



**ASTONLARK**  
Schemes & Facilities

// A howden company

# Schemes & Facilities Terms of Business Agreement

This agreement is between:

(1) **THE ENTITIES AND TRADING NAMES OF THE ASTON LARK GROUP OF COMPANIES AS LISTED IN APPENDIX A** (collectively referred to as the Broker)

and

(2) You (the **Sub-Broker**) (collectively the **Parties** and each a **Party**),

And replaces any previous Agreement issued by Us.

## 1. PREAMBLE

- 1.1 All appendices and schedules to this Agreement form part of this Agreement and shall continue in full force and effect until terminated or suspended pursuant to clause 20;
- 1.2 This Agreement cancels and replaces all previous and existing agreements;
- 1.3 The terms of this Agreement shall apply to the conduct of all General Insurance Business transacted between the Sub Broker and the Broker. Nothing in this Agreement shall require the Broker to accept any proposal for insurance or renewal of any existing insurance, or to maintain cover in respect of any existing insurance if an Insurer cancels cover, if in its sole discretion it declines to do so. In the event of non-renewal or cancellation of cover the Broker will advise the Sub Broker as soon as reasonably possible;
- 1.4 The Parties warrant that they have full power and authority to enter into this Agreement and to perform the obligations contained herein;
- 1.5 For the purposes of this Agreement, other than where specifically stated otherwise, the Sub Broker is acting at all times as the agent of the Client and not of the Broker, and has no authority to act on behalf of the Broker. The Sub Broker has sole responsibility for the advice it gives to its Client;
- 1.6 Nothing in this Agreement overrides the Sub Broker's duty to place the interests of its Clients before all other considerations, nor shall this Agreement override any legal or regulatory requirements that may apply to the Sub Broker, Broker, or the placing of any insurance business;
- 1.7 This Agreement specifies the Terms under which the Sub Broker will introduce business to the Broker on behalf of its Clients, which it wishes to be placed by the Broker with Insurance Companies or Intermediaries with whom We hold agencies;
- 1.8 No other person has any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement other than any associated and/or subsidiary companies and/or parent undertakings of the Broker. This provision shall not affect any right or remedy of a third party which exists or is available apart from the Contracts (Rights of Third Parties) Act 1999;
- 1.9 This Agreement does not, and is not intended to, confer or create any rights enforceable by any person who is not a Party (for the avoidance of doubt, You are not permitted to enter into a Sub Broker Agreement in relation to this Agreement without first obtaining written agreement from Us in writing);
- 1.10 This Agreement will not create a partnership or joint venture between You and Us;
- 1.11 Any references in this Agreement to any regulatory body, statutory provision or Rule shall include a reference to such body, provision

or Rule as from time to time are re-enacted, amended, extended or replaced and shall include any instruments, orders, regulations, directions, rules and guidance made thereunder or deriving there from.

- 1.12 By continuing to do business with us, You confirm Your acceptance to this Agreement.

## 2. DEFINITIONS AND INTERPRETATIONS

- 2.1 Headings are included for ease of reference and convenience only and will not affect the interpretation of the Agreement.
- 2.2 Words importing the singular will include the plural and vice versa.
- 2.3 Within this Agreement, unless stated otherwise, the following words or expressions, will have the meanings set against them respectively:

“Agreement” means the terms and conditions of this Terms of Business Agreement.

“Approved Bank” means as defined in the glossary to the FCA Handbook.

“Broker” means the entities and trading names of the Aston Lark group of companies listed in Appendix A.

“CASS” means the Client Assets Sourcebook of the FCA Handbook.

“Client” means a person or persons or a legal entity who or which

is a Policyholder or prospective Policyholder of the Sub Broker.

“Commission” means the payment by Us to You in consideration of placing Insurance Business, in accordance with the terms of this Agreement.

“FCA” means the Financial Conduct Authority, or any other regulatory body that replaces the FCA in the future.

“General Insurance Business” means Insurance business as described within the FCA Handbook glossary.

“Gross Premium” means gross premiums including any fee paid by the Client, less return premiums and cancellation premiums excluding IPT.

“ICOBS” means the Insurance: Conduct of Business Sourcebook as issued and updated or amended from time to time by the FCA.

“Insurer” means the risk carrier on whose behalf the Broker is acting or with whom the risk is placed.

