

BRITISH ENGINEERING SERVICES LIMITED

- and-

[INSERT INTERMEDIARY NAME]

Terms of Business Agreement

**For the Provision of
Engineering Insurance**

CONTENTS

1.	DEFINITIONS AND INTERPRETATION	1
2.	COMMENCEMENT	3
3.	SCOPE	3
4.	REGULATORY STATUS	4
5.	AUTHORITY	4
6.	COMMISSION	5
7.	INSURANCE PREMIUMS AND CLAIMS	5
8.	TAXES	6
9.	COMPLIANCE	7
10.	DATA PROTECTION	7
11.	TERMINATION	8
12.	INDEMNITY	9
13.	ACCESS TO RECORDS	9
14.	CONFIDENTIALITY	10
15.	COMPLAINTS	10
16.	PROTECTION OF REPUTATION	10
17.	CONFLICTS OF INTEREST	10
18.	DISCLOSURE	10
19.	VARIATION AND ASSIGNMENT	10
20.	RIGHTS OF THIRD PARTIES	10
21.	DISPUTE RESOLUTION	11
22.	JURISDICTION AND CHOICE OF LAW	11
23.	ENFORCEABILITY CLAUSE	11
24.	GENERAL INTERPRETATION OF THIS AGREEMENT	11
25.	SERVICE OF NOTICES	11
26.	FORCE MAJEURE	12

THIS AGREEMENT IS MADE:

Governing the conduct of Insurance Business between:

- (1) **BRITISH ENGINEERING SERVICES LIMITED**, registered in England and Wales with company no. 9299724 and whose registered office is at Unit 718, Eddington Way, Birchwood Park, Warrington, WA3 6BA ("**BES**" or the "**Coverholder**"); and
- (2) **[INSERT NAME OF INTERMEDIARY]** registered in [England and Wales] with company number [INSERT COMPANY NUMBER] and whose registered address is at [INSERT REGISTERED ADDRESS] (the "**Intermediary**"),

(together referred to as the "**the Parties**" and each of them a "**Party**")

RECITALS

- A. The Intermediary is an FCA authorised insurance intermediary and provides and arranges various services for its customers.
- B. The Coverholder is party to a delegated authority agreement with the Insurer for the provision of certain engineering insurance products underwritten by the Insurer.
- C. The Intermediary wishes to arrange for the Coverholder to provide engineering insurance products for the Intermediary's customers.
- D. The Parties have entered into this Agreement to record and formalise the contractual arrangements in relation to the provision of the engineering insurance.

IT AGREED AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATION

1.1 The Parties agree that the following terms shall have the following meanings for the purposes of this Agreement:

"Agreement"	This "Terms of Business Agreement.
"CASS"	The Client Assets Sourcebook in the FCA Handbook.
"Commission"	The commission payable by BES to the Intermediary in accordance with Clause 6.
"Commencement Date"	The date of this Agreement.
"Data Protection Legislation"	Means (a) any law, statute, declaration, decree, directive, legislative enactment, order, ordinance, regulation, rule or other binding restriction (as amended, consolidated or re-enacted from time to time) which relates to the protection of individuals with regards to the processing of personal data to which a Party is subject, including the Data Protection Act 2018 and the General Data Protection Regulation (EU) 2016/679 as is amended in accordance with the Data Protection, Privacy and Electronic Communications (Amendments etc) (EU Exit) Regulations 2019 (as amended by SI 2020 no. 1586) and incorporated into UK law under the European Union (Withdrawal) Act 2018; and (b) any code of practice or guidance published by a relevant regulator from time to time.

