

Policyfast

Terms of Business Agreement

This Agreement takes effect from the date of signature by both parties and governs the conduct of Insurance Business between Policyfast Ltd (incorporating City Underwriters Ltd) of Unit 5 Vantage Park, Huntingdon, PE29 6SR (described as 'Policyfast' or 'us' in this document)

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(Please insert ALL trading names)

described as 'you' in this document.

1. Purpose of Agreement and Your Authority

- 1.1 The purpose of this Agreement is to allow you
 - (a) acting as the Insured's agent, to arrange business on behalf of your customers with Policyfast
 - (b) to act as our agent, for the purpose of receiving premiums from your clients and receiving and holding premium refunds prior to transmission to your client.
- 1.2 You are not empowered to bind Policyfast by contract or to impose any liability on Policyfast by any statement whether written or oral or by conduct unless previously instructed in specific terms.
- 1.3 Where you give an instruction for cover, you are responsible for premium payment. Upon cancellation, our standard charging structure will be used for cancelled policies.
- 1.4 No temporary insurance certificates or cover notes are to be issued other than by Policyfast, without prior authority.
- 1.5 You will release promptly all necessary policy documentation to ensure the Insured is in full compliance with legal requirements, even if information from the Insured remains outstanding.
- 1.6 You must ensure that any claims settlement cheques issued to you for the insured are passed immediately to the insured (or any third party) in accordance with FCA requirements.
- 1.7 You will present information and proposals relating to any insurance cover requested in the form specified by us or in such other manner as may be agreed in writing between you and us. Any further information required by us will be promptly sought and supplied by you.
- 1.8 Any change to our standard point of sale documentation must be provided for our prior written approval.
- 1.9 You must ensure that a customer who wishes to obtain insurance receives information concerning the Insurer's products and services in accordance with the requirements of the FCA.

- 1.10 Reference to Policyfast in any publicity material (including the display of our logo), letterheads, directories, advertising material or on any web site may only be made with our prior written permission.
- 1.11 For the avoidance of doubt, when transacting business through Policyfast's web portal, you do not act as agent of Policyfast or the Insurer in binding cover and continue to act solely as agent of the customer except to the extent as described in 1.1(b) above.
- 1.12 You shall indemnify and keep Policyfast indemnified after as well as before the termination of this Agreement from and against all loss, damage and liability suffered and expenses (including but not limited to legal expenses) incurred by Policyfast resulting from any and all fraudulent or negligent acts and omissions, or breaches of the terms of this Agreement, by You, Your employees, agents, sub-agents or sub-contractors

2. Period of Agreement and Changes

- 2.1 This agreement is effective from the date of signature by both parties and will continue until such time as it is cancelled or terminated in accordance with Section 7.
- 2.2 We reserve the right to change the terms and conditions of this Agreement at any time by giving you at least 30 days notice in writing.

3. Compliance and Complaints Handling

- 3.1 This Agreement is conditional upon you being authorised by the Financial Conduct Authority and such authorisation remaining in place. You must advise us in writing if your authorisation status changes. You must comply with all of the rules and conditions prescribed by the regulator.
- 3.2 You may be required to provide a copy of your Professional Indemnity Certificate along with this Agreement. In addition, you may be required to provide copies of new documentation at the appropriate renewal date.
- 3.3 You are required to have an appropriate licence as required under the Consumer Credit Act and a copy of this licence may be required along with this agreement and thereafter at the renewal of the licence.
- 3.4 Both parties will each comply with our respective legal, licensing and regulatory requirements. In the event that you infringe any such requirement we reserve the right to treat any such infringement as a material breach of this agreement.
- 3.5 Further to 3.4 above, both parties will each comply with our respective responsibilities in relation to financial crime which includes but is not limited to: -
 - Money Laundering
 - Bribery Act 2010
 - Financial Sanctions
 - Data Protection Act 2018 and the EU General Data Protection Regulation
- 3.6 In accordance with FCA requirements you must have a proper procedure in place for the handling of complaints and you should be aware of the complaints handling procedure for Policyfast and the insurers with whom we deal, which are detailed in our policies. You should notify us of any unresolved complaint, or any actual or potential lawsuit relating to our policies. We reserve the right to recover from you the costs incurred in handling and resolving any complaint resulting from action (or inaction) by you.

4. Changes in Circumstances

You must tell us immediately, in writing, if:

- a) your authorisation with the Financial Conduct Authority is withdrawn or you voluntarily seek termination of your authorisation.
- b) any compliance or regulatory issues arise in connection with your FCA authorisation, particularly those identified as a result of any FCA visit or audit.
- c) you change your trading name or address.
- d) there is any change to your ownership, partners, directors or your capital structure.
- e) you become bankrupt, insolvent, go into liquidation or an administrator is appointed
- f) your consumer credit licence is cancelled or revoked
- g) your professional indemnity cover ends or fails to meet FCA requirements.
- h) any owner, director or partner is convicted of any criminal offence (other than a motoring offence).

