



**SUB - AGENT TERMS OF BUSINESS AGREEMENT
Version 2 2023**

This agreement is made on **DAY MONTH YEAR** between

- (a) **Travel Insurance Facilities Plc (trading as tifgroup and other brands from time to time acting on behalf of the Insurer Astrenska Insurance Limited, trading as Collinson Insurance)**, a company incorporated and registered in England and Wales (**03220410**); its registered address being 1 Tower View, Kings Hill, West Malling, Kent, ME19 4UY on its own behalf (the **Agent**);

and

- (b) **Our Appointed Sub - Agent (ADD YOUR COMPANY NAME)**, a company incorporated and registered in England and Wales (**ADD COMPANIES HOUSE NUMBER**); its registered address being **ADD ADDRESS**.

FOR THE PROVISION OF TRAVEL INSURANCE

This Terms of Business Agreement ("TOBA") replaces any other agreements with these terms and any assertions made during the appointment process.

1 **Background**

- 1.1 Under this Agreement, it is understood that You represent Your Clients and Travel Insurance Facilities Plc (the **Agent**) represents the Insurers.
- 1.2 This Agreement specifies the terms under which business placed with Travel Insurance Facilities Plc on behalf of Your Clients shall be placed with Insurers.
- 1.3 The Parties have agreed to enter a sub-agent arrangement on the terms and conditions set out in this Agreement.
- 1.3 This agreement shall replace all previous Terms of Business Agreements but without prejudice to accrued rights for past breaches.

2 **Definitions and Interpretation**

- 2.1 In this Agreement, where appropriate, reference to a statutory provision includes a reference to the same as modified, re-enacted or both from time to time before or after the date of this Agreement and any subordinate legislation made under the same before or after the date of this Agreement.
- 2.2 **Agreement** refers to this agreement, the "Terms of Business Agreement (Risk Transfer)".
- 2.3 **Applicable Requirements** means all applicable statutes, rules, laws, regulations, instruments and provisions in force from time to time, including (without limitation) the rules, codes of conduct, codes of practice stipulated by any authority or body including any Relevant Regulatory Body, to which a Party is subject from time to time.
- 2.4 **CASS** means the FCA's Client Assets Sourcebook.
- 2.5 **Client** means a customer introduced by You whose proposal has been accepted by Us on behalf of an Insurer and is protected under a contract of insurance.
- 2.6 **Commission** means commission due to You at the rates and times (if any) as set out in writing between the Parties in respect of that Insurance Business.
- 2.7 **Data Controller** means the person or other Legal entity which, alone or jointly with others, determines the purposes and means of the processing of Personal Data.
- 2.8 **Data Protection Law** means all applicable statutes and regulations in the UK jurisdiction pertaining to the processing of Personal Data, including but not limited to the privacy and security of Personal Data.
- 2.9 **Data Subject** means the identified or identifiable natural living person to whom the Personal Data relates.
- 2.10 **Delegated Claims Administrator** means the entity appointed by the Insurer or the Agent to handle and/or pay claims.
- 2.11 **FCA** means the Financial Conduct Authority, or any successor regulatory bodies.
- 2.12 **Force Majeure Event** means an event beyond a Party's control.
- 2.13 **Gross Premium** means the premium including any Commission, excluding IPT.
- 2.14 **Group** has the meaning given to it in section 474 of the Companies Act 2006.
- 2.15 **ICOB** means the FCA's Insurance Conduct of Business Sourcebook.

- 2.16 **Insurance Business** means any insurances or reinsurances falling within the description of a “contract of insurance” in Article 3(1) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 under any contracts for insurance made by the Agent on behalf of the Insurer where You the single producing Sub-Agent and the insured risk relates to UK business.
- 2.17 **Insurer** means any person who writes contracts of general insurance falling within the terms of Schedule 1, Part 1 of the United Kingdom’s Financial Services and Markets Act (Regulated Activities) Order 2001.
- 2.18 **IPT** means Insurance Premium Tax in the United Kingdom or any equivalent tax or levy in another state which applies to insurance business.
- 2.19 **MGAA** means the Managing General Agents’ Association.
- 2.20 **Net Premium** means the Gross Premium after deduction of Commission.
- 2.21 **Parties / Party** means collectively the Parties and each of them a Party
- 2.22 **Personal Data** means any information relating to the Data Subject.
- 2.23 **Personal Data Breach** means a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, Personal Data transmitted, stored or otherwise processed.
- 2.24 **Policyholder** means the person entering or proposing to enter into any Insurance Business subject to this Agreement as an insured.
- 2.25 **Records** means any medium on which any information of any description is recorded and includes all books, records, correspondence whether electronic or otherwise in respect of the Insurance Business.
- 2.26 **Relevant Regulatory Body** means the FCA or other body with the authority in the United Kingdom to authorise a person to conduct Insurance Business.
- 2.27 **Rules** means the FCA Handbook and the rules, guidance or regulations issued by the FCA and all other rules to which the Agent are subject to in undertaking insurance business and the rules, guidance or regulations issued by the FCA and all other rules to which You are subject in undertaking insurance business.
- 2.28 **Taxes** means all Insurance Premium Taxes (IPT) and other para-fiscal charges which may be levied by fiscal authorities on insurance premiums.
- 2.29 **You/Your** means **ADD COMPANY NAME**

3 **Scope**

- 3.1 The purpose of this Agreement is to set out the rights and obligations of the Parties in respect of the matters specifically addressed in this Agreement. Any matters between the Parties not expressly addressed in this Agreement remain unaffected and unaltered by this Agreement.
- 3.2 Nothing in this Agreement will be construed as creating a partnership or joint venture of any kind between the Parties. Neither Party will have the authority to bind the other Party to a contract in its name for any purpose except to the extent expressly stated in clauses 8.1, 9.2 and 13.3. In particular, You will not create or allow any duty of care, contractual duty or any other duty to be created between the Agent and any Policyholder, other than as expressly created by any Applicable Requirements.

