

TERMS OF BUSINESS FOR INTERMEDIARIES – 4 FEBRUARY 2010

This agreement outlines the way in which we wish to work with you, and to bring to your attention the terms under which we will accept introductions for mortgages from introducers.

The following definitions are used in these Terms of Business.

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

'You' or **'Your'** means the Introducer, Intermediary, Appointed Representative from whom we accept business.

'Us' or **'Our'** or **'We'** means the Coventry Building Society Group.

'Appointed Representative' means a 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.

'FSA' means the Financial Services Authority.

1. You may (but are not under any obligation to) introduce applicants to us.
2. We may (but are not under any obligation to) make loans to the applicants.
3. We will arrange all processing and administration. We will keep you up to date with our procedures.
4. All applications must be submitted with all relevant monies due. We will not accept liability for delays caused by incomplete or inaccurate information provided by you.

Prior to submission you must have taken reasonable steps to ensure the application meets our current lending criteria.

5. You must either be directly authorised by the FSA or an Appointed Representative of a directly authorised firm, and be able to provide (where relevant) the following:
 - Licence under the Consumer Credit Act 1974.
 - Registration under the Data Protection Act 1988.
 - Any other licences, registration, authorisations, and powers that allow you to enter into this agreement and follow its terms.
 - Professional indemnity insurance cover of at least £1million to cover any liability you may incur under this agreement.
6. You must notify us:
 - If your Consumer Credit License or any of your permissions are withdrawn.
 - If you are investigated for breach of the Financial Services and Markets Act 2000.
 - If your registration with the Financial Services Authority is terminated.
 - If you are investigated by any regulatory body.
7. In order to introduce business to us, we require directly authorised firms to hold both of the following permissions:
'Arranging (bringing about) Regulated Mortgage Contracts.'
'Advising on Regulated Mortgage Contacts.'
8. If you are an Appointed Representative, your agreement with your Principal must include authority to conduct the above regulated activities.
9. You must comply in full with all requirements and recommendations of the FSA, or any other applicable regulatory authority, professional body or trade association and carry out your activities in accordance with good industry practice, in good faith and so as not to prejudice our reputation or cause us to breach any legal or regulatory requirement. If you knowingly submit a fraudulent application we will remove you from our panel and advise the FSA under the Information from Lenders Scheme.

10. You must at all times comply with the requirements of the Data Protection Act 1998, and regulations made under the Act as well as any guidance or Codes of Practice issued by the Information Commissioner's Office (ICO). You must ensure that you have your client's authority to disclose their personal details to us in any format and that we may lawfully use this data. Your duties under this clause shall survive any termination of your membership from our mortgage intermediary panel.
11. You must take reasonable steps to ensure all documents containing your client's details are kept secure. If you send documentation to us or correspond with us electronically about your clients, you must use a secure encrypted format such as our secure mail service.
12. In relation to all business you refer to us you must ensure you conform with the Money Laundering Regulations (and any subsequent amendment, substitution or addition to these Regulations). You will ensure you have identified and verified the applicant and forward to us the relevant documentation we require from time to time.
13. We will both ensure that the principles of treating customers fairly will be upheld at all times.
14. When you introduce applicants to us you are not acting as our agent, and do not have the authority to make agreements or promises on our behalf or act on our behalf in any other way, you must ensure the applicant is made aware of this.
15. We continually review and update our Intermediary panel. Ongoing registration is dependant on submission of quality applications on a regular basis. We therefore reserve the right to suspend your registration; this may be without notification. If this happens and you would like to introduce business to us you will be required to contact us to discuss re-registration.
16. Unless required to do so by legislation you can be assured information about you will not be disclosed by us to any third party.
17. You must have our written approval before using our logo, distributing any advertising, press release or marketing literature that refers to us. Our approval of the copy means that we are happy with the form and content, but does not mean that it complies with any laws or codes of practice. It is your responsibility to check compliance.
18. A procuration fee will be paid following completion of a mortgage application introduced by an Appointed Representative or directly authorised firm in accordance with the following:
 - For Appointed Representatives we will pay procuration fees at rates and terms agreed with the Appointed Representative's Principal.
 - For directly authorised firms we will pay procuration fees at the rate and terms agreed with the firm's chosen submission route as appropriate.
19. When submitting each application to us you accept and agree to these Terms of Business.
20. We reserve the right to alter these Terms of Business at any time.

www.coventryintermediaries.co.uk

This information is for intermediaries only and is not intended for distribution to potential customers.

Coventry Building Society is authorised and regulated by the Financial Services Authority (reference number 150892).

Godiva Mortgages Limited is a limited company registered in England and Wales (with Company registration number 5830727) and is authorised and regulated by the Financial Services Authority (reference number 457622).

Coventry Building Society. Registered Office: Economic House, PO Box 9, High Street, Coventry CV1 5QN.

Godiva Mortgages Limited. Registered Office: Oakfield House, Binley Business Park, Harry Weston Road, Coventry CV3 2TQ.