



Company limited by guarantee
Registered No. 3900786

Terms of Business Agreement

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Between the following parties:-

Finance ReDirect Limited

And

XXXXXXXXXX

(herein after known as the agent)

Agency Number:

Finance ReDirect Limited is a General Insurance intermediary and is the trading subsidiary of the registered charity Create.

Our registered address is No. 4 – The Lodge, 30 Lansdowne Road, Bedford MK40 2BQ.

Our head office address is 2nd Floor, 6 St Paul's Square, Bedford MK40 1SQ.

Finance ReDirect Limited is authorised and regulated by the Financial Services Authority. Our registration number is 306507. Our permitted business is arranging and advising on General Insurance. You can clarify this if required on the FSA's website www.fsa.gov.uk/register ; or by contacting the FSA on 0845 606 1234.

We offer a range of products from a carefully selected panel of Insurers who specialise in General Insurance products.

1. This Agreement

- 1.1 Specifies the terms under which We will place the Client's business on Your behalf with Insurance Companies with whom We hold Agency facilities;
- 1.2 is personal to the parties hereto and shall not otherwise be assignable by either of them, unless formally agreed to in writing by Both parties;
- 1.3 Supersedes all previous Agreements between Us and You.

2. Interpretation

- 2.1 Within this *Agreement*, unless otherwise stated, the following words or expressions, shown throughout in italics, shall have the meanings set against them respectively:

'Agent' means the introducing company that is party to this Agreement.

'Agreement' refers to this Terms of Business Agreement, hereunder signed and agree by Both Parties.

'Client' means an individual or company who has proposed for the insurance and whose proposal has been accepted by Us on behalf of the insurers.

'FSA' means the Financial Services Authority in the United Kingdom.

'FSMA' means the Financial Services and Markets Act 2000.

'Gross Premium' means gross premium, including any fee, paid by the Client less return premiums and cancellation premiums and excluding IPT.

'Insurer' means a person who writes contracts of insurance falling within the terms of Schedule 1 Part 1 of the Financial Services and Markets Act (Regulated Activities) Order 2001.

'IPT' means Insurance Premium Tax or any equivalent tax or levy in relation to General Insurance, at the appropriate rate.

'Net Premium' means Gross Premium after deduction of commission.

'Rules' means the FSA Handbook and any rules, guidance or regulations issued by the FSA and all other rules to which either You or We are subject to in undertaking General Insurance business.

'Unauthorised Person' means a person who is not authorised by the FSA.

'We' means Finance ReDirect Limited and **'You'** means the company, partnership or sole trader with whom **'We'** do business for the purpose of this Agreement. Together **'We'** and **'You'** are referred to as **'We Both'**. **'Our'**, **'Us'** and **'Your'** have corresponding meanings as the context requires.

- 2.2 If You are an Exempt Professional Firm and subject to rules that define Your Regulated Activities, in the event of a conflict, the applicable rule of Your Designated Professional Body shall override the relevant term of this Agreement.
- 2.3 Nothing in this Agreement shall create a partnership or joint venture between You and Us.
- 2.4 No waiver by Us of any breach by You of any terms of this Agreement shall be construed as a waiver of any subsequent breach.

3. Client Ownership

- 3.1 All *Clients* introduced by *You* remain *Yours* and not *Ours* for the duration of this Agreement
- 3.2 We shall not contact *Clients* directly for any purposes without *Your* prior permission, unless absolutely necessary for the purpose of the administration of an insured contract only.
- 3.3 Should any contact generate additional business. *We* shall pay *You* commissions in line with levels stated within this *Agreement* (see Clause 6 – Remuneration).

