



iprism

Underwriting



TERMS OF BUSINESS AGREEMENT

1. FSMA (Financial Services and Markets Act 2000)

The Agent warrants that with effect from the commencement date, (date on which the Agent signs the Agency Agreement), it is authorised to conduct the regulated activities required by this agreement in accordance with Part IV of the Financial Services and Markets Act 2000 ("FSMA") and undertakes to comply at all times with the regulatory requirements applicable to it or which become applicable to it under FSMA, including without limitation all rules and requirements of the Financial Conduct Authority ("FCA") together with all other applicable laws and regulations and to obtain and maintain in effect any licence or authorisation which it may be required to hold in respect of the activities conducted by it. In the event of any of the Agent's permissions being varied or terminated the Agent must notify iprism immediately.

In each of their dealings with Policyholders to which this Agreement applies, iprism and the Agent shall each be solely responsible for ensuring its own compliance with the Regulatory Requirements and other legal requirements. Nothing in this Agreement shall require either party to act otherwise than in accordance with the Regulatory Requirements, except as required by law.

2. Binding Authority

The Agent is not empowered to bind iprism and/or their Insurers by contract or to impose any liability on iprism whether written or oral or by conduct unless previously instructed in specific terms.

3. Agent/Company relationship

The Agent operates on behalf of the policyholder or prospective policyholder in relation to all aspects of business conducted under this agreement except insofar as is stated elsewhere in this agreement or as otherwise agreed in writing between iprism and the Agent.

iprism operates as agent of the Insurers when acting under the powers of their delegated binding authorities and for the purposes of collecting, receiving and holding premiums, (including all relevant taxes).

4. Sub Agents

The Agent is not permitted to delegate any authority or permission, (including Risk Transfer), granted by iprism and their Insurers to a third party unless agreed in writing with iprism.

If agreement is given by iprism to extend any permission under this agreement, the Agent must indemnify iprism and their Insurers for all acts and omissions of any person or company for whom this permission has been granted.

The Agent is to ensure that any third party for whom this permission has been granted must be subject to a legally binding written contract containing obligations no less onerous than those imposed on the Agent under this Agreement. For the avoidance of doubt this includes the provisions of Clauses **9**, **10** and **11**.

5. Statement of Fact

The Agent will be responsible for ensuring information supplied to iprism and the Insurers is accurate and completely representative of the risk.

6. Schedules and Policies

On completion of business requested by you, you will be presented with documentation for onward transmission to the Insured. You should check the policy schedule and terms and conditions prior to confirming cover to your client and verify that it is entirely in accordance with your understanding and instructions. Any variance with your understanding should be advised to us immediately quoting our policy reference. Any resultant changes may alter the risk and could change the premium and/or the policy terms and conditions.

7. Renewals

iprism will issue renewal documents to the Agent in good time in order that they can be dealt with and forwarded to the customer so that the Agent's responsibilities under FCA regulation are fulfilled.

The Agent will pass iprism's renewal invitations promptly to the customer together with details of any change in the terms and conditions applying to the insurance or to the items covered. If iprism or the Insurer decides not to invite renewal, iprism will advise the Agent of their intention in accordance with statutory requirements.

8. Claims

The Agent/policyholder must advise the Insurer immediately upon receipt of notice of a claim. The Agent has no authority to act on behalf of iprism in respect of claims, and in particular, is not authorised to commit iprism or their panel of Insurers in any way or to arrange a claim settlement.

9. Responsibility for Premiums

iprism and its introducing Agents have been appointed as agents of the Insurers for the purposes of receiving premiums from customers and for the purpose of receiving and holding premium refunds prior to the transmission to the client in question. In respect of this appointment, iprism has been given consent from all its Insurers to extend Risk Transfer to Agents, (and approved intermediaries of the Agent), of iprism and this will be in place once the customer has paid the premium to the Agent or their intermediary.

Insurers have agreed that the Agent, (and any of their appointed intermediaries, approved by iprism) must either:

(i) hold all such monies as agent of the Insurers in a trust account with an Approved Bank (as defined by the FCA). This account must not be subject to any set off, charge or lien.

or

(ii) co-mingle monies relating to this agreement with client money in a statutory or non-statutory trust client money bank account as permitted under the FCA Client Money rules (set out in CASS 5).

