

**TERMS OF BUSINESS – EFFECTIVE DATE: 15<sup>th</sup> AUGUST 2016**

**John Power Insurances Ltd, Ballinacurra Road, Limerick.**

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**WEB: [www.powerinsurances.ie](http://www.powerinsurances.ie) & [www.nonstandardinsurance.ie](http://www.nonstandardinsurance.ie)**

**COMPANY REGISTRATION NUMBER: 203296**

This document sets out the basis on which John Power Insurances Ltd, trading as Power Insurances, nonstandard, will provide business services to you as a client. It contains details of our regulatory and statutory obligations and the respective duties of both the firm and you in relation to such services. Please note that by proceeding with your John Power Insurances Ltd, trading as Power Insurances, nonstandard, quotation or policy you agree to the terms as laid out in this Terms of Business document. By agreeing to these Terms of Business you acknowledge that you have read and understand the information contained within your chosen quotation and/or policy.

### **Regulatory and Authorised Status**

John Power Insurances Ltd, trading as Power Insurances, nonstandard is regulated by the Central Bank of Ireland, registered under the European Communities (Insurance Mediation) Regulations, 2005 (as amended) and authorised as an Investment Business Firm (Investment Intermediaries - Deemed RAIPI) under the Investment Intermediaries (Restricted Activity Investment Product Intermediary) pursuant to Section 26 of the Investment Intermediaries Act, 1995 (as amended), as a Mortgage credit Intermediary under the Consumer Credit Act, 1995 and under the European Union (Consumer Mortgage Credit Agreements) Regulations, 2016. Our Central Bank Reference Number is C4620. The firm is also regulated by the National Consumer Agency as a Credit Intermediary and we can arrange premium finance for your personal or commercial insurance policies. As with all credit agreements, terms and conditions apply and we strongly advise that you read all documentation relating to such agreements before entering into same.

The firm is subject to the Central Bank of Ireland's Consumer Protection Code, Fitness and Probity Standards and the Minimum Competency Code. These codes are available for inspection on the Central Bank of Ireland's Website [www.centralbank.ie](http://www.centralbank.ie)

### **Compensation Schemes/Consumer Protection**

- Investor Compensation Company Ltd. (ICCL)

John Power Insurances Ltd, trading as Power Insurances, nonstandard is a member of the investor compensation scheme established under the Investor Compensation Act, 1998 ("Act"). This legislation provides for the establishment of a compensation scheme and to the payment in certain circumstances, of compensation to clients of firms (known as eligible investors) covered by the Act. However, you should be aware that a right to compensation will only arise where client money or investment instruments held by the firm on your behalf cannot be returned either for the time being or in the foreseeable future, and where the client falls within the definition of eligible investor as contained in the Act. In the event that a right to compensation is established, the amount payable is 90% of the client's loss, which is recognised as being eligible for compensation, up to a maximum of €20,000.

### **Services Provided**

We will offer broad based advice on a fair analysis of available markets in relation to life and non-life insurance policies, including General insurance (Motor, House, Liability etc); Mortgage Advice; Life Assurance & Serious Illness; Income Protection; Mortgage Repayment Protection Insurance; Pensions, Savings and Investments, which will enable us to make a recommendation in accordance with accepted professional criteria. We will identify and select a suitable product producer and on receipt of your instructions we will transmit orders on your behalf to one or more product producers (a list of which is available on request). Please note we are tied to PIBA mortgages for our mortgage services, they in turn have a list of banks & building societies that they deal with.

The concept of fair analysis is derived from the Insurance Mediation Directive. It describes the extent of the choice of products and providers offered by an intermediary within a particular category of life assurance, general insurance, mortgages, and/ or a specialist area. The number of contracts and providers considered must be sufficiently large to enable an intermediary to recommend a product that would be adequate to meet a client's needs. The number of providers that constitutes 'sufficiently large' will vary depending on the number of providers operating in the market for a particular product or service and their relative importance in and share of that market. The extent of fair analysis must be such that could be reasonably expected of a professional conducting business, taking into account the accessibility of information and product placement to intermediaries and the cost of the search.

