

Terms of business agreement

The terms of this agreement confirm that the Insurer will be pleased to accept Business from

_____ (the 'Adviser').

This agreement sets out the terms and conditions upon which the Insurer will accept Business from the Adviser.

1. Definitions and interpretation

1.1 In this agreement the following words have the meanings given below:

Adviser	the entity named above as Adviser
Adviser Payment	any commission or other form of payment to the Adviser in connection with a Policy
Business	the Group Life, Group Critical Illness and Group Income Protection business of the Insurer constituting long term insurance business as defined in the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001
Customer Data	any information, howsoever recorded, identifying or relating to a Policyholder, proposed Policyholder or Scheme Member
Data Protection Legislation	means the Data Protection Act 2018 and any other data protection or privacy legislation which applies to the parties, including the General Data Protection Regulation as enacted
FCA	the Financial Conduct Authority and any successor governmental or regulatory body
Group Critical Illness	insurance providing benefits to Scheme Members who are diagnosed as suffering from a medical condition specified in the terms of cover
Group Income Protection	insurance providing a continuing income to Scheme Members who are unable to work as a result of illness or accident

Group Life	insurance providing benefits on a Scheme Member's death
Insurer	AIG Life Limited
Insurer's Systems	the computerised systems and databases of the Insurer necessary for the Business to be conducted between the Adviser, the Insurer and Policyholders
Intellectual Property	trade marks, trade names, service marks, design rights, database rights, domain names, copyright, patents, know-how and any other intellectual property of the Insurer and its affiliates
Intellectual Property Rights	rights to the Intellectual Property, whether registered Rights or unregistered
Money Laundering Regulations	means the Money Laundering Regulations 2017 (as Regulations amended from time to time) and all other legislation relating to the handling of terrorist funds or of the proceeds of drug trafficking or other crime, together with the Guidance Notes for the Financial Sector issued by the Joint Money Laundering Steering Group and any other relevant guidance issued by a regulatory authority or industry body
Policy	a policy of insurance (including a group policy) issued by the Insurer comprising part of the Business
Policyholder	a person, whether employer or trustee in respect of Scheme Members, which enters into a Policy with the Insurer
PRA	the Prudential Regulation Authority and any successor governmental or regulatory body
Prescribed Rate	2% above the Bank of England's base rate from time to time
Scheme Member	a member of a scheme comprised in the Business

The terms '**data controller**' and '**personal data**' have the meanings given under the Data Protection Act 2018 and the General Data Protection Regulation as enacted.

- 1.2 The headings in this agreement are for convenience only and shall not affect its construction or interpretation.
- 1.3 References to a party in this agreement shall include any successors or assigns of that party.
- 1.4 References to the singular shall include the plural.

2. Status

- 2.1 The Insurer is an insurance company authorised by the PRA and regulated by the FCA and PRA to carry on long term insurance business in the United Kingdom.
- 2.2 The Adviser is authorised by the FCA to carry on insurance mediation activities in respect of the type of insurance contracts comprised in the Business.

3. Scope

- 3.1 The Insurer appoints the Adviser on a non-exclusive basis in the United Kingdom to forward to the Insurer proposals for new Business for acceptance by the Insurer. The Insurer shall from time to time issue quotations for cover under a Policy to the Adviser, for onwards communication by the Adviser to Policyholders or proposed Policyholders.
- 3.2 For the avoidance of doubt, the Insurer shall be entitled to sell or market any insurance products under arrangements with any other person or directly to Policyholders or proposed Policyholders.
- 3.3 The Adviser shall not represent itself as an agent or employee of the Insurer. Save as expressly provided for in the terms of this agreement, the Adviser shall act as agent for the Policyholder or proposed Policyholder in respect of all aspects of the Business and shall not act as agent for the Insurer.
- 3.4 At its absolute discretion the Insurer reserves the right to refuse Business applications from the Adviser and shall not be required to give reasons for any refusal or alteration to terms. If an Adviser is not or ceases to be authorised by the FCA, no Business applications will be considered.

