



TERMS OF BUSINESS AGREEMENT

Between

(1) «Firm_Name» of «Address_Address1»,
«Address_Address2»«Address_Address3»«Address_Address4»«Address_Address5»
«Address_Postcode»

-and-

(2) **COLLEGIATE MANAGEMENT SERVICES LTD** of 2nd Floor, 18 Mansell Street, London E1 8FE

The Terms of Business Agreement replaces any other agreements relating to the subject matter of this Agreement with effect on and from the Commencement Date but without prejudice to accrued rights for past breaches.

Signed by
For and on behalf of
«Firm_Name»

Position of Signatory:..... Date of Signature.....

Signed by Richard Turnbull
For and behalf of
Collegiate Management Services Ltd

Position of Signatory: **Director** Date of Signature:

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1. INTERPRETATION

1.1 In this Agreement:

“CCA”	means the Consumer Credit Act 1974;
“Commencement Date”	means as from DATE ;
“The Company”	Collegiate Management Services Ltd;
“DDI”	means a direct debit instruction;
“Documents/Documentation”	means all material relating to this Agreement and business placed in accordance with its terms including policies, endorsements, renewal papers, claims forms, accident report forms, prospectuses and /or proposal forms, questionnaires, manuals, rate guides in either paper or electronic form including any software and/or related data;
“FCA”	means the Financial Conduct Authority;
“FSMA”	means the Financial Services and Markets Act 2000;
“Insurers”	means the insurance companies underwriting the insurance business transacted through the Company under this Agreement;
“The Intermediary”	means you, the Broker;
“Regulator”	means the Financial Conduct Authority and/or any other regulatory body of competent jurisdiction in relation to any of the matters referred to in this Agreement;
“Tax”	means insurance premium tax or any similar tax levied on premiums due to the insurers.

1.2 Unless the contrary is indicated the following rules of construction apply to this Agreement:

- 1.2.1 references to bankruptcy, insolvency, liquidation, receivership, dissolution or administration include any similar proceedings in any other jurisdiction;
- 1.2.2 reference to a law or regulation means such law or regulation as amended or re-enacted;
- 1.2.3 reference to any agreement or document, including this Agreement, means that Agreement or Document as amended, varied, novated or supplemented from time to time;
- 1.2.4 reference to a person includes its successors and permitted assigns and transferees;
- 1.2.5 reference to a clause or sub-clause is a reference to a sub-clause of this Agreement;

- 1.2.6 headings are for convenience only and shall be ignored in construing this Agreement; and
- 1.2.7 reference to the plural includes the singular and vice versa.
- 1.3 The Company has Binding Authorities to write the following lines of business;
 - 1.3.1 Professional Indemnity Insurance for Independent Financial Advisers and other professions. This authority is provided by AmTrust Europe Limited.
 - 1.3.2 Professional Indemnity Insurance for Mortgage Brokers. This authority is provided by AXA Insurance UK PLC.

For the purposes of this Agreement the Company is acting as the agent of the Insurers and accordingly nothing in this Agreement constitutes an agreement by the Company to effect or carry out contracts of insurance as principal.

2. INSURANCE BUSINESS

- 2.1 This Agreement contains the terms on which the Intermediary may transact general insurance business through the Company from the Commencement Date;
- 2.2 For the purposes of this Agreement the Intermediary is, at all times, acting as the agent of its client not of the Company and has no authority to act on behalf of the Company, unless otherwise expressly stated. For the avoidance of doubt the Intermediary is solely responsible for the advice, which it gives to its clients. The Intermediary shall be acting as the agent of its client, not the Company in relation to the preparation of all proposal forms, statements of fact and other documentation relating to any insurance business transacted through the company.
- 2.3 The Intermediary and the Company may, by mutual consent, agree in writing to vary the terms and conditions of this Agreement at any time.
- 2.4 In the event of mutual consent not being attained, the Company may vary conditions of this Agreement on 30 days' written notice.
- 2.5 The Intermediary shall immediately advise the Company in writing of any changes in the regulatory status, structure, location or domicile of the Intermediary and/or if a company, its directors or if a partnership, any of its partners or members as applicable.
- 2.6 The Intermediary shall at all times maintain professional indemnity insurance in accordance with the applicable regulatory requirements.
- 2.7 The Intermediary must comply strictly with the Company's procedural requirements as issued in writing by the Company and as amended from time to time by the Company.
- 2.8 The Intermediary acknowledges nothing in this Agreement obliges the Company to accept any proposal for insurance or renewal of any existing policy or to maintain cover of any existing policy.
- 2.9 The Intermediary acknowledges that the Company may conduct credit checks in relation to it and any of its directors, partners or members as the case may be.

