



Mortgage Intermediary Terms of Business

Effective from October 2020

These terms of business outline the way we will work with you and bring to your attention the terms and conditions under which we will accept mortgage applications from you. Before you submit a mortgage application to us it is important that you read, understand and accept our terms of business. By submitting a mortgage application to us you are confirming your acceptance of these terms of business. We reserve the right to alter these terms of business at any time. We recommend that you print and retain a copy of these terms of business for your reference.

1. Definitions and Interpretation

1.1 In these terms of business the following definitions and rules of interpretation shall apply:

'Applicable Regulations' means all law, statutory instruments and regulations including but not limited to directions from the FCA and PRA, the MCOB rules, the Data Protection Regulations, the Money Laundering Regulations 2007, the Proceeds of Crime Act 2002, the Bribery Act 2010, the Terrorism Act 2000 and the Mortgage Credit Directive Order 2015.

'Applicant' means a natural person or persons applying for any mortgage product or mortgage related service offered by us.

'Application' means an application for a mortgage product or mortgage related service which has been completed by you on behalf of the Applicant and sent to us for consideration and processing in accordance with these terms of business.

'Appointed Representative' means a person or firm who has a contract with another directly authorised firm (the Principal) which permits the Appointed Representative to carry on Regulated Activities for which the Principal has accepted responsibility.

'Complaint' has the same meaning given to it within the FCA Handbook.

'Complaints Procedure' means each party's complaints processes and procedures for dealing with Complaints in compliance with DISP.

'DISP' means the Dispute Resolution: Complaints section contained within the FCA Handbook.

'FCA' means the Financial Conduct Authority and any successors.

'FCA Handbook' means the FCA's handbook of rules and guidance.

'FSMA' means the Financial Services and Markets Act 2000.

'Intermediary' an individual, partnership or company authorised and regulated by the FCA and permitted to advise on and arrange mortgages:

'MCOB' means the mortgage conduct of business sourcebook contained within the FCA Handbook.

'Member' means a member of the Mortgage Club engaged in introducing Applicants to us and shall include any person who is authorised by the FCA and has the relevant permissions to carry out the purposes contemplated by these terms of business.

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

'Panel' means an individual, partnership or company, whether they be acting as introducers, Intermediaries, Appointed Representatives or otherwise, who are registered with us for the purpose of submitting Applications on behalf of Applicants.

'PRA' means the Prudential Regulation Authority and any successors.

'Principal' means a principal as defined within the FCA Handbook.

'Regulated Activities' has the same meaning given to it within the FCA Handbook.

1.2 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.

1.3 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.

1.3 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.

1.4 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.

1.5 References to clauses are to the clauses of these terms of business.

1.6 Any words following the phrases including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those phrases.

'Us' or **'Our'** or **'We'** means AIB Group (UK) p.l.c. trading under licence as AIB (NI).

'You' or **'Your'** means an individual, partnership or company who introduces an Applicant to us, whether acting as introducer, Intermediary, Appointed Representative or otherwise.

2. Scope and Appointment

2.1 You may (but are not under any obligation to) introduce Applicants to us. When you introduce an Applicant to us, you agree to do so:

2.1.1 in accordance with all applicable Regulations and recommendations of any regulator and will carry out your activities in accordance with good industry practice, in good faith and so as not to prejudice or compromise our reputation or cause us to breach any Applicable Regulations;

2.1.2 using all reasonable skill and care acting honestly and professionally with the utmost integrity;

2.1.3 ensuring all personnel and employees are competent and suitably trained in accordance with best industry practices and standards; and

2.1.4 complying with all reasonable instructions given by us to you.

