



Terms of Business Agreement For Direct Dealing Motor Insurance

This Limited Binding Authority agreement takes effect from the <<<Date>>> at which date it supersedes and cancels any Agency Agreement in force between the parties before this date. The agreement governs the conduct of insurance business between Trident Underwriting Ltd of 3 Mill Lane, Broxbourne, Hertfordshire, EN10 7AZ. (described as Trident Underwriting Ltd or 'us' in this document) and <Name of Broker/Agent> (described as 'you' in this document) of <<<Address>>>.

1 Purpose of agreement and Your Authority

- 1.1 The purpose of this agreement is to allow you
- a) acting as the Insured's agent, to introduce motor insurance on behalf of retail and commercial customers to Trident Underwriting Ltd, and
 - b) acting as our agent, for the purpose of receiving premiums from your clients and receiving and holding premium refunds prior to transmission to the client.
- 1.2 The risk acceptance criteria and premium rates for our motor products are displayed in our Underwriting Guide and Premium Rate Chart or Web Portal. We reserve the right to refuse any individual proposal at our sole discretion.
- 1.3 You are authorised to issue policies on our behalf in accordance with our published standard risk acceptance criteria and commission terms. You must make suitable checks to ensure that all your employees and prospective employees who will or maybe involved in performing your obligations under this agreement possess adequate skills, knowledge and qualifications relevant to the performance of your obligations under this agreement.
- 1.4 If you or your employees purport to commit us to cover or to any insurance policy that is for any reason in breach of this agreement and we decide at our sole discretion that we are obliged to ratify such cover or insurance policy and pay, compromise or otherwise settle any claim arising under such policy you will indemnify and keep us indemnified against all losses, damages, liabilities and expenses caused by the breach.
- 1.5 You must ensure that all relevant details of the insurance are sent to us on the date of commencement of cover in the manner agreed by us, bearing in mind the requirements of the Motor Insurance Information Centre (MIIC) arising from the European Fourth Motor Insurance directive.
- 1.6 You will release promptly all necessary policy documentation to ensure insureds are in full compliance with legal requirements, even if information from the Insured remains outstanding.
- 1.7 You must ensure that any claims settlement cheques passed to you for the Insured (or any third party) are passed immediately to the Insured (or any third party) to ensure compliance with Financial Conduct Authority regulations.
- 1.8 You will present information and proposals relating to any insurance cover requested in the form specified by us or in such other manner as may be agreed in writing between you and us. Any further information required by us will be promptly sought and supplied by you.
- 1.9 Any change to our standard documentation must be submitted to us for our prior written agreement.
- 1.10 You must provide to the Proposer the required information under FCA Product Disclosure Rules in good time before the conclusion of an insurance contract on business secured by you.
- 1.11 You must provide to the Proposer the required information under FCA Product Disclosure Rules in good time before the conclusion of an insurance contract on business secured by you 'at a distance'.

- 1.12 You are allowed to withdraw cover on behalf of Trident Underwriting Ltd. This must be done in writing to the Insured's last known address in accordance with the cancellation condition contained in the wording appropriate to the policy to be cancelled.
- 1.13 You are not authorised to negotiate or settle claims on behalf of Trident Underwriting Ltd unless agreed in a separate Claims Handling Agreement. Any potential claims or incidents notified to you by the policyholder (or any third party) or any material updates on claims issues or developments must be advised to the designated claims handlers or Trident Underwriting Ltd (in writing) within 7 days.
- 1.14 You are not authorised to offer any cover or quotation, nor provide information about Trident Underwriting Ltd's policy cover or premiums, via an internet site, website or other electronic means, without our prior written agreement.
- 1.15 Reference to Trident Underwriting Ltd in any publicity material (including the display of our logo), letterheads, directories, advertising material or on any computer site may only be made with our prior written permission.

2 Period of Agreement and Changes

- 2.1 This agreement is effective from the date set out above and will continue until such time as it is cancelled or terminated in accordance with paragraph 7 below.
- 2.2 We reserve the right to change the terms and conditions of this Agreement at any time by giving you at least 30 days notice in writing.

