

Terms of Business Agreement

Version 7 - December 2022

Between
Home and Legacy Insurance Services Limited (1)

and

The Agent (2)
(as set out in the Signature Page)

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Terms of Business Agreement

This Agreement is made on the date of the last signature to it.

BETWEEN

- (1) **HOME AND LEGACY INSURANCE SERVICES LIMITED** a limited liability company registered in England with registered number 03007252 (“**H&L**”) whose registered office is at 57 Ladymead Guildford Surrey GU1 1DB; and
- (2) **THE AGENT** as set out in the Signature Page (the “**Agent**”).

(collectively the “**Parties**” and each a “**Party**”).

BACKGROUND

- (A) H&L is an insurance intermediary authorised and regulated by the FCA* to carry out insurance distribution activities in the United Kingdom. H&L’s Financial Services Register number is 307523. This can be verified by visiting the Financial Services Register website at <http://www.fca.org.uk/register>.
- (B) The underwriting capacity for H&L’s Products* is provided by one or more Insurers*. H&L acts as the Insurer’s agent to bind insurances and to undertake claims handling and complaint handling activities (amongst other activities) for and on behalf of an Insurer on a delegated authority basis. H&L is authorised by the Insurer to permit the Agent to act as the agent of the Insurer for the collection, receipt and/or return of premiums.
- (C) The Agent is authorised and regulated by the FCA to carry out insurance distribution activities in the Territory.
- (D) The Agent wishes to introduce its Customers to H&L, to distribute the Products to its Customers whether by way of an advised or non-advised sale and to effect Policies* for and on behalf of (and as the agent of) its Customers.
- (E) H&L wishes to appoint the Agent to distribute the Products to the Agent’s Customers in the Territory on and subject to the terms of this Agreement.

(*defined at clause 1 below)

1 Definitions and Interpretation

1.1 In this Agreement the following words and expressions shall have the following meanings. A defined term may be used in the singular or plural as appropriate:

“ Applicable Laws ”	means all statutes, laws, rules, regulations, instruments, orders, directions, codes of practice including without limiting the generality of the foregoing FSMA, the FCA Rules, the Data Protection Legislation, the Competition Laws, the FCA’s policy statements, the FCA’s final published guidance and policy statements; the FCA’s publications in respect of vulnerable customers and the consumer duty (in each case) as applicable to a Party and/or its activities under this Agreement from time to time;
“ Appointed Representative ”	has the meaning ascribed to it within the “Glossary” chapter of the FCA Rules;
“ Agreement ”	means this document between the Parties including the signature page and the Schedules (in each case) which shall have full force and effect as if set out in the main body hereof, as varied from time to time in accordance with clause 31 (Amendment);
“ Authorised Representative ”	means any third party which may be instructed by H&L to undertake claims administration and/or handling and/or claims services on the Insurer’s behalf as informed to the Agent in writing from time to time;
“ Business Day ”	means a day starting at 9am (inclusive) and ending at 5pm (inclusive) other than a Saturday, Sunday or a bank or public holiday in England;
“ CASS ”	means the chapter entitled “Client Assets Sourcebook” of the FCA Rules;

“Change of Control”	means in relation to the Agent the obtaining by any person who did not previously exercise control, of control of the Agent or of control of any of its holding companies, other than by a person in the same Group immediately prior to the obtaining of control. For these purposes, “control” shall have the meaning ascribed to it in section 416 of the Income and Corporation Taxes Act 1988;
“Claim”	means an insurance claim under a Policy by a Policyholder;
“Client Money”	shall have the meaning ascribed to it within the “Glossary” chapter of the FCA Rules;
“Commission”	means commission payable to the Agent in relation to Policies pursuant to clause 14 (Remuneration) of this Agreement;
“Competition Laws”	means the Competition Act 1998, the Enterprise Act 2002, Articles 101 and 102 of the Treaty on the Functioning of the European Union, and the Enterprise and Regulatory Reform Act 2013;
“Complainant”	shall have the meaning set out in the “Glossary” chapter FCA Rules;
“Complaint”	shall have the meaning set out in the “Glossary” chapter FCA Rules;
“Confidential Information”	means all information or data (whether oral, recorded in writing, in any other medium or by any other method, whether marked as confidential or not) disclosed to or obtained by one Party from the other (in each case) for or in connection with the operation of this Agreement including without limitation (i) any information relating to a Party’s or its Group’s or an Insurer’s strategies, policies, suppliers, customers, rating or underwriting formulae, operations, processes, plans, intentions, know how, design rights, trade secrets, software, market opportunities, and business affairs, (ii) Personal Data, (iii) H&L’s and/or an Insurer’s Intellectual Property Rights (as applicable in the circumstances);
“Customer”	means a person residing within the Territory who is or is treated by H&L as a retail customer or a consumer (in each case) whom falls within the Target Market and has expressed an interest in the Product to the Agent and the Agent can evidence in writing that it has provided information or quotations to such person in response and has been introduced by the Agent to H&L;
“Customer Information”	means all data and other information relating to Customers held by or on behalf of the Agent or H&L in connection with this Agreement;
“Data Protection Legislation”	means the UK GDPR, the Data Protection Act 2018 and the rules and regulations made or having effect under it, the Telecommunications (Lawful Business Practices) (Interception of Communications) Regulations 2000 (SI 2000/2699), the Electronic Communications Data Protection Directive 2002/85/EC, the Privacy and Electronic Communications (EC Directive) Regulations 2003 and all applicable laws and regulations relating to the processing of personal data and privacy including (where applicable) the guidance and codes of practice issued by the Information Commissioner;
“DISP”	means the chapter entitled “Dispute Resolution: Complaints” of the FCA Rules;
“Effective Date”	means the date of the last signature specified on the signature page of this Agreement;

“Event of Force Majeure”	means an event beyond the reasonable control of the Party concerned (and which does not relate to or arise by reason of default or negligence of the Party seeking to rely on the event) which renders impossible or substantially hinders its performance of this Agreement including (without limitation) conventional or nuclear war, riot, civil unrest, terrorism, insurrection, acts of civil or military authority, fire, Act of God, flood or other adverse weather condition, embargoes or shortages, but excluding (i) strikes, lock-outs or other forms of industrial action of a Party, its agents, suppliers, or sub-contractors and (in each case) its respective personnel, (ii) the fact that performance of this Agreement has become more onerous commercially for a Party than that at the Effective Date;
"FCA"	means (i) in respect of the United Kingdom the Financial Conduct Authority set up pursuant to FSMA to regulate financial services in the United Kingdom including as applicable in the circumstances its officers, any skilled persons appointed pursuant to FSMA, its agents, and as it may be succeeded or replaced (in whole or in part) from time to time and (ii) in respect of Isle of Man and the Channel Islands (in each case) the equivalent financial services regulator(s) for the relevant British Crown Dependency;
“FCA Rules”	means the FCA’s Handbook of rules and guidance as published from time to time and without limiting the generality of the foregoing including the following chapters: Principles for Business, CASS, DISP, ICOBS and PROD;
"FSMA"	means the Financial Services and Markets Act 2000, the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 and (in each case) any amending or replacement legislation which regulates the carrying on of investment or financial business in the United Kingdom;
“General Insurance Business”	means such classes of general insurance business as are listed in Schedule 1 of the FSMA (Regulated Activities) Order 2001, excluding aircraft, ships, aircraft liability and liability for ships;
“Gross Premium”	means the premium charged to a Policyholder for a Policy (including retrospective premiums, additional premiums, and positive premium adjustments) less any applicable Taxes and any negative premium adjustments;
“Group”	means in relation to a Party any direct or indirect subsidiary and any direct or indirect holding company and any direct or indirect subsidiary of any such holding company (in each case) incorporated within England and Wales and as such terms are defined within the Companies Act 2006;
“ICOBS”	means the chapter entitled “Insurance Conduct of Business Sourcebook” of the FCA Rules;
“IPT”	means insurance premium tax pursuant to Part III of the Finance Act 1994 or any equivalent successor or replacement tax or levy (in each case) in relation to General Insurance Business as may apply from time to time;
“Insurer”	the insurer(s) with the relevant FSMA permissions and authorisations who provide underwriting coverage for the Products from time to time and underwrite the Policies from time to time;

"Intellectual Property Rights"	means any and all present and future intellectual property of any kind whatsoever including without limiting the generality of the foregoing: <ul style="list-style-type: none"> (i) copyrights, patents, know-how, confidential information (including the Confidential Information), trademarks, rights in trademarks, trade or business names, logos, service marks, domain names, underwriting criteria, know how, get up, algorithms, customer lists and/or databases, claims data, policy wording, computer software and designs (in each case, whether registered or unregistered); (ii) applications for registration, and the right to apply for registration, for any of the same; and (iii) all other intellectual property rights and equivalent or similar forms of protection existing anywhere in the world together with all or any goodwill relating to such intellectual property, and "Intellectual Property" shall be construed accordingly;
"Mid-Term Adjustment"	means any change to a Policy effected after the Policy commencement date;
"Net Premium"	means Gross Premium after the deduction of applicable Commission;
"Policy"	means such individual contract of insurance between an Insurer and a Policyholder and being derived from a Product;
"Policy Documentation"	means the documentation produced and issued by H&L to the Agent which acts as a record of the Customer Information supplied by the Agent for the purposes of arranging a Policy, or which evidences a Policy. This includes but is not limited to the policy wording, insurance schedule including any endorsements and individual terms and conditions that are or may be applicable to the Policyholder; the statement of facts document; and the insurance product information document;
"Party"	means each of H&L and the Agent and together the "Parties" ;
"Policyholder"	has the meaning ascribed to it within the chapter entitled "Glossary" of the FCA Rules for Solvency II firms and includes the Customer;
"Prior Agreement"	means any existing terms of business agreement between the Parties for the same or similar subject matter as this Agreement;
"Premium"	means the final price charged to the Customer for the Policy including any applicable Taxes;
"Processor", "Controller", "Data Subject", "Personal Data", "Processing", and "appropriate technical and organisational measures"	have the meanings given to them in, and be interpreted in accordance with the provisions of, the relevant Data Protection Legislation;
"PROD"	means the chapter entitled "Product Intervention and Product Governance" of the FCA Rules;
"Records"	means any medium on which any information of any description is recorded and includes all books, records, correspondence whether electronic or otherwise in respect of the activities conducted for or in connection with this Agreement or a Policy;

