

Sage Insurance - Terms of Engagement

These Terms of Engagement apply between you and Sage Insurance Pty Ltd ABN 71 114 254 607, as an Authorised Representative of EBN Holdings Pty Ltd ABN 24 635 396 306 AFSL NO. 518220. In particular we wish to draw your attention to the limitation of liability in clause H below.

Document Date: 1 March 2024

These Terms of Engagement should be read in conjunction with our Financial Services Guide (FSG). The FSG document contains important information about our relationship with you such as:

- Our status as a licensed financial services provider;
- disclosure obligations on your part and ours;
- potential conflicts of interest that we have in our dealings with insurers and other service providers;
- professional indemnity insurance arrangements;
- internal and external complaints resolution procedures
- details of our privacy policy

For the purposes of these Terms of Engagement, “we”, “us” and “our” means Sage Insurance Pty Ltd and “you”, and “your” means the Client.

A. Introduction

- We carry on business as an insurance intermediary and risk consultant offering a wide range of insurance services to clients. These Terms of Engagement form the basis on which we will provide our core service of advising on and/or arranging insurance policies to meet your needs, or other services to be provided by us which will be set out in writing to you.
- These Terms of Engagement apply to all engagements accepted by us, and all work carried out is subject to these Terms of Engagement, except to the extent that changes or other terms are expressly agreed in writing. If you are unhappy with any of the terms or require further explanation, please contact us.
- We aim at all times to treat clients fairly. We maintain internal procedures and controls with the aim of identifying and managing any potential conflicts, so that at all times the interests of all our clients are reasonably protected.

B. Making a Claim

- Most insurance policies have strict requirements about what the insured should do if they have a claim or if they know about something that might lead to a claim in the future. It is your responsibility to understand these requirements and any relevant limitation period for commencing legal proceedings or other forms of dispute resolution against insurers should the need occur.
- Except as otherwise agreed, where appropriate with separate remuneration, our services do not automatically include any claims handling or advisory services. Unless otherwise agreed, any claims-related services that we may provide will cease if: (i) Our appointment is terminated or we are otherwise not which we reasonably believe cannot be resolved.

C. Market Security

- i. We only place insurance with insurers that meet APRA's minimum financial standards, unless a client provides specific instructions to the contrary. We do not guarantee the solvency or continuing solvency of any insurer and you should note that the financial position of an insurer can change.
- ii. If an insurer ceases trading we will do our best to assist you, but you should note that in most cases of insurer insolvency, premiums held by us will be deemed to have been paid to that insolvent insurer and therefore cannot be returned to you. Similarly, claims monies held by us may be returnable to the insolvent insurers or their liquidators, rather than to you.
- iii. Where we advise you of an insurer's 'Standard & Poors' (or equivalent) credit rating this does not apply in relation to any insurances arranged for you as a Retail Client as that term is defined in Chapter 7 of the Corporations Act 2001 (Cth).

D. Products and Services

- i. We will provide the Services as defined in these Terms of Engagement. These Terms of Engagement represent the legal contract ("the Engagement") between us and you.
- ii. We will normally make a recommendation to you for insurance policies. You will need to make your own choice about how to proceed and, on receipt of your instructions, we will endeavour to arrange insurance, subject to availability, to meet your stated requirements.
- iii. In some instances, we may only access insurance policies from a limited number of insurers, or even only a single insurer. A list of insurers we intend to approach or who have been approached will be disclosed to you. We are not an insurer of any risk.
- iv. We shall provide the Services either itself or, where we consider it appropriate, through one or more of our Associated Entities (as that term is defined in the Corporations Act 2001 (Cth)) or sub-contractors.
- v. If you would like us to provide additional services to those agreed in these Terms of Engagement, these will be subject to agreeing additional remuneration. In the absence of an agreement over the additional remuneration, you will pay us a reasonable fee for the services carried out, based on our standard charge out rates for the staff involved.
- vi. We do not consider or assume any liability for the effectiveness or completeness of your existing insurance programme (if any) or any insurance policies placed by you directly or by or through another insurance broker or intermediary, or for any acts or omissions occurring prior to the date of the commencement of our Engagement.
- vii. While we are delighted to work with you and your advisers in relation to any identified legal, accounting, regulatory or tax issues which may arise in relation to the insurance and risk management services required of us, by engaging us you agree and confirm the following (except to the extent prohibited by law):
- viii. We are not qualified to provide, and will not provide legal, accounting, regulatory or tax advice (including on any liability for statutory charges, taxes, levies and duties) that you can, should or will rely on as appropriate or accurate;
- ix. Any information provided by us on insurance regulatory or tax issues is usually based on publicly available information and our experience derived from prior involvement in such matters and needs to be checked for accuracy and currency and may not be relied on;
- x. In all instances, you must form your own view on the above matters, and this may include seeking appropriate advice from professional legal, accounting and/or tax advisers before proceeding;
- xi. By instructing us to proceed with any transaction you have not relied on us for any legal, accounting, regulatory or tax advice;
- xii. You will promptly pay the premium and any other charges (including statutory taxes/duties/levies) invoiced to you by us or the insurer;
- xiii. Where the policy includes a premium payment requirement, warranty or condition failure to pay us or the insurer in sufficient time may result in the insurer having the right to cancel the policy. You may remain liable to the insurer for any premium due prior to cancellation of the policy;
- xiv. All fees, commissions and expenses are (unless otherwise expressly stated) exclusive of GST or other statutory charges, taxes, duties or levies, which will be added and shown separately as appropriate;

