

Terms and Conditions of Trade

Probitas 1492 (Pacific) Pty Limited ABN 82 663 993 244 (**'Probitas Pacific'**) as an approved Lloyd's service company of Probitas Holdings acts as agent of Lloyd's Syndicate 1492 (**insurers**).

Effective Date: 23 May 2023
These Terms and Conditions of Trade ('Terms and Conditions') apply to any financial services business between Probitas Pacific and any AFS Licensed Insurance Broker ('Broker') from and including the Effective Date. Any Broker wishing to advise on and deal in insurance products provided by Probitas Pacific agrees to be bound by these Terms and Conditions.

1. Background

The Broker wishes to carry on a financial services business to provide financial product advice for insurance products, and deal in a financial product by applying for, acquiring, varying or disposing of an insurance product provided by Probitas Pacific subject to the Broker's Australian Financial Services Licence ('AFSL') authorisations. The Broker agrees to be bound by these Terms and Conditions. In consideration of the Remuneration (set out at section 7 below) by Probitas Pacific, the Broker agrees to advise on and deal in an insurance product provided by Probitas Pacific.

2. Relationship

The Broker holds an AFSL that authorises them to advise on and deal in insurance products to either retail or wholesale clients (or both). The Broker will advise Probitas Pacific immediately if the AFSL is varied, suspended or cancelled.

The Broker acts as agent for their clients and is not an agent of Probitas Pacific nor do these Terms and Conditions create any form of binder, employment, joint venture, partnership or trust. The Broker will not provide or purport to provide any financial services on behalf of Probitas Pacific. The Broker is also responsible for the actions and omissions of its authorised representatives, agents, employees, contractors and referrers.

Probitas Pacific acts as agent for insurers, unless otherwise advised.

3. Arranging Insurance

The Broker must accept the offer for the contract of insurance in writing prior to or on the inception date and provide Probitas Pacific with all proposal forms (where applicable) and closing instructions received from the insured within 14 days from the inception date of the contract of insurance, unless written instructions have been provided by Probitas Pacific advising of an alternate timeframe.

Where the insured does not require the contract of insurance, the Broker is to either submit a cancellation closing or advise Probitas Pacific in writing (email) within a reasonable timeframe.

The contract of insurance will be as per the written offer provided by Probitas Pacific and any subsequent documents or other conduct (including any counter-offer from the Broker) will have no effect unless confirmed in writing by Probitas Pacific (subject to relevant law).

4. Insureds

Probitas Pacific will only directly contact insureds in the following circumstances:

- Promoting, marketing and selling its services or products to the general public or to groups of persons who are members of a specific industry, association, profession, club or ethnic community provided that in doing so it does not target any client of the Broker specifically;
- Pursuant to statutory requirements;

- If requested by the insured in writing;
- If required in relation to a claim; or
- If following reasonable efforts, Probitas Pacific has been unable to provide the Broker with any of the relevant notices and information required pursuant to statutory requirements.

5. Duty of Disclosure

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.

6. Payment of Premium, Fees and Statutory Charges

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 Probitas Pacific within 90 days of the contract of insurance's inception date ('Payment Terms'). The remittance advice should contain a clear breakdown. All collected premium, applicable fees and statutory charges are to be held in a trust account in accordance with statutory provisions.

The Broker will provide Probitas Pacific with a named contact in their finance team.

Any variation to the Payment Terms will be set out in the insurance documentation.

7. Remuneration

Probitas Pacific may pay the Broker commission on each base premium in accordance with the rates agreed between the parties on a portfolio basis and/or may specify commission at an individual quotation level. For the avoidance of doubt, the base premium is exclusive of

statutory charges (including GST and stamp duty), any fire services levy or any other fee. Any change to the Broker commission will be communicated by providing 30 days' written notice to the Broker.

8. Cancellation of the Contract of Insurance

Probitas Pacific, on behalf of the insurer, will 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/or these Terms and Conditions.

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, Probitas Pacific maintain any other rights under the ICA to cancel the contract of insurance.

Probitas Pacific 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:

- a prorated percentage of the net premium received by Probitas Pacific; and
- a prorated percentage of commission earned by the Broker for arranging the contract of insurance.

Note: 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.

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.

9. Claims

The Broker will provide all reasonable assistance to Probitas Pacific, or a party nominated by Probitas Pacific or the insurer, in respect of all claims and agrees that any claim will only be met upon receipt of all outstanding premium and agency fees and statutory charges for that contract of insurance.

10. Electronic Distribution

If the Broker chooses to distribute insurance documentation via electronic means, the Broker must comply with any ASIC regulatory guides and any statutory requirements.

11. Marketing Material

Any marketing material for Probitas Pacific' products created or developed by the Broker must be approved by Probitas Pacific. Also, the Broker will not change any marketing material provided by Probitas Pacific without the prior written consent of Probitas Pacific.

12. Compliance with Applicable Requirements

The Broker will at all times comply with all statutory requirements, ASIC regulatory guides and codes of conduct affecting the Broker's business.

13. Indemnity

Each party agrees to indemnify and keep indemnified the other party, its delegates and principals (Indemnified Party), against all loss which the Indemnified Party suffers or incurs or becomes liable to by reason of:

- any breach of any term, undertaking or warranty on the part of the Indemnifying Party, or its Delegates under this Agreement; or
- any act of negligence, intentional fraudulent acts or wilful misconduct on the part of the Indemnifying Party or its Delegates.