3 Compliance and Complaints Handling

- 3.1 This Agreement is conditional upon:
- a) you being authorised by the Financial Conduct Authority on the date of this agreement and such authorisation remaining in place thereafter, and
 - b) you fulfilling and continuing to fulfil the broker security and other accreditation requirements of Trident Underwriting Ltd.
- 3.2 You must hold and keep in force a valid professional indemnity policy in accordance with the requirements of the Financial Conduct Authority and produce this on demand.
- 3.3 Trident Underwriting Ltd and you will each comply with our respective legal, licensing and regulatory requirements relating to, but not limited to, status and product disclosure, the production, placing, claims handling and premium and claims accounting of all business which you place with us.
- 3.4 In accordance with the FCA requirements you must have a proper procedure in place for the handling of complaints and you should be aware of our complaints handling procedure which is detailed in our policies. You should notify us of any unresolved complaint, or any actual or potential lawsuit relating to our policies. We reserve the right to recover from you the costs incurred in handling and resolving any complaint resulting from action (or inaction) by you.
- 3.5 You must show details of any charges that you make in addition to the policy premium. These may include administration fees and charges for additional benefits and services supplied by you. The costs for such services must be shown separately from the gross premium charged by us. Your details of charges must comply with FCA rules.

4 Changes in Circumstances

You must tell us immediately, in writing, if: -

- a) your authorisation with the Financial Conduct Authority is withdrawn or you voluntarily seek termination of your authorisation.
- b) any compliance or regulatory issues arise in connection with your FCA authorisation, particularly those identified as a result of any FCA visit or audit.
- c) you change your trading name or address.
- d) there is any change to your ownership, partners, directors or your capital structure.
- e) you become bankrupt, insolvent, go into liquidation or an administrator is appointed.
- f) any owner, director or partner becomes the subject of disciplinary proceedings instituted by a professional or regulatory body.
- g) your professional indemnity cover ends or fails to meet FCA requirements.
- h) any owner, director or partner is convicted of any criminal offence (other than a motoring offence).

- i) you are, for any reason, unable to continue to service the needs of your customer base.

5 Variation and Assignment

5.1 Your power under this Agreement cannot be transferred or assigned to a third party without our prior written consent.

5.2 You must not grant sub-agency agreements or place business with us, which has come to you via another broker, intermediary or Authorised Representative or Agent.

5.3 This agreement does not create nor shall it in any circumstances be taken as having created a partnership between you and Trident Underwriting Ltd nor does it authorise you to act as our agent save to the extent expressly permitted by this agreement.

6 Premiums (and claims monies if appropriate) and responsibility for premiums (and claims monies if appropriate) Subject to your strict compliance with the Client Assets Sourcebook. For the avoidance of doubt this Agreement provides that you act as our agent for the purpose of receiving and holding money and that this clause 6 represents Risk Transfer.

6.1 When you act as our agent and your FCA authorisation grants you the right to hold and control client money:-

- a) monies you receive from the insured or from us for the benefit of the insured must be held in a client bank account. Monies you receive from the insured will be deemed as paid to us when you receive them from the insured and any monies will be deemed as paid to the insured when monies from us for the insured are paid by you to the insured.
- b) monies you receive from the insured and monies paid from us to you prior to payment to the insured may be co-mingled in a designated client bank account with the 'client money' (as defined by the FCA Client Assets Sourcebook).
- c) We agree that where our money is co-mingled in a client money account, we subordinate our interests to the interests of your clients.
- d) Monies you receive from the insured will be deemed as paid to us when you receive them from the insured and any monies will be deemed as paid to the insured when monies from us for the insured are paid by you to the insured

6.2 When you act as our agent and your FCA authorisation does not grant you the right to hold and control client money:-

- a) monies you receive from the insured or from us for the benefit of the insured must be held in an insurer trust bank account and segregated from your own money. Monies you receive from the insured will be deemed as paid to us when you receive them from the insured and any monies will be deemed as paid to the insured when monies from us for the insured are paid by you to the insured.
- b) We agree that where our money is co-mingled in an Insurer Trust Account, we subordinate our interests to the interests of your clients.