- 2.2 We may (but are not under any obligation to) offer mortgage related products or services to the Applicants and we are not required to give a reason to you for doing so or not doing so.
- 2.3 We will only accept business that has been submitted to us in accordance with these terms of business and by an Intermediary who is appropriately authorised by the FCA and who holds all relevant legal and regulatory, consents, permissions, registrations and licences for the purpose of carrying out its business in accordance with these terms of business.
- 2.4 We continually review and update our Panel. Maintaining your position on our Panel is dependent on submission of quality applications on a regular basis, which we will determine, from time to time, acting in our absolute discretion. We reserve the right to suspend or withdraw your registration at any time and for any purpose; this can be without prior notification to you. If this happens and you would like to introduce business to us, you will be required to contact us to discuss re-registration.
- 2.5 You will use best endeavours to provide information to us which is accurate and complete in all respects. You will advise us as soon as you are aware that such information is or becomes inaccurate, false or incomplete.
- 2.6 We accept no liability whatsoever for delays caused by incomplete or inaccurate information provided to us by you. Before submitting an Application to us you must ensure that you have taken all reasonable steps to ensure your Application meets our current lending policy (details of which can be found on our intermediary website).
- 2.7 You undertake to notify us immediately in writing if:
 - 2.7.1 any authorisations, registrations or permissions needed to conduct all or part of your business expire, are removed, are under investigation for any reason or are believed to be in jeopardy; or
 - 2.7.2 You cease to be an Appointed Representative, or an Appointed Representative of your current Principal.
 - 2.7.3 you commit a breach of any Applicable Regulations; or
 - 2.7.4 you, or any personnel, directors or partners in your business, are charged with or convicted of any offence involving fraud or dishonesty; or
 - 2.7.5 if bankruptcy, liquidation or any other insolvency-related proceedings are brought against you or any directors or partners in your business, or a receiver is appointed or a voluntary arrangement with your creditors is proposed; or
 - 2.7.6 you, or any of your personnel, directors or partners are investigated by the FCA (and if relevant the PRA) or any other regulatory body, whether or not that investigation proceeds. You will immediately provide us with written details of the reasons for the investigation. For the avoidance of doubt you are not required to notify us of any investigation that constitutes a standard audit or inspection visit by a regulatory body; or
 - 2.7.7 you, or any of your personnel or directors or partners, are disciplined by the FCA, PRA or any other regulatory body.

3 Applications

- 3.1 In relation to each Application, you shall, prior to submitting an Application to us for consideration:
 - 3.1.1 ensure that the Applicant meets the requirements of our current lending policy (details of which can be found on our intermediary website); and
 - 3.1.2 provide the Applicant with all documentation required by, and in accordance with MCOB and all other Applicable Regulations; and
 - 3.1.3 take all reasonable steps to ensure that the information provided in and with the Application is full, accurate, complete and not misleading.

- 3.2 We will decide, in our absolute discretion, whether the Application is complete, whether to issue a mortgage offer to the Applicant and, if so, on what terms.
- 3.3 An Application must be submitted to us either including all relevant monies due or identifying an alternative payment method (e.g. card payment). Where an alternative payment method is selected we may make direct contact with the Applicant in connection with payment of applicable fees, including but not limited to valuation or arrangement fees. We will not accept any responsibility or liability for delays caused due to failure to provide payment in a timely manner when required.
- 3.4 You will forward all relevant documentation we require along with the Application as notified to you from time to time. We reserve the right to defer the processing of an Application if all relevant documentation is not provided to us within 10 business days of request.

4 Fees

- 4.1 A procuracy fee will be paid following completion of an Application introduced to us by you in accordance with following:
 - 4.1.1 Mortgage Clubs – If you submit an Application to us through a Mortgage Club and the Application results in a mortgage offer by us to the Applicant which subsequently proceeds to completion of a mortgage drawdown, we will pay fees to your Mortgage Club in accordance with our agreement with the Mortgage Club. For the avoidance of doubt, any fees payable will be paid directly to your Mortgage Club for onward disbursement to you. The onward payment of these fees will be subject to the terms and conditions of any agreement you have with your Mortgage Club. The manner in which the Mortgage Club pays fees to you is a matter between you and the Mortgage Club. We accept no responsibility or liability whatsoever for any failure of the Mortgage Club to pay any such fees to you or for any disputes in relation to same.
 - 4.1.2 For Appointed Representatives not using a Mortgage Club - we will pay procuracy fees at the rates and upon the terms agreed with the Appointed Representative's Principal. We accept no responsibility or liability whatsoever for any failure of the Principal to pay any such fees to you or for any disputes in relation to same.
 - 4.1.3 For persons directly authorised by the FCA we will pay procuracy fees at the rates and upon the terms agreed with the person's chosen submission route as appropriate.
- 4.2 We will cease making payments to the Mortgage Club, Principal and/or you (as applicable) if we are notified in writing, or we have reasonable suspicion to believe that you are no longer validly acting on behalf of the Applicant. We reserve the right to cease paying fees to you in the event that any of the directors or partners of the Intermediary enters into a voluntary arrangement, have bankruptcy or liquidation proceedings instituted against them, have a receiver appointed over their assets or have been charged with or convicted of any offence involving fraud, dishonesty or financial crime.
- 4.3 You will reimburse us upon demand for any payments made by us:
 - 4.3.1 to you in error (and you shall promptly notify us of the same);
 - 4.3.2 which relate to any Application in respect of which you are in breach of these terms of business.