"FCA "	The Financial Conduct Authority or any successor regulatory body.
"FCA Handbook"	The handbook of rules and guidance, produced by the FCA as amended from time to time.
"FSMA"	The Financial Services and Markets Act 2000;
"Gross Premium"	The price paid by an Insured for a contract of Insurance Business provided by the Coverholder and sold through the Intermediary pursuant to this Agreement, including the Commission but not including any applicable Taxes.
"Group"	Has the meaning given to it in section 421 of the FSMA.
"ICOBs"	The Insurance Conduct of Business Sourcebook forming part of the FCA Handbook.
"Insured"	Any Party (not being the Coverholder) entering into a contract of insurance which is subject to this Agreement.
"Insurer"	The insurers who have given authority to the Coverholder to act as their agent in accordance with a Delegated Authority Scheme Agreement (DASA).
"Insurance Business"	<p>Any insurances or reinsurances falling within the definition of "contract of insurance" in Article 3(1) of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 or as amended together with insurances concluded under any contracts for insurance made by the Coverholder where the Intermediary is the coverholder or the placing broker.</p> <p>For the avoidance of doubt Insurance Business does not include any outwards (re)insurance business placed by the Intermediary as agent of the Coverholder.</p>
"Legal Requirements"	Any reference to "law" or "legal requirements" includes FSMA, the FCA Handbook, the Principles for Business contained within the FCA Handbook, the Data Protection Legislation, the Privacy and Electronic Communications (EC Directive) Regulations 2003, the Money Laundering Regulations 2007, the Bribery Act 2010, the codes of practice issued by the Association of British Insurers and/ or the Regulators (including the Contract Certainty Code of Practice, Principles and Guidance 2018), the High Level Principles for placement of a risk with multiple insurers published by BIPAR, the European Federation of Insurance Intermediaries, and any other common or customary law and any treaty, constitution, statute, legislation, decree, rule, regulation, code of practice, judgment, order, writ, injunction, determination, award or other legislative or administrative measure or judicial or arbitral decision in any jurisdiction which has the force of law or compliance with which is in accordance with the general practice of such jurisdiction to the extent applicable to the Intermediary, the Coverholder, or the placing of any Insurance Business.

"Net Premium"	The Gross Premium less the Commission.
"Records"	Anything on which any information of any description is recorded.
"Taxes"	All Insurance Premium Taxes (IPT) and other parafiscal charges which may be levied by overseas fiscal authorities on insurance premiums.
"Statutory Provision"	In this Agreement where appropriate, reference to a statutory provision (including for the avoidance of doubt a reference to an FCA rule) 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.
"VAT"	Value added tax chargeable under the Value Added Tax Act 1994 or any similar replacement or additional tax.

2. **COMMENCEMENT**

2.1 This Agreement shall commence on the Commencement Date and continue in full force and effect until terminated by either Party in accordance with Clause 11.

3. **SCOPE**

3.1 The purpose of this Agreement is solely to set out the rights and obligations of the Parties only in respect of the matters specifically addressed in the Agreement. To the extent that any matters relating to the relationship between the Parties are not expressly addressed in this Agreement, they remain unaffected and unaltered by this Agreement. This Agreement shall not override the terms of any underlying contract for or of Insurance Business save the Parties agree that Clause 7.2 shall apply to any monies held by the Intermediary as placing broker to the Coverholder of the Insurer, where the binding authority agreement in question does not make provision for monies to be held in accordance with CASS or in a segregated trust account.

3.2 Except to the extent stated in clauses 7.3, 8.3 and 13.3 nothing in this Agreement shall be construed as creating a partnership or joint venture of any kind between the Parties or as appointing either Party as agent of the other Party for any purpose and neither party shall have the authority to bind the other Party or to contract in its name for any purpose.

3.3 Subject to Clause 12 (which is to be given a free and unfettered interpretation), nothing in this Agreement overrides the Intermediary's duty to place the interests of its client before all other considerations nor shall this Agreement override any Legal Requirements.

3.4 Subject to Clause 3.6 below, the Parties agree that the terms herein shall apply to the conduct of any Insurance Business which has been or may be transacted between the Parties on or after the date of this Agreement. The terms of this Agreement supersede the terms of any other terms of business agreement (TOBA) already in place between the Parties before the date of this Agreement, save that monies held by the Intermediary as the agent and trustee of the Insurer under such previous TOBA(s) shall continue to be held by the Intermediary as agent and trustee of the Insurer until such monies are paid by the Intermediary to the relevant party.

3.5 Each proposal for Insurance Business, renewal of existing Insurance Business or continuation of cover in respect of any existing Insurance Business will be accepted or declined by the

Coverholder at its sole discretion. The Intermediary is under no obligation to offer any proposal for Insurance Business or renewal of any existing Insurance Business to the Coverholder.