4. Service and Delivery Requirements

- 4.1 *You* shall supply all necessary administration, accounting and underwriting information and access to data if required by the *Insurers* that are or may become necessary for the proper performance of this *Agreement*.
- 4.2 *You* have no authority to accept or amend insurances, settle, negotiate or compromise claims, alter any receipt, document or policy or commit *Us* in any way. Any exceptions must be authorised in advance in writing by *Us*.
- 4.3 *You* are not to make any alterations or amendments to any forms supplied by *Us* or use any advertising, promotional or other selling materials in relation to the insurances except those supplied by, or approved in writing by *Us*.
- 4.4 *You* shall pass to *Us* promptly any material information provided to *You* by the Proposer or a *Client*. In the event of *You* being aware of any non-disclosure of material information by a Proposer or by a *Client*, *You* shall either inform *Us* or decline to act on behalf of the Proposer or a *Client* in undertaking any General Insurance business with *Us*. *You* remain for these purposes the *Client's* agent and notification by the *Client* to *You* shall not constitute notification to *Us*.
- 4.5 *You* shall present information and proposals relating to any General Insurance cover requested in the form which *We* specify from time to time or as otherwise agreed.
- 4.6 *You* shall retain for a minimum period of 3 years any documents or information which validates the details upon which *We* agree to place insurance cover for the risk and provide the General Insurance policy and these should be available to *Us* on request.
- 4.7 Whenever any insurance is bound under this *Agreement*. *We* undertake to ensure that the appropriate policy wording is promptly delivered to *You* or the *Client* as instructed.
- 4.8 New Business and Adjustments: as *Agent* to the *Client*, it is *Your* responsibility to ascertain the *Client's* insurance requirements, *We* will then endeavour to satisfy these requirements or offer suitable alternatives, for *You* to then pass these on to the *Client* in order to satisfy the demands and needs' requirements of the *Rules*.
- 4.9 Renewals: *You* shall pass promptly to the *Client* all of *Our* renewal documentation relating to the *Client's* policy, notifying them of any change in the applicable terms and conditions and items covered. *We* shall issue renewal documentation to *You*, or to the *Client* as directed prior to renewal date, to enable *You* to comply with the *Rules*. Where *We* are unable to advise renewal terms in good time, *We* will advise you of reasons for this together with any possibility of more onerous terms needing to be applied.
- 4.10 Cancellations: *You* shall notify *Us* immediately of any *Client's* request to cancel a policy during the cancellation period.
- 4.11 Claims: If the *Client*, who has arranged insurance via *Us* following an introduction for *You*, subsequently contacts *You* on matters relating to a claim or potential claim, *You* shall not make any comments, offer any advice or give an opinion that may prejudice the *Insurers'* interest in any way in the handling of the claim. *You* shall relay all relevant information to *Us* or the *Insurer* as appropriate.
- 4.12 *You* may only act on behalf of *Us* within the territorial limits of the United Kingdom.

5. Payments and Collection

- 5.1 *We* are authorised to invoice, collect and receive premiums and other sums due in respect of the insured contracts and to pay return premiums and other sums due in respect of the issued contract. All *Gross Premiums* (and associated *IP*T) collected by *Us* shall be paid into *Our* Insurance Bank Account in line with regulatory requirements at the time.
- 5.2 All cheques for premiums for business placed through the Finance ReDirect facility should be made payable to Finance ReDirect Ltd. If the *Client* needs to spread payments over the year the relevant *Insurer* payment plan should be used in all instances unless otherwise advised.
- 5.3 *We* have in place procedures and controls, which are designed to forestall and prevent Money Laundering. If we suspect that a supplier, customer, *Client* or employee is committing a Money Laundering offence as defined by the Proceeds of Crime Act 2002 we will, in accordance with *Our* legal responsibilities, disclose the suspicion to the National Criminal Intelligence Service.

6. Remuneration

- 6.1 During the period of this agreement *We* will pay *You* commission for all policies arranged as a result of proposals submitted by *You*, providing that policy is accepted by *Us* and the *Insurer*, remains in force and was submitted within the terms of this agreement.
- 6.2 During the period of this agreement we will pay *You* commission due under this agreement in accordance with *Our* commission structure, as published from time to time.
- 6.3 *We* will remit on a timely basis, all commissions due for General Insurance on or around the 25th day of the month following the month in which Finance ReDirect has received payment from the individual policyholder of the premium due in relation to any insurance policy. Remittance will be made by cheque.
- 6.4 *We* may from time to time, vary the commission structure upon giving not less than 28 days notice in writing to *You*. The revised commission structure will automatically replace the previous commission structure after 28 days and apply to cases already submitted.
- 6.5 If, after *We* have arranged insurance cover for a *Client* who has been introduced by *You*, they subsequently cancel the policy or reduce cover or reduce the premium in any other way, *You* will be liable to reimburse *Us* for the earned proportion of their fee or commission.
- 6.6 Commission is not due on any element of *IPT* or on any fees.

7. Fees and Charges

- 7.1 Any policy fee, service fee or any other fee or charge whatsoever made by *You* or *Us* must be shown separately on documentation issued to the *Client* and not concealed from the *Client*, *You* or *Us*. Any such fees may only be applied when not in breach of any regulatory practices which may be in force at the time.
- 7.2 *We* may charge a fee in respect of policies cancelled through failure to settle the policy premium on the due date (after due notice is provided) and subsequently requested for reinstatement. The fee amount will be notified in writing.

