

These Terms of Business set out the conditions under which you, an Intermediary, are to submit Applications to us when you are acting as an Appointed Representative or as a Directly Authorised Intermediary.

When submitting each Application to us you accept and agree to these Terms of Business ('Terms').

We reserve the right to alter these Terms of Business at any time and your continued submission of Applications will be taken as acceptance of the revised Terms.

## Which Terms apply?

1. If you are an Appointed Representative and your Principal has entered into a Mortgage Intermediary Network Agreement with us, only Part A of these Terms apply to you.
2. If you are a Directly Authorised Intermediary or a Principal who has not entered into a Mortgage Intermediary Network Agreement (as defined below) with us, only Part B of these Terms apply to you.
3. If you are an Appointed Representative whose Principal has not entered into a Mortgage Intermediary Network Agreement with us, only Part B of these Terms apply to you.

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## PART A: Appointed Representatives

If you are an Appointed Representative, we and your Principal (commonly referred to as a 'network') may have entered into an agreement ('Mortgage Intermediary Network Agreement') with us governing the legal terms applicable to any introduction by you of mortgage applications to us. It is your responsibility to ensure that your Principal had advised you of the terms of any Mortgage Intermediary Network Agreement which apply to you. By entering into these Terms, you agree to comply with all terms of the Mortgage Intermediary Network Agreement which apply to you.

If your Principal has not entered into a Mortgage Intermediary Network Agreement with us, only Part B of these Terms apply to you.

In addition, you agree as follows:

### 1. Data Protection – your rights

- 1.1 We will process your personal data which you provide when you apply for membership of our mortgage intermediary panel or which we acquire subsequently from you or a third party as is necessary to appoint you to our panel, process Applications, and comply with our obligations to share data with fraud prevention agencies and others, as described more fully in our mortgage intermediary panel application form or other appropriate document. We carry out profiling. You have certain rights in respect of your personal data as described in our Privacy Notice. A copy of the Privacy Notice is available on our website
- 1.2 We will send you marketing information and we may contact you for research purposes. You have the right at any point to notify us that you object to receiving such communications and to request that we update your preferences accordingly. You can do this by emailing [intermediaries@thecoventry.co.uk](mailto:intermediaries@thecoventry.co.uk) or by calling us on 0800 121 7788. We will contact you with important business information that enables you to submit applications to us, including information about our products, criteria and services. You are unable to unsubscribe from these communications.

### 2 Anti-Bribery, Corruption and Modern Slavery

- 2.1 You agree to:
  - 2.1.1 comply with all applicable laws, statutes and regulations relating to anti-bribery and anti-corruption, including but not limited to the Bribery Act 2010, the Competition Act 1998 and the Enterprise Act 2002;
  - 2.1.2 not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010 if such activity has been carried out in the UK; and

- 2.1.3 promptly report to us any request or demand for any undue financial or other advantage of any kind received by you in connection with these Terms.
- 2.2 You agree to comply with all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including but not limited to the Modern Slavery Act 2015;
- 2.3 You represent and warrant that neither you nor any person employed by you has been convicted of any offence involving slavery and human trafficking.
- 2.4 You will, at all times, ensure you have in place reasonable prevention processes and controls so as not to cause us in any way to be in breach of the offences contained in the Criminal Offences Act 2017 concerning failure to prevent facilitation of tax evasion.
- 2.5 You shall notify us as soon as you become aware of any breach or potential breach of this clause.

### 3. Definitions:

In Part A of these Terms the following definitions apply:

**'Applicant'** means a person or persons applying for a Mortgage Advance;

**'Application'** means any application for a Mortgage Advance that you send us on behalf of an Applicant;

**'Appointed Representative'** means a Person who acts as the representative of a Principal (as defined under section 39(2) of the FSMA) and for whom the Principal has accepted responsibility;

**'Directly Authorised Intermediary'** means an Intermediary who submits an Application to us directly as an Authorised Person;

**'Intermediary'** means any Person who submits an Application to us either (i) directly as an Authorised Person or (ii) as an Appointed Representative on behalf of a Principal (in which case both the Appointed Representative and the Principal shall be subject to these Terms);

**'Mortgage Advance'** means any advance (which may include a further advance) made by or on behalf of us secured or intended to be secured by a first charge over a property, or any advance made by or on behalf of us;

**'Principal'** means an Authorised Person who permits an Appointed Representative to carry on regulated activities on its behalf.

