



Member of Liberty Mutual Group

## TERMS OF BUSINESS AGREEMENT

In respect of General Insurance between

**Vision Underwriting Limited & Vision Employment Health & Safety  
Limited  
(Vision)**

(also referred to as “we” or “our”)

**of**

St James House  
St James Square  
Cheltenham  
Gloucestershire  
GL50 3PR

**and**

**of**

(also referred to as “you” or “your”)

**Your FSA Authorisation Number**

## DEFINITIONS

“General Insurance”	has the meaning assigned to it by Part 1 Schedule 1 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 except that it will not include the following classes: 5 Aircraft 6 Ships 11 Aircraft Liability 12 Liability for Ships
“Sub-delegated Functions”	means any function sub-delegated by us to you under this Agreement on behalf of an insurer.
“the Insurer”	means an insurer whose functions we have sub-delegated to you.
“FSA”	The Financial Services Authority and any successor body and/or its rules which regulate general insurance activities.

### 1 General

This is an Agreement regulating the terms of business between you and Vision.

Nothing in this Agreement shall override your duty to place the interests of your client before all other considerations.

Nothing in this Agreement shall require us to accept any proposal for insurance or the renewal of any existing policy if in our sole discretion we decline to do so.

From the effective date of your signature to this Agreement, this Agreement apply to the conduct of any business transacted between us relating to General Insurance

### 2 Status

You will at all times be considered the agent of your client for all general insurance advice given and transactions effected except in respect of duties or obligations (such as the issue of insurance documents or collection of premiums etc.) arising in this Agreement when you are deemed to be acting as our Agent for such purposes.

### 3 Qualifying conditions

This Agreement is conditional upon you being authorised by the Financial Services Authority to undertake general insurance regulated activities and being registered on Vision Online to receive electronic news and updates from Vision - [www.visionunderwriting.co.uk](http://www.visionunderwriting.co.uk)

#### **4 Cover authority (ONLY WHERE SUCH AUTHORITY HAS BEEN GRANTED IN WRITING BY VISION)**

You shall not issue or bind or confirm cover on our behalf for any insurance risk unless expressly authorised by us which shall include our acceptance by electronic data interchange.

You shall at all times comply with the underwriting instructions provided by us and as amended from time to time.

In accordance with the terms of the insurance policy any material information provided by the proposer or policyholder to you will be passed to us by you immediately by electronic means or recorded post. In the event of your being aware of any non-disclosure of material information by a proposer or policyholder, you will either agree such non-disclosure being made known or decline to act on his behalf in effecting any insurance arrangement with us.

Where documents and any other information relating to insurance policies to be issued under this Agreement are held by you, they shall be kept in a safe place in your office as our custodian and available for our inspection during normal business hours.

You shall not issue any insurance policy, certificate of insurance, renewal confirmation, policy endorsement or similar document unless the premium or deposit premium has been paid by the policyholder in accordance with the provisions in Clause 5 – Premiums.

#### **5 Premiums**

5.1 Except under the circumstances of default mentioned below or under any other exceptional circumstances agreed by us all premiums will be paid:

- a) Direct to Vision by:-
- an acceptable electronic funds transfer or
  - a standing order instruction or premium finance provider or
  - a valid crossed cheque

In the event of any payment default by the policyholder you shall take all reasonable measures to assist us in recovering any outstanding monies due.

b) Direct to you by any means acceptable to you.

5.2 Where the policyholder makes payment to you the details will be included in a statement sent to you each month and the premium net of commission will be settled by you.

5.2.1 The Insurer authorises us to:

- (a) Receive and hold premiums as agent for the Insurer; and
- (b) Receive and hold claims and refunds of premiums as agent for the Insurer

5.2.2 The Insurer extends the authorities contained in 5.2.1 to you

- (a) Subject to money being held on trust as agent of the Insurer in a designated client bank account as approved by us from time to time (which will be easily identifiable) and not being subject to any charge, set off or lien; and
- (b) You are allowed to co-mingle client and Insurer monies whilst held in the designated bank account referred to in 5.2.2(a) and

(c) the interests of the insurer and Vision and you are subordinated to those of the Clients

5.3 The broker is entitled to any interest or investment income earned on monies whilst held in the designated bank account referred to in 5.2.2(a).