- 3.3 Subject to Clause 12, nothing in this Agreement overrides the Your duty to place the interests of its Policyholder before all other considerations, nor will this Agreement override any Applicable Requirement which may apply to You, the Agent, or the placing of any Insurance Business.
- 3.4 Subject to Clause 3.6 below, the Parties agree that the terms in this Agreement will apply to the conduct of any Insurance Business incepted or renewed on or after the date of this Agreement, and will supersede the terms of any other terms of business agreement (TOBA) already in place between the Parties for such Insurance Business. Such TOBA(s) will continue to apply to Insurance Business transacted between the Parties before the date of this Agreement until its natural expiry date.
- 3.5 Each proposal for Insurance Business, renewal of existing Insurance Business or continuation of cover will be accepted or declined by the Agent at its sole discretion. The Agent acknowledges that You are under no obligation to offer any proposal for Insurance Business or renewal of any existing Insurance Business to the Agent. You acknowledge that the Agent is under no obligation to provide a quotation in respect of any proposal for Insurance Business, or mid term adjustment or variation.
- 3.6 Prior to or at the time of placement of any Insurance Business, You and the Agent may agree separately and in writing provisions relating to the conduct of that Insurance Business.

4 Regulatory Status

- 4.1 You warrant that You are authorised by a Relevant Regulatory Body to conduct all insurance distribution activities relevant to the Insurance Business from the date of this Agreement and for the duration of this agreement. The Agent warrants that it is authorised to carry out and underwrite for Insurers the Insurance Business from the date of this Agreement.
- 4.2 You will inform the Agent immediately in writing if at any time during the period of this Agreement:
- (a) a Relevant Regulatory Body suspends or withdraws its authorisation; or
 - (b) You cease to be authorised by a Relevant Regulatory Body in relation to any Insurance Business subject to this Agreement; or
 - (c) You become insolvent; or
 - (d) there is a material change to the Your ownership i.e. more than 20% of the shares, voting rights or business assets are transferred to a new owner.
- 4.3 The Agent will inform the You if:
- (a) a Relevant Regulatory Body suspends or withdraws its authorisation or imposes any conditions which materially affect this Agreement; or
 - (b) the Agent otherwise ceases to be authorised by a Relevant Regulatory Body to undertake any activities in relation to any Insurance Business subject to this Agreement; or
 - (c) the Agent becomes insolvent.
 - (d) there is a material change to the Agent's ownership i.e. more than 20% of the shares, voting rights or business assets are transferred to a new owner.

5 Authority

- 5.1 This Agreement sets out the basis on which the Agent, acting on behalf of any Insurer, will accept Insurance Business from You.
- 5.2 Except as expressly provided in this Agreement or on the express written authority of the Agent, You will have no authority to bind, accept, commit to, amend, alter or vary Insurance Business, settle, negotiate or compromise claims, alter any document or policy, make any financial promotion on the Agent's or the Insurer's behalf and/or commit the Agent in any way without the Agent's or the Insurer's (as the case may be) prior written consent. All sales shall only be made via the Agent portal provided unless express written authority has been provided by the Agent.
- 5.3 You shall immediately inform the Agent of any proposed financial promotion (Including new sales journeys) relating to Policies which contain any reference to the Agent or Insurer and shall, if requested to do so by the Agent on behalf of the Insurer, provide full details of the same to the Agent on behalf of Insurer. The Agent shall have the right to prior approval of all financial promotions to be used by You which contains reference to the Agent, Insurer or the activities under this Agreement. You shall ensure that the Agent on behalf of the Insurer receives sufficient time to approve such financial promotions and will ensure that the Agent receives the required information in any event at least fifteen (15) Business Days prior to any printing, publication or go-live deadline. Approval by the Agent on behalf of the insurer shall not be unreasonably withheld and if approved such approval will be provided within five (5) Business Days.
- 5.4 Upon agreement by the Agent to content relating to the product, services, regulatory and company information contained in any financial promotions for use across any mediums used by You from time to time, You will only need to refer further or new content in the event of a material change to the textual content or messaging. Changes to visuals and format of financial promotions will not require repeated referral to the Agent where text has already been signed off. You must ensure that any images used in financial promotions do not represent members of the public participating in any hazardous or dangerous activities which are excluded under the terms of the policy.
- 5.5 The Agent on behalf of the Insurer shall have the right, in its absolute discretion, to withhold its consent, to any advertising and marketing materials proposed by You where there is reference to the Agent, Insurer or the Policy wording that cannot be agreed between the Parties acting reasonably and in good faith.
- 5.6 You shall, at the reasonable request of the Agent, remove any financial promotion which is in connection to this Agreement and in the public domain within 5 days of such request.
- 5.7 Unless otherwise agreed in writing with the Agent, notification of a claim by a Policyholder to You will not be notification of the claim to the Agent or the Insurer. It will be Your sole responsibility to notify and present such claim fully in accordance with policy terms.

6 Agent Obligations

- 6.1 If there is to be a change of an Insurer underwriting the Insurance Business, the Agent will notify You of the change of Insurer in good time before the change of Insurer takes effect.