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## Part B: Directly Authorised Intermediaries

Principals who have not entered into a Mortgage Intermediary Network Agreement with us, and Appointed Representatives whose Principal has not entered into a Mortgage Intermediary Network Agreement with us.

These Terms of Business ('Terms') set out the conditions under which you, an Intermediary are to submit Applications to us when you are acting in the capacity of (i) a Directly Authorised Intermediary, or (ii) a Principal who has not entered into a Mortgage Intermediary Network Agreement with us, or (iii) an Appointed Representative whose Principal has not entered into a Mortgage Intermediary Network Agreement with us.

When submitting each Application to us you accept and agree to these Terms.

We reserve the right to alter these Terms at any time and your continued submission of Applications will be taken as acceptance of the revised Terms.

### Definitions

In Part B of these Terms the following definitions apply:

**'Applicable Regulations'** means all laws, regulations, orders, directions from regulators and industry codes of practice applicable to the sale, marketing or variation of mortgages and related products in the UK, including without limitation, the FSMA, the FCA Handbook, the DPA, the CCA, the Advertising Standards Authority British Code of Advertising, the Money Laundering Regulations 2007, the Terrorism Act 2000, the Proceeds of Crime Act 2002 and the Anti-Bribery and Corruption Act 2010 (and all updates and amendments thereto);

**'Applicant'** means a Person or Persons applying for a Mortgage Advance;

**'Application'** means any application for a Mortgage Advance that you send to us on behalf of an Applicant;

**'Appointed Representative'** means a Person who acts as the representative of a Principal (as defined under section 39(2) of the FSMA) and for whom the Principal has accepted responsibility;

**'Authorised Person'** means a Person who is authorised and holds authorisations and permissions required under the FSMA (and or any rules or regulations made under it) in order to submit Applications to us under these Terms;

**'CCA'** means the Consumer Credit Act 1974 as amended or replaced from time to time;

**'Club'** means a club which operates through an association of Members for the purposes of negotiating matters such as Fees with mortgage lenders and providing marketing and promotional activities on behalf of its Members;

**'Confidential Information'** means in relation to either party, any and all information in whatever form (excluding personal data of any Applicants under the DP Legislation), whether oral or in writing that (i) by its nature is confidential; or (ii) the other party knows or ought to know is confidential or (iii) is designated by the Disclosing Party as confidential and is disclosed to or otherwise learnt or acquired by the Receiving Party in connection with these Terms;

**'Directly Authorised Intermediary'** means an Intermediary who submits an Application to us directly as an Authorised Person;

**'Disclosing Party'** means the party to whom any Confidential Information belongs and which is disclosed to the other party;

**'DPA'** means the Data Protection Act 1998;

**'DP Legislation'** means the DPA, the Privacy and Electronic Communications (EC Directive) Regulations 2003, the Data Protection (Processing of Sensitive Personal Data) Order 2000, with effect from 25 May 2018 Regulation (EU) 2016/679 (the 'General Data Protection Legislation' or the 'GDPR'), and all associated regulations, statutory instruments, guidance notes and codes of practice issued by the Office of the Information Commissioner, as amended from time to time;

**'FCA'** means the Financial Conduct Authority (and any successor of the FCA);

**'FCA Handbook'** means the FCA's Handbook of rules and guidance pursuant to the FSMA as amended or replaced from time to time;

**'Fees'** means the procurement fees payable under clause 11 of these Terms;

**'FSMA'** means the Financial Services and Markets Act 2000 (and any associated or successor legislation or regulations);

**'Group'** means in relation to any party that party and every other legal Person which from time to time is or which becomes a subsidiary, majority shareholder or holding company of that party or a subsidiary of any such holding company (and the terms 'subsidiary' and 'holding company' shall have the meanings given to them by Sections 1159 and Schedule 6 of the Companies Act 2006);

**'Intermediary'** means any Person who submits an Application to us either (i) directly as an Authorised Person or (ii) as an Appointed Representative on behalf of a Principal (in which case both the Appointed Representative and the Principal shall be subject to these Terms);

**'Lending Policy'** means our policy on acceptance of business that we provide to you, which we may vary and or reissue from time to time;