3.5 The Adviser is not authorised to offer or accept, or otherwise enter into, any Policy or Business on behalf of the Insurer, and shall not hold itself out as being so authorised. The Adviser shall not incur any expenditure on behalf of the Insurer.

3.6 The Adviser shall not alter, add to or cancel any of the terms or conditions of the Policies nor purport to do so. The Adviser shall make no addition or alteration to any receipt, acceptance, Policy or other document issued by or on behalf of the Insurer.

3.7 The Insurer and not the Adviser shall arrange any medical evidence necessary or desirable in connection with acceptance or administration of the Business.

4. Term and termination

- 4.1 The Insurer shall be entitled to terminate this agreement by giving one month's written notice to the Adviser.
- 4.2 The Insurer shall be entitled to terminate this agreement immediately by giving written notice to the Adviser if:
 - (a) the Adviser is a partnership and is dissolved or varied by the addition, retirement or expulsion of partners without the Insurer's consent;
 - (b) the Adviser ceases to trade;
 - (c) a receiver or administrative receiver is appointed over any of the assets or property of the Adviser, or a petition is presented for the winding up of the Adviser or for the appointment of an administrator, receiver, administrative receiver, liquidator or similar officer;
 - (d) a petition is presented for the declaration of the bankruptcy of the Adviser;
 - (e) the Adviser enters into an arrangement with creditors;
 - (f) an analogous situation to those described in (c) to (e) occurs;
 - (g) a person acquires control over the Adviser (as defined in section 181 of the Financial Services and Markets Act 2000 as amended or re-enacted from time to time); or

- (h) any licence, authorisation or consent necessary for the performance by the Adviser or its employees or agents of this agreement is cancelled, withdrawn or suspended.
- 4.3 Following termination of this agreement, the following clauses shall continue to apply: 1, 5, 6, 7, 9, 10 and 13 to 18.
- 5. Adviser Payments**
- 5.1 No Adviser Payment shall be due unless it has first been:
 - (a) specified and agreed between the Adviser and the Policyholder or proposed Policyholder;
 - (b) notified by the Adviser to the Insurer at the time an application for a Policy is submitted to the Insurer. The Adviser must inform the Policyholder or proposed Policyholder in writing that the Adviser Payment will be paid by the Insurer to the Adviser and specify in cash terms the amount of the Adviser Payment before the application is made to the Insurer; and
 - (c) confirmed by the Insurer to the Adviser at the time such application for a Policy is accepted.
- 5.2 The Insurer and the Adviser shall disclose to the Policyholder on request any further details requested by the Policyholder.
- 5.3 The actual Adviser Payment percentage and amount will be detailed on the Insurer's quotation, the Adviser Payment percentage will also be detailed on the regular Invoice provided to the Policyholder.
- 5.4 The Adviser is responsible for obtaining its own taxation advice on the implications of the form and amount of an Adviser Payment payable in respect of a Policy.
- 5.5 Adviser Payments will be level payments, fully earned and paid by the Insurer to the Adviser monthly in arrears. If the Adviser ceases to hold the necessary licences, authorisations and consents for the performance of this agreement, or has such licences, authorisations or consents suspended, the Insurer reserves the right to cease or suspend Adviser Payments to the Adviser.
- 5.6 No Adviser Payment will be payable in respect of a Policy until the first premium has been accepted by the Insurer.
- 5.7 The Insurer shall be entitled to apply amounts received in respect of a Policy to meet premiums and other charges due and payable to the Insurer before applying those funds to meet Adviser Payments.
- 5.8 The Adviser shall refund the Insurer any Adviser Payment relating to a Policy which is cancelled by the Policyholder before the expiry of the duration of the Policy. Any such refund shall be calculated pro rata by reference to the number of days for which the policy was in force. The Insurer shall be entitled by way of set-off to deduct any refund payable to the Insurer from any Adviser Payments payable to the Adviser.
- 5.9 The Insurer shall not be required to make any Adviser Payment other than from funds that:
 - (a) have been paid to the Insurer by or on behalf of the relevant Policyholder; and
 - (b) are not required to satisfy amounts due and payable to the Insurer in respect of the relevant Policy.
- 5.10 Notice of unpaid premiums will be given in writing by the Insurer to the Policyholder and to the Adviser.
- 5.11 For each completed Business application submitted to and accepted by the Insurer, the Insurer will provide details to the Policyholder of Adviser Payments payable to the Adviser and for which the required premium has been received by the Insurer.
- 5.12 The Insurer will issue to the Adviser by email on a monthly basis a statement of Adviser Payments which shall be conclusive evidence of the amounts of Adviser Payments due to the Adviser and paid by the Insurer as well as the amounts of refunds due to the Insurer and paid by the Adviser or deducted by the Insurer.
- 5.13 Adviser Payments will be paid once a month.
- 5.14 Each party is responsible for paying their own bank charges.

