

HSBC Life Terms of Business for Intermediaries (V9)

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This agreement (the '**Agreement**') will apply to the Intermediary, the Intermediary's employees and if the Intermediary is a network member, they will also apply to the Intermediary's network. The responsibility to ensure that employees and any network are aware of this Agreement, and comply with it, rests with the Intermediary.

Please read this Agreement carefully, as it sets out the terms on which HSBC Life (UK) Limited will accept Business from you. The terms of this Agreement supersede any previously issued. In this Agreement, the terms 'HSBC Life', 'we', 'us' or 'our' mean HSBC Life (UK) Limited. References to 'you' or 'your' mean the relevant Intermediary submitting the Business.

1. Definitions

Adviser Charge means a charge, which is payable by your Client to you, in respect of advice or related service to be provided by you to your Client;

Adviser Charge Agreement means an agreement between you and your Client, documenting the terms on which an Adviser Charge is payable;

Anti-Money Laundering Requirements means all relevant identification procedures, including verifying Source of Funds and Source of Wealth, as laid down and amended from time to time by applicable legislation or regulation or guidance thereon, including but not limited to the UK Money Laundering Regulations 2017, the Joint Money Laundering Steering Group Prevention of Money Laundering Guidance Notes for the Financial Sector, the Terrorism Act 2000 and the Proceeds of Crime Act 2002, HMT sanctions requirements and other applicable requirements as notified from time to time by us which relate to criminal financing, terrorist financing and sanctions. As a minimum, we expect you to comply with the latest UK Money Laundering Regulations, the Joint Money Laundering Steering Group Guidance Notes for the UK Financial Sector (and all Directives, Regulations, Rules and Guidance Notes issued in substitution thereof or in amendment or addition thereto), sanctions legislation and any requirements of ours from time to time notified to you by HSBC Life.

Applicable Anti-Bribery Law means any bribery, fraud, kickback, or other similar anti-corruption law or regulation of any country applicable to the business transacted pursuant to this Agreement or to the Parties, including the Bribery Act;

Applicable Laws and Regulations means all statutes, regulations, subordinate legislation, orders and common law (as applicable to the parties or any one of them or, where relevant, their Third Party Service Providers) including Applicable Anti-Bribery Law, Anti-Money Laundering Requirements, guidance, directions, decisions and principles from Regulators, in each case from time to time applicable to a Party (or, where relevant, their third party service providers) and relevant to this Agreement including without limitation any obligations under FSMA, the PRA Rulebook and the FCA Handbook (including without limitation the FCA's Principles for Business (FCA's Principles));

Associated Person has the meaning given in the UK Bribery Act 2010;

Bribery Act means the UK Bribery Act 2010;

Business means the introduction to HSBC Life by the Intermediary of Clients and all matters relating to the provision of the Product to Clients by HSBC Life through the Intermediary (including, without limitation, the provision by the Intermediary of the Intermediary Services specified and the provision by HSBC Life of the HSBC Life Services);

Business Day means any day except Saturday and Sunday or a Public Holiday in England and Wales;

Client means a person who is a client of the Intermediary and wishes to be provided with the Product by HSBC Life or to renew or extend the term of an existing Product;

Commission has the meaning set out in the FCA Handbook from time to time;

Data Protection Legislation means:

- a. the GDPR;
- b. national legislation on the protection of data subjects with regard to the processing of personal data and on the free movement of such data implementing and including any national legislation implementing and/or containing any derogation from the GDPR, the Data Protection Directive, the Directive on Privacy and Electronic Communications (Directive 2002/58/EC) and any other data protection or privacy laws and regulations, orders and the equivalent applicable in the relevant territory, as amended and in force from time to time; and
- c. any applicable codes of practice, codes of conduct, guidelines and recommendations issued by a national data protection supervisory authority or other applicable Regulator pursuant to (a) or (b) above, as amended and in force from time to time;

FCA means the Financial Conduct Authority or any other body or bodies that supersede it from time to time;

FCA Handbook means the handbook of rules and guidance issued by the FCA, as amended from time to time;

GDPR means the General Data Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC);

HSBC Group means HSBC Holdings plc, its subsidiaries and associated companies;