**'Losses'** means losses, costs, actions, liabilities, damages, expenses, demands or claims;

**'MCOB'** means the Mortgages and Home Finance: Conduct of Business sourcebook in the FCA Handbook;

**'Member'** means a member of the Club and those persons engaged in introducing Applicants to us and shall include any person who is authorized by the FCA and has the relevant permissions to carry out the purposes contemplated by these Terms;

**'Mortgage Advance'** means any advance (which may include a further advance) made by or on behalf of us secured or intended to be secured by a first charge over the Property, or any advance made by or on behalf of us;

**'Mortgage Intermediary Network Agreement'** means an agreement between a Principal and us governing the legal terms applicable to any introduction of mortgage Applications to us;

**'Permissions'** means permissions, licenses, consents, or authorisations required under the FSMA or the CCA or any other relevant Applicable Regulations and if you are an Appointed Representative all such permissions or authorisations required from your Principal;

**'Person'** means a natural person, corporate or unincorporated body (whether or not having separate legal personality).

**'PRA'** means the Prudential Regulation Authority (and any successor of the PRA);

'Principal' means an Authorised Person who permits an Appointed Representative to carry on regulated activities on its behalf;

'Property' means the property over which security is, or is to be taken, in respect of the Mortgage Advance;

'Receiving Party' means that party to whom the Confidential Information of the other party is acquired in connection with any Application and/or these Terms;

'Services' means the services provided by you whereby you introduce Applications to us in order that we may consider if we will offer to provide a Mortgage Advance to such Applicants;

'Staff' means any individual who is either (i) working for you, or (ii) for the Principal and who is under your control and supervision;

'us' or 'our' or 'we' means the Coventry Building Society, Godiva Mortgages Limited and ITL Mortgages Limited and any other company within the Group from time to time; and

'you' or 'your' means the Intermediary.

## 1. The Services

1.1 You may (but are not under any obligation to) introduce Applicants to us. In the event you submit an Application to us and provide Services on these Terms, you agree to provide the Services in accordance with the following requirements:

1.1.1 complying with all Applicable Regulations;

1.1.2 submitting applications in respect of which you take reasonable steps to check they meet the requirements of our Lending Policy;

1.1.3 using all reasonable and professional skill, care, honesty and efficiency of a diligent provider of services similar to the services and in accordance with good industry practices and standards; and

1.1.4 to a standard and in a manner which is at least as favourable as are carried out by other intermediaries;

and

1.1.5 using appropriately skilled, competent, efficient, experienced and sufficient numbers of staff.

## 2. Applications

2.1 We may (but are not under any obligation to) offer to make a Mortgage Advance to the Applicants.

2.2 We reserve the right in our absolute discretion and for any reason not to accept an Application or Applications submitted by you.

2.3 We will arrange all processing and administration of the Application. Provided that you have notified us of your up to date business email address, we will keep you up to date with our procedures, including our Lending Policy.

2.4 All Applications must be submitted with all relevant monies due. We will not accept liability for delays caused by incomplete or inaccurate information provided by you. Prior to submission you must have taken reasonable steps to ensure the Application meets our current Lending Policy.

2.5 You shall only submit Applications in the current version of the application submission process which we have advised to you from time to time within the Lending Policy. You will ensure that prior to submitting an Application to us, you have identified and verified the Applicant in accordance with all Applicable Regulations and provided each Applicant with a copy of the declaration, explained the content of the declaration and obtained each Applicant's verbal agreement to the terms of the declaration. You will forward to us the relevant documentation we require from time to time including photographic identification for each Applicant in such form as we may require or permit.

2.6 We will provide you with a user ID and a passcode (the 'Code') to enable you to submit Applications to us. You are not permitted to share your Code with anyone and it is your responsibility to ensure that your Code is stored securely. If you share your Code with anyone, or anyone else uses your Code, that will be a material breach under clause 15.2 of these Terms and we may immediately suspend your registration as a member of our Intermediary panel.

- 2.7 When you introduce Applicants to us you are not acting as our agent, and do not have the authority to make agreements or promises on our behalf or act on our behalf in any other way. You shall:
- 2.7.1 not hold yourself out as an Appointed Representative or agent of us; and
  - 2.7.2 take steps to notify potential applicants, customers, and other third parties of the capacity in which you are dealing with that party as required by any Applicable Regulations.

