



SALES AGENCY AGREEMENT

BETWEEN:

(1) **COVER-MORE INSURANCE SERVICES LIMITED** (Company Registration Number 3088762) of Level 2, 31 Springfield Road, Chelmsford, Essex CM2 6JE (the “Principal”) **AND**

(2) [] Company Registration Number []
Of []
(the “Agent”)

IT IS AGREED AS FOLLOWS:

1. DEFINITIONS

In this Agreement including the Schedules hereto the following words shall have the following meanings:

“**Agent Commission**” means the Gross Written Premium less the Remittance Premium;

“**Agent Net Premium**” means the Premium current at the time, notified by the Principal to the Agent, which is payable by the Agent to the Principal for the sale of each travel insurance policy;

“**Commencement Date**” means the [] day of [];

“**Control**” means the ability to direct the affairs of another whether by virtue of contract, ownership or shares, or otherwise howsoever;

“**Gross Written Premium**” means the PIP plus the IPT;

“**FSA**” means the Financial Services Act;

“**Insurance Premium Tax**” or “**IPT**” means the tax, duty or impost levied by the UK government from time to time on the sale of insurance products;

“**Policies**” means the travel insurance policies, whether personal or corporate, provided by the Principal;

“**Premium Issue Price**” or “**PIP**” means the IPT exclusive price charged by the Agent to a client for the sale of a Policy. The PIP will not be less than 30 pounds in the case of a sale of a Corporate Product;

“**Remittance Premium**” or “**RP**” means the Agent Net Premium plus the IPT;

“**Territory**” means the United Kingdom, which for the avoidance of doubt, comprises England, Scotland, Wales, Northern Ireland and the Channel Islands.

2. APPOINTMENT

The Principal hereby appoints the Agent to be its agent for the sale of the Policies in the Territory on the terms and conditions hereinafter set out.

3. DUTIES OF THE AGENT

The Agent and each of its employees undertakes to and agrees with the Principal that it will at all times during the term of this Agreement, diligently and faithfully serve the Principal within the Territory and in particular that it will:

- 3.1 use at all times its best endeavours to promote and extend sales of the Policies throughout the Territory to all potential purchasers thereof and work diligently to obtain orders therefore;
- 3.2 advertise the Policies and promote and extend the sales of the Policies throughout the Territory to all potential purchasers by distribution of advertising and other printed matter subject, however to the prior approval of the Principal of such advertising material and printed matter. Any such prior approval of the Principal is not intended to be and shall not be understood to be legal advice regarding compliance with any laws or regulatory requirements pertaining to the rule and or promotion of the Policies in the Territory. Except as noted in clause 4.1, all costs incurred in connection with the promotion, extending of the sales of the Policies and performance of any of the Agent’s functions and duties under this Agreement will be borne by the Agent;
- 3.3 other than in accordance with the policy issuing guidelines, not accepting orders or make contracts on behalf of the Principal and will not make any promises, representations or warranties or guarantees with reference to the Policies;
- 3.4 in all correspondence and other dealings relating directly or indirectly to the sale of the Policies, clearly indicate that it is acting as selling agent of the Principal;
- 3.5 undertake any training recommended and/or provided by the Principal;
- 3.6 not incur any liability on behalf of the Principal or in any way pledge or purport to pledge the Principal’s credit;
- 3.7 immediately bring any improper or wrongful use in the Territory of the Principal’s trade marks, copyrights, emblems, designs, models or other similar industrial property rights which come to its notice, to the attention of the Principal and will in and about the execution of its duties, use every effort to safeguard the property rights and interests of the Principal and will, at the request and cost of the Principal, assist the Principal in taking all steps to defend the rights of the Principal other than by the institution of legal proceedings.

