

**CYCLE SOLUTIONS (CYCLE TO WORK) LIMITED**

**CYCLE SOLUTIONS SCHEME**

**SUPPLY AGREEMENT  
PURSUANT TO THE ESPO 319\_23 STAFF BENEFITS FRAMEWORK**

**THIS AGREEMENT IS MADE ON 05/09/2025**

**PARTIES**

- 1) Cycle Solutions (Cycle to Work) Limited, [REDACTED]  
[REDACTED] and
- 2) Department of Environment, Food & Rural Affairs 2 Marsham Street, London, SW1P 4DF ("**the Employer**"),

CS and the Employer referred to together as "**the Parties**".

**BACKGROUND**

- A. This Supply Agreement is entered into between the Parties pursuant to the Eastern Shires Purchasing Organisation (ESPO) 319-23 Staff Benefits Framework.
- B. CS will facilitate the provision of a Cycle to Work Scheme (the "**Scheme**") by the Employer as part of the Department for Transport's initiative to promote healthier journeys to work and reduce environmental pollution by loaning cycles and cyclists' safety equipment (together the "**Equipment**") to employees as a tax-free benefit through a salary sacrifice arrangement ("**Salary Sacrifice**").
- C. CS will supply the Equipment to employees of the Employer ("**Employees**") on the terms of a hire agreement to be entered into between CS and the Employees. The Employer will pay CS the price of the Equipment in full and recover these costs from the Employees through Salary Sacrifice.
- D. The Parties wish to enter into this agreement (the "**Supply Agreement**") which governs the relationship between the Parties and supersedes all previous arrangements between them.
- E. CS is authorized and regulated by the Financial Conduct Authority (the "**FCA**") to carry on regulated credit brokerage.
- F. In order that the Employer lawfully can introduce its Employees to CS for the purpose of the Employees entering into hire agreements in connection with the Scheme, CS wishes to appoint the Employer as an 'Introducer Appointed Representative' of CS for

the purposes of s.39(1) Financial Services & Markets Act 2000, ("**FSMA**") subject to and on the terms set out at Schedule 2 to this Supply Agreement.

1. **Supply of the Equipment**

- 1.1 CS agrees to supply the Equipment to the Employees on the terms of this Supply Agreement and subject to CS entering into a hire agreement directly with the Employees.
- 1.2 This Supply Agreement shall commence on 01/01/2026 (the "**Commencement Date**") and shall continue until 31/12/2030 (the "**End Date**") unless it is extended in accordance with clause 1.3, or terminated by either Party in accordance with clause 8.
- 1.3 The Parties shall have the option to extend this Agreement for a period of up to 24-months following the End Date by mutual written agreement. Such agreement shall comply with the requirements as set forth in Section 9. Notices.
- 1.4 During the Term, there may be one or more periods in which the Equipment can be ordered from CS in accordance with clause 2 below (the "**Order Period**"). The duration of each Order Period will be determined by agreement between the Parties.

2. **Order Process**

- 2.1 During the Order Period, each Employee of the Employer will be able to submit orders to CS for Equipment ("**Order**"). Orders may be submitted by post, telephone or on-line to CS.
- 2.2 During the order process each employee who wishes to place an order under the cycle to work scheme will be required to set up an account on CS' website (the "**Site**").
- 2.3 Following the employee having placed an order, CS shall provide each employee with secure online access to;
  - 2.3.1 A populated Salary Sacrifice Agreement, and;
  - 2.3.2 A populated Hire Agreement
- 2.4 CS shall accept an Order subject to the Employer entering into a Salary Sacrifice Agreement (as defined in clause 2.5) with the Employee for the relevant Equipment, in accordance with clause 2.5.
- 2.5 the Employer will be responsible for verifying that their relevant Employee is entitled to the Equipment in accordance with the Scheme. CS shall make available the Salary Sacrifice Agreement. Upon confirmation of acceptance of the Salary Sacrifice Agreement by the employee, the Employer will be required to authorise and accept the Salary Sacrifice Agreement either;
  - 2.5.1 Electronically, in which case the Salary Sacrifice Agreement will be made available on CS' website ("**the Site**"), where the Employee and then the

