

Terms of Business Agreement

Between

Bluefin Insurance Services Limited

Reg. Office: 5 Old Broad Street, London, EC2N 1AD

Company Number: 931954

FSA Firm Number: 307899

("the Company")

And

Company Name:

Company/Principal/Partners:

Address:

Company Number: (if applicable)

FSA Firm Number:

Email Address:

Telephone:

Fax:

BIBA member? (please tick)

Yes

No

I/we confirm receipt of the Bluefin Insurance Services Limited Terms of Business Agreement (BS129-V1-010109) and that I/we have read and understood the terms within it and agree to accept and abide by them.

Signed:

Date:

Print Name:

Position:

Please sign and return this form to:

FAO: Laura High, Bluefin Insurance Services Limited, 14 Kings Court, Newmarket, Suffolk, CB8 7SG

Terms of Business Agreement

1. Interpretation and Definitions

1.1 In this Agreement:

“Authorisation”	means all necessary authorisation from the FSA pursuant to FSMA to deal with the Company under this Agreement and “Authorised” shall be construed accordingly.
“Confidential Information”	means any information and/or material relating to the business, affairs, finances, systems, processes and/or methods or operation of either party which is disclosed by one party to the other in connection with the operation of this Agreement (whether oral or in writing and whether or not such information is expressly stated to be confidential or marked as such).
“Customer”	shall have the same meaning given to that term as defined in the FSA Handbook glossary and any revision thereof.
“DMR”	means the Financial Services (Distance Marketing) Regulations 2004.
“Electronic Trading”	means any electronic commerce activities including but not limited to those referred to in clause 2.4.
“FSA”	means the Financial Services Authority, its employees and agents and anyone acting under the delegated authority of the Financial Services Authority, and any regulatory body or organisation that succeeds the Financial Services Authority.
“FSMA”	means the Financial Services & Markets Act 2000.
“Intellectual Property”	means trade marks, logos, design rights, database rights, copyrights, domain names, know-how, trade or business names, trade secrets (whether registerable or otherwise and any applications for registration, renewal, extension, division or reissue of the forgoing) and any other similar rights or obligations in any country in the world (including but not limited to the UK).
“Parties”	means the parties to this agreement.
“Policy”	means any policy or contract of insurance.
“Premium”	means the gross premium and any policy fee excluding Insurance Premium Tax in respect of any Policy.

“the Regulatory Requirements”

means the FSA, the DMR and the applicable statutory and non statutory rules, regulations, instruments and provisions in force from time to time, including (without limitation) the rules, codes of conduct, codes of practice, practice requirements and accreditation terms stipulated by the FSA any regulatory authority or body to which such party is subject from time to time.

1.2 In this Agreement:-

- 1.2.1 the masculine gender shall include the feminine and neuter and words importing the singular form shall include the plural and vice versa;
- 1.2.2 words denoting persons shall include bodies corporate and unincorporated associations of persons and vice versa; and
- 1.2.3 references to a party to this Agreement shall include successors or assignees of that party.
- 1.2.4 references to any statutes or regulations shall include any statutory modifications or reenactments thereof for the time being in force.

1.3 The headings in this Agreement shall not affect its interpretation.

2. Data & Records

- 2.1 Subject to the provisions of clause 15.3 the Company hereby acknowledges that all insurance business transacted pursuant to this Agreement arises out of the relationship between the Agent and its Customer and that all information relating to such Customer is the property of the Agent.
- 2.2 Each Party shall comply with the provisions of the Data Protection Act 1998, the Privacy and Electronic Communication (EC Directive) Regulations 2003, and any other applicable data protection legislation.
- 2.3 All documentary and electronic records relating to insurance transactions covered by this Agreement shall be kept for the currency of the cover and for a minimum period of 3 years thereafter.
- 2.4 The Parties shall enter into a separate agreement for any electronic trading arrangements, including but not limited to any internet trading arrangements.

3. No Partnership or Agency

Nothing in this Agreement shall be deemed to constitute a partnership, association, joint venture or other co-operative enterprise between the Parties nor to constitute either Party the agent of the other for any purpose whatsoever except as specified by the terms of this Agreement.

4. Indemnity

The Agent shall at all times keep the Company indemnified against all losses including direct costs, claims, demands, expenses (including legal expenses), proceedings and liabilities made as a result of any acts performed by the Agent. The Agent must maintain adequate professional

indemnity insurance as required by the Regulatory Requirements and must provide evidence of its professional indemnity policy within 7 days of receiving a request from the Company.

