



## **Terms of Business**

### **1. Agreement**

1.1 You have appointed Protekt Insurance Brokers 2008 Ltd ("we, us") as your broker in accordance with the terms of this agreement. By allowing us to continue to act as your broker you agree to be bound by the terms of this agreement. We agree to be bound by the terms of this agreement.

1.2 These terms apply until they are varied by agreement in writing between you and us, or until our appointment is cancelled. We may vary the services we offer you from time to time, by notice to you.

1.3 These terms are in addition to any terms set out in the letter of authorisation signed by you, or any other terms we may provide you with from time to time. In the event of any inconsistency between these terms and such additional terms, the letter of authorisation and additional terms will prevail over these terms.

### **2. Services**

2.1 We are members of The Insurance Brokers Association of New Zealand Inc (IBANZ). We subscribe to the IBANZ Code of Practice that can be found at [www.ibanz.co.nz](http://www.ibanz.co.nz) and are a registered with the Financial Markets Authority as a financial service provider (registration number FSP714771).

2.2 We will offer a range of services to assist you to protect your Assets and Liabilities. These include:

- Review your risk exposure and insurance needs
- Advice about insurance products
- Arrange, amend and renew insurance contracts (policies) on your behalf
- Arranging premium funding if required
- Assisting with insurance claims.

We may provide additional services upon request.

2.3 As your insurance broker we normally act as your representative regarding arranging insurance on your behalf. We will make recommendations to you regarding insurers based on your requirements, however, the final choice of insurer will remain with you.

2.4 We may provide you assistance with placing and servicing overseas insurance, or the management of overseas risk. A third party consultant may assist us with the provision of such services.

2.5 We will negotiate with insurers on your behalf and will keep you informed of any significant developments. We will do our best 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 are important. We recommend you keep these documents in a safe place.

2.6 Upon our receipt of premiums and related statutory charges from you, we will arrange for their timely disbursement to the relevant insurers and authorities.



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 New Zealand Insurance Companies (Ratings and Inspections) Act 1994, Schedule of Ratings and Notices of Election Not to be Rated as may apply from time to time. We will inform you of such ratings or non-rating in the terms of the Act.

2.8 If your insurances were arranged by another party prior to our appointment we will not be responsible for the adequacy or apportionment of such insurances for your needs prior to our review and written advice to you.

2.10 We may enter into a binder arrangement with an insurer from time to time to arrange insurance policies on their behalf.

2.11 You can provide us with instructions in person, by telephone, email or in writing.

### **3. Remuneration**

3.1 We receive commission from insurers in accordance with normal market practice on any insurance we arrange for you. We may also charge you a broker fee as well as receiving commission.

3.2 Your premiums are inclusive of our commission and any broker fee.

3.3 Where we arrange the placing and servicing of insurance overseas, our overseas representatives may also receive remuneration from insurers in accordance with normal market practice.

3.4 If you wish us to provide services in addition to those listed in 2.2 of this agreement we may charge you an additional fee. Such additional fees will be agreed with you prior to us undertaking those services.

3.5 In some cases we may also receive from an insurer an amount based upon volume or the profitability of insurance placed across our entire portfolio with that insurer over a period of time.

3.6 We also receive non-financial benefits from insurers including training grants, conference fees, equipment, social functions, gifts and gratuities.

3.7 We reserve the right to make an administration charge for issuing replacement policies, certificates, copy policies or certificates requested by other parties.

3.8 We may earn investment income from handling your premiums.

3.9 If we arrange premium funding for you we may be paid a commission by the premium funder. We may also charge you a fee (or both). The commission that we are paid by the premium funder is usually calculated as a percentage of your insurance premium (including government fees or charges).

3.10 We reserve the right to set off any outstanding sums that you owe us in connection to any contract of insurance, from any money we receive on your behalf in relation to that insurance.

#### **4. Your Responsibilities**

4.1 You have a general duty of disclosure. You are responsible on an ongoing basis for providing us with all material facts relating to the insurance contracts we arrange on your behalf. Material facts are those that would influence an insurer when they were deciding whether to accept the risk, and the terms and conditions that would apply. Failure to provide full and accurate information may mean that your cover is reduced, cancelled, or avoided (cancelled) from the beginning. If you are in any doubt as to what facts are considered to be material you should disclose them to us.