“IPT” means Insurance Premium Tax or equivalent tax in relation to General Insurance, at the appropriate rate.

“Material information” means all facts and circumstances which an insurer/reinsurer would or may consider to be material to the

decision whether to underwrite the Client’s risk or to continue to do so on any given terms.

“Net Rated Business” means where We have permitted You to sell the policies pursuant to this Agreement where We specify only the Net Premium to be charged and remitted to Us.

“Party” means a party to this Agreement.

“Policyholder” means the legal holder of any General Insurance policy entered into pursuant to this Agreement or any person to whom a sum is due pursuant to such a policy.

“Retail Premium” means the premium paid or payable by the Policyholder including IPT.

“Rules” means the FCA Handbook and any rules, guidance or regulations issued by the FCA and amendments thereto made from time to time, and all other rules including insurance industry agreed codes of practice to which either You, or We are subject.

“Sub Broker” means the introducing company that is Party to this Agreement.

“Trust” references to monies held on “trust” or to “trust accounts” shall in the case of money held in Scotland be interpreted as references to the Scottish Law of

Agency.

“We” means the entities and trading names of the Aston Lark group of companies as listed in Appendix A and “Broker”, “Our” and “Us” will also have corresponding meanings.

“You” means the company, partnership or sole trader with whom We do business and who has the required authorisation by the FCA. “Sub Broker” will also have corresponding meaning.

## 3. REGULATORY STATUS

- 3.1 You warrant that You are fully authorised by the FCA to deal with the general Insurance business and that You will continue to be so and will retain all regulatory permissions to enable You to fulfil Your duties and obligations under this Agreement.
- 3.2 You will comply with the respective legal, licensing and regulatory requirements applicable to the production, placing, claims handling and premium and claims accounting of any insurance business which You place with Us.
- 3.3 This Agreement will be terminated with immediate effect should You cease to have the necessary authorisations.
- 3.4 You warrant that You will immediately inform Us in writing if during any time in the duration of this Agreement:
- (i) Your authorisation is suspended or withdrawn in full or in part by the FCA.

- (ii) You are subject to disciplinary action or are under investigation by the FCA or other regulatory authority.
  - (iii) You are or become aware of an actual (including suspected) breach with the Rules or Your ability to comply with them.
- 3.5 You will at all times comply fully with the Rules insofar as they apply to the business transacted by Us on Your behalf.
- 3.6 You will hold all client money as defined in the FCA Client Asset Sourcebook in accordance with the Rules. Pending payment to Us or the Client (as the case may be). Please see Appendices B and C for details of how we will handle Client Monies, and your responsibilities.
- 3.7 You will be responsible for Your Appointed Representative and Introducer Appointed Representatives as defined in the FCA Handbook and remain fully responsible to Us for any acts, omissions of such representatives as if they were Your own act.
- 4. PROFESSIONAL INDEMNITY INSURANCE**
- 4.1 You will hold, maintain and meet the costs of a minimum of £2 million of Professional Indemnity Insurance, unless agreed separately by Us in writing, or the minimum amount required in the FCA Handbook, whichever is the greater. You will produce a copy of the cover note on demand by Us in writing.

- 4.2 You will inform Us immediately in writing if Your Professional Indemnity Insurance is cancelled, voided, not renewed, or is deemed to be insufficient to meet Your business needs or operations.

## 5. MONEY LAUNDERING

- 5.1 Each Party will have in place procedures and controls which are designed to forestall and prevent Money Laundering. If either Party suspects that a supplier, customer, Client or employee is committing a Money Laundering offence as defined by the Proceeds of Crime Act 2002, they will, in accordance with their legal responsibilities, disclose the suspicion to the National Crime Agency or the Serious Fraud Office.

## 6. ANTI-BRIBERY

- 6.1 Each party will comply with (and put in place adequate procedures to comply with) all applicable obligations imposed by, or made under, The Bribery Act 2010. The term "adequate procedures" shall have the meaning given in sections 7(2) and 8 of the Bribery Act 2010 (and any guidance issued under section 9 of the Bribery Act 2010).
- 6.2 The Sub Broker must ensure that it and any person associated with it or who performs services for it, in relation to its dealings with the Broker, comply with all applicable laws and statutes and regulations, as updated and amended from time to time, relating to anti-bribery and anti-corruption. The Sub Broker

shall be directly liable to the Broker for breach of this clause by such persons.

