



Terms of Business for Intermediary Partners

Introduction

At **Virgin Money** our aim is to build strong relationships with our **Intermediary Partners** that are focussed on delivering the best outcomes for you and your **Customers**. Being clear about what you can expect from us and what we expect from you is the foundation for achieving this.

These are our terms of business with you and it is important that you read them. They will apply to every **Application** for a **Virgin Money Product** submitted by you through any of our **Application Processes**.

These terms set out how we will pay **Procuration Fees**.

These terms replace any previous agreement that you may have had with us for submitting **Applications**.

Meanings of words and phrases

Throughout these terms and this agreement the following words or phrases in **bold** have the meanings given to them in this section :

Advisor	means any individuals authorised to submit Applications to us (and whether they are employed or appointed by your firm).
Advisor credentials	means any password, user name or other unique identifier (or combination of them) that is issued by us to enable your Advisors to submit Applications by any Application Process and which allows us to identify your Advisor.
Applicable Regulation	means all laws, regulations, orders, directions and industry codes of practice in the UK that relate to advice and the sale of an applicable Virgin Money Product including, without limitation, FSMA, Mortgage Credit Directive Order 2015, the FCA Handbook, the Money Laundering Regulations 2007 and UK data protection laws.
Application	means any application that is sent to us on behalf of a Customer for any Virgin Money Product by any Application Process under these terms.
Application Process	means any of the methods, platforms, software applications, websites or application forms that we (or a third party on our

behalf) may specify and make available to you from time to time as the means of submitting Applications to us and which currently includes :-

- Virgin Money Online (VMO)
- Mortgage Trading Exchange (MTE).

Customer	means the individual or individuals who have appointed you to make an Application on their behalf.
FCA	means the Financial Conduct Authority (or any successor body).
FCA Handbook	means the FCA's handbook of rules and guidance made under FSMA.
FSMA	means the Financial Services and Markets Act 2000.
Intermediary Partner	means a sole trader, partnership, limited liability partnership or limited company who is an intermediary that is directly authorised by the FCA in accordance with Section 31 FSMA and who we have agreed can submit Applications to us.
Lending Policy	means the Virgin Money Lending Criteria from time to time and that we make available on the Virgin Money Website.
Permissions	means any permissions, consents, authorisations, registrations or licenses required under FSMA, the Mortgage Credit Directive Order 2015 or any other Applicable Regulation.
Procuration Fee	means any fee, commission or other amount that we may pay to you for any Application that is accepted by us and we proceed to provide the Customer with a Virgin Money Product.
Tools and Sales Aids	means any of the information, guides, applications, calculators or similar that we provide or make available from time to time on the Virgin Money Website and which are intended to provide you with information, assistance and guidance to you in making Applications for Virgin Money Products.
Virgin Money	means Clydesdale Bank PLC (trading as Virgin Money), a



Virgin Money Products means any of the financial services products that we either provide, promote or intermediate and make available for distribution through our Intermediary Partners from time to time. These include:-

- Regulated Mortgage Contracts
- Buy to Let Mortgage Contracts
- Consumer But to Let Mortgage Contracts
- Retention Products

Virgin Money Website means our Virgin Money for Intermediaries website (intermediaries.virginmoney.com).

We, our and us means Virgin Money.

You and Your means you acting as our Intermediary Partner under these terms.

1. Our relationship with You

- 1.1 We are pleased to appoint you to our panel of Intermediary Partners. This means that you may submit and we may accept Applications to us for Virgin Money Products subject to these terms. Your appointment is on a non-exclusive basis and we and you are free to enter into similar arrangements with others.
- 1.2 These terms will apply and be agreed to each and every time you or any of your Advisors submit any Application.
- 1.3 These terms do not oblige us to accept any Application from you, or your Advisors and we may decline to accept any Application at any time for any reason.
- 1.4 These terms shall not be deemed to constitute or evidence any partnership or joint venture between Us and You or any agency on either party.
- 1.5 We may vary or replace these terms and this agreement by giving you written notice (including by email) at any time.

2. Your general responsibility for all Applications submitted

- 2.1 In relation to any Application submitted to us you are agreeing with us that:-

- (a) You have and will maintain all necessary Permissions to submit the Application on behalf of the Customer.
 - (b) Your Advisor is authorised by you to submit the Application.
 - (c) You and your Advisor are instructed and authorised by the Customer to make the Application as agent of the Customer.
 - (d) You have verified and obtained evidence of the identity of the Customer in accordance with all Applicable Regulation and will supply us with evidence of this upon request and whether or not we also take steps ourselves to verify this.
 - (e) You have assessed the particular Virgin Money Product in an unbiased manner as suitable for the needs of the Customer and having regard to their best interests. You will have processes and procedures for identifying customers which are consistent with any FCA expectations.
 - (f) You are responsible for any advice given to the Customer in relation any Application.
 - (g) You have not withheld any information or documentation that may be reasonably considered material to any Application and any information or documentation supplied is true and accurate to the best of your belief.
 - (h) You have or will have carried out your obligations in relation to any Application in accordance with Applicable Regulation and have exercised the reasonable skill and care expected of an Intermediary Partner in accordance with good industry practices.
 - (i) You have complied with our requirements under any Application Process and any specific requirements we have under these terms in relation to particular Virgin Money Products.
 - (j) Where applicable you will disclose to the Customer the existence and amount of any Procurement Fee we may pay for any Application.
- 2.2 In relation to any Advisors you agree that:-
 - (a) You have taken appropriate steps to verify the background, experience and qualifications of all Advisors.
 - (b) All Advisors are adequately trained, skilled and competent to submit business in accordance with Applicable Regulation, good industry practices and any written procedures you have provided to them.
 - (c) All Advisors will submit Applications in accordance with these terms of business.
 - (d) We will issue Advisor Credentials to those individual Advisors (and whether those individuals are within your firm) whom you confirm are authorised to conduct business on your behalf under these terms and in accordance with our Advisor registration processes from time to time.