7 Your Obligations

- 7.1 You shall ensure that the services it provides under this Agreement are fully compliant with Good Industry Practice, the Rules, and the reasonable instructions of the Agent. You shall indemnify and hold harmless the Agent against any claims, demands, actions, proceedings, costs, damages, losses, expenses (which shall include legal costs) and

taxes whether suffered or incurred directly or indirectly by the Agent arising from Your non-compliance with the terms of this Agreement and shall indemnify the Agent from the foregoing if such breach is not remedied within fourteen (14) Business Days.

7.2 You will at all times:

7.2.1 comply with all reasonable requests of the Agent and the directions or requests of a Regulator or a court; and

7.2.2 to the extent it is not prohibited by the Rules, direct all enquiries from a Regulator or a court to the Agent within two (2) Business Days.

7.3 You shall notify the Agent immediately if it suspects or becomes aware of:

7.3.1 the potential for a fraudulent Claim,

7.3.2 a Policy that has been obtained through non-disclosure or misrepresentation; or

7.3.3 any circumstance that it reasonably considers may give rise to litigation, or which may result in a Complaint to a Regulator to the extent it is not prohibited by the Rules.

You will not carry out any action in respect of such Claim or any further action in respect to any such Policy without receiving express written instructions from the Agent to the extent it is not prohibited by the Rules.

7.4 Where a Complaint relates to activities that are the responsibility of You, You will ensure that it handles such Complaint in accordance with the Rules, Good Industry Practice and any applicable complaints handling guidance issued by the Agent appropriately and reasonably from time to time. The Agent will provide You with reasonable assistance in dealing with the Complaint.

7.5 In handling the Complaints referred to in Clause 7.4, You shall:

7.5.1 maintain a complaints handling policies and procedures document which is consistent with the Rules, Good Industry Practice and the complaints handling guidance issued by the Agent from time to time, and always comply with the foregoing;

7.5.2 appoint a senior member of its staff to have overall responsibility for the handling and resolution of Complaints;

7.5.3 notify the Agent within two business days in writing (and within one Business Day if the Policyholder has notified or referred the Complaint to the media or a Member of Parliament; the Policyholder has a high media profile; or the Policyholder has issued court proceedings or threatened to issue legal proceedings) if a Complaint is made;

7.5.4 keep a register of all Complaints which will be:

(a) subject to audits and monitoring of reports on a monthly basis by the Agent, and

(b) available for access by a Regulator, if and when necessary;

7.5.5 retain records of all Complaints, together with any underlying documents, for a minimum period of seven (7) years or longer, where required by the Rules, from the date of the Complaint;

7.5.6 ensure that appropriately competent and trained employees with the relevant level of authority and independence to handle each Complaint, including ensuring that any person who is the subject of a Complaint does not handle such Complaint;

7.5.7 assist and cooperate with the Agent to enable the Agent to:

- (a) regularly analyse Complaint data to identify root cause issues or trends; and
 - (b) implement or suggest changes to remedy any recurring or systemic problems; and
- 7.5.8 Where the Agent identifies root cause issues or trends, You shall promptly implement any action plan reasonably required by the Agent for remedying those root cause issues or trends.
- 7.6 You will refer any Complaint relating to the Agent or Insurer to the Agent within one (1) Business Day of its receipt, and save for acknowledging such Complaint, will not take any steps to respond to the Complaint. You will provide the Agent with all reasonable assistance in dealing with the Complaint.
- 7.7 Where the Complaint is a FOS Complaint related to activities that are the responsibility of You, You shall:
- 7.7.1 Respond to the FOS Complaint
 - 7.7.2 Be responsible for any fees in relation to the FOS Complaint; and
 - 7.7.3 Be responsible for paying out any compensation or reward that is due as a result of the FOS Complaint.
- 7.8 You shall not, without the prior written consent of the Agent:
- 7.8.1 bind any insurance more than thirty-two (32) days in advance of its proposed inception date, save for renewed annual multi-trip insurance which may be bound 60 days in advance of its proposed inception date;
 - 7.8.2 quote for any renewal more than sixty (60) days in advance of its renewal date; or
 - 7.8.3 save for Clause 7.8.1, hold any quote for new business open for more than thirty (30) days from the date of quotation.
- 7.9 You shall:
- 7.9.1 not bind any insurance:
 - (a) that is in breach of conditions; or
 - (b) with a sum insured or limit of liability that exceeds the maximum sums insured; and
 - 7.9.2 not charge a Retail Premium to Policyholders which is less than the total of the Net Premium and any applicable Taxes and Commission; and
 - 7.9.3 comply with the obligations of this agreement.
- 7.10 You agree to hold harmless and indemnify the Agent for all losses, costs and expenses (including legal costs) that the Agent incurs because of Your breach or failure to comply with Clause 7.9. No Policies shall be sold by You which are subject to or are capable of automatic or tacit renewal, unless otherwise agreed in writing between the Parties.
- 7.11 You will maintain and operate adequate procedures to prevent and/or resolve any conflicts of interest that may arise while the Agreement is in force and You will notify the Agent of any actual or potential conflict of interest as soon as reasonably practicable.
- 7.12 You shall notify the Agent immediately in writing of any event which:
- 7.12.1 causes, or appears to You to be likely to cause, a failure by You to comply with any service levels;