“Relevant Regulatory Body”	means any regulatory, supervisory, governmental or quasi-governmental body with jurisdiction, oversight or responsibility over the activities of a Party under this Agreement including but not limited to each of and as applicable in the circumstances: the FCA, the Prudential Regulation Authority, the Competition and Markets Authority, the Information Commissioner’s Office and (in each case) its successors (whether in whole or in part from time to time);
“Risk Transfer”	means holding Premiums due to the Insurer and return Premiums due to Customers as agent for the Insurer;
“Safe Countries”	means the United Kingdom, the countries that comprise the European Economic Area, or any other country or territory with which the United Kingdom has adequacy regulations in respect of (as amended from time to time);
“Signature Page”	means the Agent’s signed acknowledgement of receipt and agreement to comply with this Agreement;
“Significant Financial Difficulties”	means an event which would be likely to cause either Party in that Party’s reasonable opinion, to consider that the other Party or the other Party’s Group Company will be unable to continue to carry on its business as a going concern within three (3) months of the date upon which either Party became aware of such Significant Financial Difficulties, whether either Party has been notified by the other Party of any such Significant Financial Difficulties occurring or whether a Party has formed such view itself from information available at the time, including (but not limited to) information concerning the other Party or any company in the other Party’s Group’s share price and profit warnings announced (in the case of listed companies), financial information provided by reputable credit referencing agencies and any other publicly available information;
"Staff"	means in relation to the Agent or H&L (as applicable), its directors, senior managers, and any individuals employed by or contracted to that Agent or H&L;
“Sub-Agent”	means any insurance intermediary (as defined in the “Glossary” chapter of the FCA Rules) including any Appointed Representative (in each case) (i) appointed by the Agent pursuant to a binding and in force written contract on terms no onerous than this Agreement, (ii) that has been approved in writing by H&L and (iii) who wishes to introduce Customers and make arrangements to effect Policies (whether by way of an advised or non-advised sale) on behalf of its Customers;
“System”	the hardware or software or other process provided by or effected through a Third-Party software house or otherwise by H&L or on H&L’s behalf which the Agent or Sub-Agent uses to arrange General Insurance Business by means of electronic data interchange;
“Target Market”	means the target market for the Product as determined and identified by H&L (and the Insurer) from time to time;
“Taxes”	means IPT and all other para-fiscal charges which may be levied by fiscal authorities on insurance premiums;
“Territory”	means the United Kingdom, the Isle of Man and the Channel Islands;
“Third Party”	means any person or entity which is not a Party to this Agreement, and which may include as applicable in the circumstances any contractors and any third-party service providers; and

“UK GDPR”

Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data as it forms part of the law of England and Wales, Scotland and Northern Ireland by virtue of section 3 of the European Union (Withdrawal) Act of 2018.

- 1.2 The headings in this Agreement are for ease of reference only and are not intended and shall not affect its interpretation (save where they are used for the purpose of cross referencing).
- 1.3 Throughout this Agreement, whenever required by the context, the use of the singular number shall be construed to include the plural, and the use of the plural the singular, and the use of any one gender shall include all other genders.
- 1.4 References to a **“Schedule”** shall be to the schedules to this Agreement and such Schedules constitute an integral part hereof shall be construed and shall have the same full force and effect as if expressly set out in the body of this Agreement.
- 1.5 References to any statute or any section of any statute include any statutory amendment, modification or re-enactment and instruments and regulations under it in force from time to time. References to any codes of practice include any amendments or revisions from time to time.
- 1.6 The Agent shall procure compliance by any and all Sub-Agents, agents, delegates, distributors, sub-contractors (in each case) used by it for or in connection with the Agreement (together **“Agent’s Representatives”**) and shall be liable and primarily responsible (in each case) for the acts and omissions of any such Agent’s Representatives as if such acts and omissions were those of the Agent. Where the Agent has engaged any Agent’s Representatives, references in this Agreement shall be read and construed as including an obligation on the Agent to procure the same from the relevant Agent’s Representatives.
- 1.7 Words and phrases used herein that have not been defined and that are defined in the **“Glossary”** chapter of the FCA Rules shall have the meaning ascribed to them by such Glossary.
- 1.8 Any reference to a party or a Party shall (in each case) include its successors and assigns.
- 1.9 The words **“other than”**, **“includes”**, **“for example”**, **“in particular”**, and **“including”** shall not limit the generality of the preceding words and shall be deemed followed by the words **“without limitation”**.

2 Effect of this Agreement on any Prior Agreements

Entry into this Agreement shall terminate any Prior Agreements with effect on and from the Effective Date, notwithstanding any provisions to the contrary within such Prior Agreement. Any provisions within such Prior Agreement continuing post termination shall be unaffected. The Parties agree that entry into this Agreement shall be deemed a valid and effective termination of any Prior Agreement notwithstanding anything to the contrary.

3 Commencement

This Agreement shall be deemed to have come into effect on the Effective Date and shall continue thereafter in full force and effect until terminated pursuant to clause 22 (Termination).

4 Regulatory Status and Obligation to Notify Changes

- 4.1 The Agent warrants on a continuing basis that (a) it is authorised by the FCA and (b) has the necessary permissions under FSMA (in each case) to conduct all activities undertaken by it for and in connection with this Agreement.
- 4.2. The Agent will inform H&L in writing immediately if at any time during the period of this Agreement:
 - 4.2.1 the Agent or any Sub-Agent (if applicable) becomes subject to any formal action by the FCA which involves the issuing of a warning notice, decision notice, or final notice under FSMA or any equivalent legislation which regulates the carrying on of insurance business in the Territory; or

- 4.2.2 the FCA suspends or withdraws the Agent or any Sub-Agent (if applicable)'s authorisation; or
- 4.2.3 any partner, director or person who is carrying out a significant management function for the Agent or any Sub-Agent (if applicable) is sanctioned by or has their membership of any regulatory or professional body terminated; or
- 4.2.4 the Agent or any Sub-Agent (if applicable) ceases to be authorised by the FCA; or
- 4.2.5 there are any changes to the partners or directors of the Agent or any Sub-Agent (if applicable); or
- 4.2.6 the Agent or any Sub-Agent (if applicable) becomes insolvent, goes into liquidation, administration or receivership or makes any arrangement with any of the Agents or any Sub-Agents (if applicable) creditors; or
- 4.2.7 there is a material change to the Agent's or any Sub-Agent's (if applicable) ownership i.e., more than 20% of the shares, voting rights or business assets are transferred to a new owner; or
- 4.2.8 the Agent takes over or acquires another insurance intermediary or its business or any part thereof; or
- 4.2.9 the Agent's or any Sub-Agent's (if applicable) business address changes.

5 The Agent

- 5.1 This Agreement is personal to the Agent. The Agent may not assign or sub-contract this Agreement or any benefit or obligation under it without H&L's prior written consent.
- 5.2 This Agreement shall not affect the Agent's obligation to act honestly, fairly, professionally and in the best interest of Customers to deliver good outcomes for Customers.
- 5.3 The Agent must not at any time assist or be party to deliberate non-disclosure or deliberately mislead H&L or the Insurer or misrepresent any risk or claim or Claim (in each case) to H&L or the Insurer.
- 5.4 Except and to the extent that this Agreement expressly provides otherwise the Agent remains for all purposes the agent of the Customer.
- 5.5 The Agent acknowledges that H&L has entered into this Agreement in reliance on information the Agent has provided to H&L about the Agent's ability, resources, integrity and its commitment to comply with Applicable Laws. The Agent warrants to H&L that all of the information it has provided to H&L is true and accurate in all material respects and is not misleading. The Agent also agrees that it will promptly inform H&L of any material change in such information.
- 5.6 The Agent warrants on a continuing basis that neither the Agent nor any of its partners or directors have ever been refused membership of or approval by, or had their membership terminated by any regulatory or professional body.

6 Scope of Appointment

- 6.1 Subject to the terms and conditions of this Agreement and the Agent's compliance with this Agreement, the Agent may at the Agent's own expense introduce Customers to H&L with a view to effecting a Policy. Should the Agent or Sub-Agent (if applicable) undertake any marketing, advertising and/or promotion of the Product, it shall use its reasonable endeavours to ensure that such marketing, advertising and/or promotion is directed to the Target Market.
- 6.2 Nothing in this Agreement shall require H&L to accept any proposal for a Policy or the renewal of any existing Policy or to maintain cover in respect of an existing Policy if H&L or the Insurer in its sole discretion declines to do so.
- 6.3 The Agent may introduce Customers to H&L online via the System and by such other means as may be agreed between the Parties from time to time.
- 6.4 Where Customers are introduced by the Agent electronically via the System the Agent agrees to adhere to the provisions of Schedule 1.

- 6.5 The Agent has no authority to, amend, alter or vary any Policy, and/or to settle, negotiate or compromise claims, and/or to alter any Policy Documentation, and/or to make or issue any financial promotion on H&L's behalf and/or to impose any liability on H&L or the Insurer (as the case may be) in respect of a Policy, by any means whatsoever, (in each case) unless prior written permission has been granted by H&L under this Agreement. The Agent shall notify all Claims and claims to H&L unless H&L's prior written permission for alternative procedures to apply has been granted.
- 6.6 The Agent is not permitted to sub delegate to any Sub-Agent, other intermediary or use the services of any Third Party directly or indirectly to perform any of the Agent's obligations under this Agreement or to introduce General Insurance Business to H&L unless (in each case) H&L's prior written permission has been granted under this Agreement. For the avoidance of doubt this does not include use by the Agent of an IT provider to interface with the System.
- 6.7 The Parties shall at all times communicate with each other and Customers (in each case) in a way that is clear, fair and not misleading and the Parties shall act honestly, fairly, professionally and in the best interest of Customers to deliver good outcomes for Customers.
- 6.8 Each Party shall in accordance with the Applicable Laws maintain and operate effective organisational and administrative arrangements for the identification and management of any conflicts of interest that may arise in relation to any General Insurance Business to prevent conflicts from damaging Customer interests.
- 6.9 The Agent shall ensure all Staff are sufficiently skilled, resourced, trained, experienced and competent and are properly supervised to undertake the activities contemplated by this Agreement and without limiting the generality of the former comply with the Applicable Laws regarding the introduction of Customers and the sale (which also includes the provision of advice where applicable) and distribution of the Policies to Customers.
- 6.10 The Agent shall keep and maintain professional indemnity insurance in accordance with the requirements of the FCA and will provide a copy of such insurance policy to H&L upon request.
- 6.11 H&L shall provide the Agent with appropriate information about the Products and/or Policies, product approval process; and the Target Market.
- 6.12 The Agent agrees to inform H&L should it become aware of any circumstances which could indicate that the Product and/or a Policy (i) may not be in line with the needs, interests, objectives and characteristics of the Target Market, (ii) is not delivering fair value or that there is any other issue which could give rise to customer harm, (iii) that may adversely affect Customers, and/or (iv) reaching customers outside the Target Market.
- 6.13 The Agent shall provide to H&L upon request (in accordance with FCA Rules within PROD 4) all relevant information about any ancillary products or services that the Agent may sell to Customers alongside the Product(s) which could affect the Product's intended value (this includes add-ons, non-insurance additional products and retail premium finance), to assist H&L to determine that the Product(s) are appropriate to be marketed or distributed to those Customers and will provide fair value to those Customers including for a reasonably foreseeable future period.
- 6.14 The Agent shall be liable and responsible for any and all advice, recommendations and/or guidance given to Customers.
- 6.15 The Parties (with the consent of the Customer) shall provide each other with relevant and appropriate information to ensure that (as far as is possible) any reasonable adjustments can be made for any Customers with accessibility needs or any other special needs or requirements.

