

BROKER ADMINISTRATION AGREEMENT.

between

Joe Vella Insurance Brokers Pty Ltd (“JVIB”)

and

<Insert Name of Party> (“Broker”)

BROKER ADMINISTRATION AGREEMENT.

PARTIES.

THIS AGREEMENT is made on

between the following parties:

Joe Vella Insurance Brokers Pty Ltd, ABN 91 074 970 540 of 108 Mulgrave Road, Cairns Queensland 4870 (**"JVIB"**)

Contact name: Matt Devine

Email address: matt@26north.com.au

and

<Insert full name (or company name) of Broker>, ABN **<insert ABN>** of **<insert full address>** (**"Broker"**)

Contact name: **<insert contact name>**

Fax number: **<insert fax number>**

Email address: **<insert email address>**

INTRODUCTION.

- A. JVIB is authorised to act as a wholesale broker for the placement of the insurance business listed in the Schedule with certain insurers.
- B. The Broker is the intermediary for Clients on whose behalf it introduces insurance business to JVIB (**"Clients"**).

AGREEMENT.

1. Term of Agreement

- 1.1 This Agreement commences on the date that it is executed and continues until it is terminated in accordance with clause 15.

2. Compliance

- 2.1 The parties agree to comply with all the legislation, regulation and codes of practice that regulate or affect the parties' obligations under this Agreement.

3. Surveys

- 3.1 JVIB and the insurer reserve the right to survey any risk. If the survey reveals that the Client has breached the duty of disclosure or misrepresented the risk, the insurer 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*.
- 3.2 No conditions imposed or recommendations made by JVIB or the insurer, 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, i.e. JVIB is under no obligation to agree to insure a proposed risk, regardless of whether a quotation has been provided or interim cover has been granted in respect of that risk.

5. Commissions

- 5.1 JVIB will pay the Broker the Commission set out in the Schedule or as otherwise agreed in writing.

6. Payment

- 6.1 JVIB will invoice the Broker for each cover bound, but is under no obligation to provide statements.
- 6.2 The Broker will forward the full amount of premium and charges to JVIB within the period listed in the Schedule. JVIB will pay all commissions/brokerage and GST due to the Broker within the period listed in the Schedule.
- 6.3 Subject to Section 985B of the *Corporations Act 2001*, if payment is not received by JVIB within the period referred to in clause 6, the insurer and JVIB may cancel the contract of insurance by giving 3 days notice in accordance with the *Insurance Contracts Act 1984* and may charge a premium for the period during which the insurers provided cover.

7. Short Term Premiums

- 7.1 Where the Client does not accept an offer to insure or an offer to renew a contract of insurance, the insurer and JVIB may charge a premium for the period during which the insurer provided cover under any interim contract of insurance ("**Short Term Premium**").
- 7.2 Where the insurer and JVIB are entitled to charge a Short Term Premium, the Short Term Premium will be calculated on the basis set out in the Schedule.

8. Renewals

- 8.1 At least 17 days prior to expiry of any contract of insurance JVIB will advise the Broker of the terms on which the insurer are willing to renew the contract.
- 8.2 The Broker must confirm acceptance of any offer of renewal in writing (by letter, email or facsimile) no later than 4.00 p.m. EST on the day of expiry of the original contract of insurance.

9. Hold Covered

- 9.1 The insurer is not obliged to hold any risk covered after expiry of any contract of insurance, interim or otherwise.

10. Claims

- 10.1 As JVIB is not authorised to manage or settle claims on behalf of the insurers, the Broker must deal directly with the insurer in all matters to do with claims including notification and settlement.

11. Contact with Clients

- 11.1 JVIB will not initiate direct contact with the Client in relation to any contract of insurance arranged by the Broker with JVIB without the Broker's consent except in relation to cancellation of the contract of insurance or claims. This clause does not apply where the Broker is in liquidation or the JVIB has ceased to arrange insurance business.

12. Licence Warranty

- 12.1 The Broker 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 they provide to Clients that are relevant to the subject matter of this Agreement.
- 12.2 The Broker must notify JVIB 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.

13. Indemnity

- 13.1 The Broker will indemnify JVIB for any loss, damage, liability, costs or expenses incurred or sustained by JVIB as a result of the Broker's failure to comply with clause 6 (only where premium has been paid to the Broker by the Client) or clauses 8.2 and 12.1.

14. Dispute Resolution

- 14.1 The parties must attempt in good faith to resolve any dispute between them in connection with this Agreement by negotiation.
- 14.2 If any dispute cannot be resolved by negotiation between the parties within 10 days or such further period as the parties agree is appropriate, then within the following 10 days the parties must seek to agree on the procedural rules and a timetable for resolving the dispute through mediation by a mediator agreed upon by the parties, or if the parties cannot agree, a mediator appointed by the Australian Commercial Disputes Centre or any body which replaces it.
- 14.3 A party may not commence court proceedings or arbitration (other than an urgent interlocutory application) relating to any dispute arising from this Agreement unless that party has complied with clauses 14.1 and 14.2.

