

Administration Agreement

This agreement is made on

between the following Parties

	Associated General & Dealer Underwriting Agency Pty Limited (hereinafter called AGD)
ABN	80 108 259481
AFS Licence No.:	279854
Address	26 Hunter Street, Parramatta, NSW, 2150

The company or persons identified in Item 1 of the Schedule (hereinafter called the **Intermediary**)

Background

A. AGD is authorised to transact the certain classes of insurance business on behalf of insurers throughout Australia. The Intermediary introduces insurance business on behalf of its clients to AGD.

B. The parties have entered into this Agreement to document the basis on which they will transact insurance business.

Executed by the Parties as a Deed

Signed for and on behalf of **Associated General & Dealer Underwriting Agency Pty Limited** in the presence of :

Signature of Authorised Person

Signature of Witness

Name of Authorised Person

Name of Witness (Print Name)

Signed for and on behalf of the **INTERMEDIARY** in the presence of :

Signature of Authorised Person

Signature of Witness

Name of Authorised Person

Name of Witness (Print Name)

TERMS AND CONDITIONS

1. Definitions and Interpretation

- 1.1 “**Australian Financial Services Licence**” has the meaning given under section 761A of the Corporations Act 2001:
“**Client**” means the clients of the Intermediary on whose behalf the Intermediary introduces insurance business to AGD;
“**Insurer**” means the insurer or insurers listed in Item 2 of the Schedule who have authorised AGD to arrange or effect insurance policies in the classes of insurance business listed in Item 2 of the Schedule.
“**Intermediary**” means the holder of an Australian Financial Service Licence with the authority to provide financial product advice and deal in a financial product for general insurance products, and is authorised to use the terms ‘insurance broker’ or ‘insurance broking’.

2. Interim Cover

- 2.1 AGD is authorised to issue interim contracts on behalf of Insurers for the period listed in Item 3 of the Schedule. If AGD issues an interim contract to a Client, the Intermediary must forward the required documentation to AGD prior to the expiry of this period.

3. Surveys

- 3.1 AGD reserves the right to survey any risk presented by the Intermediary.
3.2 NO conditions imposed or recommendations made by AGD or the Insurers, whether following survey or otherwise, shall constitute a representation that the risk is safe, fit for its purpose or compliant with any law, regulation, code or the like.

4. Acceptance

- 4.1 All business will be transacted on an offer and acceptance basis. AGD is under no obligation to agree to insure a proposed risk, or to agree to renew insurance of a risk, regardless of whether a quotation has been provided or interim cover has been granted in respect of that risk.
4.2 A completed insurance proposal must be submitted prior to acceptance of the risk.
4.3 It is a condition of acceptance that the intending insured meet all the requirements of risk reports or recommendations made as a result of a survey.

5. Commissions

- 5.1 AGD will pay the Intermediary the commission set out in Item 2 of the Schedule in respect of the contracts of insurance introduced by the Intermediary which are underwritten by the relevant Insurer.
5.2 All rates of commissions are payable as a percentage of the base premium (excluding remuneration payable to AGD the Intermediary’s commission, GST, stamp duty, and any other statutory charges which are payable in respect of the contract of insurance).

6. Payment

- 6.1 The Intermediary will pay to AGD the full amount of premium (including taxes and charges) payable by the Client for a contract of insurance within the period listed in Item 4 of the Schedule.
6.2 If payment is not received by AGD within the period referred to in Item 4, AGD may cancel the contract of insurance acting as agent of the Insurer by giving three (3) days notice in accordance with the Insurance Contracts Act 1984 and may charge a premium for the period during which the Insurer remained on risk under the contract of insurance.
6.3 The Intermediary is authorised to deduct commission from the premium payable by the Client for a contract of insurance prior to paying AGD under this clause 6.

7. Short Term Premiums

- 7.1 If the Client does not accept an offer to insure or an offer to renew a contract of insurance, AGD may charge a premium for the period during which the Insurers provided cover under any interim contract of insurance or under any hold covered terms (“**Short Term Premium**”).
7.2 If AGD is entitled to charge a Short Term Premium under this clause 7, the Short Term Premium will be calculated on the basis set out in Item 5 of the Schedule.

