

INTRODUCER AGREEMENT

for Firms Directly Authorised by the F.S.A.

THIS AGREEMENT is made on _____ (day) _____ (month) _____ (year)

BETWEEN:

Safe&Secure Insurance Services Limited whose registered office is at 12 Stadium Business Court, Millennium Way, Pride Park, Derby DE24 8HP ("**Safe&Secure**")

and [_____] (the "**Introducer**")

WHEREAS:

- (1) Safe&Secure is an insurance intermediary directly regulated by the FSA for the conduct of certain related activities.
- (2) The Introducer is Directly Authorised by the FSA and their permissions include non – investment insurance contracts
- (3) Safe&Secure wishes to appoint the Introducer to introduce customers to Safe&Secure (and carry on certain related activities) with a view to facilitating General Insurance.

IT IS AGREED:

1) INTERPRETATION

1.1 In this Agreement, unless inconsistent with the context or otherwise specified:

- (a) **Applicable Regulations** means all laws, regulations, orders, directions from Regulators and industry codes of practice applicable to the marketing, selling and/or variation of mortgages, insurance and related products, including (without limitation) the FSMA, the FSA Handbook, the DPA, the CCA, the Council of Mortgage Lenders' Mortgage Code, the General Insurance Standards Council's rules and codes, the Advertising Standards Authority's British Code of Advertising, Sales Promotion and Direct Marketing, the Money Laundering Regulations 2003 and the Proceeds of Crime Act 2002, as re-enacted, amended or extended from time to time;
 - (b) **CCA** means the Consumer Credit Act 1974;
 - (c) **Commencement Date** means the date on which Safe&Secure has given the Introducer notice under clause 2;
 - (d) **Counterparty** means a person other than Safe&Secure;
 - (e) **DPA** means the Data Protection Act 1998;
 - (f) **Financial Promotions** means Non-Investment Financial Promotions and Qualifying Credit Promotions;
 - (g) **FSA** means the Financial Services Authority;
 - (h) **FSA Handbook** means the FSA's Handbook of rules and guidance made under the FSMA;
 - (i) **FSMA** means the Financial Services and Markets Act 2000;
 - (j) **ICOB** means the Insurance: Conduct of Business sourcebook in the FSA Handbook;
 - (k) **Insurance Policies** means the insurance policies referred to in schedule 1 to this Agreement as may be varied from time to time;
 - (l) **Intellectual Property Rights** means all intellectual and industrial property rights including, without limitation, any invention, patent, design or utility model rights, any copyright and trade marks, service marks, database rights, topography rights, know how or trade secrets, and any other rights of a similar nature whether or not any of the same are registered, and the right to apply for any of them;
 - (m) **Product Information** means information, data, files and documents in the possession or control of the Introducer or Safe&Secure which, in the context of this Agreement, relate to the Products or their sale including (without limitation) any such information, data, files and documents relating to customers and potential customers;
 - (n) **Product Providers** means underwriters of Insurance Policies, in relation to which Safe&Secure requires or allows the Introducer to carry on any activities under this Agreement.
 - (o) **Products** means General Insurance Policies only;
 - (p) **Regulated Activities Order** means the FSMA (Regulated Activities) Order 2001;
 - (q) **Regulated Contracts** means Contracts of Insurance;
 - (r) **Regulator** means the FSA, the Office of Fair Trading and any other enforcement authorities or regulators of activities carried on by the Introducer or Safe&Secure; and
 - (s) **Staff** means any individual or individuals working directly or indirectly for the Introducer including, if the Introducer is an individual or individuals, the Introducer;
 - (t) **SUP** Means the Supervision manual in the FSA Handbook;
 - (u) **Third Parties** means any third party provider of an insurance sourcing system, product providers, valuers, actual or potential customers of product providers and any other persons affected by the activities contemplated under this Agreement;
- 1.2 In this Agreement, the following terms will have the meaning given to them in the glossary to the FSA Handbook: **Approved Person, Business Day, Client Money, Contract of Insurance, Controlled Function, General Insurance Contract, Illustration, Introducer Appointed Representative, Lifetime Mortgages, Non-Investment Financial Promotion, Non-Real Time Qualifying Credit Promotion, Permission, Principle, Pure Protection Contract, Qualifying Credit Promotion, Real Time Qualifying Credit Promotion, Regulated Activity, Regulated Mortgage Contract and Threshold Condition.**

2) TERM AND THE COMMENCEMENT OF ACTIVITIES

- 2.1 This Agreement shall commence on the date of this Agreement and shall continue until terminated in accordance with the provisions of this Agreement.

