

LLOYDS
BANKING
GROUP



LLOYDS BANKING GROUP

Terms of Business for Directly Authorised
Intermediaries

BMSOLUTIONS
FROM BIRMINGHAM MIDSHIRES



**SCOTTISH WIDOWS
BANK**

INTERMEDIARY AGREEMENT

INTRODUCTION:

- (A) Lloyds Bank plc (also referred to as the **Bank**) and certain group companies (together defined as the Lender below) offer mortgages to successful applicants.
- (B) The Intermediary (also referred to as **you** and **your**) is entering into this Intermediary Agreement (defined below).
- (C) The Bank has agreed that you may submit UK mortgage applications on the terms of this Agreement.
- (D) The terms of this Agreement shall apply to all mortgage applications submitted to the Lender by you.
- (E) The procurement fee which the Intermediary will receive is set out in the Procurement Letter (defined below)

PARTIES:

BANK: Lloyds Bank plc, a company registered in England with registration number 2065 and whose registered office is at 25 Gresham Street London EC2V 7HN

INTERMEDIARY: «Company_Name» (FCA Number «Firm_FCA_Number»)
«Address_Line_1»
«Address_Line_2»
«Address_Line_3»
«Address_Line_4»
«Address_Postal_Code»

REPRESENTATIVES:

LENDER REPRESENTATIVE: Halifax, Birmingham Midshires, Scottish Widows Bank:
Angela Butterworth, Senior Manager, Panel Management, Fees and Payments

INTERMEDIARY REPRESENTATIVE: (PRINT NAME)
(insert here the name of the person who will be your key contact with the Bank)

**Signed for and on behalf of the Bank
and the other Lender Brands**

**Signed for and on behalf of the
Intermediary**

.....

.....

Print Name: Angela Butterworth

Print Name:

Position: Senior Manager. Panel
Management, Fees and Payments

Position:

Date:

Date:

1. DEFINITIONS AND INTERPRETATION

1.1 When a word appears in these terms of business that starts with a capital letter, check to see if it appears in the list of defined terms below for its specific meaning.

Applicable Standards: means any applicable law; court order; judgment; decree; policy, rule or guidance issued by a regulatory body including the Financial Conduct Authority (**FCA**), Information Commissioner's Office (**ICO**) or Prudential Regulation Authority (**PRA**) (or any successor body or bodies) and any industry code required by a commonly accepted trade body;

Applicant: means the person whose Mortgage Application is sent to the Lender by you;

Authorised Person: means a person authorised as defined in Section 31(2) of the FSMA, who holds the necessary authorisations and permissions to submit a Mortgage Application for a Regulated Mortgage Contract to the Lender under this Agreement;

Bank: as defined above;

Business Day: means any day on which the London Stock Exchange is open for business;

Data Protection Laws: means the Data Protection Act 2018, the Privacy and Electronic Communication (EC Directive) Regulations 2003 as amended and all other applicable laws, regulations or codes of practice relating to data protection or the privacy of individuals;

Effective Date: means the latest date of signature of a Party as set out above;

FSMA: means the Financial Services and Markets Act 2000 as amended;

Insolvency Event: means you cease or threaten to cease trading, suspend payment of debts, receive a winding up petition, appoint an administrative receiver, enter into administration or liquidation or receive notice of impending administration / liquidation, enter into bankruptcy, or are declared bankrupt by a court;

Intellectual Property Rights: means trademarks, service marks, trade names and business names (including rights in goodwill), design rights, rights in and/or to internet domain names and website addresses, copyright (including future copyright) database rights, all other intellectual property rights;

Lender, we, us, and our: means the Lender Brands and/or companies of the Lloyds Banking Group to which we agree you may submit Mortgage Applications and the Bank, where this is necessary to give effect to the terms of this Agreement;

Lender Brands: means Bank of Scotland plc trading as Halifax, Bank of Scotland plc trading as Birmingham Midshires, Lloyds Bank plc trading as Scottish Widows Bank or any other brands as may be used by Lloyds Banking Group over time;

Lender Representative: as defined above;

Lender Brand Terms and Conditions: means the terms each of the Lender Brands uses to govern their relationship with the Intermediary, including the use of the Lender Brand website and associated application processing interfaces where applicable, copies of which can be downloaded from the Lender Brand website;

Lloyds Banking Group: means the Lloyds Banking Group plc (registered number SC095000) whose registered office is at The Mound Edinburgh EH1 1YZ and any holding companies or subsidiary undertakings (as such terms are defined in the Companies Act 2006) of it or of any such holding company, in each case from time to time and a Lloyds Banking Group Company will mean any such company;

MCD Order: means the Mortgage Credit Directive Order 2015 as amended;

Mortgage Application: means an application for a new mortgage, which may be a Regulated Mortgage Contract or a non-regulated mortgage contract, product transfer or further advance;