## **6 Commission and Account Settlement**

6.1 Where we quote premiums to you as a net rate excluding any commission you may add commission (within the parameters set by us which we reserve the right to alter subject to 6 months' written notice by recorded post).

6.2 Commission becomes due and payable when it is received by you:

6.2.1 As part of the full gross premium from your client; or

6.2.2 As part of the full gross premium from a third party financing arrangement; or

6.2.3 From us within 14 days of the month immediately after premium is received where the premium is being paid directly to us from your client.

6.3 We shall issue a statement each month. Settlement must be made no later than the 30 days following the inception or amendment date of each policy entry or as otherwise modified by the terms of any individual policy Premium Payment Warranty.

## **7 Claims**

We undertake to keep you properly informed of claims progress. We recognise your duty to seek an equitable settlement on all valid claims on behalf of your clients.

You are not authorised to arrange a claim settlement without our consent.

## **8 Broker and client relationship**

We agree that all insurance business transacted in performance of this Agreement arises out of a broker/client relationship and acknowledge that the policyholders' goodwill rests solely with you and your successors in title as provided for in Clauses 13 and 14 of this Agreement.

We undertake not to solicit directly the insurance business of your clients or employ any information obtained on business underwritten under this Agreement for such purposes, directly ourselves or indirectly by arrangement with another party.

We undertake not to enter knowingly into any negotiations or agreement with any employee, director or partner of your insurance broking business during the validity of any such employment, directorship or partnership, with a view to the transfer of any of your clients to them.

We recognise all broker/client relationships where you have current authority to act on behalf of your client and shall not unreasonably refuse any policyholder written request to transfer policies specified by them to you or another Broker with whom Terms of Business exists with us.

We recognise the importance of policyholders receiving independent professional advice on all insurance matters and undertake not to offer policies of insurance directly to consumers, except in the circumstances arising under Clause 15.b of this Agreement.

## 9 Data Protection Act and regulation

9.1 You will:

- 9.1.1 support us, in respect of any Sub-delegated Function, to ensure compliance with the requirements of any regulator of the Insurer. We will inform you of the Insurer's regulator(s).
- 9.1.2 monitor Sub-delegated Functions for compliance with requirements of any regulator of that insurer. You will provide to us such summaries of such monitoring as we or the Insurer from time to time reasonably require.
- 9.1.3 Implement in a timely fashion all instructions issued by us in writing to you from time to time concerning the requirements of Clauses 9.1.1 and 9.1.2.

9.2 You confirm that you are registered or have notified the Information Commissioner under the Data Protection Act 1998 and you undertake at all times to comply with the provisions of that Act (as amended, re-enacted or extended from time to time) and any secondary legislation or other regulations made pursuant thereto ("the Act").

If you act as a data processor (as defined by the Act) in respect of any Sub-delegated Function you:

- 9.2.1 undertake to process personal data (as defined by the Act) strictly in accordance with our instructions and any instruction of the Insurer issued in the capacity of data controller in respect of any Sub-delegated Functions;
- 9.2.2 will ensure that only such of your employees and contractors who may be required by you to assist in meeting your obligations in respect of Sub-delegated Functions shall have access to the personal data relating to those functions. You shall ensure that all employees and contractors used by you to meet your such obligations, have undergone training in the law of data protection and in the care and handling of personal data;
- 9.2.3 undertake to hold and process all personal data in respect of Sub-delegated Functions in accordance with the relevant laws of the United Kingdom;
- 9.2.4 hereby agree to assist us or the Insurer with all subject information requests which may be received from data subjects (as defined by the Act) in respect of Sub-delegated Functions;
- 9.2.5 undertake not to unlawfully disclose personal data held or processed in respect of Sub-delegated Functions;
- 9.2.6 you will ensure that you have appropriate operational and technological processes and procedures in place (including disaster recovery measures) to safeguard against any unauthorised access, loss, destruction, theft use or disclosure of the personal data held or processed in respect of Sub-delegated Functions.