Intellectual Property Rights means all present and future rights conferred by statute, common law or equity in any territory in or in relation to patents, rights in inventions, copyright and related rights, moral rights, database rights, rights in designs, semiconductor topography rights, trade marks, business and domain names, rights in goodwill or to sue for passing off, and other similar or equivalent rights or forms of protection (whether or not registered or capable of registration) and all applications (and rights to apply) for, and for renewals and extensions of, any such rights as may now or in the future exist anywhere in the world, and Intellectual Property shall be construed accordingly;

Personal Data Breach means the accidental or unlawful destruction, loss, alteration, corruption, unauthorised disclosure of, or access to, Relevant Personal Data transmitted, stored or otherwise processed by a party pursuant to this Agreement;

Product means the product, bond, policy, account or service which is specified which HSBC Life agrees to provide to Clients through the Intermediary;

Product Literature means the literature relating to the Product produced by HSBC Life and supplied to the Intermediary for the purposes of this Agreement (including, without limitation, Product Terms and all key features documents, Policy Booklet, brochures, applications forms and promotional material relating to the Product);

Product Terms means the terms and conditions which apply to the Product from time to time, as determined by HSBC Life;

Relevant Personal Data means all personal data processed by a party in connection with this Agreement; “**controller**”, “**data subject**”, “**personal data**”, “**processing**”, “**processor**” and “**supervisory authority**” have the meanings given to them in Article 4 of the GDPR.

Regulator means any governmental or other regulatory body or authority which authorises and/or regulates the obligations and responsibilities of the parties under this Agreement, including the FCA (Financial Conduct Authority), the PRA (Prudential Regulatory Authority) and the ICO (Information Commissioner's Office);

2. Submitting Business

2.1. We can only accept Business from you if:

You are authorised to submit that Business to us as an Intermediary by the Financial Conduct Authority (FCA) or by an appropriately designated and regulated professional body, or you are an incoming EEA Firm or incoming Treaty Firm (both as defined in the FCA Handbook) and are exercising your rights to passport into the UK; and

Your Client is resident in the United Kingdom (UK) and has a UK bank account.

2.2. We will periodically seek to verify your status, including your FCA authorisation and FCA permissions. We will not accept Business from you if it is outside the scope of your permissions. You must give us prompt notice if any of the details you have provided to us about yourself change.

2.3. If any of the following happens you must notify us immediately:

You stop acting as the Intermediary for any Client that has placed Business with us;

You cease to be authorised by the FCA or the relevant appropriately designated and regulated professional body, if any such authorisation is suspended, if notice of suspension or revocation is given or you apply to become de-authorised;

The legal form or structure of your firm changes including, without limitation, if your firm changes from a partnership to a limited company or limited liability partnership; or

You, your principal or any of your partners, directors or employees:

- a. are charged with or convicted of any offence of dishonesty such as fraud or theft; or
- b. are subject, as applicable, to an Individual Insolvency Event or a Corporate Insolvency Event; or
- c. are investigated in connection with, are charged with or convicted of any offence under the UK Bribery Act 2010.

2.4. You shall fully explain your role to the Client and make it clear that you act in all respects as the agent of the Client.

2.5. You must not act or hold yourself out in any way as our agent. In particular, you must not:

- a. Sign any document or paper on our behalf; bind us or purport to bind us to any contract with a third party;
- b. Accept premiums or contributions for Business on our behalf or claim to be able to do so; or
- c. Collect information from a Client on our behalf as our agent.

2.6. You agree to exercise all due care and control over who has access to the online system made available to enable Business to be submitted to us and you agree to only access data that is appropriate to you and your business.

2.7. We expect you and/or any party that you have entered into arrangements with in relation to the submission of Business to us to comply with all Applicable Laws and Regulations. For the avoidance of doubt, it is your responsibility to ensure that any such party who assists you with the submission of Business in any form whatsoever complies with all Applicable Laws and Regulations. We shall be entitled to refuse Business from you if we reasonably form the view that you are not acting in accordance with the FCA's Principles for Business and/or all Applicable Laws and Regulations.

2.8. We expect you to comply with any requirements notified to you by us from time to time.

- 2.9. You must ensure that your Client receives any information that we provide to you for release to that Client in a prompt manner and, where applicable, so as to comply with the applicable data protection law.