Personnel: means directors, employees, contract staff, independent contractors and other individuals or technology providers engaged by you to do work under and/or in connection with this Agreement;

Procurator Letter: means the letter forming part of this Agreement, issued and amended by us from time to time, which sets out the applicable procurator fee for acquiring customers payable by us to you;

RAO: means the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544) (as amended);

Regulated Mortgage Contract: means a mortgage contract falling within article 61(3) of the RAO;

1.2 We have referred to some statutes, regulations or other rules. References to them include references to them as amended or replaced from time to time. Where we have referred to a time of day this means UK time, unless we say otherwise. Where

we start a phrase with the words 'including' or 'include', the phrase is to be construed as illustrative only and does not limit the sense of the words preceding those terms.

- 1.3 This Intermediary Agreement including the Procurement Letter (where applicable) shall comprise the terms of business agreement between the Parties and together shall be referred to as the "Agreement".

2. START AND REGISTRATION

- 2.1 This Agreement starts on the Effective Date and will continue until ended by either Party under clause 17.
- 2.2 Whenever we use the phrase you or your in this Agreement we also mean your Personnel. At some points in this Agreement we set out in greater detail what is expected of your Personnel and what you are accepting responsibility for. But as a general rule, unless we say otherwise, you are responsible for the actions of your Personnel.
- 2.3 You must complete the relevant Lender Brand's registration process and you are responsible for ensuring that the registration information is accurate and is kept up to date. For online submissions you and your Personnel who submit Mortgage Applications must also accept the Lender Brand Terms and Conditions on the relevant Lender Brands intermediary websites before submitting Mortgage Applications to us.
- 2.4 We will only accept Mortgage Applications in respect of properties within the UK and only from an Intermediary who has their registered offices within the UK and who are ordinarily resident within the UK. Under no circumstances will we accept any Mortgage Applications where any of these criteria are not met.

3. SCOPE

- 3.1 This Agreement sets out the terms upon which the Lender accepts Mortgage Applications submitted by you. However we may at any time reject any Mortgage Application submitted by any of you with or without giving prior notice.
- 3.2 We are not appointing you on an exclusive basis. We make no commitment to you on the volume of business or fees earned from this Agreement.
- 3.3 Nothing in this Agreement is intended to, or does, create a partnership between the Parties, or authorises either Party to act as agent for the other. Therefore you act entirely on your own and will notify Applicants that you are not acting for the Lender on any Mortgage Application and cannot legally bind a Lender in any event.

4 YOUR GENERAL DUTIES

Your Personnel

- 4.1 You will ensure that any Personnel are competent and adequately trained in mortgage products so that features, risks and best advice can be explained and given to customers and our products matched to customer needs and circumstances to the standards required by the FCA and/or PRA.

Complying with Applicable Standards

- 4.2 In all your activities under this Agreement you undertake to make sure that you shall comply with Applicable Standards at all times. You will use reasonable care and skill when you submit Mortgage Applications to us, in line with good industry practice and Lender Brand policies and processes. Unless otherwise agreed with us you will use certain prescribed forms and follow the Lender Brand prescribed processes when sending us Mortgage Applications.

Sending us Mortgage Applications

- 4.3 You will send to us fully completed Mortgage Applications in line with the applicable Lender Brand Terms and Conditions, so that we can decide on whether or not to offer the Applicant a mortgage. You will record all data required by us in the application process accurately. You will promptly tell us if any information submitted in the Mortgage Application changes.

Your Mortgage recommendations

- 4.4 You will ensure that the recommended mortgage product is suitable and provide such information that we need or request so that we can assess affordability based on our affordability criteria. We will keep all mortgage product information, such as applicable interest rates, up to date on our website. If the information submitted in the application changes you will ensure that the recommended product continues to be suitable.

Execution Only Mortgages

- 4.5 Before you send us a Mortgage Application for a execution only mortgage, you will ensure that the use of an execution only process complies with Applicable Standards and it is in the customer's best interests, (and if asked you will be able to confirm the basis upon which the execution-only sale was made).

Looking after vulnerable customers

- 4.6 You acknowledge that customers in vulnerable circumstances may be significantly less able to represent their own interests, and are more likely to suffer harm. You will ensure that you adequately protect customers and recommend mortgage products to take account of any vulnerabilities. We may therefore from time to time request information from you or contact customers and Applicants directly to understand how you are supporting customers in vulnerable circumstances.

Keeping the customer informed

- 4.7 You will also send to customers any information required to be sent to them on our behalf or to comply with Applicable Standards and you will comply with all reasonable instructions given by us.

Dealing with customer complaints

- 4.8 You will deal fairly and appropriately with all customer complaints and claims relating to any Mortgage Applications submitted under this Agreement including in relation to the sales process and product recommendation and advice, in accordance with a complaints procedure that complies with all Applicable Standards.
- 4.9 You will forward to us any customer complaints you receive relating to activities carried out by us or the Lender including for example in relation to product performance, application processing and post completion administration of the mortgage.