- 3.8 Immediately inform the Principal of any changes in its organisation or method of doing business which might affect the performance of its duties hereunder;
- 3.9 Observe all directions and instructions given to it by the Principal in relation to the sale of the Policies and in the absence of any such directions or instructions in relation to any particular matter, will act in such manner as it reasonably considers to be most beneficial to the Principal's interests.
- 3.10 Keep full and proper books of account and records showing clearly all transactions and proceedings relating to this Agreement and in particular all transactions undertaken by or through the Agent in relation to the Policies such books and records being separate from those relating to matters not relating to this Agreement and remaining at all times the property of the Principal. Such records to be kept for a minimum of 7 years.
- 3.11 Allow the authorised representatives of the Principal at all reasonable times to have access to the Agent's premises for the purpose of inspecting /auditing the said books and records;
- 3.12 Not appoint sub-agents hereunder;
- 3.13 Report immediately to the Principal any communications or complaints about the Policies and will take all measures necessary to obtain any information requested by the Principal in connection therewith and will support and assist the Principal in the exercise of its rights.
- 3.14 Keep any passwords, access codes or other codes confidential and ensure that only trustworthy employees are provided with access to the Principal's secure website and B2B system;
- 3.15 Comply with all UK laws and regulations including but not limited to data protection and privacy laws and only use any personal information received to fulfil its obligations under this agreement;
- 3.16 Issue a certificate in respect of a Policy to the insured on the same day that the Gross Written Premium is received by the Agent. The Agent may only issue a Policy certificate via the Principal's B2B system;
- 3.17 Act in good faith in the sale of insurance policies and use its best endeavours to ensure the continuance of the good name of the Principal and the insurers of the Policy.
- 3.18 Act in such a manner so as not to cause the insurer of the Policies to suffer undue risk from their issue of a certificate to an insured;
- 3.19 Report any suspicious circumstances to the Principal immediately;
- 3.20 Indemnify the Principal for any loss or liability arising from the Agent's conduct or that of its employees.

4. DUTIES OF THE PRINCIPAL

The Principal hereby agrees with the Agent that it will during the continuance of this Agreement:

- 4.1 at the expense of the Principal, supply the Agent with such sales literature, policy leaflets and documents (including but not limited to brochures) as the Principal shall consider reasonably sufficient, with a view to promoting sales of the Policies within the Territory provided that such sales literature, policy leaflets and documents shall remain the property of the Principal and shall not be altered or varied in any way whatsoever. When requested by the Principal or upon the termination of this Agreement for any cause, the Agent shall promptly return to the Principal (or otherwise dispose of as the Principal may instruct) all such sales literature, policy leaflets and documents sent to the Agent pursuant to this Agreement which the Agent may have in its possession or under its control. If the Agent fails to return sales literature, policy leaflets and documents within twenty eight (28) days of receiving a request in pursuance hereof, the Principal shall be entitled to invoice the Agent for such items at cost. The Agent shall satisfy itself as to the compliance of the sales literature with all relevant laws and regulatory requirements. If the Agent deems that the sales literature does not comply, it shall notify the Principal immediately of the fact and its reasons for not believing.
- 4.2 Keep the Agent informed as to the Policies it has available for sale in the Territory and give the Agent notice of any proposed change to the Agent Net Premium;
- 4.3 Inform the Agent within a reasonable period of his acceptance or refusal of and any non-execution by it of a Policy which the Agent has procured.
- 4.4 Provide the Agent with adequate access to the Principal's secure website and B2B system.

5. RIGHTS OF THE PRINCIPAL

The Principal reserves to itself, the following rights notwithstanding anything to the contrary herein contained:

- 5.1 in its absolute discretion to decline for any reason to accept any insurance request transmitted to it through the Agent or its customer. The Principal will promptly notify the Agent of the decision not to accept such request but failure to notify the Agent shall not be deemed to be proof of acceptance and no obligation or liability to the Agent shall be incurred by the Principal as a result of declining to accept any such order or part thereof;
- 5.2 withdrawal therefrom of a class or classes of the Policies named therein in the event of the Principal ceasing to offer that class or those classes of the Policies;

6. PAYMENT AND COMMISSION

- 6.1 Save as hereinafter provided, the Agent in consideration for its services hereunder, shall be entitled to the Agent Commission.
- 6.2 The Agent shall collect and remit to the Principal, the Remittance Premium within 7 business days of the end of the month in which the Policy (from which the Remittance Premium is derived) was issued.
- 6.3 The Agent is entitled to retain the Agent Commission relating to the sale of a Policy made via the Agent.