3. Business Conduct

- 3.1. We are required to monitor and record the Business you submit to us. We are duty bound under the FCA rules to report instances to the FCA where you submit Business to us outside the scope of your permission granted by the FCA. If we have to cancel or rewrite Business submitted to us as a result of your failure to comply with these provisions we may hold you liable for and you agree to indemnify and keep us indemnified against any claims, loss, expenses, damages, or costs incurred by us as a result.
- 3.2. In the event of a breach of this Agreement and, in particular, if you incur an FCA or PRA reportable debt, we reserve the right to share this information with other financial institutions, credit reference agencies and the appropriate regulatory authorities.
- 3.3. You must:
- ☞ Comply and ensure that any party that you have entered into arrangements with in relation to the submission of Business (or assistance in relation to the same) to us complies with all Applicable Law and Regulations or which are otherwise notified to you by HSBC Life. You are responsible for any non-compliance of any such party of all Applicable Law and Regulations or requirements otherwise notified to you by HSBC Life in relation to the submission or proposed submission of Business
 - ☞ Have appropriate quality assurance/sales quality processes in place
 - ☞ Have appropriate processes in place to ensure the Product is only sold to customers for whom the Product is suitable (including without limitation adequate scripting and/or call flows)
 - ☞ Have appropriate complaints monitoring and recording in place
 - ☞ Have a suitable training and competency scheme in place to deliver appropriate customer outcomes (including without limitation adherence to ICOBS and PRIN requirements)
 - ☞ Have appropriate information security policies to reflect Applicable Laws and Regulations
 - ☞ Have in place, and will keep in place, an appropriate professional indemnity policy
 - ☞ Have not had within the last 5 years, and not currently have any pending, legal prosecutions which have impacted or may impact your compliance with Applicable Laws and Regulations
 - ☞ Have not been the subject of any regulatory fines within the previous 5 years and do not have any pending regulatory investigations
 - ☞ Comply with all Applicable Laws and Regulations
 - ☞ Maintain the appropriate regulatory permissions (authorisation) and consents to conduct the Business within the scope of this Agreement
 - ☞ Have appropriate vulnerable customer policies and processes in place
 - ☞ Provide us with information, reasonably requested, to ensure that we comply with all Applicable Laws and Regulations
 - ☞ Inform your Client of all Commission, fees and alike that are required to be disclosed by the FCA or other Applicable Laws and Regulations, in the manner required, in respect of each piece of Business sold. We will help with the disclosure by providing you with all the details held by us that must be disclosed to your Client

- ع Ensure that your Client has been provided with the opportunity to review any relevant Product Literature in respect of each piece of Business sold
- ع Ensure that all information and communication provided by you to us on behalf of, or in respect of, your Client is true, accurate and complete and issued in accordance with your Client's wishes, directions and instructions
- ع Make any documentation, books, computer software or hardware which belong to any member of the HSBC Group available for inspection and return them to us immediately if we ask for them to be returned; and
- ع At all times keep secure any security information such as passwords which you use to access HSBC Life computer systems (including without limitation any secure online systems made available to you by either HSBC Life or HSBC Bank plc ('Online Systems') and comply with all security procedures, instructions and guidelines issued from time to time in respect of the use of the same
- ع Refer the full details of any complaint or expression of dissatisfaction made by your Client in respect to the Product or the service provided in the administration of the Product to HSBC Life within 24 hours of receipt of the complaint, informing your Client that you have done so
- ع Handle any complaint that has been addressed to HSBC Life in respect of the sale of a piece of Business by you. Such complaints will be notified to you by us within 24 hours of the receipt of the complaint at our Customer Services Centre. We will inform your Client that their complaint has been referred for your attention

3.4. We reserve the right to request that you cease and desist immediately with any process, financial promotion(s) or marketing materials used by you and/or any party that you have entered into arrangements with in relation to the submission of Business (or assistance in relation to the same) to us. In the event that we believe (in our absolute discretion) that any such activity is contrary, or potentially contrary, to any Applicable Law and Regulations or requirements which are otherwise notified to you by HSBC Life. For the avoidance of doubt, this also includes anything which may harm the reputation of HSBC Life.