3) APPOINTMENT AND THE SERVICES

- 3.1 The Introducer may, in accordance with the procedures set out by Safe&Secure distribute Non-Investment Financial Promotions and Non-Real Time Qualifying Credit Promotions approved by Safe&Secure relating to the Products.
- 3.2 Safe&Secure does not accept any responsibility for any other activities of the Introducer
- 3.3 The Introducer will, when introducing customers to Safe&Secure, comply with FSA Principles: in relation to the Insurance Policies, from 14 January 2005.

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4) LIMITATIONS ON THE IAR'S ACTIVITIES

Under FSA rules, an Introducer is not permitted to be involved in any way in the sales process of regulated general insurance policies. The Introducer must simply pass contact details of any prospective customer to Safe&Secure, who will then take over all contacts and transactions with the customer.

Specifically, the Introducer must NOT complete a fact find, provide advice on any general insurance products, help a customer complete an application form or endeavour to liaise between the customer and Safe&Secure in the sales process. The Introducer is permitted to make reasonable contact with Safe&Secure to check on the progress of any or his/her introduced cases. Introducers CANNOT select products or make use of quotation systems (other than FSA comparative tables).

- 4.1 The Introducer shall not represent any Counterparty except as expressly provided for under this Agreement.
- 4.2 The Introducer shall not carry on any Regulated Activity which relates to general insurance contracts.
- 4.3 If Safe&Secure's Permission is varied (or Safe&Secure anticipates a variation) such that Safe&Secure is no longer permitted to carry on any one or more of Regulated Activities, the Introducer shall stop carrying on such activities immediately following receipt of notice from Safe&Secure.
- 4.4 The Introducer will not make or distribute any Financial Promotions (or any kind of financial promotion) other than in accordance with clause 3.1

5) COMPLIANCE

- 5.1 The Introducer must make all appropriate notifications, and obtain and maintain all appropriate licences, memberships and registrations, as required under Applicable Regulations including (without limitation) the CCA and DPA.
- 5.2 The Introducer will obtain any consents that it may require from its Staff and customers in order to perform its obligations pursuant to this Agreement.
- 5.3 The Introducer shall comply with any instruction that Safe&Secure may give concerning investigations which may be carried out by the Regulator or with any instruction which may result from the exercise of intervention powers by any Regulator.

6) PAYMENTS

- 6.1 Safe&Secure will pay introducer fees by cheque on a monthly basis after completion of any introduced cases once Introducer Fees have been received from the Product Provider.
- 6.2 Safe&Secure may off set any sums payable to the Introducer under this Agreement against any sums that are due from the Introducer to Safe&Secure or a Third Party under this Agreement or otherwise.
- 6.3 In the event of a Lapse, the Introducer agrees to repay any reclaimed Introducer Fees.

7) CUSTOMERS AND RELATED INFORMATION

- 7.1 Either party may request and require the other party to disclose any customer information in its possession or control as necessary for requesting party to comply with its obligations under Applicable Regulations or pursuant of this Agreement. However this clause shall only apply if the disclosing party is permitted to make such disclosure; or can reasonably procure permission to make such disclosure, provided that all reasonable costs incurred by the disclosing party in procuring permission in accordance will promptly be reimbursed by the requesting party.
- 7.2 All Product Information belongs to Safe&Secure.
- 7.3 The Introducer will treat all Intellectual Property Rights in any other Product Information as belonging to Safe&Secure.

8) REPORTING AND CONFIDENTIALITY

- 8.1 Either party must promptly notify details to the other on becoming aware that any of the following events has occurred or is likely to occur:
 - (a) it is no longer able to meet its financial obligations to any creditor;
 - (b) it otherwise becomes insolvent.
- 8.2 The Introducer must promptly give Safe&Secure details of any circumstances which might have a significant impact on, or implications for, the fitness or propriety of the Introducer or any of its Staff.
- 8.3 Each party undertakes that it shall not divulge any information relating to (1) the affairs or business or method of carrying on business of the other which it knows or should reasonably know to be confidential or (2) the terms of this Agreement, other than to any Regulator or (where Safe&Secure is the disclosing party) Third Party as necessary for the disclosing party to exercise or enforce its rights or carry out its obligations to the Regulator or Third Party in question.
- 8.4 Safe&Secure owns the copyright in this Agreement and any other documents that Safe&Secure provides to the Introducer pursuant to this Agreement. The Introducer may make copies of such materials for its internal use only and may not disclose such materials to any other persons.
- 8.5 Safe&Secure agree not to cross sell any mortgage products or life assurance products to any Introducer introduced clients.