15. Termination

- 15.1 Either party may terminate this agreement by giving one month's written notice to the other party or it may be terminated by a party on immediate notice if:
- 15.1.1 An application to wind up the other party is made or an administrator, receiver, manager or the like is appointed; or
- 15.1.2 If either party has their Australian financial services licence suspended or revoked or has an authorisation to act as authorised representative of a person that holds an Australian financial services licence revoked.

- 15.2 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.
- 15.3 After termination, JVIB shall not, unless specifically requested to do so by the Broker, send any notices of expiry or offers of renewal direct to the Client in respect of any contract of insurance arranged on behalf of Clients by the Broker with the insurer through the JVIB, but shall instead send such notice to the Broker.

16. Notices and Change of Address

- 16.1 Any notice given under this Agreement must be in writing and sent in one of the following ways:
- 16.1.1 Delivered or posted to that party at its address set out on page 2;
 - 16.1.2 Faxed to that party at its fax number set out on page 2; or
 - 16.1.3 Emailed to that party at the email address set out on page 2.
- 16.2 A notice sent in accordance with this clause 16.1 is deemed to be received:
- 16.2.1 Three business days after the date of posting, if posted; and
 - 16.2.2 The date of sending, if sent by facsimile; and
 - 16.2.3 As soon as the sender's information system sends the email to the recipient's email box, if sent by email 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; or
 - 16.2.4 On the next succeeding business day, if received or deemed to be received on a day which is not a business day or outside ordinary business hours.
- 16.3 Each of the parties will give notice to the other of any change of address, telephone and facsimile numbers, email address and the like as soon as practicable.

17. Successors and Assigns

- 17.1 A person includes the trustee, executor, administrator, successor in title and assign of that person. This clause must not be construed as permitting a party to assign any right under this Agreement.

18. Assignment

- 18.1 No party may assign, charge or otherwise deal with its rights and obligations under this Agreement in any way without the prior written consent of the other parties.

19. Variation of Agreement

- 19.1 This Agreement may only be varied by agreement in writing between the parties.
- 19.2 No variation of this Agreement may affect any right already accrued at the date of the variation.

20. Miscellaneous

- 20.1 This agreement contains the whole agreement between the parties. No party can rely on an earlier document, or anything said or done by another party, or by a director, officer, agent or employee of that party, before this document was executed, except as permitted by law.
- 20.2 JVIB and the Broker must comply with the *Privacy Act 1988*.
- 20.3 The utmost good faith will prevail in all dealings between the parties.
- 20.4 Except as otherwise set out in this agreement, a party may give or withhold an approval or consent to be given under this agreement in that party's absolute discretion and subject to any conditions

determined by the party. A party is not obliged to give reasons for giving or withholding consent, or giving consent subject to conditions.

- 20.5 If any provision of this Agreement is found to be void, voidable, illegal or otherwise unenforceable, the parties will amend that provision in a manner which reasonably achieves the intention of the parties or, at the discretion of JVIB, that provision may be severed from this Agreement and the remaining provisions of the Agreement will remain in full force and effect.
- 20.6 The fact that a party fails to do, or delays in doing, something the party is entitled to do under this agreement, does not amount to a waiver of any obligation of, or breach of obligation by, another party. A waiver by a party is only effective if it is in writing. A written waiver by a party is only effective in relation to the particular obligation or breach in respect of which it is given. It is not to be taken as an implied waiver of any other obligation or breach or as an implied waiver of that obligation or breach in relation to another occasion.
- 20.7 This Agreement is governed by and must be construed in accordance with the laws of the State of Queensland. The parties submit to the non-exclusive jurisdiction of the courts of that State and the Commonwealth of Australia in respect of all matters or things arising out of this Agreement.

SIGNATURES.

EXECUTED as an Agreement

Date:

Executed by **Joe Vella Insurance Brokers Pty Ltd** in accordance with section 127 of the *Corporations Act 2001* (Cth):

Signature of Director

Signature of Director/Secretary

Name of Director (Print Name)

Name of Director/Secretary

[OPTION: If the Broker is an Individual]

Executed by **<Insert full name of Broker>** in the presence of:

Signature of Witness

Signature of Broker

Name of Witness (Print Name)

Full Name (Print)

[OPTION: If the Broker is a Company]

Executed by (or on behalf of) **<Insert full name of Broker>** in accordance with section 127 of the *Corporations Act 2001* (Cth):

Signature of Witness

Signature of Director / Secretary

Name of Witness (Print Name)

Full Name (Print)

SCHEDULE.

Clause 5 – Commission

Class(es) of Business	Commission
<insert details>	

Clause 6 – Time for Payment of Premiums to JVIB

Within <insert number> days of inception or renewal of the contract of insurance.

Clause 6 – Time for Payment of Commission to Broker

Within <insert number> days of receipt of the premium from the Broker.

Clause 9 – Short Term Premium

Class(es) of Business	Basis of Calculation
<insert details>	Example: Pro rata, e.g. Pro rata multiplied by a factor of 1.4