In order to ensure that the number of contracts and providers is sufficiently large to constitute a fair analysis of the market, we will consider the following criteria:

- the needs of the customer,
- the size of the customer order,
- the number of providers in the market that deal with brokers,
- the market share of each of those providers,
- the number of relevant products available from each provider,
- the availability of information about the products,
- the quality of the product and service provided by the provider,
- cost, and
- any other relevant consideration.

We cannot guarantee the financial stability of the Insurance Companies with whom we place business, but once a premium is paid to us and you have been provided with a Section 30 receipt these monies are deemed to be paid to the Insurance Company in question which gives comfort to our clients. We do not have any "tied" relationships with any institution that would compromise our ability to offer you independent advice and choice.

We do not guarantee nor make representations in regard to, and expressly disclaim responsibility for, the financial condition of insurers or product producers with which we place insurance. We will not indemnify clients in respect of the failure of any insurer or product producer. Full policy terms and conditions are contained in your policy document, a duplicate of which is available at any time on request. Please see our Remuneration and Fees section. Do not assume cover is in effect until such cover is explicitly confirmed by John Power Insurances Ltd, trading as Power Insurances, nonstandard.

### **Money Laundering**

John Power Insurances Ltd, trading as Power Insurances, nonstandard reserves the right to request additional information that may be required in order to comply with the Anti-Money Laundering requirements of the Criminal Justice Act, 1994 (as amended) and the Financing of Terrorism Act 20015

### **Your Duty of Disclosure of Information**

Please note that all insurance contracts are based on the principal of disclosure. It is your responsibility to provide complete and accurate information for insurers when arranging an insurance policy, throughout the life of that policy and when you are renewing it. It is important that you ensure that all information provided, and all statements made on proposal forms, statements of fact, claim forms, and other documents are, to the best of your knowledge and belief, complete and accurate. Failure to disclose any material information to your insurers could invalidate your insurance cover and could mean that all or part of a claim will not be paid or your policy cancelled. If you have any doubts as to whether any information is material it should be disclosed.

### **Cancellation**

You, the customer, can cancel your policy by notice in writing at any time. Provided that all reasonable charges pertaining to costs incurred by us have been paid and provided that no incident giving rise to a claim or incident that might give rise to a claim has occurred in the current period of insurance, you may be entitled to a partial return of the premium for the un-expired period of insurance unless the policy is on a minimum and deposit basis, if this is the case, no return will be allowed on the policy and this will be noted on your policy schedule. If you cancel during the first year short term rates may apply and/or Insurers may charge a cancellation fee, please refer to policy terms and conditions. In the case of Motor Insurance you must return the Certificate of Insurance and Windscreen Disc to us. Insurance companies normally reserve the right to cancel policies at any time by giving appropriate notice to your last known address. Please refer to your policy terms and conditions. Please note we also reserve the right to withhold our fee, following policy cancellation.

### **Default on Payments by Clients**

Should a customer default on a payment due to John Power Insurances Ltd, trading as Power Insurances, nonstandard, the legal right of the company to pursue such payment will be exercised. Reimbursement will be sought for all payments made to insurers on behalf of clients where the firm has acted in good faith in renewing a policy of insurance for the client. Product Producers may withdraw benefits or cover on default of any payments due under any products arranged for your benefit. Details of these provisions will be included in your product terms and conditions. We reserve the right to take legal action for any monies due to us.

Mortgage lenders may seek early repayment of a loan and interest if you default on your repayments. Your home is at risk if you do not maintain your agreed repayments.

## **Claims**

It is essential that we are notified immediately of any claims or circumstances which could give rise to a claim. When you notify us, you must include all material facts concerning the claim. The policy wording will describe in detail the procedures and conditions in connection with making a claim. It should be noted that there is no cover for defence costs incurred without the insurer's prior consent. The firm may recommend professional Loss Assessors to handle Property Insurance claims and, if such a Loss Assessor is appointed by the client, the client is responsible for the payment of the Loss Assessor's fees. The firm may receive a referral fee when the recommended Loss Assessor handles the claim.