### **3. Authorisation**

- 3.1 You warrant that you have obtained all necessary Permissions which are required for you to perform the Services and fulfil your obligations in accordance with these Terms and carry out all activities required in the processing of Applications and in dealing with Applicants.
- 3.2 You must be directly authorised by the PRA or FCA and regulated by the FCA or an Appointed Representative of a Principal and be able to provide to us when requested (where relevant) the following:
- 3.2.1 registration under the DP Legislation; and
  - 3.2.2 any other licences, registration, authorisations, and powers that allow you to perform the Services and enter into and comply with these Terms.
- 3.3 You must notify us:
- 3.3.1 if any of your Permissions are withdrawn;
  - 3.3.2 if you are investigated for breach of the FSMA;
  - 3.3.3 if your registration with the PRA and/or FCA is terminated; and
  - 3.3.4 if you are investigated by any regulatory body, to the extent that you are permitted to do so by the regulatory body; and
  - 3.3.5 If you an Appointed Representative and your agreement with your Principal terminates for whatever reason.
- 3.4 You warrant that you hold the correct regulatory permissions relevant to the activity you undertake and the mortgage contracts involved.
- 3.5 If you are an Appointed Representative, you warrant that your agreement with your Principal includes authority to conduct the above regulated activities.

### **4. Compliance**

- 4.1 You must comply in full with all Applicable Regulations and carry out your activities in accordance with good industry practice, in good faith and so as not to prejudice our reputation or cause us to breach any Applicable Regulations. If you submit a fraudulent Application we reserve the right to remove you from our Intermediary panel and advise the FCA under the Information from Lenders Scheme. In addition, we reserve the right to inform your Principal if we remove you from, or refuse you entry to, our Intermediary panel.
- 4.2 You shall ensure that:
- 4.2.1 You obtain any consents (whether verbal or in writing) that may be required from the Applicants in order to perform your obligations under these Terms;
  - 4.2.2 your choice of lender, products and services is unbiased and in the best interest of the Applicant based on the information which is provided to you; and
  - 4.2.3 where applicable, you shall make full disclosure in writing and orally to Applicants of the fact and amount of any procurator fee you will receive in respect of the Application.
- 4.3 You warrant that the advice which you provide to Applicants in respect of all Applications will comply with the MCOB rules of advised sales (MCOB 4.7A) and that you will not submit to us any 'execution-only' or 'rejected advice' Applications.
- 4.4 We shall not be responsible for any failure by you to provide advice to any Applicants or any other breach of any Applicable Regulations, including the MCOB rules and we may refuse to do anything that is otherwise required to be done under these Terms if to do so would be against any Applicable Regulations, including the FSMA, CCA and any obligation in the MCOB.
- 4.5 We will not accept Applications from you submitted in your own name or on behalf of any Person acting on your

behalf (including Staff, agents or consultants) who is not appropriately authorised or exempt from authorisation by the FCA or any other relevant regulatory authority and you accept responsibility for and warrant that all such Persons as aforesaid are appropriately authorised. We reserve the right to reject any Application submitted by you if we suspect that it does not meet the requirements set out in this Clause 4.

## 5 Data Protection

### 5.1 Data Protection - your obligations

- 5.1.1 In respect of personal data collected by you from an Applicant prior to submitting an Application to us, you shall be the data controller and, notwithstanding clause 5.1.2 below, shall remain data controller in respect of such personal data.
- 5.1.2 You acknowledge and agree that we shall be a 'data controller' of any Applicant's personal data disclosed to us pursuant to an Application at the point of the submission of the personal data to us or otherwise in connection with these Terms.
- 5.1.3 We do not consider the activity envisaged under these Terms would lead to you being deemed under DP Legislation to be a data processor appointed by us. If our view on this changes, we will update these Terms and notify you accordingly.
- 5.1.4 You shall at all times comply with the requirements of the DP Legislation; in particular:
  - 5.1.4.1 Ensure that you have the Applicant's authority to disclose their personal details to us in any format; and
  - 5.1.4.2 Provide the Applicant with a comprehensive privacy notice which will, inter alia, inform the Applicant that his or her data will be passed to third party mortgage providers to ensure that we may lawfully use this personal data.
- 5.1.5 Prior to the submission of any Application to us, you agree to make the Applicant aware of the provisions of our Privacy Notice (as updated from time to time) by referring Applicants to our website or by providing a paper copy.
- 5.1.6 If you send documentation to us or correspond with us electronically, you must use a secure encrypted format, such as our secure mail service.
- 5.1.7 Your duties under this clause shall survive any termination of your membership from our mortgage intermediary panel.