5 Data Protection and Confidentiality

- 5.1 The information you supply us with may be shared within AIB Group; which refers to Allied Irish Banks, p.l.c., its subsidiaries, affiliates and their respective parent and subsidiary companies. For more information about our group of companies, please visit www.aibgroup.com.
- 5.2 You must at all times comply with the requirements of Data Protection regulations. When providing us with any information (including personal data) relating to identifiable living individuals you will have ensured that those individuals have consented, to the extent that it is required, to providing us with their information or that another lawful basis for the processing of their information has been established and that those individuals are aware of our identity and of our data protection notice. You will also ensure that we may lawfully use this data for the purposes of assessing and processing their Application, including credit searches in relation to the application, or at pre-application stage where a credit search may be carried out by us in order to provide a 'decision in principle'. Your duties under this clause shall survive termination of these terms of business and your membership of our Panel.
- 5.3 In relation to personal data received from us, you agree the following:
- 5.3.1 you will take appropriate technical and organisational measures to guard against unauthorised or unlawful access to, or accidental loss of, such personal data. This shall include, without limitation, appropriate encryption of, and password protected access to, all such data whether stored on stationary or portable devices. Such measures shall be in accordance with good industry practice (including the ISO 27001 Security Management Standard) and all guidance from the UK Information Commissioner and the Financial Conduct Authority from time to time; and
- 5.3.2 you will restrict access to such personal data to employees who require to have it; and
- 5.3.3 you will notify us immediately of any security breaches that could result in an unauthorised person gaining access to such personal data or to a device on which such personal data is held; and
- 5.4 You must take reasonable steps to ensure all documents containing the Applicant's details are kept secure. If you send documentation to us or correspond with us electronically about the Applicant, you must use our secure encrypted mail service.
- 5.5 Email communications are not necessarily secure and may be intercepted or changed after they are sent. We do not accept any liability whatsoever for any such interception or changes.

6 Monitoring and Audit

- 6.1 In order to review your compliance with these terms of business and to facilitate the meeting of our obligations under the Applicable Regulations; in relation to any Applications you have submitted, you agree that you shall:
- 6.1.1 be readily available for meetings with us as reasonably requested from time to time; and
- 6.1.2 give us access to your records, files, electronic data or computer systems which are within your possession or control, and provide any facilities which we may reasonably request; and
- 6.1.3 provide us with, and permit us to copy, any documents, files, electronic data, computer data or other material in the your possession or control upon reasonable request; and
- 6.1.4 print information in your possession or control which is held on computer or on microfilm or otherwise convert it into a readily legible document or any other record which we may reasonably request; and

- 6.1.5 permit us and / or persons appointed by us to have access, upon reasonable notice, during reasonable business hours to any of your business premises for the purpose of inspection of all relevant documents, files, electronic data or computer systems; and
- 6.1.6 ensure that our auditors, upon reasonable notice: have a right of access to your records and are entitled to require from you such information and explanations as the auditors reasonably consider necessary for the performance of their duties as auditors.

7 Indemnity and Limitation of Liability

- 7.1 You shall indemnify us in respect of all liability, losses (direct or indirect), damages and costs (including for the avoidance of doubt legal costs) we may suffer or incur arising from any breach of you warranties, undertakings, representations or obligations under these terms of business including any breach of the Applicable Regulations or by reason of any misrepresentation or negligent, tortious or fraudulent act or omission by use. This indemnity is a continuing obligation and shall survive termination of these terms of business and your membership of our Panel.
- 7.2 We will only be liable to you as a result of losses arising directly from our negligence, fraud or wilful default. In no circumstances will we accept liability for any special, indirect, consequential damages or losses, or for loss of profit, reputation or business opportunity.