3. DOCUMENTATION

- 3.1 The Intermediary must not bind either the Company or the Insurers in relation to any matter including any insurance policy to be issued by the Insurers except with the written consent of the Company.
- 3.2 The Intermediary must ensure that all documents are properly and accurately prepared together with all other documentation strictly in accordance with the instructions, guidelines and the approved forms of the Company and must despatch such documentation promptly to the client and/or the Company as appropriate. The Company reserves the right to refuse any business introduced, including business offered through any electronic process for any failure to comply with the obligations of this clause 3.2.
- 3.3 The Intermediary must provide promptly to the Company any material information obtained from the client **relevant to** any proposal for or policy of insurance **placed with the Company** including for the avoidance of doubt any material information not previously disclosed or details of any inaccuracy in any material information previously submitted.
- 3.4 The Intermediary must give to its client promptly and in accordance with the applicable legislation all certificates and other documents, which those clients are required to obtain under the terms of the legislation in relation to general insurance business underwritten by the Insurers.
- 3.5 The Intermediary must retain all documents, other than documents returned to the Company in accordance with this Agreement, including files maintained in electronic form, relating to transactions or proposed transactions of its clients involving the Company for a minimum period of 3 years from the expiry date of the policy in such a way as to enable access to such documents to be provided to the Company, within no more than **7** days, if the company so requires. **The Company acknowledges that the Intermediary is the agent of the Client and must therefore act in accordance with that status.**

4. COMMISSION

- 4.1 The Company shall pay commission to the Intermediary in accordance with the quotation for each policy.
- 4.2 Commission shall only be payable if the Intermediary can (if requested) produce written evidence that the policyholder recognises the Intermediary as his agent.
- 4.3 The Intermediary may withdraw such commissions upon receipt of cleared funds from the insured.
- 4.4 The Intermediary shall return commission on all cancelled insurances and return premiums at the same rates at which such commissions/premiums were originally allowed to the Company. **In the interests of clarity it is recognised that any fee negotiated independently between the intermediary and its client falls outside the terms of this Agreement.**

5. PREMIUMS

5.1 The Intermediary acknowledges that it is not the agent of the Company or the Insurers for the purposes of collecting any money, including premiums, refunds, or for the payment of claims.

5.2 The Company acts as the agent of the Insurers for the purposes of receiving premiums, settling refunds and holding claims money prior to onwards transmission to the Intermediary. All monies received or payable by the Company as agent from or on behalf of Insurers shall be held by the Company as agent for Insurers.

The Company has a signed agreement ('risk transfer letter') with AmTrust Europe Limited and AXA Insurance UK PLC acknowledging that it holds money as agent for transactions made under the binding authority in place with them. These said agreements do not allow the Company to pass the risk transfer on to any other intermediary.

5.3 Subject to any applicable regulatory requirements the Intermediary shall be entitled to any investment income earned in relation to any sums held by it pending payment to the Company.

5.4 The Company reserves the right to require such payment prior to the inception of any insurance policy in relation to business or any specific insurance policy.

5.5 A Non-Statutory Trust account may be used as the Intermediary's client money account. Co-mingling and subordination is allowed.

5.6 The Intermediary undertakes to collect and pay the premium in full to the Company within 30 days following the month end of inception of the insurance policy or other date specified by the Company.

If the premium due under the insurance policy has not been so paid to the Company by the 30th day from the month end of inception of the insurance policy or other date specified by the Company (and, in respect of instalment premiums, by the date they are due), the Company may at its discretion cancel the insurance policy from inception by notifying the Intermediary in writing.