7 New Business

- 7.1 The Agent shall ensure that all relevant and appropriate information the Customer has provided to the Agent in relation to any Policy (regardless of the method of provision) is supplied to H&L in such format as H&L may reasonably require. The Agent accepts and shall inform Customers that if the Customer Information it provides to H&L is incomplete or inaccurate or misleading or out of date H&L or the Insurer:
- 7.1.1 may cancel the Policy and refuse to pay any Claims; and/or
- 7.1.2 may not pay any Claim in full; and/or

- 7.1.3 may revise the Premium and/or change any excess; and/or
- 7.1.4 vary the extent of the cover.
- 7.2 The Agent shall ensure that the Customer Information it provides to H&L is complete, error free, up to date, correct and accurate and is supplied in a timely manner.
- 7.3 If the Agent becomes aware of any inaccuracy, non-disclosure or misrepresentation in connection with such Customer Information, the Agent will inform H&L as soon as possible of this and provide such additional information as H&L may request.
- 7.4 The Agent will promptly seek and provide any further Customer Information which H&L or the Insurer may reasonably require in order to underwrite, administer or service the Policy and/or to handle any Claims and/or Complaints.
- 7.5 The Agent will promptly forward to the Customer all requests for any further information and documentation as H&L or the Insurer may reasonably require.
- 7.6 The Agent agrees to inform H&L as soon as possible of any changes in the Customer's circumstances that may affect the cover under the Policy.
- 7.7 H&L will record the Customer Information provided by the Agent in relation to any proposed Policy in the Policy Documentation which will be issued by H&L to the Agent.
- 7.8 Following the conclusion of a Policy H&L will confirm the Policy cover to the Agent by issuing the Policy Documentation.
- 7.9 Before issuing the Policy Documentation to a Customer the Agent will be responsible for checking that it accurately reflects the Customer Information, the Customer's demands and needs, the risks they want to insure and the level of cover required and that the Policy is suitable for the Customer in the event of an advised sale. Any variance with the Agent's or the Customer's understanding must be notified to H&L as soon as reasonably possible and in any event no later than seven (7) Business Days.
- 7.10 The Agent will forward all Policy Documentation issued by H&L to the Customer without delay and in compliance with the Applicable Laws.
- 7.11 Where there is a need to confirm cover in respect of a Policy to the Customer before receipt of the Policy Documentation, the Agent shall thoroughly check any Policy Documentation or written communication issued by H&L setting out any terms and conditions as may be required by the Insurer as a prerequisite to providing cover under the Policy; and the Agent will arrange for the Customer to satisfy any conditions which need to be satisfied as a condition precedent to inception or continuation of cover. Any variance with the Agent's understanding must be advised to H&L as soon as possible or within seven (7) Business Days after receipt of the written communication from H&L setting out such terms and conditions.
- 7.12 The Agent will inform H&L if the Customer would prefer to receive communication about the Policy in paper format, or any other format to ensure accessibility.

8 Mid Term Adjustments, Cancellations, and Renewals

- 8.1 The Agent agrees to inform H&L promptly following notification by a Policyholder of any changes in the Customer's or the prospective Policyholder's circumstances that may affect the cover offered by the Insurer under the Policy. The Agent shall not confirm cover on behalf of H&L or the Insurer unless expressly authorised by H&L to do so in writing.
- 8.2 The Agent agrees to inform H&L without delay when a Policyholder requests cancellation of their Policy including in all instances where such notice is required to meet Applicable Laws.
- 8.3 If the Agent on the Customer's behalf asks H&L to make a mid-term change to a Policy and the terms and conditions change as a result of the mid-term change, H&L will inform the Agent of this and provide a written explanation for the changes to those terms and/or conditions.
- 8.4 H&L will endeavour to prepare and issue renewal Policy Documentation for expiring Policies to the Agent in accordance with Applicable Laws.

- 8.5 The renewal Policy Documentation will include details of any changes to the terms and conditions that will apply to the Policy or to the items covered from the renewal date.
- 8.6 The Agent has no authority to make any changes to markings on or amendments to the face or content of the renewal Policy Documentation that is issued to the Agent by H&L.
- 8.7 The Agent will pass the unaltered renewal Policy Documentation issued by H&L to the Policyholder as soon as possible and in accordance with Applicable Laws.
- 8.8 Confirmation of renewal instructions for the Policy must be passed to H&L by the Agent before or on the renewal date. If renewal instructions are not received in time the Policy will lapse and a new Policy will be required.
- 8.9 If the Policyholder is paying their Premium using the premium finance provider introduced to the Policyholder by H&L and decides that they either do not want to renew their Policy or do not want to continue to pay their Premium using the premium finance facility, (in each case) the Agent must inform H&L of this on or before the Policy renewal date. If H&L is not so informed the Policy and/or the premium finance facility (as applicable in the circumstances) will be renewed automatically.
- 8.10 If H&L and/or the Insurer(s) decide not to invite renewal of an expiring Policy, H&L will advise the Agent of this within such timeframe as will allow the Agent to comply with Applicable Laws.
- 8.11 The Agent shall not:
- 8.11.1 place any unnecessary barriers on Policyholders for cancelling any automatic renewal feature of their Policy;
 - 8.11.2 at any time do anything to prevent or hinder a Policyholder from cancelling any automatic feature of their Policy; and/or
 - 8.11.3 charge any Policyholder for cancelling any automatic renewal feature of its Policy.

9 Claims

- 9.1 The Agent shall notify H&L, the Insurer or the Authorised Representative (as the case may be under the Policy Documentation) without delay upon receipt of notice of a Claim from a Policyholder. Such notification of a Claim shall be made by the Agent in accordance with the terms and conditions of the Policy. Notification of a Claim by a Policyholder to the Agent is not and shall not be considered to be a notification of the Claim to H&L, the Insurer or the Authorised Representative (as applicable in the circumstances).
- 9.2 The Agent has no authority to act on behalf of H&L or the Insurer in respect of any Claim (and without limiting the generality of the former this also includes dealing with or handling any and all aspects of a Claim) and has no authority to commit H&L or the Insurer in any way or to arrange a settlement of any Claim or its settlement.
- 9.3 The Agent shall not withhold any information, data or documents (in each case) relevant to a Claim.

10 Complaints and Complaints Handling

- 10.1 Each Party will inform the other Party of any Complaint concerning the other Party and in addition the Agent shall inform H&L of any Complaint regarding the Insurer (in each case) relating to the Products, the General Insurance Business transacted hereunder, a Policy, the Policy Documentation and/or a Claim.
- 10.2 The Agent will inform and forward to H&L without delay upon receipt, copies and full details of any and all Complaints, feedback and/or comments (in each case) which relate in any way to the activities which H&L or the Insurer is responsible.
- 10.3 Where a Complaint received by the Agent (directly or otherwise) relates to an activity for which H&L is responsible pursuant to this Agreement the Agent shall:
- 10.3.1 co-operate with H&L in the investigation and resolution of any such Complaint and allow H&L to deal directly with the Complainant;

- 10.3.2 make no statement, undertaking, assurance, representation or response (other than an acknowledgement of receipt) to a Complainant or his representative without prior H&L's prior written approval.
- 10.4 H&L will promptly notify the Agent about any Complaints it receives about the Agent or about H&L where the Complaint relates to a Policy that has been arranged by the Agent.
- 10.5 Where a Complaint received by H&L (directly or otherwise) relates to an activity for which the Agent is responsible H&L shall:
- 10.5.1 co-operate with the Agent in the investigation and resolution of any such Complaint, and
- 10.5.2 make no statement representation or response (other than an acknowledgement of receipt) to a Complainant or his representative without prior consultation with and the Agent's written approval.
- 10.6 The Agent shall have in place suitable procedures for identifying and handling customer Complaints and ensure that such procedures are compliant with Applicable Laws in respect of the identification of Complaints, Complaints handling and Complaint reporting.

11 Sub-Delegation

- 11.1 The Agent shall not use, delegate, sub-contract, appoint or engage any Appointed Representative for or in connection with this Agreement, unless such Appointed Representative has been approved in writing in advance by H&L. H&L shall not be required to give any reasons for its refuse of any Appointed Representative and H&L may in its absolute discretion decline any General Insurance Business transacted by an Appointed Representative that has not been so approved.
- 11.2 Where H&L has granted permission in writing to the Agent to sub delegate to a Sub-Agent, intermediary or to use the services of any Third Party for or in connection with any of the Agent's obligations under this Agreement or to introduce General Insurance Business to H&L either directly or indirectly, such permission shall be conditional upon the Agent:
- 11.1.1 ensuring and warranting (in each case) on a continuing basis to H&L that any such Sub-Agent, intermediary or Third Party is authorised directly by the FCA or exempt;
- 11.1.2 notifying H&L upon request of the full legal name, registered office address (or principal place of business) and regulatory status and any financial services number and registered company number of any such Sub-Agent, intermediary or Third Party;
- 11.1.3 being and remaining fully liable to H&L under this Agreement for the acts and omissions of any and all such Sub-Agent, intermediary or Third Party (in each case) irrespective of any arrangement the Agent may make with any Sub-Agent, intermediary or Third Party;
- 11.1.4 procuring and ensuring that any such Sub-Agent, intermediary or Third Party complies with the terms of this Agreement as if it were a party to it;
- 11.1.5 ceasing to introduce General Insurance Business through any such Sub-Agent, intermediary or Third Party upon H&Ls request; and
- 11.1.6 complying with the additional provisions of Schedule 2 to this Agreement.

12 Responsibility for Premium

- 12.1 Subject to clause 12.3, H&L permits the Agent to act as the agent of the Insurer for the collection, receipt and/or return of Premiums. H&L holds confirmation from the Insurer that the Insurer will accept Risk Transfer in respect of such monies in accordance with FCA Rules.
- 12.2 The Agent shall not delegate, authorise, permit or otherwise (in each case whether directly or indirectly and whether by act or omission) any Sub-Agent, person, sub-intermediary or Third Party to collect, receive, hold, return and/or pay any monies on behalf of the Insurer without H&Ls prior written consent.