Where we have informed you that we require you to submit any process, financial promotion(s) or marketing materials to be used by you, and/or any party that you have entered into arrangements with, in relation to the submission of Business (or assistance in relation to the same) to us, this must be done, and express written approval from HSBC Life obtained, at least 30 days prior to these being used.

We reserve the right to audit and inspect any documentation (either on site or remotely) with respect to adherence by you, or any party that you have entered into arrangements with, in relation to the submission of Business (or assistance in relation to the same) with respect to the provisions and your obligations under this Agreement and you agree to reserve us such audit and inspection rights in respect of such party.

This will include:

- a. a review of your Customer Due Diligence (CDD) procedures against relevant regulatory requirements at the outset and at intervals aligned with regulatory changes published;
- b. sampling of CDD files; and
- c. a review of correspondence with Regulators (where permissible by the regulatory body) regarding any breaches that may impact this Agreement.

4. Communications

4.1. We will record and monitor telephone calls for quality and training purposes, and to help with fraud prevention.

- 4.2. You acknowledge and agree that email is not a wholly secure means of communication. We will not be responsible for non-receipt of any email that you send to us, or for the content of the email. We cannot guarantee that it will remain private or unaltered and, save to the extent that applicable law requires otherwise, we accept no liability for any damage or loss you may suffer as a result of this. If you are concerned you may prefer to contact us by other methods of communication.
- 4.3. If we communicate directly with your Clients we will endeavour to inform you by sending you copies of correspondence unless you choose not to receive such copies.

5. Commission

This section only applies to Business on which Commission can be paid (in accordance with the requirements set out in the FCA Handbook). We will inform you of which Products this section relates to. For Business on which Commission is not paid, please see the section on Adviser Charging below.

- 5.1. All matters relating to your Commission will be subject to the requirements set out in the FCA Handbook from time to time.
- 5.2. The Commission payable to you by us is currently treated as exempt from Value Added Tax (VAT) but in the event that the VAT position changes such that VAT becomes payable then all Commission paid to you will be deemed to be inclusive of any applicable VAT.
- 5.3. The Product Literature and the Commission terms, documents and correspondences will explain the different Commission options available to you. The amount of Commission, and the terms upon which it is to be paid, will be as specified from time to time and as applicable at the time of the transaction of the Business.
- 5.4. We reserve the right to change our Commission terms, shape and rates at any time. The changes will apply to any new Business submitted to us on or after the effective date of the change and any existing Business affected by the changes and shall be varied accordingly.
- 5.5. We may defer making payment of Commission until a total of at least GBP50 has become due to you. Save where the Schedule provides otherwise Commission shall be payable within 5 business days of an amount of GBP50 or more becoming due. For the avoidance of doubt, the Commission terms provided by us to you apply unless we inform you otherwise.
- 5.6. We reserve the right not to pay you Commission or cease paying Commission in the following circumstances:
 - ☞ We reasonably determine that another Intermediary is entitled to be remunerated for the Business submitted to us
 - ☞ We determine that another product provider is responsible for remunerating you
 - ☞ We have told you that we will not accept Business from you or them but the Business is still submitted to us
 - ☞ You write to us to tell us that you do not wish to receive any Commission
 - ☞ The Business is out of the scope of your permissions granted by the FCA
 - ☞ You cease to be authorised through your own choice or the FCA or other applicable designated and regulated professional body suspends or revokes your authorisation
 - ☞ You do not have the necessary permissions to continue providing services or receive Commission in respect of the Business the Commission relates to
 - ☞ Your Client has notified us you do not provide ongoing services to them in relation to the Business or Your Client has terminated their agreement with you in connection to the Product
 - ☞ Your Client terminates their contract with us