- 7.12.2 materially jeopardises Your ability to perform the services under this Agreement; or
- 7.12.3 may have a material impact on Your ability to carry out the services under this Agreement in accordance with this Agreement and in compliance with the Rules.
- 7.13 You must ensure that the correct Taxes are calculated and paid on the Gross Premium When credit terms are in place.
- 7.14 When credit terms are in place You are liable for all Taxes that may be determined to be payable on the Policies sold. Accordingly, You agree to indemnify the Agent in full from all losses, costs and expenses (including legal costs) that the Agent incurs as a result of any claim by a Regulator in respect of unpaid Taxes which are attributable to a failure by You to collect and remit to the Agent the correct Taxes. For the avoidance of doubt, You shall not be liable for any failure to collect Taxes where correctly following the instructions of the Agent.
- 7.15 You are responsible for ensuring the policies are sold in line with net rating provided by the Agent. You will be liable for paying difference to any premiums collected that vary from the net rate provided by the Agent.
- 7.15.1 The Parties agree that the “Manufacturers” (as defined in the FCA’s Handbook of Rules and Guidance or within the meaning of Article 2 of the POG Regulation as applicable) of the Policies are as shown in Schedule 2.
- 7.15.2 providing all assistance as may be reasonably requested by the Agent in order to allow the Agent to carry out its responsibilities in respect of the activities summarised as being the responsibility of the Agent.
- 7.15.3 You will ensure that all documents issued to a Policyholder evidencing cover under this Agreement show the name and address of You or Scheme as detailed in Schedule 1 and contain a statement that stipulates that the You act as a sub-agent for the Insurer regarding the receipt and handling of Retail Premiums and return of Retail Premiums.

8 Remuneration

- 8.1 You will be remunerated on the basis of Commission.
- 8.2 The Agent will settle commissions with You as per Schedule 1
- 8.3 If You have credit terms in place, You will be responsible for the settlement of Your account within fifteen (15) days of the expiry of the month of issue or immediately by return upon receipt of the Your monthly Statement of Account, which shall not be later than fifteen (15) days from the end of the month of issue, or as otherwise agreed between the Parties.
- 8.4 You will on demand pay to the Agent interest at the Bank of England base rate plus 4% applying at the time of such demand being made on any sums due to the Agent and not paid by You in accordance with Clause 8.2.
- 8.5 Where the Agent is required to return or procure the return of any part of the premium to the Policyholder (or where applicable to a third party on behalf of the Policyholder) You will repay within fifteen (15) days of the expiry of the month to the Agent the equivalent proportion of any Commission, unless the You are required by law to repay that equivalent proportion of any Commission to another person.
- 8.5.1 You shall be responsible for collecting the Gross Premium from each Customer together with the applicable IPT. If at any time IPT is increased or any similar tax is levied or demanded or increased in respect of such premiums then the You shall

account for such tax to the Agent in addition to the Net Premium. In such cases You will issue the appropriate tax invoices in respect of the same.

9 Fees and commission

- 9.1 You shall be entitled to fees and/or commission for the introduction of Customers in respect of all Premiums paid by the Customer and received by the Agent excluding Insurance Premium Tax due thereon with whom the Agent concludes a Policy.
- 9.2 The Agent shall provide to You, within 30 days of the end of the calendar month of the effective date of cover, a statement of those new Policies sold unless otherwise agreed in writing with the Agent, or renewed that were introduced by You and for which the Agent has received all Premiums paid by the Customer together with any Insurance Premium Tax due thereon. The Agent shall either attach a cheque or make a bank transfer to You for the total commission due in respect of these Policies. For the avoidance of doubt, where instalment terms for the payment of Premiums have been agreed between Product Providers, the Agent and a Customer, You shall only be entitled to fees and/or commission in respect of such instalments of Premiums which have actually been received by the Agent or Product Provider together with any Insurance Premium Tax thereon.
- 9.3 For the avoidance of doubt, where instalment terms for the payment of Premiums have been agreed between Product Providers or a premium finance provider, the Agent and a Customer, You shall only be entitled to fees and/or commission in respect of such Premiums which have actually been received by the Principal or Product Provider together with any Insurance Premium Tax thereon.
- 9.4 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.
- 9.5 Where any return of Premium is made for any reason whatsoever, You shall pay to the Agent immediately the amount of fees and/or commission received by it in respect of the Premiums returned.
- 9.6 You shall not be entitled to any remuneration save as provided for in this Agreement and shall not be entitled to recover from the Insurer any expenses incurred in relation to the business transacted hereunder unless agreed previously in writing by the Agent.

10 Compliance

- 10.1 You shall comply with all Rules to which You are subject including all requirements relating to authorisation and supervision in respect of Your insurance activities.
- 10.2 You warrant and undertakes that it will comply with all Applicable Requirements and have and maintain, at no lesser terms and conditions than those required by law or Applicable Regulation, appropriate professional indemnity insurance cover to the minimum levels as stated in MIPRU 3.2.7R or Sub-Agents minimum professional indemnity be £2,000,000 rising to £5m by the first anniversary of the Commencement Date
- 10.3 Upon the Agent's request, You will provide a copy of such professional indemnity insurance policy and shall notify the Agent immediately of any circumstances that may give rise to a claim of such insurance occur.
- 10.4 You will forward promptly notices of Policyholder's rights to cancel Insurance Business in all instances where such notices are required to meet Applicable Requirements.

10.5 You will act honestly, fairly and professionally in accordance with the best interests of its clients, in compliance with ICOBS 2.5.-1 of the FCA Handbook (as subsequently amended or replaced).

11 **Data Protection**

11.1 The Parties acknowledge and agree that where a Party processes Personal Data under or in connection with this Agreement it alone determines the purposes and means of such processing as a Controller.

11.2 You are the Data Controller and the processor except where You process data directly into the web portal. In this case both parties are data controllers.

