

Terms of Business Agreement

between

**Brunel Group
(Brunel Professions Limited &
Brunel Insurance Brokers Limited)**

and

Company Name:
Trading as:
FCA Registration Number

Terms of Business Agreement

This agreement is entered into between:

Brunel Group of Companies, whose registered address is St Thomas Court Thomas Lane Bristol BS1 6JG (hereinafter referred to as The Company)

And

The Intermediary specified on the title page of this agreement (hereinafter referred to as "The Intermediary")

IT IS HEREBY UNDERSTOOD AND AGREED THAT:

1 Interpretation and Definitions

"Client" means a person who is a Policyholder or prospective Policyholder.

"Client Money" means Insurance Monies The Intermediary has received and holds as agent for its client in accordance with the rules of the FCA.

"FCA" means Financial Conduct Authority.

"General Insurance" has the meaning ascribed to it in the FCA Handbook Glossary.

"General Insurance Business" has the meaning ascribed to it in the FCA Handbook Glossary.

"Insurance Mediation Activity" has the meaning ascribed to it in the FCA Handbook Glossary.

"Insurance Monies" means individual items or balances representing money arising from the Intermediary's activities in relation to any Insurance as follows:

Premiums, additional premiums and return premiums due under any Insurance.

Claims and related monies held in relation to any Insurance.

Refunds and salvages relating to any Insurance.

Fees, charges, taxes (including IPT) and similar fiscal levies relating to any Insurance.

Commissions pursuant to clause 11 below.

"Insurance" means General Insurance that is carried out or affected within the Territory, which is underwritten through The Company for various periods.

"Insurer" means the Insurance Company or Lloyds Underwriter with whom The Company has placed the Insurance.

"Policy" means any policy of Insurance issued by The Company or The Insurer in accordance with this agreement and "Policyholder" shall be construed accordingly.

"Services" means the selling, advising and/or Broking of any Insurance.

"Territory" means England, Wales, Scotland, Northern Ireland, the Channel Islands and The Isle of Man.

“**Working Day**” any day other than a Bank Holiday, a Saturday or a Sunday.

2 Scope

The Company and the Intermediary agree that the terms of this agreement will apply to and govern any and all dealings between them.

3 Period of Agreement

This agreement shall commence from the date of the signature on behalf of The Intermediary at the end of this document and shall continue until terminated in accordance with the provisions of the Termination Clause below.

4 Territorial Limits

This agreement relates only to risks where the Insured is domiciled within the Territory.

5 Relationship

5.1 Nothing in this agreement shall be construed as creating any partnership between The Company and the Intermediary (or any of the Intermediary's Employee's) nor the relationship of principal and agent or employer or employee.

5.2 The Intermediary shall not represent that it or its employee's are in partnership with or an agent or employee of The Company or Insurer.

6 Intermediary's Obligation, Representation and Compliance

6.1 The Intermediary confirms that none of the events outlined in Clause 16 have occurred or are continuing as at the date hereof.

6.2 The Intermediary shall:

- a) Perform the service to a high standard and with the utmost integrity and shall act with due skill, care and diligence in the course of providing the services.
- b) Develop and maintain proper files containing all information relevant to any and all Insurance and any and all obligations placed upon the Intermediary pursuant to this agreement.
- c) Comply fully with its respective legal, licensing and regulatory requirements applicable to the production, placing and premium accounting of any Insurance business the Intermediary introduces to The Company.
- d) Ensure that it complies with all regulatory and legal requirements in relation to disclosure to its client's and/or the Insured's if different, of all commission, fees, overrides or other income of any nature which the Intermediary receives from the introduction, placing, arranging, concluding, administration or performance of any Insurance business.
- e) Ensure that clients are Treated Fairly.
- f) Ensure that an appropriate Money Laundering, Financial Crime, Anti-Bribery & Corruption and Financial Sanctions policies are in place, in accordance with FCA requirements.