- 6.3 Each party warrants that it has not and agrees not to engage in any activity, practice or conduct (whether in the UK or elsewhere) that would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010 if the activity, practice or conduct occurred within the UK.
- 6.4 The Sub Broker shall notify the Broker as soon as reasonably practicable if it becomes aware of a breach of clauses 6.1, 6.2 and 6.3.

## 7. NOTIFICATIONS

- 7.1 In addition to the notifications required in Section 3, You agree to inform Us immediately in writing if any of the following occur:
- (i) there is a change to Your ownership.
  - (ii) there is a change to Your registered name or registered address.
  - (iii) You become insolvent, appoint a receiver, administrator or manager over any part of Your undertaking or assets, seek liquidation or if any of Your directors, owners, partners or principals become bankrupt.
  - (iv) if any of Your directors, owners, partners or principals are subject to, or become subject to disciplinary proceedings instituted by a professional or regulatory entity or they are convicted of any criminal offence excluding motoring offences.

- (v) in the event that there are any other material changes which are relevant to this Agreement.

## 8. CLIENT OWNERSHIP

- 8.1 All Clients introduced by You remain Yours for the duration of this Agreement, and You are solely responsible for:
- (i) Identifying Your Clients' demands and needs, and checking the content of the demands and needs statement produced by the Broker; advising Us of any alterations or errors.
  - (ii) Providing any professional insurance or risk management advice.
  - (iii) Checking all of the documentation to ensure it is correct and in line with the Client's requirements.
- 8.2 We will not contact Clients directly for any purpose without Your prior permission.

## 9. SERVICE AND DELIVERY

- 9.1 You will supply all necessary administration, accounting, underwriting and claims information and access to any data that is or may become necessary for the proper performance of this Agreement.
- 9.2 You will advise us in relation to all Insurance Business whether the Insured is classified as a Consumer or a Commercial customer for the purpose of ICOBS.

- 9.3 You have no authority to accept or amend insurances, to settle, negotiate or compromise claims, alter any documentation or commit Us in any way. You cannot amend or alter any forms supplied by Us or use any of Our advertising, promotional or other selling materials without Our prior permission.
- 9.4 You will advise the Insurer or Us promptly of any claims or potential circumstances that the Insurer would reasonably be expected to be told, and which may affect future decisions regarding the continuing renewal of the policy, policy terms or premium weighting.
- 9.5 You will retain for a minimum period of 6 (six) years any documents which validate the covers arranged for the Client and provide these to Us on request in writing. For the avoidance of doubt, such retention period applies to both documents and electronic data.
- 9.6 We undertake to ensure the policy wording is delivered to You or the Client as soon as is possible.
- 9.7 You undertake to ascertain the Client's insurance requirements at new business and renewal stages. We will endeavour to meet these requirements and offer a suitable product. It is Your responsibility to meet the documentation and disclosure requirements of the Rules.
- 9.8 You will only confirm the terms of the insurance or reinsurance cover after You have received written confirmation from Us that the insurance or reinsurance is in force.
- 9.9 You will promptly pass to the Client all renewal documentation issued by Us, notifying them of any change in the cover, terms or conditions.
- 9.10 You will notify us immediately of any written request to cancel a policy during the cancellation period.
- 9.11 You will exercise due care, skill and diligence in all dealings and ensure that the Client understands the duty of disclosure.
- 9.12 We reserve the right not to incept cover for particular Clients.
- 9.13 You are only permitted to sell or market Our General Insurance Business direct to customers under Your brand, Our brand or the brand of the Insurer (use of Our brand or the Insurer's brand to be solely in accordance with and to the extent permitted in writing). For the avoidance of doubt, unless and until You have received Our prior approval, You are NOT permitted to:
- (a) appoint Sub Brokers; or
  - (b) sell (or allow the sale of) any of Our General Insurance business or place (or allow the placement of) any of Our General Insurance business prices using any other distribution channels.
- 9.14 For the avoidance of doubt, You are not permitted, unless and until You have received prior written approval from Us, to use (or allow the use of) aggregators or price comparison mechanisms in connection with business placed under this agreement. Any such approval provided by Us shall be subject to the aggregate price comparison