The Company shall give the Intermediary not less than 15 days' prior notice of cancellation. If the premium due is paid in full to the Company before the notice period expires, notice of cancellation shall automatically be revoked. If not, the insurance policy will be terminated ab initio at the end of the notice period.

If any provision of this clause is found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this clause which will remain in full force and effect.

Nothing in this clause makes the intermediary liable for any premium that has not been collected.

6. PAYMENT OF ACCOUNTS

6.1 The Intermediary must reconcile each account statement sent to it by the Company and return the same to the Company. Any queries relating to the account statement must be raised immediately on discovery.

6.2 The Intermediary must pay to the Company, all premiums and Tax (net of any commission or any other sum agreed to be retained by the Intermediary) together with any other sums shown due to the Company in the account statement within 30 days of the date of the account statement, or by the settlement date set out in the account statement, if sooner.
Nothing in this clause makes the intermediary liable for any premium that has not been collected.

6.3 All payments of premiums and Tax must be made payable to the Company.

7. PAYMENT BY INSTALMENTS

7.1 The Company does not operate premium finance schemes using DDI.

8. COMPLIANCE

8.1 The parties must at all times comply with the applicable regulatory requirements including, in particular, those imposed by any Regulator together with all other regulations applicable to the subject matter of this Agreement including, where applicable, current Data Protection Legislation, the CCA and the Consumer Protection Act 1987.

8.2 The Intermediary must obtain all the consents and provide all the information which may be necessary to enable the Company and the Insurers to process personal data in respect of insurance business transacted under this Agreement on compliance with current Data Protection Legislation or any similar requirements applicable to such insurance business under the laws of any other jurisdiction.

8.3 a) The Intermediary warrants that it is authorised by the FCA to conduct Insurance Mediation Activities (As defined in the FCA's Handbook)
b) The Intermediary shall inform the company immediately in writing if at any time:-
(i) The FCA suspends or withdraws the intermediary's authorisation, or
(ii) The Intermediary otherwise ceases in any way to be authorised by the FCA
(iii) The Intermediary becomes insolvent

8.4 The Intermediary must obtain and maintain in effect any licence, authorisation or permission which the Intermediary may require in order to fulfil its obligations under this Agreement.

8.5 The Company and its agent shall have the right to inspect and audit any records and/or accounts maintained by the Intermediary in relation to the subject matter of this Agreement at any time upon giving reasonable notice and shall be permitted to make copies or extracts of any such records and/or accounts. The Intermediary must rectify any defect revealed by such audit within 30 days.

8.6 For the avoidance of doubt nothing herein constitutes an agreement by the Company to effect or carry contracts of insurance as principal.

8.7 Neither party shall be involved in the offering, promising or giving of any financial or other advantage to any person in breach of the Bribery Act 2010. Both parties are to maintain and enforce their own anti-corruption/bribery policies and procedures.

9. CLAIMS AND COMPLAINTS

- 9.1 The Intermediary acknowledges that it is not the agent of the Company or the Insurers for the purposes of dealing with claims or complaints.
- 9.2 The Company is the notification agent for claims. The Intermediary must advise the Company immediately upon receipt of notice of a claim. The Intermediary has no authority to act on behalf of the Company in respect of claims, and in particular, is not authorised to commit the Company, in any way or to arrange a claim settlement.
- 9.3 If the Intermediary receives any complaints relevant to the Company or the Insurers, the Intermediary shall forthwith send details of the complaint, including any correspondence received by it, to the Company marked for the attention of the Underwriting Manager.

10. CONTACT WITH CLIENTS

- 10.1 The Company acknowledges that the policyholders are the clients of the Intermediary.
- 10.2 The Intermediary acknowledges that the Company may nevertheless make direct contact with the clients of the intermediary if the Company deems it necessary in the interests of those clients or for the orderly administration of insurance business transacted pursuant to this Agreement and only if any of the events referred to in clauses 11.2 to 11.3.3 or 11.3.6 to 11.3.7 occur in relation to the Intermediary and within such circumstances the intermediary will not be entitled to any payment for goodwill following such contact nor will the Company be under any duty to account to the Intermediary in respect of any arrangement, which they may make with such clients.