4.2 You must provide accurate, complete and timely information to us. You are responsible for all information you provide in any proposal, claim form or other material document. 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).

4.3 If you want to vary any insurance e.g. by increasing the sum insured or adding other property, you must provide us with details of the changes you require and any other information you need to disclose to insurers. Any adjustment to the premium as a result of such variation will be advised to you.

4.4 You must advise us (or your insurers) as soon as is reasonably practicable of an event or circumstance that may give rise to a claim or potential claim. If you do not inform us (or your insurers) of such a claim or potential claim you may prejudice your rights under your insurance contracts. You will be advised if you need to complete a claim form or produce documentation to support your claim.

4.5 After receiving your insurance documents from us, you should check them and advise us promptly of anything that does not meet your requirements. Any errors should be notified to us immediately.

4.6 You must pay premiums when due as set out in our invoices, unless premium funding has been arranged. We normally accept payments by cheque. We will give full information about premium payment options when we provide quotations. Invoices detail the premium, statutory charges (government levies and GST) and fees (if applicable) for all new and renewals and mid-term variations.

4.7 If you do not pay the premium on time, we are required to advise the insurer. In that event, the insurer may have the right to cancel the insurance and you will not be insured. The insurer may also charge a short-term premium for the time they have insured the risk.

4.8 Please note that we have no obligation to fund any premium, taxes or fees (if applicable) on your behalf and we have no responsibility for any loss you may suffer as a result of insurers cancelling the insurance or taking any prejudicial steps as a result of late payment.

#### **5. Disclosure of Interests**

5.1 We make every attempt not to have a situation where there is conflict of interest. Should a situation arise where a conflict of interest would be perceived we will declare it as soon as is practicable to do so.

5.2 Protekt Insurance Brokers 2008 Ltd is a member of Steadfast NZ Ltd (Steadfast). Steadfast has arrangements with some insurers under which Steadfast receives commission for each product arranged by us with those insurers. These payments are used to operate Steadfast. We may receive a proportion of that commission at the end of each financial year.

## **6. Complaints and Disputes**

6.1 If you are not fully satisfied with our services please contact us in writing, addressed to "The Manager" and provide details of your complaint. Your complaint will be acknowledged in writing and we will endeavour to resolve your problem within 20 working days.

6.2 If the complaint still remains unresolved then you can undertake dispute resolution proceedings directly with Insurance & Financial Services Ombudsman as the selected independent dispute resolution scheme required under the terms of the Financial Service Providers (Registration and Dispute Resolution) Act 2008. Contact details are:

Financial Services Complaints Ltd  
Email: [info@fscl.org.nz](mailto:info@fscl.org.nz)  
Telephone: 0800 347 257  
Website: [www.fscl.org.nz](http://www.fscl.org.nz)  
Financial Services Complaints Ltd  
PO Box 5967  
Lambton Quay  
WELLINGTON 6140

## **7. General**

7.1 You may cancel our appointment at any time however we will not cancel your contract of insurance without written instruction from a person(s) who is authorised to represent each of the parties who are named as insureds in the contract of insurance or the approval of any interested parties noted on the contract. We cannot cancel a policy without the insurer's approval and some insurance contracts contain a non-cancellation clause or cancellation penalties which, for the avoidance of doubt, you will be responsible for paying.

7.2 Upon such cancellation we will cease providing you services and:

- a. withdraw from any negotiations in progress, including, without limitation, any claims or renewals of policies
- b. return any premiums we have received from you but not yet disbursed; and
- c. upon request, deliver to you copies of relevant correspondence we have had with your insurer in respect of any current claim.

If a contract of insurance is cancelled before expiry of the period of insurance we may refund the net premium we receive from your insurer(s). We will not refund our fees or commission earned when the policy was first arranged.

7.3 We will keep all information you provide us about your business confidential and, except where disclosure is required by law or where the information is already in the public domain, we will not disclose such information to any third party without your consent.

7.4 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.

7.5 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.

7.6 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.



7.7 These terms are governed by the laws of New Zealand and the parties submit to the exclusive jurisdiction of the New Zealand Courts.

7.8 We accept no liability for instructions received until we acknowledge receipt and acceptance of the instructions to you in writing.

7.9 No cover or action by us shall be deemed to be taken or given until confirmed by us in writing.

7.10 We shall be entitled to rely on all written instructions without further enquiry, including email instructions.