

Sub-Agency Terms & Conditions (For FCA Directly Authorised Firms) between **John Henshall Ltd t/as Coachline Insurance Services (“Coachline”)** and []

Coachline (“The Company”, “We”, “Us”, “Our”) wishes to appoint The Agent (“You”, “Your”) as its non-exclusive agent for the purpose of obtaining proposals for general Insurance business policies (“Policies”) set out in the Schedule hereto on the terms and conditions hereinafter contained.

This agreement is **not** for Appointed Agents or Introducing Agents and The Agent will need to ensure that it is, and throughout the life of this agreement, remains, directly authorised to carry on any insurance activities pursuant to this agreement.

1 APPOINTMENT

On receipt of a satisfactory application, **Coachline** will, at its sole discretion, appoint the Agent as its non-exclusive agent for the purpose of obtaining proposals for non-investment General Insurance products as set out in the Schedule (“Policies”).

2 TERM

Subject to the terms shown hereinafter this Agreement shall commence on the day and year on which Our written confirmation is issued, and shall continue in force unless terminated by either party giving to the other not less than 60 days notice in writing to expire at any time, subject only to prior termination pursuant to **clause 12** below.

3 DUTIES OF THE AGENT

3.1 The Agent shall act in good faith, when acting on our behalf in connection with this Agent’s appointment.

3.2 The Agent shall act with due skill, care and integrity with clients and shall be responsible solely for ensuring that applications and proposals have been completed correctly and that to the best of the information, knowledge and belief of the Agent the particulars contained within the Applications are true accurate and complete and represent a fair presentation of the risk.

3.3 The Agent must comply with the provisions of the FCA handbook, including procedures and policies to ensure the Fair Treatment of Customers and all other relevant laws and regulations;

3.4 The Agent shall, without delay, and in all cases within seven days of the completion of the application or proposal by the client submit the same to Us.

3.5 The Agent shall provide **Coachline** with immediate notification of any claim against a policy and provide Us with any information or assistance we may reasonably require.

3.6 The Agent shall indicate to persons with whom it shall deal that all applications or proposals made under this agreement are subject to acceptance by Us and the insurer.

3.7 The Agent shall during the continuance and after the termination from whatever cause of this Agreement not disclose to any third party, any confidential

information which has been provided to the Agent by Us to any person, firm or company whatsoever.

3.8 The Agent shall use the correct insurance documentation for each policy and destroy any out of date documentation as requested by Us.

3.9 The Agent shall retain throughout the duration of this Agreement all authorisations and licenses they are required by law to possess to carry on business including authorisation by the FCA.

3.10 The Agent shall not pledge the credit of **Coachline** or accept orders or make any contract, undertaking or agreement on Our behalf, other than as specifically authorised and agreed in writing by Us.

3.11 The Agent shall not compromise any debt or other sum due to Us nor settle any account of claim whatsoever unless authorised specifically by Us in writing.

3.12 The Agent shall inform us in writing immediately if there is:

3.12.1 any change in your authorisation or permitted business under the FCA;

3.12.2 a material change in your management, ownership or control;

3.12.3 a material change in your trading name or style;

3.12.4 any petition presented or any resolution passed in respect of your insolvency, or the appointment of any manager, administrator or receiver of any of your assets;

3.12.5 an administration order made against you;

3.12.6 any arrangement made between you and any of your creditors;

3.12.7 any bankruptcy proceedings issued against you;

3.12.8 commencement of any FCA investigation or disciplinary action into your business or staff.

3.13 The Agent will comply with any reasonable request we may make for information, documents or access to your premises or staff to assist with any investigation or request for information by the FCA and all documents and records relating to this agreement shall be maintained for a period of six years.

3.14 The Agent shall ensure that it maintains such Professional Indemnity Insurance (PII) as is required by the FCA and as it decides is prudent to cover its activities.

3.15 The Agent shall, on our request, provide evidence of the existence of current, compliant PII to us.

4 QUOTATIONS

4.1 Any quotations you provide to customers or prospective customers in respect of insurance policies to be arranged under this agreement shall be only in accordance with the relevant rating guide supplied by us or such other terms agreed between you and us.

