



TOKIO MARINE
NICHIDO

Standard Terms of Trade

Effective Date: 1 JULY 2026

These Terms of Trade (**Terms**) set out the terms on which Tokio Marine & Nichido Fire Insurance Co., Ltd, ABN 80 000 438 291, AFSL 246548 (**Tokio Marine Nichido**) trades with an Australian Financial Services Licence (**AFSL**) holding general insurance broker (**Broker**) from the Effective Date.

Tokio Marine Management (Australasia) Pty Ltd, ABN 69 001 488 455 (**TMMA**) acts as Tokio Marine Nichido's managing agent in Australia, and authorised representative (AR no. 1313066).

1. Relationship

The Broker provides financial services to its clients under its own AFSL, including providing financial product advice and dealing in general insurance products. In consideration for the remuneration described in section 9, the Broker agrees to be bound by these Terms when providing clients with financial services relating to products issued by Tokio Marine Nichido. The Broker acts for its clients when doing so, and not as an agent of Tokio Marine Nichido.

These Terms do not create any form of binder, employment, joint venture, partnership agreement, or any authorisation to provide financial services on Tokio Marine Nichido's behalf.

2. Conducting Insurance Business

All communications from the Broker to Tokio Marine Nichido about an insurance offer or policy must be in writing. All policies are issued by Tokio Marine Nichido and risks are accepted at Tokio Marine Nichido's absolute discretion.

New Business

At Tokio Marine Nichido's request, the Broker must complete a declaration or application process, for the cover sought. Tokio Marine Nichido may then make an offer to provide such cover (quotation), which will be valid for acceptance for its stated offer period. Unless otherwise agreed by Tokio Marine Nichido in writing, to accept a quotation the Broker must provide written confirmation (closing instructions) to Tokio Marine Nichido by the end of the offer period.

Policy Variation or Cancellation

A request to vary a policy must be in writing and the Broker must provide any related information or declaration required by Tokio Marine Nichido. If Tokio Marine Nichido's variation offer is accepted by the Broker, it must provide written confirmation (closing instructions). If Tokio Marine Nichido agrees to vary a policy, it will confirm the nature of that variation in writing, including its start time and any premium adjustment.

If the Broker's client wishes to cancel their policy, and the policy's terms permit that cancellation, the Broker must provide written confirmation (closing instructions) for the requested cancellation.

Policy Expiry or Renewal

When a policy is due to expire, Tokio Marine Nichido will provide the Broker with a notice either offering renewal terms, inviting further renewal negotiations, or notifying of non-renewal. The Broker must provide any related information or declaration required by Tokio Marine Nichido prior to the policy's expiry date, or within such other timeframe as is agreed by Tokio Marine Nichido in writing. If renewal terms are agreed and the Broker elects to renew the policy, it must provide written confirmation to Tokio Marine Nichido (closing instructions) and arrange for the payment of the policy's premium by the relevant due date.

Premium Payment and Interim Contracts

Unless otherwise agreed in writing, each policy's premium must be paid on a net of commission basis, in accordance with section 6 of these Terms. Should a premium for new

business, variation or renewal, remain unpaid for over 90 days from the relevant coverage effective date, and the policy is not an 'instalment contract of insurance' under the *Insurance Contracts Act 1984 (IC Act)*, Tokio Marine Nichido may cancel the policy in accordance with the IC Act. An unpaid instalment contract of insurance will be cancelled in accordance with section 62 of the IC Act. Premium payable for an instalment contract of insurance must be paid by a first instalment within 14 days of the relevant coverage effective date.

In certain circumstances involving the expiry of a policy, Tokio Marine Nichido may agree to provide continued insurance cover to a Broker's client under an 'interim contract of insurance', in accordance with the IC Act, for up to 30 days or such other time as is agreed in writing. If such cover is provided, it will end at the earliest of: (i) when cover commences under another contract of insurance intended to replace the interim contract of insurance for the same subject matter, whether issued by Tokio Marine Nichido or not, or (ii) at the time the interim contract of insurance was due to end, or (iii) at the time the Broker or the client withdraws the proposal for the insurance cover that was intended to replace the interim contract of insurance, or (iv) if cancelled by Tokio Marine Nichido in accordance with the IC Act.

Tokio Marine Nichido may, at its absolute discretion, provide 'hold covered' terms for a policy. 'Hold covered' means an extension of the policy's last period of insurance, which was to end, until a time and date agreed in writing by Tokio Marine Nichido. If Tokio Marine Nichido issues an interim contract of insurance or agrees to provide 'hold covered' terms for a policy, the Broker agrees that its client can be charged premium by Tokio Marine Nichido, for the period on risk, should the Broker not place replacement cover with Tokio Marine Nichido. Tokio Marine Nichido may otherwise cancel a policy in accordance with the IC Act.