The Insurers consent to the co-mingling of monies collected under the agreement of risk transfer, with client money, (statutory or non-statutory trust client money bank accounts), and agrees that their interests will be subordinated to the prior claims of clients whose money is subject to such trusts.

In order for the Agent to discharge their fiduciary responsibilities, premiums paid to iprism may be deemed to have been paid to Insurers.

The Agent and their approved intermediaries are entitled to any interest or investment income earned on the monies referred to above.

The Agent will be responsible for the payment of net premiums and IPT to iprism according to Clause 11 of this agreement, irrespective of receipt of such premiums from clients or approved intermediaries.

10. Commission

iprism will allow the Agent commission on insurance business transacted by the Agent with iprism. The commission scale applicable will be agreed in writing. Commission is not payable against any applicable Insurance Premium Tax or interest charge for payments of premiums by instalments or for charges relating to the processing of credit or debit cards.

Agents, (and their intermediaries approved by iprism), may only withdraw commission following receipt of the premium from the client (consistent with the requirement for commission withdrawal set out in the FCA Client Money rules (set out in CASS 5)).

In cases where policies are cancelled for whatever reason or rebates of premium are allowed by Insurers, the Agent will be responsible for the refund of the appropriate amount of commission in respect of the premium returned under such circumstances.

11. Accounts and Remittances

(a) Premiums and Policy Fees, including Insurance Premium Tax if appropriate, are to be accounted for by the Agent not later than 28 days from the end of the month in which the policy attached (including all additional premiums and return premiums). iprism's statement of account will form the basis of monthly settlements between us, which will be sent to you at the start of each month for reconciliation within this 28 day period.

(b) All payments may be settled by BACS transfer to the following account: Account Number: **42353568**; Sort Code: **30-65-41** stating your agency number as reference. The Agent is requested to notify the iprism accounts department when paying by BACS.

(c) In cases where the Insured has paid by our Credit/Debit card facility or by Direct Debit instalment scheme, the Agent will be credited with his full commission within 30 days from the end of the month of attachment provided that the transaction has been successfully completed.

(d) We endeavour to allow producing Agents the maximum terms of credit which will enable us to meet Insurers' payment requirements. Any delay in payment by the Insured to you or by you to us results in our being unable to meet those requirements and leads to consequent delays and may have an adverse effect on reputation. In the event of non-payment of premium by the insured, it is likely that we will cancel the policy. Insurers may well demand the full 12 months premium or at least the pro-rata time on risk premium. No return premium will be allowed on policies that have sustained a claim within that premium period. Although the legal position can vary, in the event of your being unable to collect a due premium, which we are required to pay Insurers then, you, as the producing Agent, must reimburse iprism accordingly.

(e) Insurers and iprism have the right to issue 14 days notice of cancellation in respect of non-payment of premium by the Agent within the normal terms of credit.

(f) In certain circumstances, Insurers may stipulate premium payment terms and therefore settlements must be made within such terms.

- (g) The Agent is not authorised to endorse cheques made payable to the order of iprism.
- (h) Settlement of client premiums will not be subject to receipt by the Agent or the Agent's client, from iprism, of insurance documentation.

12. Termination

This Agreement may be terminated by the Agent or iprism;

- (a) at any time by mutual agreement; or
- (b) on the expiry of 60 days written notice delivered by registered or recorded delivery post; or
- (c) without notice if there are reasonable grounds to suspect fraud, or in the event of the bankruptcy, insolvency or liquidation of the Agent or iprism, or on the approval by creditors of the Agent or iprism of a voluntary arrangement or on the making of an Administration order in relation to the Agent or iprism; or
- (d) without notice if the authorisation by FCA of the Agent or iprism to undertake any general insurance regulated activities is terminated following any proposed or actual disciplinary proceedings for any failure to comply with the Rules, or for any failure to comply with the Rules in respect of any regulated activities undertaken by the Agent in pursuance of the duties delegated to the Agent under this Agreement; or
- (e) if the Agent or iprism fail to remedy any other breach of this Agreement, or any unsatisfactory conduct, within a reasonable period of the Agent or iprism notifying the other party in writing.