- (e) You will advise us immediately if you terminate your relationship with any Advisor to whom we have issued Advisor Credentials.
- (f) You will advise us if any particular Advisor is not authorised by you to submit Applications for any particular category of Virgin Money Product.

3. Your responsibility for particular categories of Applications

3.1 In addition to your general responsibilities for all Applications under clause 2 of these terms you agree that in relation to the following categories of mortgage Applications you have or will have complied with the following requirements :-

Regulated Mortgage Contracts (RMCs)

- (a) Identify that the Customer requires a RMC having regard to their circumstances and the intention of the Customer or a related person to occupy the property as a dwelling;
- (b) Identify that the Application is consistent with our published Lending Policy having regard to any Tools or Sales Aids we make available;
- (c) Issue the Customer with all documentation and information you are required to provide under the FCA Handbook in connection with the Application;
- (d) Complete the Application fully and in accordance with our Application Process including obtaining any signed declarations we require.

Buy to Let Mortgage Contracts (BTL MCs)

- (a) Identify that that the Customer requires a BTL MC having regard to their circumstances and the intention of the Customer for the property to be occupied as dwelling on the basis of a rental agreement and not to be occupied as a dwelling by the Customer or a related person;
- (b) Identify that the Application is consistent with our published Lending Policy having regard to any Tools or Sales Aids we make available;
- (c) Complete the Application fully and in accordance with our Application Process including obtaining any signed declarations we require.

Consumer Buy to Let Mortgage Contracts (CBTL MCs)

- (a) Identify that that the Customer requires a CBTL MC having regard to their circumstances and

- the intention of the Customer for the property to be occupied as a dwelling on the basis of a rental agreement and not to be occupied as a dwelling by the Customer or a related person;
- (b) Identify that the Application is consistent with our published Lending Policy having regard to any Tools or Sales Aids we make available;
- (c) Issue the Customer with all documentation and information you are required to provide in connection with the Application under Schedule 2 to the Mortgage Credit Directive Order 2015;
- (d) Complete the Application fully and in accordance with our Application Process including obtaining any signed declarations we require.

Retention Products

We may make available from time to time a range of products and Application Process that is intended to give you the option of making an Application for a further product for any Customer who holds an existing Virgin Money Product. Where we make Retention Products available you will:

- (a) Identify that the Customer requires the Retention Product having regard to their continuing circumstances and intentions;
- (b) Identify that the Application is consistent with our published Lending Policy having regard to any Tools or Sales Aids we make available;
- (c) Issue the Customer with all documentation and information you are required to provide under any Applicable Regulation in connection with the Application
- (d) Complete the Application fully and in accordance with our Application Process including obtaining any signed declarations we require.

3.2 We may add to, remove or vary any of our requirements under any Application Process at any time by giving notice to you.

4. Payment of Procurement Fees

- 4.1 We will pay you a Procurement Fee for each Application that is accepted by us and which proceeds to legal completion of a Virgin Money Product.
- 4.2 We will notify you of the current amounts or rates of Procurement Fees we may pay for any Application. We will also notify you in advance of any change to the amounts or rates. Any such amount or rate is inclusive of value added tax ("VAT") if applicable

and, in the event that VAT becomes chargeable, you will be responsible for correctly charging and accounting for any VAT liability to HMRC.

- 4.3 Where we have arrangements in place to pay Procurement Fees to you directly we will make payment to the bank account you have nominated for this purpose.
- 4.4 We will be entitled to set off any unpaid Procurement Fee against any debt you may owe us.

5. Working together

- 5.1 We will help you and your Customers by providing:-
- (a) accurate and up to date information about Virgin Money Products, our Lending Policy and our Procurement Fees and advance notice of any changes we make to them or to these terms;
- (b) Tools and Sales Aids;
- (c) support, information and guidance in relation to our Application Processes;
- (d) the opportunity to participate in relevant promotions, initiatives and events we may organise and advise to you from time to time;
- (e) timely information about our current service levels.
- 5.2 You will help us by:-
- (a) Complying with your responsibilities under clauses 2 and 3 above;
- (b) Making and retaining full and accurate records in relation to every Application for every Customer and in accordance with all Applicable Regulation;
- (c) Advising us promptly of any error made by us in paying or failure to pay any Procurement Fee;
- (d) notifying us immediately in writing of any changes to your circumstances such as change of address, trading name or style or reorganisation of your business or any change or restriction to your Permissions;
- (e) notifying us immediately if you receive any instruction, direction or request from the FCA in relation to any of the activities of you or any Advisor have carried out under this agreement.
- 5.3 We will help each other by:-
- (a) dealing promptly and openly with any issue or question that arises between us in relation to this agreement;
- (b) complying with our respective obligations under this agreement and the Applicable Regulation, working together where necessary to ensure compliance.