5. Obligations of the Agent

- 5.1 The Agent undertakes to conduct its business hereunder at all times in accordance with this Agreement, best professional practice and all applicable Regulatory Requirements and at all times to comply with all applicable laws and regulations in force relating to the selling of insurance and to obtain and thereafter in effect any licence which it may be required to hold by law or regulation for the performance of obligations under this Agreement. Nothing in this Agreement shall require the Agent to act otherwise than in accordance with the Regulatory Requirements.
- 5.2 The Agent must explain to the Customer the importance of disclosing all material facts and is fully responsible for obtaining such information from the Customer so that an appropriate illustration of cover can be provided by the Agent. This illustration or full insurance quotation must be supplied to the Customer promptly by the Agent and confirmation of acceptance of the illustration or full insurance quotation must be obtained.
- 5.3 The Agent must explain the details of the illustration or full insurance quotation to the Customer and provide the Customer with the relevant terms and conditions. The Agent needs to ascertain that the cover is adequate for the Customer's needs and where it is not must provide a full written explanation. The Company will advise the Agent of Terms Conditions and Warranties applying to the insurance, as required by the Regulatory Requirements, and these must be notified to the Customer by the Agent promptly and accurately.
- 5.4 The Agent must pass to the Company promptly any material information notified to the Agent by the Customer in connection with any insurance in which the Company has an interest. The Agent remains for this purpose the Agent of the Customer and notification to the Agent will not be deemed to be notification to the Company.
- 5.5 Instructions to the Company to place an insurance risk on cover will only be accepted in writing, electronically or by facsimile. These instructions must include the Customers name and cover commencement date. No insurance risk will be deemed to be on cover until confirmation of acceptance of cover has been sent by the Company to the Agent in writing, electronically or by facsimile. Verbal, or telephonic instructions to assume cover, cancel cover or change the Policy in any way will not be operative until confirmed in writing, electronically or by facsimile (unless otherwise previously agreed in writing by the Company with the Agent).
- 5.6 When the Agent receives full and original details of the Policy, the Agent must forward these to the Customer promptly.
- 5.7 Where permitted and for the purpose of collecting premiums, the Agent will act as the agent of the Company. The Agent will be liable as principal to the Company for any premium payable by any Customer (including any premium due from but unpaid from any Insured party) once a risk has been placed on cover and shall pay the same within the agreed terms of credit set out in this Agreement. If the Agent fails to collect the premium within the agreed terms of credit the Company reserves the right to lapse the relevant policies from inception. For the avoidance of doubt the Company is not providing the Agent with risk transfer. The Agent will hold all client money in terms of the Regulatory Requirements.

- 5.8 In the event that the policy is cancelled or not renewed the Agent must return the documentation within 21 days of a request to return the documentation from the Company.
- 5.9 For any motor insurance business transacted by the Agent with the Company to enable the Company to meet regulatory obligations to pass on required information to the Motor Insurers' Information Centre, the Agent will use its best endeavours to ensure that all relevant details of the insurance are notified to the Company within 14 days of the commencement of the insurance. On renewal if the Agent does not receive an instruction from the Customer to proceed with renewal the Agent will return any relevant documentation to the Company within 14 days of the renewal date. In the event of a claim during this period the Company reserves the right to make a reasonable charge for the period of insurance.
- 5.10 The Agent shall notify the Company immediately of any change in relation to its authorization including without limitations the permissions it holds from the FSA under Part IV of FSMA.
- 5.11 The Agent shall not enter into any sub agency agreement with or permit anyone not authorised by the Company to introduce, advise on or sell any insurance product without the prior written consent of the Company.

6. Renewal Terms

The Company is responsible for providing the Agent with the renewal terms or confirmation that renewal will not be invited in time, to comply with the Regulatory Requirements.

7. Fees and Commission

- 7.1 The Agent shall be entitled to fees and/or commission in respect of all Premiums paid by the Customer (including Premiums in respect of new business, mid-term adjustments or amendments and renewals) for all policies unless otherwise agreed.
- 7.2 The Agent shall only be entitled to fees and/or commission in respect of Premiums received by the Agent.
- 7.3 The Company may on not less than 30 days written notice to the Agent amend any provisions as to fees and/or commission.
- 7.4 Where a Policy has been changed during its term resulting in a change to the Premium the rate of commission payable on the amended premium shall be the rate applicable at that time.
- 7.5 Where (whether due to mid-term adjustment amendment cancellation or any other reason) any return of Premiums is made the Agent shall repay to the Company immediately the amount of fees and/or commission received by it in respect of the Premiums returned.
- 7.6 The Agent shall not be entitled to any remuneration save as provided for in this Agreement and it shall not be entitled to recover from the Company any expenses incurred in relation to the business transacted hereunder unless agreed previously by the Company.