- ﷎ We terminate this Agreement and end our relationship with you in accordance with clause 14 of this Agreement
- ﷎ You were self-employed/a sole trader and have died
- ﷎ You were in partnership and the partnership dissolves or if you are a company or limited liability partnership a winding up petition is presented or a resolution is passed for your liquidation or winding up or in either case a receiver, administrative receiver, administrator, supervisor or encumbrancer takes possession or control of or is appointed over any of your (or the partnership's) assets, or you (or the partnership) become insolvent, unable to pay your (or the partnership's) debts as they fall due or enter into a composition or arrangement for the benefit of creditors (a Corporate Insolvency Event)
- ﷎ You are self-employed/a sole trader and become insolvent, unable to pay your debts as they fall due, a petition is presented for your bankruptcy or you enter into a composition or arrangement for the benefit of creditors (an Individual Insolvency Event)
- ﷎ We are prohibited by law or regulation from doing so; or where you have already been paid or have agreed to be paid via Adviser Charge or Consultancy Charge in respect of the Business; or you are in breach of any of your obligations under clause 3.3

6. Commission repayable/clawback

6.1. Commission shall be repayable if:

- ﷎ We have paid Commission but your Client cancels, or we cancel or terminate, the Business during the cancellation period (this is the period of time for which we have agreed that we can obtain repayment of any Commission paid to you if the Business is cancelled by the Client or terminated or cancelled by us, which may be notified to you from time to time, but at the date of this Agreement this is 4 years from the Business being accepted by us)
- ﷎ Your Client makes a complaint against you which is substantiated to our satisfaction
- ﷎ We have paid you Commission but you were either not entitled to that payment, or we have overpaid you, or the Business to which the payment relates is declared void or does not start
- ﷎ Your Commission payment is dependent on certain conditions being met and those conditions are not met; or
- ﷎ You are in breach of your obligations under clause 3.3 or in the event under clause 5.6 applies for the relevant point when any Commission was paid to you

6.2. If you are in debt to us we reserve the right to use any money we owe you to reduce your debt. If you fail to make payment in full within 3 months of our notifying you an amount is due and payable, we will charge daily compound interest on the outstanding amount at a rate of 2% above the Bank of England base rate from time to time. The interest shall be calculated and applied from the date the amount originally became due until the date on which payment of the amount outstanding is made. You will also have to repay us any legal fees, costs or expenses we incur as a result of seeking to recover the debt from you.

7. Adviser Charging

7.1. We may be willing to facilitate the payment of Adviser Charges to you on behalf of a Client. Where we do this, it shall be in accordance with the terms of an Adviser Charging Agreement between you and your Client. We are not obliged to facilitate an Adviser Charge and we reserve the right to refuse to do so where:

- ﷎ We deem such payment to be contrary to the FCA's Principles
- ﷎ You are not able to demonstrate to our satisfaction that a suitable Adviser Charging Agreement exists between you and your Client

- ⌚ There are insufficient funds in the Product to maintain a required minimum balance and meet the Adviser Charge
- ⌚ We are prevented by our FCA obligations, law, regulation, or codes of practice from making such a payment
- ⌚ Where your Client instructs us to cease such facilitation; or
- ⌚ Where we do not have written consent from your Client

7.2. We may defer making payment of an Adviser Charge until a total of at least GBP50 has become due to you. Save where the Schedule provides otherwise an Adviser Charge shall be payable within 5 business days of an amount of GBP50 or more becoming due.

8. Interest

8.1. We will not pay interest to you for the late or non-payment of Commission or Adviser Charge.

9. Set-off

9.1. You must settle any debt you owe to us within 10 Business Days. Alternatively, we may off-set any Commission or other money we owe you against any debt you owe us, however that debt has arisen, save for any Adviser Charges that we have facilitated.

9.2. Our rights under clause 9.1 are without prejudice to any other rights or remedies available to us.

10. Indemnity

10.1. You will indemnify and keep us indemnified (for ourselves and on behalf of all members of the HSBC Group) against any claims, losses, damages, costs and expenses incurred by us or any such members of the HSBC Group as a result of the occurrence of any of the following:

- ⌚ You submit Business beyond your authority or the scope of your permissions
- ⌚ You fail to comply with the provisions of the Financial Services and Markets Act 2000 (or any amendment or successor legislation to the same), or the rules and/or regulations of the FCA, or those of any applicable designated and regulated professional body
- ⌚ You provide inaccurate information to us
- ⌚ You infringe any of the Intellectual Property Rights of any member of the HSBC Group; or
- ⌚ There is a breach of the terms of this Agreement by you, employees or anyone to whom you grant authority to access the Secure Online System

11. Financial Crime

11.1. Each party shall be responsible for ensuring compliance with its obligations under the Applicable Laws and Regulations.