13. Direct Dealings with Customers

To enable iprism or their Insurers to fulfil any regulatory or contractual duties to customers, iprism and/or their Insurers reserve the right to deal directly with customers whose insurances are arranged by the Agent with iprism in any of the following circumstances:

- (a) if there are reasonable grounds to suspect fraud on the part of the Agent.
- (b) civil/criminal charges material to the operation of this Agreement.
- (c) if the Agent is unable to meet the FCA's financial requirements, or in the event of the bankruptcy, insolvency or liquidation of the Agent, or on the approval by the Agent's creditors of a voluntary arrangement or on the making of an Administration order in relation to the Agent.
- (d) if the Agent fails, without reasonable cause, to remedy unsatisfactory conduct as requested by iprism in writing.
- (e) if the Agent ceases to be authorised by the FCA to undertake any relevant general insurance regulated activities, or in the event of any failure by the Agent to comply with the Rules.
- (f) if the Agent is physically unable to undertake any of the duties delegated by iprism to the Agent under this Agreement or under any additional authority or Binder.

Where possible, notice will be given to the Agent by iprism of the proposed action and the reasons for it.

14. Non Solicitation

Other than as set out in Clause 13 above, or on termination by iprism in the circumstances set out in Clauses 12(c) or 12(d) above, iprism will not, during the currency of this Agreement, deliberately or knowingly, use information obtained from the Agent on business transacted under this Agreement to solicit, either directly, or indirectly by arrangement with another party, the insurance business of the Agent's clients.

15. Changes in Circumstances

The Agent will notify iprism immediately:

- (a) of all material changes in the Directors, the Partners, or the control of the Agent and of all changes in the name or trading name of the Agent or address.
- (b) if any Proprietor, Partner, Director, or any other approved person, is convicted of a criminal offence (other than a motoring offence), or becomes subject to a Court Judgement for debt.
- (c) if the Agent's authorisation by FCA to undertake one or more general insurance regulated activities ceases or is terminated and the reason(s) for such cessation/termination.
- (d) if its legal ability or any Authorisation necessary in order legally to transact business hereunder ceases or is suspended or made subject to conditions that may prevent any activities of the Agent under this Agreement being carried out legally.
- (e) of formal termination (excluding termination for purely economic reasons) of any Terms of Business Agreement held by the Agent to place insurance with or via any other insurer/intermediary.

16. Registered Trade Marks

The "iprism" name and corporate logo are registered trademarks of iprism. Unless specifically authorised in writing, the Agent may not use the corporate logo on any documents or materials produced independently by or on behalf of the Agent.

17. Indemnity

The Agent shall indemnify and keep iprism indemnified from and against any loss, cost, liability, claim or damage which iprism might suffer or incur as a result of a default by the Agent of any of its obligations expressed or implied arising under or in connection with this Agreement and for any acts carried out by the Agent outside the scope of the authorities given under this Agreement.

18. Variation

Any variation to this Agreement must be contained in writing and signed by the Agent and iprism. Should agreement not be reached, iprism reserves the right to give a minimum of 60 days written notice to the Agent of any variations.

19. Regulation and Compliance

Both parties shall comply with all applicable laws, codes of practice, statutory requirements, regulatory requirements and any applicable guidance by regulators or industry bodies. In addition to this general consideration, the following must be enforced:

(a) Consumer Credit Act 2006 ('CCA')

The Agent must at all times maintain appropriate licences under the CCA.

(b) General Data Protection Regulations ('GDPR')

Each party agrees to comply with its respective obligations under the GDPR and all other data protection legislation from time to time in respect of personal information. The Agent shall obtain all such consents and provide all such information as may be necessary to ensure that processing of personal data by iprism and the Agent are in full compliance with the legislation. See 22. Data Protection for full details.

(c) Complaints

The Agent shall immediately notify iprism on receiving a complaint from a client that relates to the regulated activities of iprism and/or their Insurers and will promptly provide copies of all relevant information and documentation to iprism.