Monitoring compliance with this Agreement

- 4.10 You agree to monitor and retain records of advice given by Personnel and where necessary take appropriate action to remediate any issues identified to ensure compliance with the terms of this Agreement. You must keep all documents generated during the sales process.

Insolvency and Investigations

- 4.11 You must tell us as soon as possible if you are at risk of suffering an Insolvency Event, or if anyone you employ has been charged with or convicted of any criminal offence, or have been investigated by (other than a standard audit or inspection) or sanctioned or been the subject of any supervisory investigation by the FCA or PRA or any other regulatory authority.

Impacts on our business

- 4.12 You must not do anything that might adversely affect any authorisation or licence necessary for us to do business, or do anything which might cause us reputational harm or cause us to be acting illegally. In particular, you must not do anything that will cause any mortgage granted by us to be unenforceable under any provision of the FSMA and in particular under Section 27 of the FSMA, or cause any unfair relationship to arise under s140A of the Consumer Credit Act 1974.

Changes to your business

- 4.13 You must let us know as soon as possible, if there is any material change or possible change to your business including a change of control over you (where "control" has the meaning given to it in the Glossary to the FCA's Handbook) or if you are not going to be able to comply with any provision of this Agreement.

5. ANTI-MONEY LAUNDERING

- 5.1 You will comply with all Applicable Laws, regulations, codes and sanctions relating to anti-money laundering, including but not limited to the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLR 2017) and the Proceeds of Crime Act 2002, which apply to the processing of mortgage applications. Specifically you therefore agree that you will:
- (a) conduct and maintain customer due diligence and record keeping procedures, which you consent for the Bank to rely upon, for all Applicants as required by the MLR 2017;
 - (b) retain copies of the data and documents related to the due diligence in accordance with Regulation 40 of the MLR 2017;
 - (c) if asked, provide immediately all information and evidence to us about an Applicant's identity and any other relevant information, gathered in applying Applicant due diligence measures as required under Regulation 39 of the MLR 2017;
 - (d) not engage in any money laundering activities and tell us as soon as possible if you know or suspect that an Applicant has been engaged in money laundering as defined by Part 7 of the Proceeds of Crime Act 2002; and
 - (e) implement reasonable procedures to prevent the facilitation of tax evasion by any associated persons as required by Part 3 of the Criminal Finance Act 2017.

5.2 You represent to us that neither you nor any Personnel have been prosecuted, charged or convicted of any offences under the MLR 2017 (or its predecessor the Money Laundering Regulations 2007) or the Proceeds of Crime Act 2002, other than as disclosed in writing to us.

6. YOUR DUTY TO DISCLOSE CERTAIN INFORMATION

6.1 As part of the process of submitting Mortgage Applications you must also disclose to the Applicant and us certain information.

6.2 You will provide a form of illustration (**Illustration**) to the Applicant in line with Applicable Standards before you submit the Mortgage Application. On this Illustration you will disclose any material non-cash inducements and/or any money you will obtain from us or any third party for yourself or the Applicant in relation to the Mortgage Application. For example, any introductory fees, procurement fees, valuation fees, administration charge, secret and/or half secret commissions, and any brokerage, arrangement or cancellation fees. This is to ensure that we and the Applicant are aware of any money exchanged and/or material inducements in relation to the Mortgage Application and you are responsible for ensuring that all such money is clearly disclosed on the Illustration.

6.3 You will also supply in accordance with Applicable Standards any "Adequate Explanations" to Applicants as required under the rules contained in section 4A.2 of the FCA's Mortgages Conduct of Business rules and/or Paragraph 8 of Schedule 2 of the MCD Order.

6.4 You must supply the Applicant with a copy of our Data Privacy notice or any other notices which are required by us or in order to comply with Applicable Standards.

6.5 You will not add fees to the sums advanced under any Mortgage Application without the Applicant's permission. You will tell us where the Applicant has made a positive choice to add a fee to the sum advanced.

6.6 You will provide us with any information, data or evidence we may reasonably ask you to provide concerning your business, your Personnel, ownership and/or partners, or concerning the operation of this Agreement and Mortgage Applications and other fees paid or received by you from third parties.

7. FCA AUTHORISATIONS AND PERMISSIONS

7.1 You agree that you are an Authorised Person and hold all authorisations and permissions required under FSMA (and/or any rules or regulations made under it) to carry out regulated activities including Part IV of the FSMA (**Permissions**) and you will not appoint any third party to perform any obligations under this Agreement which would be in contravention of the "General Prohibition" contained in Section 19 of the FSMA.