11.3 In respect of the processing of Personal Data, each Party:

- (a) will comply at all times with its obligations under the Data Protection Law;
- (b) shall solely process the Personal Data for the purposes of fulfilling its obligations under this Agreement;
- (c) will keep a record of any processing of Personal Data it carries out;
- (d) shall implement such technical and organisational security measures as are required to comply with the Personal Data security obligations under Data Protection Laws;
- (e) will take such technical and organisational measures against unauthorised or unlawful processing of Personal Data and against accidental loss or destruction of, or damage to, such Personal Data as are appropriate and conforming to Data Protection Laws;
- (f) ensure that the persons processing Personal Data are bound by appropriate confidentiality obligations;
- (g) neither use nor reproduce the Personal Data in whole or in part in any form except as may be required by this Agreement and not alter, delete, add to or otherwise interfere with the same Personal Data save where expressly required to do so by the terms of this Agreement and allowed under the Data Protection Laws;
- (h) shall in the event of receiving a request from a Data Subject to exercise their rights under the Data Protection Laws, notify and assist the other party with such a request promptly in accordance with the provisions of Data Protection Laws and the terms under this Agreement;
- (i) will assist the other party in ensuring compliance with its eventual applicable obligations in respect of security of Personal Data under Data Protection Laws;
- (j) notify the other party without undue delay, in any event within 24 hours (1 Business day), after becoming aware of any breach of security, which must be reported to the relevant supervisory authority, leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, Personal Data transmitted, stored or otherwise processed and use all necessary efforts to mitigate against the effects of, and comply with any reasonable reporting obligations which may apply in respect of, any such breach;
- (k) will not transfer any Personal Data outside the European Economic Area without the completion of standard model clauses or other protection as set out in the Data Protection Laws;

- (l) make available to the other party all information necessary to demonstrate compliance with the obligations laid down in this Agreement; and
 - (m) will assist and co-operate fully with the other Party to enable the other Party to comply with their obligations under Data Protection Law, including but not limited to in respect of keeping Personal Data secure, dealing with Personal Data Breaches, complying with the rights of Data Subjects and carrying out data protection impact assessments.
- 11.4 Where a Processor, will be processing Personal Data on behalf of either Party, that Party as Controller will ensure that a written contract exists between the Controller and the Processor containing clauses as required by the Data Protection Laws. If any Processor fails to meet its data protection obligations, that Party shall remain fully liable for the performance of the Processor's obligations.
- 11.5 Both Parties shall ensure that they give appropriate notices, as required under Data Protection Law, to Data Subjects in relation to processing of Personal Data ("Privacy Notice"), which will include a description of the nature of the processing of Personal Data collected as set out in the Agreement. You shall comply with all reasonable directions of the Agent, including but not limited to, providing an appropriate notice to the Policyholder which inform them of the way in which their data may be shared with third parties for fraud and crime prevention purposes.
- 11.6 The Parties will work together to ensure that each of them is able to process the Personal Data it processes under or in connection with this Agreement for the purposes contemplated by this Agreement lawfully, fairly and in a transparent manner and in compliance with the Data Protection Law. This will include but not be limited to entering into such other written agreements as may be required from time to time to enable each Party to comply with the Data Protection Law.
- 11.7 You shall indemnify and hold harmless the Agent against the consequences of any breach of its obligations under this Clause 11 and any liability incurred directly or indirectly by the Agent due to any act, omission or similar of You and/or its sub-processor.

12 Termination

- 12.1 The Agent may terminate this agreement at any time giving 30 days' notice in writing
- 12.2 A Party may terminate this Agreement at any time with immediate effect by written notice to the other Party in the event of:
- (a) the other Party being subject to an Insolvency Event;
 - (b) the other Party fails to obtain any relevant Authorisation or has any relevant Authorisation suspended or removed; or
 - (c) the other Party committing a material breach of this Agreement, where such breach is irredeemable or, in the case of a breach capable of remedy, is not remedied to the satisfaction of the other Party within fourteen (14) Business Days of receipt of a notice from specifying the breach;
 - (d) the Party being directed to do so by a Regulator
 - (e) the termination or notice of expiry of the reinsurance agreement between the Agent and its reinsurers; or a Regulator requiring the Agent or their reinsurers to terminate this Agreement or its reinsurance agreement; or

- (f) any change in ownership of the controlling interest of the other party, excluding changes only occurring within Your Group; or
 - (g) You having any director, or partner (or any person who has held such a post in the five (5) years prior to the commencement of this Agreement):
 - (i) convicted of any criminal offence (other than a motoring offence not resulting in a custodial sentence); or
 - (ii) becoming subject to a finding of wrongdoing following any investigation by a Regulator;
 - (h) the other Party's ability to carry out its obligations under this Agreement becoming materially impaired;
 - (i) The other Party failing to materially comply with a relevant Rule;
 - (j) The other Party does anything that materially damages or is likely to damage the brand or reputation of the other
- 12.3 The Agent may terminate this Agreement at any time with immediate effect by written notice to You in the event of:
- 12.3.1 the discovery by the Agent of a material non-disclosure or misrepresentation by You, where, had true, complete and accurate disclosure taken place prior to the Parties entering into the Agreement, the Agent would have appointed You on different terms, or it would not have appointed You or entered into the Agreement at all
 - 12.3.2 You committing a breach of this Agreement which is Persistent;
 - 12.3.3 You failing to comply with its reporting requirements.
 - 12.3.4 You failing to account for monies due to the Agent within the agreed timescales set forth in this Agreement.
 - 12.3.5 You breaching either:
 - (a) the Anti-Bribery provisions of this Agreement; or
 - (b) the Crime Prevention and Whistleblowing provisions set forth in this Agreement
 - 12.3.6 an audit having been carried out in accordance with Agreement, and You have failed to deliver or implement in full or in part of any reasonable and justifiable audit recommendations within the agreed timescale; or
 - 12.3.7 in the judgement of the Agent acting reasonably and in good faith, your ability to perform its duties under the Agreement is impaired by any decision, judgment, order, or decree of any judicial, administrative or regulatory authority.
- 12.4 With effect from the date of the termination or expiration of this Agreement:
- 12.4.1 You shall have no authority either to issue quotations, accept or renew any Policies or cancel, extend, amend or alter in any way any Policies without the prior written consent of the Agent. However, all Policies bound by You on behalf of the Agent up to the point of termination shall run to its contractual expiry date unless cancelled by the Agent or the Policyholder in accordance with the Policy provisions.
 - 12.4.2 You shall immediately account to the Agent for all Net Premium which You hold at the time of termination or where received by You following such termination, promptly following receipt;