Employer will verify their acceptance of the terms of the Salary Sacrifice Agreement, and confirm their authority to accept by logging into the Site and following the instructions for electronic signature. A contract will be formed once both parties have accepted the terms of the Salary Sacrifice Agreement. CS will send a copy of the Salary Sacrifice Agreement to the Employee by e-mail within 5 days of the date on which the Salary Sacrifice Agreement has been entered into; or

- 2.5.2 Physically signed, in which case the Salary Sacrifice Agreement will be provided by CS, to be signed by the Employee and the Employer. The Employer will be responsible for notifying CS that the Salary Sacrifice Agreement has been completed and that authority is provided for CS to progress the order directly with the Employee. Confirmation should be sent by the Employer by email to [REDACTED].
- 2.6 Employees are also required to confirm their acceptance of the Hire Agreement which is required between the Employee and CS. Once the Hire Agreement has been entered into, CS shall, as soon as reasonably practicable, notify the Employer of its acceptance of the Order and contact the Employee to discuss the delivery of the Equipment in the Order.
- 2.7 CS shall be entitled to unilaterally vary the provisions of this clause 2 to take account of changes to the order process by notice in writing to the Employer and Employees.
3. **Delivery**
- 3.1 CS will deliver the Equipment to the delivery address on the Order. Provided that the delivery address is a UK mainland address, CS will despatch the Equipment by standard delivery and no charge shall be made for the cost of the delivery. Charges will apply if delivery is made outside of standard terms.
- 3.2 Any dates for delivery of the Equipment are approximations only and the time of delivery is not of the essence.
- 3.3 CS will use all reasonable endeavours to ensure the safe delivery of the Equipment and shall arrange at its own cost to replace any of the Equipment that is damaged during delivery.
- 3.4 The risk but not title in the Equipment shall pass to the Employee on delivery.
4. **Payment**
- 4.1 The price of the Equipment shall be the price set out in the Order.
- 4.2 Subject to clause 4.3, CS will invoice the Employer monthly in arrears for the total aggregated rental value of all Equipment supplied during that month. The Employer shall pay the invoice in full (without deduction or set-off) in cleared funds within 30 days of the date of such invoice.

- 4.3 CS shall be entitled to undertake, at its own cost, all reasonable credit checks against the Employer. Where CS considers it reasonable to do so, CS shall be entitled to vary the payment terms in this clause 4 at any time by notice in writing to the Employer.

## 5. **Warranties and Liability**

- 5.1 Each Party warrants to the other that it is authorised to enter into this Supply Agreement.
- 5.2 CS warrants and represents that the Equipment complies with all applicable laws and regulations, is of satisfactory quality (within the meaning of the Sale of Goods Act 1979) and fit for the purpose held out by CS.
- 5.3 CS shall, on delivery, and for 18-months from the date of delivery (the “**Warranty Period**”), carry out repairs to the Equipment to the extent that those are provided for under the manufacturer’s warranty, a copy of which shall be provided to the Employee on request.
- 5.4 Nothing in this Supply Agreement shall limit or exclude CS’ liability for:
  - 5.4.1 Death or personal injury caused by its negligence, or the negligence of its employees, agents or subcontractors (as applicable);
  - 5.4.2 Fraud or fraudulent misrepresentation;
  - 5.4.3 Breach of the terms implied by section 12 of the Sale of Goods Act 1979;
  - 5.4.4 Defective products under the Consumer Protection Act 1987; or
  - 5.4.5 Any matter in respect of which it would be unlawful for CS to exclude or restrict liability.
- 5.5 Subject to clause 5.4 and save for any liability of CS to the Employer that may arise pursuant to s.39 FSMA:
  - 5.5.1 CS shall under no circumstances whatever be liable to the Employer, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, for any loss of profit, or any indirect or consequential loss arising under or in connection with this Supply Agreement or the Employer’s involvement in the Scheme;
  - 5.5.2 CS shall under no circumstances whatever be liable to the Employer for any failure to comply with the provisions of the Scheme, or any failure to operate the Scheme in accordance with all applicable laws and regulations including, but not limited to, the Consumer Credit Act 1974, such limitation shall include and not be limited to the use by the Employer of the Hire Agreement; and