- websites being FCA authorised as General Insurance intermediaries (or exempt from authorisation) and having the appropriate regulatory permissions for such activities.
- 9.15 We may carry out an audit of Your procedures and relevant trust accounts in respect of General Insurance business and You shall provide Us with copies of all documents requested as soon as reasonably possible.
- 9.16 It is a legal requirement that all Clients must be screened for legal sanction purposes. The Sub Broker confirms that they and their organisation fully complies with the requirements laid down by the FCA or the regulator of its country of domicile. Unless We confirm in writing that sanctions checks are being performed by Us, We require that Your screening includes at a minimum the following published lists:
- UN - United Nations and Security Council Consolidated List
  - UK - HMT Treasury Financial Sanctions Consolidated List
  - US - Office of Foreign Assets Control Sanctions Lists
  - EU - Consolidated List of Sanctions
- 9.17 If the Client does not wish to renew, You will inform Us as soon as You become aware of this and will return any renewal document to Us no later than 30 days after the renewal.
- 9.18 You will promptly pass any Material Information to Us and ensure that any changes in the facts or circumstances are also advised to Us promptly. In the event of You being aware of any non-disclosure of materially important information, You will either inform Us or decline to act on behalf of the Client. For the purpose of this clause, You remain the Client's Broker and notification by the Client to You will not constitute notification to Us.
- ## 10. REMUNERATION
- 10.1 We will not fund any premiums, duties or taxes on Your behalf, except as stipulated in clause 12.1.1. For the avoidance of doubt, settlement of monies due to Us must be made as outlined in Appendices B and C.
- 10.2 You shall be entitled to be paid a proportion of the commission earned by Us for policies arranged by Us following an introduction from You at rates to be agreed in writing from time to time. Such payment will be deemed to be inclusive of any and all tax that may be applicable.
- 10.3 Any commission or fee payable to Us is considered to be fully earned when Your clients' insurance(s) incepts. In the event of the cancellation of the policy(ies) on which a return or refund of premium has been generated, where We are required to refund such commission to the Insurer, You will be responsible for the return of Your pro-rata share of the commission in respect of such return premium.

10.4 Commission is not due or payable in respect of interest on instalment payments, uninsured loss recovery, and legal expenses or on any element of Insurance Premium Tax.

10.5 Both during and after the termination of this Agreement, You will be liable to reimburse Us for the unearned proportion of commission within 30 days on any business subsequently cancelled or where cover has been reduced, unless both Parties agree to offset the amount against future commission payments.

10.6 You will comply with requests by Clients for disclosure of Your commission and other aspects of remuneration and provide a prompt and accurate response in accordance with FCA Rules.

10.7 Commission may be deducted by the Sub Broker when the Sub Broker has received the Premium (cleared funds) relating to the insurance business transacted with the Broker.

## 11. CLIENT MONEY

11.1 The Sub Broker shall refer to Appendices B and C and abide by any and all relevant requirements outlined therein.

## 12. PAYMENT TERMS

### 12.1 Premiums

(I) You shall pay Us the full amount of Retail Premium in respect of General Insurance policies sold pursuant to this Agreement, and settlements shall be made as outlined in Appendices B and C.

- (II) Your obligations in respect of settlements are not affected by:
- (a) any credit arrangements which You may have made with the policyholder;
  - (b) any delays in crediting to Us monies received or due from the Policyholder because of delays within Your accounting system;
  - (c) Your inability to obtain monies from the Policyholder (subject to and in accordance with clause d);
  - (d) You shall be responsible for payment to Us for the Gross Premium or in the case of Net-rated business, the Net Premium, (which, for the avoidance of doubt, shall include the pro-rated portion of the Gross or Net Premium for any time on risk before a policy is cancelled), together with any applicable IPT. You shall comply promptly with any instructions which We give and shall have deemed to have accepted responsibility for payment of the Gross Premium (or Net Premium in the case of Net-rated business) including any applicable IPT if You do not comply with these instructions.

### 12.2 Fees

Where We charge a fee in connection with policy placement, We will confirm this to You at the point of quotation and this will form part of the overall Retail Premium settlement.

## 12.3 Interest

We reserve the right to charge interest in respect of the late payment of any sum due under this Agreement in accordance with the Late Payment of Debts (Interest) Act 1998 from the due date for payment of such sum until the date of actual payment of that sum.

## 13. COMPLAINTS

13.1 Both Parties will notify each other immediately in writing on receiving a complaint from a Client which relates to either Parties service or activities and will provide copies of the complaint, any relevant information and documentation.

