



Delegated Authority Agreement Between ARAG plc and Sportscover Europe Limited

Agreement Number: BIN.SPO.1123

ARAG PLC
9 Whiteladies Road
Clifton, Bristol
BS8 1NN

Company number 02585818

Authorised and regulated by the Financial Conduct Authority firm registration number 452369

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DELEGATED AUTHORITY AGREEMENT

PARTIES

This Delegated Authority Agreement, the Schedule and any Appendices attached hereto and any endorsements hereon (together this "Agreement") is made by and between ARAG plc whose address is stated in the Schedule ("ARAG"), and the Agent whose name and address are stated in the Schedule (the "Agent").

BACKGROUND

1. The Agent has sought authority to bind insurances on behalf of ARAG and has agreed to co-operate with and assist ARAG and its representatives in all matters pertaining to such authority and ARAG has agreed to grant such authority on the terms and conditions set out in this Agreement.
2. HDI Global Specialty SE UK (the "**Underwriter**") is an insurance undertaking registered in Germany (commercial register number HRB 211924). Registered Office Roderbruchstraße 26, 30655 Hannover, Germany. The Underwriter is authorised and regulated by Bundesanstalt für Finanzdienstleistungsaufsicht. Deemed authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority (FRN: 659331).

IT IS AGREED as follows:

1. EFFECTIVE DATE AMENDMENTS AND RENEWALS

- 1.1 This Agreement shall take effect only when a copy of this Agreement has been signed by duly authorised signatories on behalf of both ARAG and the Agent and ARAG has confirmed to the Agent in writing receipt of a copy of this Agreement signed by the Agent.
- 1.2 Any amendment to this Agreement shall be evidenced in writing and endorsed hereon and signed by both ARAG and the Agent.
- 1.3 Any renewal of this Agreement shall take effect only when ARAG has received from the Agent signed written acceptance of the terms of the renewal.

2. PERIOD OF AGREEMENT

- 2.1 Subject to Section 1, this Agreement is effective from the Commencement Date stated in Section 2 of the Schedule and shall automatically terminate at midnight on the Expiry Date stated in Section 2 of the Schedule unless cancelled or terminated beforehand in accordance with Sections 4.2,13 or 29.7.

3. PERSONS RESPONSIBLE FOR OPERATION AND CONTROL

- 3.1 Notwithstanding Section 3.2, the persons named in Section 3.1 of the Schedule are responsible for the overall operation and control of this Agreement on behalf of the Agent.
- 3.2 The persons authorised to bind insurances on behalf of the Agent are named in Section 3.2 of the Schedule.

4. GRANT AND SCOPE OF AUTHORITY

- 4.1 ARAG hereby authorises the Agent to:
 - 4.1.1 bind insurances and amendments as set out in Section 4.1 of the Schedule;
 - 4.1.2 act as ARAG's agent in accordance with Section 25 for the purpose of:
 - (a) receiving premiums from insureds;
 - (b) settling refunds to insureds.

- 4.2 The Agent shall comply with any direction, condition or requirement, including any direction to cancel or terminate this Agreement, given to ARAG by the Prudential Regulatory Authority or the Financial Conduct Authority, their successors, or other competent regulatory authority.
- 4.3 In respect of every insurance bound, the Agent shall:
- 4.3.1 issue policies, certificates of insurance, endorsements and such other documents evidencing cover in accordance with Section 15;
- 4.3.2 collect and process premiums and return premiums on ARAG's behalf in accordance with Section 18;
- 4.4 The grant of authority under Sections 4.1 and 4.3 shall be in accordance with the terms and conditions contained in this Agreement.
- 4.5 Nothing in this Agreement shall be construed as creating the relationship of employer and employee between ARAG and the Agent.

5. DELEGATION OF AUTHORITY

- 5.1 The authority granted to the Agent under Section 4.1 shall not be delegated by the Agent to any other person, firm, company or any branch office, unless permitted in accordance with Section 5 of the Schedule and with the prior written approval of ARAG.

6. AUTHORISED CLASSES OF BUSINESS, COVERAGES AND PRODUCT DESIGN

- 6.1 The Agent is authorised to bind insurances only of the classes and for the coverages stated in Section 6.1 of the Schedule, subject to the exclusions stated in Section 7.
- 6.2 All insurances bound hereunder shall be subject to the wordings, conditions, clauses, endorsements, warranties and exclusions as required and set out in Section 6.2 of the Schedule.
- 6.3 Each document evidencing insurance bound shall have attached to it a full copy of each wording, condition, clause, endorsement, warranty, exclusion and any other documents applicable to and forming a part of the individual contract of insurance.
- 6.4 The parties may agree additional classes of business and coverages from time to time and any such additions shall be made in writing, endorsed on this Agreement and signed by both ARAG and the Agent.
- 6.5 The parties shall fulfil the obligations set out in Appendix D attaching to the Agreement.

7. EXCLUDED CLASSES OF BUSINESS AND COVERAGES

- 7.1 The Agent is not permitted to bind the following risks:
- 7.1.1 nuclear risks;
- 7.1.2 risks of financial guarantee, financial default, bankruptcy or insolvency;
- 7.1.3 any other classes of business or coverages not stated in 6.1 of the Schedule.

8. PERIOD OF INSURANCES BOUND

- 8.1 No insurance shall be bound for a period greater than that stated in Section 8.1 of the Schedule.
- 8.2 Every insurance bound shall commence during the period of this Agreement.
- 8.3 No insurance shall be bound further in advance of its inception date than the period stated in Section 8.3 of the Schedule.

- 8.4 No insurance shall be bound which provides for automatic or tacit renewal, unless otherwise agreed by ARAG in writing.
- 8.5 Each insurance bound shall run to its contractual expiry date, unless cancelled or terminated in accordance with its individual cancellation or termination provisions.
- 8.6 Unless otherwise agreed by ARAG, each insurance bound shall attach to the sale of another insurance product and can only be issued with an inception date which coincides with the inception or renewal date of the insurance product to which it is attached.
- 8.7 In the event of cancellation or termination of any insurance bound, the Agent shall comply with any applicable laws and regulations relating to the cancellation or termination of such insurance and to the return of premium, commission, fees, charges and taxes.

9. TERRITORIAL LIMITATIONS

- 9.1 The Agent is authorised to bind insurances only for risks located in the territories stated in Section 9.1 of the Schedule.
- 9.2 The Agent is authorised to bind insurances only for insureds domiciled in the territories stated in Section 9.2 of the Schedule.
- 9.3 The territorial limits of each insurance bound shall not be greater than those stated in the Policy Wording as per Appendix A.

10. PREMIUMS, DEDUCTIBLES AND EXCESSES FOR INSURANCES BOUND

- 10.1 All net premiums for insurances bound shall be calculated as stated in Section 10.1 of the Schedule;

11. OTHER CONDITIONS AND/OR REQUIREMENTS RELATING TO THE OPERATION OF THIS AGREEMENT

- 11.1 The Agent shall comply with any other conditions, amendments and requirements stated in Section 11.1 of the Schedule or endorsed hereon.

12. RENEWAL OF INSURANCES BOUND

- 12.1 The Agent shall maintain adequate records to identify and monitor, within any applicable time frames, all insurances bound which provide for or are subject to any law or regulation requiring automatic renewal or any extension of the period of any insurance bound.
- 12.2 ARAG reserves the right not to renew any insurance previously issued and will notify the Agent of any renewal terms or of its intention not to renew in good time to enable the Agent to notify the insured accordingly prior to the renewal date.
- 12.3 The Agent shall be responsible for the necessary, timely and proper issuance of any notice of non-renewal for individual insurances bound to prevent their automatic renewal.
- 12.4 Where an insured decides not to renew a policy, the Agent will return, if requested to do so, the cancelled confirmation of renewal of such policy to ARAG by the last day of the month following that in which the policy became due for renewal.
- 12.5 In the event of expiry, cancellation or termination of this Agreement, the Agent shall provide ARAG with details of the following as soon as possible and in any event not later than 30 days following the expiry, cancellation or termination date:
 - 12.5.1 all insurances in force at the date of expiry or the effective date of cancellation or termination of this Agreement, which are or may be subject to automatic renewal;

- 12.5.2 all insurances for which terms have been offered preceding the date of expiry or the effective date of cancellation or termination of this Agreement, which could be bound or which may be subject to automatic renewal;
 - 12.5.3 all insurances where automatic renewal cannot be or has not been prevented.
- 12.6 After the initial report by the Agent, the Agent shall continue to provide details of all such insurances on a monthly basis.

13. CANCELLATION AND TERMINATION

- 13.1 Without prejudice to the terms of Sections 13.2, 13.3, 13.7 and 29.7, this Agreement may be cancelled at any time by either party giving to the other not less than:
- 13.1.1 the period of notice in writing as stated in Section 13.1.1 of the Schedule; or (if longer)
 - 13.1.2 the minimum notice period, if any, required by local law.
- 13.2 Any such notice will be effective from the date given, and this Agreement will terminate upon the expiration of the period of such notice.
- 13.3 Unless ARAG specifically notifies the Agent to the contrary in writing, this Agreement will be automatically terminated in the event that the Agent shall:
- 13.3.1 become the subject of voluntary or involuntary rehabilitation or liquidation proceedings;
 - 13.3.2 become the subject of an action in bankruptcy;
 - 13.3.3 make or propose any composition with its creditors or make any assignment for the benefit of its creditors or otherwise acknowledge its insolvency;
 - 13.3.4 have imposed by a court of competent jurisdiction the appointment of an administrator or administrative receiver or equivalent office holder;
 - 13.3.5 have a receiver or equivalent office holder appointed for the whole or any part of the Agent's business;
 - 13.3.6 be merged with, acquired by or otherwise absorbed by any individual, corporation or other business entity or organisation of any kind;
 - 13.3.7 being a partnership, be dissolved by agreement between the partners or by operation of law;
 - 13.3.8 cease, for whatever reason, to be regulated by the Financial Conduct Authority, its successors, or other competent regulatory authority or have any relevant license or authority to conduct business suspended, removed or impaired by any order or decree of any judicial or regulatory authority.
 - 13.3.9 be required by any regulatory body with jurisdiction over the Agent to terminate this Agreement;
 - 13.3.10 be unable to perform any of its obligations under this Agreement as a result of a change in or introduction of legislation or other regulatory requirement or of any interpretation of any legal or regulatory requirement and which would render the performance of this Agreement unlawful.
- 13.4 ARAG may terminate this Agreement immediately or, in its sole discretion, suspend this Agreement for such period as it deems appropriate, at any time by giving written notice to the Agent if:

- 13.4.1 the Agent fails to comply with any of the provisions of this Agreement and, in the case of a breach capable of remedy, fails to remedy this within 30 days after receipt of a notice giving reasonable particulars of the breach and requiring it to be remedied;
 - 13.4.2 the Agent or any past or present director, officer, partner or employee of the Agent or any individual named in this Agreement;
 - (a) is convicted of a criminal offence or had been convicted of a criminal offence prior to the commencement of this Agreement which had not been disclosed to ARAG or is the subject of a regulatory sanction. For the purposes of this Section 13.4.2(a) only, a relevant criminal offence shall be one that involves fraud, dishonesty, financial crime or is any other criminal offence that may materially affect the operation of this Agreement or which may, in ARAG's absolute opinion, bring the Agent or ARAG into disrepute;
 - (b) causes ARAG to be subject to any criminal or regulatory sanction or investigation;
 - 13.4.3 the Agent fails to comply with any relevant law or regulation in the jurisdiction in which it is located or in any other jurisdiction in which the Agent does business or otherwise fails to comply with the requirements of Section 29 of this Agreement;
 - 13.4.4 the separate agreement between the Underwriter and ARAG is terminated.
- 13.5 The Agent shall inform ARAG immediately upon becoming aware of the occurrence of any of the events set out in Sections 13.3 and 13.4.2. Any failure by the Agent so to advise shall not affect the automatic termination of this Agreement under Section 13.3 or ARAG's right to terminate under Section 13.4.
- 13.6 For the purposes of Sub-section 13.7 the following definitions shall apply:
- 13.6.1 **Applicable Law** – means laws and other statutory instruments or subordinate legislation having the force of law [or having been published in the jurisdiction applicable to this Agreement]. For the avoidance of doubt, Applicable Law shall include any applicable statute, ordinance, decree, regulation or bye-law or any rule, circular, directive or any licence, consent, permit, authorisation, concession or other approval issued by any authority which has appropriate jurisdiction
 - 13.6.2 **Change of Law** – means the coming into effect [after the commencement date of this Agreement] of Applicable Law or any applicable judgment of a relevant court of law which changes the interpretation of the Applicable Law.
- 13.7 In the event of a Change of Law, which in the judgement of ARAG makes this Agreement uneconomical or unviable, ARAG shall have the right to either; a) amend the terms of this Agreement or; b) terminate this Agreement. In either case, the following process will be applicable:
- 13.7.1 ARAG shall give the Agent ninety (90) days' written notice of its decision. ARAG shall be under no obligation to provide the Agent with a reason for its decision.
 - 13.7.2 In the event of ARAG giving notice of its intention to amend the terms of this Agreement, the Agent must notify ARAG in writing before the expiry of the ninety (90) day notice period of its acceptance or otherwise of the amended terms.
 - 13.7.3 If the Agent notifies ARAG that it is not prepared to accept the amended terms, ARAG may exercise its right to terminate this Agreement with immediate effect or amend the policy wordings and premiums of the Authorised Classes of Business and Coverages granted under this Agreement.
 - 13.7.4 If the Agent has not confirmed its acceptance of the amended terms by the expiry of the ninety (90) day notice period, ARAG may exercise its right to terminate this Agreement with immediate effect or amend the policy wordings and premiums of the Authorised Classes of Business and Coverages granted under this Agreement.

- 13.8 The receiving party shall immediately acknowledge in writing receipt of any notice of cancellation or termination given by the other party. However, failure to acknowledge receipt of any notice will not prejudice the effect of the notice of cancellation or termination;
- 13.9 Notices of cancellation or termination shall be sent by prepaid registered post to the addresses of the parties as stated in the Schedule. Proof of posting shall be sufficient proof of notice having been served.
- 13.10 Subject to paragraph 13.11, the occurrence of an event associated with membership of the European Union shall not have the effect of:
- 13.10.1 terminating; or
 - 13.10.2 altering or invalidating any term of or discharging or excusing performance under; or
 - 13.10.3 giving any party a unilateral right to alter or terminate,
- this Agreement.
- 13.11 If, as a consequence of an event associated with membership of the European Union, a party is no longer permitted by applicable law or regulation to perform any part of this Agreement:
- 13.11.1 where possible, any terms of this Agreement which conflict with applicable laws or regulations are amended to conform to the minimum requirements of such laws or regulations, failing which;
 - 13.11.2 the parts of the Agreement that are frustrated, for example country specific products / schedules, shall be automatically terminated between ARAG and the Agent with effect from the date that the ARAG or the Agent is no longer permitted to perform those activities.

14. EFFECT OF EXPIRY, CANCELLATION OR TERMINATION

- 14.1 During any period of notice of cancellation or termination of this Agreement, the Agent shall have no authority to extend insurances already bound without the prior written consent of ARAG.
- 14.2 With effect from the date of expiry, cancellation or termination of this Agreement:
- 14.2.1 the Agent shall have no authority to offer terms, bind insurances, renew, cancel, extend, amend or alter in any way insurances already bound without the prior written consent of ARAG;
 - 14.2.2 the Agent remains under a duty to perform its obligations in accordance with the terms and conditions of this Agreement until every insurance has expired or has otherwise been cancelled or terminated the Agent shall deliver promptly to ARAG or as it shall direct all unused policies, certificates of insurance, other documents and other unused materials which it possesses in connection with this Agreement and ensure that any electronic storage and production of such documents ceases;
 - 14.2.3 ARAG's rights to receive monies due in respect of insurances bound shall not be affected and the Agent agrees not to challenge these rights provided always that, if ARAG at its written option collects monies from insurance brokers or other insurance intermediaries, insureds or others from whom monies may be due in respect of insurances bound, ARAG shall give the Agent credit for such sums;
 - 14.2.4 the Agent shall not be entitled to any compensation for loss of agency rights, loss of goodwill or any similar loss;
 - 14.2.5 the Agent shall deliver promptly to ARAG or as it shall direct all unused policies, certificates of insurance, other documents and other unused materials which it possesses in connection

with this Agreement and ensure that any electronic storage and production of such documents ceases.

- 14.3 Where this Agreement has terminated pursuant to Section 13.3.8, or because the Agent otherwise ceases to have any necessary regulatory authorisation (or any relevant exemption therefrom) to perform its obligations hereunder, the Agent will not be under the duty referred to in Section 14.2.2 if its obligations under this Agreement would, if performed, cause it to be in breach of any applicable regulatory prohibition. In such circumstances the Agent shall be under a duty to cooperate with and implement all reasonable instructions from ARAG to affect the transfer of servicing of the insurances bound by the Agent to ARAG or to such third parties as ARAG may appoint. The Agent shall indemnify ARAG for any costs that ARAG incurs in performing or appointing a third party to perform any obligations that the Agent is unable to perform.

15. DOCUMENTS TO BE ISSUED

- 15.1 The Agent shall, prior to the binding of every insurance for new business and renewals, advise the insured, verbally or in writing, of the identity of the Underwriter.
- 15.2 The format of any contract documentation to be issued by the Agent shall be agreed by ARAG prior to use.
- 15.3 All contract documentation (and any endorsements issued) shall comply with all applicable laws and regulations, contain all the agreed terms of the contract (or the endorsement) between the insured and the Underwriter.
- 15.4 The Agent shall issue a policy or certificate in respect of every insurance bound providing appropriate confirmation of cover which makes reference to the agreed terms of the insurance:
- 15.5 Immediately upon binding, the Agent shall issue a policy or certificate as evidence of insurance to the insured or the insured's agent. Policies, certificates and endorsements shall be issued as soon as practicable, but in any event, no later than thirty (30) days after inception, or such earlier date as may be required by applicable law or regulation.
- 15.6 The Agent shall promptly issue such other information and documentation to the insured or the insured's agent as may be required by applicable law or regulation or otherwise in order to fulfil the terms and conditions of the insurance.
- 15.7 The Agent shall retain a copy of all documents issued to an insured or an insured's agent.
- 15.8 ARAG reserves the right to communicate directly with any insured in order to fulfil its contractual responsibilities to the insured, to comply with any regulatory requirements, to operate any premium payment instalment facility, to collect premiums or in the event of expiry, cancellation, termination or suspension of this Agreement.

16. FORM AND APPROVAL OF POLICIES AND CERTIFICATES OF INSURANCE

- 16.1 The Agent shall not, without the prior written approval of ARAG, under any circumstances, vary or purport to vary any of the terms, conditions, premiums or benefits of any insurance provided by ARAG or supply documentation to any insured or any insured's representative which has not been approved by ARAG.
- 16.2 The form of policy or certificate of insurance may be reviewed and amended by ARAG at any time by giving the Agent not less than sixty (60) days' notice in writing.

17. SECURITY OF DOCUMENTS

- 17.1 All stocks of policies, certificates of insurance, endorsements and other documents and any electronic method of storing or producing documentation shall be kept secure at all times. If requested by ARAG, the Agent shall promptly return or destroy all unused documents relating to this Agreement and ensure that any electronic storage and production of such documents ceases.

18. BORDEREAUX, ACCOUNTS AND SETTLEMENTS

- 18.1 All premiums and expenses relating to insurances bound shall be allocated and declared to this Agreement.
- 18.2 The Agent shall prepare premium bordereaux at the interval stated in Section 18.2 of the Schedule until every insurance bound has expired or has otherwise been cancelled or terminated.
- 18.3 The Agent shall produce premium bordereaux in a format agreed by ARAG.
- 18.4 All bordereaux due from the Agent shall be sent to ARAG within the number of days of the end of such bordereaux intervals, as stated in Section 18.4 of the Schedule. In the event of there being no activity during a particular bordereau interval, the Agent shall advise ARAG accordingly within the number of days of the end of such bordereaux intervals as stated in Section 18.4 of the Schedule.
- 18.5 Settlements shall be remitted to ARAG within the maximum number of days of the end of each such bordereaux intervals as stated in Section 18.5 of the Schedule.
- 18.6 Any fees or charges that are agreed to be reimbursed by ARAG to the Agent as a deduction from the premium shall be deducted from the premium bordereaux. All monies payable to ARAG under this Agreement by the Agent shall be paid in full without any deduction set off or counterclaim whatsoever except as required by law or as permitted by this Agreement and time shall be of the essence for all payments due to ARAG under this Agreement.

19. COMMISSIONS

- 19.1 The Agent shall not be permitted to charge commissions and/or fees which exceed the thresholds stated in Section 19.1 of the Schedule without the prior written approval of ARAG.

20. REFUND OF UNEARNED COMMISSIONS

- 20.1 Where any amount of gross premium is to be refunded to an insured, ARAG shall refund the pro rata amount of net premium and the Agent, shall and shall procure that the Broker (if any) and any relevant sub-agent permitted under Section 5 shall, refund its pro rata amount of commission, at the same rates at which such commissions were originally allowed.

21. FEES AND CHARGES

- 21.1 Policy, service and other fees and charges applied by the Agent must not breach any applicable laws or regulations which may be in force at the time. All such policy, service and other fees and charges must be shown separately and not concealed from the insured or ARAG.

22. EXPENSES

- 22.1 The Agent shall bear and pay all charges and expenses incurred by the Agent in the operation of this Agreement.

23. TAXES

- 23.1 It is the responsibility of the Agent:
 - 23.1.1 to ensure the collection and forwarding to ARAG of any insurance premium tax, value added tax or other taxes due from insureds and disbursement of any refunds of such taxes due to insureds; and
 - 23.1.2 to collect taxes due from insureds and pay such taxes to ARAG or, where required by applicable law, to the appropriate authorities and to make any necessary returns and to ensure any disbursements of refunds of such taxes are made to insureds.

- 23.2 All taxes must be shown separately on the policy or certificate issued to the insured and not concealed from the insured or ARAG.
- 23.3 All records in respect of taxes must be maintained for a minimum period of 7 years or in accordance with applicable law if greater.
- 23.4 The Agent shall immediately notify ARAG of any tax inspection or audit in relation to this Agreement or any insurance bound under this Agreement and of the results of such inspection or audit.

24. PREMIUM FINANCE CONTRACTS

- 24.1 The Agent shall not enter into or permit others to enter into premium finance arrangements in the name of and on behalf of ARAG.
- 24.2 If the Agent or any other party enters into a premium finance arrangement in respect of premiums for insurances bound, the arrangements shall be solely in the name and entirely for the account of the Agent or such other party and ARAG will not accept responsibility for any such arrangements.

25. RISK TRANSFER, TRUST AND SEPARATE BANK ACCOUNT

- 25.1 The Agent shall at all times hold:
 - 25.1.1 all premium and insurance premium taxes due to ARAG on behalf of the Underwriter which are received by the Agent; and
 - 25.1.2 any return premium and insurance premium taxes which are received by the Agent from ARAG on behalf of the Underwriter, or an agent of ARAG for onward payment to an insured; andtogether ("Risk-Transferred Money") as agent for ARAG on behalf of the Underwriter for the purposes of the Financial Conduct Authority's Client Assets Sourcebook ("CASS") rule CASS 5.2.3R and such Risk-Transferred Money shall not be client money for the purposes of CASS 5.1.5R.
- 25.2 All monies received by the Agent from or on behalf of ARAG or the Underwriter shall be received by the Agent in a fiduciary capacity and:
 - 25.2.1 shall be received by the Agent as assets of the Underwriter's trust Account. The Underwriters shall own the premium and accept the risk in respect of that premium;
 - 25.2.2 shall on receipt be deposited immediately by the Agent into a premium monies account with assets standing to the credit of that account being held in a fiduciary capacity on behalf of the Underwriter (and/or other insurers or policyholders) for the purpose of the onwards transmission of those monies (for the purposes set out at section 25.2.4) and the monies shall not be otherwise held or retained;
 - 25.2.3 Where premiums are co-mingled with monies held on behalf of Clients, the Underwriter shall acknowledge that premiums held on behalf of the Underwriter shall be in the event of a primary or secondary pooling event (as such terms are defined in the FCA rules) rank subordinate to those of the Client.
 - 25.2.4 the premium monies account referred at section 25.2.2 shall be held at a bank (or other institution regulated for taking deposits as may be agreed by ARAG on behalf of the Underwriter) ("the bank") which is:
 - 25.2.4.1 regulated, supervised and examined by the applicable local regulatory authority; and
 - 25.2.4.2 subject, where applicable, to any national deposit insurance scheme;
 - 25.2.5 the premium monies account shall be operated in accordance with any applicable local laws or regulatory requirements and:

- 25.2.5.1 shall be clearly identified to the bank as a premium monies account;
- 25.2.5.2 may not be used by the Agent for any purpose other than for the purpose of settling accounts with ARAG on behalf of the Underwriter (or other insurers with whom the Agent does business) or the payment of commissions, premium refunds or claims to clients or any other transactions where expressly authorised by the Underwriter. For the avoidance of doubt, and without prejudice to the generality of the foregoing, the Agent may not invest these monies in any way without the prior written consent of the Underwriter;
- 25.2.5.3 the assets held in the premium monies account may not be commingled with assets in respect of the Agent's general or operating account.
- 25.2.6 shall be identified in the Agent's book of account, separately from other funds similarly held by the Agent for other insurers and/or the Underwriter, such book of account to be reconciled on a regular basis, not less than monthly, with records being retained for inspection by the Underwriter or their representatives, who shall have the right at any time, without restriction or limitation to inspect and audit such records, and to make copies or extracts of any such records;
- 25.2.7 the Agent shall take all reasonable steps as may be requested by ARAG on behalf of the ~~insureds~~ Underwriter to put the bank on notice as to the nature of the premium monies account and that the bank is not to be entitled to any charge, encumbrance or lien, or right of set-off, combination, compensation or retention against monies standing to the credit of the premium monies account;
- 25.2.8 Where required by any statute, law, or regulation, this Section shall also provide authority from ARAG on behalf of the Underwriter for the Agent to retain for their own use and benefit any interest which shall accrue, in accordance with the terms of the Agreement, to the account described in Section 25.2.2.

26. RECORDS AND REPORTS REQUIRED BY ARAG

- 26.1 The Agent shall establish and maintain complete records relating to all insurances bound. In particular, but without limitation, the Agent shall maintain copies of all correspondence with insureds and a detailed historical log of all telephone calls made and received, including but not limited to written notes recording the reasons for, and the nature and outcome of, the conversations held with insureds.
- 26.2 The Agent shall provide to ARAG on request, copies of its audited accounts and financial statements and any return made to the Financial Conduct Authority or other competent authority and such other information relating to the Agent and to the business transacted under this Agreement as ARAG may reasonably require.
- 26.3 The Agent shall, and shall procure that any sub-agent permitted under Section 5 or third party holding Risk-Transferred Money shall, permit access to the Agent's and any permitted sub-agent's or third party's premises for ARAG, the Underwriter and the Prudential Regulation Authority and the Financial Conduct Authority, its successors and any other competent regulatory authority and their respective representatives at all times during normal business hours, without any restriction or limitation, to inspect and audit any records, information, accounts and business processes of the Agent relating to insurances bound and to the operation of this Agreement and to make copies or extracts of any such records and the Agent and any permitted sub-agent or third party shall provide all necessary copying and printing facilities free of charge.
- 26.4 The Agent shall retain all records relating to all insurances bound for a minimum of 7 years or for such longer period as may be required by applicable law or regulation.
- 26.5 The provisions of Sections 26.3 to 26.4 shall survive expiry, cancellation or termination of this Agreement.

27. ADVERTISING AND INTELLECTUAL PROPERTY

- 27.1 The Agent may only refer (or permit any other party to refer) to ARAG in any publicity, letterheads, directories or advertising material, whether in print, electronic or any other form or media, in accordance with the rules and guidelines issued by and with the agreement of ARAG and subject to all local regulatory requirements.
- 27.2 The Agent must agree with ARAG any specific marketing material and documentation used in relation to the insurances to be bound. The Agent shall seek the approval of ARAG of all draft marketing material and documentation, including financial promotions, to be used in relation to the insurances to be bound.

28. INDEMNITY INSURANCE AND INDEMNITY

- 28.1 The Agent shall maintain, for the duration of the Agreement, indemnity insurance that meets the current FCA prescribed minimum standards, providing coverage in connection with the operation of the Agreement for any liability arising out of negligent acts, errors or omissions by the Agent including any past or present director, officer, partner or employee of the Agent.
- 28.2 The Agent shall provide ARAG or its representatives with evidence acceptable to ARAG confirming such insurance if requested.
- 28.3 The Agent shall inform ARAG of any changes to the indemnity insurances providing coverage in connection with the operation of this Agreement.
- 28.4 If the Agent has delegated any authority to any sub-agent pursuant to Section 5, or permitted any other third party to hold Risk-Transferred Money, then the Agent shall at all times remain responsible for the acts and omissions of such permitted sub-agent or third party.
- 28.5 If any such sub-agent fails to observe, perform or discharge any of its duties or obligations under the authority delegated to it, or if any such sub-agent or third party fails to pay, when due, any premium or other sum owing to ARAG, the Agent shall indemnify ARAG against all liability, claims, demands, damages, loss, debt, interest, costs and expenses incurred or suffered by ARAG by reason of such failure or non-payment. The Agent shall, on first written demand, pay to ARAG, without any deduction or set-off, the amount of that liability, claims, demands, damages, loss, debt, interest, costs and expenses.

29. COMPLIANCE WITH THE LAW, SANCTIONS, FINANCIAL CRIME AND CONDUCT RISK

- 29.1 The Agent warrants and represents to ARAG that:
- 29.1.1 the answers given in the Agent's agency application to ARAG were, when given and are as at the date of this Agreement complete, correct and accurate in all respects and are not misleading;
 - 29.1.2 there is no fact or matter which has not been disclosed to ARAG by the Agent which renders any such answers inaccurate or misleading or the disclosure of which might reasonably affect ARAG's willingness to enter into or continue this Agreement;
 - 29.1.3 the Agent will notify ARAG in writing immediately upon any change which renders any of such answers incomplete, incorrect or inaccurate together with sufficient details to enable ARAG to assess accurately the impact of such change;
 - 29.1.4 the Agent has and shall continue to maintain during the term of this Agreement all necessary licences, authorisations, registrations, consents, approvals, or exemptions required to perform its obligations or exercise its rights under this Agreement in accordance with all applicable laws and shall notify ARAG in writing immediately if any such licences, authorisations, registrations, consents, permissions, approvals and exemptions are cancelled, withdrawn or are subject to any restriction.

- 29.2 Without prejudice to any of the rights or obligations otherwise specified in this Agreement, the Agent shall comply with all applicable laws and regulations for the legal and proper solicitation and handling of all insurances bound or intended to be bound and shall use its best endeavours to ensure that any other parties with whom it deals in carrying out its duties under this Agreement comply with such laws and regulations where applicable.
- 29.3 The Agent shall not undertake any activity in any way that would constitute a criminal act in the jurisdiction in which it is located or doing business, or which would expose ARAG to any criminal or regulatory sanction.
- 29.4 The Agent shall conduct its business in accordance with all relevant anti-money laundering and international economic or financial sanctions legislation. In addition, the Agent will not act contrary to any additional anti-money laundering or international economic or financial sanctions requirements notified to the Agent by ARAG, other than where compliance with those requirements would be contrary to local law.
- 29.5 The Agent, on behalf of ARAG, shall not provide cover or pay any claim or provide benefit hereafter to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Agent or ARAG to any sanction, prohibition or restriction under any applicable international economic or financial sanctions legislation.
- 29.6 The Agent shall not and shall not permit its directors, officers, employees, agents, representatives or sub-contractors to, accept, offer or facilitate payment, consideration or any other benefit which constitutes an illegal or corrupt practice contrary to any applicable anti-bribery legislation in the United Kingdom or in the jurisdiction in which it is located or doing business.
- 29.7 The Agent will provide all reasonable assistance in connection with ARAG's Agent due diligence and audit procedures.
- 29.7.1 This will include the prompt and diligent completion of ARAG's Coverholder Declaration, which should be completed and signed by a suitably qualified and senior member of the Agent's Management Team. The Coverholder Declaration will normally be requested every 1, 2 or 3 years depending on premium income and the distribution channels used by the Agent for the sale of the ARAG product(s). ARAG reserves the right to amend this frequency at its discretion and without notice.
- 29.7.2 The Agent will make all reasonable efforts to provide ARAG with suitable supporting documentation, procedures or processes as requested and directed in the Coverholder Declaration document.
- 29.7.3 Where the Coverholder Declaration review process results in additional information and/or documentation being required by ARAG to complete the due diligence process, the Agent will respond to any such requests in a timely manner and will not create any unreasonable delays or barriers to the provision of this additional information and/or documentation.
- 29.7.4 Where the Agent is unwilling to release certain documentation, procedures or processes which are considered to be confidential, the Agent will allow these to be inspected at the Agent's premises by a member of the ARAG Conduct Team.
- 29.7.5 In addition to the Coverholder Declaration procedure described above, ARAG will also conduct a Distribution Audit of the Agent's relevant documentation/procedures/processes, where the ARAG product(s) are available to purchase from the Agent's (or Aggregators) website or through the Agent's Contact centre operation. Where either or both of these distribution channels are used, the Distribution Audit will be undertaken every 1 or 2 years depending on the level of annual premium income generated by the Agent. ARAG reserves the right to amend this frequency at its discretion and without notice.
- 29.7.6 The Agent will make all reasonable efforts to provide ARAG with suitable documentation/procedures/processes to complete the necessary Distribution Audit.

- 29.7.7 Should ARAG's Due Diligence procedures discover that any aspect of the Agent's conduct is non-compliant, the Agent will carry out any remedial action as directed by ARAG following the Coverholder Declaration or Distribution Audit process.
- 29.7.8 Should the Agent refuse to carry out the necessary remedial action or fail to do this within the timescale set by ARAG, ARAG has the right to temporarily withdraw the Agent's authority to sell the ARAG product(s) until such time that the remedial action has been carried out and suitable evidence provided by the Agent to ARAG's satisfaction.
- 29.7.9 Should the Agent refuse to carry out the necessary remedial action, or fail to do this within a reasonable timescale, ARAG reserves the right to terminate this Agreement with immediate effect.
- 29.8 The Agent shall not be permitted to charge a higher gross premium for a renewing insured than the gross premium that would be available for the equivalent cover and terms to a new business insured where that business is derived through:
- 29.8.1 the same distribution channel;
- 29.8.2 any delegated authority set out in Section 5.1 of the Schedule.
- 29.9 The Agent shall maintain on an ongoing basis appropriate systems, procedures and controls designed to prevent any breach of this Section 29.

30. TRAINING AND COMPETENCE AND TREATING CUSTOMERS FAIRLY

- 30.1 The Agent shall ensure that at all times any person distributing or binding insurance pursuant to this Agreement, including any person to whom the Agent has delegated authority pursuant to Section 5, has a proper understanding of the features of the insurance, is properly trained and competent to offer the insurance and that their training and competency is maintained throughout the term of this Agreement.
- 30.2 The Agent shall, and shall procure that any person to whom the Agent has delegated authority pursuant to Section 5 shall, at all times pay due regard to the interests of the insureds and treat them fairly and in particular shall:
- 30.2.1 ensure that the fair treatment of insureds is central to their corporate culture;
- 30.2.2 offer insurance only to the consumer groups for which the insurance is designed;
- 30.2.3 provide insureds with clear information about the insurance before, during and after the point of sale, as appropriate;
- 30.2.4 if they provide advice to an insured, ensure that the advice is suitable and takes account of the insured's circumstances;
- 30.2.5 ensure that the insurance performs as insureds have been led to expect and ensure that the associated service is of an acceptable standard and as insureds have been led to expect;
- 30.2.6 not impose unreasonable post-sale barriers to change a policy, submit a claim or make a complaint.

31. COMPLAINTS OR PROCEEDINGS

- 31.1 Subject to any specific procedures agreed under Sub-section 31.2, the Agent shall promptly notify ARAG of all complaints made in relation to insurances bound under the Agreement
- 31.2 The Agent shall implement and maintain such procedures as may be required by ARAG to ensure that complaints can be dealt with in a prompt and reasonable way in compliance with all applicable laws and regulation

- 31.3 In all cases the Agent shall notify ARAG promptly upon becoming aware of any matter arising out of the operation of or in connection with the Agreement which:
- 31.3.1 is likely to adversely affect the reputation of the Agent or the Underwriter;
 - 31.3.2 may affect any legal or regulatory authorisations of ARAG or any authorisations which the Underwriter has to conduct insurance business; or
 - 31.3.3 may result in litigation or other legal or regulatory proceedings or action being commenced against ARAG or the Underwriter;
- 31.4 Where the Agent is aware of any legal or regulatory proceedings or actions commenced against ARAG or the Underwriter arising out of the operation of or in connection with the Agreement the Agent shall provide ARAG with full details of the same.

32. DATA PROCESSING AND DATA SECURITY ATTACHMENT

32.1. The following definitions shall apply to this Section

"Data Controller, Data Subject, Personal Data, Processor and Processing"	shall have the respective meanings given to them in applicable Data Protection Legislation from time to time (and related expressions, including process, processing, processed, and processes shall be construed accordingly).
"Data Protection Legislation"	means all applicable data protection and privacy legislation, regulations and guidance including, without limitation: (i) Data Protection Act 2018 and Regulation (EU) 2016/ 679 ("GDPR"), the Privacy and Electronic Communications (EC Directive) Regulations (all as amended, updated or re-enacted from time to time), any law based on or seeking to enact any such provisions in the United Kingdom to the GDPR; and (ii) any applicable guidance or codes of practice issued by Working Party 29, the European Data Protection Board or Information Commissioner from time to time (all as amended, updated or re-enacted from time to time).
"Personnel"	means any employee, officer or director, or an individual working as a consultant, independent contractor or agent, and/or temporary worker of a party.
"Security"	means a party's technological, physical, administrative, organisational and procedural safeguards, including, without limitation, policies, procedures, guidelines, practices, standards, controls, hardware, software, firmware and physical security measures, the function or purpose of which is, in whole or part, to: (a) protect the confidentiality, integrity or availability of Personal Data; (b) prevent the unauthorized use of or unauthorized access to Personal Data; (c) prevent the loss, theft or damage of Personal Data; or (d) comply with Data Protection Legislation.
"Security Breach"	means any actual, threatened, or reasonably suspected: (a) unauthorised use of, or unauthorized access to Personal Data, damage to, or inability to access, Personal Data due to a malicious use, attack or exploit of such Personal Data; (b) unauthorized access to, theft of or loss of Personal Data; (c) unauthorized use of Personal Data for purposes of actual, reasonably suspected or attempted theft, fraud, identity theft or other misuse; (d) unauthorized disclosure of Personal Data.

GENERAL OBLIGATIONS

- 32.2. For the purposes of this Agreement, the parties acknowledge that each are Data Controllers.
- 32.3. Each party shall comply with its obligations under the Data Protection Legislation when Processing Personal Data.
- 32.4. Both parties shall at all times remain responsible for the acts and omissions of their respective Personnel and Sub-Agents.

SECURITY

- 32.5. Both parties shall implement appropriate technical and organisational measures, pursuant to Article 32 of the GDPR, to ensure a level of Security appropriate to the risk involved in this agreement to:
 - 32.5.1. protect all Personal Data from unauthorized use, alteration, access or disclosure, and loss, theft, and damage, and to protect and ensure the confidentiality, integrity and availability of Personal Data; and
 - 32.5.2. prevent a Security Breach.
- 32.6. Both parties shall keep accurate records of the Security measures which they have in place to protect Personal Data.

RECORDS AND NOTIFICATION

- 32.7. Both parties shall:
 - 32.7.1. keep a record of any Personal Data Processing it carries out;
 - 32.7.2. notify the other party promptly (but in any event within 24 hours) should it
 - 32.7.2.1. receive any Data Subject access request or complaint or any information notice, enforcement notice or other correspondence from a Regulator, individual or third party in respect of the other party;
 - 32.7.2.2. suffer a Security Breach relating to the other party's data
 - 32.7.2.3. become aware of any circumstance which may cause the other party to breach this Data Protection clause, or which may cause the other party to breach the Data Protection Legislation.

33. GENERAL PROVISIONS

- 33.0 **Interpretation:** In this Agreement, words importing the singular shall include the plural and vice versa. Headings are included for ease of reference and convenience only and shall not affect the interpretation of this Agreement. References to "**law**" include references to any applicable, common or customary law and any treaty, constitution, statute, legislation, decree, rule, regulation, judgement, order, writ, injunction, determination, award or other legislative or administrative measure or judicial or arbitral decision in any jurisdiction which has the force of law or compliance with which is in accordance with the general practice of such jurisdiction. All legal instruments and rules referred to within the policy shall include any subsequent amendment or replacement legislation.
- 33.1 **Waiver:** The rights of each party under this Agreement may be waived only in writing and specifically. No failure or delay in exercising any right will operate as a waiver of it. No waiver by either party of any breach or non-fulfilment by any other party of any provisions of this Agreement shall be deemed to be a waiver of any subsequent or other breach of that or any other provision and no failure to exercise or delay in exercising any right or remedy under this Agreement shall constitute a waiver of that right or remedy.

No single or partial exercise of any such right, power or remedy shall preclude any other or further exercise of it or the exercise of any other right, power or remedy provided by law or under this Agreement.

- 33.2 **Previous agreements superseded:** This Agreement supersedes any previous agreement, written or oral, express or implied, between the parties or any of them, relating to its subject matter.
- 33.3 **Entire Agreement:** This Agreement represents the entire agreement between the parties in relation to its subject matter, and each party acknowledges that in entering into this Agreement it has not relied on any warranty, representation or inducement (written or oral, express or implied) by the other parties to this Agreement, or by any other person.
- 33.4 **No Assignment:** The Agent shall not without the prior written consent of ARAG assign, transfer, charge or deal in any other manner with this Agreement or any of its rights under it, or purport to do any of the same, nor sub-contract any or all of its obligations under this Agreement.
- 33.5 **Severability:** Each of the provisions of this Agreement is severable. If any term of this Agreement is or becomes illegal, invalid or unenforceable, either in whole or in part, in any respect under the law or any jurisdiction that shall not affect or impair in that jurisdiction the legality, validity, illegality or enforceability of any other term of this Agreement and the remainder of the provision in question shall not be affected and shall remain in full force and effect.
- 33.6 **No Partnership:** Nothing in this Agreement shall constitute or be deemed to constitute any partnership relationship between the parties.
- 33.7 **Variation:** The provisions of this Agreement may only be varied or supplemented by written agreement between the parties signed by the parties or their duly authorised representatives.

34. NOTICES

- 34.1 Any notice or communication required or permitted to be given by one party to the other party under this Agreement shall only be effective if it is in writing.
- 34.2 Any letter, communication or other document shall be deemed to have been duly served on the Agent if it is addressed to the Agent and is sent by first class pre-paid post or delivered by hand to the address stated in the Schedule or otherwise notified by the Agent to ARAG in writing.
- 34.3 Any letter, communication or other document shall be deemed to have been duly served on ARAG if it is addressed to ARAG and sent by first class pre-paid post or delivered by hand to ARAG's registered office for the time being.
- 34.4 A notice or communication shall be deemed to have been served if delivered by hand at the time of delivery or if sent by first class pre-paid post at the expiration of 48 hours after the time of posting.
- 34.5 A notice or communication sent via electronic mail shall be deemed to have been sent by either party at the time of transmission if it is subsequently confirmed by a copy sent within three working days by recorded or first class delivery or by courier or by hand.

35. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Agreement but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

36. FORCE MAJEURE

- 36.1 Neither party shall be liable for any breach of its obligations under this Agreement resulting from a force majeure event.
- 36.2 The party affected by the force majeure event shall:

- 36.2.1 notify the other party in writing as soon as reasonably possible upon becoming aware of a force majeure event affecting the ability of the party giving notice to perform any of its obligations under this Agreement, such notice to contain details of the circumstances giving rise to the force majeure event and its anticipated consequences;
- 36.2.2 promptly provide the other party with any further information which that other party reasonably requests about the force majeure event or its anticipated consequences;
- 36.2.3 not be excused performance of any of its obligation(s) unaffected by the force majeure event.
- 36.3 For the purposes of this Clause, a force majeure event shall be defined as meaning, in relation to each party, any event or circumstance which (subject to (i) and (ii)) is beyond the reasonable control of the party. For these purposes, an event or circumstance shall not be treated as beyond the reasonable control of a party if, (i) the event or circumstance would have been prevented if that party had complied with its obligations under this Agreement, or (ii) the event or circumstance results from or is constituted by any fraud or illegality by that party or by a group company of that party or either of its or their officers or employees.

37. JURISDICTION AND GOVERNING LAW

This Agreement is subject to English law and practice and to the exclusive jurisdiction of the English courts.

SCHEDULE

This Schedule forms part of this Agreement. For the purposes of interpretation, the contents of this Schedule shall have meaning only as provided for in this Agreement.

Agreement Number:	BIN.SPO.1123
	PARTIES
ARAG: Address:	ARAG plc (company number 02585818) 9 Whiteladies Road Clifton Bristol BS8 1NN
PRA/FCA Registration number:	452369
The Agent: Address:	Sportscover Europe Limited First Floor 75-77 Cornhill London United Kingdom EC3V 3QQ
FCA Registration number:	308372
AGREEMENT SECTION NUMBER	NARRATIVE
Section 2.1	PERIOD OF AGREEMENT:

	From: 20.11.2023 (“Commencement Date”)
	To: 19.11.2023 (“Expiry Date”)
Section 3.1	<p>THE PERSONS RESPONSIBLE FOR THE OVERALL OPERATION AND CONTROL ON BEHALF OF THE AGENT:</p> <p>Martin John Crannis</p>
Section 3.2	<p>THE PERSONS AUTHORISED TO BIND INSURANCES ON BEHALF OF THE AGENT:</p> <p>Martin John Crannis</p>
Section 4.1	<p>SCOPE OF AUTHORITY</p> <p>The Agent is authorised to bind ARAG to policies of insurance in the form set out in Appendix A at the net premium rates set out in Appendix B and in accordance with the other terms and conditions set out in this Agreement.</p> <p>The Agent shall have no authority:</p> <ol style="list-style-type: none"> 1. to bind ARAG to any policy of insurance or any other contract whose terms or conditions are not strictly the same as those set out in Appendix A; or 2. to agree or purport to agree to amend, vary or waive the eligibility requirements for a policy, the scope of insurance cover, the exclusions, or any other term or condition of a policy, unless agreed in writing by ARAG and endorsed on this Agreement; or 3. to represent to an insured or to a potential insured that a policy’s terms and conditions differ from those set out in Appendix A or to describe the cover and benefits provided by a policy differently from those set out in Appendix A; or 4. to use ARAG’s name in relation to any other insured or non-insured product or service; or 5. to offer or agree to pay to any other person, firm or company any underwriting profit share or other similar profit commission.
Section 5.1	<p>DELEGATION OF AUTHORITY</p> <p>The Agent is not permitted to delegate the authority to bind ARAG granted under clause 4.1 to third parties without the prior written approval of ARAG.</p>
Section 6.1	<p>AUTHORISED CLASSES OF BUSINESS AND COVERAGES:</p> <p>Legal Expenses” - contracts of insurance against risks of loss to the persons insured attributable to their incurring legal expenses (including costs of litigation) on both a “before the event” (BTE) and “after the event” (ATE) basis;</p> <p>“Professional Expenses” – contracts of insurance against risks of loss to the persons insured attributable to their incurring professional expenses as a result of investigations by HM Revenue & Customs;</p> <p>(subject to the terms, conditions, exclusions and limitations of this Agreement)</p>
Section 6.2	<p>WORDINGS, CONDITIONS, CLAUSES, ENDORSEMENTS, WARRANTIES AND EXCLUSIONS APPLICABLE TO INSURANCES BOUND:</p> <p>A specimen copy of any policy document to be issued pursuant to the Agreement must be approved in advance by ARAG. Documents approved as at the date hereof are detailed in Appendix A of this Agreement:</p>

	<p>Policy Wording:</p> <p>Essential Business Legal EBLPW.11-22HDI Sportscover</p> <p>Claims Restrictions (Optional schemes):</p> <table border="1" data-bbox="459 412 1259 1205"> <thead> <tr> <th data-bbox="459 412 770 479">Dispute History</th> <th data-bbox="770 412 1029 479">Terms</th> <th data-bbox="1029 412 1259 479">Refer to ARAG</th> </tr> </thead> <tbody> <tr> <td data-bbox="459 479 770 577">No claims declared – clean risk</td> <td data-bbox="770 479 1029 577">No referral to ARAG required</td> <td data-bbox="1029 479 1259 577"></td> </tr> <tr> <td data-bbox="459 577 770 712">1 claim in last 3 years (total legal costs below £10,000)</td> <td data-bbox="770 577 1029 712">No referral to ARAG required</td> <td data-bbox="1029 577 1259 712"></td> </tr> <tr> <td data-bbox="459 712 770 846">1 claim in last 3 years (total legal costs more than £10,000)</td> <td data-bbox="770 712 1029 846"></td> <td data-bbox="1029 712 1259 846">✓</td> </tr> <tr> <td data-bbox="459 846 770 945">2 or more claims in the last 3 years</td> <td data-bbox="770 846 1029 945"></td> <td data-bbox="1029 846 1259 945">✓</td> </tr> <tr> <td data-bbox="459 945 770 1205">Any existing circumstances that could rise to a claim under the policy, e.g. impending redundancies or restructure (New Business only)</td> <td data-bbox="770 945 1029 1205"></td> <td data-bbox="1029 945 1259 1205">✓</td> </tr> </tbody> </table>	Dispute History	Terms	Refer to ARAG	No claims declared – clean risk	No referral to ARAG required		1 claim in last 3 years (total legal costs below £10,000)	No referral to ARAG required		1 claim in last 3 years (total legal costs more than £10,000)		✓	2 or more claims in the last 3 years		✓	Any existing circumstances that could rise to a claim under the policy, e.g. impending redundancies or restructure (New Business only)		✓
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Any existing circumstances that could rise to a claim under the policy, e.g. impending redundancies or restructure (New Business only)		✓																	
Section 8.1	<p>PERIOD OF INSURANCES BOUND:</p> <p>12 months (plus odd time not exceeding 18 months in total)</p>																		
Section 8.3	<p>MAXIMUM ADVANCE PERIOD FOR INCEPTION DATES:</p> <p>60 days</p>																		
Section 9.1	<p>RISKS LOCATED IN:</p> <p>United Kingdom, Channel Islands & Isle of Man</p>																		
Section 9.2	<p>INSUREDS DOMICILED IN:</p> <p>United Kingdom, Channel Islands & Isle of Man</p>																		
Section 10.1	<p>BASIS FOR THE CALCULATION OF NET PREMIUMS:</p> <p>As per Appendix B</p> <p>(1) Premium rates may be reviewed and amended by ARAG at any time by giving the Agent not less than 90 days’ notice in writing.</p> <p>(2) The Agent may set the gross premium charged to insureds provided that such gross premium shall at all times be “fair” within Principle 6 of the FCA’s Principles for Business and in compliance with the finalised guidance contained in FG19/5 (November 2019). The Agent may, at its discretion, charge an insured a lower gross</p>																		

	<p>premium than the net premium or distribute the insurance free of charge to an insured, but in any such case:</p> <p>(a) the Agent must promptly notify ARAG that it has done so and give full details of the amount actually charged to the insured;</p> <p>(b) the Agent must pay the net premium to ARAG (and if the gross premium paid by the insured is less than this amount then the Agent shall be responsible for paying any shortfall);</p> <p>(c) the Agent must collect and pay to ARAG the appropriate amount of IPT or other taxes (if any) on the gross premium. For the avoidance of doubt, the minimum gross premium for the purposes of calculating IPT is an amount equal to the net premium.</p> <p>(3) If insurance premium tax, value added tax or any other tax, duty or levy is or becomes chargeable or the rate is changed in respect of any insurance bound under this Agreement, then the Agent shall charge the appropriate rate of tax, duty or levy to the insured. If the gross premium is collected in instalments by direct debit, the collecting party shall charge the new rate of tax, duty or levy on any further instalments after the date any such change comes into force.</p>
Section 11.1	<p>OTHER CONDITIONS AND /OR REQUIREMENTS RELATING TO THE OPERATION OF THIS AGREEMENT:</p> <p>Suitability Restrictions:</p> <p><u>Commercial:</u></p> <p>Commercial cover is not suitable for:</p> <ul style="list-style-type: none"> ➤ Non commercial risks ➤ Non-UK based risks ➤ Risks that require landlord and tenant disputes cover as a landlord <p>The addition of Commercial cover must attach to another insurance product sale.</p>
Section 13.1.1	<p>PERIOD OF NOTICE OF CANCELLATION:</p> <p>90 days</p>
Section 18.2	<p>PREMIUM BORDEREAUX INTERVAL:</p> <p>Monthly</p>
Section 18.3	<p>FORM OF PREMIUM BORDEREAUX</p> <p>As per Appendix C</p>
Section 18.4	<p>MAXIMUM PERIOD FOR SUBMISSION OF BORDEREAUX:</p> <p>30 days</p>
Section 18.5	<p>MAXIMUM PERIOD FOR REMITTANCE OF SETTLEMENTS:</p> <p>30 days</p>


Section 19.1

COMMISSIONS:

Unless ARAG has otherwise given prior written agreement to the Agent, the commission and/or fees charged by the Agent shall not exceed:

1. 50% of the gross premium payable by the insured, excluding insurance premium tax;
or
2. £35.00 excluding insurance premium tax,

whichever is the greater.

Agreement Number: BIN.SPO.1123	
SIGNATURE OF THE AGENT	
In accordance with Section 1, this Agreement is signed on behalf of the Agent as acceptance of the terms and conditions of this Agreement inclusive of any attachments identified in the Schedule.	
	
Signed and accepted on behalf of the Agent	
Martin Crannis - CEO	
Name and Position of Signatory	
16th October 2023	
Date of Signature	

ACKNOWLEDGEMENT OF ARAG	
Signed and accepted on behalf of ARAG plc	
Name and Position of Signatory	
Date of Signature	

APPENDIX A

Policy Wordings

Essential Business Legal

EBLPW.11-22HDI Sportscover

APPENDIX B

Premium Rates

518223 – Essential Business Legal

Cover:

Employment
Employment compensation awards
Employment restrictive covenants
Tax investigations & VAT disputes
Legal nuisance, trespass, or damage to property
Legal defence
Compliance & regulation
Statutory licence appeals
Loss of earnings
Personal injury
Executive suite
Contract & debt recovery
Crisis communication
Charity commission appeals

Helplines & Support:

Legal & tax advice helpline
Redundancy assistance
Executive suite ID theft resolution
Crisis communication
Counselling helpline
Business legal services

Limit of Indemnity : £100,000
Selling Method : Voluntary
Net rate :

Turnover	Net rate
£0 - £500,000.00	£24.00
£500,000.01 - £1,000,000.00	£43.20
£1,000,000.01 - £2,500,000.00	£93.60
In excess of £2,500,000.00	Refer

IPT payable on the Gross premium

APPENDIX C

Bordereau Format

Bordereaux should contain the following information and be submitted in either Excel or .csv format:

- Certificate number
- ARAG policy number
- Inception date
- Expiry date
- Policyholder name
- Policyholder address
- Post code
- Policyholder country
- Date of birth (personal only)
- Transaction date
- Transaction type
- Cancellation date
- Net rate to ARAG
- IPT
- Total amount payable to ARAG
- Gross premium payable by policyholder

APPENDIX D

Product Design

For the purposes of the Insurance Distribution Directive, ARAG and the Agent fulfil the activities as described below.

Manufacturer: ARAG is the product manufacturer.

ARAG and the Agent shall apportion their respective responsibilities in respect of the activities listed below as follows:

Activity		Responsibility
1.	Product approval process	ARAG
2.	Target Market	ARAG
3.	Product Testing	ARAG
4.	Product Monitoring & Review	ARAG
5.	Distribution Channels	ARAG and Agent
6.	IPID development	ARAG
7.	Setting Retail Price of Product(s)	Agent
8.	GIPP Reporting (PS 21/5)	Agent
9.	FCA Values Measures Reporting (PS 20/9)	ARAG