### 5.2 Data Protection - your rights

- 5.2.1 We will process your personal data which you provide when you apply for membership of our mortgage intermediary panel or which we acquire subsequently from you or a third party as is necessary to appoint you to our panel, process Applications, and comply with our obligations to share data with fraud prevention agencies and others, as described more fully in our mortgage intermediary panel application form or other appropriate document. We carry out profiling. You have certain rights in respect of your personal data as described in our Privacy Notice. A copy of the Privacy Notice is available on our website.
- 5.2.2 We will send you marketing information and we may contact you for research purposes. You have the right at any point to notify us that you object to receiving such communications and to request that we update your preferences accordingly. You can do this by emailing [intermediaries@thecoventry.co.uk](mailto:intermediaries@thecoventry.co.uk) or by calling us on 0800 121 7788.
- 5.2.3 We will contact you with important business information that enables you to submit applications to us, including information about our products, criteria and services. You are unable to unsubscribe from these communications.

### 5.3 Payment Card Industry – Data Security Standards

- 5.3.1 In the event that in submitting any Application you obtain from any Applicant any 'sensitive card data' (as such term is understood in the payment cards industry) and which shall as a minimum include the card number and/or CVC, you shall be responsible for ensuring that such sensitive card data:
  - 5.3.1.1 is held securely by you and is not released to any other Person;
  - 5.3.1.2 is used solely for the purposes of submitting the Application; and

5.3.1.3 is promptly destroyed upon submission of the Application and is not stored or held in paper or electronic form.

5.3.2 Your duties under this clause shall survive any termination of your membership from our mortgage intermediary panel

## 6 Confidentiality

6.1 During the period in which you are registered as a member of our Intermediary panel we will grant access to you and to any Staff who necessitate access for administration purposes, of our website for use by Intermediaries and you and such Staff will be provided with a separate User ID (Identification) and password for this purpose. Once you have been issued with a user ID and password you must not disclose it to anyone, including for the avoidance of doubt any fellow intermediaries or any Staff, and shall procure that any Staff do not disclose it to anyone. If your or any member of your Staff's password is revealed to any other person (whether a member of Staff or a third party), whether deliberately or in error or otherwise, we will not be liable to you for any loss incurred and you agree to indemnify us in respect of Losses which we may incur as a result of the unauthorised use of your and/or any Staff's password by any third party. You agree that your and any Staff's use of the website shall be solely for the purposes of acting as an Intermediary and shall be in accordance with any usage restrictions of the website notified or made available by us from time to time.

6.2 Subject to clauses 6.3, 10.1, 10.3, 12 and 16.11 the Receiving Party will keep all Confidential Information of the Disclosing Party secret and confidential, will only use the other party's Confidential Information for the proper performance of its obligations under these Terms and will not, without the Disclosing Party's written consent, communicate or disclose, whether directly or indirectly and whether in writing or orally, Confidential Information to any other person other than in accordance with these Terms, save that:

6.2.1 The obligations of confidentiality in this clause 6 will not extend to Confidential Information which;

6.2.1.1 the other party can show is in, or has become part of, the public domain other than as a result of a breach of the obligations of confidentiality under this Agreement;

6.2.1.2 was in the other party's written records prior to entering into the Agreement and not subject to any confidentiality obligations; and

6.2.1.3 was independently disclosed to the other party by a third party entitled to disclose the same

6.2.2 Such Confidential Information may be disclosed by either of us to members of staff, professional advisors, any Group member, or any crime prevention or regulatory bodies that have a need to know such Confidential Information, provided that they agree to keep such Confidential Information confidential on terms similar to these Terms.

6.3 Without prejudice to any other disclosure obligations under these Terms, either of us may request and require the other to disclose any information in its possession and control as necessary for the requesting party to comply with its obligations under Applicable Regulations.

## 7 Money Laundering

7.1 In relation to all business you refer to us, you must ensure you comply with the latest UK Money Laundering Regulations (and any subsequent amendment, substitution or addition to these Regulations).