6. Client money

- 6.1 The Adviser shall not hold premium or other client monies in respect of any Policyholder, proposed Policyholder or Scheme Member nor as agent for the Insurer.
- 6.2 Payment instructions must be received by the Insurer before the Policyholder is on-risk.
- 6.3 The Insurer's preferred and default method of payment is by direct debit.

7. Warranty in respect of authorisations and consents

- 7.1 The Adviser warrants that it, and any employee or agent of the Adviser involved in the performance of the Adviser's obligations under this agreement, has and agrees that it shall at all times maintain all licences, authorisations and consents necessary for the performance of this agreement.
- 7.2 The Adviser shall immediately notify the Insurer in writing of any breach of clause 7.1.

8. Compliance

- 8.1 The Insurer and the Adviser undertake to comply with their respective legal and regulatory obligations, including without limitation complying with the Principle 6 of the FCA's Principles for Businesses (Treating Customers Fairly). Neither party shall do or omit to do anything which could reasonably be expected to cause the other not to comply with such obligations. Both parties will supply each other with such information as may be reasonably requested or required to ensure such compliance.
- 8.2 The Adviser shall be responsible for supplying a Policyholder or proposed Policyholder with the information required under law and regulation to be supplied to policyholders before and at the time of inception of a Policy. Any advice given by the Adviser to a Policyholder or proposed Policyholder shall be given on behalf of the Adviser and not on behalf of the Insurer.
- 8.3 With regards to complaints where an Adviser is involved, the Insurer can make reasonable requests for information from the Adviser and the Adviser shall provide the information required to enable the Insurer to answer complaints.

- 8.4 The Insurer shall be responsible for the production of product documentation including policy summaries, policy documents, and documentation in respect of the Insurer and its services.

9. Records

- 9.1 The Adviser must produce to the Insurer on demand such records, books and accounts and other information, on whatever medium held, as the Insurer may reasonably require in connection with Business applications submitted by the Adviser to the Insurer, whether such Business applications were accepted by the Insurer or not.
- 9.2 All books and documents and computer software and hardware belonging to the Insurer and in the Adviser's possession must, at all times, be available to the Insurer for inspection and be delivered to the Insurer by the Adviser on demand.
- 9.3 The Adviser shall forward to Policyholders immediately and without amendment all information and other communications supplied by the Insurer to the Adviser and requested by the Insurer to be forwarded to Policyholders. For the avoidance of doubt the Insurer shall be entitled to communicate directly with Policyholders.

10. Intellectual property

- 10.1 Intellectual Property Rights in any Policy documentation, including sales and marketing literature and materials and campaigns, shall be owned by the Insurer. Neither the Adviser nor any of its employees or agents shall obtain any Intellectual Property Rights in any such documentation or in any software, Customer Data or any trade or service mark or trading name of the Insurer.
- 10.2 The Adviser shall not, and shall procure that its employees and agents do not, create or distribute any material which is branded with or includes any of the Insurer's Intellectual Property except for materials prepared or approved by the Insurer.
- 10.3 The Adviser shall not encourage or facilitate any person to do anything in connection with this agreement which infringes the intellectual property rights of any third party.