- 12.3 Notwithstanding clause 12.1, as a condition of the grant of the consent by the Insurer set out at clause 12.1 the Agent shall:
- 12.3.1 have the appropriate regulatory authorisations and permissions to undertake the activities contemplated and fulfil their obligations (in each case) under this Agreement;
 - 12.3.2 hold monies due to the Insurer(s) either:
 - (i) in a segregated separate bank account with a designation which describes the account as a premium monies account held in fiduciary capacity on behalf of all the insurers for whom that money is held by the Agent according to their respective interests, or
 - (ii) in a statutory or non-statutory trust account that is separate from the assets of the Agent in compliance with CASS 5. Such an account may contain monies held on behalf of other insurers and be designated in a manner to distinguish the account from the Agent's general funds;
 - 12.3.3 pay monies due to the Insurer within the terms of this Agreement;
 - 12.3.4 acknowledge that this Agreement shall terminate immediately (without notice) in the event that the Agent becomes the subject of liquidation, insolvency, bankruptcy, winding-up or similar proceedings;
 - 12.3.5 acknowledge that this Agreement shall terminate immediately upon cessation or revocation of the Agent's authorisation by the FCA and/or a variation of regulatory permissions under FSMA which precludes the Agent from undertaking the regulated activities contemplated by this Agreement; and
 - 12.3.6 not delegate this relationship to any other person or company.
- 12.4 The Insurer hereby consents to monies referred to under 12.1 being co-mingled with Client Monies. Furthermore, the Insurer consents to monies referred to under 12.1 held in a Client Monies account being subordinated to those of the Agent's clients in accordance with CASS 5 and further agrees that any interest earned on the said account shall accrue to the Agent.
- 12.5 This Risk Transfer arrangement is effective from the date of the last signature to this Agreement and will expire when current rules under CASS are replaced by any future agreements governing the treatment of monies.
- 12.6 In the event of the insolvency of the Agent, Sub-Agent, intermediary or Third Party, the Agent shall co-operate fully with H&L and the Insurer and, where possible, assist H&L the Insurer to fulfil their respective obligations to relevant Policyholders under General Insurance Business transacted.
- 12.7 Each of H&L and the Insurer may, at their discretion, require the Agent to suspend or cease the introduction of General Insurance Business.
- 12.8 The Agent acknowledges the right of the H&L and the Insurer, respectively, to audit and/or request balance and summaries of all monies held by the Agent at any point in time and that such summaries will be provided to H&L and/or the Insurer within seven (7) Business Days of receipt of any such request.

13 Credit Periods

- 13.1 H&L will allow the Agent a period of credit within which to account to H&L. The Credit Period will be twenty-one (21) days calculated from end of the calendar month during which a Policy was inception or renewed or any additional or return Premiums are due, or as otherwise agreed in writing between the Parties.
- 13.2 H&L may amend, vary, suspend or withdraw any credit period which it allows the Agent forthwith if the Agent fails to comply with this Agreement or where H&L in its reasonable opinion consider it necessary to do so in order to protect its interests; and any monies held by the Agent on behalf of H&L, or the Insurer will become immediately due and payable to H&L.

14 Remuneration

- 14.1 The Agent shall comply with Applicable Laws regarding the disclosure of remuneration and incentives received for or in connection with this Agreement and any arrangements it may have in connection with the General Insurance Business. The Agent warrants on a continuing basis that the remuneration payable to it in relation to the General Insurance Business conducted under this Agreement is properly incurred and due in relation to its activities carried out and agrees that such remuneration does not constitute an unlawful inducement of any kind.
- 14.2 Provided that the Agent complies with this Agreement and Applicable Law, H&L will pay Commission to the Agent for each Policy inception or renewed in consequence of an introduction under this Agreement subject to the conditions set out in clause 14 (Remuneration).
- 14.3 The following clauses apply where the Product and/or Policy (in each case) is for home insurance:
- 14.3.1 where the Agent is a price setting intermediary (as defined within the FCA Rules), the Agent shall comply with the applicable provisions of the FCA Rules in this regard. Without limiting the generality of the former, the Agent shall ensure that the portion of the renewal price of the home insurance Policy it sets or its contribution to that portion is set at a level that is no higher than it would be set for a new business customer (as defined by the FCA Rules);
- 14.3.2 should the Agent exercise its discretion to forego any Commission (whether in whole or in part) or offer a cash equivalent incentive (in each case) when selling a home insurance Policy to a new business customer, the Agent shall comply with the rules on incentives and discounts including, without limiting the generality of the foregoing, chapter ICOBS 6B of the FCA Rules;
- 14.3.3 the Agent shall (in respect of home insurance Policies):
- (i) not set a renewal price that is higher than the equivalent new business price (as defined within the FCA Rules) and when calculating the equivalent new business price shall comply with the rules on incentives and discounts (in each case) within chapter ICOBS 6B of the FCA Rules;
 - (ii) not systematically discriminate against Customers based on tenure and shall have regard to ICOBS 6B.2.40 and ICOBS 6B.2.49;
 - (iii) as soon as reasonably practicable and in any event within seven (7) Business Days following H&L's or the Insurer's reasonable request (from time to time) provide such information as may be requested to H&L or the Insurer to evidence compliance with clause 14.3 and as required pursuant to ICOBS 6B.2.51 (inclusive) to ICOBS 6B.2.59 (inclusive) to enable H&L or the Insurer to meet and satisfy itself of its attestation requirements pursuant to ICOBS 6B.2.60.
- 14.4 The amount of Commission payable to the Agent for each Policy will be agreed between the Parties on an individual basis and documented in writing. H&L may change the rate of Commission upon thirty (30) Business Days prior written notice to the Agent.
- 14.5 Subject to the terms of this Agreement, the Agent may deduct its Commission upon receipt from the Customer of the Gross Premium due and paid in respect of Policies issued. In this event, the Agent shall account to H&L with the Net Premium together with IPT and VAT (where relevant) at the end of the relevant credit period. H&L reserve the right to withdraw this facility at any time if the Agent fails to comply with any of the terms of this Agreement or where H&L in its reasonable opinion consider it necessary to do so in order to protect H&L's interests.
- 14.6 Where H&L returns any part of the Premium to a Policyholder the Agent will immediately (unless a different timing is permitted by H&L) repay H&L the equivalent proportion of Commission received by the Agent which is attributable to that part of the Premium repaid.
- 14.7 In the event of the cancellation or avoidance of a Policy, and where H&L or the Insurer is obliged by Applicable Law or the terms of the Policy to refund the Premium, the Agent shall repay its portion of the relevant Commission in full, without deduction, withholding and/or counterclaim. In the case of cancellation of a Policy, such repayment will be only in respect of the Commission received by the Agent which is attributable to that part of the Premium repaid. H&L may offset any such amounts due to it against Commission payable to the Agent.

- 14.8 The Agent is not entitled to Commission:
- 14.8.1 unless it has received instructions to act on behalf of the Customer in relation to the Policy and has received the Premium in full and in cleared funds from the Customer (where clause 14.5) applies;
 - 14.8.2 until H&L has received the Premium in full and in cleared funds or (if applicable) the first instalment in full and in cleared funds in relation to the Premium due to H&L under any credit facility granted to the Policyholder by the premium finance provider that H&L has introduced to the Policyholder;
 - 14.8.4 more than once on each Gross Premium paid for each Policy issued pursuant to this Agreement;
 - 14.8.5 on any part of the Premium which includes or consists of any tax or levy or withholding;
 - 14.8.6 on any handling charge in respect of the credit facility granted to the Policyholder by the premium finance provider H&L has introduced to the Policyholder in relation to the Premium.
- 14.9 Where the Premium is being funded by the credit facility introduced to the Policyholder by H&L the Agent will be credited with their Commission within twenty-eight (28) days from the end of the calendar month during which the Policy was inception or renewed, provided always that the Premium (or first instalment as applicable) has been received in full and in cleared funds.
- 14.10 If H&L has been informed of the Agent's bank account details, Commission payments due will be made by an electronic payment method.
- 14.11 Where any dispute arises between the Agent and another intermediary or a Sub-Agent or any other person (in each case) concerning or relating to entitlement or reimbursement of Commission, H&L reserves the right to decide who shall receive or reimburse such Commission. For the avoidance of doubt, the Agent or intermediary who received the Policyholder's instructions and communicated those instructions to H&L when the Policy inception or was last renewed shall be entitled to the entirety of the Commission. If the Policyholder transfers their Policy from another intermediary to the Agent mid-term, if there is a Policy adjustment or cancellation the Agent shall be responsible for repaying the portion of the relevant Commission to H&L or the Insurer.
- 14.12 The Agent shall at H&L's request provide H&L with all necessary and relevant information to enable H&L and/or the Insurer to identify the remuneration associated with the distribution arrangements to allow H&L and/or the Insurer to assess the ongoing value of the Product, including at least:
- 14.12.1 the type and amount of remuneration of each person in the distribution arrangement where this is part of the Premium or otherwise paid directly by the Policyholder,
 - 14.12.2 an explanation of the services provided by each person in the distribution arrangements; and
 - 14.12.3 confirmation from any person in the distribution arrangements that any remuneration is consistent with their regulatory obligations including SYSC 19F.2 (IDD remuneration incentives).

15 Settlement and Accounts

- 15.1 H&L will prepare and provide a statement of account (the "**Statement of Account**") to the Agent in each calendar month any Premium is due and payable to H&L or the Insurer in respect of the period covered by the Statement of Account. Such Statement of Account will show any Premium due and payable and will form the basis of settlement between the Parties.
- 15.2 The Agent will reconcile the Statement of Account with its own records and settle the amount shown on each monthly Statement of Account as due and payable to H&L no later than the 21st day of the month in which such payment is due and payable, or as otherwise agreed in writing between the Parties. Payment should be made to H&L by a H&L's preferred electronic payment method.

- 15.3 The Agent will settle the amount due and payable as at the Statement Date irrespective of any:
- 15.3.1 credit arrangements it has made with, or credit facilities it has procured for the Customer;
 - 15.3.2 delays due to any deficiencies in its own accounting systems;
 - 15.3.3 any failure on the part of the Customer to pay the Premium or the Agents inability to collect the Premium, unless the Parties have agreed in writing otherwise.
- 15.4 Where the Agent has confirmed to H&L that cover is required, H&L may cancel a Policy from inception in the event of non-payment by the Agent. Alternatively, H&L may demand the full Premium or at least the pro-rata time on risk Premium plus a charge to cover operational costs. In these circumstances the Agent shall pay H&L for any amount that is due to be paid by the Customer.
- 15.5 The Agent must notify H&L promptly and in any event within fifteen (15) calendar days following the commencement or renewal of a Policy or following a mid-term change to an existing Policy if a Policyholder has failed to pay the Agent the Premium or part of the Premium due to H&L and/or the Insurer.
- 15.6 In the event that the Agent receives the Premium from a Policyholder after the time permitted and provided the Policy has not been validly cancelled and H&L has confirmed to the Agent in writing that the Policy may continue, the Agent shall pay the Premium to H&L no later than seven (7) Business Days from the date of receipt from the Policyholder.
- 15.7 If the Premium is not received in full and cleared funds by H&L by the due date this will be considered to be a breach of the terms of this Agreement. In these circumstances H&L reserves the right to either:
- 15.7.1 suspend some of the authority granted to the Agent under this Agreement; or
 - 15.7.2 issue notice of termination to the Agent in accordance with clause 22 (termination).
- 15.8 H&L reserves the right to charge the Agent interest on any amount which is overdue in accordance with the Late Payment of Commercial Debts (Interest) Act 1998.