5. Variation and Assignment

- 5.1 Your power under this Agreement cannot be transferred or assigned to a third party without our prior written consent.
- 5.2 You must not grant sub-agency arrangements or place business with us, which has come to you via another intermediary.

6. Premiums (and claims monies if appropriate) and Responsibility for Premiums (and Claims monies if appropriate)

- 6.1 Policyfast acts as agent of the Insurer for the purposes of receiving and holding premiums from Insureds and for receiving and holding premium refunds prior to transmission to Insureds (i.e. risk transfer applies). Policyfast has authority from its Insurers to cascade risk transfer and for the purposes of this agreement, unless otherwise advised, risk transfer also extends to you which means that:-
 - a) Monies you receive from Insured clients in respect of premium payments will be deemed as paid to Insurers.
 - b) Monies you receive from us or Insurers for premium refunds will only be deemed as paid when paid by you to the Insured.
- 6.2 All monies you receive from the Insured or from us/the Insurers for the benefit of the Insured shall be the property of the Insurer and must be held by you in trust for the Insurer in a designated client bank account with one of the major UK clearing banks and designated for this purpose ("Trust Account"). You must have suitable systems in place to enable you to identify such monies. You are entitled to retain any interest earned on such monies.
- 6.3 The Insurers agree that money which you hold in trust for them may be co-mingled in a client money bank account with "client money" as defined in the FCA Client Assets Sourcebook (CASS). The Insurers further agree that any interest they have in monies so held is to be subordinated to the interests of clients to the extent required by the FCA CASS rules.

- 6.4 Unless otherwise advised, you are not authorised to act as the agent of Policyfast or of the Insurer for the purposes of receiving or holding claims money.
- 6.5 All premiums should be settled in full to Policyfast within the period specified on the statement invoice. If there is any dispute as to the statement of account, you will raise a query as soon as possible with our Accounts Department in good faith with a view to both parties agreeing the entry(ies) as soon as reasonably practicable.
- 6.6 We reserve the right to deal directly with the Insured in the event of a default on our credit agreement.
- 6.7 We reserve the right to suspend this agreement without further notice in the event that premiums are not remitted to us within 14 days of the statement date.

7. Termination

This agreement may be terminated immediately by you or us serving written notice on the other. No reason need be given for such termination.

- 7.1 This Agreement will terminate or cease to have effect:
- a) If your authorisation is withdrawn by the FCA or you voluntarily seek termination of your FCA authorisation at any time.
 - b) At any time by either party giving 30 days written notice of termination to the other.
 - c) Immediately, without notice, should you become the subject of voluntary or involuntary reorganisation or liquidation proceedings or become the subject of an action in bankruptcy or make or propose any composition with your creditors or otherwise acknowledge your insolvency.
 - d) On your death, if you are a sole trader
 - e) Immediately in the event of any other material breach of the terms and conditions of this Agreement by you.
- 7.2 Upon termination of this Agreement, you will remain liable under its terms and conditions to fulfil your obligations until all insurances have expired, terminated or been replaced.
- 7.3 Cancellation or termination of this Agreement will not alter our right to receive all monies due to us in respect of insurances effected by you under this Agreement.

8. Access and Ownership of Records and Customer Base

- 8.1 You must keep full and accurate records of all business transacted under this Agreement.
- 8.2 We have the right, upon reasonable notice, to inspect and audit without restriction or limitations all of your records relating to insurances placed with us. We shall have the right to make copies or extracts of any such records. Our right to inspect or audit shall continue notwithstanding the termination of this Agreement.
- 8.3 You will take reasonable steps to retain, maintain and safeguard any of our documents in your possession in accordance with any statutory or regulatory requirement, which apply.

- 8.4 In your capacity as agent of the insured, you undertake to pass promptly to us any material information provided by the insured in accordance with the terms of the insurance contract.
- 8.5 If we request you to carry out any functions or activities on our behalf, such as the appointment of loss adjusters, lawyers or others, all documentation and records created or received by you in the performance of these functions or activities shall be and remain our property other than documents over which you have a proprietary commercial interest.
- 8.6 We agree that ownership of your customer base belongs to you, and we will not contact your clients directly, except by default of our credit agreement or where this agreement is terminated as a result of Section 7.1 a), c) or e).