8 Anti Money Laundering

- 8.1 In connection with all transactions with us, you undertake that:
- 8.1.1 evidence of the identity and address of all Applicants introduced by you shall be obtained, verified and recorded by you in accordance with procedures maintained by you and in compliance with the Applicable Regulations including, for the avoidance of doubt, 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) and any requirements of ours from time to time notified to you;
- 8.1.2 you shall identify third parties and shall without detracting from the obligations in 8.1.1 above forward to us with the documents for the Application such duly completed forms relating to verification of third party identity as we may require from time to time. We shall not be liable for any errors or omissions by you in the provision of this information; and
- 8.1.3 Confirmation of Verification of Identity Certificate (CVIC) (Annex5) is provided and must be submitted for all Applications. A separate confirmation must be completed for each Applicant (e.g. joint holders). Where a third party is involved, for example a payer of contributions who is different from the Applicant the identity and address of that person must also be verified, and a confirmation provided. A CVIC cannot be used to verify the identity of any Applicant that falls into one of the following categories:
- those who are exempt from verification as being an existing client of the introducing firm prior to the introduction of the requirement for such verification

- those who have been subject to Simplified Due Diligence under the money laundering regulations; or
 - those whose identity has been verified using the source of funds as evidence.
- 8.1.4 we shall not be liable for any errors or omissions by you in the provision of the information specified in this paragraph 8.
- 8.1.5 The CVIC form must be accompanied by copies of the certified ID and Address Verification documentation.

9 Insurance

- 9.1 You must be insured by a suitable professional indemnity insurance cover of at least £1million per annum for a single and in aggregate claim or professional indemnity insurance cover of an amount equal to that which is required by the FCA Handbook from time to time, whichever is the higher, with a reputable insurance company, to cover any liability you may incur under these terms of business. On our request, you shall produce both the insurance certificate giving details of cover and the receipt for the current year's premium in respect of such insurance.

10 Anti-Bribery and Corruption

- 10.1 You warrant, represent and undertake to us that:
- 10.1.1 in obtaining business from the Applicant, you have not done, and in performing your obligations under these terms of business shall not do, any act or thing that contravenes the Bribery Act 2010 or any other Applicable Regulations; and
- 10.1.2 you shall have, and shall maintain in place throughout the duration of your relationship with us, adequate policies and procedures designed to prevent bribery occurring within the meaning given in the Bribery Act 2010 and applicable guidance.
- 10.2 You shall immediately notify us in writing on becoming aware of, or suspecting, any failure to comply with any provision of clauses 10.1 – 10.3, including details of any internal or external investigation, enquiry, enforcement or other proceedings by any regulator relating to any offence or alleged offence under the Bribery Act 2010 or any other Applicable Regulations.
- 10.3 You shall, and shall procure that your employees shall, fully co-operate with any such investigation, enquiry, enforcement or other proceedings to include the production of documents and the giving of evidence if required.

11 Complaints Procedure

- 11.1 You must:
- 11.1.1 have a documented internal complaints procedure in place.
- 11.1.2 maintain, and have available for inspection, a complaints log reflecting complaints made in respect of activities undertaken in accordance with these terms of business.
- 11.2 You must immediately notify us of any complaints relating to fraud, financial crime, improper conduct, legislative or regulatory breaches by you.
- 11.3 We may determine procedures for dealing with such complaints and potential complaints which may include:
- 11.3.1 obligations for you to support any investigation carried out by us, and to provide information to us and such other persons as we may direct;
- 11.4 Where any regulator brings any action or investigation in relation to your activities or where disciplinary or complaints procedures are applied in relation to clause 11.2, we may:
- 11.4.1 withhold or delay any payments otherwise due to you until you have implemented or discharged any sanctions resulting from those procedures; and/or
- 11.4.2 either indefinitely or temporarily limit the activities that you may carry on with us.