9.3 You will:

- 9.3.1 have an adequate complaint procedure in place in respect of all Sub-delegated Functions and deal expeditiously with all such complaints.
- 9.3.2 ensure that each client is advised of the complaint procedure.
- 9.3.3 keep a log of all complaints relating to Sub-delegated Functions and provide us and the Insurer concerned with such details in writing of that log and in such a format as we or the Insurer from time to time require.
- 9.3.4 Furthermore:
  - 9.3.4.1 You will inform us immediately in writing upon receipt of all complaints in respect of:

9.3.4.1.1 any Sub-delegated Functions which is likely in your opinion to or does give rise to legal, arbitration, ombudsman proceedings against us or the Insurer or lead to a complaint to any regulator or to the media.

9.3.4.1.2 any function of ours or of the Insurer or matter appertaining to us or the Insurer which is not delegated to you under this or any other Agreement.

9.3.4.2 We and the Insurer will be entitled to deal with any complaint under 9.3.4.1.

9.3.4.3 You will give us and the Insurer all reasonable co-operation with any investigation and the resolution of such all complaints referred under 9.3.4.2.

9.3.4.4 You will not make any statement, representation or response to complaints referred to in Clauses 9.3.4.1 without obtaining our, or the Insurer's prior written consent but you shall acknowledge receipt of such complaints.

9.4 We and the Insurer concerned its servants or agents shall be entitled without restriction or limitation to inspect and audit any records documents systems processes and administration held or maintained or controlled by you which relate in any way whatsoever to Sub-delegated Functions and to take or make such copies of records and documentation as we or the Insurer shall require and for the purpose of exercising such rights shall be further entitled to enter any office or other premises occupied by you at any time during normal working hours. Unless our, or the Insurer's regulator(s) decides otherwise you will be given reasonable prior notice of any inspection or audit.

## **10 Confidentiality of premium rating, underwriting information and company logos**

All insurance rating and underwriting information provided to you by us under this Agreement are confidential and you undertake not to communicate these to any party other than a bona fide proposer or policyholder, or to use or disclose the same for or in connection with any arrangement with any other insurance undertaking or third party without our written authority.

You shall not use or reproduce our name logos or trading style in any form of promotion or advertising without our express permission.

For the avoidance of doubt, our name logos or trading style and all materials communicated, published and provided by Vision remain the intellectual property of Vision.

## **11 Changes in Broker information**

You shall advise us immediately in writing by registered post, of any changes:

- (a) in your trading name or style; or
- (b) in your directors, partners or control of your business; or
- (c) or if you cease to be authorised by the FSA to undertake any general insurance regulated activity.

## **12 Sub-Agents**

You are not permitted to appoint any sub-agent to deal with, promote or advise upon the insurance business offered by us without our written authority.

### **13 Variations of conditions of this agreement**

We and you may, by mutual consent, agree to vary the terms and conditions of this Agreement at any time in writing.

In the event of mutual consent not being obtained, we reserve the right to give three months' written notice of variation to the terms and conditions of this Agreement, which shall apply to all new business and renewals following.

### **14 Death or incapacity of a sole trader**

In the event of the death or incapacity of a Sole Trader, his administrators or successors in title shall be subject to the terms and conditions of this Agreement.

### **15 Termination**

(a) This Agreement may be terminated by either party giving 60 days' written notice to the other by recorded post, following which you may, at your option:

(i) Allow all existing business to run-off and replace it elsewhere and new business will, if accepted by us during the notice period, be allowed to remain in force under the terms of this Agreement for the period of such insurance.

Or

(ii) With our agreement, which will not be unreasonably withheld, transfer all insurance business subject to this Agreement to another Insurance Broking Practice with whom we have a current Agreement or are prepared to enter into one.

(b) We reserve the right to terminate immediately this Agreement if you:

(i) Compound with your creditors or become bankrupt.

(ii) In the case of a corporate body, become insolvent or go into liquidation whether provisional, voluntary or otherwise.

(iii) Take up residence outside the United Kingdom.

(iv) Are in breach of this Agreement.

(v) Cease to be authorised under regulations applicable from time to time as an insurance broker.

(vi) If you or any partner or director is or are convicted of any offence which involves fraud or dishonesty.

(vii) If the administration by you of business placed with us is such to prejudice the interests of policyholders.

(c) In the event of termination of this Agreement due to any reason in (b) above:

(i) Notwithstanding anything expressed to the contrary in clause 8 of this Agreement, we reserve the right to deal directly with policyholders or appoint another insurance broking practice to safeguard the interest of policyholders.

(ii) All rights to commission cease from the date of termination.