16 Promotional and other Materials

- 16.1 From time-to-time H&L will provide the Agent with promotional or other general material in respect of the Products.
- 16.2 The Agent will not under any circumstances reproduce or re-brand such materials without prior written consent from H&L.

17 Intellectual property

- 17.1 Neither Party shall use the other Party's Intellectual Property Rights other than in accordance with and for the purposes of this Agreement, unless the other Party provides its prior written consent to such use.
- 17.2 Each Party shall keep the other indemnified from and against direct and fully mitigated losses, proceedings and reasonable costs and expenses (including legal costs), arising out of or in connection with any claim, proceedings, action or demand made or raised by any person in which it is alleged that use of the other Parties Intellectual Property Rights for any of the purposes of this Agreement does or may infringe the rights of any person.
- 17.3 Neither Party shall, by virtue of this Agreement (other than as set out in this clause), acquire any proprietary right, title or interest to or in any trademark, trade name or logo belonging to the other Party (or to any member of that other Party's Group).
- 17.4 Except as provided by this Agreement neither Party shall without the prior written consent of the other Party make use of any trademark copyright or indication of origin belonging to the other Party (or to any member of its Group).
- 17.5 The Agent shall not adopt as a trademark any mark or name so resembling any of H&L's (or to any member of its Group) as is likely to cause confusion or deception.
- 17.6 The Agent agrees that it shall not itself and shall not procure a Third Party to apply to register in any jurisdiction any mark or name identical to or similar to any trademark (whether or not registered) comprised in H&L (or to any member of its Group).

18 Confidential Information

- 18.1 Save as expressly provided in this Agreement, the Parties agree that they shall not, directly or indirectly either alone or jointly with any other person use, disclose or otherwise divulge any Confidential Information relating to the other Party or its Group to any Third Party.
- 18.2 The obligations of confidentiality set out in clause 18.1 shall not apply to information which is:
- 18.2.1 required to be shared with other insurers, reinsurers, credit reference agencies and information agencies with regard to credit agreements, policies and claims primarily to help assess risks, handle Claims and prevent fraud;
 - 18.2.2 required to be disclosed by law, registered stock exchange, court order, by any regulator of either Party, or by a quasi-jurisdictional body with jurisdiction over a Party. Each Party acknowledges that the FCA may publish information that is disclosed to it;
 - 18.2.3 lawfully in the possession of the other Party at the time of the disclosure;
 - 18.2.4 in the public domain otherwise than through a breach of this Agreement;
 - 18.2.5 to the extent that the other Party acquires or has acquired such Confidential Information free from any obligation or confidentiality from a third party who is not in breach of any obligation as to confidentiality to either Party; or
 - 18.2.6 disclosed to the professional advisers, lawyers, auditors of each Party provided that those professional advisers, lawyers, auditors owe a duty of confidentiality to the disclosing Party no less onerous than the confidentiality obligations set out in this clause 18.
- 18.3 Each Party will ensure that all of its employees or Sub-Agents to which Confidential Information is disclosed are aware prior to receiving the Confidential Information in question of the relevant Party's obligations pursuant to this clause 18 and are subject to obligations of confidentiality, non-use and non-disclosure (in each case) that are no less onerous than set out in this Agreement.
- 18.4 As between the Parties, all Confidential Information shall be owned solely by the disclosing Party. The unauthorised disclosure or use of such Confidential Information could cause irreparable harm and significant injury which may be difficult to ascertain. Accordingly, the disclosing Party shall have the right to seek an immediate injunction against any such unauthorised disclosure or use.
- 18.5 Each Party shall operate adequate procedures designed to ensure compliance with this clause 18 (Confidential Information).

19 Audit of Documentation, Records and Computer Systems

- 19.1 H&L shall maintain proper and adequate Records both during the course of this Agreement and thereafter. These Records shall be retained for a period of ten (10) years from the date of expiry or cancellation of the Policies to which they relate and for not less than five (5) years for the Records relating to any proposal for a Policy which is declined or is not taken up by a Customer, or if longer the minimum periods required by Applicable Laws. Without limitation, such Records will be securely stored and shall be sufficient:
- 19.1.1 for H&L to comply with its obligations under this Agreement;
 - 19.1.2 to verify and demonstrate H&L's compliance with Applicable Laws.
- 19.2 The Agent shall maintain proper and adequate Records both during the course of this Agreement and thereafter. These Records shall be retained for a period of ten (10) years from the date of expiry or cancellation of the General Insurance Business to which they relate and for not less than five (5) years for the records relating to any proposal for a Policy which is declined or is not taken up by a Customer, or if longer the minimum periods required by Applicable Laws. Without limitation, such Records shall be securely stored and shall be sufficient:

- 19.2.1 for the Agent to comply with its obligations under this Agreement;
- 19.2.2 to verify and demonstrate the Agent's compliance with Applicable Laws; and
- 19.2.4 to verify and demonstrate that it has complied with its obligations to H&L and the Insurer under this Agreement.

19.3 Either Party (or its representatives) during the period of this Agreement and for a period of ten (10) years thereafter shall be entitled and shall permit that Party's Relevant Regulatory Body to inspect and audit any documents, records and Records held or maintained or controlled by the other Party which relate in any way whatsoever to this Agreement for the purpose of verifying compliance with the terms of this Agreement and/or Applicable Laws and/or, in the case of a Party's Relevant Regulatory Body to undertake its statutory functions. The person undertaking the audit shall be entitled to take or make copies of any such document or record and, for the purpose of exercising its rights under this clause 19, shall be entitled to enter any office or other premises occupied by the Party being audited at any time during normal business hours, upon the auditing Party giving reasonable notice to the Party being audited.

19.4 In any such audit each Party shall permit the other Party the opportunity to meet with senior members of Staff to enable such auditing Party to verify that the other Party is complying with its obligations under this Agreement and to verify the documents, records and Records. The Party being audited will procure that its Staff will provide such information and explanations as the auditor reasonably considers necessary for the performance of their duties. Such audits will not take place more than once in any year unless required to comply with the requirements of a Party's or the Insurer's Relevant Regulatory Body(ies).

19.5 Should the Parties mutually agree following any such inspection of the records that either Party has been underpaid or overpaid (as the case may be) (in the absence of any dispute) the Party in credit to the extent of such under or over payment shall reimburse the amount of such under or over payment to the other Party within five (5) Business Days of the date of completion of such audit and agreement of the said underpayment between the Parties. In the event the Parties are unable to agree the amount of such under or over payment the Parties will endeavour to resolve the matter by non-binding mediation.

20 Right of Set-Off

20.1 H&L shall be entitled but not obliged at any time or times without notice to the Agent to set off any liability owed to H&L against any liability H&L owes to the Agent (in either case howsoever arising and whether any such liability is present or future, liquidated or unliquidated). Any exercise by H&L of its rights under this sub-clause 20.1 shall be without prejudice to any other rights or remedies available to H&L under this Agreement or otherwise.

20.2 The Agent shall be entitled but not obliged at any time or times without notice to H&L to set off any liability owed to the Agent against any liability the Agent owes to H&L (in either case howsoever arising and whether any such liability is present or future, liquidated or unliquidated). Any exercise by the Agent of its rights under this sub-clause 20.2 shall be without prejudice to any other rights or remedies available to the Agent under this Agreement or otherwise.

21 Personal Data and Data Protection

21.1 Either Party may obtain and Process Personal Data belonging to the other Party or supplied by Third Parties, to the extent necessary for the proper administration of this Agreement.

21.2 The Personal Data of the Agent or Staff may be used by H&L for the following purposes:

- 21.2.1 to search the files of credit reference and fraud agencies, who may keep a record of the search;
- 21.2.2 to support business development for example, by carrying out surveys or market research, or by providing information about H&L's products and services;
- 21.2.3 to communicate about any other general matters that relate to this Agreement.

21.3 The Agent must ensure that it procures the consent of all Data Subjects referred to within sub-clause 21.2 for the disclosure of their Personal Data to H&L for the purposes detailed within sub-clauses 21.2.1 to 21.2.3 inclusive.

- 21.4 Where the Agent collects Personal Data from Customers, Policyholders or Data Subjects (other than the Agent or Staff) for the purposes of this Agreement the Agent warrants that all appropriate privacy notice(s) have been provided (including the Insurer(s) privacy notice and H&Ls privacy notice) which include notification that the Personal Data collected may be transferred outside the Safe Countries.
- 21.5 The Personal Data referred to in sub-clause 21.4 will be used by H&L to provide quotes for Customers, administer Policies and Policyholder claims to meet contractual requirements for Policyholders; to administer third party claims, deal with complaints and prevent financial crime to meet legal obligations, to manage the H&L business and to conduct market research to meet H&Ls legitimate business needs (the “**Purposes**”).
- 21.6 The Personal Data will be Processed only for so long as is reasonably necessary to achieve the Purposes required for under the terms of this Agreement, or as required by law or contract.
- 21.7 H&L may share the Personal Data collected for the Purposes with:
- 21.7.1 credit reference, fraud prevention and other agencies, for example; the Motor Insurance Database (MID) and the Insurance Fraud Bureau (IFB);
 - 21.7.2 approved suppliers, for example vehicle repairers, legal advisors, loss adjusters, premium finance companies and risk surveyors;
 - 21.7.3 insurers, third party underwriters, reinsurers, Relevant Regulatory Bodies, law enforcement, the Financial Ombudsman Service (FOS); and other organisations that provide services;
 - 21.7.4 prospective buyers in the event that H&L’s business (in whole or in part) or its shares (in each case) may be sold.
- 21.8 Each Party confirms that they each shall from time-to-time act as Data Controller or Data Processor in relation to the Personal Data. Each Party shall comply with all the requirements of the Data Protection Legislation for and/or in connection with this Agreement.
- 21.9 Where the Agent (when acting as agent of H&L under this Agreement) or (if applicable) its sub-contractors acts as Data Processor for H&L (as Data Controller), it shall, or (if applicable) shall procure that its sub-contractors shall, at its own cost:
- 21.9.1 Process the Personal Data only in accordance with the Data Controller’s written instructions and to the extent reasonably necessary for the performance of its obligations under this Agreement (except where it is required by applicable law to Process such Personal Data otherwise). If the Data Processor is ever unsure as to the parameters of the instructions issued by the Data Controller it shall immediately revert to the Data Controller for the purpose of seeking clarification;
 - 21.9.2 not do or permit anything to be done through any act or omission which would cause the Data Controller or any affiliate of the Data Controller to incur any liability under any Data Protection Legislation. The Data Processor shall co-operate fully with the Data Controller in respect of any matter which in the opinion of the Data Controller is required for ensuring the Data Controller’s continued compliance with the Data Protection Legislation;
 - 21.9.3 take reasonable, appropriate steps to ensure the reliability of any of personnel who have access to the Personal Data and to ensure they are appropriately trained and that any personnel responsible for processing the data are subject to a duty of confidentiality;
 - 21.9.4 not retain any Personal Data for longer than is necessary to perform its obligations under this Agreement or under Applicable Law and upon the Data Controller’s reasonable request, securely destroy or return such Personal Data;
 - 21.9.5 maintain up to date written records of all Personal Data Processed and all Processing activities carried out under this Agreement containing the information prescribed in applicable Data Protection Legislation. The Data Processor shall promptly make these records available to the Data Controller, the Information Commissioner and any applicable law enforcement authority immediately upon the Data Controller’s request;

