



Terms Of Business Agreement

Preamble and Status Disclosure

An agreement regulating terms of business between Think Insurance Ltd (The Company) and a broker using the Think Wholesale facility (The Intermediary). Think Insurance Ltd are independent insurance brokers and are authorised and regulated by the Financial Conduct Authority. Our permitted business is arranging general insurance contracts. Our authorisation No. 499053 can be verified by visiting FCA's Register which can be found on www.fca.org.uk/register or by contacting the FCA on 0845 606 9966.

It is hereby understood and agreed that:

1. Interpretation and Definitions

The Parties agree that the following terms shall have the following meaning for the purpose of this Agreement:

"Binding Authority Agreement" means an agreement between The Intermediary and The Company where The Company delegates its authority to enter into a contract of insurance underwritten by specified Insurers in accordance with the terms of the agreement.

"Client(s)" means a Person(s) who is/are a Policyholder or potential Policyholder.

"Client Money" has the meaning ascribed to it in the FCA Handbook Glossary.

"Contract of Insurance" means a non-investment insurance contract as defined in the FCA Handbook Glossary.

"FCA" means the Financial Conduct Authority or any successor body empowered with regulating Insurance Mediation Activity.

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

"Insurance(s)" means non-investment insurance business which is carried out or effected within the Territory, which is underwritten by or through The Company for various periods.

"Insurer" means the person authorised to carry out or effect general Insurance business in the Territory and who has provided the Policy and with whom The Company has placed the Insurance.

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

"Policy(ies)" means any document(s) evidencing or forming part of a Contract of Insurance provided by The Company or the Insurer in accordance with this Agreement and "Policyholder" shall be construed accordingly.

"Services" means any service undertaken by The Intermediary for Clients amounting to Insurance Mediation Activity.

"Statement of Fact" means a summary record of important risk information supplied by or on behalf of a Client.

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

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. This Agreement supersedes and extinguishes any and all prior Agreements of whatever nature that might exist between the parties.

If The Company enters into a Binding Authority Agreement with The Intermediary and there is a conflict between its terms and the terms of this Agreement then the applicable term of the Binding Authority Agreement will prevail over the relevant term of this Agreement to the extent of any conflict and in respect of the business that is the subject of such Binding Authority Agreement but not for any other business.

The Company reserves the right to make enquiries through credit forums or credit checking agencies or other insurance companies regarding The Intermediary's credit status irrespective of whether The Intermediary is an individual, sole trader, partnership or incorporated company. Such enquiries may include credit checks against individuals involved in The Intermediary's business and The Intermediary shall procure that such individuals are aware of the possibility of such enquiries.

3. Period of Agreement

This Agreement shall commence from the date of the signature on behalf of The Company at the end of this document or the date of signature by The Intermediary if later and shall continue until terminated in accordance with the provisions of Clause 16 below.

4. Territorial Limits

This Agreement relates only to risks where the Client is domiciled within the Territory as defined, or such other locations as may be separately agreed in writing between the parties.

5. Relationship

Nothing in this Agreement shall be construed as creating any partnership between The Company and The Intermediary (or any of The Intermediary's Employees) nor the relationship of principal and agent or employer and employee. The Intermediary shall not represent that it or its Employees are in partnership with or an agent or employee of The Company.

6. Intermediary's Obligations and Representations

The Intermediary represents and warrants that none of the events outlined in Clause 15 have occurred or are on-going as at the date of signing of this agreement.

The Intermediary represents and warrants that it acts directly for the Client and that no other Intermediary has any involvement in any part of the arrangements for which The Intermediary is requesting The Company's assistance in arranging. No delegation of any benefit, obligation or responsibility contained in this Agreement to any other party is permitted other than as specifically granted in this Agreement.

The Intermediary warrants that it shall:

1. Perform the Services to a high standard in accordance with the responsibilities placed upon it by the rules and guidance of the FCA with utmost integrity and shall act with due skill, care and diligence in the course of providing the Services and will treat its customers fairly;
2. secure and maintain any and all licenses that may be required by applicable law or convention in the performance of the obligations under this Agreement;

