

Passive Introducer Agreement

Between



***Authorised and Regulated by the
Financial Services Authority (Firm No: 439530)***

And

***Insert Company Name
Insert Company Address***

Trading Activity of Introducer

Method of Introduction

Telephone

THIS AGREEMENT is made *****

BETWEEN:

- (1) **ORBIS INSURANCE SERVICES** Registered in England under number 05165829. Head office is at 17 Eversley Road, Bexhill On Sea, East Sussex, TN40 1HA (“the Company”); and
- (2) ***** (“ the Introducer”)

Recitals

- A.** Orbis Insurance Services engages in Travel Insurance Mediation Activities (“Travel Insurance Business”) as an independent broker in accordance with the law and the rules as set out by the FSA.
- B.** In consideration for the Passive Introducer arrangements for travel insurance business (“Introducer Business”) that the Introducer carries out on the Company’s behalf, the Company agrees to pay the Introducer commission based on written customer premiums as detailed in clause 4 below.

1. Definitions and Interpretation

In this Agreement the following words shall have the following meanings:

- “Commencement Date” means *****
- “Enforcement Action” means any formal action begun by the FSA, which involves the issue by the FSA of a warning notice, decision notice or final notice under the Financial Services and Markets Act 2000;
- “FSA” means the Financial Services Authority;
- “Insurer” means the risk carrier on whose behalf the Company is acting or with whom the risk is placed;
- “IPT” means insurance premium tax at the prevailing rate;
- “Commission” means the commission payable to the Introducer by the Company in accordance with the terms of this Agreement;
- “Passive Introducer” means an Introducer who will provide information about the Company or the

Company's product to the customer. In this instance the customer will need to contact the Company direct if they wish to discuss the insurance any further. Introducers will provide no information to the Company about the potential customer, e.g. name and contact details. The Company will liaise with the potential customer to discuss insurances. The Passive Introducer is not allowed to be involved in the selling or the arranging of the insurances;

"General Insurance"

means for the purpose of this Agreement - travel insurance business;

"Regulated Activities /
Mediation Activities"
2000;

means activities covered under the FSMA; and

"Rules"

means the FSA rules and regulations found on www.fsa.gov.uk for the general insurance market.

****Note: the singular includes the plural and vice-versa and any words importing gender include the other gender****

2 The Company's Obligations

The Company shall:

- 2.1 appoint the Introducer as a Passive Introducer, as defined in this Agreement, and the Introducer accepts the appointment in order to engage in passive introductions to travel Insurance business on the Company's behalf;
- 2.2 pay the Introducer commission in accordance with the rates defined in clause 4 below where the Introducer acts as a Passive Introducer;
- 2.3 amend the Commission rates as currently set giving the Introducer 90 days' notice;
- 2.4 have responsibility for compliant documentation in respect of the products that the Introducer is authorised by the Company to passively introduce;
- 2.5 have responsibility for complaints made by customers in connection with Introducer Business which include a complaints procedure;
- 2.6 have the right to refuse any Introducer Business which the Introducer may introduce to the Company;

3 Introducer's Obligations

The Introducer shall:

- 3.1 use it's best endeavours to obtain Introducer Business on the Company's behalf;
- 3.2 observe and comply with the Rules and any requirements which may from time to time be specified by FSA or "the Company";
- 3.3 not assign, transfer or delegate any of their rights or obligations under this Agreement or the benefit thereof, without the Company's prior written consent;
- 3.4 not appoint or allow any person to carry out Introducer Business without the Company's express written consent;
- 3.5 only engage in the introduction of clients to the Company and shall not carry out any regulated activity on behalf of the Company;
- 3.6 not accept any money on the Company's behalf. All payments must be made direct to the Company unless the Introducer has been specifically instructed in writing to do so by the Company;
- 3.7 forward any complaints regarding Introducer Business to the Compliance Officer at the Company as soon as possible;
- 3.8 permit auditing and access to the Introducer's premises and all records for evidencing compliance must be given to the Company and the Company's compliance consultants;
- 3.9 accord the same rights of access to HM Customs and Excise, and any other relevant taxation or regulatory body;
- 3.10 not gather information from the customer, and must not engage in discussions on whether a product would be suitable for their needs;
- 3.11 not make unauthorised use of the Company's product or business name or FSA firm number or logo is permitted. All literature, marketing collateral, etc will be supplied by the Company;
- 3.12 not carry out Introducer Business on the Company's behalf until the Company have issued to the Introducer written confirmation that this Agreement has been successfully processed;
- 3.13 notify the Company immediately if there is any change in the way in which the Introducer carries out Introducer Business or if the Introducer has or intends to carry out a regulated activity; and
- 3.14 notify the Company immediately of any change in circumstance that might affect the Introducer's fitness and propriety in carrying out Introducer Business.

4 Commission

4.1 Commission will be paid to the Introducer on all policy sales identifiable by the Introducer's unique scheme code at the following rates:

- (a) One third of the commission received by the Company relating to each Introduced Client in respect of all Introducer Business fulfilled through the Company's call centre on 01424 220 110 (Option 3); and
- (b) One third of the commission received by the Company relating to each Introduced Client in respect of all Introducer Business fulfilled through the Company's website at www.orbisinsurance.co.uk

4.2 Commission will be paid net of deductions for cancelled policies.

5 All commission due to the Introducer from the Company will be paid on reconciliation of the Insurer Account.

6 Termination

6.1 This Agreement may be terminated:

- (a) by either party at any time by mutual agreement; or
- (b) by either party on expiry of 60 days' written notice; or
- (c) by either party forthwith if it has reason to suspect fraud, or the administration of the account is such as to prejudice the interest of the customers or either party commits a material breach of this Agreement.