- xv. Where the invoice is for a foreign currency amount, any applicable GST is converted to Australian dollars at the month end exchange rate currently applied by us for GST purposes;
- xvi. If we determine that you have not been charged or have been undercharged for any premium or relevant statutory charges, taxes, duties or levies that would have applied in relation to you (e.g. by reason of an error in calculation), we may send you a subsequent invoice which you agree to pay within 14 days of receipt or within such other time agreed by us and we will not be responsible for any loss (consequential or otherwise), damage or liability you suffer as a result;
- xvii. In certain cases (usually for administrative reasons), we may be directly responsible under legislation for remitting statutory taxes, charges and/or levies to a statutory authority or regulator in relation to your insurance or risk management products by reason of its role in arranging these products. If a statutory authority or regulator advises us that there has been an underpayment or non-payment by us of any statutory taxes, charges and/or levies in these circumstances:
- xviii. We may send you a subsequent invoice for the amount said to be owing which you agree to pay within 14 days of receipt or within such other time agreed by us and we will not be responsible for any loss (consequential or otherwise), damage or liability you suffer as a result; or
- xix. satisfy us that you have reasonable grounds on which to challenge the view of the statutory authority or regulator; and
- xx. indemnify us against any and all amounts, penalties, claims, liability, actions, proceedings, accounts, suits, demands and costs which may result from non-payment of the amounts alleged to be owing and/or challenging the view of the statutory authority or regulator; and
- xxi. take over any negotiations and litigation on behalf of us unless we specify otherwise and keep us reasonably informed of the progress any such negotiations and litigation
- xxii. We may communicate with you by electronic means, including sending renewal notices and policy documentation, unless you specifically request that this is not done.

E. Remuneration

- i. We will be remunerated for Services which shall be in one of three ways:
- ii. a specific fee(s) paid by you; or
- iii. a percentage commission of the premium due to the insurer for your insurance policies usually between 0 and 26.5% of the premium paid (please note that this will be the basis for our remuneration unless otherwise agreed); or
- iv. a combination of fee(s) and commission.
- v. You are entitled, at any time, to request information regarding any remuneration which we may have received as a result of placing your insurance business.
- vi. Unless specifically agreed to the contrary, we shall be considered to have earned all remuneration in full at the time the policy is placed. We reserve the right to retain in full all remuneration so earned even where an insurance policy is amended, terminated or otherwise cancelled. This does not affect any statutory cancellation rights. The transaction fees and distribution brokerage are not payable unless the relevant insurance policy is placed. We are also entitled to remuneration (especially the fee paid by you) for the work undertaken in the event an insurance policy is not placed.
- vii. We reserve the right to charge reasonable expenses in relation to travel, accommodation and meals while working on your behalf away from the office.
- viii. All fees, commissions and expenses are (unless otherwise expressly stated) exclusive of GST, which will be added as appropriate.
- ix. We may earn interest or benefit from investment income or from foreign exchange differentials in the process of handling client money although we can also incur losses from the same source. We reserve the right to retain all such benefits. This limits the need for additional charges that we might otherwise have to make.