13.2 Copies of documentation will be retained for 6 (six) years.

## 14. DISPUTE RESOLUTION

14.1 The Parties to this Agreement are committed to resolving all disputes arising under this Agreement without the need for litigation, and as far as possible, for the Parties' commercial relationships to remain unaffected by disputes. Therefore, the Parties:

- (a) shall attempt in good faith to resolve any dispute or claim promptly through negotiations between their respective senior executives who have authority to settle the same;
- (b) shall attempt in good faith if the matter is not resolved through negotiation in three months of the dispute arising to resolve the dispute or claim

through mediation with the assistance of a mediator as agreed between the Parties or as recommended to the Parties by the Centre for Dispute Resolution (CEDR) or such similar organisation as the Parties may 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, then the dispute shall be referred to the courts in accordance with clause 23 below.

## 15. CONFIDENTIALITY

15.1 Both Parties will treat any information relating to the other, its business and its Clients as confidential except such information as is in the public domain other than by way of breach of this Agreement or the recipient is already in receipt of it prior to transmission by the sender or receives the information from a third party entitled to disclose it or where the recipient is compelled to disclose it by legal or regulatory requirement.

15.2 Neither Party will disclose the other Party's confidential information to any third party, nor use it for any purpose except as is necessary for the performance of this Agreement or unless required by law, the FCA or to comply with regulatory obligations.

## 16. DATA PROTECTION

16.1 The Parties acknowledge and agree that where a Party processes Personal Data under or in connection with this Agreement, it alone determines the purposes and means of such processing as a Controller. In respect of the Personal Data, a Party processes under or in connection with this Agreement, the Party:

16.1.1 shall comply at all times with its obligations under the Data Protection Law.

16.1.2 shall notify the other Party without undue delay after, and in any event within 72 hours of, becoming aware of a Personal Data Breach unless the Personal Data Breach is unlikely to result in a risk to the rights and freedoms of the Data Subjects.

16.1.3 shall assist and cooperate fully with the other Party to enable the other Party to comply with their obligations under Data Protection Law, including but not limited to in respect of keeping Personal Data secure, dealing with Personal Data Breaches, complying with the rights of Data Subjects and carrying out data protection impact assessments.

16.2 The Parties shall work together to ensure that each of them is able to process the Personal Data it processes under or in connection with this Agreement

for the purposes contemplated by this Agreement lawfully, fairly and in a transparent manner and in compliance with the Data Protection Law. This shall include but not be limited to entering into such other written agreements as may be required from time to time to enable each Party to comply with the Data Protection Law.

16.3 For the purposes of this clause 16:

(a) "Controller" means the person which, alone or jointly with others, determines the purposes and means of the processing of Personal Data.

(b) "Data Protection Law" means all applicable statutes and regulations in any jurisdiction pertaining to the processing of Personal Data, including but not limited to the privacy and security of Personal Data.

(c) "Data Subject" means the identified or identifiable natural living person to whom the Personal Data relates.

(d) "Personal Data" means any information relating to the Data Subject.

(e) "Personal Data Breach" means a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, Personal Data transmitted, stored or otherwise processed.

16.4 For the purposes of this Agreement, both Parties acknowledge their intention to process the Personal Data as independent Controllers.

## 17. INTELLECTUAL PROPERTY RIGHTS

17.1 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 the services. The Parties agree to do whatever is reasonably necessary to confirm or give effect to such ownership.

17.2 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 performing the Services, each Party agrees to do whatever is reasonably necessary to confirm or give effect to such rights vesting in the developing Party.

17.3 You shall not advertise on Our behalf without prior written consent. You shall not use Our trade name, trademarks or logos or data in advertising, including Your website.

## 18. INDEMNITY AND LIMITATION OF LIABILITY

18.1 Each Party shall be liable to the other against all direct, proven and fully mitigated costs, loss, liability or any expense whatsoever which may be suffered directly or indirectly as a result of any service performed or action taken or omitted to be taken by the other party under the Agreement, including any failure to comply with any regulatory rule or requirement.

18.2 Nothing in this Agreement shall limit or exclude Our liability for personal injury or death caused by negligence, or fraudulent acts, or any liability to You arising under our regulatory obligations insofar as we are prohibited from limiting our liability to You in relation to the same.