8. Credit and Payment

- 8.1 The Company shall be responsible for the preparation of a statement of account and this statement shall be the basis of accounting transactions between the Company and the Agent. All statements will show the Premium payable to the Company net of commission due to the Agent, plus insurance premium tax where applicable, and no further deductions from that

amount will be allowed unless specifically agreed.

- 8.2 All items must be settled within 25 days of the end of each month in which they first appeared on the statement of account. The Company reserves the right to lapse the policy if the Agent does not comply with these credit terms.
- 8.3 The Agents obligations in respect of settlements are not affected by:
- 8.3.1 Any credit agreement which the Agent has made with the Customer;
- 8.3.2 The Agent's inability to obtain monies due from the Customer.
- 8.4 The Agent shall at all times be licensed under the Consumer Credit Act 1974.

9. Insurance Claims

- 9.1 If a Customer notifies the Agent of a claim the Agent shall pass the details to the Company within 48 hours.
- 9.2 The Company or an insurer will handle all claims unless there is a separate written agreement to the contrary.

10. Documentation

- 10.1 Where the Premium or any instalment thereof is outstanding from a Customer for a period of more than 14 days the Agent shall notify the Customer that non payment will mean the Policy will be cancelled from inception/renewal save in the case of instalment payments when the policy will be cancelled from the date the instalment became payable.
- 10.2 Subject to clause 10.1 above the Agent shall provide to Customers promptly all such Policy documentation as is needed to comply with Regulatory Requirements as to possession of such documents in respect of face to face sales, telephone sales and distance marketing sales other than by telephone.

11. Material Information

- 11.1 The Agent shall pass immediately to the Company any material information relating to the customer or provided by the Customer to the Agent prior to inception of and at any time during the currency of a Policy and thereafter in relation to any claim under a Policy.

12. Confidentiality

- 12.1 Each party to this Agreement shall observe during the course of this agreement and thereafter strict confidentiality as to any information concerning:
- 12.1.1 the contents of this agreement;
- 12.1.2 the business affairs of the other party which may come within its knowledge during the currency of this agreement; and
- 12.1.3 any Confidential Information;
- 12.2 provided that this covenant shall not apply to:

- 12.2.1 communications between the parties and their respective professional advisers and bankers;
- 12.2.2 disclosures to be made by any party by law to any fiscal or regulatory authority or in accordance with the Regulatory Requirements or the terms of this agreement; and
- 12.2.3 information which has come into the public domain otherwise than by reason of the default of the relevant party or its advisers.

13. Intellectual Property

The Parties acknowledge that each of them is the owner or licensed user of Intellectual Property and nothing in this Agreement shall confer on either Party any right, title or interest in the Intellectual Property of the other Party.

14. Complaints

The Agent is responsible for all complaints received and will keep up to date formal records in accordance with the Regulatory Requirements and provide details to the Company immediately on request.

15. Termination

- 15.1 Either Party may terminate this Agreement on not less than 30 days' notice in writing.
- 15.2 The Company may terminate this Agreement immediately if:
 - 15.2.1 the Agent has become insolvent or an order has been made or a resolution passed for its liquidation, administration, winding-up, bankruptcy or dissolution (otherwise than for the purposes of a solvent amalgamation or reconstruction with the prior written consent of the Company); or
 - 15.2.2 an administrator or other receiver, manager, trustee, liquidator, or similar officer is appointed over all or any substantial part of the assets of the Agent; or
 - 15.2.3 the Agent or where the Agent is a partnership any of the partners enters into or proposes any composition or arrangement with its or his creditors generally or becomes insolvent or becomes bankrupt or is unable to pay any debts; or
 - 15.2.4 any of the events which are required by clause 5.10 to be notified by the Agent to the Company occur; or
 - 15.2.5 the Agent has breached or is likely to breach any of the Regulatory Requirements; or
 - 15.2.6 the Agent has any relevant licence, permission or Authorisation to conduct business refused, suspended removed or impaired by a breach of a Regulatory Requirement. For the avoidance of doubt this will include issues which arise from the ongoing risk assessments, audits and monitoring relating to these; or
 - 15.2.7 the Agent or any partner or director or principal of the Agent is convicted of any criminal offence (other than a minor driving offence) or the Company has reason to suspect that any such person has committed any act of fraud or dishonesty or that its conduct of the business transacted hereunder is such as to prejudice the interests of any Customer or the Company;

15.2.8 there is any other material breach by the Agent of the terms of this Agreement.