9) VARIATION

- 9.1 Safe&Secure may at any time vary:
 - (a) the Products;
 - (b) this Agreement as necessary:
 - (i) for Safe&Secure to meet its obligations under Applicable Regulations or to any Regulators or Third Parties;
 - (ii) to reflect any changes to processes that Safe&Secure uses internally, or which are imposed by Third Parties; and/or
 - (iii) to reduce the cost of any insurance maintained by Safe&Secure
- 9.2 Safe&Secure may, by giving at least 3 months' prior notice to the Introducer, make any other variations to this Agreement. In the event of Safe&Secure making a variation, the Introducer may, by giving at least 1 month's prior notice to Safe&Secure, terminate this Agreement on the date the variation is due to come into effect.

10) GENERAL

- 10.1 Any notices under this Agreement shall be made in writing unless otherwise stated.
- 10.2 Nothing in this Agreement shall constitute a partnership between the parties or constitute either as agent of the other for any purpose whatever and neither shall have authority or power to bind the other or to contract in the name of or create liability against the other in any way or for any purpose save expressly authorised in writing by the other from time to time.
- 10.3 The Introducer will not hold itself out as agent of Safe&Secure or any Product Provider and will take reasonable steps to notify Third Parties that it is not the agent of Safe&Secure or any Product Provider.

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- 10.4 The Introducer may not assign, subcontract, delegate, outsource or transfer all or any of its rights or obligations in connection with this Agreement without the prior written consent of Safe&Secure.
- 10.5 This Agreement (together with any documents referred to in this Agreement) contains the entire agreement and understanding of the parties and supersedes all prior agreements, understandings or arrangements (both oral and written) relating to the subject matter of this Agreement.
- 10.6 Each of the parties acknowledges and agrees that it does not enter into this Agreement on the basis of and does not rely, and has not relied, upon any statement or representation (whether negligent or innocent) or warranty or other provision (in any case whether oral, written, express or implied) made, given or agreed to by any person (whether a party to this Agreement or not) except those expressly repeated or referred to in this Agreement and the only remedy or remedies available in respect of any misrepresentation or untrue statement made to it shall be a claim for breach of contract under this Agreement.
- 10.7 Any waiver of a breach of any of the terms of this Agreement or of any default under this Agreement shall not be deemed a waiver of any subsequent breach or default and shall in no way affect the other terms of this Agreement.
- 10.8 The rights and remedies provided by this Agreement are cumulative and are not exclusive of any rights or remedies provided by law.
- 10.9 If any provision of this Agreement is held to be illegal, invalid or unenforceable in whole or in part in any jurisdiction this Agreement shall, as to such jurisdiction, continue to be valid as to its other provisions and the remainder of the affected provision; and the legality, validity and enforceability of such provision in any other jurisdiction shall be unaffected.
- 10.10 The Agreement shall be governed by, construed and take effect in accordance with English law.

11) LIMITATIONS OF LIABILITY

- 11.1 Safe&Secure will only be responsible for direct loss to the Introducer, and then only if Safe&Secure deliberately or negligently caused the loss. Safe&Secure will not be responsible or liable for any indirect loss, any type of special or resulting loss, any loss of business, opportunity or profit or anything beyond Safe&Secure's reasonable control.
- 11.2 However nothing in this Agreement will exclude or restrict any duty or responsibility Safe&Secure may have or owe to the Introducer by law. In particular, nothing in this clause will exclude or restrict Safe&Secure's liability for injury or death or where Safe&Secure has acted fraudulently.

12) INDEMNITY

The Introducer agrees to indemnify and keep indemnified Safe&Secure on demand against all actions, claims, demands, expenses, costs, liabilities and losses which may be made against Safe&Secure or which Safe&Secure may suffer or incur as a consequence of or which relate to or arise from, directly or indirectly, any breach by the Introducer of the terms of this Agreement or obligations under Applicable Regulations. The indemnity shall not apply to the extent that the breach by the Introducer is as a result of the negligence or wilful default of Safe&Secure.

13) TERMINATION

- 13.1 This Agreement shall terminate immediately in the event of Safe&Secure losing its Permission.
- 13.2 Either party may terminate this Agreement at any time by giving the other party not less than three months' prior notice
- 13.3 Safe&Secure may, after first having given (where possible) the Introducer reasonable notice, at its option, immediately terminate this Agreement if:
 - (a) the Introducer repeatedly breaches any provisions of this Agreement;
 - (b) the Introducer fails to pay in full any sum payable by it under this Agreement within 30 days of its due date;
 - (c) the Introducer is the subject of any form of disciplinary action or has been found to be in breach of any obligation or duty following investigation by any Regulator;
 - (d) Safe&Secure reasonably believes that continuing its association with the Introducer may have a detrimental effect on Safe&Secure's reputation, Safe&Secure's relationship with any Regulator or Safe&Secure's ability to comply with any obligations under this Agreement or Applicable Regulations or any obligations towards Regulators or Third Parties;
 - (e) any step, application, order, proceeding or appointment is taken or made by or in respect of the Introducer for a distress, execution, composition or arrangement with creditors, winding up, dissolution, administration, receivership (administrative or otherwise) or bankruptcy, or if the Introducer is unable to pay its debts.
- 13.4 In event of this Agreement being terminated, termination will not affect any legal rights or obligations which arise or may have already arisen as a result of this Agreement.