18.3 Without prejudice to Clause 18.2, in respect of all claims arising out of or in connection with this Agreement, We will not be liable for any loss or damage where there is no breach of a legal duty owed to you by Us, where such loss is not a reasonably foreseeable result of any such breach, or for any increase in loss or damage resulting from breach by You of any term of this Agreement. We will have no liability in respect of losses relating to lost profits or business interruption. Our total aggregate liability in respect of all claims arising out of or in connection with this Agreement shall be limited to the sum of £10 million, unless otherwise agreed in writing.

18.4 You acknowledge and agree that You shall only be entitled to make a claim against Us, and not against any individual employee, director or officer of Ours.

## 19. VARIATION

19.1 The terms of this Agreement can only be varied with the written consent of both Parties, by giving 30 days' notice in writing.

## 20. TERMINATION AND CONSEQUENCES

- 20.1 This Agreement may be terminated by mutual agreement between both Parties on giving written notice to each other or by one Party giving not less than 30 days' notice in writing to the other of their wish to terminate the Agreement.
- 20.2 This Agreement will be terminated immediately in the event of the Sub Broker becoming insolvent, appointing a receiver, seeking liquidation or any of its principals becoming bankrupt.
- 20.3 This Agreement will be terminated automatically on the death of the Sub Broker where it is a sole trader.
- 20.4 In the event of termination, nothing in this Agreement shall affect the right of action of the Broker or its right to recover premium from the Sub Broker or its Clients or to apply any return premiums received from Insurers against monies which may be owed to it by the Sub Broker or its Client.
- 20.5 This Agreement may be terminated where one Party has reasonable grounds for suspecting fraud or dishonesty by the other or by the other's employees, agents, sub-agents or independent contractors.
- 20.6 Where one Party reasonably holds the opinion that, either the regulatory status of the other Party has changed or that the other Party is administering the business which is the subject of this Agreement in a manner causing or likely to cause prejudice to Policyholders, Us or You, as the case may be, this Agreement may be terminated.

- 20.7 We may terminate any Agreement or any part of it by notice in writing if You have failed to pay any monies due to Us pursuant to this Agreement, despite a written reminder from Us which specifies the required date for monies to be received by Us.
- 20.8 Any termination pursuant to clauses 20.5, 20.6 or 20.7 shall have immediate effect and where appropriate, suitable arrangements for the servicing of the Policyholders will be made by You and Us.
- 20.9 In the event of either Party becoming aware of, or having reasonable grounds for suspecting, a breach of Clauses 5.1, 6.1 to 6.4 and 11.1. by the other Party (including by any person associated with it or who performs services for it), the Party not in breach may terminate this agreement with immediate effect.

## 21. FORCE MAJEURE

- 21.1 Both Parties will not be liable for any breach of their respective obligations, acts or omissions under this Agreement resulting from causes, circumstances or conditions beyond their reasonable control including, but not limited to, an Act of God, insurrection, wars, fire or riots, provided the affected Party gives prompt notice in writing to the other Party of such Force Majeure event and uses all reasonable endeavours to continue to perform its obligations under this Agreement. Either Party may terminate this Agreement if such

Force Majeure event continues for more than 3 (three) months.

or threatens to cease the operation of its business.

## 22. NON-SOLICITATION

- 22.1 The Broker covenants and undertakes that it will not solicit nor permit the solicitation of Insurance business from any Clients introduced to it by the Sub Broker during the term of this Agreement and for a period of 12 months following the termination of the last policy except in circumstances shown below whereupon this Clause 22.1 shall not apply:
- (i) The Sub Broker has given its specific written permission to the solicitation, by reference both to the identity of the Client and the nature of the proposed insurance;
  - (ii) The Client or a third party representing him, approaches the Broker directly with a view to providing insurance coverage;
  - (iii) The solicitation is by way of general direct marketing campaign using target lists supplied by a third party which can be clearly identified; or
  - (iv) The Sub Broker becomes insolvent, enters into a composition with its creditors, has a receiver or administrator or administrative receiver appointed in respect of all or a substantial part of its assets, enters into liquidation other than for the purpose of amalgamation or reconstruction, or ceases

## 23. JURISDICTION

- 23.1 This Agreement is subject to the law of England and Wales and the jurisdiction of the English courts.
- 23.2 In the event of a change in law or regulation (including FCA Rules), which affect any of the Parties' obligations under this Agreement, the Parties will co-operate in good faith to agree any necessary amendment(s) or variation(s) to the Agreement.