3. Develop, maintain, and retain proper files containing all information relevant to any and all Clients and Policies and all obligations placed upon The Intermediary pursuant to this Agreement;
4. Comply fully with the rules and regulations of any governmental or non-governmental agency or department, and specifically the FCA, or any successor body having jurisdiction over any of the matters pertaining to this Agreement;
5. Comply with all applicable data protection laws and regulations relating to the use, processing and storage of data;
6. Submit to The Company such proposal forms, claims experience or other documents requested by The Company in a timely manner and shall recognize that the issue of the Policy will not occur until all relevant documentation has been received and The Intermediary agrees that the FCA requirement for prompt issue is dependent upon receipt of all documentation required. Further, The Intermediary shall ensure that any document supplied by any Insurer that is intended to be issued to Clients, is issued to such Clients in good time so as to meet any regulatory requirement;
7. Maintain professional indemnity insurance in force to at least the minimum level required by the FCA;
8. Advise The Company promptly of any complaint about The Company's activities and co-operate with The Company in dealing with such complaints;
9. Carry out any such checks as it deems appropriate prior to recommending any Policy to be provided by The Company to any of The Intermediary's Clients. The Intermediary recognises that The Company will use reasonable endeavours to establish the financial standing of Insurers it uses but will not accept any liability if they fail to meet their obligations to any Client;
10. Pay to The Company all net premiums, fees, and Insurance Premium Tax as may become due on or before the due date shown on The Company's invoices. For the avoidance of doubt, The Company is under no obligation to fund premiums and will not do so. The Intermediary is responsible for any prejudicial action taken by any Insurer due to non-payment by it of premiums and taxes by the due date;
11. Be responsible for any and all advice given to any Client and will comply with FCA rules and guidance in giving such advice including, but not limited to, matters relating to disclosure of material facts, unusual or onerous Policy terms, or extent of cover in relation to the Clients' needs;
12. Fulfil its responsibilities under any legislation relating to financial crime including, but not limited to, the Money Laundering Regulations 2007, the Joint Money Laundering Steering Group guidance notes, and the Asset-Freezing Act 2010, and the provision of any necessary identity checks;
13. To put in place and maintain adequate systems and controls to ensure that any conflicts of interest are managed and that it meets the provisions of the Bribery Act 2010;
14. Notify The Company in the event that The Intermediary becomes aware that it has, or will, breach any of the regulatory requirements where such breach might have a material effect upon the performance of this Agreement;
15. Not use any logo, brand name, or trademark belonging to either The Company, or any of the Insurers used by The Company, or to purport to represent The Company or any of the Insurers save as agreed in this Agreement, or to create or distribute any advertisement using either the name of The Company or any Insurer without the prior agreement in writing of the owner of such logo, brand name, or trademark;

16. Obtain if required the appropriate permission to provide credit broking services from the FCA and abide by the requirements of the FCA Rules relating to such activities;

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 or suit. The Intermediary shall however promptly report to The Company all claims and/or suits arising under or in connection with any Insurance or any matter pursuant to this Agreement, which come to the attention of The Intermediary and co-operate fully in the investigation and adjustment of all such claims and/or suits. This Clause 7 is not intended to replace, or act as a substitute for any claims notification requirements contained in any Policy which must be complied with.

8. Company Claims Handling

The Company will meet all regulatory and legal requirements regarding claims handling. The Intermediary will notify the Insurers' claims department of any claim or notification advised to them by the Client or a third-party claimant.

The Company will notify The Intermediary of any claim or incident advised to them by the Client or a third-party claimant.

9. Limitation of Authority and The Company's Right To Cancel

The Intermediary is not empowered to bind The Company or any Insurer by contract or to impose any liability on The Company or any Insurer by any statement whether written or oral or by conduct unless previously instructed in specific terms in writing.

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 and (provided such cancellation or declination is exercised legitimately) no financial compensation shall be due to The Intermediary as a result of the same.

10. Premium Payments and Accounting

The Company acts as the agent of all Insurers for the purposes of receiving and holding premiums from the Client and for receiving and holding refunds prior to transmission to the Client (i.e. risk transfer applies but only to Premiums, Adjustments, and Return Premiums).

Subject to the "Important Notice" at the end of this Clause 10, The Company has authority from all its Insurers to cascade risk transfer and for the purposes of this Agreement, unless otherwise advised, risk transfer extends to The Intermediary, which means that:

- a) Monies The Intermediary receives from the Client in respect of premium payments will be treated as paid to Insurers.
- b) Monies The Intermediary receives from The Company or Insurers for premium refunds will only be deemed as paid when paid by The Intermediary to the Client.
- c) All monies The Intermediary receives from the Client or from The Company/the Insurer for the benefit of the Client shall be the property of the Insurer and must be held by The Intermediary in trust for the Insurer either in a Statutory, or Non Statutory trust account subject to the FCA CASS rules, with an approved UK Bank and designated for this purpose ("Trust Account"). The Intermediary must have suitable systems in place to enable The Intermediary to identify such monies. The Intermediary is entitled to retain any interest earned on such monies.

d) Where The Intermediary holds Client Money, the Insurer agrees that money which The Intermediary holds in trust for them may be co-mingled in a client money bank account with other Client Money as defined in the FCA Client Assets Sourcebook (CASS) or Insurer money held under risk transfer agreements. The Insurer further agrees 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.

e) Unless otherwise advised, The Intermediary is not authorised to act as the agent of The Company or of the Insurer for the purposes of receiving or holding claims money.

f) Subject to any agreement to the contrary net premiums, Insurance Premium Tax and any fees are to be accounted for by The Intermediary not later than 30 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. In the absence of payment of the premium by the due date The Company reserves the right to either cancel the cover or consider the case as not taken up. The Intermediary will be responsible for any time on risk charges should any case not proceed for whatever reason.

g) The Company reserves the right to deal directly with the Client in the event of a default on The Company's credit agreement.

h) The Intermediary is responsible for complying with the terms of any premium payment warranty or condition imposed by any Insurer and making any premium payment to The Company in sufficient time to allow The Company to remit the relevant funds to the Insurer before the expiry of any period stated in such warranty or condition.