- 5.5.3 CS' total liability to the Employer in respect of all other losses arising under or in connection with this Supply Agreement, whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall in no circumstances exceed the total value of the Equipment sold to the employer during the Order Period.
- 5.6 Neither Party shall be liable to the other in respect of failure to perform or delay in performance of its obligations under this Supply Agreement caused by matters beyond its reasonable control, including civil disputes, acts of God or war. Should such an event of force majeure continue for longer than one month, the party adversely affected may terminate this Supply Agreement immediately without further liability other than those liabilities which had already accrued at the date of termination.

## 6. Data Protection

**Data Protection Legislation:** (i) unless and until the GDPR is no longer directly applicable in the UK, the General Data Protection Regulation ((EU) 2016/679) and any national implementing laws, regulations and secondary legislation, as amended or updated from time to time, in the UK and then (ii) any successor legislation to the GDPR or the Data Protection Act 2018.

- 6.1 Both Parties shall comply with all applicable requirements of the Data Protection Legislation. This clause 6 is in addition to, and does not relieve, remove or replace, a Party's obligations under the Data Protection Legislation.
- 6.2 The Parties acknowledge that for the purposes of the Data Protection Legislation, the Employer is the data controller and CS is the data processor (where controller and processor have the meanings as defined in the Data Protection Legislation). Schedule 1 sets out the scope, nature and purpose of processing by CS, the duration of the processing and the types of Personal Data and categories of Data Subject.
- 6.3 Without prejudice to the generality of clause 6.1, the Employer will ensure that it has all necessary appropriate consents and notices in place to enable lawful transfer of the Personal Data to CS for the duration and purposes of this Agreement.
- 6.4 Without prejudice to the generality of clause 6.1, CS shall, in relation to any Personal Data processed in connection with the performance of its obligations under this Agreement:
  - 6.4.1 process that Personal Data only on the written instructions of the employer unless CS is required by UK law applicable to CS to process Personal Data (**Applicable Laws**). Where CS is relying on UK law as the basis for processing Personal Data, CS shall notify the employer of this before performing the processing required by the Applicable Laws unless those Applicable Laws prohibit CS from so notifying the employer;
  - 6.4.2 ensure that it has in place appropriate technical and organisational measures, reviewed and approved by the Employer, to protect against unauthorised or unlawful processing of Personal Data and against accidental loss or destruction of, or damage to, Personal Data, appropriate to the harm that might result from the unauthorised or unlawful processing or accidental loss, destruction or damage and the nature of the data to be protected, having regard to the state of technological development and the cost of implementing any measures (those measures may include, where appropriate, pseudonymising and encrypting Personal Data, ensuring confidentiality, integrity, availability and resilience of its systems and services, ensuring that availability of and access to Personal Data can be restored in a timely manner after an incident, and regularly assessing and evaluating the effectiveness of the technical and organisational measures adopted by it);
  - 6.4.3 ensure that all personnel who have access to and/or process Personal Data are obliged to keep the Personal Data confidential; and do not process Personal Data except in accordance with this Agreement;
  - 6.4.4 not transfer any Personal Data outside of the European Economic Area unless the prior written consent of the Employer has been obtained and the following conditions are fulfilled:

- 6.4.4.1 the Employer or CS have provided appropriate safeguards in relation to the transfer;
    - 6.4.4.2 the data subject has enforceable rights and effective legal remedies;
    - 6.4.4.3 CS complies with its obligations under the Data Protection Legislation by providing an adequate level of protection to any Personal Data that is transferred; and
    - 6.4.4.4 CS complies with reasonable instructions notified to it in advance by the Employer with respect to the processing of the Personal Data;
  - 6.4.5 assist the Employer in responding to any request from a data subject and in ensuring compliance with its obligations under the Data Protection Legislation with respect to security, breach notifications, impact assessments and consultations with supervisory authorities or regulators;
  - 6.4.6 notify the Employer without undue delay on becoming aware of a Personal Data breach;
  - 6.4.7 at the written direction of the Employer, delete or return Personal Data and copies thereof to the Employer on termination of the Agreement unless required by the Applicable Laws to store the Personal Data; and
  - 6.4.8 maintain complete and accurate records and information to demonstrate its compliance with this clause 6 and allow for audits by the Employer or the Employer's designated auditor.
  - 6.4.9 notify the Employer immediately if it:
    - 6.4.9.1 receives a Data Subject Access Request (or purported Data Subject Access Request);
    - 6.4.9.2 receives a request to rectify, block or erase any Personal Data;
    - 6.4.9.3 receives any other request, complaint or communication relating to either Party's obligations under the Data Protection Legislation;
    - 6.4.9.4 receives any communication from the Information Commissioner or any other regulatory authority in connection with Personal Data processed under this Agreement;
    - 6.4.9.5 receives a request from any third party for disclosure of Personal Data where compliance with such request is required or purported to be required by Law; or
    - 6.4.9.6 becomes aware of a Data Loss Event.
  - 6.4.10 CS's obligation to notify under clause 6.4.9 shall include the provision of further information to the Employer in phases, as details become available.
- 6.5 Before allowing any sub-processor to process any Personal Data related to this Agreement, CS must:

- 6.5.1 notify the Employer in writing of the intended sub-processor and processing;
  - 6.5.2 obtain the written consent of the Employer;
  - 6.5.3 enter into a written agreement with the sub-processor which gives effect to the terms set out in this clause 6 such that they apply to the sub-processor; and
  - 6.5.4 provide the Employer with such information regarding the sub-processor as the Employer may reasonably require.
- 6.6 CS may, at any time on not less than 30 days' notice, revise this clause 6 by:
- 6.6.1 replacing it with any applicable controller to processor standard clauses or similar terms forming part of an applicable certification scheme (which shall apply when replaced by attachment to this Agreement); or
  - 6.6.2 amending it to ensure that it complies with any guidance issued by the Information Commissioner's Office.
- 6.7 The Employer shall indemnify and keep indemnified CS against all costs, claims, losses, damages, fines and expenses (including legal expenses) suffered or incurred by CS arising out of or in connection with any breach of this Agreement or the Data Protection Legislation by the Employer.
- The provisions of this clause 6 shall apply during the term of this Agreement and indefinitely after its expiry or termination.

## 7. **Cancellation and expiry of a Hire Agreement**

- 7.1 The terms of this clause 7 shall survive termination or expiry of this Supply Agreement.
- 7.2 CS will notify the Employer as soon as reasonably practicable if any Employee cancels the Hire Agreement.
- 7.3 CS shall provide a managed end of scheme service on expiry of a Hire Agreement (the **"End of Scheme Service"**).
- 7.4 The following provisions will apply:
  - 7.4.1 CS will contact each employee at least seven (7) days prior to expiry of their Hire Agreement to notify them of their options in respect of the Equipment. Each Employee can choose to:
    - 7.4.1.1 Extend their use of the Equipment by entering into another hire agreement with CS; or
    - 7.4.1.2 Purchase the Equipment from CS at the Equipment's fair market value as determined by HM Revenue and Customs; or
    - 7.4.1.3 Return the Equipment to CS.