6.3 We will send you a statement of account on a monthly basis. Payment of all monies due to us net of commission must be received by us (or if so agreed a premium guarantee provider) within 25 days of the end of the calendar month in which the statement of account is issued. This applies even if you have not collected the premium from the policyholder. We will deal with a query on any item as soon as possible but this does not allow you to withhold payment for that item.

6.4 Failure to settle accounts within the terms of section 6.2 will be a breach of the terms of this Agreement and may result in the termination of this Agreement. Your obligation to settle the account by the due date shown on the statement of account shall apply regardless of: -

- a) any arrangement whereby you have allowed credit to the insured.
- b) any delay in crediting us with monies received or due from the policyholder because of delays with your accounting system.
- c) your inability to obtain monies from the insured.

7 Anti Bribery

7.1 A party to this agreement may, provided that it has reasonable grounds to believe that another party to this agreement is involved in activity that may constitute a criminal offence under the Bribery Act 2010, disclose

Confidential Information to the Serious Fraud Office without first notifying the Disclosing Party of such disclosure

7.2 Upon termination of this agreement

- a) unless otherwise agreed in writing by us, You shall remain liable to perform your obligations in accordance with the terms and conditions of the agreement in respect of all Policies placed by You and accepted on Our behalf prior to the termination becoming effective until every such insurance policy has expired or has otherwise been terminated or replaced.
- b) if this agreement is terminated by us in accordance with Section 6.4 or 7.1, we reserve the right to take over the performance of your obligations. This includes the right to issue renewal invitations direct to our policyholders or to appoint another Intermediary to perform such obligations in your place (including the transfer of Our policyholders and insurance policies to this alternative intermediary where we consider such action is necessary to properly administer any insurance policy and for the protection of policyholders' interests). In such circumstances you will continue to extend full cooperation to our Service Provider and/or our appointed intermediary, including providing access to all information and records in respect of the insurance policies issued by You on behalf of Us.
- c) you shall have no claim against us for compensation for loss of trading facilities, profits or goodwill or otherwise except for unpaid commission due under the Agreement. You shall not be entitled to commission on any insurance policy which is renewed with Us after the date of termination of this Agreement.

8 Termination

8.1 This Agreement will terminate or cease to have effect:

- a) if you do not have FCA authorisation on the date of this agreement or if your authorisation is withdrawn by the FCA or you voluntarily seek termination of your FCA authorisation at any time thereafter.
- b) at any time by either party giving 14 days written notice of termination to the other.
- c) immediately, without notice should you become the subject of voluntary or involuntary reorganisation or liquidation proceedings or become the subject of an action in bankruptcy or make or propose any composition with your creditors or otherwise acknowledge your insolvency.
- d) Immediately at the discretion of Trident Underwriting Ltd should you fail to meet its accreditation requirements.
- e) immediately in the event of any other material breach of the terms and conditions of this Agreement by you.

8.2 Upon termination of this Agreement, you will remain liable under its terms and conditions to fulfil your obligations until all insurances have expired, terminated or been replaced.

8.3 Cancellation or termination of this Agreement will not alter our right to receive all monies due to us in respect of insurances effected by you under this Agreement.

8.4 In the event of the termination of this Agreement, you will immediately return all our cover note books to us unless otherwise agreed by us.

8.5 You will co-operate fully with any action required by us and your software supplier in order to promptly terminate, switch off or disable any EDI facility, to our satisfaction. This includes, but is not limited to, laser printed cover notes, certificates and any other electronically produced documentation.