## 8 Anti-Bribery, Corruption and Modern Slavery

8.1 You agree to:

8.1.1 comply with all applicable laws, statutes and regulations relating to anti-bribery and anti-corruption, including but not limited to the Bribery Act 2010, the Competition Act 1998 and the Enterprise Act 2002;

8.1.2 not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2 or 6 of the Bribery Act 2010 if such activity has been carried out in the UK; and

8.1.3 promptly report to us any request or demand for any undue financial or other advantage of any kind received by you in connection with these Terms.

8.2 You agree to comply with all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including but not limited to the Modern Slavery Act 2015;

8.3 You represent and warrant that neither you nor any person employed by you has been convicted of any offence

involving slavery and human trafficking.

- 8.4 You will, at all times, ensure you have in place reasonable prevention processes and controls so as not to cause us in any way to be in breach of the offences contained in the Criminal Offences Act 2017 concerning failure to prevent facilitation of tax evasion.
- 8.5 You shall notify us as soon as you become aware of any breach or potential breach of this clause 8.

## 9 Advertising

- 9.1 You must have our written approval before using our logo, or distributing any advertising, press release or marketing literature that refers to us. Our approval of the copy means that we are happy with the form and content, but does not mean that we consider that it complies with any laws, regulations or codes of practice. It is your responsibility to check compliance of the same.

## 10. Complaints Procedure

- 10.1 You must immediately notify us of any complaints relating to fraud or improper conduct by you.
- 10.2 Where any regulator brings any action or investigation in relation to any services or other activities by you or where disciplinary or complaints procedures are applied in relation to clause 10.1, we may:
- 10.2.1 withhold or delay any payments otherwise due to you until you have implemented or discharged any sanctions resulting from those procedures; and/or
- 10.2.2 either indefinitely or temporarily limit or suspend any Services that you may provide to us.
- 10.3 We may disclose any identified or suspected non-compliance by you with the Applicable Regulations to other lenders.

## 11. Fees

- 11.1 A fee will be paid as set out in this clause 11 following the completion of a Mortgage Advance or product transfer to an Applicant who is introduced by you in accordance with these Terms. You will not be entitled to any such Fee or reimbursement of any other fee paid in respect of any Application should it not be accepted by us and does not proceed to completion.
- 11.2 Fees payable pursuant to these Terms may be paid directly to you or directly to your Club or, if you are an Appointed Representative, to your Principal for onward disbursement to you. The onward payment of the Fees by your Club or Principal will be subject to the terms and conditions of any agreement you have with your Club or Principal.
- 11.3 All payments made under these Terms (whether to you, the Club, or to your Principal) will be made by bank transfer to an account in your name or in the name of the Club or in the name of your Principal, based in the UK (where the services provided by you to us are performed).
- 11.4 Where payment is made by us to the Club or to your Principal, the Club or Principal is responsible for the onward payment of Fees to you in respect of the Application. We are not responsible for any fees or fee arrangements between you and the Club or between you and your Principal.
- 11.5 You will promptly return to us, or to the Club or to your Principal, any overpayment by us.
- 11.6 We may, at our discretion, without advance notice amend the fee structure used to calculate Fees payable to you under these Terms. For the avoidance of doubt, any changes to the fee structure will only be applicable to Applications which are submitted to us after the change and not in respect of Applications which have been submitted to us prior to the change becoming effective.
- 11.7 Clause 11.8 and 11.9 shall apply where, as the direct or indirect result of an Applicant making a payment to any Person, you knowingly receive a benefit that is not expressly set out in these Terms.
- 11.8 You will take all reasonable steps to ensure that any payment made (whether at completion or before or after completion on any Application) by any Applicant to any Person in connection with such Application and/or these Terms (in view of the services provided by that Person to the Applicant which are the subject of the payment) is:
- 11.8.1 of a reasonable amount and not excessive; and
- 11.8.2 in compliance with MCOB 12 Charges.

11.9 Where relevant, disclosure of all fees must be made to us and in accordance with MCOB and any other Applicable Regulations and general law.

## 12. Monitoring and Access

12.1 You shall in relation to the discharge by regulators of their functions under Applicable Regulations and/or to assist us to meet our obligations:

12.1.1 make yourself available for meetings with us and/or regulators as reasonably requested;

12.1.2 give us and/or regulators reasonable access to any records, files, tapes or computer systems which are within your possession or control;

12.1.3 print information in your possession or control which is held on computer or otherwise convert it into a readily legible document or any other record which we and/or a regulator may reasonably request; and

12.1.4 answer truthfully, fully and promptly all questions which we or a regulator reasonably puts to you.