7.4.2 Provided that at the expiry of the Hire Agreement, the Employee is still employed by the Employer, the Employer hereby unconditionally and irrevocably indemnifies CS for the due payment of the fair market value of the Equipment at the date of expiry of the Hire Agreement in the event that the Employee does not:

7.4.2.1 enter into a hire agreement with CS in accordance with clause 7.4.1.1; or

7.4.2.2 pay any amount due to CS where the Employee has chosen to purchase the Equipment in accordance with clause 7.4.1.2; or

7.4.2.3 return the Equipment to CS in accordance with clause 7.4.1.3.

Notwithstanding any other provision in this Supply Agreement, this indemnity shall not be affected by the granting of time or other waiver or indulgence on the part of CS, or any other matter whatsoever.

7.4.3 CS shall have the right to vary the terms of the End of Scheme Service pursuant to any changes made to the Scheme or any guidance issued under it, by any governmental or regulatory authority (including but not limited to HM Revenue & Customs).

## 8. Termination

8.1 Either Party may terminate this Supply Agreement at any time by giving not less than six months' written notice to the other Party. Upon termination under this clause 8.1:

8.1.1 CS shall deliver in accordance with clause 3 the Equipment that is ordered and accepted but undelivered on the date of termination;

8.1.2 the Employer shall pay all unpaid amounts for any and all Equipment that has been delivered or will be delivered under clause 8.1.1 above; and

8.1.3 CS shall comply with its obligations under clause 5 in respect of all Equipment supplied to the Employees up to the date of termination.

8.2 Either Party may terminate this Supply Agreement immediately by serving written notice to that effect on the other Party if:

8.2.1 A Party commits a material breach of any provision of this Supply Agreement (including but not limited to the employer's obligation to pay CS under clause 4), and in the case of a breach capable of remedy, fails to remedy that breach within 30 days after being served with a written notice specifying the breach and requiring it to be remedied; or

8.2.2 A Party has a winding up petition presented to it or enters into any form of liquidation or administration or analogous proceedings or becomes unable to pay its debts (within the meaning of the Insolvency Act 1976).

- 8.3 Termination of the Supply Agreement, however arising, shall not affect any of the Parties' rights and remedies that have accrued as at termination. Clauses which expressly or by implication survive termination of the Supply Agreement shall continue in full force and effect.
- 8.4 Any termination under the provisions of paragraph 8, Schedule 2 of the appointment of the Employer as CS's 'introducer appointed representative' ("IAR") shall be independent of and shall not affect the continuation of the Supply Agreement unless the Supply Agreement is also terminated under this clause 8.
- 8.5 Any termination of the Supply Agreement will operate also to terminate the appointment of the Employer as IAR, (unless previously terminated).

9. **Notices**

- 9.1 All notices served under this agreement shall be addressed to the following persons, as amended by the Parties from time to time, any such amendments to be notified to the other Party in writing:

9.1.1 In the case of CS notices shall be sent to:

[REDACTED]  
Cycle Solutions (Cycle to Work) Limited,  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

- 9.2 In the case of the employer notices shall be sent to:

[REDACTED]  
  
2 Marsham Street  
  
London  
  
SW1P 4DF

[REDACTED]

10. **Miscellaneous**

- 10.1 This Supply Agreement is personal to and between CS and the Employer and is not transferable or assignable to any other party except with the prior written consent of the other Party.

- 10.2 Unless expressly stated otherwise in this Supply Agreement, any variation to this Supply Agreement shall only take effect on the agreement of both parties in writing to such variation.
- 10.3 Except as expressly provided, nothing in this agreement is intended to, or shall be deemed to establish any partnership or joint venture between the Parties, constitute either Party the agent of the other, nor authorise a Party to make or enter into any commitments for on behalf of the other Party.
- 10.4 For the avoidance of doubt, any person who is not a party to this Supply Agreement will have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Supply Agreement.
- 10.5 This Supply Agreement constitutes the final, complete and exclusive statement of the terms of the agreement between the Parties pertaining to the subject matter of this Supply Agreement and supersedes all prior and contemporaneous understandings or agreements of the parties. Each Party acknowledges that in entering into this Supply Agreement it does not rely on, and shall have no remedies in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this Supply Agreement.
- 10.6 This Supply Agreement shall be governed by and construed in accordance with the laws of England and Wales and the Parties shall submit to the exclusive jurisdiction of the courts of England and Wales in respect of any dispute arising from it.