7 Intermediary's Claims Authority

The Intermediary shall not negotiate, adjust, compromise, settle or commit The Company or The Insurer to any liability with respect to any claim. The Intermediary shall however, promptly report to The Company all circumstances that may lead to a claim or notifications of claims arising under or in connection with any Insurance or any matter pursuant to this Agreement, which comes to the attention of the Intermediary and co-operate fully in the investigation and adjustment of all such

claims. Notification of a circumstance that may lead to a claim or notification of a claim to the Intermediary shall not constitute notification to The Company or Insurer.

Please note if any of your client's policies are transferred away from The Company and to another agency, The Company will not continue to handle any notified claims/circumstances with immediate effect.

8 Limitation of Authority and The Company's Right to Cancel

- 8.1 The Intermediary is not empowered to bind The Company by contract or in any other way or to impose any liability on The Company by any statement whether written or oral or by conduct unless previously instructed in specific terms in writing.
- 8.2 Cover on new policies, renewals or alterations will only be in force following receipt by The Company of a written request on the Company's own documentation from the Intermediary and written confirmation from the Insurer. The Company is not bound to accept any enquiry or proposal for new policies, renewals or alterations.
- 8.3 Subject to the terms and conditions of any specific Insurance, The Company's right to cancel or decline any Insurance may be exercised by the Company at any time as in its absolute discretion it sees fit, no financial compensation shall be due to the Intermediary as a result of the same.
- 8.4 The Intermediary has no right to cancel the policy once cover has been requested but may request in writing that the policy is cancelled. Cancellation of any policy will be at the Insurer's discretion and the Company will notify the Intermediary of their decision.

9 Premium Payments and Accounting

- 9.1 Subject to any agreement to the contrary, Insurance Premium Tax and any fees for services are to be accounted for by the Intermediary not later than 15 working days after the effective inception, renewal or adjustment date (as appropriate) of the policy whether or not collected by the Intermediary. In each case the Company will issue an invoice to the Intermediary.
- 9.2 In the absence of payment of the premium by the invoice due date, the Company reserve the right to either cancel the cover or consider the case as not taken up.
- 9.3 The Intermediary will be responsible for any time on risk charges should any case not proceed.
- 9.4 All Insurance monies that the Intermediary receives and holds pursuant to this agreement shall be held on behalf of its clients and not on behalf of the Company or the Insurer, and shall be held in a Trust Account in accordance with the requirements of CASS 5.3 & 5.4. For the avoidance of doubt, risk transfer is not extended to the Intermediary and client money is handled by the Intermediary at all times. Co-Mingling and subordination do not apply, as the Intermediary handles client money in this relationship.
- 9.5 The Intermediary acknowledges that any arrangement made by the Intermediary for the payment of premiums by instalments or other provisional credit with respect to premiums are made entirely at the Intermediary's risk and that the Intermediary will be responsible for the payment of the full premium by the invoice due date or other date as specified by the Company.
- 9.6 The company collects and holds money as agent for some Insurer's and for other Insurer's it holds client money in a Statutory Trust Account in accordance with the requirements of the FCA.

10 Return Premiums

Entitlement to a return premium is subject to the policy of the Insurer(s) involved and determined on a case-by-case basis. Generally no return premiums are available.

11 Intermediary's Commission

- 11.1 The Intermediary's entitlement to the commission is conditional upon the following points being satisfied:-
- a) The Intermediary's appointment as an Intermediary of the Company is still in force.
 - b) The Insurance has been introduced and completed by the Intermediary.
 - c) The premiums of the Insurance has been paid to and received by the Company.
 - d) The Intermediary continues to act for the Policyholder.
 - e) The Intermediary has established and maintained a trust account in accordance with the CASS 5.3 & 5.4 for the receipt, holding and payment of premiums, return premiums, claims and tax monies in accordance with all applicable legal and regulatory requirements.
- 11.2 The Company authorises the Intermediary to use the account detailed in (e) above to receive, pay and hold money belonging to their customers as well as money belonging to the Company provided this is done in accordance with all legal and regulatory requirements.
- 11.3 The commission is payable on net premiums excluding rebates, discounts, fees, IPT or any other deduction due to the Policyholder.
- 11.4 The timing and payment of any Commission will be agreed on a risk by risk basis as notified to the Intermediary in writing on the Quotation provided.
- 11.5 Should the Company give a refund of premium (for whatever reason) the Intermediary will repay the commission upon the amount refunded.