14) EFFECT OF TERMINATION

- 14.1 On termination of this Agreement by either party, the Introducer shall be entitled to Introducer Fees only in respect of premiums received by the Product Provider prior to termination. Any payment of Introducer Fees in respect of premiums paid after termination shall be paid entirely at the discretion of the Product Provider.

AS WITNESS *the hands of these parties on their duly authorised agents the day and year first above written*

Signed by

for and on behalf of **Safe&Secure**[print name]

Signed by

for and on behalf of **IAR**[print name]

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SCHEDULE 1 – THE PRODUCTS

1. **Insurance Policies**

The General Insurance Contracts offered by Safe&Secure may vary from time to time. They may include any of the following (in combination or otherwise):

- (a) buildings insurance;
- (b) contents insurance;
- (c) mortgage payment protection insurance (also known as accident, sickness and unemployment insurance);

SCHEDULE 2 – INTRODUCER FEES

Safe&Secure will deal with customer enquiries introduced by the Introducer in whatever way Safe&Secure sees fit in order to bring the case to a satisfactory completion. Safe&Secure are required, under FSA rules, to:

- a. pay due regard to the interests of customers and treat them fairly (Principle 6)
- b. pay due regard to the information needs of clients and communicate information to them in a way which is clear, fair and not misleading (Principle 7)
- c. take reasonable care to ensure the suitability of advice (Principle 9)

Safe&Secure will endeavour in every case to advise customers on and to arrange suitable home (buildings & contents), mortgage payment protection (ASU). These products are regulated by the FSA from 14th January 2005 and Safe&Secure will adopt the standards set out in the Insurance Conduct of Business (ICOB) rules when advising and selling on these products.

Charges

Safe&Secure will not charge the customer for advice given.

Introducer Fees payable to Introducer

Product	Indemnity Introducer Fees*	Renewals Introducer Fees*
Buildings & Contents Buildings Only Contents Only ASU Cover	17.5%	17.5%

Introducer Fees are paid the month after the first premium has been paid by the client (NB: Collection of the first premium is normally 30 days from On Risk Date.) Introducer Fees are paid around the 30th of the month following receipt of payment from the Product Provider.

- Introducer Fees will continue to be paid providing at least two new client referrals are successfully converted to signed up cases by Safe&Secure per month.

Taxation

The Introducer is responsible to the Inland Revenue for payment of income tax and national insurance on any sums paid to him/her under this arrangement by Safe&Secure.

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SCHEDULE 3 – DATA PROTECTION CONSENT

Each staff member of the Representative must complete the consent form below.

To: **Safe&Secure Insurance Services Ltd** (hereafter referred to as "Safe&Secure")

Subject: Data Protection Consent

I understand that my employer is an introducer appointed representative of Safe&Secure for business, which is regulated by the Financial Services Authority ("FSA").

I understand that the rules and principles of the FSA require Safe&Secure to assess and keep record of the fitness and propriety of its IARs and their staff and may require and ask for information about me. The information may include personal references, credit and electoral register information obtained from credit reference agencies and any criminal record I may have.

I hereby authorise my employer [.....] to pass information about me to Safe&Secure and the FSA, when and if requested to do so by Safe&Secure.

I hereby authorise Safe&Secure, or my employer on behalf of Safe&Secure, to make any enquiries as they consider necessary to comply with requirements under the Financial Services & Markets Act 2000. I understand that this may include a search of credit reference agency files for credit information and information from the electoral register plus enquiries relating to any personal references or criminal record of mine.

I understand and accept that credit reference agencies keep a record of all credit searches and that a search may leave a footprint, which will be visible to subsequent persons accessing my credit records.

I understand that my personal information will be held by Safe&Secure on its computer systems and in paper records within the European Union. I agree to Safe&Secure processing and maintaining such records provided it is not disclosed to other parties except for other businesses within Safe&Secure, representatives of Safe&Secure's compliance and legal advisers, Safe&Secure's auditors, the FSA and any organisation requiring access to such information for regulatory purposes only, or any person having a legal entitlement to access.

I understand that Safe&Secure will not use my personal data for marketing purposes nor pass it to external companies for marketing purposes, unless I have permitted use of my personal data for such purposes elsewhere.

Print Employer Name:

Print Name:

Signature: _____ Date: _____