8. Professional Indemnity Insurance

- 8.1 *You* shall maintain Professional Indemnity Insurance with an Insurer, providing cover in connection with the operation of the *Agreement* to the extent required by FSA regulation or any regulatory practices that may be in force at the time for any liability arising out of:
 - 8.1.1 negligent act, error or omission by *You* including any past or present director, partner or employee of *Yours*
 - 8.1.2 dishonest or fraudulent act or omission by *You* including any past or present employee of *Yours*;
- 8.2 *You* agree to supply a copy of *Your* Professional Indemnity cover to *Us* on request

9. Compliance

- 9.1 *You* shall comply with the *FSMA* and all rules to which *You* are subject including all requirements relating to authorisation and supervision in respect of *Your* insurance mediation activities. *You* must notify *Us* immediately if there is any change in *Your* regulatory status.
- 9.2 *We* shall at all times comply fully with the *Rules* insofar as they apply to *Our* business.
- 9.3 From conclusion of any contracts of General Insurance arranged by *Us*, *We* will bear the credit risk in relation to premiums due when they are received by *Us*. In all other circumstances *You* shall hold all such *Client Monies* in accordance with the *Rules*.
- 9.4 *We Both*, shall at all times, comply with all applicable data protection legislation issued from time to time (including, without limitation, the Data Protection Act 1988 and the Privacy and Electronic Communications (EC Directive) Regulations 2003 and any re-enactment or replacement of or amendment or extension to such legislation). Each of *Us* shall ensure that all processing of Customer data under this *Agreement* is lawful and that all appropriate technical and organisational measures shall be taken against unauthorised or unlawful processing of Customer data and against accidental loss or destruction of or damage to the Customer data.

- 9.5 We may carry out an audit of *Your* compliance procedures in respect of Our General Insurance business and you shall allow *Us* access to *Your* premises, files and documents in relation to this *Agreement* on reasonable notice for this purpose.
- 9.6 *You* undertake to notify *Us* in writing immediately in the following circumstances:
- 9.6.1 variation or cancellation of *Your*, or *Your* agents or sub-agents, Parts IV permission by the FSA;
- 9.6.2 initiation of FSA disciplinary or investigative action in relation to *You* or *Your* staff or *Your* agents or sub-agents.
- 9.7 *You* shall be responsible as Principal for all regulatory requirements in relation to *Your* Appointed Representatives or *Your* Introducer Appointed Representatives. For the avoidance of doubt, *You* shall remain fully responsible to *Us* for all acts and omissions in relation to this *Agreement*, which shall have effect in relation to the acts and omissions of such Appointed Representatives or Introducer Appointed Representatives as if they were the acts or omissions of the *Agent* itself.

10. Notification of Change

- 10.1 *You* shall immediately notify *Us* in writing:
- 10.1.1 in the event of any changes, which are material and have relevance to this *Agreement*, for instance any changes of address;
- 10.1.2 if *You* or any partner or director compounds with creditors, enters into any deed or arrangement with creditors, or becomes bankrupt, or has a receiving order made against him or (in the case of a company) goes into liquidation or (in the case of a partnership) is finally dissolved.
- 10.2 Unless otherwise stated in this *Agreement*, *We* may vary the terms of this *Agreement* at any time by sending to *You* *Our* current version and the changes shall be effective not less than 30 days from notification and shall be confirmed in writing.

11. Termination

- 11.1 Any *Agreement* with *Us* or any part of it may be terminated or amended by either *You* or *Us* at any time by mutual consent.
- 11.2 Either *You* or *We* may terminate any *Agreement* or any part of it by giving 30 days written notice to the other.
- 11.3 Either *You* or *We* may terminate any *Agreement*, or any part of it, by notice to the other in the following circumstances:
- 11.3.1 where one party has reasonable grounds for suspecting fraud or dishonesty by the other or by the other's employees, agents or independent contractors;
- 11.3.2 where the other has failed to remedy a breach of this *Agreement* within 30 days of a written request from the party not in breach to do so;
- 11.3.3 where the other has committed an irredeemable breach of this *Agreement*;
- 11.3.4 where the administration of the account is being operated by the other in a manner causing, or likely to cause, prejudice to the *Client*;
- 11.3.5 where the other has a receiver appointed over the whole or part of its undertaking or assets; enters into voluntary arrangement under Part 1 of the Insolvency Act 1986 or otherwise makes any composition with creditors; if a petition for a winding up or an administration order is presented against it or either of these orders is made against it; if a petition for a bankruptcy order is presented against it or if such an order is made in respect to it; if it is unable to pay its debts in accordance with the Insolvency Act 1986 8123; on dissolution of partnership.
- 11.4 *We* will terminate any *Agreement* automatically if *Your* Part IV permission is cancelled by the FSA.
- 11.5 *We* may terminate any *Agreement* if *Your* Part IV permission is varied by the FSA.
- 11.6 If *You* are a sole trader, *We* will terminate any *Agreement* with *You* with immediate effect in the event of *Your* death in order to protect the interests of *Your* *Clients*.