21.9.6 without prejudice to its other obligations arising from this Agreement:

- (i) implement Appropriate Technical and Organisational Measures to ensure the security of any Personal Data held (including appropriate encryption) and to avoid a data breach. When considering what measures are appropriate, the Data Processor shall have regard to the state of technological development and the cost of implementing any measures to ensure a level of security appropriate to the harm that might result from a data breach;
- (ii) provide the Data Controller with such assistance in ensuring compliance with its obligations pursuant to Articles 32 to 36 of the UK GDPR, taking into account the nature of Processing and the information available to the Data Controller, and
- (iii) promptly (but in any event within 24 hours of becoming aware) notify the Data Controller of any request to perform an activity in breach of the Data Protection Legislation or of any actual or attempted data breach and take such steps as the Data Controller, the Information Commissioner or any other law enforcement authority may reasonably require, within the timescales required by such entities, to remedy such breach and provide such further information as any of those entities may reasonably require;

21.9.7 immediately refer to the Data Controller any requests, notices or other communication from Data Subjects, the Information Commissioner, any other law enforcement authority or any other relevant third parties, to the extent permitted by applicable law, and provide the Data Controller, at no additional cost, with all reasonable information, assistance and cooperation it requests in relation to any:

- (i) exercising of any Data Subject rights under the Data Protection Legislation;
- (ii) claim for damages under the Data Protection Legislation; and/or
- (iii) investigation or enforcement activity by the Information Commissioner or any other Relevant Regulatory Body or regulator, relating to, connected with, or arising out of the Processing of the Personal Data.

21.10 It is acknowledged that each Party may transfer Personal Data outside the Safe Countries and where any Personal Data is transferred outside the Safe Countries it will at all times be held securely and the transferor shall comply with all applicable Data Protection Legislation.

21.11 Each Party hereby permits the other to engage sub-contractors to act as Data Processors to Process the Personal Data on their behalf provided always that such Processing is carried out in accordance with the Data Protection Legislation and sub-clause 21.6 above and that each Party remains liable to the other for the activities of any third-party Processor appointed on their behalf.

21.12 Each Party shall procure that all of its employees, consultants, agents and sub-contractors undertake to comply with the provisions set out herein and shall ensure that any Third Parties are engaged on a written agreement giving commitments in relation to the Processing of Personal Data no less onerous than those set out in this Agreement. Each Party shall be fully liable for the acts of any of their Third-Party consultants, agents and sub-contractors in relation to the Personal Data.

21.13 Each Party's total liability in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, arising from or in connection with a breach in respect of the Data Protection Legislation shall not exceed £2,000,000 (two million pounds) for any single event or series of related events.

22 Termination of Appointment

22.1 This Agreement may be terminated at any time by either Party serving not less than thirty (30) days prior written notice of termination to the other; or earlier by mutual written agreement.

22.2 This Agreement and the Agent's authority to transact General Insurance Business with H&L under this Agreement will terminate automatically and immediately without notice:

- 22.2.1 where the Agent is in material breach of this Agreement and in the case of a breach that is capable of remedy has failed to remedy that breach within twenty-eight (28) Business Days from the date of any written notice issued by H&L to the Agent specifying the details of the breach and requiring it to be remedied;
 - 22.2.2 upon cessation, revocation or variation of registration or permission by a Relevant Regulatory Body which precludes the Agent from undertaking the activities contemplated by this Agreement;
 - 22.2.3 where H&L has reasonable grounds to suspect any act of fraud, dishonesty or misconduct by the Agent or its Staff;
 - 22.2.4 if any civil or criminal charges which H&L believe to be material to the operation of this Agreement have been brought against the Agent or its Staff;
 - 22.2.5 on the bankruptcy, insolvency or liquidation of the other Party;
 - 22.2.6 on the approval of the other Party's creditors of a voluntary arrangement;
 - 22.2.7 on the making of an Administration order or on the filing of documents with a court of competent jurisdiction for the appointment of an administrator of the other Party;
 - 22.2.8 if the other Party takes or suffers any similar or analogous action to that set out in clauses 22.2.5 (inclusive) to 22.2.7 (inclusive) in any jurisdiction in consequence of debt;
 - 22.2.9 if the Agent ceases or threatens to cease to carry on business or suspend payments or is unable to pay its debts as they fall due; or
 - 22.2.10 if the Agent ceases to trade.
- 22.3 H&L may terminate the Agreement upon thirty (30) days prior written notice to the Agent in the event of a Change of Control of the Agent.
- 22.4 The right to terminate this Agreement under this clause 22 shall be without prejudice to any accrued rights and obligations prior to termination and any other right or remedy of either Party in respect of the breach concerned (if any) or any other breach. Termination of the Agreement for any reason shall not affect any clause in the Agreement expressed or from its content clearly intended to apply after termination as well as before.

23 Termination Consequences

- 23.1 The obligations and actions set out in the following clauses shall all arise immediately upon termination for whatever reason and whether such termination is legal or not.
- 23.2 The Agent shall cease to offer General Insurance Business or hold itself out as authorised to offer General Insurance Business on H&L's behalf. The Agent shall cease to market the Products and to introduce Customers to H&L.
- 23.3 The Agent will cease to exercise all rights and authorities granted to it under this Agreement.
- 23.4 The Agent shall continue to communicate with H&L relating to events occurring prior to termination.
- 23.5 The Parties will together agree the procedure for administering relevant General Insurance Business and any existing Policies at the time of termination, including if required the orderly run-off of the Policies.
- 23.6 The Agent will co-operate with H&L and/or the Insurer in providing information (including the contact details for any Policyholder or other person with whom the Agent has contracted in the conduct of General Insurance Business) reasonably required to achieve an orderly and proper run-off of the business in accordance with the law where such information is required for H&L and/or the Insurer to carry out their obligations in relation to any relevant General Insurance Business or Policies in accordance with this Agreement.
- 23.7 H&L reserves the right to and may deal directly with Policyholders for the purpose of administering and maintaining and updating the Policyholders insurance cover; dealing with any claims arising under such cover, and where necessary and permissible in order to comply with contractual or Applicable Laws.

- 23.8 Any Credit Period which H&L may have allowed the Agent will cease and the Agent will pay immediately and without delay all monies that are due and owing to Policyholders, H&L and/or the Insurer.
- 23.9 H&L will prepare a Statement of Account showing the amount due and owed between the Parties and/or the Insurer (as the case may be). The Statement of Account will be settled by the Party who owes the balance on the Statement of Account. If thereafter any further amounts are identified as being owed by the Parties (such as Premiums due from the Agent in relation to Policies accepted under this Agreement but received after the issue of the Statement of Account) they will be paid immediately upon demand by the Party who owes the balance.
- 23.10 The Agent's right to receive Commission will cease from the date of termination other than in respect of Policies placed by the Agent up to and including the date of termination.
- 23.11 Where at the date of termination Premiums are due from Policyholders for Policies issued before termination the Agent may collect the Premium directly from the Policyholder and retain the Commission in respect of all monies owed by the Agent to H&L.
- 23.12 The Agent will cease using and return to H&L any property which the Agent holds on H&Ls behalf in any form.
- 23.13 Upon termination of this Agreement save where specifically provided otherwise herein, the rights and obligations of the Parties hereto shall continue as appropriate, in accordance with the provisions of the Agreement in respect of relevant General Insurance Business or Policies placed or written under this Agreement and continuing at the time of termination until such Policies have expired or otherwise been terminated.
- 23.14 Termination for any reason shall be without prejudice to any rights, claims or actions which one Party may have against another in respect of any matter occurring prior to termination. In addition, termination of this Agreement for any reason shall not affect those provisions which are expressed to operate or have effect after termination.
- 23.15 On termination of this Agreement for any reason whatsoever any clause which expressly or by implication is intended to survive termination of this Agreement shall survive termination and remain in effect.

24 Customer Relationship and Information (Non-solicitation)

- 24.1 Except as provided under clause 23 and as set out in sub-clause 24.2 below, H&L will not use information acquired from the Agent during the currency of the Agreement or following termination in connection with the General Insurance Business transacted through this Agreement other than to comply with Applicable Laws or to administer and perform the Policies and/or Claims to which it relates.
- 24.2 H&L may deal directly with Policyholders in respect of the Policies in order to comply with Applicable Laws.
- 24.3 H&L may market its products and services to Customers who contact H&L directly or who hold insurance contracts or Policies as a consequence of having been introduced through another source.
- 24.4 Nothing in clause 24 shall prevent H&L from soliciting any person who has taken out a policy independently of the Agent for the purposes of protecting the interests of any Policyholder.

25 Notices

- 25.1 Any notice to be given by a Party under this Agreement shall be in writing and shall be served by delivering it personally, sent by post, or email to:
- 25.1.1 in the case of notices sent to H&L by post or delivered personally, to its principle place of business from time to time and marked for the attention of the Managing Director; in the case of notices sent to H&L by email to info@homeandlegacy.co.uk; and (in each case) with a copy sent by post or delivered personally to H&L's registered office address (from time to time); and
- 25.1.2 in the case of notices to the Agent, to the Agent's registered office address from time to time or where it does not have a registered office address to its principle place of business;
- or in either case, to such email addresses or other addresses as the Party concerned may have notified to the other Party from time to time in accordance with this clause.
- 25.2 Any such notices shall be deemed to have been received:

- 25.2.1 if delivered personally, at the time of delivery;
- 25.2.2 in the case of post seventy-two (72) hours from the date of posting; or
- 25.2.3 in the case of email, on receipt of an automated delivery receipt or a valid delivery receipt.

26 Waiver

If H&L waives any breach of any of the Agent's obligations under this Agreement it will not preclude H&L from enforcing any continuing further or other breach of the Agent's obligations under this Agreement. Any waiver shall only be effective if in writing.

27 Severance

- 27.1 If any provision in this Agreement is declared by any court or administrative body of competent jurisdiction to be void, voidable, illegal or otherwise unenforceable such provision shall to the extent required be severed from this Agreement and rendered ineffective as far as possible without modifying the remaining provisions of this Agreement. Such severance shall not in any way affect any other circumstances or the validity or enforcement of this Agreement which shall remain in full force and effect in all other respects.
- 27.2 In the circumstances referred to in clause 27.1 the Parties shall attempt in good faith to negotiate and to agree a mutually acceptable provision in substitution of the severed provision which achieves as nearly as possible the commercial intention of both Parties.