- 8. Renewals and Hold Covered Terms**
- 8.1 At least 14 days prior to expiry of any contract of insurance AGD will advise the Intermediary of the terms on which the insurer is willing to renew the contract or decline to renew the contract. AGD and the Insurer are not obliged to hold any insurance covered after expiry of any contract of insurance, interim or otherwise (except as otherwise stated in Item 3 of the Schedule).
- 8.2 The Intermediary must confirm acceptance of any offer of renewal in writing (by letter, e-mail or facsimile) no later than 4.00pm. EST on the day of expiry of the original contract of insurance
- 9. Claims**
- 9.1 The Intermediary must notify AGD in writing as soon as they become aware of any claims to be made by Clients under contracts of insurance issued by AGD on behalf of the Insurer. The Intermediary will promptly supply such documentation in connection with the claim as is reasonably required for AGD and the Insurer to manage, negotiate and settle the claim.
- 10. Cancellations by the Insured**
- 10.1 If a contract of insurance is cancelled by the Insured before the expiry date of the contract of insurance AGD will pay a premium refund for the unexpired period of the insurance for the contract of insurance.
- 11. Licence Warranty**
- 11.1 The Intermediary has and will at all times hold an Australian Financial Services Licence or a valid written authorisation to act as authorised representative of a person that holds an Australian Financial Services Licence which covers the provision of the financial services provided to Clients in connection with the subject matter of this Agreement.
- 12. Indemnity**
- 12.1 The Intermediary will indemnify AGD for any loss, damage, liability, costs or expenses incurred or sustained by AGD as a result of the Intermediary's failure to comply with clause 6.1 (only where the premium has been paid to the Intermediary by the Client) or clause 11.1.
- 13. Termination**
- 13.1 Either party may terminate this agreement by giving 30 days prior written notice to the other party or it may be terminated by a party on immediate notice if an application to wind up the other party is made by an administrator, receiver, manager or the like is appointed.
- 13.2 Any insurance contracts arranged prior to the date of termination shall remain in force until their normal expiry date, subject to normal practice with respect to cancellation
- 14. Interpretation and notices**
- 14.1 In this Agreement unless the context requires otherwise; the headings are used for convenience only and do not affect the interpretation of the Agreement; the word 'person' includes a natural person and any body or entity whether incorporated or not; and the word 'including' will be deemed to mean 'including without limitation'.
- 14.2 Each party notifying or giving notice under this agreement must do so by notice in writing, addressed to the address of the recipient specified in this Agreement or as altered by notice in accordance with this clause; and delivered or sent by registered post to that address or sent by facsimile transmission
- 14.3 A notice given in accordance with clause 14.2 is received if delivered to the recipient's address, on the day of delivery, if sent by registered post, if sent by facsimile transmission, on the day the transmission is sent (as long as the sender has a confirmation report specifying a facsimile number of the recipient, the number of pages sent and the date of the transmission).
- 14.4 This Agreement is governed by the law of New South Wales. The parties submit to the non-exclusive jurisdiction of the courts of New South Wales and any courts which may hear appeals from those courts in respect of any proceedings in connection with this Agreement.

SCHEDULE

Item 1(a) – Name and contact details of intermediary

Name of Intermediary:

ABN:

AFS Licence No.:

Contact Person:

Address:

Telephone:

Facsimile:

Item 1(b) – Name and contact details of AGD Underwriting Agency Pty Ltd

Associated General & Dealer Underwriting Agency Pty Ltd

ABN: 80 108 259 481

AFS Licence No.: 279854

Contact Person: Kathryn Timmis – Compliance Manager

Address: 26 Hunter Street, Parramatta, NSW, 2150

Telephone: 02 9687 4828

Facsimile: 02 9687 4967

Item 2 – Insurer, classes of Business and commission

Insurer	Class(es) of Business	Commission
Allianz Australia Limited	Used Car Dealer Pack Policy	
	All Sections (not including Motor)	15%
	Motor Section	10%

Item 3 – Interim contracts of insurance

Insurer	Class(es) of Business	Period of Interim Contract
Allianz Australia Limited	Used Car Dealer Pack Policy	30 days

Item 4 – Payment of premium/credit terms

Within 60 days of inception or renewal of the contract of insurance

Item 5 – Short Term Premiums

Insurer	Class(es) of Business	Basis of Calculation
Allianz Australia Limited	Used Car Dealer Pack Policy	Pro rata

Item 6 – Hold covered terms

For contracts of insurance underwritten, the Insurer will hold the insured covered on the same terms as the original contract of insurance for a period of 30 days from expiry date of the contract of insurance or interim contract. The intermediary must request the hold covered terms in writing before the expiry date and receive a signed acceptance from AGD.