12.2 You will permit us, representatives of regulators and Persons appointed by regulators for the purposes of this clause to have access upon providing you with reasonable notice (unless due to fraud or suspected fraud in which case no notice is required), during reasonable business hours to any of your business premises where the Services have been performed and/or records held in respect of the Services:

12.2.1 to review your compliance with your obligations;

12.2.2 to assist us to meet our obligations; and

12.2.3 (in the case of regulators) in relation to the discharge of regulators' functions under Applicable Regulations.

12.3 You shall keep such records in such form as we may reasonably specify from time to time.

12.4 You agree that our auditors, upon reasonable notice on up to two occasions per year (or at any time where the audit is due to fraud or suspected fraud):

12.4.1 will have a right of access to your records (save for protected items as defined in section 413 FSMA); and

12.4.2 are entitled to require from you or other officers such information and explanations as our auditors reasonably consider necessary for the performance of their duties as auditors.

12.5 You agree to provide us, within 10 working days of request from us, with reports showing in reasonable detail the source of Applications submitted under these Terms together with a report showing the progress and status of the Applications.

## 13. Indemnity & Insurance

13.1 You shall indemnify us in respect of all Losses (including legal fees) incurred by or awarded against us, or any member in our Group or our respective directors, officers, agents, employees, members and successors in interest (together the 'Indemnified Persons') in connection with any claim by a third party that you have infringed the intellectual property rights of that third party, any proceedings, claim or action against an Indemnified Person as a result of any breach by you of any warranties, representations or your obligations under clauses 4, 6, 7 and 8 of these Terms or any Applicable Regulations or relevant regulatory rule or by reason of any misrepresentation, tortious or fraudulent act.

13.2 You shall have and shall maintain for the duration of any Services and for a period of three (3) years following termination of any Services a policy or policies of insurance covering all the liabilities you may incur in connection with these Terms. Such policies shall be on terms that are reasonably acceptable to us and shall include professional indemnity insurance with cover of no less than an amount in accordance with chapter 3 of the Prudential sourcebook for Mortgage and Home Finance Firms, and Insurance Intermediaries. The terms of any insurance or the amount of cover shall not relieve you of any liabilities under these Terms.

13.3 You shall not by your acts or omissions cause any policy of insurance to become invalid or void.

13.4 You shall promptly upon request by us, provide us with evidence of your insurance cover and shall notify us of any material changes to the level, type or other material provisions of insurance cover from those notified to us.

## 14. Liability

- 14.1 Neither party will be liable to the other for special, indirect or consequential damages or losses. With the exception of liability for fraud, fraudulent misrepresentation, death and personal injury (where no limit or exclusion of liability shall apply) your liability to us in respect of any breaches of this Agreement which occurred in any individual calendar year shall be limited to £1,000,000 (one millions pounds sterling).