7.2 Before you submit any consumer buy to let Mortgage Application to us, you must ensure that you are named on the register of consumer buy-to-let mortgage firms maintained under Article 8 of the MCD Order and hold all authorisations and permissions required under FSMA (and/or any rules or regulations made under it) in order for you to submit consumer buy-to-let mortgage Applications to the Lender (**Registered Firm**).

7.3 You will immediately tell us if there are any changes to: the Permissions held by you or your status as an Authorised Person or a Registered Firm; your circumstances such that you become aware that you may soon come to cease to be authorised, or if you cease to be authorised, or you suffer an Insolvency Event. You will also, when asked, immediately give us written evidence of: you being an Authorised Person or a Registered Firm and/or your Permissions.

8. MANAGING INTRODUCERS

8.1 If you introduce an Applicant to us through a third party "**Introducer**" you must have a written agreement in place with the Introducer which requires them to:

- (a) not engage in regulated activities under the RAO in relation to Regulated Mortgage Contracts;
- (b) not receive any money from the Applicant in connection with any mortgage contract which the Applicant enters into as a result of such introduction;
- (c) disclose to the Applicant that they may receive payment or other reward or advantage for making the introduction, before making the introduction, and promptly disclose the amount of such payment, reward or advantage to the Applicant;
- (d) inform the Applicant if it is a member of the same group of companies as you before making any such introduction;
- (e) maintain written records of any such disclosures that are made (unless the introduction is being made under Article 33 of the RAO);
- (f) comply with any requirements that we may have for the form of the disclosure and for how we want to record the disclosure.

8.2 Where the introduction relates to a consumer buy to let Mortgage Application, the agreement between you and the Introducer must make clear that the Introducer shall not undertake any activity that would require it to be a Registered Firm.

8.3 On our request you will immediately give us a list of the Introducers from which Mortgage Applications are accepted.

9. MORTGAGE CLUBS

9.1 If you send us a Mortgage Application through a third party mortgage distributor, such as a mortgage club (**Mortgage Club**) then we will pay the fees to the Mortgage Club, at the rate agreed between the Mortgage Club and the relevant Lender. It will then be the responsibility of the Mortgage Club, not us, to pay on to you any fees owing.

10. PAYMENTS

10.1 Except where the circumstances set out in clause 10 or clause 11.2 apply the relevant Lender Brand will pay any fees to you for any Mortgage Application (submitted by you) that results in the Applicant taking out a mortgage (or a further advance or product transfer where this has been the subject of a Mortgage Application) in line with our procurement fees set out in the applicable Procurement Letter and/or published or as otherwise notified to you in writing, unless clause 10.2. applies.

10.2 We will stop paying you fees for mortgages if you cease to be an Authorised Person (including fees relating to mortgages which are not Regulated Mortgage Contracts). Each Lender Brand will pay fees for Mortgage Applications submitted to it before you cease to be an Authorised Person. If you are paid any fees for any Mortgage Application submitted by you after you have ceased to be an Authorised Person then you will repay such fees on demand.

10.3 Each Lender Brand will pay any fees relating to it no later than in the month following completion of the relevant mortgage to the agreed UK bank account, unless otherwise stated on the applicable underlying mortgage product. You agree to carry out fee reconciliations upon receipt of payment and report any errors or inconsistencies regarding the fees no later than four weeks after receipt of payment.

10.4 If we pay any fees to you by mistake which you have not earned, you agree you will repay those fees on demand.

10.5 We may withhold payment of specific fees if we learn that you are no longer the agent of an Applicant.

10.6 We have a right of set-off in respect of any amount payable by us to you against any money payable by you to us whether arising under this Agreement or otherwise with any member of the Lloyds Banking Group.

10.7 We may change the way fees are earned and the procurement fees at any time on giving you and/or any Mortgage Club 30 days' notice (which may be verbal); such notice to be confirmed in writing in due course. If published rates of procurement fees are paid, notice of changes may be given via any Mortgage Club or on the relevant Lender Brands website.

10.8 All fees are inclusive of VAT where applicable.

11. LIABILITY

11.1 Nothing in this Agreement excludes or limits our liability towards each other for:

- (a) death or personal injury caused by negligence;
- (b) fraud or fraudulent misrepresentation; or
- (c) any other matter for which it would be illegal or unlawful to exclude or limit or attempt to exclude or limit liability.

11.2 You also agree that you do not exclude or limit your liability to us for:

- (a) breach of our intellectual property rights
- (b) breach of our confidence
- (c) breach of Applicable Standards
- (d) failure by you to carry out your duties in relation to Data Protection and Information Security
- (e) any fines or other penalty imposed by a court or Regulator as a result of any of the breaches of clause 12.2 (a) - (d).

11.3 You shall be liable to us and to any Lender for any losses that we or a Lender suffers because of any breach by you of these Terms.