- 6.4 The Agent is not entitled to the Agent Commission applicable to the sale of a Policy for any respective Remittance Premium outstanding.
- 6.5 In the event of late payment or shortfall in payment of the Remittance Premium, the Principal shall be entitled to charge interest on the outstanding amount at 3% above the prevailing base lending rate of Barclays Bank.
- 6.6 The Agent agrees and acknowledges that in the event of the Agent making a late payment or a shortfall in payment of the Remittance Premium, the insurer of the Policy may refuse to honour the Policy from which the Remittance Premium is derived. In this case, the Agent shall solely be liable to any claim brought by any insured under the affected Policy.

7. DURATION AND TERMINATION

- 7.1 This Agreement shall come into force on the Commencement Date and subject as hereinafter provided, shall continue until either party provides a 30 day notice of termination in writing.
- 7.2 Without prejudice to the foregoing, the Principal may terminate this Agreement with immediate effect forthwith by notice in writing at any time to the Agent upon the occurrence of any of the following events:
- 7.3 The Agent commits a breach of any of the terms or conditions of this Agreement and if such breach is remediable, fails to remedy that breach within thirty (30) days of notice given by the Principal requiring the Agent to do so;
- 7.4 If the Agent enters into a deed of arrangement or commits an act of bankruptcy or compounds with its creditors or if a receiving order is made against it or if (being a company) an order is made or a resolution is passed for the winding up of the Agent or for the appointment of an administrator to manage the Agent's affairs business and property or if a receiver is appointed of any of the Agent's assets or undertaking or if circumstances arise which entitle the Court to make a winding-up order or if the Agent takes or suffers any similar or analogous action in consequence of debt;
- 7.5 If the Agent is guilty of any conduct which in the opinion of the Principal is prejudicial to the Principal's interests;
- 7.6 If the Agent shall change its organisation or methods of business in such a way, as in the opinion of the Principal, to be able less effectively to carry out its duties hereunder;
- 7.7 If there is a change in the control of the Agent;
- 7.8 If the agent shall for any reason cease to be able to carry on business as Agent hereunder in the Territory or be prevented from carrying on such business.
- 7.9 Upon termination of this Agreement, the Agent shall return to the Principal all business documents and papers and any other information, material or samples supplied by the Principal including any customer list. The Agent will certify in writing that no such documents, information or material has been retained or copied by the Agent.

8. DEFAULT BY AGENT

- 8.1 The Principal shall not be responsible for acts or defaults of the Agent or of the Agent's employees or representatives and the Agent shall indemnify the Principal in respect of any and all costs, claims and demands which may be made against the Principal in respect thereof.
- 8.2 Any act or omission which if it were an act or omission of the Agent would be a breach of this Agreement on its part shall be deemed to be such an act or omission for which the Agent is responsible if done or omitted by any person firm or company who controls, is under common control with or is controlled by the Agent.

9. CONFIDENTIALITY

- 9.1 Each party agrees and undertakes that during the term of this Agreement and thereafter, it will keep confidential and will not use for its own purposes nor without the prior written consent of the other party, disclose to any third party all information of a confidential nature (including trade secrets and information of commercial value) which may become known to such party from the other party ("**Confidential Information**") unless such information is public knowledge or already known to such party at the time of disclosure or subsequently becomes public knowledge, other than by breach of this Agreement or subsequently comes lawfully into the possession of such party from a third party.
- 9.2 To the extent necessary to implement the provision of this Agreement, each party may disclose the confidential information to such of its employees or professional advisors as may be reasonably necessary or desirable provided that before any such disclosure, each party shall make such employees or professional advisors aware of its obligations of confidentiality under this Agreement and shall at all times procure compliance by such employees or professional advisors therewith.

