities.

In the absence of an agreement to the contrary this document sets out the terms of our relationship with you (our 'client') for our provision to you of insurance and finance broking services as set out herein.

n/b DCF is not linked to any of our lender panel members (other than DCF own book lending) and as such this information is brought to the attention of our client here in our Terms of Business letter and /or via verbal discussion.

**Our Services**

Negotiation and Placing

* The FCA is a government body set up to regulate the sales, advisory, competence and service standards of Members (Insurers, Intermediaries (including Brokers), Agents and anyone acting for them). Its main purpose is to make sure that insurance customers are treated fairly and have confidence in the financial services markets.
* DCF is a Credit Insurance Broker, Credit Finance broker & also a Lender in relation to regulated and non-regulated credit agreements, specifically relating to Hire Purchase, Finance Lease, Commercial Loans and Invoice Finance facilities. We are asked to arrange such facilities on behalf of our clients.
* The Terms of Business set out herein cover our regulated activities in respect of arranging non-investment insurance contracts and the provision of credit arrangements.
* As regards the arrangement of non-investment insurance contracts, generally we will approach between one and five insurers who we would consider to be appropriate; this will be detailed to you at quoting stage.
* The FCA has two classifications for customers (clients). Retail clients are those acting outside of their business activities, all other customers are classed as Commercial Clients.
* We will explain the service(s) we can offer and our relationship with you, including the type of service we offer, and the choice of products and services we can offer you.
* We will explain your duty to give Insurers and DCF, correct and detailed information before any insurance cover or credit arrangement begins and during the policy or agreement, and what may happen if you do not.
* If you want to consider the products or services we have offered, we will confirm the period of any cover or credit agreement and details of cover including any significant terms or conditions which apply.
* Where possible, we will provide our quotation in writing including all the information you need to make an informed decision.
* If a quotation is provided verbally, we will still provide you with all the information you need to make an informed decision.
* In relation to credit insurance agreements, we will provide full information regarding the premium payable including any Taxes and/or fees and in relation to other credit agreements, we will disclose all interests and fees payable within such agreements.
* Provide supporting information and policy documentation in accordance with the FCA rules.
* Under the FCA regulations, clients who are acting outside of their business activities are defined as ‘Retail’ clients. Insurers are required to provide a cancellation period of at least 14 days from conclusion of the contract or the date you received the contractual terms and conditions, should you wish to cancel cover insurers are entitled to charge a time on risk charge or administration charge.
* When you first become a Client, we will give you detail of how you can make a claim and tell you what your responsibilities are in relation to making claims.

**Complaints**

Should you have any cause for complaint about our services please raise the matter in the first instance with the person who handles your account. Alternatively, you may write to Mr David Davies (Director) at, Davies Finance Ltd PO Box 919 Altrincham WA15 5PY.

We will acknowledge your complaint promptly (normally within 5 working days) and will advise you of the person dealing with it. Should you not be happy with the response to your complaint you have the right to take your complaint to the Financial Services Ombudsman Service.

**Solvency of Insurers/Finance Providers**

We cannot guarantee the solvency of any insurer/finance providers (this does not include DCF as a lender) with which we place business. This means that you may still be liable for any premium due and may not be able to recover any premium paid, whether paid in full or in part, should an insurer become insolvent.

**Financial Services Compensation Scheme (FSCS) – Credit Insurance**

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.

Insurance advising and arranging is covered for 90% of the whole claim, without any upper limit. For compulsory classes of insurance, insurance advising and arranging is covered for 100% of the claim, without upper limit. For further information about compensation scheme arrangements is available from the FSCS on 020 7741 4100 or by visiting [www.fscs.org.uk](http://www.fscs.org.uk).

**Servicing and Claims**

Unless otherwise agreed we will send you documentation confirming the basis of the cover secured on your behalf, including details of the insurers, with a debit note or premium billing, where applicable, showing separately all the amounts payable. The dates that the money is due together with any penalties for late payment will be clearly stated to you.

We will forward any policy documents, if applicable, and any amendments or endorsements to your policy as soon as reasonably practicable. Except where we agree with you or, because market practice determines otherwise, we will provide our claims handling services during the policy period for the policies placed by us.

Our claims handling services include, upon receiving the required information from you, the notification of the claim or circumstances to insurers; representing you in the resolution of the claim and arranging the collection and/or settlement of the claim in accordance with market practice and your policy terms and conditions. Where claims are to be dealt by you and insurers directly, we will provide advice and support as requested.

Further, our claims handling services will cease where we are satisfied that you have instructed another entity to assume the claims servicing obligations for your insurance.