11. Access to Insurer's Systems

- 11.1 The Adviser shall be responsible for ensuring that its employees and agents have access to the Insurer's Systems. Subject to clause 11.3 below the Insurer shall offer such reasonable assistance as is required to enable reasonable access to be given to such persons.
- 11.2 The Adviser shall procure that all such employees and agents comply with the Insurer's security requirements in relation to the Insurer's Systems, as notified in writing by the Insurer to the Adviser from time to time.
- 11.3 The Insurer acting in its absolute discretion is entitled without notice to refuse, suspend or withdraw access to the Insurer's Systems with respect to any person or group of persons and need not give a reason for such refusal, suspension or withdrawal.

12. Anti-money laundering

- 12.1 The Adviser acknowledges that the Insurer will rely on the Adviser to carry out appropriate money laundering checks on Policyholders and proposed Policyholders and the Adviser consents to the Insurer relying on it in that way.
- 12.2 In relation to each Policyholder or proposed Policyholder the Adviser will, without limitation:
- (a) carry out money laundering checks in compliance with the Money Laundering Regulations before any Policy is taken out;
 - (b) retain any records relating to money laundering checks in compliance with the requirements of the Money Laundering Regulations; and
 - (c) supply any relevant records relating to money laundering checks to the Insurer following a request from the Insurer.

13. Criminal Finances Act 2017

- 13.1 The Adviser undertakes, warrants and represents that:
- (a) neither the Adviser nor any of its officers, employees, agents or subcontractors has:
 - (i) committed an offence under the Criminal Finances Act 2017; or

- (ii) been notified that it is subject to an investigation relating to an alleged Offence or prosecution under the Criminal Finances Act 2017; or

- (iii) is aware if any circumstances within its supply chain that could give rise to an investigation relating to an alleged Offence or prosecution under the Criminal Finances Act 2017;

- (b) it shall comply with the Criminal Finances Act 2017;
- (c) it shall notify the Insurer immediately in writing if it becomes aware or has reason to believe that it, or any of its officers, employees, agents or subcontractors have, breached or potentially breached any of the Adviser's obligations under this Clause.

Such notice to set out full details of the circumstances concerning the breach or potential breach of the Adviser's obligations.

- 13.2 Any breach of this Clause by the Adviser shall be deemed a material breach of the agreement and shall entitle the Insurer to terminate the agreement.

14. Data protection

- 14.1 The Insurer is a data controller for the purposes of the insurance contract. The Insurer is also a data controller in respect of personal data collected from the Adviser's employees or agents.
- 14.2 The Insurer will process personal data (as defined in the GDPR and UK Data Protection Legislation) in relation to the Adviser's employees and agents solely for the purposes of carrying out the Insurer's responsibilities as set out in this Agreement.

15. Confidentiality and conflict of interest

- 15.1 Neither party shall disclose the details of this agreement or information of a confidential nature regarding the other party or its affiliates obtained in the course of performing this agreement without the express written consent of the other party, except for disclosures:
- (a) to its professional advisers;
 - (b) to or at the request of a governmental or regulatory body, or required by law or

regulation or a court of competent jurisdiction or stock exchange; or

- (c) of information which is in the public domain otherwise than as a result of a breach of this clause by the disclosing party.

15.2 The Adviser shall ensure at all times that no conflict of interests or of duties arises on its part which could have a detrimental effect on its representation or treatment of a Policyholder.

16. Delegation, assignment and novation

16.1 The Adviser shall not sub-delegate the performance of any obligation under this agreement without the express written consent of the Insurer. The Adviser shall remain responsible to the Insurer for the performance of any sub-delegated obligations by its sub-agents as if the acts and omissions of such sub-agents were the acts and omissions of the Adviser.

16.2 Without prejudice to its other obligations in this agreement, the Adviser shall:

- (a) procure that any of its employees or agents which ceases to have any regulatory licence, authorisation, consent or exemption necessary to provide services under this agreement immediately ceases to provide such services; and
- (b) immediately notify the Insurer of any employee or agent which ceases to have any necessary regulatory licence, authorisation, consent or exemption.