11. TERMINATION

- 11.1 This Agreement may be terminated by mutual agreement at any time or by either party giving one month's written notice to the other.
- 11.2 Either party may terminate this Agreement on written notice to the other party with immediate effect if:
- 11.2.1 It has reasonable cause to suspect that the other party, or the party's employees, agents or independent contractors are guilty of fraud or dishonesty in respect of matters to which this Agreement relates;
- 11.2.2 The other party is acting in a manner which is causing or is likely to cause prejudice to clients pursuant to this Agreement;
- 11.2.3 The other party is in material breach of the Agreement and either such breach is incapable of remedy or, if capable of remedy, the other party has failed to remedy such breach within 30 days of receiving written notice requiring such breach to be remedied from the party not in breach;
- 11.2.4 In relation to the other party any resolution is passed or order

made for the winding up of that party (other than for the purpose of reconstruction or amalgamation made with the prior written consent of the party otherwise entitled to terminate this Agreement), a receiver, administrator or administrator receiver is appointed over the party's assets; or

- 11.2.5 The other party suspends payments or is unable to pay its debts as defined in accordance with Insolvency Act 1986 Section 123.
- 11.3 The Company may terminate this Agreement by written notice with immediate effect if:
 - 11.3.1 The Intermediary changes its country of residence or country of domicile;
 - 11.3.2 The Intermediary fails to pay or account for any sum due to the Company under this Agreement within the time permitted for such payment;
 - 11.3.3 The Intermediary being an individual dies;
 - 11.3.4 The business of the Intermediary is acquired, amalgamated, controlled or administered by any other person, partnership, company, corporation or authority;
 - 11.3.5 The Company in its absolute discretion decides it is unable to continue this Agreement as a result of the appointment of a director or partner of the Intermediary;
 - 11.3.6 Being an individual any arrangement or composition is made with the Intermediary's creditors or a petition for bankruptcy or an administrative order is filed, or the Intermediary is adjudged bankrupt or if, being a partnership the Intermediary dissolves; or
 - 11.3.7 The Intermediary ceases or threatens to cease to carry on business.
- 11.4 Termination of this Agreement shall be without prejudice to any accrued rights in respect of any breach of this Agreement occurring prior to termination.
- 11.5 On termination of this Agreement:
 - 11.5.1 no further insurance business will be transacted under the terms of this Agreement and no further renewals will be issued;
 - 11.5.2 the Intermediary shall not issue any renewal invitations on behalf of the Company and shall return all documentation and other property of the Company and the Insurers immediately to the Company;
 - 11.5.3 all monies outstanding to the Company shall become immediately due and payable;
 - 11.5.4 the Company may collect any outstanding premiums due from the policyholder in relation to policies issued prior to termination directly;

11.5.5 the Intermediary shall have no right to any commission in relation to any policy underwritten by the insurers incepting on or after the date of termination; and

11.5.6 the Agreement shall continue in effect in respect of all insurance business written prior to the date of termination, except for renewals following the date of termination, and all sums due shall be paid in accordance with the terms of Agreement.

12. SUSPENSION

12.1 The Company may be giving notice in writing to suspend this Agreement if any of the events referred to in clause 11.2, or in relation to the Intermediary in clause 11.3, occur, or if the FCA exercise any of the powers which it has under FSMA in relation to the Intermediary (including in particular any powers available to the FCA under Part II of FSMA).

12.2 In the event that this Agreement is suspended in accordance with clause 12.1:

12.2.1 During the period of suspension the Intermediary must not conduct insurance business in relation to the Company otherwise than in accordance with the written directions of the Company; and

12.2.2 The Intermediary shall pass gross premium directly to the Company and shall not be entitled to commission during the period of such suspension.

12.3 Suspension of this Agreement under this clause is without prejudice to the Company's right to terminate under clause 11.2 or clause 11.3 as the case may be. The suspension shall last for such period as the notice given by the Company under clause 12 may specify or, if no such period is stated, until the Company gives notice in writing cancelling such suspension.