The parties agree that they are responsible, as between them and the other party, for the conduct of any Delegates, whether or not the conduct is within the authority conferred on them or not, and shall indemnify the other party in

respect of any liabilities arising from such conduct.

The benefit of the indemnities provided in this clause by the Indemnifying Party to the other party's Delegates and principals is held on trust by the other party for them.

The liability of a party will be reduced proportionately to the extent to which the liability is caused, or contributed to, by the other party or its Delegates or principal.

To the fullest extent permitted by law, in no event will a party have any liability for any indirect or consequential losses or damages, whether by way of lost profit, lost savings, business interruption, punitive damages or other incidental or consequential loss or damages of any kind whatever, regardless of the form of the action.

This clause survives termination or expiry of this Agreement.

Delegates means a party's employees, directors, contractors and agents and other persons acting on its behalf (but excluding the other party and its Delegates).

14. GST

Where GST is payable, it must be calculated and paid in accordance with A New Tax System (Goods and Services Tax) Act 1999 (Cth). All amounts referred to in these Terms and Conditions are GST exclusive.

15. Recipient Created Tax Invoice ('RCTI')

Both parties agree that they are parties to a RCTI Agreement for the purpose of dealing in insurance products and declare that these Terms and Conditions apply to supplies to which a tax invoice relates. Probitas Pacific may issue tax invoices for the supplies, in which case the Broker will not issue tax invoices for the supplies. If both parties issue tax invoices for the supplies the Probitas Pacific invoice takes precedence. Both parties are registered for GST and will notify the other if the registration ceases. Both parties agree to comply with the Australian Taxation Office requirements for a valid RCTI, which may be amended from time to time.

16. Records

The Broker will retain all records including correspondence (whether electronic or otherwise) either created by or supplied to the Broker for the purpose of providing financial product advice on or dealing with the insurance products under these Terms and Conditions for a minimum of seven years or longer if required by any statutory requirements.

17. Dispute Resolution

The parties will attempt in good faith to negotiate any dispute between them in connection with these Terms and Conditions within 30 days after written notice from a party. If the parties cannot resolve the dispute by negotiation within 30 days from the original written notice, they will mediate in accordance with the Australian Disputes Centre guidelines for commercial mediation then in operation. This clause does not apply to any urgent court application, including interlocutory relief nor does it limit the rights each party has to terminate this Agreement.

18. Privacy & Confidentiality

Privacy

The Broker, if providing Probitas Pacific with personal information about individuals, will comply with all relevant obligations under the Privacy Act 1988 (Cth), including having made or making the individual(s) aware that their personal information will be disclosed to Probitas Pacific and handled in accordance with Probitas Pacific' Privacy Policy (<https://probitas1492.com/privacy-policy-probitas-pacific/>)

Confidentiality

Subject to section 4 (Insureds), during and after termination of these Terms and Conditions, each party must keep confidential and must not use the other party's Confidential Information except as necessary to perform under these Terms and Conditions or as required by law.

If a government, regulatory authority or court orders a party to disclose Confidential Information, that party will, to the extent permitted, immediately advise the other party and will

disclose only such of the Confidential Information necessary to comply with the order.

Nothing in this section 18 (Privacy & Confidentiality) restricts the use or dissemination of Confidential Information obtained lawfully from a third party.

Each party authorises the other to disclose its Confidential Information to insurers, reinsurers, actuaries, auditors, professional advisors and any related bodies corporate in each case on a confidential basis.

This section 18 survives termination.

Confidential Information means all information, data, practices and techniques relating to a party, or a related body corporate, customers, competitors, business, operations, strategies, computer systems, marketing systems and intellectual property or other property of which the other party becomes aware in negotiating or performing under these Terms and Conditions.

Confidential Information does not include information that is in the public domain or later comes into the public domain (unless it came into the public domain by a breach of confidentiality).

19. Termination & Variation

These Terms and Conditions may be varied by Probitas Pacific without cause by providing the Broker with 30 days' written notice, unless the variation is to comply with a statutory requirement where immediate notice will apply. Further, these Terms and Conditions may be terminated without cause by either party by providing 30 days' written notice to the other or immediately if a party has its AFSL varied, suspended or cancelled. Probitas Pacific reserves the right to terminate these Terms and Conditions immediately by providing written notice to the Broker if the Broker is subject to an insolvency event, breaches a condition, engages in serious misconduct including fraudulent activity, or there is a statutory requirement. As soon as practicable after any termination of these Terms and Conditions and in any event within 90 days, each party

must pay all money owed to the other if any, after taking into account any adjustments required and each party must return at its own expense all hard copy documents including marketing materials supplied by the other party and not access electronic copies.

Contact Details: Max Broodryk Country Manager
Email: australia@probitas1492.com

A party will provide notice to the other of any change of address, telephone numbers and email address as soon as practicable after such change.

20. Inconsistency & No Assignment

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 Probitas Pacific.

21. Governing Law

These Terms and Conditions will be governed by the laws of New South Wales and the parties irrevocably submit unconditionally to the non-exclusive jurisdiction of the Courts of New South Wales and any courts which may hear appeals from those Courts.