11.2. HSBC Life will place reliance on you to verify the identity of your Clients in accordance with Anti-Money Laundering Requirements and any other requirements notified by us to you from time to time and, upon request, provide us with copies of the verification data, documents and any other information to satisfy the completion of adequate CDD that we consider relevant in particular to support Source of Funds and Source of Wealth, in a timely manner. It is your responsibility to provide appropriate notice to comply with any data protection laws regarding such data. We have the right to refuse confirmation of verification if there is reason to believe that the standards required are not being met. HSBC Life cannot be held responsible for any errors or omissions you have made in the collation or provision of the information.

Our minimum key requirements for reliance are:

- a. the CDD measures and tools used are fit for purpose and in line with regulatory and legislative requirements;
 - b. upon on-boarding a customer, you may be required to submit a Proforma to HSBC Life to confirm that the customer has been satisfactorily verified. HSBC Life also reserve the right to request a copy of your Know Your Customer (KYC) form in the event of additional information being required;
 - c. you must notify HSBC Life of any customers or connected parties you have identified that may present a heightened level of Anti-Money Laundering requirements and/or applicable Anti-Bribery Law and risk;
 - d. premium payments will only be made directly by the customer e.g. from the customer's bank account or by cheque or debit card held in the customer's name, from a bank subject to similar CDD regulations;
 - e. verification carried out by any other firm/intermediary on which you are placing reliance cannot be accepted and is not permitted by HSBC Life; and
 - f. HSBC Life will place reliance on a Standard or Enhanced level of Due Diligence (EDD) and verification. Any documentation provided as part of this process, including to meet EDD Source of Wealth requirements, must be subject to a validation check by HSBC Life to ensure it is reasonable and in line with the customer profile.
- 11.3. Both parties shall have and must at all times implement, and procure that Group Companies (as defined by the Company Act 2006) have and at all times implement, adequate procedures designed to prevent them or any Associated Person (as defined under the UK Bribery Act 2010) from engaging in any activity which would constitute an offence under the Bribery Act if it were carried out in the UK, or violate any Applicable Anti-Bribery Law.
- 11.4. You represent, warrant and agree that, in connection with this Agreement, and the fulfilment of its obligations under this Agreement, or of transactions undertaken for and on behalf of HSBC Life that:
- 11.4.1. no improper financial or other advantage has been, will be or is agreed to be given to any person (whether working for or engaged by HSBC Life or any member of its Group Companies or any third party) by or on behalf of you or your Associated Persons or Group Companies or their Associated Persons;
 - 11.4.2. you have not violated and shall not violate any Applicable Anti-Bribery Law; and
 - 11.4.3. you have not, and undertake that you shall not, engage in the following conduct: making of payments or transfers of value, offers, promises or giving of any financial or other advantage, or requests, agreements to receive or acceptances of, any financial or other advantage, either directly or indirectly, having the purpose, effect or acceptance of, or acquiescence in, public or commercial bribery or other unlawful or improper means of obtaining or retaining Business, commercial advantage or the improper performance of any function or activity; and
 - 11.4.4. you shall procure the compliance with the above obligations from your own Associated Persons, agents, employees, members of its network or subcontractors as may be used for your fulfilment of obligations under this Agreement.
- 11.5. HSBC Life represents that, in connection with this Agreement, no improper financial or other advantage has been, will be or is agreed to be given to any person (whether working for or engaged by you or any third party) by or on behalf of HSBC Life or its Associated Persons.

- 11.6. Breach of any of the provisions in this Clause 11 or of any Applicable Anti-Bribery Law or other Applicable Laws and Regulations in respect of anti-money laundering and financial sanctions by you is a breach of this Agreement which without prejudice to any other right, relief or remedy, entitles HSBC Life to suspend or terminate this Agreement immediately.