Electronic Document Distribution

Tokio Marine Nichido will distribute documents and notices under these Terms to the Broker electronically. The Broker agrees to comply with its legal requirements with respect to the provision of same or their equivalent to its client, including in accordance with section 71 of the IC Act.

3. Broker's Warranties

The Broker warrants that it:

- holds the appropriate AFSL to deal and advise in relation to products issued by Tokio Marine Nichido;
- will not represent or imply that it acts in any way on behalf of Tokio Marine Nichido;
- is not aware of any suspected or actual breach of relevant law that would affect its ability to trade under these Terms;
- complies, and ensures its representatives comply, with all relevant laws relating to these Terms; and
- will take reasonable steps to verify the accuracy of information provided to Tokio Marine Nichido for any payment under these Terms.

4. Duty of Disclosure

The Broker must inform its client of either their duty of disclosure or their duty to take reasonable care to not make a misrepresentation under the IC Act (as applicable). Tokio Marine Nichido reserves its rights should a 'relevant failure' (as defined in the IC Act) occur. Tokio Marine Nichido will provide notice of any policy cancellation or avoidance for a relevant failure, in accordance with the IC Act.

5. Retail Product Distribution

If the Broker provides financial services to a retail client (as defined in the *Corporations Act 2001 (Cth)*) in relation to a product issued by Tokio Marine Nichido, the Broker must:

- provide the client with the Product Disclosure Statement issued by Tokio Marine Nichido in accordance with relevant law;
- only distribute the relevant product in accordance with the current Target Market Determination (**TMD**) published by Tokio Marine Nichido; and
- provide such reporting to Tokio Marine Nichido as is set out in the TMD.

6. Premium and Fee Payment

Premium and any other amounts (such as taxes, duties and levies) payable to Tokio Marine Nichido in relation to products issued by Tokio Marine Nichido must be paid in accordance with the payment terms required by Tokio Marine Nichido, including the due date. Unless otherwise agreed in writing, the Broker must remit premium for each policy, including any policy variation, on a net of commission basis. While held by the Broker, all premiums and other client monies related to a policy are to be held in a trust account, in compliance with relevant law. Any premium refund by Tokio Marine Nichido will be provided to the Broker on a net basis, subject to the terms of the relevant policy. Any adjustment of commission for a refund or any payment dishonour will be reconciled in a subsequent commission statement from Tokio Marine Nichido.

7. Intellectual Property and Marketing

Each party reserves its respective intellectual property rights. Any materials referencing Tokio Marine Nichido or its products that are proposed to be published or distributed by the Broker other than information published directly by Tokio Marine Nichido, must be approved in writing by Tokio Marine Nichido. This includes any proposed use of Tokio Marine Nichido's branding or trademarks.

8. Contact with Clients

Unless otherwise agreed between the parties and a client, Tokio Marine Nichido will only contact the Broker's client if expressly requested by the client, consented to by the Broker, required to process a claim, respond to a complaint or if required by law (including if after reasonable efforts Tokio Marine Nichido can't contact the Broker). Tokio Marine Nichido may also market directly to the Broker's client, only if such marketing is part of a broader campaign, whether to the general public or members of a specific group, without any deliberate targeting of the Broker's client.

9. Remuneration

Tokio Marine Nichido will pay the Broker commission on each policy's base premium in accordance with section 6 and at the rates agreed by Tokio Marine Nichido in writing from time to time. A policy's base premium excludes any policy fee, GST or other government taxes, levies, duties or charges, except for levies charged by the Australian Reinsurance Pool Corporation. No commission will be paid by Tokio Marine Nichido if a policy's premium (or any related monies under section 6) remains unpaid or if the policy is cancelled within its cooling off period or otherwise within the first 21 days of a new period of insurance. If a policy is cancelled after those times, the commission payable by Tokio Marine Nichido will be adjusted on a pro-rata basis, for time on risk and any fee due will remain payable.

The Broker agrees to refund any commission or its pro-rata component repayable to Tokio Marine Nichido and reconcile that payment to Tokio Marine Nichido in its following remittance statement. Any commission payable under these Terms other than commission already deducted via a net premium arrangement, will be paid by Tokio Marine Nichido by the end of the calendar month after the month in which the relevant premium is received by Tokio Marine Nichido. At least 30 days' notice will be provided by Tokio Marine Nichido prior to any remuneration change.

