

	<b>0845 765 4321</b>
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	Chat to an adviser in branch

# Mortgage and General Insurance

## Terms of Business

These terms of business (the Terms) set out the conditions under which Abbey National plc (Abbey) accepts mortgage and/or general insurance business regulated by the Financial Services Authority (the FSA) (the Business) from an Intermediary.

An Intermediary means any person introducing Business to Abbey, either directly or via an Appointed Representative (as defined by section 39(2) of the Financial Services and Markets Act 2000), in accordance with these Terms.

## 1 The relationship

- 1.1 Submission of the Mortgage and General Insurance Intermediary Registration Form by the Intermediary to Abbey (or any of its agents) constitutes agreement by the Intermediary to act in accordance with these Terms:
- 1.1.1 from 31 October 2004, in respect of Business relating to regulated mortgage contracts; and
  - 1.1.2 from 14 January 2005 in respect of Business relating to regulated general insurance contracts.
- 1.2 In respect of an Intermediary who is the principal of an Appointed Representative, the Intermediary undertakes to ensure that the Appointed Representative introduces Business to Abbey in accordance with these Terms.
- 1.3 Abbey will only accept Business from an Intermediary who is appropriately authorised by the FSA and who otherwise holds all relevant consents, permissions, registrations or licences for the purpose of carrying out its business in accordance with these Terms. In the case of an Intermediary who introduces Business to Abbey via an Appointed Representative, Abbey will only accept business from such an Appointed Representative so long as it remains an Appointed Representative of the Intermediary.
- 1.4 Notwithstanding paragraph 1.3, Abbey reserves the right at its sole discretion to refuse all or any Business from an Intermediary and is not required to give a reason for doing so.
- 1.5 The Intermediary is presumed to act on behalf of its client (the Client) when introducing Business to Abbey and throughout the duration of the Intermediary's relationship with Abbey as governed by these Terms unless and until such time as Abbey is advised otherwise.

## 2 Obligations of the Intermediary

- 2.1 The Intermediary warrants and represents that it:
- 2.1.1 is the agent of its Client and has the authority to act on behalf of its Client;
  - 2.1.2 holds all relevant legal, regulatory and other authorisations necessary for carrying out its business and for referring Business to Abbey; and
  - 2.1.3 otherwise conducts its business in accordance with the requirements of all relevant laws and regulations.
- 2.2 The Intermediary agrees to inform Abbey immediately in writing in the event that:
- 2.2.1 it ceases to act on behalf of its Client;
  - 2.2.2 any of its authorisations, registrations or permissions needed to conduct all or part of its business lawfully are not current or are believed to be in jeopardy;
  - 2.2.3 an Appointed Representative ceases to be its Appointed Representative; or
  - 2.2.4 it commits a material breach of any relevant laws or regulations.
- 2.3 The Intermediary undertakes:
- 2.3.1 to act honestly and professionally and to use all due skill and care when acting for the Client, including (but not limited to) ensuring that the Business is suitable for its Client in cases where the Intermediary advises on the Business;
  - 2.3.2 that it will give its best endeavours to provide information to Abbey which is true and complete in all material respects. The Intermediary will advise Abbey as soon as it is aware that such information is or becomes untrue or incomplete;
  - 2.3.3 to keep all details of its Clients up to date; and
  - 2.3.4 that it will not refer Business to Abbey as a direct or indirect consequence of the activities of any person who is not appropriately authorised or exempt from authorisation by the FSA or any other relevant regulatory authority.

## 3 Documentation

- 3.1 The Intermediary must pass on immediately, without amendment, any documentation which is either supplied by Abbey for the benefit of or completion by the Client, or provided by the Client in relation to the Business. The Intermediary shall advise Abbey of all material facts known by or divulged to the Intermediary in relation to Business undertaken or to be undertaken with Abbey.
- 3.2 Abbey may send communications directly to the Client.

- 3.3 All books and documents, computer hardware and software and any other items of property belonging to Abbey and in the possession of or under the control of the Intermediary must at all times be available to Abbey for inspection and be delivered in good condition (fair wear and tear excepted) to Abbey by the Intermediary on demand. All material supplied by Abbey shall be the property of Abbey.
- 3.4 Other than by using the standard material supplied by Abbey for this purpose, the Intermediary must not publish, circulate, issue or release any advertisement or literature relating to the business of Abbey or make use of Abbey's name or logo or that of any of its subsidiaries or affiliates or associated companies within the Abbey National group of companies without previous written authorisation by an officer of Abbey.
- 3.5 The Intermediary shall not sign or amend any documents or policies on behalf of Abbey nor make any statements or promises or representations of any kind whether written or oral which bind or purport to bind Abbey or any employee or director of Abbey and neither shall the Intermediary hold itself out as having authority to make any such representation.

## 4 Payments

- 4.1 Abbey will pay to the Intermediary any commission, charges or fees (together, Payments) due to the Intermediary at the rates set by Abbey from time to time or at any other rate separately agreed with the Intermediary. A note of the rates applicable at any time shall be available on request. The rates of Payments may be changed by Abbey without notice to the Intermediary. Abbey's liability to make Payments shall not be increased beyond the amount ordinarily payable under the contract including VAT where applicable.
- 4.2 Abbey will cease making any Payments to the Intermediary in the event that:
- 4.2.1 it is notified or it is reasonable to infer that the Intermediary (or its Appointed Representative) is no longer acting or has ceased to be permitted to act on behalf of the Client; or
  - 4.2.2 Abbey is prevented from making Payments by the operation of any law or regulation; but the provisions of this paragraph 4.2 do not apply to Payments already validly accrued to the Intermediary to the extent that Abbey is permitted by law to make such Payments.
- 4.3 Abbey reserves the right to cease paying all Payments in the event that any of the directors or partners of the Intermediary enters into a voluntary arrangement, have bankruptcy or liquidation proceedings instituted against them, have a receiver appointed over their assets or have been charged with or convicted of any offence involving fraud or dishonesty.
- 4.4 Abbey reserves the right to ask for additional customer information, including identity evidence, where it deems necessary.

## 5 Reimbursement of Payments

- 5.1 The Intermediary shall not be entitled to and shall repay any Payments received in connection with Business which is cancelled by the Client or cancelled or voided by Abbey or for any other reason given in these Terms.
- 5.2 Any sums due from the Intermediary, shall be recoverable by Abbey from or payable by the Intermediary under any account with Abbey or any company within the Abbey group, regardless of the type of Business such account is held for. Any sums due from the Intermediary may be deducted from any sums owed or becoming owing by Abbey to the Intermediary. Abbey should not be under an obligation to effect such set off.
- 5.3 Exercise by Abbey of its rights under this paragraph 5 shall be without prejudice to any other rights or remedies available to Abbey under these Terms or otherwise at law or in equity.
- 5.4 Any sum owed to Abbey by the Intermediary shall be due and payable without any formal demand for payment being issued by Abbey.

## 6 Money Laundering

- 6.1 In connection with all transactions with Abbey the Intermediary hereby undertakes that:
- 6.1.1 evidence of the identity of all Clients introduced by the Intermediary shall be obtained and recorded (prior to the placing of Business with Abbey) under procedures maintained by the Intermediary in accordance with the provisions of the UK Money Laundering Regulations 2003 (2003 SI No.3075), the Joint Money Laundering Guidance Notes for the Financial Sector 2006 (and all Directives, Regulations, Rules and Guidance Notes issued in substitution thereof or in amendment or addition thereto) and any requirements of Abbey from time to time notified to the Intermediary; and
  - 6.1.2 the Intermediary shall identify third parties and shall without detracting from the obligations in 6.1.1 above forward to Abbey with the documents for the transaction such duly completed forms relating to verification of third party identity as Abbey may require from time to time. Abbey shall not be liable for any errors or omissions of the Intermediary in the provision of this information.
  - 6.1.3 The Intermediary shall retain the above information and provide to Abbey if required.
  - 6.1.4 Abbey shall not be liable for any errors or omissions of the Intermediary in the provision of the information specified in this paragraph 6.

## 7 Confidentiality and Data Protection

- 7.1 Some or all of the information supplied to Abbey will be held on computer and paper and will comprise Personal Data (as defined by the Data Protection Act 1998 (the Act)). This information may be accessible by other administration providers within the Abbey National plc Group of companies. If this happens such data supplied will remain confidential and will not be used except to assist in the provision and servicing of the Business the Intermediary has introduced to Abbey or for any other purpose covered within these Terms. The information will be retained for a reasonable period after the relationship with the Intermediary or Client has terminated. The Intermediary has the right to see certain information held by Abbey. Such requests should be made in writing to the registered office of Abbey.
- 7.2 Unless the Intermediary informs Abbey that it does not wish data to be used for this purpose, Abbey shall be entitled to use any information or data supplied by the Intermediary (or its Client providing the Client's permission has been given) for the purposes of conducting market research, preparing strategic or other marketing plans or gauging product sales and may for such purpose disclose such information and data to other companies in the Abbey National plc group of companies and any organisation with which Abbey has a contractual relationship or otherwise to any party as is consistent with the effecting of the above approved uses of such information.
- 7.3 The Intermediary and Abbey confirm that they are notified under the Act and they agree to ensure that they will at all times comply with the provisions of the Act.

## 8 Use of Electronic Services

- 8.1 Use of the services available to Intermediaries on Abbey's internet websites shall be subject to these Terms and any on-line Terms and Conditions notified to the Intermediary by way of the said services or by any other means.
- 8.2 Email communications are not necessarily secure and may be intercepted or changed after they are sent. Abbey does not accept liability for any such interception or changes.

## 9 Indemnity and Limitation of Liability

- 9.1 The Intermediary shall indemnify Abbey in respect of any liability, losses, damages or costs it may suffer or incur arising from any breach of its warranties, representations or obligations under these Terms (including any breach of a relevant regulatory rule or applicable law) or by reason of any misrepresentation or negligent, tortious or fraudulent act. This indemnity is a continuing obligation.
- 9.2 Abbey will only be liable to the Intermediary for losses arising directly as a result of negligence, fraud or willful default by Abbey or any of its agents. In no event will Abbey be liable for special, indirect, consequential damages or losses, or for loss of profit or business opportunity.

## 10 Variation

- 10.1 Abbey may vary these Terms by giving one month's notice to the Intermediary, unless changes to any regulatory rule or applicable law require a variation of these Terms to take effect earlier than that date, in which case changes shall have effect on such earlier date and notice of variation shall be given as soon as is reasonably practicable.

## 11 Termination

- 11.1 Either party may terminate these Terms by giving one month's notice in writing.
- 11.2 Abbey may terminate these Terms with immediate effect on the occurrence of any one or more of the following:
- 11.2.1 any material breach by the Intermediary or any person or body for which it is responsible (including an Appointed Representative) of any of the provisions contained within these Terms;
- 11.2.2 any misconduct by the Intermediary or any person or body for which it is responsible (including an Appointed Representative) which is or could be reasonably viewed as prejudicial to Abbey's business or reputation;
- 11.2.3 the Intermediary or Appointed Representative ceases to be appropriately authorised or exempt (as applicable) under the Financial Services and Markets Act 2000;
- 11.2.4 cessation or suspension or intended cessation or suspension of the Intermediary's operation or in any circumstance where in the reasonable opinion of Abbey it is likely to affect materially the ability of the Intermediary to perform its obligations under these Terms; or
- 11.2.5 material litigation or reconstruction involving the Intermediary including (without limitation of the foregoing) bankruptcy, dissolution, administration, winding up or seizure of assets; and the Intermediary shall keep Abbey advised in writing of any facts known to it within the scope of this paragraph 11.2.

- 11.3 Any termination of these Terms by Abbey shall be without prejudice to any other remedies that Abbey may be able to pursue against the Intermediary, including in respect of accrued rights under these Terms.
- 11.4 Upon termination, the Intermediary shall:
- 11.4.1 return to Abbey as soon as reasonably practicable any property belonging to Abbey;
- 11.4.2 cease any and all promotion of Abbey's Business;
- 11.4.3 repay all sums then and subsequently outstanding to Abbey within 28 days of the termination taking effect or on the date such sum is ascertained (if later);
- 11.4.4 be entitled to any unpaid Payments accrued to the date of termination and forfeit entitlement to all other Payments falling due after the date of termination.

## 12 Notices

- 12.1 Any notice under these Terms shall be in writing and may be served by sending the notice by facsimile or first class prepaid post in the case of Abbey to such address as is advised from time to time by Abbey and in the case of the Intermediary to the last address known to Abbey. Any notice shall be deemed to have been received, in the case of:
- 12.1.1 a facsimile 12 hours after the time of dispatch; and
- 12.1.2 first class prepaid post, 48 hours from the time of posting.




## 13 Applicable Law and Jurisdiction

- 13.1 These Terms shall be governed by and construed in accordance with the laws of England and Wales and the Intermediary agrees to the exclusive jurisdiction of the English courts.

## 14 Miscellaneous

- 14.1 Any failure or delay by Abbey or the Intermediary to exercise or enforce any rights under these Terms and/or in law shall not be deemed to operate as a waiver of any such rights nor prejudice their enforcement in any way.
- 14.2 Neither the rights nor the obligations of the Intermediary may be assigned, transferred or subcontracted or otherwise disposed, in whole or in part, without the prior written consent of Abbey.
- 14.3 These Terms set out the entire agreement between Abbey and the Intermediary in substitution of any previous oral, written or implied agreement.
- 14.4 The parties do not intend that any term should be enforceable as a result of the Contracts (Right of Third Parties) Act 1999 by any person who is not party to these Terms.
- 14.5 In the event that any provision in these Terms of Business shall be declared void, voidable, illegal or otherwise unenforceable by a judicial or other competent authority the parties agree that any such provision shall be amended in such reasonable manner as achieves the intention of the parties without conflict with the judicial or other competent authority and that the enforceability of the remaining provisions shall not be affected.
- 14.6 Abbey and the Intermediary undertake to act in good faith in relation to the other party for so long as these Terms remain in force and in particular, but without prejudice to the other terms of this agreement, undertake to discuss any dispute that may arise and seek an amicable settlement in relation to any such dispute. For the avoidance of doubt, this will not prejudice the right of either party to take legal proceedings.
- 14.7 The headings in this agreement shall not affect its construction or interpretation.
- 14.8 Nothing in these Terms should be construed as indicating or giving rise to a joint venture or partnership.
- 14.9 Abbey may from time to time make such relevant searches and checks in respect of the Intermediary and its owners/principals (including in relation to credit worthiness) as it sees fit.
- 14.10 Abbey may at its discretion support the generation of Key Facts Illustrations ('KFIs') by third parties. The Intermediary acknowledges that Abbey has not authorised such third parties to make representations or give warranties on its behalf.

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