- x. If the Services we provide include negotiating the settlement of any claims:
- xi. There will be no additional charge for up to twenty (20) hours work provided in negotiating the settlement of any non-Major Claim or series of related non-Major Claims arising from the one originating cause, whether in one or more Policy years;
- xii. In addition to any remuneration otherwise payable under this Agreement, we will be remunerated at the rate of AU\$275 per hour plus GST, or part thereof, for any claims management services provided with respect to:
- xiii. Major Claims; and
- xiv. non-Major Claims, other than to the extent sub-clause (a) applies.
- xv. In this clause 'Major Claim' means a claim for which the loss is estimated at any time to exceed US\$5 million, or that relates to a CAT event as defined by the Insurance Council of Australia, or that is reasonably complex or contentious.
- xvi. If during the term of this Engagement, you instruct us to arrange a contract of insurance (that was not included in the insurance program at the commencement of this Engagement) or premium funding contract, we will agree with you additional remuneration which may include:
- xvii. commission from an insurer or premium funder as the case may be in accordance with customary market practice; and/or
- xviii. an additional fee from you or the premium funder.
- xix. We may recommend contracts of insurance which are arranged through facilities that we have in place with insurers whereby we act as the agent of the insurer and/or we may obtain the assistance of another broker or Associated Entity, in order to carry out your instructions to arrange contracts of insurance. Where we do so, we, an Associated Entity, the other broker and/or the agent may receive additional remuneration from the relevant insurer or charge a fee to you.
- xx. We receive separate compensation from insurers for providing consulting, data analytics, or other services. The services are designed to improve the product offerings available to our broking clients, assist insurers in identifying new opportunities, and enhance insurers' operational efficiency. The scope and nature of the services vary by insurer and by geography. In Australia this separate compensation is paid in the form of a fixed fee. Where we are involved in such arrangements, we may be considered to have an incentive to place a broking client's insurance with these insurers. In order to control any potential conflict of interest arising from the provision of these services to insurers, we employ and act in accordance with our policies and procedures.
- xxi. We will answer any questions you may have about the above arrangements and our remuneration to ensure you are clearly informed.

F. Your Obligations

- i. Provision of information: In order to be able to arrange insurance to meet your requirements, you must:
- ii. act at all times with utmost good faith towards us and your insurers;
- iii. disclose to insurers before the policy is placed, and before the policy is renewed, extended, varied or reinstated, and at any other time when providing information to the insurer, all information, facts or circumstances which are, or ought to be, known to you and which are material to the risk or which is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms;
- iv. ensure that when completing and signing any proposal form, or otherwise confirming information to insurers, the information provided is complete, accurate and provided within an agreed timescale.
- v. You acknowledge that this duty is not limited to answering specific questions that may be asked by us or the insurer, and further that the duty of disclosure arises again if you wish to make changes to your policy or when the policy is renewed, extended, varied or reinstated.
- vi. If you have any doubt whether information is material, you should disclose it to us, as failure to do so might lead to your policy being avoided or cancelled by insurers or your claim being reduced to nil.

- vii. You shall be solely responsible for the accuracy and completeness of all information that you furnish to us and/or insurers, and you shall sign any required application for insurance. We shall not be responsible to verify the accuracy or completeness of any information that you provide, and we shall be entitled to rely on that information. We shall have no liability for any errors, deficiencies or omissions in any Services provided to you, including the placement of insurance on your behalf, that are based on inaccurate or incomplete information provided to us or our representatives. You understand that the failure to provide all necessary information to an insurer, whether intentional or in error, could result in the impairment or voiding of coverage.
- viii. You agree that all decisions regarding the amount, type or terms of coverage shall be your sole responsibility. While we may provide advice and recommendations, you must decide the specific coverage that is appropriate for your particular circumstances and financial position
- ix. You agree to promptly check all documentation supplied to you by us or insurers to ensure there are no mistakes or misunderstandings. You will advise us or the insurer immediately of any errors or anything you believe is not in accordance with your instructions or specifications.
- x. You are responsible for maintaining copies of your insurance policies, and any amendments to them, in a safe place for as long as it is possible for a claim to be made under them. New documentation may not be issued every year, and subject to any regulatory requirements, after expiry or termination (whatever the reason) of our appointment as your insurance broker, we may not retain copies of policies placed by it on your behalf.