12 Client Ownership

The Company undertakes not to contact the Insured other than via the Intermediary except in the following circumstances:-

- a) Where specifically requested by the Intermediary.
- b) Due to non-payment of the premium in circumstances where cancellation cannot be communicated to the Insured via the Intermediary.
- c) Where this agreement has been terminated for any reason detailed in Clause 16.2 and Clause 16.3 below and/or the premium or policy documentation remains outstanding.
- g) Non-receipt of a proposal for Insurance within the agreed time-scale stated in Clause 13 and in the absence of written instructions from the Intermediary.

13 Proposals

All Proposal Forms are to be sent to the Company at least 21 days before renewal of the existing policy. In the case of the proposer not currently holding Insurance a period of 28 days is to be allowed prior to the required inception date of the Insurance.

14 Subjectivities

All subjectivities notified in the terms provided are to be fully satisfied prior to inception of any policy.

15 Notification of Change

The Intermediary shall immediately notify the Company in writing:-

- a) Of any change in trading style or address.
- b) Of any change in Partners (where in partnership)
- c) If the Intermediary or any Partner or Director compounds with creditors, or becomes bankrupt, or has a receiving order made against him or (in the case of a company) goes into liquidation or a Receiver is appointed or (in the case of a partnership) is finally dissolved.
- d) In the event of any other changes which are material to this agreement or listed within the Declaration of the Agency Application Form.

16 Termination of Agreement

16.1 Either party shall have the right to, at any time terminate this Agreement by serving upon the other party written notice specifying the effective date of termination, which shall not be less than thirty days thereafter.

16.2 This Agreement will immediately terminate without notice:-

- a) If the Intermediary fails to keep the Company informed of any matters referred to in Clause 15 (c).
- b) On the death of the Intermediary (if a sole trader).
- c) On the expiry, termination or suspension for any reason of any license or permission the Intermediary is required to utilise to comply with the terms of this Agreement (including but not limited to the withdrawal of any permission or authorisation of the Intermediary by the FCA).
- d) On the insolvency, liquidation or bankruptcy of the Intermediary.
- e) The institution of any proceedings by or against the creditors, either seeking to adjudicate the Intermediary bankrupt or insolvent, or seeking its liquidation, winding up, reorganisation, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganisation of relief or debtors.
- f) The institution of any proceedings by or against the Intermediary seeking the entry of an order for relief or the appointment of a receiver, trustee or other similar official for it or any substantial part of its property.

16.3 This Agreement may be terminated immediately upon written notice at the

Company's sole and absolute discretion in the event that:-

a) The Intermediary has committed any fraudulent act or similar illegal conduct.

b) There is a "change in control" of the Intermediary.

"Change in Control" will be deemed to have occurred if 20% or more of the stock evidencing ownership of the Intermediary is transferred to a person that was not owner of such stock on the effective date of this agreement.

c) The Intermediary defaults on any obligation to repay any credit line, bank or other loan.

d) Persistent default of terms of agreement (e.g. submission of proposal forms on time).

16.4 Any termination as detailed above shall not affect the rights and obligations of the parties hereto as to transactions, acts or things done by either party prior to the effective date of termination. In particular termination of this agreement shall not act to terminate any Insurance in force at the time of such termination, nor shall it act to terminate or diminish the Intermediary's obligations pursuant to this agreement in connection with such Insurance, unless the Intermediary is expressly released from such obligation by the Company in writing.

16.5 Upon termination of this agreement, unless otherwise agreed in writing by the Company, the Intermediary shall immediately pay to the Company all premiums together with all taxes (including IPT) that have not been paid to the Company in relation to any Insurance.