11.4 Subject to clauses 11.1 and 11.2 the maximum aggregate liability under this Agreement from:

- (a) **you to us**, in any period of 12 months, will be no less than the higher of either the level of professional indemnity insurance that you hold or the minimum amount of insurance cover you are required to have by the FCA (and if relevant the PRA).
- (b) **us to you**, will be £250,000 (except for non-payment of any fees payable to you).

11.5 Subject to clauses 11.1 and 11.2 neither Party will be liable for losses that are not considered direct losses, nor for indirect or consequential losses.

Insurance

- 11.6 You agree to keep such levels of insurance cover as may be required during the Agreement until the later of a period of six years after the Agreement has ended, or, six years after any final drawdown has been made on any applicable lifetime equity mortgage products. You will be responsible for any excesses or deductibles in the insurance policies.
- 11.7 If we ask you will provide, promptly, evidence from your insurance broker that the coverage required by clause 11.6 has been obtained and is in place (including all relevant policy documents).
- 11.8 You acknowledge that failure to keep the appropriate levels of insurance in place will not limit or relieve you of your liabilities and obligations under this Agreement.

12 INTELLECTUAL PROPERTY RIGHTS

- 12.1 Under this Agreement no title or interest in any Intellectual Property Rights belonging to the Lender, or any member of the Lloyds Banking Group will be assigned to you. You will only use Intellectual Property Rights belonging to any Lender or any member of the Lloyds Banking Group with their prior written consent.
- 12.2 A Lender or member of the Lloyds Banking Group may grant you a personal licence to use certain Intellectual Property Rights on a non-exclusive, non-transferable, royalty free basis, to the extent necessary for the sole purpose of the proper performance of your obligations under this Agreement. This licence is renewable annually, in accordance with the Lender Brand policies and processes, for the duration of this Agreement and will terminate automatically on the expiry or termination of this Agreement. The goodwill arising from your use of any such Intellectual Property Rights will accrue to the relevant Lender and/ or the relevant member of the Lloyds Banking Group which owns them.
- 12.3 You will not do anything, or fail to do anything, which would or may prejudice the Intellectual Property Rights of any Lender or any member of the Lloyds Banking Group, or damage any Lender or member of the Lloyds Banking Group, or the reputation or goodwill associated with any Lender or member of the Lloyds Banking Group.

13. DATA PROTECTION AND INFORMATION SECURITY

- 13.1 The Parties recognise that they shall each be processing Personal Data (as defined by the Data Protection 2018) in connection with the performance of their obligations and/or exercise of their rights under this Agreement and that the factual arrangement between them shall dictate the role of each Party (as a controller or a processor) in respect of the Data Protection Laws. The Parties agree and acknowledge that where either Party processes Personal Data pursuant to or in relation to this Agreement, that Party will be carrying out the processing for its own purposes, and as such will be an independent controller under the Data Protection Laws.
- 13.2 No Party (or any sub-contractor of a Party) shall act as a data processor of the other Party unless expressly agreed in writing. Each Party acknowledges and agrees that any such agreed data processing can only take place after appropriate contractual arrangements have been put in place between the Parties ensuring that such data processing is carried out in compliance with applicable Data Protection Laws.
- 13.3 Each Party shall at all times comply with its respective obligations under all applicable Data Protection Laws to the extent such Data Protection Laws apply to it in connection with the performance of its obligations or exercise of its rights under this Agreement.
- 13.4 Both Parties shall ensure they have made all necessary registrations and notifications of their particulars in accordance with applicable Data Protection Laws and shall ensure that such registrations and notifications are kept accurate and up to date during the term of this Agreement. You shall supply on request to any Lender a copy of such registrations and notifications, together with any amended particulars that may be filed from time to time.
- 13.5 You will incorporate into your agreements with your Applicants the requirement that you comply with all Applicable Standards and applicable Data Protection Laws including the requirement that you:
 - (a) provide all notices to Applicants that are required by Applicable Standards and Data Protection Laws with regard to the processing of their Personal Data; and
 - (b) if consent is required in accordance with Data Protection Laws, obtain consent from the Applicant prior to the transfer of their Personal Data to the relevant Lender in connection with any Mortgage Application or otherwise, ensure that an alternative appropriate lawful basis is in place to transfer the Applicant’s Personal Data to the relevant Lender.
- 13.6 In addition to and notwithstanding any other right or obligation arising under this Agreement, you and your Personnel shall:

- (a) take all appropriate technical and organisational and security measures to ensure the ongoing confidentiality, integrity, availability and resilience of processing systems and service as may be necessary or desirable to ensure that Personal Data processed in connection with this Agreement and all technology systems used by you are protected against loss, destruction and damage, cybercrime attacks and against unauthorised access, use, modification, disclosure or other misuse;
- (b) take all technical and organisational security measures necessary to ensure that only authorised Personnel have access to Personal Data of which you are a controller for the purposes of the Data Protection Laws;
- (c) take all reasonable steps to ensure the reliability and trustworthiness of any Personnel that will have access to any Personal Data processed by you;
- (d) ensure that all confidential and Personal Data is securely encrypted both during storage and transmission between you and us and that all communications are secure and compatible with the requirements of Lloyds Banking Group;
- (e) consider all reasonable suggestions made by any member of the Lloyds Banking Group to ensure that the level of protection provided for Personal Data you process is in accordance with this Agreement and to make the changes suggested (at your own cost) unless you can prove to the Lender's reasonable satisfaction that they are not necessary to ensure ongoing compliance with this clause 13;
- (f) not do or omit to do anything which causes any member of the Lloyds Banking Group to breach any Data Protection Laws or contravene the terms of any registration, notification or authorisation under any Data Protection Laws of any member of the Lloyds Banking Group; or
- (g) not transfer Personal Data which has been obtained by or made available to you to any country outside the United Kingdom unless such transfer complies with all requirements of the Data Protection Laws, including the requirement to ensure that appropriate safeguards are in place in respect of such transfer.

13.7 You shall immediately notify the Lender and, if requested by the Lender, members of the Lloyds Banking Group upon:

- (a) becoming aware of a breach of this clause 13 or of any personal data breach affecting Personal Data processed in connection with this Agreement; or
- (b) becoming aware of any cyber attack, virus or security incident which may impact on your obligations to Applicants or under this Agreement or result in a breach of this clause 13; or
- (c) receiving any request, correspondence, notice or other communication whether orally or in writing from the Office of the Information Commissioner, or any other person, relating to Personal Data processed by you if such communication may impact in any way whatsoever on the Bank or any other member of the Lloyds Banking Group.

13.8 You shall promptly complete and return to the Lender on request from time to time any questionnaire designed to evaluate your compliance with your obligations in respect of Personal Data or Security under this Agreement.

13.9 You will provide us with any information we request in respect of any technology providers engaged by you and involved in delivery of your obligations under this Agreement and to customers. You are responsible for ensuring compliance of such technology providers with the obligations set out in this Agreement, good industry practice and Lender Brand policies and processes. In particular you are responsible for the security and compatibility of any technology used by such technology providers to ensure that customer data is not lost or corrupted. In the event that you or any technology partner intends to connect to us using an application programming interface as set out in clause 21 this will require our prior written approval and signature of an amendment to this Agreement and/or a separate agreement.

13.10 Nothing in this clause shall relieve you of any liability for the acts or omissions of any Personnel in relation to the Personal Data.

14. CONFIDENTIALITY

14.1 Each Party will treat as confidential any information obtained from, disclosed or supplied by any member of the Lloyds Banking Group to you or vice versa in connection with this Agreement, including the terms of this Agreement, any difference between those terms and terms offered generally to other parties and any other conditions, business and lending processes, practices, criteria or facts relevant to this Agreement or business strategy (Confidential Information).

14.2 Subject to clause 14.3, a Party receiving Confidential Information will not disclose it to any third party, or use it, or take any copies of it, except as may be necessary for the exercise of its rights or performance of its duties under this Agreement.

14.3 The provisions of this clause 14 do not stop the receiving Party from disclosing, using or copying any Confidential Information on terms of confidentiality which are to the same effect as those set out in this clause 14:

- (a) to Personnel who need to know that Confidential Information for the purpose of exercising its rights or performing its duties under this Agreement, or

- (b) with the prior consent of the other Party, or
 - (c) which it can show is in, or enters, the public domain otherwise than due to disclosure by the receiving Party, or
 - (d) which it can show, has been, or is, independently developed by the receiving Party, or
 - (e) which it can show was lawfully available to it free of any restrictions as to its disclosure or use before the receiving Party received that Confidential Information from the other Party,
 - (f) or that the law or any regulatory body requires the receiving Party to disclose.
- 14.4 Upon expiry of this Agreement each Party will on request either return to the disclosing Party or destroy all copies of Confidential Information held by it excluding any Confidential Information that is necessary for legal, insurance or regulatory purposes and which is retained in accordance with the receiving Party's retention policies.
- 14.5 You will not use any information you obtain from us or otherwise relating to customers or Applicant's for the purposes of aggregation, analytics or to otherwise analyse or document our lending behaviour or practices in any way;
- 14.6 The duties in this clause 14 will survive any termination of this Agreement.

15. PAYMENT CARD INDUSTRY TERMS AND CONDITIONS

- 15.1 You will ensure you comply with the Payment Card Industry Data Security Standard (**PCI DSS**) for all data on the front and back of a payment card (**Cardholder Data**) until such time as all relevant Cardholder Data has been securely deleted from their infrastructure in accordance with the PCI DSS Standards relating to secure deletion.
- 15.2 You will ensure that we have a direct right of action against you if you breach any PCI Standards.