G. Term and Termination

- i. This Engagement shall commence on receipt of these Terms of Engagement, and shall continue thereafter until completion of the Services (or any substantial renewal thereof) or until terminated.
- ii. Either party may terminate this Engagement by serving written notice on the other.
- iii. Either party may terminate this Engagement immediately, on notice:
- iv. if the other party commits a material breach of any of its provisions, and in the case of a breach capable of remedy, fails to remedy it within 30 days of receipt of a notice setting out particulars of the breach;
- v. if the other party becomes insolvent, or bankrupt, goes into liquidation, or makes any voluntary arrangement with its creditors, becomes subject to an administration order or has a receiver or administrative receiver appointed over its assets, or suffers a similar effect at foreign law; or
- vi. if we give notice of a change to our transaction fees and you object to that change.
- vii. Upon termination we will assist in arranging a smooth transfer of your business, subject to the payment of all outstanding amounts due to us and provision of all required information and assistance by you.
- viii. After termination, unless otherwise agreed, we will have no obligation to handle (or to continue to handle) claims relating to the policies placed by us on your behalf.

H. Limitation of Liability

- i. In no event shall either party to this Engagement be liable for any: (a) indirect; (b) incidental; (c) special; (d) Consequential loss; (e) loss of profits (other than that derived from our remuneration); (f) loss of revenue; (g) anticipated savings; (h) loss of data; or (i) loss of goodwill or reputation; arising out of or in connection with any Services provided by us and/or our Associated Entities and their representatives including but not limited to us and our employees, agents, consultants and authorised representatives (collectively the "Relevant Persons").
- ii. Consequential loss means any loss that does not flow directly and naturally from the relevant breach or circumstances, and which could not reasonably have been in the contemplation of both parties as a probable result of the breach or the circumstances at the time the parties entered into these Terms of Engagement.
- iii. The aggregate liability of Sage Insurance Pty Ltd and the Relevant Persons combined, arising out of or in connection with the provision of Services shall not exceed AUD\$5 million.
- iv. The provisions in clauses H.i and H.ii apply to the fullest extent permitted by applicable law for all events giving rise to any liability on our or the Relevant Persons' part, whether arising in contract, tort (including negligence) or on any other basis, but do not apply to any liability arising as a result of fraud or wilful default by us and/or the Relevant Persons.
- v. The provisions in clause H.ii do not apply in relation to any Services supplied to you as a Retail Client.

- vi. Our liability will further be limited to the extent it or the Relevant Persons' conduct causes the loss, damage or expense. If you or your other representatives caused or contributed to the loss, damage or expense, our liability and/or that of the Relevant Persons will be reduced to the extent which takes into account both you and your other representatives' conduct.
- vii. All Services performed by us under this Engagement are undertaken solely for your benefit and may not be relied upon by a third party except where you have notified us in writing that you are acting on behalf of that other entity and we agree in writing to the third party relying on its Services.
- viii. If you, your representatives, or your Associated Entities raise demands, claims, proceedings, costs or damages against us or the Relevant Persons in connection with the Services ('Claims') for a sum in excess of an amount set out in clause H.ii, then you will indemnify us and the Relevant Persons against all such Claims to the extent that they exceed the amount set out in clause H.ii.
- ix. We make no representation or warranty as to the availability of insurance or the terms upon which we may be able to secure quotations for insurance coverage in respect of any risks on your behalf.
- x. The benefit of the rights provided in this clause 8 to Relevant Persons is also held on trust by us for the Relevant Persons.

I. Intellectual Property

- i. We shall retain all ownership, title, copyright and other intellectual property rights in all materials developed, designed or created by us (or any of our Associated Entities) before or during the Engagement, including systems, methodologies, software, know-how and working papers. We will also retain all ownership, title, copyright and other intellectual property rights in all reports, written advice or other materials provided by us to you, and we grant you a perpetual and royalty free licence to use those materials, but only for the purposes for which they were created under this Engagement.

J. Confidentiality and Personal Information

- i. Except as required by law, regulation or as provided elsewhere in this Engagement, we undertake to:
- ii. keep confidential all information (written or oral) concerning the business and affairs of each of the clients, that may be obtained or received as a result of this Engagement;
- iii. not without the other's prior written consent (such consent not to be unreasonably withheld or delayed), disclose such information in whole or in part to any other person save to employees, agents or sub-contractors involved in the provision or receipt of the Services, or in accordance with normal insurance broking practice to insurers and their agents; and
- iv. use the information solely in connection with the provision or receipt of the Services.
- v. The provisions of clause 10.1 will not apply to the information to the extent that it is:
- vi. already lawfully in the receiving party's possession on the date of its disclosure;
- vii. additionally disclosed by a third party after the date of its disclosure for the Engagement, in so far as the receiving party is aware in the absence of any restriction upon its disclosure by such third party;
- viii. in the public domain other than as a result of a breach of this clause; or
- ix. required to be disclosed pursuant to legal, or regulatory requirements.
- x. Data Analytics. We may include, on an anonymous basis, information relating to our clients' insurance programs in benchmarking, modelling and other analytics. We offer an array of analytics capabilities to clients, insurers and others. For clients, these offerings include benchmarking databases, analytics and modelling tools, surveys and other compilations of information, which are designed to help clients more effectively assess their risks, make more informed decisions and construct insurance programs and other risk mitigation strategies. We or our Associated Entities may in some instances receive compensation for its analytics offerings from clients, insurers and others.
- xi. We may in the course of providing the Services collect, hold, use and disclose Personal Information (as that term is defined in the Privacy Act 1988 (Cth)). All Personal Information collected, held, used or disclosed in the course of providing the Services will be handled in accordance with the Privacy Act 1988 (Cth), the Privacy Principles and our Privacy Policy (as amended from time to time, available at www.sageins.com.au).