6. Keeping information safe and secure

- 6.1 Some information that you and we hold in relation to any Customer or Advisor will be personal data for the purposes of UK data protection laws. You and we are each separate data controllers in relation to the personal data we each hold and process in relation to our respective activities. You and we

undertake to comply with the UK data protection laws in all respects as it relates to the personal data we both hold and process. We will keep any information you provide to us as confidential and will not disclose this to any other person unless required to do so by law or where the information is required to be disclosed to our agents or third parties involved in the processing or administration of any Application or the administration of the activities envisaged by this agreement.

- 6.2 You and we will both maintain appropriate technical and organisational measures to guard against unauthorised or unlawful access to, or accidental loss of, personal data or confidential information and notify each other without due delay of the occurrence of any such event.
- 6.3 We will provide Customers with information about how we will use their personal data as part of the Application process for a Virgin Money Product in accordance with UK data protection laws.
- 6.4 We will use the information provided to us about you and your Advisors for all administrative purposes associated with the activities envisaged by this agreement including allocating, monitoring and managing Advisor Credentials; verification, analysis, and auditing of any Application submitted to us; conducting market research, statistical analysis and marketing plans; keeping you and your Advisors informed about changes to our Products, Processes and Policies; fraud and money laundering prevention; verification and searches against you and your Advisors against public and other databases (including Credit Reference Agencies). Further details how we will use information is set out on the Virgin Money Website.

7. Indemnity, liability and insurance

- 7.1 You agree to indemnify us in respect of any liability, losses, damages or costs we may suffer or incur arising from any breach by you, your Appointed Representatives or Advisors of your warranties, representations or obligations under or in relation to this agreement and these Terms (including any breach of any Applicable Regulation) or by reason of any misrepresentation or negligent, tortious or fraudulent act or omission. This indemnity is a continuing obligation.
- 7.2 We will not be liable to you in any circumstances for any disruption, failure, or unavailability of our Application Processes or Tools and Sales Aids. We will only be liable to you for your losses arising directly as a result of our negligence, fraud or wilful default. In no event will be liable for special, indirect or consequential damages or losses or for loss of profit or business opportunity.

7.3 Throughout the term of this agreement and for six years following termination you will put in place and maintain adequate professional indemnity insurance cover with a reputable insurer to insure all of your liabilities under this agreement. You will provide us with copies of the policy document and evidence of payment of the premium if we request you to do so.

8. Audit Rights

8.1 You will allow our representatives, professional advisors or any employee or agent of the FCA (or any other regulatory body) to have access to your files and records and other information relating to this agreement or any Application for the purposes of quality assurance, compliance monitoring, audit or investigation purposes. In all cases we will give you reasonable notice of our requirements and you will provide all reasonable cooperation and facilities to facilitate such request including allowing copies of information to be made. You will comply at all times with any reasonable request made by us to produce for inspection any information that relates to this agreement.

9. Termination

9.1 This agreement and your appointment to our panel of Intermediary partners may be terminated:

- (a) by mutual agreement at any time; or
- (b) by either you or us on giving the other 30 days written notice (including by email); or
- (c) in accordance with clause 9.2 or 9.3 below.

9.2 We have the right to cancel this agreement with immediate effect in the case of:

- (a) any material breach of any of these terms by you or your Advisors;
- (b) any dishonesty, malpractice or fraud committed under the Fraud Act 2006 or otherwise;
- (c) you engage in any conduct that we reasonably consider to be prejudicial to us or our business.

9.3 This agreement will automatically come to an end in the event of.

- (a) your death (if a sole trader);
- (b) your material reconstruction or insolvency (including bankruptcy, dissolution, administration, winding up, seizure of assets or making any arrangement or composition with your creditors);
- (c) (if an individual) you become resident outside the United Kingdom;
- (d) (if a company) your ownership or control is materially altered without prior notification to us.

9.4 The provisions of clauses 5.2 (e), 5.3, 6.1, 7, 8 and 10.2 shall survive after the termination of this agreement.

10. General

10.1 If there is a conflict between these terms and the provisions of any other intermediary agreement between you and us, the terms of this agreement will prevail.

10.2 This agreement is governed by and construed in accordance with English law and you and we agree to the exclusive jurisdiction of the English courts.

10.3 Nothing in this agreement confers any rights on a person who is not a party to this agreement by virtue of the Contracts (Rights of Third Parties) Act 1999.

10.4 This agreement is personal to you and you may not assign, sub contract or transfer all or any of your rights or obligations under it without our prior written consent.