12. Intellectual Property

- 12.1. Intellectual Property Rights in any material provided to you shall remain in the ownership of, as applicable, HSBC Life or the HSBC Group member originating, providing or having title to the same whether relating to the name, corporate symbols or logos of the HSBC Group or otherwise.
- 12.2. You may link to the HSBC Group websites homepages with our prior written agreement and provided that there is no implication that the HSBC Group sponsors you or that there is a partnership or joint venture between the HSBC Group and you. Our PDF materials may be used to recommend HSBC Life to your Clients and potential Clients.
- 12.3. Subject to the above you shall not use our name, brand, logos or any other HSBC Life materials or those of any other member of the HSBC Group without prior written consent from the owner of the relevant name, brand, logo or material.

13. Data Protection

- 13.1. Each party shall comply with all Data Protection Legislation applicable to its processing of Relevant Personal Data.
- 13.2. Each party shall only process Relevant Personal Data for the purposes of this Agreement ("Purpose"). Neither party shall process Relevant Personal Data in a way that is incompatible with the provisions of this clause.
- 13.3. Each party shall ensure that any Relevant Personal Data that it provides to the other party has been obtained in compliance with applicable Data Protection Legislation, and shall take such steps as are required, including the giving of information, making of notices and obtaining of valid consents, to ensure that the other party is entitled to process such Relevant Personal Data for the Purpose.
- 13.4. Each party shall be responsible for providing appropriate Privacy Notices in respect of processing of Relevant Personal Data for which it acts as data controller. The Intermediary shall notify its Client's that their personal information will be processed in accordance with our Privacy Notice prior to transferring their information to us.
- 13.5. Each party shall use reasonable commercial endeavours to ensure that any Relevant Personal Data it provides to the other party from time to time is accurate and up to date.
- 13.6. The parties acknowledge and agree that, as regards processing of the Relevant Personal Data, each party acts as a controller in respect of such processing, and it is not intended that either party shall act as a processor to the other party in respect of any Relevant Personal Data.
- 13.7. If, at any time, a party is of the opinion that it is processing Relevant Personal Data as a processor on behalf of the other party, it shall immediately: (a) cease any processing where it may be acting as a processor; (b) notify the other party immediately of such processing; and (c) process such Relevant Personal Data as a processor solely on the written instructions of the other party.
- 13.8. Should either party receive a complaint, request, enquiry or demand from or on behalf of a data subject or supervisory authority in relation to the processing of Relevant Personal Data (including but not limited to any request for rectification or erasure of personal data or restriction of processing made in accordance with Articles 16, 17(1) or 18 of the GDPR), it shall promptly and in any event within 5 business days notify the other party in writing of such request.

- 13.9. Each party will implement appropriate security, technical and organisational measures in respect of the integrity and confidentiality of the Relevant Personal Data whilst in its possession to ensure that the Relevant Personal Data will not be recorded, disclosed, processed, deleted, lost, damaged, altered, used or otherwise tampered with in an unauthorised, accidental or unlawful manner and to protect the Relevant Personal Data in accordance with the relevant Data Protection Legislation. Such security, technical and organisational measures shall include (without limitation):
- 13.9.1. Taking reasonable steps to ensure the reliability of any individuals who have access to Relevant Personal Data; and
 - 13.9.2. Ensuring a level of security appropriate to the harm that might result from such unauthorised or unlawful processing or accidental loss, destruction or damage of, and appropriate to the nature of, the Relevant Personal Data.
- 13.10. Each party shall immediately notify the other party in writing of any Personal Data Breach or breach of the provisions of this clause 13 or if any complaint is made by a supervisory authority relating to Relevant Personal Data. In the event of a notification under this clause the parties shall provide full co-operation and assistance to one another in relation to such breach or complaint.

