

Aon's Terms of Business

- **We** will provide the **services** to **you** on these terms of business (the **agreement**).
- **You** must provide all **relevant information** to **us**.
- **We** will be entitled to receive **remuneration** for providing the **services**.
- Subject to any other agreement, **you** can terminate **our** relationship at any time by giving 60 days' notice in writing.
- **Our** liability to **you** under this **agreement** is limited.

1. Introduction

1.1. This **agreement** sets out the terms and conditions on which **Aon** will provide **our services** to **you** except where a **global agreement** has already been entered into by a member of the **Aon Group**. In this case, our engagement will be governed by the terms of both this **agreement** and the **global agreement**, with the terms of the **global agreement** prevailing where there is any inconsistency of terms except where a term of the **global agreement** is contrary or inconsistent with:

1.1.1. the laws of New Zealand; or

1.1.2. insurance broking and custom in New Zealand;

in which case the terms of this **agreement** will prevail.

1.2. Unless otherwise agreed in writing with **you** as set out above or by a separate written agreement, this **agreement** applies to all **services we** provide to **you** and is subject to any additional or alternative terms which **we** may agree in writing with **you**. **You** will be taken to have accepted this **agreement** by continuing to instruct **us**, unless otherwise agreed in writing with **you**.

2. Our Responsibilities

2.1. **We** will perform **our services**:

2.1.1. with reasonable care and skill and with integrity; and

2.1.2. based upon the demands and needs that **you** have expressly advised to **us**.

2.2. **We** will also provide **you** with policy documents as soon as practicable after **we** receive these from **your** insurer(s) (**you** may receive these documents after the commencement of the policy period).

2.3. **Our** role is limited to the provision of the **services**. Under no circumstances do **we** or will **we** act as an insurer. Nor do **we** provide safety inspections, valuations or advise on every potential hazard or threat to **your** business (unless specifically retained by **you** to do so). Claims work is included in the **services** however if the time on a claim exceeds five hours then additional fees may be payable.

3. Your Responsibilities

3.1. **You** are responsible for payments as set out in clause 6.

3.2. **You** are responsible for supplying **us** with all **relevant information** on a timely basis in relation to **our** provision of the **services**. **Relevant information** includes all information and facts which may be material to an insurer's assessment of a risk for which **you** have asked **us** to arrange insurance cover.

3.3. If **you** are unsure about any matter, or what may constitute **relevant information**, please contact **us** for guidance.

- 3.4. Both before taking out an insurance policy and at the time of renewing a policy, **you** must provide all **relevant information**. **You** must also provide all **relevant information** upon any material or relevant change of circumstance or when additional material information comes to light throughout the period of the policy.
- 3.5. Should a circumstance, event or loss occur which could result in **you** making a claim, **you** should advise **us** of the details as soon as possible and within the time required under **your** insurance policy. Failure to advise an insurer of such a circumstance, event or loss could prejudice **your** rights under an insurance policy. If **you** fail to disclose or misrepresent any **relevant information**, this could invalidate **your** policy and mean that any claims under the policy may not be paid to **you**.
- 3.6. **Your** policy documents contain the terms of **your** cover (including applicable limits, sub-limits and deductibles) and impose various obligations on **you**. **You** must read these documents carefully to ensure that the cover suits **your** needs and so **you** understand and comply with **your** obligations under **your** policy(s). Failure to do this may result in uninsured losses. Please advise **us** immediately if **you** notice any mistakes of fact or believe the contents do not address **your** needs.