- 3.6 Prior to or at the time of placement of any Insurance Business (or as otherwise agreed separately in writing between the Parties), the Intermediary and the Coverholder may agree provisions in writing relating to the conduct of that Insurance Business. These provisions may include (but are not limited to) roles and responsibilities relating to administration of the Insurance Business and the handling of claims and processes by which amendments to the risk may be agreed, and so forth. This Agreement shall be subject to any provisions so agreed and does not seek to address such provisions.

4. **REGULATORY STATUS**

- 4.1 Each of the Coverholder and the Intermediary warrants that it is authorised by the FCA to conduct insurance distribution activities (as defined in the FCA Handbook) from the date of this Agreement.

- 4.2 The Intermediary shall inform the Coverholder immediately in writing if at any time during the period of this Agreement:

- 4.2.1 The FCA suspends, varies or withdraws the Intermediary's authorisation; or
- 4.2.2 The Intermediary otherwise ceases in anyway to be authorised by the FCA to undertake any activities in relation to any Insurance Business subject to this Agreement; or
- 4.2.3 The FCA initiates a disciplinary or investigative action in relation to the Intermediary, the Intermediary's staff, the Intermediary's directors or controllers, agents or sub-agents; or
- 4.2.4 The Intermediary becomes the subject of voluntary or involuntary rehabilitation or liquidation proceedings (save for the purposes of amalgamation or solvent re-organisation) or becomes the subject of an action in bankruptcy or makes or proposes any composition with its creditors or otherwise acknowledges its insolvency; or
- 4.2.5 Any other circumstance which does or is reasonably likely to have a material impact on the Intermediary's ability to perform the activities envisaged by this Agreement or which may reasonably damage the reputation of either Party.

- 4.3 The Coverholder shall inform the Intermediary immediately if:

- 4.3.1 The FCA suspends, varies or withdraws the Coverholder's authorisation that it requires in order for the Coverholder to perform the activities envisaged by this Agreement; or
- 4.3.2 The Coverholder becomes the subject of voluntary or involuntary rehabilitation or liquidation proceedings (save for the purposes of amalgamation or solvent re-organisation) or become the subject of an action in bankruptcy or make or propose any composition with its creditors or otherwise acknowledge its insolvency; or
- 4.3.3 Any other circumstance which does or is reasonably likely to have a material impact on the Coverholder's ability to perform the activities envisaged by this Agreement or which may reasonably damage the reputation of either Party.

5. **AUTHORITY**

- 5.1 This Agreement sets out the basis on which the Coverholder will accept Insurance Business from the Intermediary.

5.2 Nothing in this Agreement shall grant the Intermediary authority to accept, amend, or vary Insurance Business, settle, negotiate or compromise claims, alter any document or policy, make any non-exempt financial promotion on the Coverholder's behalf, without the Coverholder's prior written consent and/or commit the Coverholder in any way.

5.3 Unless separately agreed between the Parties, nothing in this Agreement shall affect the Intermediary's implied authority to "sign down" the Coverholder's participation on any Insurance Business where cover is placed in excess of 100% of order in accordance with market practice.

6. **COMMISSION**

6.1 The Intermediary shall be entitled to be paid Commission by the Coverholder in respect of each contract of Insurance Business (whether new or on renewal) it places with the Coverholder during the term of this Agreement.

6.2 The Commission shall be payable at the rate(s) determined by the Insurer and notified to the Intermediary by the Coverholder. The Commission shall be the sole remuneration due to the Intermediary in connection with this Agreement.

6.3 The Coverholder may, from time to time, notify the Intermediary of a change to the rate(s) of Commission required by the Insurer. Such a change to the rate of Commission shall take effect no earlier than 30 calendar days following notification to the Intermediary of such a change, unless a more immediate change to the rate(s) of Commission is, in the Insurer's reasonable opinion, required by Legal Requirements.

6.4 The Commission shall be inclusive of any VAT which may apply.

6.5 The Commission shall only become due and payable upon receipt by the Intermediary of the Gross Premium in cleared funds from the Insured.

6.6 Subject to Clause 7.8, the Coverholder shall be entitled to recover from the Intermediary the relevant proportion of any Commission relating to any cancelled or terminated contracts of Insurance Business which has resulted in the return of Gross Premium to the Insured.

6.7 The Intermediary shall indemnify the Coverholder for any loss, cost, or liability it may incur as a result of the Intermediary's failure to disclose the Commission to Insureds in accordance with the Legal Requirement.