10. FORCE MAJEURE

- 10.1 The obligations of each party under this Agreement shall be suspended during the period and to the extent that such party is prevented or hindered from complying therewith by any cause beyond its reasonable control including (insofar as beyond such control but without prejudice to the generality of the foregoing expression) strikes, lock-outs, labour disputes, act of God, war, riot, civil commotion, malicious damage, compliance with any law or government order, rule, regulation, or direction, accident, breakdown of plant or machinery, fire, flood, storm, difficulty or increased expense in obtaining workment, materials or transport or other circumstances affecting the supply of goods or of raw materials therefor.
- 10.2 In the event of either party being so hindered or prevented, such party shall give notice of suspension as soon as reasonably possible to the other party and the cause thereof and the omission to give such notice shall forfeit the rights of such party to claim such suspension. Any party whose obligations have been suspended as aforesaid shall resume the performance of such obligations as soon as reasonably possible after the removal of the cause and shall notify the other party.

11. ENTIRE AGREEMENT

This Agreement constitutes the entire understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements, negotiations and discussions between the parties hereto relating thereto.

12. AMENDMENTS

Save as expressly provided herein, no amendment or variation of this Agreement shall be effective unless in writing and signed by a duly authorised representative of the parties hereto.

13. HEADINGS

Clause headings shall not form part of this Agreement for the purpose of its interpretation.

14. INTERPRETATION

Where the context so requires or admits the neuter includes the masculine and feminine and the singular includes the plural.

15. ASSIGNMENT

Neither party shall without the prior written consent of the other party assign, transfer charge or deal in any other manner with this Agreement or its rights hereunder or part thereof, or purport to do any of the same, nor sub-contract any or all of its obligations under this Agreement.

16. WAIVER

The failure of a party hereto to exercise or enforce any right under this Agreement shall not be deemed to be a waiver thereof nor operate so as to bar the exercise or enforcement thereof at any time or times thereafter.

17. COUNTERPARTS

This Agreement may be signed in any number of counterparts, all of which taken together, shall constitute one and the same Agreement. Any party may enter into this Agreement by signing any such counterpart.

18. NOTICES

Any notice required to be given pursuant to this Agreement shall be in writing and shall be given by delivering the same by hand at, or by sending the same by prepaid first class post (airmail if to an address outside the country of posting) to the address of the relevant party set out in this Agreement or such other address as either party may notify to the other from time to time. Any such notice given as aforesaid shall be deemed to have been given at the time of delivery (if delivered by hand) or when received (if sent by post).

19. SEVERANCE

If at any time any provision of this Agreement is or becomes illegal, invalid, or unenforceable in any respect under the law of any jurisdiction, that shall not impair the legality, validity or enforceability in that jurisdiction of any other provision of this Agreement.

20. REMEDIES NOT EXCLUSIVE

No remedy conferred by any of the provisions of this Agreement is intended to be exclusive of any other remedy, except as expressly provided in this Agreement, and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing in law or in equity or by statute or otherwise.

21. GOVERNING LAW

21.1 This Agreement shall be governed by and construed in accordance with English Law and each party hereby irrevocably submits to the exclusive jurisdiction of the English Courts.

Duly executed by the Parties

Please cross out whichever is inapplicable

We have sought our own authorisation / We have satisfied ourselves that we benefit from an 'exclusion'

Signed.....Name.....Date.....

For and on behalf of the Agent named in the head of this Agreement

Signed _____ Name **GRANT THEOBALD** Date [_____]

For and on behalf of the Principal named in the head of this Agreement