4. Our Remuneration

- 4.1. **We** receive **remuneration** for **our services**.
- 4.2. Where **our remuneration** consists of commission paid by the insurer and unless mandated otherwise by law or contractual agreement with an insurer, at the time of inception of the insurance **we** are deemed to have earned 64% of the **remuneration** earned on the placement and this is not refundable in the event of early termination. The balance is deemed to be earned pro-rata over the term of the policy.
- 4.3. Where **our remuneration** consists of a fee and/or an administration charge paid by **you** and unless mandated otherwise by law or agreement with **you**, at the time of inception of the insurance **we** are deemed to have earned 100% of the **remuneration** earned on placement and is not refundable in the event of early termination unless agreed by way of mutual agreement (any such agreement must be in writing).
- 4.4. **Aon** may also charge administration fees to cover administration expenses and disbursements. In some cases minimum fees may apply, these are \$35 for personal lines/domestic and \$45 for commercial and rural policies.
- 4.5. All **remuneration** is due to **us** on or before the due date set out in **our** tax invoice.
- 4.6. We make the following disclosures to **you** in relation to **our remuneration**:
 - 4.6.1. **We** and members of the **Aon Group** may earn interest income on funds received from **you** between the date of receipt and disbursement date;
 - 4.6.2. **We** may offer to arrange premium funding to help spread the cost of **your** insurance costs over the year, including premiums, taxes, fees and levies. Please note that **we** offer and arrange premium funding as agent for the premium funder and not as **your** credit provider or finance broker. **We** may also act as the premium funder's agent in cancelling any insurance where **you** have failed to meet **your** repayment obligations. The details of **your** premium funding arrangement will be set out in **your** separate agreement with the premium funder. The premium funder usually pays a commission to **us** for arranging the funding. Should **your** funded insurance policy be cancelled mid-term, for any reason, **you** should be aware that there may be a shortfall between the balance of the amount payable under the premium funding contract and the return premium and **you** may be required to pay the difference to the premium funder under that agreement;
 - 4.6.3. The **Aon Group** has separate reinsurance divisions that arrange insurance for insurers (called reinsurance). In some cases an insurer may request one of **our** reinsurance broking divisions

to arrange reinsurance in respect of insurance purchased by **you**, in which case that division may also earn commission or other remuneration;

- 4.6.4. The **Aon Group** has specialised broking divisions that arrange insurance placements into overseas markets acting as wholesale brokers. Such divisions may assist **us** in accessing, negotiating, placing or procuring those markets. If this is the case, **we** or an **Aon Group** member may earn commission or other remuneration for those services;
- 4.6.5. **We** and members of the **Aon Group** also provide consulting or administrative services to insurers and reinsurers from time to time and may earn commission or other remuneration from these services;
- 4.6.6. **We** and members of the **Aon Group** have developed insurance placement facilities that enable **Aon** to obtain competitive quotations from a panel of established insurers under the terms of bespoke policy wordings negotiated by **Aon**. The work that **Aon** has done to establish these platforms and wordings reduces the insurers' work. In recognition of this, a participating insurer may pay a fee to **us** or an **Aon Group** member to access such facility;
- 4.6.7. **Aon** and its staff may also receive non-monetary benefits from insurers such as sponsorships of **Aon** conferences, client functions, meals and entertainment. **Aon** has, and monitors compliance with, a policy that ensures that these do not create a conflict with **your** interests; and
- 4.6.8. **Aon** may compensate third parties by sharing fees or commission in respect of services such as referral of clients to **Aon**.

5. Invoices and GST

We will charge goods and services tax (GST) on **our remuneration** as required by New Zealand law and any quote, estimation or invoice which **we** may provide to **you** shall be deemed to exclude GST unless otherwise specified.

6. Premium Payments and Statutory Charges

- 6.1. **You** must pay all premiums and other charges (including all taxes, fire and emergency levies and **EQ cover premiums**) upon receipt of **your** invoice, unless otherwise specified on **your** invoice. It is **your** obligation to ensure that you pay **your** premiums and other necessary payments on time. **Your** policy may be terminated if **you** do not pay the premiums within the time periods notified to **you** by the insurer. In the event of late payment of any government or statutory charges, **you** may be charged interest and/or fines and penalties. **You** are responsible for payment of these charges.
- 6.2. **We** will advise **you** if insurers have imposed a premium payment warranty or condition which may give the insurer the right to cancel **your** policy if **you** fail to pay within the time specified. Please contact **us** immediately if **you** are unable to comply with a premium payment warranty or condition.
- 6.3. **We** reserve the right to receive interest and charge interest, collection costs and legal fees incurred in recovering overdue accounts.
- 6.4. **We** make every effort to correctly determine the premium and statutory charges that apply to **your** insurance. However, occasionally errors can occur, for example, where **we** make an unintentional error or because a third party advises **us** of the wrong amount. Please note that **we** retain the right to correct any such error and you agree, to the extent permitted by law, not to hold **Aon** responsible for any loss **you** may suffer as a result of the error and its correction.
- 6.5. **We** only accept payment of premiums and charges by cheque, credit card or bank deposit as specified on **your** invoice. Cash is not an accepted means of payment.

7. Foreign Account Tax Compliance Act

- 7.1. **FATCA** applies to any insurance placements containing U.S. risk.

- 7.2. **Aon** and its licensed affiliates are required to act as withholding agents on any premium payment in-scope under **FATCA** to non-US insurers where premium payment is remitted by **Aon**. In such instances, **Aon** will be responsible for gathering and validating the appropriate US withholding tax certificates, and associated statements and other documentation, from carriers and intermediaries.
- 7.3. **Aon** is not required under **FATCA** to act, and will not act, as withholding agent on any premium payment remitted by **you** as a client directly to any other party unrelated to **Aon**, including where premiums are directly paid to insurers and to intermediaries. Where **you** make these direct payments to parties unrelated to **Aon**, **you** will be responsible for all aspects of **FATCA** compliance.
- 7.4. If **you** direct the use of a carrier or intermediary that is unable or unwilling to provide its requisite US withholding certificate, and/or any associated statements and other documentation that may be required, to **Aon** in instances where **Aon** is to remit premium to that carrier or intermediary, **you** will be responsible for paying any additional sums so that the mandated **FATCA** withholdings can be made while concurrently fulfilling **your** obligation to remit the full premium amounts necessary to effect coverage. **Aon** will not be responsible for issues arising from **Aon** withholding 30% of premium payments in connection with its **FATCA** obligations.

8. International Trade Sanctions

- 8.1. **Aon** follows a **TS Policy**. Compliance with the **TS Policy** is mandatory for all **Aon Group** employees worldwide, and no exceptions to the **TS Policy** are permitted under any circumstances. In summary, the **TS Policy** may prohibit **Aon** and its employees from providing **you** with **services** because the **services** may involve **restricted territories**.
- 8.2. If **you** become aware that the risk **you** have insured or are proposing to insure through **Aon**:
 - 8.2.1. involves a **restricted territory**;
 - 8.2.2. involves a designated or sanctioned party (including a **SDN** or a designated person or entity under New Zealand law);
 - 8.2.3. is otherwise subject to trade restrictions under applicable laws;

you must tell **us** immediately. Where **we** become aware that a transaction is contrary to the **TS Policy**, then **we** may not act with respect to a part of the transaction (whether it involves a placement, renewal, variation of insurance contract, payment, processing, advising, the handling of a claim or any other service) or at all.

9. Limitation of Liability

- 9.1. **We** will provide the **services** with reasonable care and skill. All representations (whether express or implied) and all other implied conditions, warranties and terms as to the provision of the **services** are otherwise excluded to the extent permitted by law.
- 9.2. While **we** may provide **you** with information about your insurers' financial standings from time to time, as **your** broker, **we** are not the insurer of any risk and **we** cannot guarantee the availability of insurance for **your** particular risks. **We** do not in any way guarantee the solvency of insurers.
- 9.3. To the extent permitted by law, **we** and **our related entities** will not be responsible or liable for:
 - 9.3.1. Any consequential, incidental, indirect or special damage or loss of any kind including but not limited to loss of profits, loss of revenues, loss of anticipated savings, loss of data, loss of reputation, loss of goodwill, loss of opportunities and loss of business;
 - 9.3.2. The supply, by **you** or others, of incorrect or incomplete information (including information that **we** may use to calculate the premiums and other charges relevant to **your** insurance);
 - 9.3.3. The failure by **you** or others to supply appropriate, relevant or timely information, including **relevant information**, or the failure by **you** or others to provide such information within the time periods reasonably requested by **us** from time to time;

- 9.3.4. Any expenses or liabilities in respect of tax or fire and emergency levies arising from the way in which **we** arrange **your** insurances;
 - 9.3.5. Any variation between a certificate or summary of insurance and the actual terms of cover or any omission from or misstatement in a certificate or summary of insurance;
 - 9.3.6. Any failure or delay on **our** part where it is due to causes outside **our** reasonable control, including, but not limited to, any act of God or nature, war or terrorism, riot, civil disturbance, national emergency, epidemic, action or inaction of a government or regulatory authority and strike or other industrial action;
 - 9.3.7. The failure of **you** or others to act on **our** advice or to respond promptly to any communications from **us** or any insurer; or
 - 9.3.8. The default, negligence, error, omission or lack of care on the part of any person other than **ourselves**.
- 9.4. **Our** aggregate liability (including interest and costs) in respect of any claim arising, under or in connection with this **agreement**, the **services** or **our** business relationship, shall be limited (to the extent permitted by law) to NZ \$1,000,000 or such other amount as may be expressly agreed between **us** in writing.

10. Confidentiality

- 10.1. Subject to any relevant law, and our obligation to provide the services, we will keep all confidential information that we receive from you confidential and will use it solely in connection with the provision of the services or otherwise for the purpose for which it was disclosed to us.
- 10.2. However, our confidentiality obligation does not apply where:
 - 10.2.1. You have given written permission otherwise;
 - 10.2.2. Disclosure is required to satisfy legal obligations or regulatory requirements;
 - 10.2.3. Disclosure is reasonably required to carry out the services (for example, providing information to current or prospective insurers);
 - 10.2.4. Such information is in the public domain; or
 - 10.2.5. The information is rightfully in our possession other than as a result of a breach of any obligation of confidentiality.

11. Non-Dissemination of Material

Our communications with you, your employees or agents, whether written or oral are provided solely for your information and use in connection with any engagement, and accordingly, must not be used for any other purpose without our prior written consent. No other party is entitled to rely on any of our reports, information or advices for any purpose whatsoever, and we disclaim any responsibility to any such third party who has had communicated to them the report, information or advice provided by us to you as part of any engagement.

12. Your Information

- 12.1. We will hold any personal information that you provide to us in accordance with the Privacy Act and any other privacy or data protection laws regulating the collection, storage, use and disclosure of “personal information” as defined in the Privacy Act. Personal information relates to information about an identifiable individual, and not a company for example. Any such information that we request from you will be used pursuant to the provision of the services. In this respect, it will be necessary for us to pass your information on to insurers and other product or service providers which may provide us with additional support in connection with our provision of the services.

- 12.2. Unless you instruct us not to do so, we may also contact you in connection with other products or services that we feel may be of interest or benefit to you.
- 12.3. You have the right to access and correct any of your personal information that we hold. We reserve the right to charge for reasonable costs incurred responding to requests for personal information.

13. Collection and Use of Client Information

- 13.1. We gather data containing information about our clients and their insurance placements, including but not limited to: names, industry codes, policy types and policy expiration dates, as well as information about the insurance companies that provide coverage to its clients or compete for its clients' insurance placements.
- 13.2. This information is maintained in one or more databases. Aon may use or disclose information about its clients, if required to do so by law, Aon policy, pursuant to legal process or in response to a request from law enforcement authorities or other government officials. In addition to being used for the benefit of our clients, these databases also may be accessed by other Aon Group members for other purposes, including providing consulting and other services to insurance companies for which we or our related entities may earn compensation.
- 13.3. Due to the global nature of services provided by the Aon Group, the information you may provide may be transmitted, used, stored and otherwise processed outside the country where you submitted that information. If you have questions about Aon Group data processing or related compensation, please contact your client relationship manager.
- 13.4. You agree that we are entitled to make reference to you in publications, proposals or similar submissions to prospective clients, unless you expressly prohibit such disclosure.

14. Aon's File Retention Policy

- 14.1. We hold paperwork and correspondence regarding your risk and insurance matters for at least seven years. After this period we may arrange for the file to be destroyed without consultation with you.
- 14.2. For certain types of insurance it is possible that you may need to make a claim against a policy long after this period. You remain responsible for your paperwork and correspondence and should keep your policy documents in a safe place.

15. Electronic Communications

We may correspond with you by electronic communication unless you instruct us not to do so. We may email to you information legally required to be provided to you. In such a case, you consent to receiving this information with an electronic signature. Electronic communications are not always secure and they may be read, copied or interfered with in transit. We are not responsible for any of the risks associated with electronic communication, including loss of data.

16. Health and Safety

In providing **you** with the **services**, **we** will comply with **our** obligations under the **Health and Safety at Work Act** and **we** expect **you** to assist **us** in doing so. Where **we** visit **you** this includes **you** ensuring, so far as reasonably practicable, that the safety of **our** people is not put at risk. Where required, both parties will consult, coordinate and cooperate with each other in respect of shared duties under the **Health and Safety at Work Act** so far as is reasonably practicable.

17. Conflicts of interest

Occasions may arise where either **we**, one of **our** clients, or one of **our** service or product providers may have a potential conflict of interest in connection with the **services** **we** provide to **you**. If this occurs and **we** become aware that a potential conflict exists, **we** will contact **you** and work together to find a suitable solution.

18. Force Majeure Event

If either party becomes aware of a force majeure event, **we** will, as soon as practicable, jointly agree on a written plan for minimising the probability that delivery of the services is affected by the force majeure event. This continuity plan will include changes, if any, to the remuneration as a result of the action taken.

19. Termination

- 19.1. Either party can terminate this **agreement** by providing the other party with 60 days' written notice of termination (expiring after any agreed fixed term of **our** appointment).
- 19.2. This **agreement** may be terminated with immediate effect by either party in the event of:
 - 19.2.1. insolvency of the other party; or
 - 19.2.2. breach of regulatory requirements, laws or rules in respect of bribery or corruption by the other party.
- 19.3. This **agreement** may be terminated with immediate effect by **Aon** in the event of:
 - 19.3.1. a transaction contrary to the **TS Policy** as set out in clause 8; or
 - 19.3.2. dishonest or fraudulent acts or omissions by **you**, or behaviour that is unreasonable or threatening.
- 19.4. This **agreement** may be terminated with immediate effect by you in the event of a variation to the **agreement** as set out in clause 21.1.
- 19.5. In the event of termination of this **agreement**, unless otherwise agreed between the parties, all outstanding claims will be passed to **you** for future handling from the date of termination.

20. Disputes

- 20.1. If **you** have any complaint in respect to **Aon**, or are not satisfied with the **services you** have received from **us**, **we** want to hear about it so that **we** can investigate **your** concerns quickly and fairly.
- 20.2. Please contact **your** client relationship manager or **your** local **Aon** office by telephone, email or in writing. **You** will find the address and phone number of **your** local office on **our** website at www.aon.co.nz.
- 20.3. If **your** account manager is not able to resolve **your** complaint, it will be referred to **Aon's** complaint manager for an independent review in accordance with **Aon's** internal complaint and dispute resolution procedures.
- 20.4. Alternatively, **you** can contact **Aon's** complaint manager directly on 09 362 9000 or **you** can email details of **your** complaint to **us** in writing at nzfeedback@aon.co.nz.
- 20.5. If **your** complaint remains unresolved, or if you are dissatisfied with **Aon's** response to **your** complaint, **you** may refer the matter to **FSCL** by emailing info@fscl.org.nz or calling 0800 347 257. **Aon** is a member of this independent dispute resolution scheme approved by the Ministry of Consumer Affairs. Full details on how to access the **FSCL** scheme can be obtained on their website www.fscl.org.nz. There is no cost to **you** to use their services.

21. General

- 21.1. **We** are entitled to change this **agreement** from time to time, in which case **we** will provide **you** with an amended **agreement**. Unless **we** receive written notice from **you**, the amended **agreement** will be deemed accepted after thirty (30) days from the date **we** provide **you** with the amended **agreement**. If **you** do not accept the amended **agreement you** may terminate the **agreement** by written notice, termination to take immediate effect upon receipt of notice by **us**.

- 21.2. **Our** relationship with **you** is governed by New Zealand law and the New Zealand Courts have exclusive jurisdiction.
- 21.3. If any term of this **agreement** is, or becomes, or is found to be invalid or unenforceable, in whole or in part, under any law:
- 21.3.1. Such term or part will be read down or interpreted and enforced to the extent permissible; or (if this is not possible);
- 21.3.2. Such term or part will to that extent be deemed not to form part of this **agreement** and the legality, validity and enforceability of the remainder of the **agreement** will not be affected or impaired.
- 21.4. If **you** have any queries about the services **we** offer please contact your client relationship manager or **our** head office on (09) 362-9000.

22. Definitions

In this **agreement**, unless the context requires otherwise, the following terms are as defined below:

- 22.1. **Aon** – Aon New Zealand, also referred to as **we/us/our**.
- 22.2. **Aon Group** – the global group of companies held by Aon plc (NYSE) providing professional services in respect of risk, retirement and health.
- 22.3. **EQ Cover Premiums** – premiums in relation to the Earthquake Commission's natural disaster insurance for personal property, homes and land, as outlined in the relevant legislation (Earthquake Commission Act 1993 and accompanying regulations).
- 22.4. **FATCA** – Foreign Account Tax Compliance Act (United States legislation).
- 22.5. **Force Majeure Event** – an event beyond the relevant party's reasonable control, including any act of God or nature, war or terrorism, riot, civil disturbance, national emergency, epidemic, action or inaction of a government or regulatory authority and strike or other industrial action.
- 22.6. **FSCL** – Financial Services Complaints Limited.
- 22.7. **Global Agreement** – an agreement entered into by an **Aon Group** member not being **Aon** prior to this **agreement** covering the **services**.
- 22.8. **Health and Safety at Work Act** – Health and Safety at Work Act 2015.
- 22.9. **OFAC** – the Office of Foreign Asset Control.
- 22.10. **Premium** – the amount payable to an underwriter including relevant statutory charges for insurance placed or renewed by **us** on **your** behalf under this **agreement**.
- 22.11. **Privacy Act** – Privacy Act 1993.
- 22.12. **Related Company** – has the meaning set out in the Companies Act 1993.
- 22.13. **Relevant Information** – accurate and complete information and facts in relation to the **services**. It includes all information and facts which may be material to an insurer's assessment of a risk for which **you** have asked **us** to arrange insurance cover.
- 22.14. **Remuneration** – a fee or commission (or both) from **you** and/or insurers for our **services** or other services **we** provide to **you**.
- 22.15. **Restricted Territories** – countries including Cuba, Syria, Sudan, Iran, North Korea, Myanmar (Burma) and the Crimea territory which are subject to restrictions under New Zealand sanctions regimes or

designated or sanctioned parties, including **OFAC SDNs**. The **Restricted Territories** may be subject to change in line with international trade restrictions.

22.16. **SDNs** – are **OFAC** Specially Designated Nations.

22.17. **Services** – the provision of insurance and risk management related advice and any other services **we** mutually agree to be provided.

22.18. **TS Policy** – a global **Aon Group** policy regarding compliance with international trade sanctions laws including those administered in the United States by **OFAC**.

22.19. **You** – an **Aon** client who instructs **us** or for whom **we** may provide **services**.

23. Interpretation

In this **agreement**, unless the context requires otherwise:

- a) words in the singular include the plural and vice versa;
- b) a reference to a person includes an individual, body corporate, trust, partnership, unincorporated body or other entity;
- c) a reference to a party is to a party to this **agreement** and includes the party's executors, administrators, successors and permitted assigns;
- d) a reference to a document (including this **agreement**) is a reference to that document as amended, novated, supplemented or replaced from time to time;
- e) a reference to a clause, schedule, annexure, appendix or attachment is to a clause, schedule, annexure, appendix or attachment to this **agreement** and a reference to this **agreement** includes any schedules, annexures, appendices and attachments;
- f) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- g) unless otherwise specified, all promises and obligations of the parties under this **agreement** are given and incurred jointly and severally by each party;
- h) where a word or expression is given a particular meaning, other parts of speech and grammatical forms of that word or expression have a corresponding meaning;
- i) the words "including" and similar expressions are not words of limitation;
- j) headings are for convenience only and do not affect interpretation; and
- k) no rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this **agreement** or any part of it.