6.8 The Intermediary shall have no authority to vary the rate(s) of Commission.

7. **INSURANCE PREMIUMS AND CLAIMS**

7.1 The Gross Premium shall be set by the Insurer.

7.2 The Intermediary will hold all insurance monies it receives under this Agreement, including Gross Premium it receives from Insureds, premium refunds, and claims money that it receives from the Insurer, as agent of the Insured unless Clause 7.3 below is applicable.

7.3 The Coverholder gives authority for the Intermediary to collect or refund Gross Premium on the condition that the Intermediary undertakes to the Coverholder that it shall act as the agent of the Coverholder to:

7.3.1 invoice for, collect and receive Gross Premiums and Taxes thereon on a risk transfer basis from Insureds from the inception date of the contract of Insurance Business or when that contract is concluded if earlier;

- 7.3.2 invoice for, collect and receive any additional Gross Premium and Taxes thereon on a risk transfer basis from Insureds, where appropriate, following any mid-term adjustment or amendment;
- 7.3.3 where applicable, receive and hold refunds of all or part of Gross Premiums and Taxes thereon on a risk transfer basis prior to transmission to Insureds entitled to refunds, and pay such refunds to Insureds or their agents when due; and
- 7.3.4 where applicable, receive and hold claims money on a risk transfer basis prior to transmission to the Insured or former Insured who is making the claim, and pay such claims money to the Insured or their agent when due,

each in accordance with the requirements of this Clause 7 or such other practices as are notified to it in writing by the Coverholder from time to time.

- 7.4 Where the Intermediary collects Gross Premium in accordance with Clause 7.3, the Intermediary shall be responsible to the Coverholder for the payment of all Net Premiums and Taxes thereon received by the Intermediary in accordance with the payment terms notified to the Intermediary by the Coverholder in writing from time to time. For the avoidance of doubt, Net Premiums paid by the Intermediary to the Coverholder shall be deemed to have been paid to the Insurer.
- 7.5 The Coverholder may at any time require confirmation from the Intermediary whether it has received Gross Premium(s) for specified Insurance Business. The Intermediary shall respond to the Coverholder promptly and in any event within 7 days of receipt of such request.
- 7.6 Where Clause 7.3 applies, the Intermediary shall hold monies received in accordance with Clause 7.3 within its client monies account, which shall be a statutory or a non-statutory trust account (at the Intermediary's option), established in accordance with CASS 5. The Coverholder confirms that the Insurer consents to such monies being co-mingled with the Intermediary's other client monies. The Coverholder confirms that the Insurer further consents to its rights with regard to monies held in the Intermediary's client monies account being subordinated to those of the Intermediary's clients, in accordance with CASS 5, and further agrees that any interest earned on the said account shall accrue to the Intermediary.
- 7.7 The Intermediary will notify the Coverholder, within such time as may be agreed in writing between the Parties, that the insured has failed to pay all or any part of the Gross Premium (or, as the case may be, any provisional Gross Premium) and/or the applicable Taxes thereon.
- 7.8 If the Intermediary is acting as agent of the Coverholder, in the event of the cancellation or avoidance of a contract of Insurance Business, where the Coverholder is obliged by a Legal Requirement or the terms of the contract of Insurance Business to refund Gross Premium(s) in respect of such contract of Insurance Business, the Intermediary agrees to refund the relevant Commission (which shall not for the purpose of this Clause include fees paid by the Insured) unless the Intermediary deems that such Commission is fully earned and not to be refunded. Such repayment shall, in the case of cancellation, be only in respect of Commission received by the Intermediary which is attributable to that part of the Gross Premium repaid.

8. **TAXES**

- 8.1 Subject to Clause 8.3 and except where required by a Legal Requirement or regulatory authority or by the terms of this Agreement, the Parties agree that the Intermediary will not pay Taxes relating to any Insurance Business to HM Revenue and Customs on behalf of the Coverholder and/or Insurer.
- 8.2 If the Intermediary fails to properly and fully account to the Coverholder for Taxes relating to any Insurance Business, where such failure causes HM Revenue and Customs to raise any action or demand against the Coverholder and/or the Insurer, the Intermediary shall pay or reimburse to the Coverholder all costs, expenses, interest, penalties and fines which the Coverholder sustains or incurs as a result of such action or demand being brought. Any such

reimbursement shall be made within ten (10) calendar days of receiving a written request, with full details of such action or demand and setting out the costs, expenses, interest, penalties and fines incurred by the Coverholder.