13. CONFIDENTIALITY

13.1 Each party undertakes to keep confidential any confidential information received by it in respect of the subject matter of this Agreement or concerning the business or affairs of the other party to this Agreement or of any member of any group of companies to which the other party belongs and not at any time hereafter to use, divulge or communicate such confidential information to any person, except to any of its employees or professional advisers who may reasonably be required to know the same, or as may be required by law or by order of any court or regulatory authority of competent jurisdiction and to use its reasonable endeavours to prevent the publication or disclosure of any such confidential information.

14. PRIVACY AND DATA PROTECTION NOTICE

- 14.1 Collegiate Management Services Ltd (the Data Controller) is committed to protecting and respecting privacy in accordance with the current Data Protection Legislation. Below is a summary of the main ways in which we process any personal data we process, for more information please visit our website at www.collegiate.co.uk

We may use the personal data we hold about you and your clients for the purposes of providing insurance terms, handling claims and any other related purposes, for offering renewal, research or statistical purposes and to provide information, products or services that you request from us or which we feel may interest you. We will also use your data to safeguard against fraud and money laundering and to meet our general legal or regulatory obligations.

We may disclose your clients' personal data to third parties involved in providing products or services to us, or to service providers who perform services on our behalf. These include our group companies, affinity partners, agents, third party administrators, reinsurers, other insurance intermediaries, insurance reference bureaus, credit agencies, fraud detection agencies, loss adjusters, solicitors/barristers, accountants, regulatory authorities, and as may be required by law.

We may transfer your and your clients' personal data to destinations outside the European Economic Area ("EEA"), and we will ensure that it is treated securely and in accordance with the Legislation.

You, or your clients, have the right to ask us not to process data for marketing purposes, to see a copy of the personal information we hold about you/them, to have your/their data deleted (subject to certain exemptions), to have any inaccurate or misleading data corrected or deleted, to restrict processing, to ask us to provide a copy of your/their data to any controller and to lodge a complaint with the local data protection authority.

Your/their data will not be retained for longer than is necessary, and will be managed in accordance with our data retention policy. In most cases, the retention period will be for maximum period of 10 years following the expiry of our business relationship with you, unless we are required to retain the data for a longer period due to business, legal or regulatory requirements.

15. GENERAL

- 15.1 This agreement shall be construed according to English law and the parties agree to submit to the exclusive jurisdiction of the English Courts.
- 15.2 This Agreement is personal to the parties and the benefits and obligations may not be assigned or delegated in whole or in part without the Company's written consent.
- 15.3 No provision of this Agreement shall confer any rights upon any person (other than the Insurers) who is not a party to this Agreement and the operation of the Contracts (Rights of Third Parties) Act 1999 is excluded.
- 15.4 Waiver of a breach of any of the terms of this Agreement or of a default under this Agreement does not constitute a waiver of any breach or default and shall not affect terms of this Agreement. The rights and remedies provided by this Agreement are cumulative and (subject as otherwise provided in this Agreement) are not exclusive of any rights or remedies provided by law.

- 15.5 In this Agreement, "Force Majeure" shall be any cause preventing either party from performing any or all of its obligations, which arises from or is attributable to acts, events, omissions or accidents beyond the reasonable control of the party so prevented. If either party is prevented or delayed in the performance of any of its obligations under this Agreement by Force Majeure, that party shall forthwith serve notice in writing on the other party specifying the nature and extent of the circumstance giving rise to Force Majeure, and shall, subject to the service of such notice, have no liability in respect of the performance of such of its obligations as are prevented by the Force Majeure events, for the continuance of such events, and for such time after they cease as is necessary for that party, using all reasonable endeavours to recommence its affected operations in order for it to perform its obligations. If either is prevented from the performance of its obligations for a continuous period in excess of one month, the other party may terminate this Agreement forthwith on the service of written notice upon the party so prevented, in which case neither party shall have any liability except the rights and liabilities which have accrued prior to such termination shall continue to subsist.
- 15.6 If any provision of this Agreement shall be found by any court or administration body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability shall not affect the other provisions of this agreement which will remain in full force and effect.