16.3 No right or obligation under this agreement may be assigned or novated by the Adviser without the express written consent of the Insurer.

17. Jurisdiction

17.1 This agreement shall be governed by, construed and take effect in accordance with English and Welsh law.

17.2 The courts of England and Wales have exclusive jurisdiction to settle any claim, dispute or matter of difference which may arise in any way whatsoever out of or in connection with this agreement (including without limitation claims for set off or counterclaim) or the legal relationships established by this agreement.

18. Notices and other communications

18.1 The Insurer shall accept notices in connection with this agreement at its registered UK address or at such other address as is notified to the Adviser from time to time.

18.2 The Adviser shall accept notices in connection with this agreement at its registered UK address or at such other address as is notified to the Insurer from time to time.

18.3 The Adviser agrees to receive communications other than formal notices under this agreement by electronic mail.

19. Variation

A variation of this agreement is valid only if it is in writing and signed by the parties or their duly authorised representatives.

20. Counterparts

This agreement may be entered into in any number of counterparts and any party may enter into this agreement by executing any counterpart. A counterpart constitutes an original of this agreement and all executed counterparts together have the same effect as if each party had executed the same document.

AS WITNESS the hands of the parties or their duly authorised agents the day and year first above written.

THE INSURER

Signed by

for and on behalf of
AIG Life Limited

Date

THE ADVISER

Signed by

for and on behalf of

Date

FCA Registration Number _____

(This must be signed by an Authorised Firm. If this is being signed by an Appointed Representative this must either be countersigned by the Principal Firm or a letter attached giving authority to the Appointed Representative to enter into this agreement).

Important

Please provide details for an 'Adviser Administrator' and information for commission payments on the following pages.

Adviser Administrator

AIG is committed to using electronic communications and we have a secure website which is used to provide and hold information about your agency and your clients. For each agency set up with us, we require at least one Adviser Administrator to be nominated. To facilitate this, each adviser firm chooses an employee or more than one employee to be the initial Adviser Administrators for the firm.

Adviser Administrators:

- have access to all of the agency-specific details held on the AIG website, including agency commission and client details;
- control which colleagues under the same agency can have access to details held on the AIG secure website;
- can choose which, if any, colleagues can also be Adviser Administrators and share these rights.

Please complete the details below. We will then send an email to the nominated individual inviting them to register. When registering, their details should exactly match those details below, otherwise our security systems will reject the application.

Adviser firm name:	<input type="text"/>
Employee's first name:	<input type="text"/>
Employee's last name:	<input type="text"/>
Salutation (Mr, Mrs, Miss, Ms, Dr, etc):	<input type="text"/>
Phone number:	<input type="text"/>
Employee's email address:	<input type="text"/>

Once registered, the Adviser Administrator has access to the secure website where it's possible to retrieve quotations, view commission statements, access information about client schemes and view the current status of scheme member medical underwriting and client accounts. Other employees within your organisation can register to obtain similar information, but will only be granted access once we receive confirmation from an Adviser Administrator that this is in order.

Please note that Adviser Administrators and other individuals granted access to any details held in your agency account have responsibility to protect that information in accordance with the Data Protection Act 2018 and the General Data Protection Regulation.

Information for payment of commissions

Account name:	<input type="text"/>
Bank name:	<input type="text"/>
Bank account number:	<input type="text"/>
Bank sort code number:	<input type="text"/>

Internal use only

Agency Number:	<input type="text"/>
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It would be very useful for us to know how you first became aware of AIG

Industry press website	<input type="checkbox"/>
Search engine	<input type="checkbox"/>
Personal recommendation	<input type="checkbox"/>
Email from us	<input type="checkbox"/>
Call from us	<input type="checkbox"/>
Research provider	<input type="checkbox"/>
Other (please specify)	<input type="text"/>

Address:
AIG Life Limited
The AIG Building,
58 Fenchurch Street,
London
EC3M 4AB
Tel: 0330 303 9977

Calls may be recorded for training and monitoring purposes.



www.aiglife.co.uk

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