9. Confidentiality and Data Protection

- 9.1 Both parties' will each treat information received from the other relating to this Agreement as confidential and will not disclose it to any other person not entitled to receive it except as may be necessary to fulfil their respective obligations in the conduct of the insurance business and except as may be required by law or regulatory authority. This clause will not apply to information which was rightfully in the possession of either party prior to this Agreement, which is already public knowledge or becomes so at a future date (other than as a result of a breach of this clause) or which is trivial or obvious.
- 9.2 Both parties must be aware of and comply with all statutory obligations they have regarding data protection including but not limited to the requirements of the Data Protection Act 2018 and the EU General Data Protection Regulation (GDPR) as amended from time to time and process all data relating to our policies accordingly. Client information relating to our policies is confidential and should be treated as such at all times. For the avoidance of doubt, the position in relation to GDPR is that:
- 9.2.1 It is anticipated that each party shall act as a "Controller" (as defined in the GDPR) and accordingly will comply with its applicable obligations.
- 9.2.2 Unless expressly otherwise agreed, neither party will act as a "Processor" (as defined in the GDPR) for and on behalf of the other party.
- 9.2.3 You (as the Insured's Agent) will be responsible for obtaining any relevant consents necessary to allow you to transfer to us "Personal Data" including "Special categories of Personal Data" (both as defined in the GDPR) and to allow us and others to make use of such data for the purposes of this agreement.
- 9.2.4 Each party shall notify the other party within 48 hours of any "Personal Data Breach" (as defined in the GDPR) which may have occurred in connection with this agreement.
- 9.3 We may make searches with credit reference agencies, which will keep a record of that search and may share that information with other businesses. We may also make enquiries about the principal, directors or partners with credit reference agencies.

10. 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 to enforce any term of this Agreement. This clause shall not affect any right or remedy of a third party, which exists or is available apart from that Act.

11. Dispute Resolution

11.1 Both parties are committed to resolving all disputes arising under this Agreement (whether such disputes arise before or after termination of this Agreement) without the need for litigation and to allow as far as possible for commercial relationships to remain unaffected by disputes and therefore we both:

- a) Will attempt in good faith to resolve any dispute or claim promptly through negotiations between our respective senior executives who have authority to settle the same.
- b) will attempt in good faith, if the matter is not resolved through negotiation within

three months of the dispute arising, to resolve the dispute or claim through mediation with the assistance of a mediator agreed between both parties or as recommended by the Centre for Dispute Resolution or such similar organisation as both parties may jointly agree.

If the matter has not been resolved by mediation within six months of the dispute arising, or if either party will not participate in the mediation procedure, both parties may refer the dispute in accordance with the Jurisdiction and Choice of Law Clause below.

11.2 Notwithstanding the above, either party may seek the immediate protection or assistance of the High Court if appropriate.

12. Commission

Your entitlement to commission is conditional on the following points being satisfied:

- a) That your appointment as an agent of Policyfast is still in force.
- b) That you continue to act for the Policyholder.
- c) That the premium has been paid to you by the customer.

All premiums and return premiums quoted to you are gross and all commissions payable are detailed on our statement of account.. We reserve the right to modify commission terms, administration fees and/or credit period allowed at any time.

13. Delivery of Notice

All notices and other communication sent under this Agreement shall be sent to the address set out at the head of this Agreement or to such other address as has been agreed between both parties. Such notices and communications must be delivered personally or sent by prepaid post or facsimile. Any notice or communication is considered to have been served and to take effect if delivered personally when delivered, if sent by post 48 hours after the same was posted and if sent by facsimile at the time sent as evidenced by a 'successful transmission' machine receipt. In providing service by post it is sufficient to provide that the letter containing the notice or other communication was properly addressed, stamped and posted.

14. Enforceability Clause

In the event that any portion of this Agreement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

15. Force Majeure

Neither party shall be liable or deemed to be in default for any delay or failure in performance under this agreement, if such delay or failure is caused by conditions beyond its control, including but not limited to Acts of God, wars, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected.

16. General Interpretation of this Agreement

In this Agreement, words importing the singular shall include the plural and vice versa. Headings are included for ease of reference and convenience only and shall not affect the interpretation of the Agreement.

17. Jurisdiction and choice of Law

This Agreement shall be construed according to English law and any disputes arising under It shall, subject to the provisions of clause 11 above, be determined in the English Courts.

18. Customer Service

It is our intention to provide you with a high level of customer service at all times but, if you have a grievance about our service that you would like to bring to our attention, we have a formal procedure for doing so.

In the first instance you should write, telephone or fax to the Agency Department Administrator at Policyfast, Unit 5, Vantage Park, Washingley Road, Huntingdon, PE29 6SR

Telephone Number 0800 3081 137

Fax Number: 01480 426825

Declaration

I/We agree to observe the terms and conditions of this agreement and also any agency or administration procedure published by Policyfast and sent to me/us.

For

Name of Agent:

FCA Firm reference Number:

Signed:

Print Name:

Position:

Date:

For **POLICYFAST** Ltd

FCA Firm reference Number:

448039



Signed:

Print Name: Stephen Parker

Position:

Managing Director

Date: May 2018