- 12.4.3 within fifteen (15 Business Days) of termination of this Agreement, You shall provide the Agent with complete and accurate details of all existing Policies and Net Premium outstanding under those Policies;
- 12.4.4 unless this Agreement is terminated in accordance with this agreement, You shall remain liable to perform its obligations in accordance with the Agreement in respect of the Policies accepted prior to the termination becoming effective until each Policy has expired or has otherwise been terminated; and
- 12.4.5 the Parties will co-operate with one another following such termination in providing information reasonably required to achieve an orderly and proper run-off of the services provided under this Agreement.
- 12.5 Notwithstanding the above, the Agent or You may, with the written agreement of the other, appoint a replacement contractor to administer Your post termination or expiry obligations in respect of the Policies, provided that:
 - 12.5.1 both Parties will provide all such reasonable assistance and co-operation as the others may reasonably require to facilitate transition of the services; and
 - 12.5.2 the reasonable costs of a replacement service provider shall be paid for by You.
 - 12.5.3 if the Agent elects to take over the post termination obligations either itself or via another member of its Group, the Agent or the other member of its Group will be considered to be a replacement contractor for the purposes of this Agreement.
- 12.6 Termination of this Agreement shall not act to terminate any Policy bound by You and in force at the time of, nor quotations provided by You prior to, the date of termination. However, the Agent shall have the right, at its discretion, to cancel any Policy in accordance with the cancellation provisions contained in any documents relating to that Policy.
- 12.7 Upon the termination or expiration of this Agreement, You shall have no claim against the Agent for compensation for loss of agency rights, profits or goodwill which may be due under this Agreement.
- 12.8 Following the termination or expiration of this Agreement, You shall deliver to the Agent (or such other person as the Agent directs) or destroy all unused Policy documents relating to this Agreement and ensure that any electronic production of such documents ceases, if instructed by the Agent and all other books, papers, Agent Records and other property of the Agent must, unless the Agent otherwise directs, be promptly transferred to the Agent (or to such person as the Agent may appoint) at Your expense.

13 **Access to Records**

- 13.1 You will:
 - 13.1.1 maintain complete and accurate Records in good condition and in a manner that is easily retrievable by or on behalf of the Agent and in accordance with Rules;
 - 13.1.2 preserve the integrity of Records and prevent any damage, corruption or loss of Records;
 - 13.1.3 not, save as may be required by Rules or with the Agent's prior written consent, part with the possession or control of such Records or grant access to or permit copies to be taken of such Records to or by any third party provided, however, that You shall, with prior notice to the Agent, cooperate with any Regulators requiring access to the Records. You shall advise the Agent immediately of any unauthorised access obtained to the Records; and

- 13.1.4 retain all of the Records created or held by it in its performance of the services under this Agreement for a minimum of seven (7) years and in any event the minimum periods required by the Rules, following which You shall securely delete or securely transfer all or part of the Records to the Agent (or a third party) as directed by the Agent.
- 13.2 You agree that the Agent, any third party acting on the Agent's behalf, the Agent's internal and external auditors, or any Relevant Regulatory Body or its appointees and representatives, will, on reasonable notice, be given access to inspect and to take copies of the Records. You will procure that its officers and employees provide such information and explanations as the Agent's internal and external auditors (including Insurer auditors) reasonably consider necessary for the performance of their duties as auditors of the Agent. You will promptly and in any event within five (5) Business Days answer all reasonable enquiries made by the auditing Party in respect to this Agreement.

14 **Indemnity**

- 14.1 You agree, to the fullest extent permitted by law, to indemnify and hold harmless the Agent and the Insurer from, and against, any liabilities, damages and costs (including reasonable legal fees and cost of defence) to the extent caused by Your negligent acts, errors and omissions, including any:
- 14.2 risk assumed by You during suspension or after termination of this Agreement or generally outside the scope of Your authority under this Agreement;
- 14.3 failure to remit the Net Premium and applicable taxes payable to the Agent or failure to receive, hold or remit to the Policyholder Retail Premium as sub-agent on behalf of the Agent (including where those failures are due to an event of insolvency or other financial failure).
- 14.4 breach of the data protection or confidentiality or information security provisions in this agreement;
- 14.5 claim or action by a third party for infringement of Intellectual Property Rights;
- 14.6 complaints in respect of the activities undertaken by You; or
- 14.7 any material breach of Your obligations under this Agreement.

The indemnity in Clause 14 shall survive termination of this Agreement and shall remain in force until You cease to be liable for any and all liabilities resulting from the events set out in Clause 14.