5.2 Either party shall be entitled forthwith to terminate this Agreement by giving written notice to the other if:

- (a) the other commits a continuing or material breach of this Agreement which is not capable of remedy or, if the breach is capable of remedy, fails to remedy it within 30 days after receipt of a written notice giving full particulars of the breach and requiring it to be remedied; or
- (b) an encumbrancer takes possession or a receiver is appointed over any of the property or the assets of the other party; or
- (c) the other party makes any voluntary arrangement with its creditors or becomes subject to an administration order; or

- (d) the other party goes into liquidation (except for the purposes of an amalgamation, reconstruction or other reorganisation and so that the company resulting from the reorganisation effectively agrees to be bound by or to assume the obligations imposed on the other party under this Agreement); or
- (e) the other party ceases, or threatens to cease, to carry on business.

5.3 The Company shall pay to the Introducer within 30 days any commission outstanding at the date of termination of this Agreement and will settle immediately upon receipt any statement of account forwarded after the termination of this Agreement.

6 Indemnity

6.1 The Introducer will indemnify the Company against costs, loss, liability or any expense whatsoever which may be suffered by the Company directly or indirectly as a result of any services performed or action taken by the Introducer in connection with this Agreement to the extent that same is due to the Introducer's negligence, wilful neglect or fraud.

7 Electronic Communications

- 7.1 The Introducer and the Company agree that each may communicate with the other by electronic mail, sometimes attaching further electronic data, and the Introducer and the Company by consenting to this method of communication accept inherent risks (including the security risks of interception or unauthorised access to such communications, the risk of corruption of such communications and the risks of viruses or other harmful devices).
- 7.2 The Introducer and the Company will be responsible for taking all reasonable steps for checking viruses on all electronic communications sent to each other. The Introducer and the Company will also be responsible for checking that messages received are complete.
- 7.3 In the event of a dispute neither the Introducer nor the Company will challenge legally the evidential standing of an electronic document.

8 Intellectual Property Rights

8.1 Both parties will retain ownership of all their respective rights, including intellectual property rights, in the products, data, databases, computer programmes, documents, materials, ideas or other information or any compilation thereof used in the performance of this Agreement. The parties agree to do whatever is reasonably necessary to confirm or give effect to such ownership.

- 8.2 To the extent that any products, data, databases, documents, materials, ideas or other information constitute an original item developed by either party as a consequence of this Agreement, each party agrees to do whatever is reasonably necessary to confirm or give effect to such rights vesting in the developing party.
- 8.3 Unless first agreed otherwise, each party has the right to use any jointly developed intellectual property for any purpose whatsoever.

9 General

- 9.1 **Data Protection:** the parties hereto shall at all times comply with all data protection legislation as applicable from time to time including without limitation the Data Protection Act 1998 (“the Act”) and any re-enactment or replacement of or amendment or extension of such legislation.
- 9.2 **Assignment:** neither party shall assign, mortgage, charge or otherwise transfer any rights or obligations under this Agreement without the prior written consent of the other party. However, either party may assign and transfer all its rights and obligations under this Agreement to any company to which it transfers all or part of its assets or business, PROVIDED THAT the assignee undertakes to the other party to be bound by and perform the obligations of the assignor under this Agreement.
- 9.3 **Waiver:** no failure or delay on the part of either party to exercise any right or remedy under this Agreement shall be construed or operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy preclude the further exercise of such right or remedy.
- 9.4 **Force Majeure:** neither party shall have any liability or be deemed to be in breach of this Agreement for any delays or failures in performance of this Agreement which result from circumstances beyond the reasonable control of that party, including without limitation labour disputes involving that party. The party affected by such circumstances shall promptly notify the other party in writing when such circumstances cause a delay or failure in performance and when they cease to do so.
- 9.5 **Third Parties:** a person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any third party which exists or is available apart from that Act.
- 9.6 **Further Assurances:** each party agrees to execute, acknowledge and deliver such further instruments and do all further similar acts as may be necessary and appropriate to carry out the purposes and intent of this Agreement.

- 9.7 **Entire Agreement:** this Agreement, including any Schedules, sets out the entire Agreement between the parties and supersedes all prior oral or written agreements, arrangements or understanding between them. The parties acknowledge that they are not relying on any representation, agreement, term or condition which is not set out in this Agreement.
- 9.8 **Severability:** if any term of this Agreement is held by any competent authority to be invalid or unenforceable in whole or in part, all other terms shall remain valid and unaffected.
- 9.9 **Amendment:** this Agreement may only be amended in writing signed by duly authorised representatives of both parties.
- 9.10 Any disputes arising under or in connection with this Agreement shall be referred to arbitration by a single arbitrator appointed by agreement or (in default) nominated on application by either party to the President for the time being of the Law Society and whose fees shall be borne equally between the parties to this Agreement.
- 9.11 **Governing Law and Jurisdiction:** this Agreement shall be governed by and construed in all respects in accordance with the laws of England and Wales and each of the parties to this Agreement irrevocably submits to the exclusive jurisdiction of the English Courts.

AGREED by the parties through their authorised signatories:

For and on behalf of : ORBIS INSURANCE SERVICES

Signature: _____

Name (print): LAUREN STOVELL

Title: MANAGER

Date: _____

For and on behalf of: _____

Signature: _____

Name (print): _____

Title: _____

Date _____