### Scope of Service – (Fair Analysis of the Market)

Where [Name of firm] proposes or advises on a contract of insurance then in good time before conclusion of a general insurance contract, and if necessary on its amendment or renewal, we must provide the customer with information on whether we:

* 1. Give a personal recommendation, on the basis of a fair and personal analysis of the market;

In this instance *personal* means it is presented as suitable for the person to whom

it is made and NOT that it is made personally by an employee or director at our firm.

or

* 1. Are under a contractual obligation to conduct insurance distribution exclusively with one or more insurers, in which case we must provide the names of those insurance undertakings or
  2. Are not under a contractual obligation to conduct insurance distribution as stated in b) above and do not give a Personal recommendation as stated in a) above. In this instance we must provide the customer with the names of the insurers we may and do conduct business with.

If we are dealing with a Consumer and have not given a personal recommendation based on a fair and personal analysis of the market then we must state whether we are giving:-

1. A personal recommendation but not on the basis of a fair and personal analysis
2. Other advice on the basis of a fair and personal analysis of the market
3. Other advice not on the basis of a fair analysis of the market or
4. Just information

In this instance, Other Advice relates to the merits (advantages and disadvantages)

of the consumer buying the Insurance Policy

[Name of firm] cannot hold itself out as giving information or advice to customers on the basis of a fair analysis of the market unless we have considered (and can evidence quotations from) a sufficiently large number of general insurance contracts available in the relevant sector or sectors of the market having in mind which contract of insurance would be adequate to meet the customer’s demands and needs.

One way in which a fair analysis of the market may be achieved is through the use of “panels” of insurers which are sufficient to enable [Name of firm] to give advice or information on a fair analysis basis. The panels must be reviewed on a regular basis.

[Name of firm] should ensure that its analysis of the market and the available general insurance contracts is kept adequately up to date. For example, we should update our selection of contracts if we become aware that a contract has become available offering an improved product feature or a better premium. The update frequency depends on the extent to which new contracts become available.

The panel selection criteria will be important in determining whether the panel is sufficient to meet the fair analysis criteria. Selection should be based on product features, premiums and services offered to customers not solely on the benefit offered to [Name of firm] .

### Information to be provided to customers

Where information or advice is given to a customer on a basis other than a fair analysis of the market, [Broker’s Name Inserted here] must disclose whether we are contractually obliged to conduct insurance mediation activity in this way and we must provide the Customer with the names of the Insurers we may and do conduct business with in relation to the contract provided. Therefore, we must maintain, and keep up-to-date, for each type of contract we deal with, a list of insurers we select from or deal with.

If at renewal we only obtain terms from the existing insurer, we must advise the client that we have only approached the existing (a single) insurer for terms.