28 Force Majeure

- 28.1 The Parties shall not be liable for any breach of their obligations, acts or omissions hereunder resulting from an Event of Force Majeure. Where an Event of Force Majeure arises, the Party whose obligations are suspended by virtue of the Event of Force Majeure shall use all reasonable endeavours to mitigate the effect of such circumstances and to carry out such obligations or duties hereunder in such other way as may be reasonably practicable in all the circumstances.
- 28.2 The Parties hereto agree to give notice to each other as soon as is reasonably practicable after first becoming aware of an Event of Force Majeure, such notice to contain details of the circumstances giving rise to the Event of Force Majeure.
- 28.3 In the event of a Party receiving notice from the other pursuant to clause 28.2, both Parties shall within fourteen (14) days of the notice jointly determine what measures, if any, can be put in place to prevent the occurrence (where possible) or mitigate the effect of the Event of Force Majeure.
- 28.4 If a default due to an Event of Force Majeure shall continue for more than four (4) weeks after expiry of the fourteen (14) day period provided for in clause 28.3, the Party not in default shall be entitled to terminate this Agreement by giving written notice to the other. The Parties shall have no liability to each other in respect of the termination of this Agreement between them as a result of an Event of Force Majeure, but rights and liabilities which have accrued prior to termination shall subsist.
- 28.5 Clauses 28.1 to 28.4 inclusive shall not apply in circumstances where there is an effective implementation of a disaster recovery programme.

29 Rights of Third Parties

A person who is not a Party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 (the "Act") to enforce any term of this Agreement but this does not affect any right or remedy of a Third Party which exists or is available apart from the Act.

30 Staff

Each Party shall employ competent personnel and shall ensure that its personnel are at all times appropriately trained and properly able to deal with the matters arising under this Agreement for which it is responsible. The Parties shall comply with their respective equality and diversity policies.

31 Amendment

- 31.1 No waiver, alteration, variation or addition to this Agreement shall be effective unless made in writing and accepted by an authorised signatory of both Parties which is expressly stated to amend this Agreement save that H&L may amend this Agreement unilaterally by written notice to the Agent if such amendment is necessary to enable H&L to meet the requirements of Applicable Law.
- 31.2 In the event of any such amendment being required as may be set out in the notice under this Clause, H&L will set out reasonable details regarding the clear and unambiguous change which may be required to address Applicable Law.

32 Warranty

- 32.1 Each Party warrants and undertakes to the other Party that:
- 32.1.1 it has full power, authority and capacity to enter into and perform the obligations comprised in this Agreement;
 - 32.1.2 it will use all reasonable efforts to perform its respective obligations within the spirit as well as the letter of this Agreement; and
 - 32.1.3 it will do nothing to damage the reputation of the other or hold itself out as entitled to bind the other save as expressly provided for herein nor pledge the credit in any way of the other Party.
- 32.2 Each Party in entering into this Agreement acknowledges that they do not do so in reliance on any representation, warranty or other provision except as expressly provided in this Agreement and any conditions, warranties or other terms implied by statute or common law are excluded from this Agreement to the furthest extent permitted by law.

33 Limitation of Liability

- 33.1 Each Party's aggregate liability to the other Party in connection with this Agreement (to the extent permissible by law) shall be limited to £2,000,000 (two million pounds).
- 33.2 No Party shall be liable to the other for any loss of profit or goodwill or any loss which is consequential, indirect or economic arising out of a breach of this Agreement, or otherwise, nor shall any Party be liable to the other if it is unable to comply with its obligations under this Agreement due to restrictions imposed by law after the Effective Date or by reason of representation or implied warranty condition or other term or any duty under common law.
- 33.3 Nothing in this Agreement shall exclude or restrict:
- 33.3.1 a Party's liability for death or personal injury caused by its negligence;
 - 33.3.2 a Party's liability for fraud; or
 - 33.3.3 a Party's liability for fraudulent misrepresentation.

34 Entire Agreement

This Agreement constitutes the entire Agreement and understanding between the Parties with respect to the subject matter hereof and supersedes all previous agreements and understandings between the Parties in respect hereto. Each Party acknowledges and agrees that, save as otherwise stated in the Agreement, it has not relied upon any representation statement warranty, undertaking, promise or assurance and neither Party shall be liable or have any remedy in respect of any misrepresentation or untrue statement, warranty, undertaking, promise or assurance unless and to the extent that a liability or remedy lies under the provisions of this Agreement. Nothing in this clause is intended to limit or exclude any Party's liability for fraud.

35 Good Faith

This Agreement is entered into in good faith and for the common benefit of the Parties, who undertake to promote each other's interests in accordance with the terms hereof.

36 Dispute resolution

Negotiation

36.1 The Parties shall in good faith refer any Dispute to the decision of the business managers of the Agent and of H&L who will attempt to settle the Dispute by negotiation. If these representatives are unable to settle the Dispute by negotiation within fifteen (15) Business Days, the Parties will refer the Dispute to the Chief Executive of the Agent and Chief Executive of H&L who shall attempt to settle the Dispute by negotiation.

Mediation

36.2 If the Chief Executives of the Agent and H&L are unable to settle the Dispute within fifteen (15) Business Days of the Dispute having been referred to them, the Parties shall attempt to settle the Dispute by mediation in accordance with the Centre for Effective Dispute Resolution ("CEDR") Model Mediation Procedure (the "Model Procedure").

36.2.1 To initiate a mediation a Party shall give notice in writing ("ADR Notice") to the other Party to the Dispute requesting a mediation in accordance with sub-clause 38.2.2 to sub-clause 38.2.5 below and shall send a copy of the ADR Notice to CEDR;

36.2.2 The procedure in the Model Procedure may be amended as agreed between the Parties;

36.2.3 If there is any disagreement between the Parties on the conduct of the mediation (including nomination of the mediator) within ten (10) Business Days of receipt of the ADR Notice, CEDR shall at the request of either Party decide the point on behalf of the parties having consulted them;

36.2.4 The mediation shall start not later than twenty (20) Business Days after the date of the ADR Notice;

36.2.5 The costs of the mediation shall be shared equally by the Parties, except that each Party shall bear its own legal costs.

Court Proceedings

36.3 If a mediated resolution to the Dispute is not achieved within sixty (60) Business Days of the referral to CEDR (or such additional time as the Parties may agree in writing), either Party may commence Court proceedings against the other Party to resolve the Dispute.

36.4 Except where prevented by the nature of the Dispute, the Parties shall continue to perform their obligations pursuant to this Agreement while the Dispute is being resolved.

36.5 Nothing in this clause 36 shall prevent any Party from seeking urgent provisional or similar interlocutory relief from the competent Courts before or during negotiations pursuant to sub-clause 36.1 or mediation pursuant to sub-clause 36.2.

37 Counterparts

This Agreement may be executed in any number of counterparts and by the Parties on separate counterparts, each of which so executed and delivered shall be an original, but all the counterparts shall together constitute one and the same agreement.

38 Partnerships

Nothing in this Agreement shall create or be deemed to create a partnership or joint venture between the Parties.

39 Announcements

Neither Party shall issue any announcement and/or any information or statement to any person (including, but not limited to, the press) relating to this Agreement or any part of it without the prior written consent of the other Party provided no such consent shall be required in the case of disclosure by a Party to a Relevant Regulatory Body or pursuant to a statutory obligation.

40 Anti-bribery

40.1 The Parties shall:

40.1.1 comply with all applicable laws, regulations, codes and sanctions relating to anti-bribery and anti-corruption including but not limited to the Bribery Act 2010 and shall not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010 (regardless of where such activity, practice, or conduct is carried out);

40.1.2 not offer or give, or agree to give, to any employee, agent, servant or representative of the other Party any gift or consideration of any kind as an inducement or reward for doing, refraining from doing, or for having done or refrained from doing, any act in relation to the obtaining or execution of this Agreement or any other contract, or for showing or refraining from showing favour or disfavour to any person in relation to this Agreement or any such contract;

40.1.3 have in place adequate procedures designed to prevent persons employed by or associated with them from bribing another person;

40.1.4 promptly report to the other Party any request or demand for any undue financial or other advantage of any kind received in connection with the performance of this Agreement.

40.2 Where a Party or a Party's employees, servants, sub-contractors, suppliers or agents or anyone acting on the Party's behalf, engages in conduct prohibited by this Clause in relation to this Agreement between the Parties, the other Party shall have the right to terminate this Agreement immediately and recover from the first Party the amount of any loss suffered by that Party resulting from such termination; or to recover in full from the first Party any other loss sustained by that Party in consequence of any breach of this Clause, whether or not this Agreement has been terminated.

41 Computer systems and software

Each Party acknowledges that it is possible for software to be produced by one which could corrupt the software or data of the other or cause that software to cease functioning or to malfunction, for the purpose of this Clause called a "virus". Each Party warrants to the others that to the best of its knowledge and belief, its software is free of viruses and each undertakes to use its best endeavours to keep its software free of viruses during the existence of this Agreement. In the event a virus is found in the software whether negligently or intentionally the Party who is responsible for its transmission will at its own expense, use its best endeavours to eliminate the effect of the virus and to restore any loss of operating efficiency or of data.

42 Taxes

42.1 The Parties take the view at the date of this Agreement that the payment of Commission pursuant to Clause 14 under this Agreement is exempt from VAT under current UK law. All the supplies made pursuant to or referred to in this Agreement fall into the category of insurance related services but if due to changes in any Regulations, interpretation of the same by HM Revenue and Customs and/or any services pursuant to this Agreement cease to be exempt from VAT, the Parties shall give full and detailed consideration as to whether any amendments to this Agreement should be made to ensure no additional costs arise for either Party.

42.2 In the event that IPT is applicable or deemed applicable by any tax authority or court in relation to a Policy in respect of any fee or other charge made to the Policyholder by the Agent, irrespective of the contract that such fee or other charge arises under, The Agent will:

42.2.1 promptly notify H&L in writing;

42.2.2 immediately introduce such processes as are necessary to account and commence accounting to H&L and the Insurer for IPT on the amount of such fees or charges; and

42.2.3 indemnify H&L and/or the Insurer from and against any and all costs, proceedings, actions, claims or demands and liabilities which H&L and/or the Insurer incurs (including legal costs and expenses) arising out of or in connection with any such IPT.

43 Disaster Recovery

43.1 Each Party shall make provision for the prompt and efficient handling of any incident such as the failure or malfunction or other non-availability of its telecommunications, computer service or systems, machines, equipment or other office infrastructure which impairs its ability to perform the obligations required of it by the Agreement.

43.2 Full details of the disaster recovery procedures referred to sub-clause 43.1 and operated by the Agent shall be provided to H&L on request.