15 **Liability**

- 15.1 The total liability for either Party arising under or in connection with this Agreement shall be limited to two times the annual premium income of the preceding 12-month period.

16 **Confidentiality**

- 16.1 Each Party undertakes to treat the Confidential Information of the other Party as confidential and shall only use the Confidential Information as expressly permitted by this Agreement. Neither Party may disclose the Confidential Information to any third party nor use it for any purpose except as is necessary for the performance of the Agreement or for the enforcement of the Party's rights in law or contract or by reason of any court order or regulatory requirement, or as strictly necessary to its professional advisors or insurers who shall at all times be bound by a duty of confidentiality in respect of such information which is no less onerous than those contained in this Agreement. The Recipient agrees and undertakes to apply the same security measures and degree

of care to the Confidential Information as the Recipient applies to its own confidential information, which the Recipient warrants as providing adequate protection from unauthorised disclosure.

16.2 Subject to Clauses 16.1 and 16.3, the Recipient may disclose the Discloser's Confidential Information to the minimum extent required by an order of any court of competent jurisdiction or any Regulator. Prior to such disclosure, the Recipient shall, to the extent permitted by law and the Rules, inform the Discloser of the full circumstances of the required disclosure and the Confidential Information that must be disclosed, take all such steps as may be reasonable and practicable in the circumstances to agree the contents of the required disclosure with the Discloser before it is made, and consult with the Discloser as to possible steps to avoid or limit the required disclosure and to take those steps where they would not result in significant adverse consequences to the Recipient. Disclosure of Confidential Information pursuant to this Clause 16.2 will not otherwise alter the confidentiality obligations imposed on the Recipient pursuant to this Agreement.

16.3 The obligations of this Clause 16 shall survive the termination or expiry of this Agreement for two (2) years.

17 **Right of set-off**

The Agent will be entitled but not obliged at any time or times without notice to You to set off any liability You owe the Agent or the Insurer against any liability that Agent or the Insurer (as the case may be) owes to You. Any exercise by the Agent of its rights under this clause 17 will be without prejudice to any other rights or remedies available to the Agent or the Insurer under this Agreement or otherwise.

18 **Protection of Reputation**

Each Party agrees it will not, without the written authority of the other Party, make use of the other Party's corporate or trading names or logos and trademarks.

19 **Conflicts of Interest**

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

20 **Disclosure**

You will comply with all law regarding disclosure of all forms of remuneration from any arrangements it may have for remuneration in connection with the Insurance Business.

21 **Variation and Assignment**

This Agreement may be assigned or varied only in writing by duly authorised representatives of the Parties.

22 **Rights of Third Parties**

Except as reserved to the Agent under the terms of this Agreement, 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 22 will not affect any right or remedy of a third party which exists or is available apart from that Act.

23 **Dispute Resolution and Governing Law**

- 23.1 If a dispute arises out of or in connection with this Agreement or the performance, validity or enforceability of it (a "Dispute"), either Party shall give to the other written notice of the Dispute, setting out its nature and full particulars (a "Dispute Notice"), together with relevant supporting documents. On service of the Dispute Notice, the Parties shall attempt in good faith to resolve the Dispute within thirty (30) Business Days of the date of the Dispute Notice.
- 23.2 If a Dispute arises in the first year following the Commencement Date relating to the Agent's reasonable conduct of its claims handling activities ("Claims Dispute"), if the Parties are unable to resolve the Claims Dispute the matter shall be immediately escalated to the CEO's of both Parties for resolution within fourteen (14) Business Days.
- 23.3 If the Parties are unable to resolve a Dispute or Claims Dispute, the Parties shall enter into mediation in good faith to settle the Dispute in accordance with the CEDR Model Mediation Procedure. Unless otherwise agreed between the Parties within thirty (30) Business Days of service of the Dispute Notice, the mediator shall be nominated by CEDR. To initiate the mediation, a Party must serve notice in writing (the "ADR notice") to the other Party, referring the dispute to mediation.
- 23.4 Notwithstanding a Party may refer the Dispute to a court having competent jurisdiction over the Parties and the subject matter of this Agreement.
- 23.5 This Agreement shall be governed by and constructed in accordance with the laws of England and Wales.
- 23.6 The Parties agree that the courts of England will have exclusive jurisdiction to settle any disputes between the Parties arising out of or in connection with this Agreement (including disputes relating to its formation, validity and termination).
- 23.7 Nothing in this Clause 23 will prevent or restrict You or the Agent from terminating this Agreement under Clause 12.

24 **Counterparts**

This Agreement may be executed in two or more counterparts by the Parties to it, each of which will be deemed an original and all of which together will constitute one instrument.

25 **Waiver**

- 25.1 A waiver of any right or remedy under this Agreement or by law is only effective if given in writing signed by authorised officers of both Parties and shall not be deemed a waiver of any subsequent breach or default.
- 25.2 No delay by either Party in enforcing any term or condition of this Agreement shall prejudice or restrict that Party's rights or power under this Agreement and no waiver of any breach shall operate as a waiver of any other previous, subsequent or continuing breach under this Agreement.
- 25.3 If any portion of this Agreement is found to be invalid or unenforceable, the remainder will remain in full force and effect.
- 25.4 The failure to exercise or delay in exercising a right or remedy under this Agreement or at law does not constitute a waiver of such right or remedy or of any other rights or remedies. Further, no single or partial exercise of a right or remedy provided by this Agreement or by law prevents further exercise of such right or remedy or of other rights or remedies.