4.2 We are not obliged to provide a quotation in respect of any insurance policy.

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

5 RESTRICTIONS TO YOUR AUTHORITY

5.1 You shall not accept, vary, amend, cancel or terminate on our behalf any insurance policy unless agreed by us in writing.

5.2 The Agent shall not act, or purport to act as an employee or partner of **Coachline**.

5.3 No insurance policy, the subject of this agreement, shall be put on risk without our prior consent.

6. OUR DUTIES

6.1 We will process all proposals promptly and issue documentation without delay;

6.2 **Coachline** will not use any information provided by The Agent for the purpose of direct selling, unless specific written instructions have been provided by the Agent to do so.

6.3 We reserve the right to audit your performance in respect of your obligations and duties under this agreement. Such audit process could include access to any documents relating to this agreement, which must be retained for a period of six years.

7. INDEMNITY

7.1 The Agent shall indemnify and keep indemnified **Coachline** against any and all losses, proceedings, lost profits, damages, awards, expenses, claims, costs (including increased administration costs and legal costs on a full indemnity basis) actions and any other losses and/or liabilities suffered by **Coachline** arising from or due to any breach of this Agreement and/or breach of statutory duty by the Agent.

8. ADVERTISING AND INTELLECTUAL PROPERTY

8.1 The Agent shall not cause any action, which may damage Our, or our insurers intellectual property rights, brands, policies, trademarks, insurance documents or brochures.

8.2 Any advertisement or Financial Promotion in respect of any policy covered under this agreement must have prior written authority from Us, This includes any form of website, webpage or electronic trading facility.

8.3 The Agent must ensure compliance with all advertising or financial promotion regulations relating to non-investment insurance contracts as detailed by the FCA.

9. COMMISSION TERMS

9.1 In respect of non-investment Insurance Business undertaken by you in accordance with this Agreement, you shall be entitled to be paid a commission calculated as the percentage set out in the schedule, and as agreed from time to time, of the premium exclusive of the Insurance Premium Tax and any other Taxes.

9.2 Both during and after the termination of this Agreement, you shall, within 30 days of the date of any Report (or such other period as is agreed between you and us) pay all sums due to us in respect of each insurance policy referred to in such Report comprising:

9.2.1 Insurance Premium Tax and any other Taxes in full; and

9.2.2 Premium less commission calculated in accordance with clause 9.1.

9.3 Subject to any credit terms agreed between you and us, unless payment is received by us in

accordance with clause 9.2, we reserve the right to cancel immediately any insurance policy for which payment has not been received. In such circumstances, we reserve the right to contact the Customer direct for the purpose of obtaining payment.

9.4 You shall be responsible to account to us for the relevant proportion of the premium and Insurance Premium Tax and any other Taxes in respect of any insurance policy, which has been on risk and for which you have been unable to collect the premium from the Customer. In such circumstances, we reserve the right to contact the Customer direct for the purpose of obtaining payment.

9.5 We reserve the right to charge you interest in respect of the late payment of any amount due from you to us pursuant to this Agreement at the rate of 2 per cent over the base rate of Barclays Bank plc from time to time.

9.6 Both during and after the termination of this Agreement, if a premium or part of a premium is repaid to a Customer for any reason, you shall repay to us the proportionate part of your commission. Such repayment shall be made at the earlier of the time of the submission of the next Report following our repayment of such premium or part premium or 60 days from the date of such repayment.

9.7 Both during and after the termination of this Agreement, premiums or part premiums, you shall hold refunds of premiums and Claims monies collected by or paid to you pursuant to this Agreement in a designated trust client account.

9.8 For the avoidance of doubt, any handling or other charge in respect of any instalment or credit arrangement between you and us shall not attract commission.

9.9 When you have made an instalment payment plan available to any Customer, you shall maintain in force all necessary permissions including any required pursuant to the Consumer Credit Act 1998.

