

INTRODUCER TERMS OF BUSINESS AGREEMENT

Updated 13th February 2023

Definitions and interpretation

Applicable Requirements means all applicable statutory and other rules, laws, regulations, instruments and provisions in force from time to time, including (without limitation) the rules, codes of conduct, codes of practice, practice requirements and accreditation terms stipulated by any authority or body including, but not limited to the FCA, to which each party is subject from time to time;

Commission: means advance, initial, trail, renewal and other commission (and includes indemnity commission) paid by Institutions to the Adviser in respect of Services.

Confidential Information means any information relating to a party's business, products, developments, trade secrets, know how, personnel, suppliers, finances, members, customers, suppliers, operations, business plans or strategy, whether or not such information is reduced to a tangible form or designated as "confidential information" by the disclosing party (including, without limitation, all Personal Data of or relating to patients of the Introducer or customers of The Firm), disclosed by whatever means by one party ("Disclosing Party") either directly or through any person associated with the Disclosing Party, to the other party ("Recipient") together with all information derived from the above and all information designated as confidential or commercially sensitive or which ought reasonably to be considered confidential or commercially sensitive;

Fees: means The Firm Charges, Commissions and other monies paid by a Customer to The Firm for Services.

FCA means the Financial Conduct Authority and any successor regulator which may from time to time be recognised under the FSMA;

The Firm means Nest GI Ltd.

The Firm's Group means companies in the same group of companies as the Firm, being either subsidiaries of the Firm or parent companies of the Firm or subsidiaries of those parent companies.

Permitted Products means, but is not limited to, residential buildings and contents insurance, buy to let insurance, non-standard property and commercial insurance.

Staff means any directors, partners, employees and other persons engaged under a contract for services or contract of service by either party to this Agreement.

If there is any conflict or ambiguity between the above definitions and the definitions in the FCA Rules the latter shall prevail.

References to "you" in this Agreement includes your employees, representatives and introducers.

1. Background

- 1.1 This Agreement sets out the terms and conditions of the agreement made between us, for you to Introduce Customers for General Insurance only.
- 1.2 Nest GI Ltd is an insurance intermediary directly authorised by the Financial Conduct Authority. Our FCA number is 940082.
- 1.3 By using Nest's system, you agree to be legally bound by this Agreement.
- 1.4 You agree that full consent will be gained from each client before being introduced to Nest GI Ltd.
- 1.5 You agree to all the terms and conditions herein, please retain a copy for your records. If you do not understand any of the terms and conditions, or would like to obtain independent legal advice before entering into this binding agreement, we suggest that you consult a lawyer.
- 1.6 The commencement date of this Agreement will be from the date your agency is opened with The Firm
- 1.7 The Firm may vary this Agreement at any time by giving you at least 3 months' notice.

2. Obligations of The Firm

- 2.1 The Firm agrees not to cross sell any products other than those listed in this agreement.
- 2.2 The Firm hereby appoints you to refer Customers to The Firm for the purpose of carrying out activities relating to the permitted products, but for no other activities
- 2.3 The Firm shall obtain and maintain all regulatory and other authorisations, licenses and permissions necessary for the conduct of and the running of its business and comply in all respects with such authorisations, licenses and permissions
- 2.4 The Firm shall not arrange any transaction on an execution-only basis for Customers, but shall provide independent advice to Customers
- 2.5 The Firm shall act in the best interests of Customers and offer products and services suitable for the needs of all Customers
- 2.6 The Firm shall ensure that Customers are in a position make informed decisions about how to pursue their objectives and understand the products and services offered on the recommendation of The Firm
- 2.7 The Firm shall only provide advice about Permitted Products to Customers
- 2.8 Data will be held by the Firm either in electronic or paper form. The Firm will abide by GDPR in every case. (Please refer to our privacy policy)

3. Obligations of the introducer

- 3.1 The Introducer shall in dealing with Customers, disclose that you are referring the Customer to The Firm and gain consent from Customers before referring them to The Firm