44 Governing Law and Jurisdiction

44.1 This Agreement (and any dispute, controversy, proceedings or claim of whatever nature arising out of or in any way relating to this Agreement) shall be governed by and construed in all respects in accordance with the laws of England.

44.2 The Parties shall each submit to the exclusive jurisdiction of the courts of England and Wales.

SCHEDULE 1 - Electronic Trading

1 Introduction

H&L agrees to provide online facilities and accept electronic Transactions for General Insurance Business and/or the Products and/or Policies that are made available to the Agent via the System from time to time, however the Agent is under no obligation to carry out Transactions via the System.

All Transactions that are carried out by the Agent via the System will be subject to the terms of this Agreement including but not limited to the terms that are set out in this Schedule 1.

2 Definitions applicable to Schedule 1

2.1 The following words and expressions shall have the following meanings in this Schedule 1 except where the context otherwise requires. A defined term may be used in the singular or plural as appropriate:

"Message"	means Customer information and/or any other data which is transmitted electronically between the Agent and H&L for the purpose of arranging or administering a Policy including any part of such data;
"Software"	means computer programs, together with any technical information and documentation necessary for the use of such programs;
"System"	means the Software H&L will use as a basis for the electronic trading with the Agent which may be amended from time to time;
"System Supplier"	means the supplier of the System which is provided by H&L for use by the Agent within the United Kingdom which as at the date of this Agreement is: Acturis Limited, registered in England with company registered number 3998084 and whose registered office is at Courtyard Suite, 100 Hatton Garden, London, EC1N 8NX;
"Transaction"	means any Policy administration that is carried out via the System by the Agent's authorised Staff.

3 Operating Procedures and Security

- 3.1 The Agent will comply with all technical, operational and security requirements, processes and terms that are issued or may be required by H&L from time to time related to the use of the System.
- 3.2 The Agent agrees to ensure that access to the System is only requested for its Staff who have a valid business need to be able access the System.
- 3.3 The Agent's Staff requiring access to the System shall be nominated to H&L only by the Agent's Staff who are authorised from time to time by H&L to make such requests. (E.g. Principal, Director).
- 3.4 The Agent's nominated Staff will be provided with access to the System at H&Ls sole and absolute discretion and H&L may from time to time and without giving any prior notice to the Agent restrict, suspend, or remove any such right to access the System.
- 3.5 The Agent's Staff once approved by H&L shall be provided with usernames and passwords which will give them restricted access to the System. Upon accessing the System for the first time they will be prompted to choose a new password.
- 3.6 The Agent's Staff shall at all times ensure that their usernames and passwords are kept strictly confidential and are not shared with anyone else.
- 3.7 If an incorrect password is entered into the System repeatedly by any user of the System, their account will be locked automatically. The user's password will then need to be reset using the "reset password" System functionality or by contacting H&L to regain access.

- 3.8 If the password is forgotten by any user of the System their password will need to be reset using the System "reset password" functionality.
- 3.9 H&L will delete all accounts that have not been accessed for a period of (12) twelve months; and will lock all accounts to prevent access after 90 days of inactivity.
- 3.10 For security purposes, all passwords will expire every six (6) months and those users of the System will then be prompted to set a new password the next time they go to login.
- 3.11 The Agent must notify H&L immediately if it/its Staff know or suspect that they or anyone else has access to their usernames or passwords; or if they are aware or suspect there has been any unauthorised access or misuse to the System to gain Customer Information or information to which they are not entitled.
- 3.12 The Agent will be responsible for ensuring that access to the System is removed immediately upon termination of an individual's employment and shall inform H&L.
- 3.13 The Agent warrants that its activities will be performed in such a way as not to cause any fault or malfunction in the System.
- 3.14 The Agent acknowledges and agrees that information entered into the System must be processed in accordance with the provisions of Data Protection Legislation and shall ensure that it has all necessary permissions from Customers before sharing any Customer Information with H&L via the System.
- 3.15 The Agent agrees to be bound by the H&L privacy notice and the terms and conditions of use for the H&L website and System as amended and updated from time to time. The current versions of these can be found on the H&L website at: www.homeandlegacy.co.uk
- 3.16 H&L intends that access to the System shall be made available to the Agent 24 hours per day. However, H&L makes no warranties as to the availability of the System, save for:
- 3.16.1 scheduled maintenance; or
 - 3.16.2 emergencies requiring or resulting in the unavailability of the System.
- 3.17 Notwithstanding 3.9 above H&L reserves the right to:
- 3.17.1 withdraw all or any part of the System at any time with immediate effect;
 - 3.17.2 modify or withdraw Policies from the System;
 - 3.17.3 alter the areas of the System to which the Agent has the right of access; and
 - 3.17.4 stipulate further terms of use of the System from time to time.
- 3.18 The Agent's disaster recovery procedures maintained shall ensure prompt handling of General Insurance Business or Policies with H&L in the event of any disruption or inability that affects the Agents ability to use the System for any reason. Full details of the Agent's disaster recovery procedures shall be provided to H&L by the Agent on request.
- 3.19 The access to the System that is granted to the Agent by H&L shall enable the Agent's nominated Staff to carry out some or all of the following Policy administration activities or any other activities that H&L may make available to the Agent via the System from time to time:
- 3.12.1 registering Customer details;
 - 3.12.2 obtaining quotes for Policies;
 - 3.12.3 submitting applications for Policies;
 - 3.12.4 accepting and binding Policies;
 - 3.12.6 retrieving Policy Documentation;

3.12.6 renewing Policies; and

3.12.7 submitting reports of Policyholder's claims.

3.13 The Agent will accurately input the Customer Information, including risk details, cover requirements and any other information or disclosures as may be required by the System for the purposes of providing Policies; and shall be responsible for ensuring the information it inputs into the System is true and accurate. It is important that the Agent can substantiate all of the information provided to H&L via the System.

3.14 H&L reserve the right at its sole discretion:

3.11.1 to not act upon any instruction or request provided by the Agent via the System; and

3.11.2 to seek further information before acting upon any instruction or request provided.

4 Messages

4.1 Any Messages that are sent to the other Party via the System shall identify the sender and recipient(s).

4.2 The Parties will use all reasonable endeavours to ensure that all Messages sent to the other Party via the System are complete and accurate.

4.3 The Parties will accept the integrity of any Message unless such Message can be shown to have been corrupted for any reason including but not limited to the technical failure of the System and/or of any computer, computer system or transaction line. The Parties will give each other all reasonable assistance to identify and correct any such corruption or error and to re-transmit any Message identified as corrupt or in error as soon as practicable.

4.4 If either Party becomes aware that the System has failed to notify a Message or Transaction to other Party whether or not the Message is auto generated, the Party discovering the failure shall notify the details of the intended Message or Transaction to the other Party within one Business Day of the System failure or of becoming aware of the System failure.

4.5 If a Party has reason to believe that any Message generated by the System is not intended for it, the recipient agrees to notify the other Party.

4.6 The Parties will process and/or deal with any Message sent via the System including auto generated Messages in accordance with any response times specified and agreed in writing between the Parties.

4.7 Confirmation of receipt of any Message will not in itself, give rise to any legal obligation, offer or agreement in relation to the provision of an Insurance Contract, or confer any right on any person or constitute acceptance of any offer contained/or implied in such Message related to the provision of insurance cover under an Insurance Contract.

4.8 A Transaction log detailing all Messages sent and received will be maintained in the System.

5 Liability

5.1 The Agent will indemnify H&L for any loss sustained by H&L resulting from any misuse or corruption of unauthorised access to, use of or additions or alterations to any data, or from any failure to keep any data up to date, save to the extent that it is beyond the control of the Agent.

5.2 The Agent will notify H&L immediately if it becomes aware of an event referred to in sub-paragraph 5.1 above.

5.3 H&L will not be liable for any loss or damage suffered by the Agent as a result of any use, failure or breakdown of the System.

5.4 H&L will not be liable for any loss or damage suffered by the Agent as a result of any delay in relaying data to the Agent.

6 Variation

Any amendments to these electronic trading terms will be notified to the Agent in writing by H&L. In so far as is reasonably practicable at least seven (7) Business Days' notice will be given before such changes become operative.

7 Termination

7.1 The terms set out in this Appendix will cease automatically in the event of the termination of the Agents agency facilities with H&L or if H&L withdraws the Agent's authority to transact business electronically with H&L.

SCHEDULE 2 – Sub-delegation

This Schedule does not apply.

SIGNATURE PAGE

(Agent Copy)

HOME & LEGACY INSURANCE SERVICES LIMITED TERMS OF BUSINESS AGREEMENT – VERSION 7 DECEMBER 2022

To be completed and retained by the Agent

Agreement signed for and on behalf of Home and Legacy Insurance Services Limited



Signature:

Print Name: BARRY O'NEILL

Position Held: Managing Director, Home and Legacy Insurance Services Limited.

Agreement signed for and on behalf of the Agent

By signing below the Agent acknowledges receipt of and confirms that:

- (i) it will comply with the terms and conditions of this Agreement.
- (ii) the undersigned has the authority to sign and enter into this Agreement on behalf of the Agent.
- (iii) no amendments have been made to this Agreement.

Signature:

Print Name:

Position Held:

Dated:

Registered name and number of the Agent's company/Name of the Agent's partnership or/Practicing name of sole trader (as applicable):

Registered address (or correspondence address for communication in respect of this Agreement):

Financial Services Firm Register Number (if applicable):

PLEASE COMPLETE AND RETAIN THIS COPY FOR YOUR RECORDS

SIGNATURE PAGE

(Home & Legacy Copy)

HOME & LEGACY INSURANCE SERVICES LIMITED TERMS OF BUSINESS AGREEMENT – VERSION 7 DECEMBER 2022

To be completed and returned to Home & Legacy's Agency Manager at the address shown below.

The Agency Manager
Home and Legacy Insurance Services Limited
Witan Gate House
500-600 Witan Gate West
Milton Keynes
MK9 1GB

Email : agency@homeandlegacy.co.uk

Agreement signed for and on behalf of Home and Legacy Insurance Services Limited



Signature:

Print Name: BARRY O'NEILL

Position Held: Managing Director, Home and Legacy Insurance Services Limited.

Agreement signed for and on behalf of the Agent

By signing below the Agent acknowledges receipt of and confirms that:

- (i) it will comply with the terms and conditions of this Agreement.
- (ii) the undersigned has the authority to sign and enter into this Agreement on behalf of the Agent.
- (iii) no amendments have been made to this Agreement.

Signature:

Print Name:

Position Held:

Dated:

Registered name and number of the Agent's company/Name of the Agent's partnership or/Practicing name of sole trader (as applicable):

Registered address (or correspondence address for communication in respect of this Agreement):

Financial Services Firm Register Number (if applicable):

PLEASE COMPLETE AND RETURN THIS COPY TO HOME & LEGACY FOR OUR RECORDS