As a result of any success claims, **DCF will not hold any client monies** and any payments made will be paid directly to the nominated company as stated on your insurance documents

**Electronic Communications**

We may communicate with each other by electronic mail, sometimes attaching further electronic data, we and you accept the inherent risks (including the security risks of interception of or unauthorised access to such communications, the risks of corruption of such communications and the risks of viruses or other harmful devices). Notwithstanding that we and you have reasonable virus checking procedures on our system you will be responsible for virus checking all electronic communications sent to you. You will also be responsible for checking that messages received are complete. In the event of a dispute neither of us will challenge the legal evidential standing of an electronic document and the DCF system shall be deemed the definitive record of electronic communications and documentation.

**Client Responsibilities (Your responsibilities)**

**Proposal forms**

For certain classes of insurance or credit finance applications you may be required to complete a proposal form, questionnaire or similar document. We will provide guidance but we are not able to complete the document for you.

**Duty of disclosure – Reasonable Care & Material facts**

If the insurance or credit agreement 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. This is not an exhaustive list so if you are unsure whether some information is material or not, we recommend that you disclose it to us immediately.

**Warranties**

Warranties are important provisions contained in your policy and must be exactly complied with at all times. Breach of warranty will cause insurers to be automatically off risk from the date of that breach, and in some instances may mean that insurers do not come on risk at all. This is the position regardless of whether there is any connection between the warranty breached and any loss which leads to that breach becoming evident.

A warranty may exist in the policy using other terminology and without reference to the word “warranty”. You may be deemed to have warranted the accuracy of information provided in a proposal form (for example by virtue of a “basis of the contract clause”) such that any inaccuracy will constitute a breach of warranty.

**Conditions Precedent**

Please take particular note of any conditions precedent that appear in the policy. If a condition precedent to the validity of a policy or the commencement of the risk is not complied with, the insurer will not come on risk. If a condition precedent to the Insurer's liability under a policy is not complied with, the insurer will not be liable for the loss in question. A condition precedent may exist in a policy using other terminology and without reference to the words 'conditions precedent'.

**Subjectivities**

If the cover provided is granted by insurers subject to certain requirements, failure to comply may result in cover not being in place. Please contact us immediately if you are unsure as to the meaning of subjectivity, or are unable to comply.

It is your responsibility to ensure that the sums insured you provide are adequate to avoid under insurance (when the sum insured is not enough to cover the maximum payable loss or damage) as this may affect the settlement amount in the event of a claim.

Where under insurance exists, many insurers will apply “average” whereby the claim settlement is proportionally reduced in line with the percentage that the policyholder is deemed to be under insured. In some instances (depending on each insurers policy wording), where under insurance is significant, insurers can avoid the claim altogether.

If you are in any doubt as to the true sum insured, you are recommended to seek a professional valuation.

**Your policy – Credit Insurance / Credit Agreement**

You are responsible for reviewing the evidence of insurance cover / terms and conditions of your credit agreement - to confirm that it accurately reflects the cover, conditions, limits and other terms that you require. Particular attention should be paid to any policy conditions and warranties, as failure to comply may invalidate your coverage, claims notification provisions or represent a serious breach in your credit agreement. If there are any discrepancies you should consult us immediately.

**How to claim – insurance claims**

Please refer to your policy summary or your policy schedule if you need to notify a claim. You should contact the insurer direct as soon as possible using the contact details provided. If in doubt, please contact us on 01270 443580 or email info@daviescorporate.co.uk

You are responsible for notifying claims or potential circumstances that may give rise to a claim. To ensure full protection under your policy or similar documentation provided you should familiarise yourself with coverage conditions or other procedures immediately relating to claims and to the notification of those claims. Failure to adhere to the notification requirements particularly the timing of notification, as set out in the policy document, may entitle insurers to deny your claim. In presenting a claim it is your responsibility to disclose all facts which are material to the claim. If you are in any doubt as to your obligations please contact us immediately.

Claims may be made against a policy long after its expiry date. It is important therefore, that you keep your policy documents in a secure place.

**Change in circumstances**

You must advise us as soon as reasonably practicable of any changes in your circumstances that may affect the services to be provided by us or the cover provided under your insurance policy

**Protecting your information**

All personal information about you will be treated as private and confidential (even when you are no longer a customer), except where the disclosure is made at your request or with your consent in relation to administering your insurance or where we are required by law.

Some or all of the information you supply to us in connection with your insurance proposal may be passed to insurance and other companies for underwriting, claims and premium collection purposes. Your data will be held in accordance with the Data Protection Act 1998, under which you have a right of access to see personal information about you that is held in our records, whether electronically or manually.

If you have any queries, please write to Ms David Davies (Director), Davies Finance Ltd PO Box 919 Altrincham WA15 5PY.