In consideration of the granting of cascaded risk transfer by any Insurer to the Intermediary, the Intermediary warrants that it will, for any Insurer that has provided cascaded risk transfer to it, provide such rights of access to its premises within business hours and any documentation or records that any Insurer may require in establishing that monies held on their behalf are properly recorded and adequately protected.

Important Notice – withdrawal of cascaded risk transfer in certain circumstances

Certain Insurers may decline to cascade risk transfer to particular Intermediaries for their own reasons of which The Company are not aware. Where The Company is advised by an Insurer that a particular Intermediary cannot receive the benefit of cascaded risk transfer, The Company will advise the Intermediary that for cases placed with that particular Insurer premiums and refunds must be held as Client Money and not as agent of the Insurer.

11. Commission

Commission will be payable by The Company at rates advised to The Intermediary from time to time for business placed with The Company and on renewals thereof. The amount of commission will be shown on the statement of account that will be issued by The Company. The Company reserves the right to modify commission rates at any time subject to 30 days' notice. The Intermediary's entitlement to commission is conditional upon the following points being satisfied:

1. That The Intermediary's appointment with the Company is still in force.
2. That the Client has been introduced, and the Policy negotiated on behalf of the Client, by The Intermediary.
3. That the premium for the Insurance has been paid to and received by The Intermediary in cleared funds.
4. That The Intermediary continues to act for the Policyholder directly for the duration of the Policy.

The commission is payable on net premiums excluding rebates, discounts, fees, Insurance Premium Tax, or any deduction due to the Policyholder. Should the Company give a refund of premium (for whatever reason), The Intermediary will repay the commission upon the amount refunded.

Where the Company agrees or are required to return any part of the premium to Your client, the Intermediary will immediately repay to the Company the equivalent of commission. The Company reserves the right to set off and deduct any monies due from the Intermediary from any Commission or other payment due to the Company to the Intermediary on any account whatsoever.

12. Client Ownership

The Company undertakes not to solicit any Client of The Intermediary, or contact them other than in the following circumstances:

1. Where specifically requested by The Intermediary.
2. Due to non-payment of the premium or non-receipt of documents requested and still outstanding.
3. Where this Agreement has been terminated for any reason detailed in Clause 16 below other than termination arising from a change in control.

The Company undertakes not to solicit any Client of The Intermediary, or contact them for a period of 1 (one) year from the date of termination of this Agreement except for the reasons 1 – 3 above or where necessary to fulfil any regulatory requirement.

13. Proposals and Adjustments

All proposal forms and any other material documentation are to be sent to The Company on the same day as received or as quickly as possible after receipt, and in any event within 7 days of inception of a Policy or a request by The Company.

The Company will issue a Statement of Fact upon which the Insurance cover provided is based. This should be checked by the Client to endorse that all the information given is correct and no other relevant information has been withheld. If the Client advises The Intermediary of any change to material facts shown in the Statement of Fact these must be communicated to The Company and an amended Statement of Fact issued.

For any new Policy or adjustment to one that requires an entry to be made on the Motor Insurance Database, the relevant information must be provided in a timely manner that permits The Company or its Insurers to make the required entries within the required timescales.

14. Assignment and Third-Party Rights

This Agreement is personal to The Intermediary and no assignment of any of the rights and obligations contained in it is possible.

The terms of the Contracts (Rights of Third Parties) Act 1999 are not intended to apply to this Agreement and no part of this Agreement is enforceable by a Third Party under that Act.

15. Notification of Changes

The Intermediary shall immediately notify The Company in writing:

1. Of any change of trading style or address.
2. Of any change in Partners (where a partnership).

3. If they or any Partner or Director compounds with creditors, or becomes bankrupt, or has a receiving order made against them 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.

4. In the event of any other changes which are material to this Agreement or listed within the Declaration section of the Agency Application Form.

16. Termination of Agreement

Either party shall have the right, at any time, to terminate this Agreement by serving upon the other party written notice specifying the effective date of termination, which shall be not less than 12 months from the date of this Agreement. The Company requires The Intermediary to give at least 90 days written notice within the first 12 months of this Agreement to expire no earlier than at the end of the period of 12 months referred to above and 30 days' notice thereafter.