- 8.3 Where at the date of this Agreement the Intermediary arranges payment of Taxes on behalf of the Coverholder, it shall continue to do so for Insurance Business under this Agreement. The Intermediary will hold monies in respect of such payment of Taxes in accordance with Clause 7.6 for the Coverholder and account to the Coverholder for amounts received in respect of Taxes.

9. COMPLIANCE

- 9.1 Each Party will comply with Legal Requirements.
- 9.2 The Intermediary will notify the Coverholder in relation to all Insurance Business under this Agreement whether the Insured is classified as a retail customer or a commercial customer for the purposes of ICOBS.
- 9.3 The Intermediary will forward promptly all notices of cancellation in respect of any contract of Insurance Business to the Coverholder.
- 9.4 Without prejudice to and in addition to the Coverholder's information rights in this Agreement, the Intermediary shall provide the Coverholder with all information and in such timeframes as is, in each case, reasonably requested by the Coverholder to allow the Coverholder to meet its obligations as a manufacturer and/or distributor (each term as defined in the FCA Handbook) of contracts of insurance constituting Insurance Business under this Agreement, including without limitation the information required from any other distributors of such contracts of insurance or providers of additional products or premium finance sold with such contracts of insurance.
- 9.5 Each Party shall comply with any applicable economic, financial or trade sanctions, legislation or regulation to which that Party is subject or the breach of which may expose either Party to adverse consequences.
- 9.6 Neither Party shall be involved in the offering, promising or giving of any financial or other advantage to any person in breach of any law against bribery (including without prejudice to the generality of the foregoing the Bribery Act 2010). The Parties shall insofar as required to do so, and whether or not either Party is an associated person of the other for the purposes of the Bribery Act 2010, maintain on an ongoing basis its own anti-corruption/bribery policies and procedures, including but not limited to adequate procedures under the Bribery Act 2010, to prevent corruption/bribery offences and will enforce them.

10. DATA PROTECTION

- 10.1 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.
- 10.2 In respect of the Personal Data a Party processes under or in connection with this Agreement, the Party:
- (a) shall comply at all times with its obligations under the Data Protection Legislation;
 - (b) shall notify the other Party without undue delay after, and in any event within 24 hours of, becoming aware of a Personal Data Breach; and
 - (c) shall assist and co-operate fully with the other Party to enable the other Party to comply with its obligations under Data Protection Legislation, 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.

- 10.3 The Parties shall 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 Legislation. This shall 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 Legislation.
- 10.4 For the purposes of Clause 10, Controller, Data Subject, Personal Data, Personal Data Breach shall have the meanings given to them in the Data Protection Legislation.

11. **TERMINATION**

11.1 This Agreement shall terminate:

- 11.1.1 at any time by one Party giving 90 calendar days' written notice of termination to the other;
- 11.1.2 immediately, without notice, should either Party become the subject of voluntary or involuntary rehabilitation or liquidation proceedings (save for the purposes of amalgamation or solvent re-organisation) or become the subject of an action in bankruptcy or make or propose any composition with its creditors or otherwise acknowledge its insolvency;
- 11.1.3 immediately, without notice, should the Intermediary have any authority or permission granted to it by the FCA withdrawn or altered by the FCA in such a manner as materially to affect in any way the Intermediary's ability to introduce, arrange, conclude, administer, perform or otherwise be involved with any Insurance Business which is carried out between the Parties under this Agreement.;
- 11.1.4 immediately upon written notice by a Party, if that Party has reasonable grounds for suspecting fraud or dishonesty by the other Party or by the other Party's employees, agents, sub-agents or independent contractors;
- 11.1.5 immediately upon written notice by a Party, if that Party reasonably holds the opinion that, either the regulatory status of the other Party has changed or that the other Party is administering the business which is the subject of this Agreement in a manner causing or likely to cause prejudice to Insureds, the Insurer, the Coverholder or the Intermediary, as the case may be;
- 11.1.6 immediately upon written notice by a Party, if the other Party has committed a breach of this Agreement which is not capable of being remedied or has failed to remedy a breach of this Agreement which is capable of being remedied within thirty (30) calendar days of a written request from the Party not in breach to do so;