14. Termination and Consequences of Termination

- 14.1. You and we can terminate this Agreement at any time by serving written notice on the other party.
- 14.2. If this Agreement is terminated you will be liable for any overpayment resulting from any Commission paid after the Agreement terminated as well as for any debts owed by you to us at the termination of the relationship.
- 14.3. If this Agreement is terminated we will cease payment of any Adviser charges to you.
- 14.4. This Agreement will be terminated with immediate effect in the following circumstances:
- ☞ You were self-employed/a sole trader and have died
 - ☞ You were in partnership and the partnership dissolves or if you are a company or limited liability partnership a winding up petition is presented or a resolution is passed for your liquidation or winding up or in either case a receiver, administrative receiver, administrator, supervisor or encumbrancer takes possession or control of or is appointed over any of your (or the partnership's) assets or you (or the partnership) become insolvent, unable to pay your (or the partnership's) debts as they fall due or enter into a composition or arrangement for the benefit of creditors (a Corporate Insolvency Event)
 - ☞ You are self-employed/a sole trader and become insolvent, unable to pay your debts as they fall due, a petition is presented for your bankruptcy or you enter into a composition or arrangement for the benefit of creditors (an Individual Insolvency Event)
 - ☞ You cease trading
 - ☞ You cancel your authorisation or registration with the FCA, or appropriate professional body
 - ☞ You have failed to provide us with any personal guarantees or other security that we request in accordance with clause 16.5
 - ☞ We reserve the right to terminate if any potential repayable Commission that you owe to us exceeds the level of any personal guarantees or other security that you provide pursuant to clause 16.5
 - ☞ If a breach is committed by you and/or any party that you have entered into arrangements with in relation to the submission of Business (or assistance in relation to the same) to us contrary to any Applicable Laws and Regulations or which are otherwise notified to you by HSBC Life

- ع You submit applications and a pattern of non-disclosure by your Client is identified
- ع The FCA suspends or revokes your authorisation under the Financial Services and Markets Act 2000; or
- ع You or any of your directors are subject to fine, sanction, censure, investigation or disciplinary proceedings brought by any competent authority, regulatory or professional body
- ع You fail to cease and desist immediately with any process, financial promotion(s) or marketing materials used by you and/or any party that you have entered into arrangements with in relation to the submission of Business (or assistance in relation to the same) to us, in the event that we believe (in our absolute discretion) that any such activity is contrary or potentially contrary to any Applicable Laws and Regulations or requirements which are otherwise notified to you by HSBC Life. For the avoidance of doubt, this also includes anything which may harm the reputation of HSBC Life
- ع You fail to submit any process, financial promotion(s) or marketing materials to be used by you and/or any party that you have entered into arrangements with, in relation to the submission of Business (or assistance in relation to the same) to us for express written approval prior to these being used

14.5. Should you wish to terminate this Agreement you must notify us in writing:

- ع For Onshore Investment Bond Business only: Bond Administration Team, PO Box 1053, St Albans, Herts, AL1 9QG
- ع For other Insurance Business: Administration Office, HSBC Life (UK) Limited, PO Box 1053, St Albans, Herts, AL1 9QG
- ع The termination of this Agreement will be effective when we receive your notice at the correct address

15. Variation

15.1. We can vary the terms of this Agreement at any time without notice. We will endeavour to make you aware of any variation to this Agreement as soon as is reasonably practicable. Any Business submitted to us after the date of variation shall be deemed to be subject to the amended terms. Any variation shall not affect the terms applicable to Business submitted to us prior to the date of variation.

16. General

- 16.1. Save in respect of fraud or death or personal injury caused by negligence neither HSBC Life nor any HSBC Group member shall be liable for any indirect or consequential loss incurred by you, your employees or network members whether arising as a result of HSBC Life's acts or omissions or otherwise.
- 16.2. The parties confirm that no term under this Agreement is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not a party to it.
- 16.3. To ensure that your instructions are carried out accurately, to help continually improve the service and in the interests of security, communications with us may be monitored and/or recorded. In the interests of security we may use CCTV recording equipment in and around our premises. All recordings are our sole property or that of another HSBC Group member.
- 16.4. We or any other member of the HSBC Group may take whatever action we consider appropriate to meet any obligations, either in the UK or elsewhere in the world, relating to the prevention of fraud, money laundering and terrorist activity and the provision of financial and other services to persons who may be subject to sanctions.

16.5. You agree to enter into any personal guarantee or other form of security specified by us from time to time which enables us to reclaim any Commission repayable to us under clause 6.

17. Validity

17.1. If any clause becomes or proves to be invalid or unenforceable, in whole or in part in any way, this will not affect the validity of any other clause or the other parts of the relevant clause. Any waiver or delay by us in enforcing any of these terms and conditions from time to time does not affect our right to enforce these terms and conditions strictly thereafter.

HSBC Life (UK) Limited

HSBC Life (UK) Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Our firm reference number is 133435.

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