10. CONFIDENTIALITY AND DATA PROTECTION

10.1. The parties acknowledge that for the purposes of the GDPR and Data Processing Legislation each party is a data controller and processor and shall maintain appropriate registration with the Information Commissioner's Office (ICO), as required by Law.

10.2. The Agent shall provide all reasonable assistance to the Company in the preparation of any Data Protection Impact Assessment prior to commencing any data processing or control. Such assistance may, at the Company's discretion, include:

10.2.1. a systematic description of the envisaged processing operations and the purpose of the processing;

10.2.2. an assessment of the necessity and proportionality of the processing operations in relation to the services provided by the Agent;

10.2.3. an assessment of the lawful bases on which the processing is undertaken and the risks to the rights and freedoms of data subjects;

10.2.4. the measures to address data risks, including safeguards, security measures and mechanisms to ensure the protection of Personal Data.

10.3. The Agent shall, in relation to any Personal Data processed in connection with its obligations under this contract of appointment:

- 10.3.1. process that data solely in accordance with the lawful bases and purposes stated in its customer Terms of Business Agreement, as agreed with the Company;
- 10.3.2. ensure that it has in place and maintains protective measures, which have been reviewed and approved by the Company as appropriate to protect against a data loss event, having taken account of:
- a) the impact of loss to the data subject, based upon the nature of the data to be protected;
 - b) the harm that may result from a data loss event;
 - c) the state of technological development; and
 - d) the cost of implementing any measures.
- 10.4. The Agent shall take all reasonable steps to ensure the reliability and integrity of any and all personnel having access to Personal Data of the Agent's customers and/or employees and that they:
- (i) are aware of the Agent's duties under this agreement;
 - (ii) are subject to appropriate confidentiality undertakings with the Agent and any business of the Agent or the Company;
 - (iii) have undergone adequate training in the use, care, protection and handling of Personal Data.
- 10.5. The Agent shall notify the Company immediately if it:
- 10.5.1. receives a Data Subject Access Request;
- 10.5.2. receives a request to block or erase any personal data;
- 10.5.3. receives any other request, complaint or communication relating to either party's obligations under the Data Protection Legislation;
- 10.5.4. receives any communication from the Information Commissioner or any other regulatory authority in connection with Personal Data processed under this agreement;
- 10.5.5. receives a request from any third party for disclosure of Personal Data where compliance with such request is required or purported to be required by Law; or
- 10.5.6. becomes aware of a Data Loss Event.
- 10.6. The Agent shall allow for audits of its Data Processing activity by the Company or the Company's designated auditor.

11. COMPLAINTS PROCEDURE

11.1 The Agent must have a complaints procedure in place, which complies with the requirements of the FCA rules.

11.2 The Agent must ensure that all complaints relating to Our administration of policies are notified to Us immediately upon receipt. Complaints relating to the sale of policies should be dealt with by The Agent.

11.3 Any breach of this agreement, or failure to comply with the FCA rules, negligence, or other failure to act with integrity, due care or diligence will be treated as a

serious complaint by Us and you agree to assist in any investigation we may, at our discretion, choose to undertake.

12. TERMINATION

12.1 Either you or we may terminate this Agreement by giving 90 days written notice to the other party's registered business address.

12.2 Either you or we may terminate this Agreement immediately by notice in writing to the other:

12.2.1 where one party has reasonable grounds for suspecting fraud or dishonesty by the other or by the other's employees, agents or independent contractors;

12.2.2 where one party reasonably holds the opinion that either, the regulatory status of the other party has changed, or that the other party is acting under this Agreement in such a way as to cause, or likely to cause, prejudice to the other, any Customer or potential Customer;

12.2.3 where one party is in breach of this Agreement and has failed to remedy such breach within 14 days of written request from the other;

12.2.4 where one party is in breach of this Agreement, such breach being incapable of remedy. For the purpose of this clause, a breach shall be considered capable of remedy if the party in breach can comply with the provision in question in all respects other than as to the time of performance (provided that time of performance is not of the essence);

12.2.5 where one party is issued with an interim order under Section 252 Insolvency Act 1986 or has a Bankruptcy Petition presented against it, or being a company, enters into voluntary or compulsory liquidation, has a receiver, administrator or administrative receiver appointed over all or any of its assets, or takes or suffers any similar action in any jurisdiction;

12.2.6 is convicted of a criminal offence.