## **Complaints Policy**

This firm has a written procedure in place for the effective consideration and handling of complaints. Any complaints should be addressed in writing to the Managing Director, John Power Insurances Ltd, trading as Power Insurances, nonstandard. Each complaint will be recorded and acknowledged in writing within 5 working days of receipt, updates will be advised in intervals of not more than 20 days and we will endeavour to resolve a complaint within 40 business days and findings will be furnished to you within 5 working days of completion of the investigation. In the event that you are not entirely satisfied with the firm's handling of and response to your complaint, you have the right to refer your complaint to the Financial Services Ombudsman, 3rd Floor Lincoln House, Lincoln Place, Dublin 2. Lo Call 1890 88 20 90 or to the Pensions Ombudsman, 36 Upper Mount Street, Dublin 2; Telephone 01 647 1650, fax 01 676 9577; Email: info@pensionsombudsman.ie.

## **Conflict of Interest Policy**

It is our stated policy to avoid any conflict of interest when providing a service to our clients. Where an unavoidable conflict of interest arises, John Power Insurances Ltd, trading as Power Insurances, nonstandard will make the customer immediately aware of the situation and seek your written confirmation to proceed. At all times we endeavour to act to the best advantage of its customers in recommending the most suitable solution to each individual need.

## **Data Protection**

John Power Insurances Ltd, trading as Power Insurances, nonstandard complies with the data protection acts 1988 & 2003 as amended. The data you provide to us will be held on a computer database & in paper files for the purpose of arranging transactions on your behalf. Outside of the normal contact with you, we would like to keep you updated with any products we or our partners may offer. If you do not wish to be contacted in this way, please tick the box as described on our letter of suitability/TOB acceptance letter that will be presented to you.

## **Call and Voice Recording**

John Power Insurances Ltd, trading as Power Insurances, nonstandard may record telephone calls, inbound and outbound, for regulatory, quality, training and verification purposes. All data captured by these facilities are managed in accordance with the Data Protection Acts.

## **Governing Law and Language**

The laws of Ireland form the basis for establishing relations between you and John Power Insurances Ltd, trading as Power Insurances, nonstandard contracts, terms, conditions and communications relating to any policies or services you may enter into with the firm will be in English.

## **Cooling Off Period**

A consumer has the right to withdraw from an insurance policy (as defined under SI No 853 of 2004) within 14 days of the start date of the policy (except in the case of travel policies whose operative period is for one month or less) without penalty and without giving any reason. This is known as the cooling off period. The right of withdrawal may be exercised by notice in writing to us quoting your policy number provided that no claim or adjustment has been made or is intended to be made or no incident has occurred which is likely to give rise to a claim or for travel policies. Should this right be exercised the insurance company may charge for the period you are on cover. For motor insurance the Certificate of Insurance and Windscreen Disc must be received by us before the policy can be cancelled. Please note that the policy set-up charge is non-refundable if you choose to withdraw from the policy within the cooling off period.

## **Quotations**

All quotations are valid for 7 days unless otherwise stated and all quotations and cover are subject to acceptance by the insurer concerned.

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### **Regular Reviews**

It is in your best interests that you review, on a regular basis, the products which we have arranged for you. As your circumstances change, your needs will change. You must advise us of those changes and request a review of the relevant policy so that we can ensure that you are provided with up to date advice and products best suited to your needs. Failure to contact us in relation to changes in your circumstances or failure to request a review, may result in you having insufficient insurance cover and/or inappropriate investments.

### **Handling Clients' Money/Receipts**

John Power Insurances Ltd, trading as Power Insurances, nonstandard will accept payments by cash, cheque, electronic funds transfer, laser and credit card in respect of all classes of insurance in the circumstances permitted under Section 25G of the Investment Intermediaries Act, 1995. We cannot accept cash or negotiable instruments in any other circumstances. For certain Insurance and Investment Products, we may request that all payments are made payable to the provider of the product in question. A Section 30 receipt will be issued for all payments received and should be retained by you in a safe place. Under the Central Bank's Consumer Protection Code strict rules apply in relation to payment of premiums to product producers. We will not be able to pay premiums to product producers for a client where the premiums have not been received by the firm. Therefore, to avoid policy cancellation, premiums must be paid strictly within credit terms. Clients must pay at inception of a contract or on or before renewal date or as invoiced in the case of mid-term alterations. Insurance companies may cancel cover where a client fails to meet their obligations in relation to payment terms and conditions.