Signed by [redacted] for and on behalf of CYCLE SOLUTIONS (CYCLE

[redacted signature block]

.....

[redacted]

[redacted signature block]

.....

[redacted signature block]

Date Signed: 16/09/2025

## **SCHEDULE 1**

### **THE PROCESSING OF PERSONAL DATA**

This schedule sets out the scope, nature and purpose of the processing of Personal Data by CS on behalf of the Employer and constitutes the written instructions of the Employer referred to in clause 6.4.1. CS may only process Personal Data on behalf of the Employer in accordance with the requirements of clause 6 and this schedule.

#### **1. THE SCOPE, NATURE AND PURPOSE OF PROCESSING**

- 1.1 CS may process Personal Data in order to provide a Cycle to Work Scheme to the Employer's employees.

#### **2. THE DURATION OF PROCESSING**

- 2.1 CS may process Personal Data for the duration of this Agreement and the duration of any Hire Agreement in place between CS and the Employee (typically up to 6-years).

#### **3. THE TYPES OF PERSONAL DATA**

- 3.1 CS may process Personal Data of the following types:

- (a) personal details;
- (b) financial details;
- (c) employment details; and
- (d) goods or services provided.

- 3.2 CS may process sensitive Personal Data of the following types:

- (a) N/A

#### **4. THE CATEGORIES OF DATA SUBJECT**

CS may process Personal Data relating to the Employer's:

- (a) employees.

## **SCHEDULE 2**

### **Appointment of Introducer Appointed Representative**

#### **1 Appointment and regulation**

- 1.1 Subject to and on the terms set out in this Schedule 2, CS appoints the Employer as its 'introducer appointed representative' ("**IAR**") to provide the services described below at paragraph 4 of this Schedule 2, (the "**Services**") on behalf of CS.
- 1.2 CS is authorised and regulated by the Financial Conduct Authority, (the "**FCA**").
- 1.3 The Employer is not an authorised person for the purposes of the Financial Services & Markets Act 2000, (the "**FSMA**").
- 1.4 The appointment of the Employer as IAR is personal to the Employer and the Employer may not transfer, assign, novate or otherwise delegate its rights and duties as IAR under this Schedule 2 or the performance of the Services.
- 1.5 The FCA charges an annual fee for each introducer appointed representative. This fee will be invoiced by CS to the Employer on the first anniversary of the commencement of the Supply Agreement. The annual fee is currently set at [REDACTED] for the period 2021/2022. CS will notify the Employer as and when there is a change to the fee amount.
- 1.6 In the event that the total value of invoices raised by CS for payment by the Employer, in accordance with clause 4.2 of the Supply Agreement, exceeds [REDACTED] (net of VAT) per annum then the fee outlined in clause 1.5 of this Schedule 2 will be waived.

#### **2 Commencement**

The appointment of the Employer as IAR will take effect on the Commencement Date and will continue until the earlier of, i) termination of the Supply Agreement; or ii) the appointment of the Employer as IAR is terminated under and in accordance with paragraph [8] of this Schedule 2.

#### **3 Services**

The Services to be provided by the Employer as IAR of CS are limited to the following activities:

- 3.1 effecting introductions between CS and Employees wishing to enter into Hire Agreements; and
- 3.2 distributing non-real time financial promotions and other materials which relate to the Scheme and which shall be provided to the Employer by CS.