12. Consequences of Termination

- 12.1 Following termination of any *Agreement* with *You*, *We* shall not accept any New Business proposed by *You* and shall not issue Renewal invitations to *You* in respect to that *Agreement*.
- 12.2 On termination of any *Agreement* with *You*, *We* shall prepare a statement of account as between *You* and *Us*. Settlement of this account shall be made by either party paying the balance due as shown in the statement of account to the other party immediately. *You* shall also pay to *Us* immediately all known premiums not included in the statement of account.
- 12.3 If termination is in respect of only some, rather than all arrangements under any *Agreement* with *You*, this *Agreement* shall continue to apply to all such arrangements not terminated.
- 12.4 On termination of any *Agreement* with *You* made under paragraphs 11.3, 11.4, 11.5 or 11.6 above, in order to protect the interests of the *Clients*, *We* may, at *Our* discretion, take over the handling and ownership of existing *Clients*.

13. Complaints Handling Procedure

- 13.1 Either party shall notify the other party immediately on receiving a complaint from a Customer, which relates to the other party's Regulated Activities and provide them promptly with copies of relevant information and documentation, the originals of which shall be retained by Both parties for at least 3 years.

14. Jurisdiction

- 14.1 This *Agreement* and any variation to it, is subject to English Law and Practice and to the exclusive jurisdiction of the English Courts, unless Both parties agree otherwise.

15. Indemnity

- 15.1 Each party shall indemnify and keep indemnified the other from all losses, costs, claims and liabilities whatsoever incurred by the other arising from:
 - 15.1.1 any failure by the indemnifying party to comply with the provisions of any regulatory requirements including without limitation FSMA; and/or
 - 15.1.2 any other breach by the indemnifying party of this *Agreement*, without limitation, any loss, cost, claim or liability incurred by *Us* arising out of business arranged through *Us* without authorisation.

16. Rights of Third Parties

- 16.1 A Person who is not party to this *Agreement* has no right under the Contract (Rights of Third Parties) Act 1999 to enforce any terms of this Agreement but this does not affect any right or remedy of a third party which exists or is available apart from this Act.

17. Force Majeure

- 17.1 Neither *You* or *Us* shall be liable for any breach of *Our* respective obligations, acts or omissions hereunder resulting from causes beyond *Our* reasonable control, being an 'Event of Force Majeure'.
- 17.2 In the event of Force Majeure occurring, the party whose obligations are suspended by virtue of this event shall use all reasonable endeavours to mitigate the effect of such circumstances and carry out such obligations or duties hereunder in such other way as may be reasonably practicable in all the circumstances.
- 17.3 *We Both* agree to give notice to the other as soon as reasonably practicable after becoming aware of an event of 'Force Majeure', such notice to contain details of the circumstances giving rise to the Force Majeure.

18. Confidentiality

- 18.1 *Both parties shall treat any information relating to the other party, its business and Clients as confidential (except to the extent that such information is public knowledge other than as a result of any breach of this Agreement).*
- 18.2 *Neither party shall disclose such information to any third party, nor use it for any purpose except as is necessary for the performance of this Agreement or for the enforcement of that party's right in law or contract. The provisions of this clause shall continue notwithstanding any termination of the Agreement.*

Signed for and on behalf of Finance ReDirect Limited:

Tanya Richardson
Director

By signing below, you confirm that:

1. You agree to abide by the terms and conditions of this Agreement
2. You have authority to sign this Agreement; and
3. You have not made any amendment to this Agreement

Signed for and on behalf of the Agent by:

Signature:

Print Name:

Position Held:

FSA Ref. number for General Insurance:

Date: