

INTERMEDIARY AGREEMENT

for Insured Contracts



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Intermediary Agreement for Insured Contracts

This Agreement regulates the relationship between:

- i. London & Colonial Assurance PLC (hereinafter called the "Insurer") a company registered in Gibraltar under No 80650 whose registered office is at PO Box 199 57/63 Line Wall Road, Gibraltar.
- ii. The Firm whose details are set out separately in the London & Colonial Intermediary Application form.

1. Definitions

In this Intermediary Agreement:

1.1 "Act" means the UK Financial Services and Markets Act 2000

"Administrator" means London & Colonial Services Limited whose registered office is at 38-42 Perrymount Road, Haywards Heath, West Sussex, RH16 3DN

"Authorisation" means authorisation:

- for the purposes of the Act to carry on designated investment business as defined in the Act.
- to carry on an activity in a jurisdiction outside of the UK which requires that person to be authorised in that jurisdiction.

"Authorised Person" means a person who has Authorisation.

"Business" means all long-term insurance business as defined in the Act

"Financial Services Authority" means the regulatory body of that name referred to in the Act.

"Firm" means either an Exempt Professional Firm or an Authorised Person, and for the purposes of this Intermediary Agreement a Firm can be a sole trader, partnership or body corporate and references to "its" shall be construed accordingly.

Head Office means the Insurer's principal place of business for the time being and whose address is PO Box 371, 85 Main Street, Gibraltar.

"Intermediary Agreement" means this intermediary agreement and its appendices and any schedules to them as amended from time to time in accordance with the terms of this agreement.

"We" means the Insurer and "us" and "our" have corresponding meanings.

"You" means the Firm and "your" has a corresponding meaning.

1.2 References to legislation and regulations shall be taken to include all replacement legislation and regulations and where the context allows, the singular shall include the plural and the masculine shall include the feminine and neuter and vice versa.

2. Authorisation

- 2.1 You agree that you will comply with the regulatory and legal obligations for your continued Authorisation and that you will comply with all appropriate rules of any self-regulatory organisation or professional body of which you are a member and you further agree to inform us of any failure to do so. In particular you undertake to inform us if your Authorisation lapses or is suspended or withdrawn.
- 2.2 Any payments to you under the provisions of this agreement and disclosure of charges to a client shall be subject to the provisions of all appropriate regulatory bodies.
- 2.3 We shall refuse Business from you if you cease to be authorised, and we reserve the right at any time, whether or not you continue to be Authorised, to cease to accept Business from you, or to refuse any particular Business proposed by you without giving reason.

3. Agency

- 3.1 You may act as principal if so authorised. You may act as our agent only to the extent if any that you are permitted to do so by us in writing.
- 3.2 Except in relation to Clause 3.1 and except in relation to your responsibilities in this Agreement, you will be the agent of the client but the provisions in relation to payments apply whether or not you receive payment from the client.

4. Payments

- 4.1 You will be remunerated by us in respect of products and services provided to or for the benefit of clients introduced by you only if the terms of those products and services so provide. The remuneration shall be subject to all relevant provisions of this Agreement and shall be in accordance with the amount that the client has agreed to in writing or on such other basis as we may notify to you from time to time.
- 4.2 Where Business submitted by you has a cooling off period, we will make a payment only after that cooling off period has expired.
- 4.3 All sums due to you shall be subject to the deduction of any sums owed to us by you.
- 4.4 All payments of remuneration due to you will be made by BACS to a bank account specified by you unless we agree to an alternative method of payment.
- 4.5 If a contract ceases to be in force or a service ceases to be provided or if you cease to act for the client in relation to any contract or service, then no further sums shall be due to you in respect of that contract or service.
- 4.6 We will make payments becoming due to you in accordance within one month of the date of the premium payment or other event giving rise to the payment.



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4.7 Remuneration to you shall cease to be payable by us in the event that you cease to be Authorised, cease to be an agent for the client, die, become bankrupt, compound with or assign your estate or effects for the benefit of creditors, have your goods seized in execution or, if you are a company, go into liquidation or receivership or become subject to an administration order.

4.8 If, whether in error or otherwise, we make any payment to you that is discovered not to have been due or to be in excess of that which was due under this or any other agreement (the payment or the excess of the payment over the correct amount being herein referred to as the "Overpayment") then you agree to pay to us, within 30 days of being so requested by us, an amount equal to the Overpayment.

4.9 If you have undertaken to a client to pass monies to us you agree to do so promptly.

5. Limited Recourse

5.1 Notwithstanding any other provision of this agreement, you shall have recourse in respect of any claim against the Insurer hereunder or otherwise only to funds and assets of the company that are not allocated to any of the Preference Shareholders, whether such allocation arises pursuant to any agreement between any of the shareholders or annuitants and the company or pursuant to the Articles of Association or otherwise.

The maximum amount that you shall at any time be entitled to claim from the Insurer either pursuant to or in connection with this agreement or otherwise shall at all times be limited to the amount of such funds and assets. The parties acknowledge and agree that the enforcement of and all rights and remedies in respect of all claims and liabilities described above is and shall be limited as stated above and that the Insurer shall have no further obligation and liability or responsibility in respect thereof. Claims in respect of any shortfall shall be extinguished and you may not take any proceedings or enforce judgment against the Insurer or any assets of the company, or take any other step for the winding-up, liquidation, or dissolution of company.

6. Product and Service Terms

6.1 We offer products and services upon such conditions and subject to terms and charges as we publish from time to time. Without prejudice to your right to agree charges with your clients for advice and services that you provide, you shall not have power or authority to vary the terms or conditions of any of our products or services or to commit us to making any such variations or in any way to imply that any variations can be made without our written consent and a breach of this obligation and any loss occasioned thereby shall be for the account of the Firm and may be offset against any monies owed to the Firm by London & Colonial.

6.2 Unless otherwise specified in the policies or other documents or agreements governing the relevant products or services, all charges made by us are collected by deduction from funds held by us deriving from the premiums or contributions paid to us, or transfers made to us in cash or in specie, for those contracts or services.

7. Indemnity

7.1 You shall indemnify us and keep us indemnified from all loss resulting to us arising from:

- (a) any failure by you to comply with the provisions of the Act any regulations made thereunder and the rules of any relevant self-regulatory organisation or recognised professional body; or
- (b) any breach by you of any of the provisions of this Agreement including, without limitation any failure to provide promptly and accurately the information required under this agreement;
- (c) any other acts or omissions on your part.

8. Documentation

8.1 You agree to pass to your client immediately and without any amendment all documents supplied by us for the information of or completion by the client and you agree to pass to us immediately any documents provided by the client for that purpose.

8.2 You acknowledge that we may from time to time be obliged to send documents of various kinds direct to the client to comply with regulatory obligations but in all such circumstances we shall, unless required not to do so, notify you of the content of the communication to the client. We also reserve the right to communicate direct with a client if we believe that for any reason the client may not otherwise receive information or documents sent to you for onward transmission to the client but in all such circumstances we shall notify you of the content of the communication to the client.

9. Communications and Service of Notice

9.1 If we need to provide you with any document or cheque or to send you any kind of notice we must deliver this to you personally or post or otherwise deliver it to you at the last address shown for you in our records being the address shown in this document or the address subsequently notified by you to us in writing.

9.2 Any letter or other document shall be deemed to have been duly served on you, if it is sent by first class post, on the business day following that on which the envelope containing the same is posted and to proving such service it shall be sufficient to prove that such envelope was properly addressed, stamped and posted.

9.3 If you or any other person needs to give us any notices, information or requests, they must be given in writing and must be sent by post or otherwise delivered to us either at the Head Office of the Insurer in Gibraltar or at the registered address of the Administrator or to such other place as we may from time to time tell you.

10 Data Protection

10.1 You agree to comply at all times with the applicable data protection legislation.

10.2 You agree that we can hold and use personal data and information relating to you and your employees for the purposes of establishing this Agreement and continuing related administration.

10.3 You agree that we may share such information with:

- connected companies in the course of business and for purposes connected with our products;
- any appropriate regulatory authorities, industry registers or databases.

10.4 The personal information that you or your clients provide to us will be used by us to establish and service the relevant products and contracts. We may disclose this information to third parties for the purposes of servicing your clients' contracts or if we are required to do so by law.

We may transfer the personal information we hold about you or your clients to another country if necessary for any of the purposes previously described. We will not use this information or disclose it to any third parties for any purposes other than those stated above.

11 Anti Money Laundering

11.1 You agree to supply us with evidence of the identity and verification of all clients and third parties introduced by you to us in accordance with the provisions of the European Council Directive on the prevention of money laundering and terrorist financing, the UK Money Laundering Regulations and the current guidance notes for the UK Financial Services Sector published by the Joint Money Laundering Steering Group and any substitutions or amendments of or additions to, any of the aforementioned provisions (the "anti-money laundering requirements").

11.2 Furthermore, you agree to retain copies of all supporting documentation used in the satisfaction of this requirement and to making such copies available to us on request.

- 12 Amendment, delegation and termination
- 12.1 We reserve the right to vary this Agreement but, except insofar as required by the Act or any regulation made thereunder or the rules of a relevant self-regulatory organisation or recognised professional body:
- (a) no variation shall affect contracts made prior to the date of the variation; and
 - (b) not less than 28 days notice shall be given to you of any variation.
- 12.2 You are not entitled to sub-contract or transfer any of your rights and obligations under this Agreement without our prior written consent.
- 12.3 This Agreement may be terminated at any time by either party by giving not less than 28 days written notice to the other party so that no new Business shall thereafter be placed with or accepted by us.
- 12.4 This Agreement may be terminated by us with immediate effect by written notice to such effect to you so that no new business shall be placed with or accepted by us and without liability on our part on the occurrence of any one or more of the following:
- (a) Any material breach by you of any of the provisions of this Agreement;
 - (b) Misconduct on your part which is or could be prejudicial to our business or reputation;
 - (c) You stop or intend to stop operating as an authorised Firm
- 12.5 If you shall cease to be Authorised this Agreement shall thereupon terminate.
- 12.6 If this Agreement is terminated you shall
- a) repay to us all sums then and subsequently due to be repaid to us
 - b) be entitled to any unpaid payments that have already become due to you;
 - c) forfeit entitlement to all other payments, including renewal payments, falling due after the date of termination.
- 13 Previous Agreements
- 13.1 This Agreement supersedes any prior agreements in place which set out the terms by which you introduce suitable persons as customers in connection with the products and services that we offer
- 14 Governing law
- 14.1 This agreement shall be governed by and construed in accordance with the laws of Gibraltar and the non-exclusive jurisdiction of the Courts in Gibraltar in relation to any claim, dispute or difference which may arise in relation to this agreement.

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For more information about any
London & Colonial product please contact:

London & Colonial
38-42 Perrymount Road
Haywards Heath
West Sussex
RH16 3DN

t: 0870 7566696
f: 0870 7566697
e: info@londoncolonial.com
w: www.londoncolonial.com