- 3.2 The Introducer shall comply with all applicable laws and regulations in carrying out its obligations under this agreement
- 3.3 The Introducer shall ensure that all introductions are made in accordance with Article 33 of the Financial Services and Markets Act 2000 (Regulated Activities) order 2001;
- 3.4 The Introducer shall co-operate fully in the investigation and resolution of any complaints from Customers
- 3.5 The Introducer shall not receive any money (other than commission due) paid by Customers in connection with any transactions arranged by The Firm as a result of introductions
- 3.6 The Introducer will notify The Firm Immediately in writing in the event that you or any of your employees, representatives or introducers are likely to be or have been:
- a) Arrested, charged or convicted in connection with an offence involving fraud or other dishonesty; or
 - b) under legislation relating to banking, building societies, companies, consumer credit, credit unions, friendly societies, industrial and provident societies, insolvency, insurance or other financial services;
 - c) convicted of any other crime punishable by a sentence of imprisonment;
 - d) served with notice of a petition for an order in bankruptcy or of an award of sequestration against him or is otherwise insolvent or likely to become insolvent;
 - e) Responsible for a material breach of principle or the FCA Rules, or the rules of any other regulator;
 - f) subject to investigation by any other regulator than the FCA;
 - g) Involved in making arrangements with creditors with regard to private or business debts;
 - h) Subject to a change in control (if relevant);
 - i) Discovered to be disqualified from being employed or engaged in connection with investment business, or with certain kinds of investment business, under a disqualification direction.

4. Confidentiality

- 4.1 Both parties agree to keep confidential any Confidential Information relating to the other party which may be disclosed under or in connection with this Agreement.
- 4.2 The Introducer recognises that The Firm has a duty of confidentiality towards potential customers and undertakes to The Firm not to do any act which it knows will cause The Firm to be in breach of that duty unless required to do so by the Applicable Requirements or a Regulator. Additionally, the Introducer acknowledges that it has no right to receive from The Firm any details concerning any Advice given to the customer by The Firm
- 4.3 Nothing in this clause shall prevent any disclosure of Confidential Information relating either to the other party or the potential Customer if that disclosure is required by an order of any court or tribunal of competent jurisdiction addressed to any regulator having jurisdiction over the party from whom disclosure is required. Subject to compliance with such order or requirement, such disclosure shall be notified to the other party without delay and wherever possible, prior to the disclosure being made.
- 4.4 Confidential Information does not include information which:
- at the date of disclosure is in the public domain or which subsequently enters the public domain other than by breach of this clause 4;
 - is already known to the parties prior to its disclosure pursuant to this Agreement, free of any obligation of confidentiality; or
 - is obtained from a third party following signature of this Agreement, free from any obligation of confidentiality.

4.5 This clause shall survive the termination of this Agreement.

5. Remuneration

5.1 The Firm agrees to pay the Introducer a fee for referrals that result in a permitted product going on risk and subject to the client making their first payment, commission will be paid as follows:

Product	Introducer Commission
Residential buildings & contents	50% of all earned commission
Residential buildings or contents	50% of all earned commission
Buy to let buildings and contents	50% of all earned commission
Buy to let buildings or contents	50% of all earned commission
Commercial	50% of all earned commission
Non-Standard	50% of all earned commission

5.2 Commission shall be paid to The Introducer from The Firm monthly, a month after the first premium has been paid by the Customer (Collection of the first premium is normally within 30 days from the on risk date)

5.3 Commission will continue to be paid annually for the lifetime of the product provided the terms and conditions of this agreement are not breached

5.4 The Firm shall pay commission to The Introducer around the 1st of each month

5.5 In the event of a policy being cancelled within the first 3 months from the on risk date. Full commission will be clawed back to cover the administration costs.

5.6 The Firm may offset any sums payable to you under this Agreement against any sums that are due from you to the Firm or a third party or otherwise. You agree that any sums owing to the Firm will be paid by you within 30 days from the date of invoice.

5.7 You are responsible to the Inland Revenue for payment of income tax and national insurance on any sums paid to you under this arrangement by The Firm.

6. Solicitation/Non dealing clauses

6.1 The Firm undertakes that it will not solicit or seek to entice away from the Introducer any person that is introduced to The Firm under this agreement or do business with Customers of a similar nature to the service which the Introducer provides to the Customers it has introduced, unless agreed in advance with the Introducer.