26 **Service of Notices**

Any notice must be in writing and in English and may be delivered by hand or sent by prepaid first class recorded delivery post or by email to the address of the other Party shown at the address provided at the beginning of this Agreement (or to such other addresses as may be designated by the Parties in writing from time to time in accordance with this Clause 26), marked for the attention of the person signing this Agreement or an officer of the other Party who has the ability to enter into such agreements. A notice sent delivered by hand will be deemed to have been received at the time it is left at the receiving party's address with a person who is authorised to accept such notices. A notice sent by prepaid first class recorded delivery post shall be deemed to have been received by the addressee on the second (2nd) Business Day after posting. A notice is given by email shall be deemed received (i) at the time the email was sent, if sent before 5.00pm on a Business Day; (ii) or at 9.00am on the next Working Day, if sent on a day that is not a Business Day or if sent on or after 5.00pm on a Business Day, provided that the email was correctly addressed and sent and the sender does not receive notification from the intended recipient's server of delivery failure.

27 **Force Majeure**

- 27.1 Neither Party shall be in breach of this Agreement nor liable for delay in performing, or failure to perform, any of its obligations under this Agreement if such delay or failure result from a Force Majeure Event. If the period of delay or non-performance continues for thirty (30) Business Days, the either party may terminate this Agreement by giving ten (10) Business Days written notice to the other party.
- 27.2 For the purpose of this Clause 27 an event shall not be a Force Majeure Event if:
 - 27.2.1 any failure or delay in the performance of this Agreement resulting from the event would be or would have been prevented by that Party complying with the standard of care or diligence required of it under this Agreement and taking such other steps as could reasonably be expected to be taken by that Party to avoid such failure or delay;

- 27.2.2 that event takes the form of any strike, lockout or other industrial action by all or any of the employees, contractors or agents of that Party;
- 27.2.3 that event results from or is constituted by any fraud or illegality by that Party or an associated company of that Party; or
- 27.2.4 any event affecting a sub-contractor or supplier of You unless that event is itself a Force Majeure Event.
- 27.3 On becoming aware of the Force Majeure Event, You will promptly notify the Agent that something has happened which is a Force Majeure Event, giving details of the Force Majeure Event, together with a reasonable estimate of the period during which the Force Majeure Event is likely to continue, and will notify the Agent when the Force Majeure Event has stopped.

28 **Non-Solicitation**

Neither Party shall (except with the prior written consent of the other) during the term of this Agreement, and for a period of 12 months thereafter, solicit the services of any senior staff of the other Party who have been engaged in the provision of the Services or the management of this Agreement or any significant part thereof either as principal, agent, employee, independent contractor or any other form of employment or engagement other than by means of a national advertising campaign open to all-comers and not specifically targeted at such staff of the other Party.

This Sub-Agent Agreement has been duly signed and entered into by the authorised representatives of the parties below:

Signed by Agent: Travel Insurance Facilities Plc



Anthony Brown
Director of Underwriting
For and on behalf of Travel Insurance Facilities Plc

Signed by **COMPANY NAME**:

Full Name: _____

Position: _____

For and on behalf of **COMPANY NAME**

Schedule 1
Policy Schedule

<u>1</u>	<u>Name and address of the Sub-Agent</u>	ADD
<u>2</u>	<u>Class of Authorised Business:</u>	ADD e.g. Travel
<u>3</u>	<u>Your contract manager:</u>	ADD
<u>5</u>	<u>Rating and Underwriting Criteria</u>	You shall only issue product at rates defined by the Agent.
<u>6</u>	<u>Sub-Agent Commission</u>	20% of Gross Premium
<u>7</u>	<u>Limit of Indemnity</u>	ADD e.g. £5,000,000
<u>8</u>	<u>Policyholder Domicile</u>	e.g. United Kingdom Channel Islands and the Isle of Man. Important: The Channel Islands and the Isle of Man are outside of the EEA and therefore passporting rights do not apply. You will need to ensure that it is appropriately authorised or exempt before conducting business into any of these territories.
<u>9</u>	<u>Territorial Scope</u>	e.g. European Economic Area, Channel Islands and the Isle of Man, extended to Worldwide in respect of Travel and Health.
<u>10</u>	<u>Period of Insurances accepted under the Agreement</u>	12 Months
<u>12</u>	<u>The Persons who hold Claims settlement authority under this Agreement:</u>	None, all Claims to be referred to the Insurer
<u>13</u>	<u>Insurer</u>	Astrenska Insurance Limited
<u>14</u>	<u>Your minimum professional indemnity insurance</u>	ADD e.g. £5,000,000

Schedule 2

Manufacturer Activities

For the purposes of this Agreement, the Parties agree that the Manufacturer(s) of the Policies shall be the Agent and / or the Insurer.

Schedule 3

Scheme Particulars

Scheme Name: Citybond Suretravel

Policy Wording: As agreed and signed off separately

Master Policy Number: COLST-22-010

**Estimated
Gross Premium:** Add estimated gross premium

**Estimated
Net Premium:** As adjusted from time to time by the Insurer following discussions with the Intermediary.

Year of Account: The start date and one year from this date.

Rate Reviews: Monthly rating reviews to be undertaken. Rate increases/Product amendments provided by Insurer must implemented within 2 weeks.

Rates: As agreed and accepted by both Parties per Schedule 4

Policy Options: As agreed and accepted by both Parties.

SCHEDULE 4

RATES

UNDERWRITING TO ADD RATES TABLE

SCHEDULE 5

DAILY BORDERAUX REPORTING FORMAT

UNDERWRITING TO ADD REPORTING FORMAT REQUIREMENTS