11.2 Following termination:

- 11.2.1 the Parties will agree the procedure for administering the Insurance Business current at the time of termination;
- 11.2.2 the Intermediary will make all reasonable efforts to provide the Coverholder with contact details for any Insured or other Party with whom the Coverholder has contracted in the conduct of Insurance Business where:
- 11.2.2.1 the Intermediary has acted as the agent of the Coverholder; and

11.2.2.2 where such information is reasonably required in order for the Coverholder to carry out its obligations in relation to Insurance Business concluded in accordance with this Agreement.

11.2.3 where permissible the Parties will remain liable to perform their obligations in accordance with the terms of this Agreement in respect of all Insurance Business subject to this Agreement until all Insurance Business has expired or has otherwise been terminated.

11.3 Termination of this Agreement shall not result in the termination of:

11.3.1 any rights or liabilities accrued by either Party during the term of this Agreement;

11.3.2 any clauses expressly stated to, or implicitly required or intended to, survive termination.

12. **INDEMNITY**

12.1 The Intermediary shall indemnify and keep indemnified the Coverholder from all losses, costs, claims and liabilities incurred by the Coverholder as a result of the breach of this Agreement or any of the Legal Requirements by the Intermediary.

13. **ACCESS TO RECORDS**

13.1 The Intermediary will retain all of the Records created or held by it in its capacity as agent of the Coverholder and all Records received by the Intermediary for the purposes of the introduction, arranging, concluding, administration or performance of the Insurance Business for a minimum of six years and in any event the minimum periods required by law or any regulatory body with jurisdiction over the Intermediary, the Coverholder or the Insurance Business.

13.2 The Intermediary agrees to allow the Coverholder and/or its agents and the FCA or other regulatory body with jurisdiction over the Coverholder or which performs a regulatory function in connection with the conduct of the Insurance Business, on reasonable notice, to inspect and to take copies of the following:

13.2.1 the accounting records pertinent to any Insurance Business information relating to the receipt and payment of premiums and claims and documentation such as any insurance contract or Slip endorsements, addenda or bordereaux in the possession of the Intermediary relating to the Insurance Business; and

13.2.2 documents as may be in the possession of the Intermediary which were disclosed to the Coverholder by the Intermediary in respect of any Insurance Business including, but not limited to, documentation relating to the proposal for the Insurance Business, the placing thereof (including endorsements and reinstatements) and any claims thereunder.

13.3 In the event that the Coverholder requests the Intermediary to carry out any functions or duties on its behalf, such as the appointment of loss adjusters, lawyers or others, or the Intermediary otherwise acts as an intermediary between the Coverholder and its representatives or agents:

13.3.1 The Intermediary accepts the Coverholder's appointment or instructions on the basis that the information received by it in respect of a claim made upon any Insurance Business is disclosable to the Intermediary's client.

13.3.2 All documentation and records created or received by the Intermediary in the performance of such functions or duties shall be and remain the property of the Coverholder, other than documents over which the Intermediary has a proprietary commercial interest.

- 13.3.3 The Intermediary will take reasonable steps to retain, maintain and safeguard any of the Coverholder's documents in the Intermediary's possession in accordance with Legal Requirements which apply to the Coverholder and of which the Intermediary has notice.
- 13.3.4 On termination of this Agreement for whatever reason and on reasonable notice the Intermediary will deliver up to the Coverholder such documentation if requested.

14. CONFIDENTIALITY

Each of the Parties will treat information received from the other relating to this Agreement and to the Insurance Business as confidential and will not disclose it to any other person not entitled to receive such information except as may be necessary to fulfil their respective obligations in the conduct of the Insurance Business and except as may be required by a Legal Requirement or regulatory authority. For the avoidance of doubt each party shall be entitled to disclose such information where necessary to its insurers or reinsurers, actuaries, auditors, professional agents and advisers and other Group companies.

This Clause will not apply to information which was rightfully in the possession of such party prior to this Agreement, which is already public knowledge or becomes so at a future date (otherwise than as a result of a breach of this Clause) or which is trivial or obvious.