### **Premium Rebates**

Return premiums obtained, following a midterm adjustment or cancellation of a policy will be refunded to the client within 5 working days of being received by John Power Insurances Ltd, trading as Power Insurances, nonstandard. These amounts will be net of commission and any cancellation fee or charge. The signing of your letter of suitability (with additional wording for rebates) confirms your acceptance of this charge on return premiums. If a rebate is less than €10, we will issue as above or you may use this to offset against a renewal premium or current premium due, or we will make a donation to a charity on your behalf (you will need to give us permission each time this occurs).

### **Remuneration Policy**

John Power Insurances Ltd, trading as Power Insurances, nonstandard is paid on a fee and commission basis for general insurance and mortgage business and commission basis for life assurance and investment business. Where we receive recurring commission, this forms part of the remuneration for initial advice provided. We reserve the right to charge additional fees if the number of hours relating to on-going advice/assistance exceeds X hrs. In other circumstances where fees are chargeable or where you choose to pay in full for our service by fee, we will notify you in writing in advance and agree the scale of fees to be charged if different from fees outlined below.

#### Scale of Fees

<b>Insurance Type</b>	<b>Motor</b>	<b>Home, commercial or property</b>	<b>Travel</b>	<b>Life / Investment &amp; Mortgage</b>
<b>Setup and mid-term adjustment</b>	up to 100% - Minimum €30.00*	up to 100% - Minimum €30.00*	Up to 100%*	€250 if Pulse insurance. €0 if any other insurer for life-cover. Admin charge maybe charged for Investment and mortgage work.

<b>Renewal</b>	up to 100% - Minimum €30.00**	up to 100% - Minimum €30.00*	Up to 100%*	€250 if Pulse insurance. €0 if any other insurer for life-cover. Admin charge maybe charged for Investment and mortgage work.
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A fee of up to €75 may be charged for the provision of duplicate documentation.

Premium Finance Charges: Where premiums are financed by Insurers, Close Premium Finance, Premium Credit Finance or other finance lenders, details of interest rate and all charges will be separately provided in the credit agreement at inception. We may receive a commission from finance companies in respect of credit agreements up to 4% of the annual premium. Should there be a default of a direct debit payment, we will charge a fee for recovery of the defaulted payment of up to €25. In the event that the loan is to be reinstated following a default, a charge of up to €40 will be applied.

Credit card charges: Due to charges imposed on us by credit card providers, we will charge up to an additional 2% transaction charge in addition to any other charges. We will not charge this for cash, cheque, ETF or debit charge transactions.

Supplementary Charges: Should a particular project or circumstance require us to charge any additional fees, they will be specifically advised in advance. The calculation of such charges will be based on various factors such as, though not limited to the complexity of matters under consideration, any commission payable (including none) by Insurers, time spent, qualification levels and numbers of personnel involved. Please note that some insurance companies may collect our administration charge on our behalf for direct debit policies.

We reserve the right to amend these fees should the complexity of the product/service require a higher fee or in the event that the product/service provided is not remunerated by a product producer in the usual way. In such circumstances we will confirm and agree the fee with you at the time of providing the service. Details of all the remuneration, fees, commissions and arrangements listed above are available upon request.

**Fees policy – Based on a Fee only basis.**

As an independent broker, we will offer you to pay for our services by Fee only. Below is the amount it will increase your Fee by (this Fee is in addition to any other admin fee charged by us). In the event you require your commission to be returned to you. We will return the commission to you as soon as possible. Note these are the maximum fees we will charge in the event of a commission refund, we may agree a lower amount depending on the contract involved.

Private/commercial Motor	€200
Commercial Insurance (including Motor trade & Motor Fleet)	€500
Home Insurance	€200
Property/Shop	€500
Life/Pension	€1000
Mortgage	€1000