## 15. Termination

- 15.1 We continually review and update our Intermediary panel. On-going registration as a member of our Intermediary panel is dependent on submission to us of quality applications that meet our Lending Policy on a regular basis. We therefore reserve the right by giving notice to you that we are terminating or suspending your registration as a member of our Intermediary panel (including your Code (as defined in clause 2.6) at any time within our sole discretion and without explanation). If you are a Directly Authorised Intermediary and are a Member of a Club, we reserve the right to notify your Club of your removal. If you are an Appointed Representative, notice of your termination may be given by us to your Principal. In the event that we have terminated or suspended your registration due to non-submission of any Applications to us for a certain period (as opposed to the quality of the Applications) you shall be entitled to apply to us for re-registration which we shall consider in our discretion.
- 15.2 In addition to clause 15.1 above, we may immediately terminate or suspend your registration (or the registration of any person or body for which you are responsible as a member of our Intermediary panel) in the event of any one or more of the following:
- 15.2.1 Any material breach by you or any person or body for which you are responsible of any of the provisions contained within these Terms;
  - 15.2.2 Any misconduct by you or any person or body for which you are responsible which is or could be viewed as prejudicial to our business or reputation;
  - 15.2.3 You cease to be appropriately authorised or exempt (as applicable) under the Financial Services and Markets Act 2000;
  - 15.2.4 Material litigation or reconstruction involving you including (without limitation of the foregoing) bankruptcy, dissolution, administration, winding up or seizure of assets; or
  - 15.2.5 Any failure by you or any person or body for which you are responsible to comply with clause 2.5 or clause 8.
- 15.3 In the event of termination (other than termination pursuant to clause 15.2 above) we agree:
- 15.3.1 to pay any Fees payable in relation to any completions that have occurred prior to the date of termination and in relation to Applications that have been submitted and completions that occur in relation to those Applications within six months of the termination date;
  - 15.3.2 to inform you if any Applications already received will continue to be processed by us; and
  - 15.3.3 upon your written request to discuss with you the reasons for our decision to terminate or suspend your registration and if future re-registration is permissible.
- 15.4 You may elect to terminate your registration as a member of our Intermediary panel at any time by providing us with notice in writing of such termination and we shall be entitled to remove you as a member of our Intermediary panel immediately upon receipt of such notice should we elect to do so.
- 15.5 In the event of termination you shall:
- 15.5.1 promptly return to us any property, whether in hard copy or electronic form, belonging to us;
  - 15.5.2 cease all promotion of our mortgages and shall not (during your membership of our Intermediary Panel or any time thereafter) denigrate in any manner our products, services, business or reputation;
  - 15.5.3 repay all sums then and subsequently outstanding to us within 28 days of the termination taking effect; and
  - 15.5.4 use reasonable endeavours to ensure that all activities carried out under these Terms are transferred smoothly back to us or such other party as we may specify.
- 15.6 Any termination under this clause shall not affect any accrued rights or liabilities of either party nor shall it affect the provisions of any clause which is to continue to apply notwithstanding termination including clauses 4, 5, 6, 8, 10, 12, 13, 14, 15.5 and 16 or the coming into force of any provision which is expressly or by implication intended to come into force on or after such termination.

## 16. General

- 16.1 The rights of each of us under these Terms may be waived only in writing and any delay in exercising or failure to exercise any such right shall not be a waiver of that right.
- 16.2 If, at any time, any provision of these Terms is or becomes illegal, invalid or unenforceable in any relevant jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other relevant jurisdiction shall be affected or impaired.
- 16.3 These Terms replace our previous Intermediary terms and conditions which you may have previously agreed to. These Terms, together with any amendment agreement as referred to at the top of the Terms, if any, set out the entire agreement between us and you. No previous, oral or implied terms shall apply as between you and us in respect of any introductions made by you in respect of applications for Mortgage Advances.
- 16.4 We may set off any sums payable to you under these Terms against any sums that are due from you to us or a third party under these Terms or otherwise.
- 16.5 You may not assign, sub-contract, sub-delegate or transfer all or any part of your rights or obligations under these Terms, without our written consent which we shall not unreasonably withhold.
- 16.6 We may assign, novate or otherwise dispose of our rights under these Terms (in part or in whole) at any time to any Group member or to any successor of any part of the Coventry Building Society operation or business.
- 16.7 These Terms shall not be enforceable under or by virtue of the Contracts (Rights of Third Parties) Act 1999 by a person who is not a party, or a successor, transferee or assignee of a party.
- 16.8 Each of us shall remain liable to the other for any breach of these Terms by its assignees, sub-contractors or transferees.
- 16.9 No variation of any of these Terms shall be effective unless it is in writing and signed by or on behalf of each of the parties save in respect of clause 11.4.
- 16.10 Both of us agree to act in good faith in relation to each other for so long as these Terms between us remain in force and in particular, but without prejudice to any of these terms, undertake to discuss any dispute that may arise and seek an amicable settlement in relation to any such dispute. For the avoidance of doubt, this will not prejudice the right of either party to take legal proceedings.
- 16.11 You agree to disclose the existence of the agreement between us on these Terms and that you are being remunerated by us to any Person that you introduce to us under these Terms. You also agree that irrespective of any legal or other restrictions on disclosure, our agreement on these Terms, any payments under it and any information received by us about you may be disclosed to any member within our Group.

## 17. Applicable Law

- 17.1 These Terms are governed by English Law.
- 17.2 The courts of England and Wales shall have exclusive jurisdiction over any disputes arising out of or in connection with these Terms.

**coventryintermediaries.co.uk**

**All information is subject to change.**

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