16. TERMINATION

- 16.1 Subject to clause 16.2, this Agreement may be terminated without compensation by either Party giving to the other Party 30 days prior written notice. In addition either Party may end this Agreement immediately on written notice at any time after the Effective Date and without the payment of compensation if:
- (a) the other Party commits a material breach of any provision of this Agreement and, in the case of a breach which is capable of being remedied, that breach has not been remedied within 15 Business Days of a request to do so, such request to include a warning of the innocent Party's intention to end this Agreement if that breach has not been remedied within the specified time; or
 - (b) either Party ceases to have any statutory, regulatory or other authorisation required by it in connection with this Agreement.
- 16.2 We may end this Agreement immediately on written notice at any time without paying compensation if:
- (a) you do anything which in our reasonable opinion is likely to damage any member of the Lloyds Banking Group's reputation and goodwill with customers and potential customers;
 - (b) you have supplied false information;
 - (c) you are in breach of clause 20; or
 - (d) you have failed to notify us that you may suffer an impending Insolvency Event or you are subject to an Insolvency Event.
- 16.3 After termination we will not accept Mortgage Applications from you. Termination will not affect legitimate Mortgage Applications received before termination which do not require any further involvement from you. However it is agreed that if the Lender has agreed that a customer is entitled to draw down future funds under the terms of the mortgage product and that if the draw down of funds by a customer takes place within 9 months of this Agreement being terminated then we will still pay any subsequent fees owing on such draw down. However if the draw down of funds takes place more than 9 months after this Agreement has been terminated then we will not be liable to pay you any fees in relation to such draw down.
- 16.4 The expiry of this Agreement for any reason shall not affect the legal validity of any provision due to come into force or continue in force after expiry or termination or which is required to give such effect to such expiry or termination. Nor will termination or expiry affect any right of action or remedy available to either Party up to the date of expiry or termination. Upon expiry of this Agreement for whatever reason the following clauses shall survive and continue to be legally binding: clauses 1, 3, 4, 5, 11, 13, 14, 16, 18, 20 and 23.

17. NOTICES

17.1 Any notice or communication to be given under this Agreement will be in writing (and by email where agreed). If sent by post, the communication will be deemed to have been delivered, as applicable, to the appropriate Lender Representative or for the attention of the Intermediary representative, at their usual address for correspondence. Any notice sent by post will be deemed to have been given (absent evidence of early receipt) on the first Business Day after the elapse of 48 hours from the time of posting.

18. BROKER AND FILE MONITORING

- 18.1 You will keep true and accurate accounts and records of all matters connected with this Agreement including information and data relating to your controls.
- 18.2 Each Lender may request files for inspection to monitor yours and your Personnel's compliance with this Agreement , including in particular: the quality and accuracy of Mortgage Application submissions; to prevent fraud and financial crime as set out in clause 5 above; and/or compliance with Applicable Standards; and/or evidence to demonstrate the effectiveness of your controls; and/or to monitor the accuracy of the information relating to you and any Personnel. Any such request may be made by email and you will respond promptly in delivering the requested samples.
- 18.3 You will provide us with any information we or a regulatory body requests in respect of your use of any technology providers utilised by you in conjunction with this Agreement including those connected to us using any application programming interface.
- 18.4 You will allow representatives and professional advisers of any of us or a statutory or regulatory body (**Bank Audit Representatives**), to have access to those accounts and records and technology providers on reasonable notice at any time between 9.00 am and 5.30 pm on a Business Day. You will provide reasonable access to any Bank Audit Representatives in order to allow them to carry out any audit or investigation. You will cooperate with them and allow them to take copies of documents as may be considered reasonable.
- 18.5 Upon expiry of this Agreement, Bank Audit Representatives will have the right to perform audits and inspections at any time for reasons of fraud, breach of confidentiality and/or breach of regulatory compliance, or as otherwise agreed with you.

19. BRIBERY AND CORRUPTION

- 19.1 You will comply with all applicable laws, regulations, codes and sanctions relating to anti-bribery and anti-corruption including but not limited to the UK Bribery Act 2010. Specifically you therefore agree that you will:
 - (a) not engage in any activity, practice or conduct which would constitute an offence under sections 1, 2, 6 or 7 of the UK Bribery Act 2010 if the activity, practice or conduct was carried out in the UK or overseas;
 - (b) have in place your own policies and procedures, including, but not limited to, adequate procedures under the UK Bribery Act 2010, to ensure compliance by you and your Personnel with the relevant requirements, and will enforce them where appropriate; and
 - (c) tell us as soon as possible if you receive any request or demand to offer, promise or give any undue financial inducement or other advantage of any kind, or if you suspect that an Applicant has received such a request or demand.
- 19.2 You represent to us that neither you nor any Personnel have been prosecuted, charged or convicted of any offences under the UK Bribery Act 2010, other than as disclosed in writing to us.