We and/or the insurers and/or credit providers may use publicly available data from a variety of sources, including credit reference agencies and other external organisations to verify your identity or creditworthiness, to avoid fraud, and to obtain beneficial quotes and payment options on your behalf. Each of the searches may appear on your credit report whether or not your application proceeds.

By agreeing to these terms and conditions you agree to these uses of your information.

**Provision of information**

All activities undertaken by us as outlined in this document are provided by us for your exclusive use and all data, recommendations, proposals, reports and other information provided by us in connection with our services are for your sole use. You agree not to permit access by any third party to this information without our express written permission. We reserve our right to take action to protect proprietary information.

**Payment of premium**

You must provide settlement with cleared funds of all monies due in accordance with the payment date(s) specified in your policy schedule and policy documents. Failure to meet the payment date may lead to insurers cancelling your policy and/or any claims refused.

**Our Remuneration**

A brokerage fee/commission is payable to us by the insurer or finance provider upon placement of your policy / completion of your credit agreement. The amount is based on a percentage of the insurance premium noted in your policy schedule and in relation to your credit agreement, the commission will be payable from the total interest and fee charges contained within the credit agreement. In exceptional circumstances if any other fees are payable by you to us this will be agreed with you before you buy a policy or transact a credit facility.

Brokerage and fees are earned for the policy period. We will be entitled to retain all fees and brokerage in respect of the full policy period in relation to policies placed by us whether the policy runs for the full period or is cancelled mid-term, unless the insurer requests a rebate of commission.

In relation to Invoice Finance agreements arranged by DCF, DCF will receive an initial commission payment once the facility is made live and DCF may receive an on-going commission payment whilst the agreement is live and the amount of this commission is determined by the relevant finance provider.

As regards DCF as a lender / broker of credit agreements, our income is derived from the interest charges and fees applied to the credit agreement. In the event of early termination / early settlement of regulated agreements, interest rebates may be applied to the agreement and refunded to the client. For regulated agreements, our early settlement rebates are calculated in line with regulations under the Consumer Credit Act 1974 and subsequent amendments made to this act.

**Confidentiality**

We will treat any information in our possession that relates to your business as confidential. It will be necessary, however, for us to disclose information that you consider confidential to insurers or other parties, when acting on your behalf, where we reasonably consider such information to be material to the risks being covered.

Likewise, we may disclose to third parties certain industry wide statistics or other information which may include information relating to you. Any sensitive information will be handled appropriately and information specific to you will not be identified without your consent.

**Termination**

In relation to the arrangement of insurance contracts, our services may be terminated either by us or you upon the giving of one month's notice in writing to the other or as otherwise agreed.

In the event our services are terminated by you we will be entitled to receive any and all fees or brokerage payable (whether or not the same have been received by us) in relation to policies placed by us.

**Governing Law**

This Agreement, which sets out the terms of our relationship with you, will be governed by and construed in accordance with English Law and any dispute arising under it shall be subject to the exclusive jurisdiction of the English courts.

Please do consult us if you are in any doubt on any aspect of your insurance cover or the terms on which cover has been arranged.

**“Treating you Fairly”**

Treating our customers fairly is the number one priority of our business. It is at the heart of everything we do, and want to achieve.

This means;

* We want you to be confident that you are dealing with a business that will treat you fairly – that we will put your interests first, provide you with a fair deal and give a professional service of the standard you would expect from competent staff.
* You can be confident that the products we sell to you will be products that are designed to meet your needs and that at all times before, during and after a sale we will communicate with you in a way that is clear, fair and not misleading.
* We will provide you with enough clear information about the products we recommend so that you can make a properly informed choice – before you buy. We won’t try to sell you insurance by “hiding” it, or sell you a policy that is in our interests to sell, not yours to buy.

And if you decide after you’ve had all the information that you don’t want to accept our advice then you are under no obligation to proceed with our recommendations.

* When we arrange an insurance policy, arrange a credit finance agreement for you, we will tell you what we are recommending and why, so you understand how we have reached our recommendation. We will only recommend policies / agreements to you that are suitable for you, and that you could claim under if the circumstances arise.
* The products we sell you will protect you in the way we said they would. And that any exceptions to cover or special features will be clearly explained.
* And if it does go wrong, or you feel that for any reason, you have not been treated fairly, we will ensure that any complaint you may make is dealt with fairly, impartially and promptly.
* If for any reason you do not feel we have treated you fairly in keeping with this statement, or if you have any concerns about the way we have treated you, then please contact us at:-

**Davies Corporate Finance**

**PO Box 919 Altrincham WA15 5PY**

**T: 01270 443580**

**F: 0845 0779155**

**E:** **info@daviescorporate.co.uk**

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