## 24. MARKET SECURITY

- 24.1 The Broker does not guarantee the financial position and solvency of any market utilised and cannot guarantee the future stability or any market to meet its client obligations and therefore the final decision on the suitability of any market rests with the Sub Broker as agent of the client.

## 25. WAIVER

- 25.1 No waiver by Us of any breach by You of any terms of this Agreement shall be construed as a waiver of any subsequent breach.



## APPENDIX A

### ENTITIES AND TRADING NAMES

- ASTON LARK LIMITED
- ASTON LARK LIMITED TRADING AS RENOVATION PLAN
- ASTON LARK LIMITED TRADING AS ROAD RUNNER
- ASTON LARK LIMITED TRADING AS ROAD RUNNER PLUS
- ASTON LARK LIMITED TRADING AS LINKSCOVER
- ASTON LARK LIMITED TRADING AS HAVEN KNOX-JOHNSTON
- PROTEAN RISK LIMITED
- INCEPTA RISK MANAGEMENT LTD
- BRUNEL PROFESSIONS LTD

OF ONE CREECHURCH PLACE,  
LONDON, UNITED KINGDOM,  
EC3A 5AF

- SENNOCKE INTERNATIONAL INSURANCE SERVICES LIMITED
- SENNOCKE INTERNATIONAL INSURANCE SERVICES LIMITED TRADING AS BUILD-ZONE
- SENNOCKE INTERNATIONAL INSURANCE SERVICES LIMITED TRADING AS SELF BUILD-ZONE

OF 6 PEMBROKE ROAD, SEVENOAKS,  
KENT, TN13 1XR

## APPENDIX B – NON RISK TRANSFER

### THIS APPENDIX B APPLIES TO THE FOLLOWING:

- ASTON LARK LIMITED (other than where trading as an entity specified in Appendix C)
- PROTEAN RISK LIMITED
- INCEPTA RISK MANAGEMENT LTD
- BRUNEL PROFESSIONS LTD
- SENNOCKE INTERNATIONAL INSURANCE SERVICES LIMITED - all policies placed with Munich Re

### 10. REMUNERATION

10.1 We will not fund any premiums, duties or taxes on Your behalf, except as stipulated in clause 12.1.1. For the avoidance of doubt, settlement of monies due to Us must be made as agreed in writing separately to this Agreement.

### 11. CLIENT MONEY

- 11.1 The Sub Broker warrants and represents that they will hold all regulated client money, and where permitted Insurer money, in a statutory or non-statutory trust in accordance with the FCA Rules.
- 11.2 The Broker warrants that they will hold all client and Insurer money in a statutory trust or non-statutory trust in accordance with FCA Rules.
- 11.3 We will confirm to You, when requested, when client money has been paid to Insurers in order to satisfy CASS 5.5.81 (4) but only

where risk transfer has not been accepted by an Insurer.

- 11.4 If you instruct Your client to make payment direct to Us, You remain responsible for payment to Us of the Net Premium, together with any applicable IPT.

### 12. PAYMENT TERMS

12.1

- (I) You shall pay Us the full amount of Retail Premium in respect of General Insurance policies sold pursuant to this Agreement, and settlements shall be made as agreed in writing separately to this Agreement.

## APPENDIX C – RISK TRANSFER

### THIS APPENDIX C APPLIES TO THE FOLLOWING:

- ASTON LARK LIMITED TRADING AS HAVEN KNOX-JOHNSTON
- ASTON LARK LIMITED TRADING AS RENOVATION PLAN
- ASTON LARK LIMITED TRADING AS ROAD RUNNER
- ASTON LARK LIMITED TRADING AS ROAD RUNNER PLUS
- SENNOCKE INTERNATIONAL INSURANCE SERVICES LIMITED - all Insurers except policies placed via Munich Re

### 10. REMUNERATION

10.1 We will not fund any premiums, duties or taxes on Your behalf,

except as stipulated in clause 12.1.1. For the avoidance of doubt, settlement of monies due to Us must be made within **30 days** of inception or renewal.