6.2 The Firm will refer Customers back to the Introducer for advice about all products and services other than Permitted Products.

7. Termination

7.1 This Agreement may be terminated by either party giving immediate written notice to the other party in the following circumstances:

- a) where the party has reasonable grounds for suspecting fraud or dishonesty by the other party or its employees, agents or independent contractors;
- b) where the other party does any act or engages in any conduct which, in the reasonable opinion of the terminating party, damages or is likely to damage the reputation of the terminating party;
- c) where the other party has a receiver appointed over the whole or part of its undertaking or assets; enters into voluntary arrangement under Part 1 of the Insolvency Act 1986 or otherwise makes any composition with creditors; if a petition for a winding up or an administration order is presented against it or either of these orders is made against it; if a petition for a bankruptcy order is presented against it or if such an order is made in respect of it; if it is unable to pay its debts in accordance with Insolvency Act 1986 section 123; or on dissolution of partnership);
- d) where the Introducer is no longer authorised by or is prohibited by The Firm or Financial Conduct Authority from making introductions of Customers to The Firm;
- e) where a party has failed to remedy a breach of this Agreement which is capable of remedy within 30 days of a written request from the party not in breach to do so;
- f) where the other party has committed an irremediable breach of this Agreement;
- g) where The Firm ceases to be authorised by the Financial Conduct Authority or is subject to any disciplinary or other proceedings by the Financial Conduct Authority which call into question The Firm's fitness to be authorised by the Financial Conduct Authority; or
- h) where the other party is The Firm, The Firm breaches its obligations under clause 4.

7.2 Either party may terminate this Agreement on at least 30 days' notice in writing to the other party

7.3 Termination of this Agreement shall not affect the continuance in force and effect after such termination of any obligations expressly stated in this Agreement as continuing obligations or implicitly required or intended by this Agreement to survive such termination.

7.4 Any termination shall not affect the rights and obligations of the parties which have accrued prior to the date of termination.

8. Data Protection

8.1 Both parties agree to act in accordance with and comply with the provisions of the Data Protection Act 2018 (the "Act") and the General Data Protection Regulation as amended from time to time.

8.2 Both parties warrant that they have acquired and will continue to acquire Personal Data (as defined in the Act) of customers lawfully and fairly and have the rights to process them and transfer them to each other.

8.3 Both parties warrant and undertake that they have and will at all times have whilst this Agreement is in force appropriate technical and organisational measures in place to protect Personal Data against unauthorised or unlawful processing and against accidental loss or destruction of, or damage to, personal data and that they have taken all reasonable steps to ensure the reliability of any of their staff which will have access to personal data.

9. General

9.1 You hereby agree to indemnify the Firm for any loss (including consequential loss) caused to the Firm by any action or inaction of you or your employees, agents or introducers in connection with the activities contemplated by this Agreement.

9.2 Both parties will keep sufficient books and records to ensure that they can satisfy the audit and investigation requirements of this Agreement and they will keep such records for at least 6 years.

- 9.3 Neither party shall be liable for any loss of anticipated savings, business opportunity, profit, data and wasted management time, (whether arising directly, or indirectly in connection with this Agreement) nor for any indirect or consequential loss, whether arising from negligence, breach of statutory duty or breach of contract, or in any other way, even if that party had been advised of, or knew of, the likelihood of that loss or type of loss arising.
- 9.4 Neither party shall be liable to the other for any failure to perform its obligations under this Agreement where such performance is rendered impossible for circumstances beyond its control as a result of such events as war, industrial action, pandemics, floods or Acts of God.
- 9.5 This Agreement represents the entire Agreement and understanding between the parties and supersedes all previous Agreements and representations (whether in writing or otherwise) in relation to the Services and this Agreement. Each of the parties acknowledges and agrees that in entering into this Agreement, it does not rely on and shall have no remedy in respect of any statement, representation, warranty or understanding (whether negligently or innocently made) of any person.
- 9.6 No person who is not a party to this Agreement shall have any rights under the Contracts (Rights of Third Parties) Act 1999.
- 9.7 This Agreement shall be governed by and construed in accordance with the law of England and Wales and shall be subject to the exclusive jurisdiction of the English Courts.