16.6 Upon termination of this agreement, the Intermediary shall not sell or arrange to offer any Insurance on behalf of the Company unless otherwise agreed in writing.

16.7 The Company shall not be liable to the Intermediary for any compensation in respect of losses, consequential or otherwise, arising as a result of the termination of the agreement.

17 Complaints

If the Intermediary receives a complaint in connection with the business covered under this agreement, the Intermediary will advise the Company immediately and the Company will offer every assistance so the Intermediary can deal with the complaint.

18 Confidential Information

18.1 Unless the parties in writing consent to disclosure and subject to Clause 19 below, both parties shall during the term of this agreement and thereafter observe strict confidentiality as to any information concerning:-

a) Any of the party's respective rights, duties and obligations under this agreement.

- b) The Insurance business carried on pursuant to this agreement.
- c) The contents of this agreement.
- d) The business affairs or confidential information of the other party that may come within its knowledge during the currency of this agreement.

18.2 Clause 18.1 shall not apply to:-

- a) Communications between the parties and their respective professional advisers and bankers.
- b) Disclosures required to be made by either party by law.
- c) Information which has come into the public domain otherwise than by reason of the default of the relevant party or its advisers.
- d) Disclosure of information or documentation to a third party to which that party is entitled by law.

19 Data Protection

19.1 The Intermediary and the Company shall comply with all applicable obligations imposed by or made under the requirements of the General Data Protection Regulation 2018.

19.2 Without prejudice to the generality of Clause 19.1, whether the Intermediary or the Company (“the disclosing party”) discloses data to the other (“the recipient”) in connection with the operation of this agreement:-

- a) The disclosing party will ensure that it obtains all necessary consents so that the personal data that it provides to the recipient can be lawfully used or disclosed by the recipient in the manner and for the purposes anticipated by this agreement.
- b) The recipient will ensure that such personal data is only used for purposes anticipated by this agreement.

19.3 Each party shall co-operate with the other in respect of requests for subject access that relate to personal data which it holds and has received under or in accordance with this agreement.

19.4 If either party holds any information collected pursuant to this agreement as a data processor, it undertakes to protect that data as if it were a data controller for the purposes of the General Data Protection Regulation.

19.5 For the purposes of Clauses 19.1 to 19.4 above, “personal data”, “data processor”, “data controller”, and “data subject” shall have the meanings given to them under the GDPR.

20 Conflicts of Interest

The parties will adopt and/or maintain procedures to ensure that each has in place arrangements for the identification and management of any conflicts of interest that may arise in relation to any Insurance business.

21 Professional Indemnity Cover

The Intermediary will maintain Professional Indemnity Insurance of at least the minimum required by the FCA and sufficient to indemnify their client's for the risk assumed.

22 Service of Notices

All notices to be given under this agreement shall be in writing and shall be sent by recorded or registered delivery post to the place of business of the party being served and shall be deemed duly served two clear business days after the date of posting.

23 Rights of Third Parties

A person or entity that is not a party to this agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this agreement.

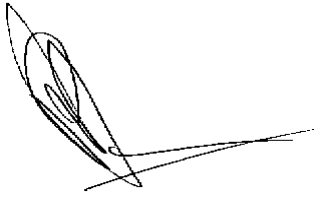
24 Assignment and Delegation

The Intermediary's obligations under this agreement may not be sub-contracted (which shall include the provision of any terms to a subsequent Intermediary), delegated or assigned without the express written permission of the Company.

25 Force Majeure

Neither party shall be liable for any delay or non-performance of its obligations under this agreement caused by any event beyond its control ("a Force Majeure Event") provided that the party affected gives prompt notice in writing to the other party of such Force Majeure Event and uses all reasonable endeavours to continue to perform its obligation under the agreement. Either party may terminate this agreement if such Force Majeure Event continues and has continued for more than three months.

Signed:
Position:
For and on behalf of:
Date:

Signed: 
Position: Chief Executive Officer
For and on behalf of : Brunel Group
Date: 18 June 2018