### 11. CLIENT MONEY

- 11.1 The Insurer has granted risk transfer to the Broker and has permitted such risk transfer to be cascaded by the Broker to the Sub Broker. Accordingly, the Sub Broker acts as the Insurer's agent for the purpose of receiving and holding any monies representing:
- (a) Retail Premium payable to the Insurer and paid to the Sub Broker ("Risk Transfer Money") by or on behalf of the Policyholder; or
- (b) Retail Premium refunds payable to the Policyholder (Risk Transfer Money), and the Sub Broker shall receive and hold all Risk Transfer Money at all times as the agent of the Insurer in accordance with the terms of this clause 11. Accordingly, Risk Transfer Money shall not constitute client money for the purposes of chapter 5 of the FCA's Client Assets Sourcebook (CASS).
- 11.2 All Risk Transfer Money shall be held by the Sub Broker at all times under appropriate Trust arrangements within a bank account with an Approved Bank.
- 11.3 By granting risk transfer to the Broker and allowing such risk transfer to be cascaded, the Insurer acknowledges that the

intention of the Parties is that, in the event of the insolvency or other financial default of the Sub Broker, Policyholders whose monies are required to be dealt with in accordance with this clause 11 shall not be denied insurance cover or any Risk Transfer Money which may be due to them from the Insurer as a result of such insolvency or other financial default, and accordingly irrevocably agrees that:

- (a) in respect of all sums referred to in clause 11.1 (a), such sums shall be treated as having been received by the Insurer when they are received by the Sub Broker
- (b) in respect of all sums referred to in clause 11.1 (b), such sums shall be treated as having been paid to the applicable Policyholder (or as otherwise directed by the Insurer) or third party only when they are actually paid by the Sub Broker to such recipient; and
- (c) the provisions of clauses 11.3 (a) and 11.3 (b) shall apply in all circumstances notwithstanding any breach by the Sub Broker of any of the terms (express or implied) of this Agreement (including this clause 11 or any matter which may entitle either Party to terminate or rescind this Agreement or to treat this Agreement as not being binding upon them).

- 11.4 If required by the Insurer, the Sub Broker shall as soon as reasonably practicable provide to the Insurer a copy of an acknowledgement from the bank at which the Sub Broker maintains its risk-transferred money account that the bank is not entitled to combine that account with any other account or to exercise any right of set-off or counterclaim against money in that account in respect of any sum owed to such bank on any other account.
- 11.5 The Sub Broker shall be entitled to co-mingle Risk Transfer Money with any other client and/or Risk Transfer Money held by the Sub Broker and the Insurer consents to its interests with regard to monies held in the Sub Broker's client monies account being subordinated to the interests of the Sub Broker's clients.
- 11.6 The Sub Broker has no authority, whether under this Agreement or otherwise, to permit any third party to receive, hold, or pay any money on behalf of the Insurer without the Insurer's prior express written consent.
- 11.7 The Sub Broker shall ensure that, in accordance with CASS 5.2.3R (3), each Policyholder in respect of which Risk Transfer Money is held in accordance with this clause 11 is informed that the Sub Broker will hold their money as agent of the Insurer.
- 11.8 The Sub Broker shall be entitled to any interest or investment income earned in respect of Risk Transfer Money.

- 11.9 Unless the Parties otherwise agree in writing, the Broker shall remain liable where section 53 (i) and (ii) of the Marine Insurance Act 1906 apply.
- 11.10 This clause 11 shall continue in full force and effect, notwithstanding the termination or rescission of this Agreement for any reason, both in respect of all Risk Transfer Money held by the Sub Broker at the date of termination or rescission and in respect of all further Risk Transfer Money which may be received by the Sub Broker following such termination or rescission.
- 11.11 The terms of this clause shall apply notwithstanding any other arrangements made between the Sub Broker and the Insurer in relation to the subject matter of this Agreement, unless the Parties expressly state in writing that this clause is not to apply, either generally or in relation to any particular arrangement.
- 11.12 References in this clause to a Trust shall, in the case of monies held in Scotland, refer to monies held in accordance with the Scottish law of agency.

## 12. PAYMENT TERMS

### 12.1

- (l) You shall pay Us the full amount of Retail Premium in respect of General Insurance policies sold pursuant to this Agreement, and settlements shall be made within 30 days from inception/ renewal.



**ASTONLARK**  
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Registered office: One Creechurch Place, London, United Kingdom, EC3A 5AF.

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