15. COMPLAINTS

Each Party will notify the other in accordance with the Legal Requirements of any complaint concerning the other Party relating to Insurance Business carried out under this Agreement.

16. 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.

17. 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.

18. DISCLOSURE

The Intermediary will comply with relevant regulatory, fiduciary and legal requirements regarding disclosure of all forms of remuneration from any arrangements it may have for remuneration in connection with Insurance Business.

19. VARIATION AND ASSIGNMENT

This Agreement may be varied only in writing by duly authorized representatives of the Parties. The Intermediary may not assign, sub-delegate or sub-contract its rights, benefits or obligations arising under this Agreement without the Coverholder's prior written consent.

20. RIGHTS OF THIRD PARTIES

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 shall not affect any right or remedy of a third party which exists or is available apart from that Act.

21. **DISPUTE RESOLUTION**

21.1 The Parties to this Agreement are committed to resolving all disputes arising under it (and whether such dispute arises before or after termination of this Agreement) without the need for litigation and to allow as far as possible for commercial relationships to remain unaffected by disputes and therefore the Parties:

21.1.1 will attempt in good faith to resolve any dispute or claim promptly through negotiations between respective senior executives of the Parties who have authority to settle the same;

21.1.2 will attempt in good faith, if the matter is not resolved through negotiation within three months of the dispute arising to resolve the dispute or claim through mediation with the assistance of a mediator agreed between the Parties or as recommended to the Parties by the Centre for Dispute Resolution or such similar organisation as the Parties may agree; or

21.1.3 if the matter has not been resolved by mediation within six months of the dispute arising, or if either Party will not participate in a mediation procedure, the Parties will refer the dispute in accordance with the Jurisdiction and Choice of Law Clause below.

21.2 Notwithstanding the above, either Party may seek the immediate protection or assistance of the High Court of England and Wales if appropriate.

22. **JURISDICTION AND CHOICE OF LAW**

22.1 This Agreement shall be construed according to English law and any disputes arising under it shall, subject to the provisions of Clause 21 above, be determined in the English Courts.

23. **ENFORCEABILITY CLAUSE**

In the event any portion of this Agreement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

24. **GENERAL INTERPRETATION OF THIS AGREEMENT**

In this Agreement, words importing the singular shall include the plural and vice versa. Headings are included for ease of reference and convenience only and shall not affect the interpretation of the Agreement.

25. **SERVICE OF NOTICES**

25.1 Any notice required to be given under this Agreement shall be in writing and shall be delivered personally, or sent by pre-paid first-class post or recorded delivery or by commercial courier, to each Party required to receive the notice at the address specified by the relevant Party from time to time by written notice to the other Party or, in the absence of such notice, the relevant registered office address set out at the head of this Agreement marked for the attention of the relevant party's Company Secretary.

25.2 Any notice shall be deemed to have been duly received:

25.2.1 if delivered personally, when left at the address and for the contact referred to in this Clause 25, provided the Party serving the notice has obtained a delivery receipt confirming the time and date of delivery; or

25.2.2 if sent by pre-paid first-class post or recorded delivery, at 9.00 am on the second business day after posting; or

25.2.3 if delivered by commercial courier, on the date and at the time that the courier's delivery receipt is signed.

25.3 A notice required to be given under this Agreement shall not be validly given if sent by e-mail.

25.4 The provisions of this Clause 25 shall not apply to the service of any proceedings or other documents in any legal action.

26. **FORCE MAJEURE**

Neither Party shall be liable for any delay or non-performance of its obligations under this Agreement caused by an event beyond its control (a "Force Majeure Event") provided that the Party affected gives prompt notice in writing to the other Party of such Force Majeure Event and uses all reasonable endeavours to continue to perform its obligations under the Agreement.

Either Party may terminate this Agreement if such Force Majeure Event continues for more than 3 months.

SIGNED for and on behalf of **BRITISH ENGINEERING SERVICES LIMITED**

by

Signature of duly authorised signatory: _____

Name: _____

Status: Chief Risk Officer

Date: _____

SIGNED for and on behalf of **THE INTERMEDIARY**

by

Signature of duly authorised signatory: _____

Name: _____

Status: Director/Company Secretary/
Authorised Signatory _____

Company name: _____

FCA firm reference number: _____

Date: _____