This Agreement will immediately terminate without notice:

1. If The Intermediary fails to keep The Company informed of any matters referred to in Clause 15 (3 and 4);
2. On the death of The Intermediary (if a sole trader);
3. On the expiry, termination or suspension for any reason of any license or permission The Intermediary is required to have 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);
4. On the insolvency, liquidation or bankruptcy of The Intermediary;
5. On 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 or relief of debtors;
6. On 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

This Agreement may be terminated immediately upon written notice at The Company's option in the event that:

1. The Intermediary, in the opinion of The Company commits any fraudulent act or similar illegal conduct; or
2. 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 the owner of such stock on the effective date of this Agreement; or
3. The Intermediary defaults on any obligation to repay any credit line, bank or other loan.

Any termination as detailed above shall not affect the rights and obligations of the parties hereto as to transactions, acts or things done or that should have been done by either party prior to the effective date of termination. In particular, termination of this Agreement shall not act to terminate any Contract of 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 Policies, unless The Intermediary is expressly released from such obligation by The Company in writing.

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 and fees (including Insurance Premium Tax) which have not been paid to The Company in relation to any Insurance Policy.

Upon termination of this Agreement for whatever reason, The Intermediary agrees that all of the Client's Insurance Policies shall remain with The Company for the full Policy period of that Insurance.

After the effective date of termination, The Intermediary shall not sell or arrange to offer any Insurance or provide any Services on behalf of The Company unless otherwise agreed in writing by The Company.

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 or any Client has any cause for complaint they should in the first instance contact The Company at Think Insurance Services Ltd, Suite 1, 1st Floor, 26 Newhall Street, Walsall, WS12 3DZ in writing. The matter will then be dealt with in accordance with The Company's complaints procedures. If the matter relates to an Insurer, then the complaint may also be taken up with the Insurer. In such circumstances The Company will provide full details of the appropriate contact at the Insurer.

18. Confidentiality

The Intermediary shall during the term of this Agreement and thereafter, safeguard and maintain in confidence all trade secrets and other information relating to The Company.

Both parties acknowledge that the content of this Agreement and the Insurance affairs of any Client are confidential and, except as may be required by law or by the requirements of any body set up to regulate Insurance Mediation Activity shall treat all such information as confidential and shall not use or disclose such information for any purpose other than in connection with the fulfilment of each party's obligations under this Agreement.

19. Communications By Email

Each party accepts that the use of email carries risks when used as part of a contractual process as it may not be apparent that emails or attachments have been received without corruption, or at all, by the other party. The Company will accept no liability for the non-receipt or corruption of emails or attachments.

20. Waiver and Severability

Failure to exercise, or delay in exercising or enforcing any right or remedy in this Agreement by either party shall not constitute a waiver of such right or remedy and any partial exercise or enforcement of any right or remedy shall not preclude or restrict the further exercise or enforcement of any such right or remedy.

In case any one or more of the provisions contained in this Agreement shall, for any reason, be held to be unenforceable, such provision or provisions shall be ineffective only to the extent of such unenforceability, without invalidating the remainder of such provision or other provisions of this Agreement. This Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein, unless such a construction would be unreasonable.

21. Governing Law and Jurisdiction

The construction, validity and performance of this Agreement shall be governed in all respects by English Law and any proceedings arising out of or connected with this Agreement shall be subject to the exclusive jurisdiction of the English Courts.

22. Notices

Any notice required to be given under this Agreement by the parties may be given by post to the last known place of business of that party and shall be deemed to be validly given 48 hours after any such notice was posted. Proof of posting to the last known address of the party shall be deemed sufficient proof of receipt by the other party.

23. Wholesaling

The Company does not accept any wholesale business. The Intermediary must adhere to this requirement, as the Company does not wish to attract business from certain intermediaries. The Intermediary confirms that all business offered to the Company is from the Intermediary's own clients and not from any other broker or introducer.

24. Intellectual Property Rights

The Company will retain ownership of all intellectual property rights, in the data, databases, computer programs, documents, materials, ideas, or other information, or any compilation thereof used in the performance of the service provided to the Intermediary unless otherwise agreed in writing by the Company.

25. Variation

The Company reserves the right to vary this Agreement at any time by giving not less than 30 days' notice to The Intermediary either by post or by email.

AUTHORISATION:

I confirm that by signing this Agreement that I am a Statutory Director, a Sole Trader, or have the authority of all partners to sign on their behalf.

Signed for and on behalf of:

For and on behalf of Intermediary as named below:

Think Insurance Services Limited

Broker: -----

Signature: -----

Signature: -----

Full Name: -----
(Block Capitals)

Full Name: -----
(Block Capitals)

Position: -----

Position: -----

Date: -----

Date: -----