

# Motor Trade Solutions Ltd

4th Floor, Emerald House, 15 Lansdowne Road, Croydon, Surrey, CR0 2BX

Web: [www.motortradesolutions.co.uk](http://www.motortradesolutions.co.uk)

Tel: 08707 87 87 40

Fax: 08707 87 87 50

## How The Motor Trade Solutions Direct Debit System Works

- Direct Debit offers an easy way for your client to pay his/her premium
- Motor Trade Solutions is a Direct Debit Originator and runs its own DD scheme

### This is how it works:

- The policyholder pays an initial one-off security deposit (25% of the premium) to join the scheme. This security deposit does not go towards paying the premium however it may be used for this purpose in the event of a default in payment.
- **This security deposit is refundable** if the policy is cancelled or lapsed providing there is no debt outstanding. This security deposit will be held in a custodian account controlled by Fyfe Group Ltd in order to provide complete protection for your money.
- The policyholder agrees to pay 11 equal monthly instalments directly from his/her bank account.
- **Instalments are interest free (0% APR).**
- There are no other charges apart from the normal premium and IPT, however defaulted direct debits will incur a £15 administration charge.

### Example:

|  | £            |
|--|--------------|
| One-off refundable Security Deposit (25% of £1000) | 250.00       |
| <b>PLUS:</b>                                       |              |
| Annual premium (inc.IPT & Policy Charge):          | 1000.00      |
| Monthly instalment (£1,000 ÷ 11):                  | 90.90        |
| <b>TOTAL PAYABLE PER MONTH:</b>                    | <b>90.90</b> |

**NB:** The first payment will be taken one month after inception of the policy.

### What your client needs to do to join the Motor Trade Solutions Direct Debit Scheme:

- Complete the Direct Debit Instruction Form
- Send the completed Direct Debit Instruction Form to us via you, together with the 25% security deposit payment **within 7 days** of inception or renewal.

### What you need to do:

- Send the completed Direct Debit Instruction Form and any other required documentation to Motor Trade Solutions **within 7 days** of inception or renewal.
- Send the payment - made payable to Motor Trade Solutions – for the 25% security deposit.

### Commission:

- Commission is not payable on the security deposit
- We send your commission on the new business premium upon issue of documentation, or after the fifth payment has been taken, whichever is the later. At renewal we will normally send your commission once the first payment has cleared.

### Documents:

- We provide cover notes until after 35% of the premium has been collected, at which point we will send the annual certificate.

### At renewal:

- Before the client's policy runs out, we will write to you confirming the renewal terms (based on the information we already hold about your client's business).
- We will always confirm in advance any revisions to future payments.
- We will debit your account with the 1<sup>st</sup> instalment on or shortly after the renewal date and all subsequent payments will continue on their original due date.
- **No further action regarding the DD is required and the security deposit remains in place.**