#### **4 Obligations of the IAR**

- 4.1 The Employer undertakes and agrees:
  - 4.1.1 the activities for which CS takes responsibility as principal in respect of the appointment of the Employer as IAR are limited to the Services;
  - 4.1.2 to perform the Services and the other obligations contemplated by this Schedule 2 with reasonable care and skill;

- 4.1.3 not carry on any other activity which would comprise ‘regulated activity’ as that term is defined for the purposes of s.19(1) FSMA and the Financial Services & Markets Act 2000 (Regulated Activities) Order 2001, (the “**RAO**”);
- 4.1.4 not to hold client money as that term is defined in the Client Assets Sourcebook (CASS) which forms part of the FCA Handbook of Rules and Guidance, (the “**FCA Handbook**”);
- 4.1.5 to co-operate with CS and act in accordance with all instructions, policies and directions from time to time issued by CS (acting reasonably) for the purposes of, or in connection with, the performance of the Services and the performance by the Employer of its role as IAR and the provision of the Scheme;
- 4.1.6 to co-operate with CS and act in accordance with all instructions, policies and directions from time to time issued by CS (acting reasonably) for the purposes of, or in connection with, compliance by CS and/or the Employer with any law, regulation, or rule contained in the FCA Handbook or any Governmental, statutory, regulatory or judicial request or direction that may apply to the performance by the Employer as IAR and/or the provision of the Services and/or the provision of the Scheme;
- 4.1.7 to co-operate with CS and act in accordance with all instructions, policies and directions from time to time issued by CS (acting reasonably) for the purposes of, or in connection with, enabling CS to comply with any limitation or requirement imposed on CS’s own Permission under Part 4A FSMA;
- 4.1.8 to co-operate with the FCA in connection with the performance of the Services, including by:
  - (a) making itself readily available for meetings with representatives or appointees of the FCA as reasonably requested;
  - (b) giving representatives or appointees of the FCA reasonable access to any documents, records, files, tapes or IT systems, which are within the Employer’s possession or control, and provide any facilities reasonably requested by the FCA;
  - (c) printing information in the Employer’s 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 the FCA may reasonably request;
  - (d) answering truthfully, fully and promptly all questions which are reasonably put to it by representatives or appointees of the FCA; and
  - (e) permitting representatives of the FCA, or persons appointed for the purpose by the FCA, to have access, with or without notice, during reasonable business hours to any of its business premises in relation to the discharge of the FCA’s functions under the FSMA;
- 4.1.9 to give CS’s auditors the same rights as are provided by s.341 FSMA;
- 4.1.10 to obey and comply with the relevant requirements in or under the FSMA and the rules in the FCA Handbook that apply to the Services and the performance

by the Employer of its role as IAR as if they are directly binding upon the Employer;

- 4.1.11 not without the prior written consent of CS to accept any other appointment as an Introducer Appointed Representative or an Appointed Representative of any other principal for the purposes of s.39(1) FSMA; and
- 4.1.12 in connection with the provision of the Services and the promotion of the Scheme, to use only the promotions, materials and other content (whether written or electronic) provided by CS and not to amend or add to such promotions, material, content or other literature without the prior written consent of CS.
- 4.2 The Employer shall give CS, as soon as practicable after any request for it, such information as CS may reasonably require about or relating to the Employer or the carrying on of the Services or otherwise desirable for monitoring the performance of the Services by the Employer and the performance of its duties as IAR.
- 4.3 The Employer must notify CS as soon as it becomes aware of any of the following:
  - 4.3.1 the Employer has or may have committed a breach of the provisions of this Schedule 2, or contravened any applicable rule in the FCA Handbook or any applicable provision of the FSMA or any other applicable law or regulation;
  - 4.3.2 the Employer has or may have caused CS to commit a breach of any rule in the FCA Handbook or under or pursuant to the FSMA or any other applicable law or regulation;
  - 4.3.3 the Employer has grounds to believe that any of its representations and warranties in paragraph 7, Schedule 2 are not satisfied or are likely not to be satisfied;
  - 4.3.4 the Employer submits an application for authorisation to the FCA;
  - 4.3.5 there is any material change in the information provided to CS or the FCA about the Employer;
  - 4.3.6 the Employer receives any significant complaint or indication of dissatisfaction with CS or the Employer from any Employee or customer.
- 4.4 The Employer shall keep, or assist CS in keeping, such books, records and accounts and make such returns in connection with the Services as CS or the applicable rules in the FCA Handbook may require.
- 4.5 On termination of the appointment of the Employer as IAR for any reason, the Employer shall deliver to CS all notes, memoranda, documents, books of account, correspondence and records of all and every description which relate to the affairs of CS and which are in its possession or at its disposal (whether or not the same were originally supplied by CS).