8.6 You must retain a copy of this Agreement for a period of 6 years from the date on which it is terminated.

9 Access and Ownership of records and Customer Base

9.1 You must keep full and accurate records of all business transacted under this Agreement.

9.2 We have the right, upon reasonable notice, to inspect and audit without restriction or limitation all of your records relating to insurances placed with us. We shall have the right to make copies or take extracts of any such records. Our right to inspect or audit shall continue notwithstanding the termination of this agreement.

9.3 You will take reasonable steps to retain, maintain and safeguard any of our documents in your possession in accordance with our statutory or regulatory requirement, which apply to you or Trident Underwriting Ltd.

9.4 In your capacity as agent of the insured, you undertake to pass promptly to us any material information provided by the insured in accordance with the terms of the insurance contract.

- 9.5** If we request you to carry out any functions or activities on our behalf, such as the appointment of loss adjusters, lawyers or others, all documentation and records created or received by you in the performance of these functions or activities shall be and remain our property other than documents over which you have a proprietary commercial interest.
- 9.6** In the event of the loss or theft of any cover note book, security paper, EDI hardware, EDI software or any other hardware or software used to generate certificates or cover notes, you must notify us of the circumstances of the loss or theft within 24 hours and, where appropriate, provide details of the Police Station to which the loss or theft has been reported giving the crime reference number.
- 9.7** On termination of this Agreement for whatever reason and on a reasonable notice you will deliver up to us all such records and documentation if requested.

10 Confidentiality

- 10.1** Trident Underwriting Ltd and you will each treat information from the other relating to this Agreement as confidential and will not disclose it to any other person not entitled to receive it except as may be necessary to fulfil their respective obligations in the conduct of the insurance business and except as may be required by law or regulatory authority. This clause will not apply to information which was rightfully in the possession of either of us prior to this Agreement, which is already public knowledge or becomes so at a future date (other than as a result of a breach of this clause) or which is trivial or obvious.

11 Data Protection

Data Protection Legislation: means the Data Protection Act 1998, the Privacy and Electronic Communications (EC Directive) Regulations 2003, the General Data Protection Regulation (Regulation (EU) 2016/679 of The European Parliament and of the council of 27 April 2016) including any legislation that supersedes these and all other data protection and privacy legislation which applies to the Parties, including any subordinate legislation;

- 11.1** We may make searches with credit reference agencies, which will keep a record of that search and may share that information with other businesses. We may also make enquiries with credit reference agencies about your principals, directors or partners. We may monitor and record your trade credit performance and such records may be available to other organisations to assess applications for credit, for the recovery of debts, fraud prevention and the tracing of debtors.
- 11.2** For the purposes of the Data Protection Laws the data controller in relation to the information relating to our insurance policies is Trident Underwriting and You shall be a Data Controller also.
- 11.3** Both parties will comply with all applicable Data Protection Laws including the General Data Protection Regulation and otherwise protect Personal Data and will not use, disclose, or transfer across borders Personal Data except as necessary to perform its obligations under this Agreement. You shall ensure that Personal Data is kept secure and in an encrypted form, and shall use all reasonable security practices and systems applicable to the use of Personal Data to prevent, and take prompt and proper remedial action against, unauthorised access, copying, modification, storage, reproduction, display or distribution of Personal Data. You shall take reasonable precautions to preserve the integrity of any Personal Data processed by You and to prevent any corruption or loss of such Personal Data.
- 11.4** If You become aware of any unauthorised or unlawful processing of any Personal Data or that any Personal Data is lost or destroyed or has become damaged, corrupted or unusable or become aware of any Security Breach, You shall, at your own expense, promptly notify (within 48 hours) Trident Underwriting and fully co-operate with Trident Underwriting to remedy the issue as soon as reasonably practicable.
- 11.5** You shall collect Personal Data through various means, including post, email, telephone, SMS, when completing application forms or use of your website and shall have a suitable privacy policy available for data subjects to understand how their Personal Data is collected, used and stored.
- 11.6** Any processing of Personal Data under this agreement shall be carried out in accordance with this Agreement.
- 11.7** You shall: Having regard to the state of technological development and the cost of implementing any measures, take appropriate technical and organisational measures against the unauthorised or unlawful

processing of Personal Data and against the accidental loss or destruction of, or damage to, Personal Data to ensure a level of security appropriate to:

- a) The harm that might result from such unauthorised or unlawful processing or accidental loss, destruction or damage;
- b) The nature of the Personal Data to be protected;
- c) Take reasonable steps to ensure compliance with those measures;
and
- d) Take reasonable steps to ensure the reliability of all employees and sub-contractors.
- e) Ensure that all employees and sub-contractors, are informed of the confidential nature of the Personal Data; have undertaken training in relation to handling Personal Data; and are aware of Your duties under this Agreement and their personal duties and obligations under Data Protection Laws.

11.8 You warrant that:

- a) You have all necessary valid registration in place as required by Data Protection Laws and shall maintain such registrations throughout the duration of this Agreement;
- b) You shall delete all Personal Data in respect of which Trident Underwriting is the data controller in accordance with our instructions.
- c) You will not transfer the Personal Data outside the United Kingdom without the prior written consent of Trident Underwriting
- d) You will not sub-contract the processing of Personal Data unless Trident Underwriting has provided its express consent in writing.

11.9 Each party agrees to indemnify and keep indemnified and defend at its own expense the other party against all costs, claims, damages or expenses incurred by the other Party or for which the other party may become liable due to any failure by the first Party or its employees or agents to comply with any of its obligations under this Data Protection section of this agreement.

11.10 The obligations set out in this clause shall remain in force notwithstanding the termination of this Agreement.

11.11 You shall assist Trident Underwriting with all of its obligations under GDPR including its obligations relating to the rights of data subjects over their personal data.

12 Proceeds of Crime

12.1 By signing this Agreement, You hereby confirm that You:

- a) meet regulatory requirements in respect of proceeds of crime
- b) will inform us of any suspected or actual criminal activity pertaining to any insurance policies arranged through us
- c) will assist us in any investigatory work we or the Insurer should require in relation to proceeds of crime.

13 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.

14 Dispute resolution

14.1 Trident Underwriting Ltd and you are committed to resolving all disputes arising under this Agreement (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 and therefore you and we:

- a) will attempt in good faith to resolve any dispute or claim promptly through negotiations between our senior executives who have authority to settle the same.
- b) 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 assistance of a mediator agreed between you and us or as recommended to you and us by the Centre for Dispute Resolution or such similar organisation as you and we may jointly agree; or
- c) 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, you or we may refer the dispute in accordance with the Jurisdiction and Choice of Law Clause below.

14.2 Notwithstanding the above, either party may seek the immediate protection of the High Court if appropriate.

15 Delivery of Notice

All notices and other communication sent under this Agreement shall be sent to the address set out at the head of this Agreement or such other address as has been agreed between you and us. Such notices and communications must be delivered personally or sent by pre-paid recorded delivery post or facsimile. Any notice or communication is considered to have been served and to take effect if delivered personally when delivered, if sent by pre paid recorded delivery post 48 hours after the evidenced date that the same was posted and if sent by facsimile at the time sent as evidenced by a "successful transmission" machine receipt.

16 Enforceability Clause

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

17 Force Majeure

Neither party shall be liable or deemed to be in default for any delay or failure in performance under this Agreement, if such delay or failure is caused by conditions beyond its control, including but not limited to Acts of God, wars, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected.

18 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 effect the interpretation of the Agreement.

19 Jurisdiction and Choice of Law

This Agreement shall be construed according to English law and any disputes arising under it shall, subject to the provisions of clause 11 above be determined in the English Courts.



DECLARATION

I/We agree to observe the terms and conditions of this Agreement and also any agency procedures published by Trident Underwriting Ltd and sent to me/us.

<Name of broker/agent>
FCA Firm reference number **<FCA No>**

Signed:

Print Name:

Position:

Date:

For Trident Underwriting Ltd

FCA Firm Reference Number 450595

Signed:

Print Name: S H Butler

Position: Managing Director

Date: