



TERMS OF BUSINESS – December 2023

1. Agreement

- 1.1 You have appointed **Affiliated Insurance Brokers (Auckland) Limited** (“we, us”) as your risk adviser in accordance with the terms of this agreement. By allowing us to continue to act as your risk adviser you agree to be bound by the terms of this agreement.
- 1.2 This agreement sets out the terms and conditions (“the terms”) on which we will provide all services to you, unless we agree otherwise in writing.
- 1.3 As your risk adviser we act as your representative regarding the arrangement of insurance on your behalf. In addition, if requested, we may make recommendations and provide you with our opinion regarding potential insurers based on your requirements however the final choice of insurer will remain your responsibility.
- 1.4 These terms apply until they are varied by agreement in writing between us, or until our appointment is cancelled. We may vary the services we provide you from time to time, on providing notice to you.
- 1.5 These terms are in addition to any other terms we may agree from time to time. In the event of any inconsistency between these terms and such additional terms, the additional terms will prevail over these terms.
- 1.6 You will be taken to have accepted the terms of this agreement by continuing to instruct us unless we otherwise agree in writing.
- 1.7 To the maximum extent permitted by law, our entire liability to you (whether in tort, common law or under statute and whether by reason of negligence or breach of this agreement) will not exceed NZ\$5 million in the aggregate.

Notwithstanding the above, we will not be liable to you for any punitive, special, aggravated, exemplary or liquidated damages or indirect, incidental or consequential loss of any kind, including loss of profits or revenue, loss of opportunity or contract, loss of data, loss or production, use or

supply, loss of reputation or goodwill, deterioration in value or increased business cost.

Our liability will be proportionate to the share of responsibility we have for any loss you incur, according to the degree to which we (or our employees, authorised representatives or agents) caused or contributed to your loss.

2. Services

2.1 We are members of:

- (a) The Insurance Brokers Association of New Zealand Inc. (IBANZ), a professional body representing the interests of member insurance brokers, and subscribe to the IBANZ Code of Practice which can be found at www.ibanz.org.nz
- (b) Steadfast NZ Limited (Steadfast), which provides us with technology platforms, management, marketing, professional, technical and buying benefits and services support.

2.2 Our services are limited to the provision of insurance broking, risk management and financial advice. Under no circumstances do we or will we act as an insurer. Nor do we provide safety inspections, valuations or advice on every potential hazard or threat to your business.

2.3 We cannot guarantee that all risks to your assets, person or business will be covered by any insurance we arrange on your behalf. You should carefully read all policies and other documentation we issue so you understand what is or is not covered.

2.4 We will make recommendations regarding insurers based on your requirements however the final choice of insurer will remain your responsibility.

2.5 We will perform our services with reasonable care, diligence and skill, based on the needs that you have expressly advised us of together with the information you have provided.

2.6 We may provide you with assistance in placing and servicing overseas insurance, or the management of overseas risk and may engage the services of a third-party consultant to assist us with the provision of such services.

2.7 We make no representation or warranty concerning the solvency or ability of any insurer to pay claims. In New Zealand, insurers are required to comply with the provisions of the Insurance (Prudential Supervision) Act 2010 Financial Strength Rating. We will inform you of such ratings and the rating scale.

2.8 We will negotiate with insurers on your behalf and will use our best endeavours to ensure that policies and endorsements for insurance we place on your behalf are issued by your insurers promptly and correctly. These documents detail the precise terms and conditions relating to the insurance we have arranged for you and the information contained in them is important. You

4. Your Responsibilities

4.1 In respect of the services we provide under this agreement, you are responsible as follows:

- (a) Your policy documents contain the terms and conditions of your insurance cover and impose obligations on you. You should carefully read and understand this information ensuring the insurance cover satisfies your needs and that you understand your obligations. If you have not received or have misplaced your policy document please ask us for another one.
- (b) Before taking out an insurance policy and at the time of renewing any policy, you must provide us with accurate, complete and timely information, including all information which may be material to an insurer's assessment of any risk for which you have asked us to
- (c) arrange insurance cover. This includes any material or relevant change of circumstance during the term of your policy and on renewal. We are not responsible for checking the accuracy or completeness of any information you provide to us or any insurer. We will not be responsible for any consequence resulting from a failure by you to disclose all material facts to an insurer (including, without limitation, the possibility of your insurance policies being rendered void or limited).
- (d) You must advise us, as soon as practicable, on becoming aware of any event or circumstance that may give rise to you making a claim under your insurance policy(ies). Failure to advise an insurer of such an event or circumstance could prejudice your rights under your insurance policy. If you fail to disclose or misrepresent any relevant information, this could invalidate your policy and mean that any claims under your policy may not be paid to you. We will advise you if you need to complete a claim form or produce documentation to support your claim.
- (e) After receiving your insurance documents from us, you must check them and advise us promptly of anything that does not meet your requirements. Any errors should be notified to us immediately.
- (f) You must pay the premium(s) any statutory charges, government levies (including the EQC and Fire and Emergency levies), taxes, GST and fees) as detailed in our invoice(s), unless premium funding has been arranged, in which case you will have a separate arrangement to pay with the premium funder. On request, we can provide you with information about premium payment options when we provide our quotation.
- (g) It is your obligation to ensure you pay premiums and other relevant charges on time. Your insurer has the right to cancel your policy if premiums are not paid on time and you will not be insured. The insurer may also charge a short-term premium for the time they have

insured the risk. You may be charged interest and/or fines and penalties for late payment of any government or statutory charges as previously referred to.

- (h) We will comply with our obligations under the Health and Safety at Work Act and expect you to assist us in doing so, ensuring, as reasonably practicable, that the safety of our people is not put at risk when they may visit.
- (i) We have no obligation to fund any premium, taxes or fees (if applicable) on your behalf and we will have no responsibility for any loss you may suffer as a result of insurers cancelling your policy or taking action as a result of late payment.
Please contact us immediately if you are unable to make any premium payment.
- (j) We hold file material and correspondence regarding the services provided to you for at least 7 years, after which we may destroy your file without notice. It may be possible that you need to make a claim against a policy after this period. You remain responsible for your paperwork and correspondence and should keep your policy documents in a safe place.

5. Conflicts of Interest

- 5.1 Should a situation arise where a potential conflict of interest could exist, either between ourselves, one of our clients, or one of our service or product providers and the services we provide to you, we will contact you and work together with you to find a suitable solution.
- 5.2 We are a member of Steadfast. Steadfast has arrangements with insurers and premium funders, under which Steadfast receives a professional services fee for each insurance policy arranged by us with those insurers or funded through premium funders. These payments are used to operate Steadfast. We may receive a proportion of this professional services fee at the end of each financial year.
- 5.3 We may also be shareholders, either directly or indirectly as interrelated directorships through other legal entities we control, in Chartwell Premium Funding Limited. We may arrange your premium funding with this company and confirm we do not receive a commission if you utilise the services of this premium funding company.

6. Your information

- 6.1 We will hold any personal information that you provide to us in accordance with the Privacy Act 2020. Any such information that we request from you will be used pursuant to the provision of the services.

- 9.2 If a contract of insurance is cancelled before the expiry of the period of insurance, we may refund the net premium we receive from your insurers(s). In no circumstances will we refund our fees, commissions or brokerage charged when the policy was arranged.
- 9.3 This agreement may be terminated with immediate effect by either party in the event of:
- (a) Insolvency of the other party; or
 - (b) In respect of breach of any regulatory requirements, laws or rules.
- 9.4 We may terminate this agreement with immediate effect on dishonest or fraudulent acts or omissions committed by you, or behaviour that, in our opinion, is unreasonable or threatening.
- 9.5 We will not cancel your contract of insurance without your written instruction. Some insurance contracts contain a non-cancellation clause or cancellation penalties which, for the avoidance of doubt, you will be responsible for paying.
- 9.6 We will keep all information you provide us about your business confidential and only disclose it in the normal course of negotiating, arranging and administering your insurance and, except where disclosure is required by law or where the information is already in the public domain.
- 9.7 You consent to being entered into our marketing database and, for the purposes of the Unsolicited Electronic Messages Act 2007, you expressly consent to receiving email communications from us with regard to our business or the insurance industry. You may revoke such consent at any time, and we will remove you from our marketing database.
- 9.8 Any failure by us to enforce any right or obligation under these terms, will not in any way limit or waive our right to subsequently enforce such right or obligation.
- 9.9 If any part of these terms becomes invalid or unenforceable for any reason whatsoever, the remaining terms will continue to apply subject to any modifications as is necessary to continue to give them effect.
- 9.10 We accept no liability for instructions received until we acknowledge receipt and acceptance of the instructions to you in writing.
- 9.11 No cover or action by us shall be deemed to be taken or given until confirmed by us in writing.
- 9.12 We shall be entitled to rely on all written instructions without further enquiry, including email instructions.
- 9.13 Termination of this agreement will not, unless otherwise provided, affect the provisions relating to limitation of liability and confidentiality contained in this agreement.

10. Jurisdiction

10.1 This Agreement is governed by New Zealand law and the New Zealand courts have exclusive jurisdiction.

10.2 If you have any queries about our services, please contact us by emailing info@affiliated.nz

Review and version control

This policy is reviewed annually.

Version No	Reviewed By	Approver	Reviewed Date	Key Changes or no changes
1.0	Allison Rosamond	James Shearing, Gareth Knight, & Hamish Thomson	15/12/2023	Original Document