20. DISPUTE RESOLUTION

- 20.1 Where there is any dispute arising out of or in connection with this Agreement (**Dispute**) the relevant Lender Representative and your representative will try to resolve the Dispute. If they are unable to resolve the Dispute then within 10 Business Days of a written request from one Party to the other Party to negotiate the Dispute, any Party may escalate the Dispute to their respective managers who will try to resolve the Dispute. The managers will have up to 20 Business Days to resolve the Dispute. The 20 Business Days shall start from the date of a written request from one Party to the other Party notifying the other of the escalation.
- 20.2 Neither Party may start court proceedings in relation to any Dispute until the Parties have attempted to settle it in accordance with this clause 20. However either Party may seek injunctive relief where there is either a breach or threatened breach by the other Party of any obligation of confidentiality or of the other Party's Intellectual Property Rights. Alternatively, either Party may issue court proceedings if necessary to avoid any loss of a claim due to the rules on limitation of actions.

21. USING OUR WEBSITE AND APPLICATION PROGRAMMING INTERFACES

- 21.1 You agree that your use of our websites shall be subject to the Lender Brand Terms and Conditions and this Agreement. You shall be liable to us for any losses arising from your failure to comply with the Lender Brand Terms and Conditions.
- 21.2 We may send you an identifier and password to allow for secure access to our websites including access to information on products and services held on third party software, which you will arrange to be kept secure, used only as necessary and not to disclose them to any person other than authorised Personnel. You must tell us immediately if the security of a

password or identifier or security mechanism is compromised. If any of your Personnel cease to be your Personnel you will ensure that their access to our websites is immediately revoked in accordance with our Lender Brand Terms and Conditions. You shall be liable to us for any losses we sustain arising from your Personnel's failure to safeguard the password, identifier or security mechanism.

- 21.3 You agree that your use of our application programming interfaces either directly or via any technology provider will require our prior written approval. Any such approval is subject to satisfactory completion of integration testing and regular testing thereafter to ensure continued compatibility and interoperability with our application programming interface. You shall be liable to us for any losses arising from your or your technology providers failure to comply with our requirements in respect of use of our application programming interfaces.
- 21.4 In no event shall we be liable to you for any losses arising out of or in any way connected with the provision, use or performance of our websites or any application programming interface that you may have been given permission to use.
- 21.5 You may not set up hypertext links to our websites without our consent, subject to any specific conditions. We may require you to remove the link from your websites at any time.

22. AMENDMENTS

- 22.1 Other than as set out in clause 10.7, we may amend this Agreement at any time by giving you one month's written notice by posting a notice on the relevant Lender Brands' website which will take effect when the one month notice period has ended. Where we need to amend this Agreement to make it compliant with any applicable law we can do so immediately. We will give you notice as soon as reasonably practicable, though this may be after the change has taken effect.

23. GENERAL

- 23.1 Neither Party will make any public statement concerning this Agreement without the prior written consent of the other Party.
- 23.2 No partial failure or delay by either Party to exercise any right, power or remedy under this Agreement will operate as a waiver. Any express waiver of any breach of this Agreement will not be deemed to be a waiver of any subsequent breach.
- 23.3 If any of the terms and conditions of this Agreement are found to be invalid or illegal it will not be able to be relied upon. However, that will not have any impact on the other terms and conditions which will remain in force.
- 23.4 You may not assign or otherwise transfer this Agreement without our prior written consent. We may freely assign or otherwise transfer this Agreement and /or our rights under it in whole or in part to any member of the Lloyds Banking Group; or to any third party.
- 23.5 This Agreement supersedes any previous agreement between the Parties concerning the matters dealt with in this Agreement and with the Lender Brand Terms and Conditions (and any terms relating to procurement fees or other written agreements as to payments pursuant to clause 10) constitutes the entire agreement between the Parties.
- 23.6 This Agreement and any claims or disputes (including non-contractual claims and disputes) arising out of or in connection with this Agreement will be governed by and construed in accordance with English Law. Each Party agrees to submit to the exclusive jurisdiction of the courts of England, in relation to all disputes or claims arising under, out of or in connection with this Agreement.
- 23.7 Other than the Lender or as expressly stated, this Agreement is not intended by the Parties to give rise to any right which is enforceable by any third party by virtue of the Contracts (Rights of Third Parties) Act 1999. If a person who is not a Party to this Agreement is stated to have the right to enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999, the Parties may rescind or vary this Agreement (and any documents entered into pursuant to or in connection with it) without the consent of that person.
- 23.8 You acknowledge that the obligations and liabilities of each of us are separate and independent of the others of us and not joint and several. None of us will owe any obligation to you to perform any obligations of the rest of us.