- 11.5 You will comply with any instruction that we may give concerning investigations which may be carried out by any regulator or with any instruction which may result from the exercise of intervention powers by any regulator.
- 11.6 We may disclose your identified non-compliance with the Applicable Regulations to other lenders.

12. Termination

- 12.1 Either party may terminate these terms of business by giving the other one month's notice in writing.
- 12.2 We may terminate these terms of business with immediate effect and without notice to you on the occurrence of any one or more of the following:
- 12.2.1 any breach by you or any person or body for which you are responsible (including an Appointed Representative) of any of the provisions contained within these terms of business;
- 12.2.2 any misconduct by you or any person or body for which you are responsible (including an Appointed Representative) which is or could be reasonably viewed as prejudicial to our business or reputation;
- 12.2.3 you cease to be appropriately authorised or exempt (as applicable) under the Financial Services and Markets Act 2000;
- 12.2.4 cessation or suspension or intended cessation or suspension of your operation or in any circumstance where in our reasonable opinion it is likely to affect your ability to perform your obligations under these terms of business;
- 12.2.5 material litigation or reconstruction involving you including (without limitation of the foregoing) bankruptcy, dissolution, administration, winding up or seizure of assets; and you shall keep us advised in writing of any facts known to it within the scope of this paragraph 12.2;
- 12.2.6 Any failure by you to comply with any provision of these terms of business.
- 12.3 Termination of these terms of business by us shall be without prejudice to any other remedies that we may be able to pursue against you including in respect of accrued rights under these terms of business and in respect of which such rights are expressly reserved by us.
- 12.4 Upon termination, you shall:
- 12.4.1 return to us as soon as reasonably practicable any property belonging to us;
- 12.4.2 cease any and all promotion of our business;
- 12.4.3 repay all sums then and subsequently outstanding to us within 28 days of the termination taking effect or on the date such sum is ascertained (if later).
- 12.5 In the event of termination pursuant to clause 12.2, we reserve the right to withhold any payments other than those accrued to the date of the termination.

13. Severance

- 13.1 If any provision or part-provision of these terms of business is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of these terms of business.

14. Waiver

- 14.1 No failure or delay by a party to exercise any right or remedy provided under these terms of business or by law shall constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict the further exercise of that or any other right or remedy. No single or partial exercise of such right or remedy shall prevent or restrict the further exercise of that or any other right or remedy.

15. Entire Agreement

15.1 This agreement constitutes the entire terms of business between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, which may have been made.

16. Third Party Rights

16.1 A person who is not a party to these terms of business shall not have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of these terms of business.

17. Force majeure

17.1 Neither party shall be in breach of these terms of business nor liable for delay in performing, or failure to perform, any of its obligations under these terms of business if such delay or failure result from events, circumstances or causes beyond its reasonable control.

18. Assignment

18.1 We may at any time assign, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any or all of our rights and obligations under these terms of business.

18.2 You shall not assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with any of your rights and obligations under these terms of business.

19. Notices

19.1 Any notice given to a party under or in connection with these terms of business shall be in writing and shall be delivered by hand or by pre-paid first-class post or other next working day delivery service at its registered office (if a company) or its principal place of business (in any other case).

19.2 Any notice shall be deemed to have been received:

19.2.1 if delivered by hand, on signature of a delivery receipt;

19.2.2 if sent by pre-paid first-class post or other next working day delivery service, on the next business day after posting.

19.3 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

20. Governing Law and Jurisdiction

20.1 These terms of business and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with them or their subject matter or formation shall be governed by and construed in accordance with the laws of Northern Ireland.

20.2 You irrevocably agree that the courts of Northern Ireland shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with these terms of business or its subject matter or formation.

21. Variation

21.1 We may vary or amend these terms of business at any time by either notifying you or posting a revised version of these terms of business on aibni.co.uk/intermediaries. By submitting business to us, the intermediary accepts the most recent version of these Terms as available on aibni.co.uk/intermediaries or as otherwise notified to the intermediary.

If you need this brochure in Braille, in large print or on audio, ring 0345 6005 925[†] or ask your branch. Customers with hearing difficulties can use our Text Relay service by dialling 18001 0345 6005 92[†].

Call into any branch | aibni.co.uk

[†]Call charges may vary please refer to your service provider.



Information correct as at October 2020

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