

Administration Agreement

This agreement is made on _____ between the following parties:

Name	Associated General & Dealer Underwriting Agency Pty Ltd ("AGD")
ABN	80108 259 481
AFS Licence No	279854
Address	26 Hunter Street, Parramatta, NSW, 2150

The Company or persons identified in Item 1(a) of the Schedule ("Intermediary")

Background

- A** AGD is authorised to transact certain classes of insurance business on behalf of Insurers throughout Australia.
- B** The Intermediary is an intermediary for its Clients and introduces insurance business on behalf of its Clients to AGD.
- C** 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 Ltd**
in the presence of:

Signature of Witness

Signature of Authorised Person

Name of Witness

Name of Authorised Person

Signed for and on behalf of the Intermediary
in the presence of:

Signature of Witness

Signature of Authorised Person

Name of Witness

Name of Authorised Person

Terms & 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.
 "Eligible Data Breach" has the meaning given to the term in the *Privacy Act 1988 (Cth)*.
 "Insurer" means the insurer of 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 Services 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. Terms

- 2.1. This agreement commences on the date that it is executed and continues until it is terminated in accordance with Clause 15.

3. Compliance

- 3.1. The Intermediary agrees to comply with all legislation, regulation and codes of practice that regulate or affect the Intermediary's activities in connection with this agreement.
- 3.2. The Intermediary agrees to give AGD's Financial Services Guide to a Client when the Intermediary recommends that the Client acquire an insurance product offered by AGD.
- 3.3. The Intermediary must comply with the *Privacy Act 1988* and ensure the Intermediary has appropriate consent from Clients to disclose the Clients' personal information to AGD and Insurers for the purposes of seeking quotations and/or obtaining insurance products from AGD and the Insurer.
- 3.4. In an event of a suspected or actual Eligible Data Breach concerning the Clients, the Intermediary must immediately notify AGD and ensure that it does the following at its own cost:
- 3.4.1. Provide all necessary and relevant information, documents and assistance required by AGD to manage the Eligible Data Breach including notification to the Insurer and the Office of the Australian Information Commissioner, and
- 3.4.2. Prepare and assist AGD to prepare any statements and notices to the Office of the Australian Information Commissioner and any affected individuals as may be required by the *Privacy Act 1988*.

4. Duty to take Reasonable Care not to Misrepresent

- 4.1. An insured has either a duty to take reasonable care not to make a misrepresentation or a duty of disclosure in each case under the Insurance Contracts Act 1984 (Cth) ('ICA'). The relevant sections of the ICA for general insurance products, are sections 20B and 21. The relevant duty is also set out in the product disclosure statement (PDS), policy wording or insurance documentation associated with the contract of insurance

5. Interim Cover

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

6. Surveys

- 6.1. AGD reserves the right to survey and risk presented by the Intermediary.
- 6.2. If the survey reveals that the Client has breached the duty of disclosure or misrepresented their risk, the Insurers may be entitled to avoid the policy or reduce their liability in respect of a claim pursuant to section 28 of the *Insurance Contracts Act 1984*.
- 6.3. 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, codes of practice or the like.

7. Acceptance

- 7.1. 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.
- 7.2. A completed insurance proposal must be submitted prior to acceptance of the risk.
- 7.3. It is a condition of acceptance that the intending insured meets all the requirements of risk reports or recommendations made as a result of a survey.

8. Commissions

- 8.1. 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.
- 8.2. 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).

9. Payment

- 9.1. 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 to AGD's nominated account listed in Item 7 of the Schedule. The Broker will remit full payment of premium via EFT, accompanied with an electronic remittance advice on a net of commission basis and any applicable agency fees and statutory charges on a gross basis to AGD
- 9.2. Subject to Section 985B of the *Corporations Act 2001*, 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.
- 9.3. The Intermediary is authorised to deduct commission from the premium payable by the Client for a contract of insurance prior to paying the premium to AGD under this Clause 8.

10. Short Term Premiums

- 10.1. 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").
- 10.2. If AGD is entitled to charge a Short Term Premium under Clause 9, the Short Term Premium will be calculated on the basis set out in Item 5 of the Schedule.

11. Renewals and Hold Covered Terms

- 11.1. 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.
- 11.2. 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 6 of the Schedule).
- 11.3. The Intermediary must confirm acceptance of any offer of renewal in writing (by Email) no later than 4.00pm. EST on the day of expiry of the original contract of insurance.

12. Claims

- 12.1. The Intermediary must notify AGD and the Insurer 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 is not authorised to deal with insurance claims made by Clients under contracts of insurance issued by AGD or to provide claims handling or settling service on behalf of AGD or the Insurer. The Intermediary must promptly supply such documentation in connection with the claim as is reasonably required for the Insurer, or its third-party representative, to manage, negotiate and settle the claim.