15.3 In the event of the termination of this Agreement pursuant to clause 15.2 the Company shall be entitled but not obliged to take over the servicing of Customers in respect of the Company's products and the Agent will provide to the Company such information so as to enable the Company to take over the servicing of the Customer as it may require and for the avoidance of doubt the Company shall be entitled to receive all commission and fees payable in connection with all policy renewals and inception relating to such Customers where the relevant renewal or inception date falls on or after the date upon which this agreement is terminated as herein before provided.

16. Effect of Termination

16.1 In the event of termination of this Agreement, the parties shall continue to observe the provisions hereof in relation to Policies in force prior to the expiry of notice of termination, until all risks under such Policies shall have expired and all claims have been dealt with.

16.2 Following termination of this Agreement the Parties shall co-operate with each other in providing such information as is necessary to achieve an orderly run-off of the outstanding Policies.

17. Non-Solicitation

17.1 In so far as the Customer has appointed the Agent to advise upon and arrange their insurance, the Company agrees not to solicit that Customer away from the Agent for a period of 3 years from the termination of this agreement;

17.2 Nothing in clause 17.1 above shall prevent the Company soliciting any Customer where:

17.2.1 such Customer has terminated the Agent's said appointment, without influence from the Company; or

17.2.2 such solicitation is in response to an approach initiated by (a) that Customer, or (b) any insurance intermediary, to provide any insurance; or

17.2.3 such solicitation is pursuant to a distance marketing initiative where such Customer forms part of that initiative for reasons unconnected with the fact that such a Customer is a policyholder pursuant to this Agreement.

18. Waiver

The failure by the Company to enforce at any time or for any period any one or more of the terms of this Agreement shall not be a waiver of them or of the right at any time subsequently to enforce all terms of this Agreement.

19. Variation

The Company reserves the right to vary the terms of this Agreement at any time upon giving 30 days' notice to the Agent.

20. Notices

- 20.1 A notice under this Agreement shall only be effective if it is in writing.
- 20.2 Any letter or other document shall be deemed to have been duly served on the Agent if it is sent by post to or left at the address of the Agent to which this Agreement is sent or subsequently notified to the Company in writing by the Agent.
- 20.3 Any letter or other document shall be deemed to have been duly served on the Company if it is sent by post to or left at the registered office for the time being of the Company.
- 20.4 Any notice or document shall be deemed to have been served if delivered at the time of delivery or, if posted, at 10.00 am on the second business day after it was put into the post
- 20.5 In proving service of a notice or document it shall be sufficient to prove that delivery was made or that the envelope containing the notice or document was properly stamped addressed and posted by first class post.

21. Severability

The provisions contained in each clause and sub clause of this Agreement shall be enforceable independently of each of the others and its validity shall not be affected if any of the others is invalid. If any of these provisions is void but would be valid if some part of the provision were deleted, the provision in question shall apply with such modification as may be necessary to make it valid.

22. Prohibition on Assignment etc

The Agent may not assign, transfer or delegate any of the rights or obligations under this Agreement, or the benefit thereof, without the prior written consent of the Company such consent not to be unreasonably withheld.

23. Authority to Bind etc

- 23.1 The Agent has no authority to bind the Company to taking any risk or to go on cover for any risk without the consent of the Company.
- 23.2 The Agent shall not produce or amend any insurance related documentation without the prior written approval of the Company.
- 23.3 The Agent shall not advertise either in paper or electronically any insurance product which is subject to this Agreement without the prior written permission of the Company.
- 23.4 The Agent shall not without the prior authorisation of the Company display or reproduce Company Intellectual Property in any publicity, letterheads, directories, advertising or other material in any form which may suggest or imply a relationship between the Company and the Agent other than the relationship created by this Agreement.

24. Contracts (Rights of Third Parties) Act 1999

This Agreement does not create any rights enforceable by any person not a party to it under the Contracts (Rights of Third Parties) Act 1999 or otherwise.

25. Entire Agreement

These terms sets out the entire agreement and understanding between the Parties in relation to the transactions contemplated and supersede all previous agreements, arrangements and understandings between us with regard to such transactions.

26. Governing Law

This Agreement and any variation to it shall be governed by English Law and shall be subject to the exclusive jurisdiction of the English Courts.