## **5 Non-exclusivity**

This Supply Agreement and the provisions of this Schedule 2 do not constitute an exclusive introducer appointed representative agreement with the Employer.

Nothing in this Supply Agreement shall preclude CS from committing to similar agreements with other persons.

## **6 Liability**

- 6.1 Pursuant to s.39(3) FSMA, CS accepts responsibility, to the same extent as if it had expressly permitted it, for anything done or omitted by the Employer in carrying on the Services.
- 6.2 The Employer agrees with CS (for itself and as trustee for CS's directors, partners, officers and employees) that it shall indemnify and hold harmless CS against all claims and demands which may be made against CS in respect of any loss or damage sustained or suffered, or alleged to have been sustained or suffered, by any person by reason of the negligence, wilful default or bad faith of or breach of this Schedule 2 by the Employer or any of its directors, partners, employees and agents.
- 6.3 In this paragraph 6 references to claims or demands shall include references to costs and expenses arising from, or incidental to, the provision of the Services by the Employer and in particular the costs of investigating and defending, and any payment (whether of compensation or a fine or otherwise) made or required to be made as a result of, any claim, complaint, arbitration, regulatory investigation or disciplinary or enforcement action.

## **7 Warranties**

- 7.1 CS represents and warrants that:
  - 7.1.1 it is authorised by the FCA and has permission from the FCA to conduct the Services itself;
  - 7.1.2 it has full power to appoint the Employer as its IAR.
  - 7.1.3
- 7.2 The Employer represents and warrants that:
  - 7.2.1 it is not an authorised person nor is an authorised person with limited permission;
  - 7.2.2 it is suitable to act for CS in the capacity of IAR in respect of the Services (having regard, in particular, to other persons connected with it who will be, or who are, directly responsible for its activities);
  - 7.2.3 any information which it has provided to CS is complete and accurate and the Employer agrees to provide any further information properly required by applicable law or regulation; and
  - 7.2.4 it will notify CS as soon as possible if there is any material change in any such information provided.

## **8 Termination**

- 8.1 Either party may terminate the appointment of the Employer as IAR by giving at least 30 days' written notice to the other party.
- 8.2 If any of the following events occur or circumstances arise:



- 8.2.1 the Employer is, or submits an application to become, authorised and regulated by the FCA;
  - 8.2.2 the Employer is, in the reasonable opinion of CS, no longer a suitable person to act as IAR; and/or
  - 8.2.3 the continuing appointment of the Employer as IAR and the provision of the Services by the Employer would limit or prejudice in any way the ability of CS lawfully to perform regulated activity for the purposes of the RAO and/or the ability of the FCA properly to supervise CS, then, CS in its discretion and acting reasonably, may take such steps to rectify the situation as it sees fit or CS may terminate the appointment of the Employer as IAR with immediate effect by giving written notice to the Employer.
- 8.3 Any termination of the appointment of the Employer as IAR under this Schedule 2 shall be independent of and shall not require a termination of the Supply Agreement which shall continue following any termination of the appointment of the Employer as IAR, unless the Supply Agreement is also terminated in accordance with its terms.
- 8.4 Any termination of the Supply Agreement shall operate to terminate the appointment of the Employer as IAR, (unless previously terminated).