13. Cancellation of the Contract of Insurance

- 13.1. AGD, on behalf of the Insurer, may have the right to cancel the contract of insurance if premium is not paid in accordance with the terms of the contract of insurance and these Terms and Conditions.
- 13.2. Any interim contracts of insurance will be cancelled in accordance with Sections 38 and 60(4) of the ICA. Any instalment contracts of insurance will be cancelled in accordance with Section 62 of the ICA. Subject to the terms of the contract of insurance, AGD maintains any other rights under the ICA to cancel the contract of insurance.
- 13.3. AGD must notify the Broker of any intention to either cancel or avoid a contract of insurance. If a contract of insurance is cancelled following the cooling off period (if applicable), the premium refund will be made up of two components:
 - 13.3.1. a prorated percentage of the net premium received by AGD; and
 - 13.3.2. a prorated percentage of commission earned by the Broker for arranging the contract of insurance.
- 13.4. Agency fees are payable unless the contract of insurance is cancelled within the cooling off period (if applicable) or there is a full-term cancellation.
- 13.5. If premium is non-refundable as a result of cancellation, this will be disclosed in the PDS, policy wording or insurance documentation associated with the contract of insurance.

14. Cancellations by the Insured

- 14.1. 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.
- 14.2. Where a premium refund is payable to the Client, AGD will pay the amount to the Intermediary via the Intermediary's nominated account listed in Item 8 of the Schedule.

15. Licence Warranty

- 15.1. 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.
- 15.2. The Intermediary must notify the AGD in writing within 24 hours of having its Australian Financial Services Licence suspended or revoked or having its appointment as an authorised representative of a person that holds an Australian Financial Services Licence revoked or terminated.

16. Indemnity

- 16.1. 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 8.1 (only where the premium has been paid to the Intermediary by the Client), clause 3 or clause 13.1.

17. Target Market Determination - Distribution Reporting and Significant Dealings

- 17.1. The Broker agrees to distribute the insurance products in accordance with a valid and up to date Target Market Determination ('TMD') (where required). The Broker agrees to provide reasonable reporting to AGD to meet the distribution reporting and significant dealings (having regard to ASIC's guidelines) obligations set out in the TMD for insurance products arranged by the Broker.
- 17.2. AGD will advise the Broker of the reporting obligations by providing 30 days' written notice, unless a variation is required to comply with statutory requirements, where immediate notice will apply. These reporting obligations may change from time to time.
- 17.3. If the Broker provides personal advice to the insured, distribution obligations in the TMD may not be applicable. However, reporting obligations in the TMD for complaints apply in circumstances where personal advice is provided.

18. Termination

- 18.1. Either party may terminate this agreement by giving 30 days prior written notice to the other party or it may be terminated on immediate notice if:
- 18.1.1. An application to wind up the other party is made by an administrator, receiver manager or the like is appointed, or
- 18.1.2. If either party has their Australian Financial Services licence suspended or revoked or has an authorisation to act as an authorised representative of a person that holds an Australian Financial Services Licence revoked.
- 18.2. 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.

19. Miscellaneous and notices

- 19.1. 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 anybody or entity whether incorporated or not; and the word 'including' will be deemed to mean 'including without limitation'.
- 19.2. 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 email.
- 19.3. A notice in accordance with 19.2 is received if delivered to the recipient's address, on the day of delivery or if via email, on the day the email is sent (provided that the sender does not receive a message sent by the recipient's information system advising the sender that the recipient has not received the email).
- 19.4. 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.

20. Inconsistency and No Assignment

- 20.1. In the event of any inconsistency between these Terms and Conditions and the PDS, policy wording or insurance documentation associated with the contract of insurance, the PDS, policy wording or insurance documentation will take precedence. The Broker may not assign its rights or transfer obligations under these Terms and Conditions without the prior written consent of AGD.

Schedule

Item 1(a) Name and contact details of Intermediary

Name of Intermediary	
ABN:	
AFS Licence No:	
Contact Person:	
Address:	
Phone:	
Email:	
Address for Notices (Email)	

Item 1(b) Name and contact details of Associated General & Dealer Underwriting Agency Pty Ltd

Agency Name	Associated General & Dealer Underwriting Agency Pty Ltd
ABN:	80 108 259 481
AFS Licence No:	279854
Contact Person:	Will Gotsis – Underwriting Manager
Address:	26 Hunter Street, Parramatta, NSW, 2150
Phone:	02 9687 4828
Email:	enquiries@agdua.com.au
Address for Notices (Email)	enquiries@agdua.com.au

Item 2 – Insurer, Classes of Business and Commission

Insurer	Class of Business	Commission
HDI Global Specialty SE - Australia	AGD Dealer Pack Policy	
	All Sections (Excl Motor)	12.5%
	Motor Section	10%

Item 3 – Interim Contracts of Insurance

Insurer	Class of Business	Period of Interim Cover
HDI Global Specialty SE - Australia	AGD Dealer Pack Policy	30 Days

Item 4 – Payment of premium / credit terms

Within 45 days of inception or renewal of the contract of insurance or as advised by AGD

Item 5 – Short Term Premiums

Insurer	Class of Business	Basis of Calculation
HDI Global Specialty SE	AGD 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 14 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.

Item 7 – Account Details – Associated General & Dealer Underwriting Agency Pty Ltd*

Account Name	BSB	Account Number
AGD Trust Account No 3	332 027	555 620 625

Item 8 – Nominated account of Intermediary

Account Name	BSB	Account Number

*We would be pleased to receive your phone call to confirm account details in line with Cyber protection and fraud prevention.