12.2.7 where one party loses any authorisation or licence that it is required by law to possess to carry on business, including authorisation from the FCA.

12.3 It is the responsibility of The Agent to notify Us immediately in writing if any of the events detailed in section 12 should occur during the period of this agreement.

12.4 In the event that termination is caused by removal of your authorisation by the FCA, you must cease all insurance activity and we will deal directly with all Customers.

13. ASSIGNMENT

13.1 This Agreement is personal to you and us and may not be assigned or transferred to any other person, firm or company without the prior written consent of the other.

13.2 You may not sub-contract any of your rights or obligations pursuant to this Agreement without our prior written consent.

14. NOT A PARTNERSHIP

Nothing in this Agreement shall constitute a partnership or joint venture between You and Us.

15. ENTIRE AGREEMENT

15.1 This agreement sets out the entire agreement between the parties and supersedes all prior discussions between them or their advisors and all statements, representations, terms and conditions, warranties, guarantees, proposals, communications, and understandings whenever given and whether orally or in writing.



15.2 For the avoidance of doubt, nothing in this Agreement shall override the FCA Rules.

16. ENFORCIBILITY

16.1 If any provision of this Agreement shall be found to be invalid or unenforceable, this shall not affect the remainder of this Agreement, which shall continue in full force and effect.

16.2 In respect of any provision found to be invalid or unenforceable, you and we shall attempt in good faith to agree a provision in substitution, which shall be valid and achieve as closely as possible the economic, legal and commercial objects of the invalid or unenforceable provision.

16.3 No single or partial exercise or failure or delay in exercising by us of any of our rights or remedies hereunder shall constitute a waiver by us of it, or impair or preclude any further exercise of that or any other right, power or remedy arising hereunder or otherwise.

18. THIRD PARTY RIGHTS

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 of its provisions.

19. GOVERNING LAW & JURISDICTION

This Agreement shall be governed by and construed in accordance with English Law. Any dispute arising in connection herewith shall be determined in the English Courts unless you and we agree otherwise.

20. RISK TRANSFER STATUS OF BUSINESS

Premiums received by Us are held in a Non-Statutory Trust bank account. Risk transfer has been granted by insurers to Coachline but does not cascade to The Agent. Unless otherwise detailed in the schedule, for the purposes of complying with the CASS Sourcebook chapter of the FCA Handbook, risk-transfer does not apply to any business placed by us pursuant to this Agreement.

THE SCHEDULE

This Appendix forms part of this Terms of Business Agreement and can be amended by Us from time to time with immediate effect. We may also contain agreement for additional contracts and will provide details of this on our quotation. Current details can be found at www.coachline.co.uk

Each Insurer named below has agreed to cascade risk transfer to You for specific products only and to be held in accordance with FCA CASS. Each Insurer further consents to these monies being co-mingled with client monies and subordinated in accordance with CASS 5 where applicable.

Where You hold monies on behalf of the Insurer prior to passing this to Us, You may retain interest or investment income subject to payment of such monies within the credit period stated.

Business placed outside these specific arrangements or with any other Provider does not have this facility and money must be treated as Client Money in accordance with CASS 5.

ERS	Commercial Motor
QBE Insurance	Commercial Motor
QBE Insurance	Combined Liability
BD Elite	Legal Expenses

Commission will be paid at the following percentage of the gross premium before IPT for each class of business:

Coach	10%
Minibus	10%
Fleet	10%
Contractors Combined	10%
Cyber	10%
Legal Expenses	10%
Breakdown	10%

Signed

On Behalf of John Henshall Ltd

Dated

Signed

On Behalf of
(The Agent)

Dated