(d) Status

The Agent shall secure and maintain any and all authorisations as may be necessary from time to time during the term of this Agreement in order to legally carry on the activities contemplated by this Agreement. The Agent shall refrain from doing anything that may prejudice the securing or maintaining of such authorisations.

iprism may carry out an audit of all the Agent's books and records, including compliance procedures and trust accounts relating to insurance policies with iprism. The Agent agrees to allow access by iprism to its premises, files and documents on reasonable notice.

You shall provide iprism and, or, the Insurer, with any information or assistance which may be reasonably requested for the purpose of complying with their obligations under the Regulatory Regime or of dealing with any enquiry, investigation or proceedings by the FCA or other Regulatory Body, including, but not limited to, providing access to its documents, records, files, audio and video tapes, computer databases, electronically stored information and any other information held in its or its staff possession or on its premises.

20. General

This Agreement shall be construed according to English law and the parties agree to submit to the exclusive jurisdiction of the English Courts.

This Agreement is personal to the parties and the benefits and obligations may not be assigned or delegated in whole or in part without the written consent of iprism.

21. Force Majeure

In this Agreement, "Force Majeure" shall be in any cause preventing either party from performing any or all of its obligations which arises from or is attributable to acts, events, omissions or accidents beyond the reasonable control of the party so prevented. If either party is prevented or delayed in the performance of any of its obligations under this Agreement by Force Majeure, that party shall forthwith serve notice in writing on the other party specifying the nature and extent of the circumstances giving rise to Force Majeure, and shall, subject to the service of such notice, have no liability in respect of the performance of such of its obligations as are prevented by the Force Majeure events, for the continuance of such events, and for such time after they cease as is necessary for that party, using all reasonable endeavors to recommence its affected operations in order for it to perform its obligations for a continuous period in excess of one month, the other party may terminate this Agreement forthwith on the service of written notice upon the party so prevented, in which case neither party shall have any liability together except the rights and liabilities which have accrued prior to such termination shall continue to subsist.

22. Data Protection

It is a condition of the iprism broker TOBA that you will be registered as an entity with the Information Commissioners Office (ICO).

Any access to client Personal Data via the iprism portal requires specific consent from both you and your client regardless of the purpose. In some circumstances, we (and other insurance market participants) may need to collect and use special categories of personal data (e.g. health information) or information relating to criminal convictions and offences. Where this is required, consent to this processing is necessary for us to provide relevant services.

Where you are providing us with personal data about a person other than yourself, you agree to provide our Privacy Policy <https://iprism.co.uk/privacy-policy> to them and confirm that you have obtained their consent to the use of their personal data.

You agree that you will comply with your obligations under the data protection legislation – this means the EU Data Protection Directive 95/46/EC, the Data Protection Act 2018, the Privacy and Electronic Communications Directive 2002/58/EC and the General Data Protection Regulation (EU) 2016/679 (“GDPR”) together with equivalent legislation of any other applicable jurisdiction, delegated legislation of other national data protection legislation, and all other applicable law, regulations and approved codes of conduct, certifications, seals or marks in any relevant jurisdiction relating to the Processing of Personal Data including the opinions, guidance, advice, directions, orders and codes of practice issued or approved by a Supervisory Authority or the Article 29 Working Party or EDPB.

In addition you will:

- Notify us immediately if you become aware of any unauthorised or unlawful processing, loss of, damage to or destruction of the Personal Data;
- Promptly notify and assist us in relation to any legally binding request for disclosure of the Personal Data by a law enforcement or other applicable authority unless otherwise prohibited by applicable law;
- Promptly notify and assist us in relation to all Data Subject Requests received directly from or rights exercised by the Data Subjects without responding to that request, unless otherwise authorised by us to do so; and
- Assist us in taking any actions deemed necessary or appropriate to deal with complaints or allegations of or in connection with a failure to comply with the Data Protection Legislation.

Signed for and on behalf of the Intermediary:

Name:

Position:

Date:

Signed for and on behalf of iprism Underwriting Agency Limited:

By: *Ian Lloyd*

Name: **Ian Lloyd**

Position: **Chief Executive Officer**