K. Notices

- i. Notices under this Engagement must be in writing and sent to the party concerned by hand, post or email, at its last known, or registered office address.

L. You as representative of other indemnified entities

- i. If, in performing the Services, we arrange contracts of insurance for you under which another entity is also indemnified, we will rely upon you to:
- ii. receive all notices from us or insurers on behalf of the other entity and give such notices to the other entity;
- iii. provide or make available to the other entity a copy of the policy documents for each contract of insurance we arrange on your behalf;
- iv. give us, on the other entity's behalf, all information relating to the other entity that is required by us for the performance of the Services;
- v. pay premium, and receive return premium in relation to the contracts of insurance on behalf of the other entity; and
- vi. give a valid release for any claims monies paid to you on behalf of the other entity; and
- vii. not represent to the other entity that Services performed by us under this Engagement are undertaken for their benefit and may be relied upon by them, except where you have notified us in writing that you are acting on behalf of that other entity and we agree to the other entity relying on its Services in writing.

M. Miscellaneous

- i. This Engagement and its written amendments and appendices constitute the entire understanding between us and you, and supersede all other agreements or understandings related to its subject matter.
- ii. This Engagement may only be amended or modified by written agreement duly signed by each party.
- iii. Neither party will have any liability for any failure or delay in performing because of a force majeure event. Force majeure means an event beyond our control, including without limitation war, terrorism, riot, emergency, epidemic, and act of god.
- iv. We are entitled to retain copies of any documents which in its reasonable judgement it deems necessary for the conduct of our business and in order to comply with our legal obligations.
- v. You will provide reasonable access to any files and documents delivered by us to you (including making copies) in the event that we wish to review them for the purpose of addressing any allegations, claims or actions which may be made against us or where we are legally compelled to disclose documents to third parties.
- vi. You consent to us including the name of your company or group (or others you are acting as representative for) in our internal publications, new business reports or tenders.
- vii. Because the parties are of equal commercial sophistication in negotiating contracts and have negotiated this Engagement at arms' length, it shall not be construed for or against any party. Each party is entering into this Engagement voluntarily, has read and understands its provisions and has had the opportunity to seek and to obtain legal advice on its rights and responsibilities under, and the terms and conditions of, this Engagement. We and our Associated Entities operate as an independent contractor and not in any other capacity, including as a fiduciary. No fiduciary relationship shall arise by reason of this Engagement or the performance of the Services except in the capacity where we hold client funds on trust pursuant to s981B Corporations Act 2001 (Cth).

Cover Request

The underwriter is not on risk until notified in writing.

Please complete and return via email to:

To:

Email: hello@sageins.com.au

Insured Name: _____

Policy Inception Date: _____

Policies Required

Class	Insurer	Limit of Liability	Total Cost	Required?

I/We hereby declare that all the information provided in the previously completed questionnaire is unchanged and I/We declare that I/We are unaware of any further claims or circumstances which might give rise to a claim since completion of the above-mentioned questionnaire.

If you agree with the above Statement, please sign and date below

If you do not agree with the above Statement, please provide full details of any changes or claim circumstances in writing.

X

Signature of the Insured

Date

Print Name

Credit Terms: Our Credit terms are set out in our invoice.

Proprietary Nature of Proposal

This proposal is prepared for the sole and exclusive use of the party or organisation to which it is addressed. Therefore, this document is considered proprietary to Sage Insurance Pty Ltd and may not be made available to anyone other than the addressee or person within the addressee's organisation who is designated to evaluate or implement the proposal. Our proposals may be made available to other persons or organisations only with our written permission