10. GST and Tax Invoices

All dollar amounts subject to these Terms are Goods and Services Tax (**GST**) exclusive, unless expressly stated. If GST is payable, it will be calculated and paid in accordance with the *A New Tax System (Goods and Services) Act 1999* (Cth). The Broker will directly invoice their client for the taxable supply they provide them, and issue them any Adjustment Note required by law. Any such documents issued must accurately reflect the terms proposed or agreed by Tokio Marine Nichido. The Broker must comply with any specific invoice process agreed between the parties including any applicable laws and ATO rulings relating to invoices, Adjustment Notices and Recipient Created Tax Invoices (**RCTIs**). If the Broker authorises Tokio Marine Nichido to issue RCTIs, the Broker agrees it will not issue tax invoices for the same supplies.

11. Claims

The Broker must provide reasonable assistance to Tokio Marine Nichido, and its agents, for any insurance claim related to these Terms. Subject to a policy's terms and relevant law, a policy's premium must be paid to allow for Tokio Marine Nichido's consideration of any claim made under it. The Broker must not purport to assess or accept liability in relation to any claim, on Tokio Marine Nichido's behalf.

12. Compliance with Relevant Law and Indemnity

Each party acknowledges and agrees that their conduct under these Terms must comply with relevant law, and to the extent applicable to the relevant product issued by Tokio Marine Nichido, the *General Insurance Code of Practice*.

Each party agrees to indemnify the other, and hold them harmless from and against all loss, cost or liability arising from, or in connection with, any breach by the indemnifying party or its representatives under these Terms or a legal or regulatory requirement applicable to their conduct. This indemnity survives the termination of this agreement and is given by the Broker for the benefit of Tokio Marine Nichido and its related bodies corporate, including TMMA.

13. Limitation of Liability

Nothing in these Terms is intended to impose liability beyond a party's proportionate share of a loss, cost or liability as determined under relevant law and neither party is liable to the other for any indirect or consequential loss including loss of profit, loss of revenue or loss of anticipated savings. To the extent permitted by law, a party's liability to the other under these Terms is limited to the commission paid by Tokio Marine Nichido to the Broker in the preceding twelve (12) months or the annualised projected commission based on commission actually paid from the date of the first transaction between the parties under these Terms and the date of the relevant event. Notwithstanding the foregoing: (i) this cap does not apply to liability arising from fraud or dishonesty; and (ii) liability arising from breach of the trust account requirements in section 6 or breach of the *Privacy Act 1988* (Cth) or confidentiality obligations, is limited to \$5million per claim.

14. Insurance

Each party will maintain at all times:

- (i) professional indemnity insurance with a minimum cover of \$5million per claim;
- (ii) cyber liability insurance with coverage appropriate to the nature and volume of data handled under these Terms; and
- (iii) any other insurance required by law that relates to the subject matter of these Terms.

15. Record Keeping

The Broker must retain such records in relation to business transacted under these Terms as is required by law including financial records for at least 7 years following a transaction occurring pursuant to it.

16. Dispute Resolution

The parties will attempt in good faith to negotiate any dispute between them in relation to these Terms. If a dispute cannot be settled within 15 business days of its notification by one party to the other, the parties will mediate the dispute in accordance with the Australian Disputes Centre guidelines for commercial mediation. Other than urgent court application including for interlocutory relief, the parties will not commence any legal proceedings unless this clause has been complied with.

17. Complaint Handling

The Broker must inform Tokio Marine Nichido promptly and within 24 hours of any complaint it receives that relates to

Tokio Marine Nichido, a policy or a policy related claim, and provide Tokio Marine Nichido with reasonable assistance and cooperation to enable it to investigate and respond to the complaint in accordance with relevant regulatory requirements.

18. Privacy and Confidentiality

Privacy Compliance

Each party agrees to comply with the *Privacy Act 1988* (Cth), in relation to its collection and management of personal information under these Terms, any insurance offer or a policy. If the Broker provides Tokio Marine Nichido with personal information about individuals, it will inform them that their personal information will be disclosed to Tokio Marine Nichido and managed in accordance with its Privacy Policy (available at www.tokiomarine.com.au).

Confidentiality

Confidential Information means any information, practices, technologies, client or prospective client data, business information or other information, which the other party only becomes aware of when it enters these Terms but doesn't include information that's already in the public domain or becomes public without breaching these Terms.

Each party must keep confidential any Confidential Information received from the other party, except to the extent that disclosure is necessary to perform these Terms or as may be required by the operation of law. Each party permits the other to disclose Confidential Information to its insurers, reinsurers, auditors, related bodies corporate and professional advisors on a confidential basis. This section 18 survives termination.

19. Responsible Business Conduct

The Broker must comply with all applicable laws relating to modern slavery, anti-bribery and corruption and trade, financial and economic sanctions and take reasonable steps to ensure that neither it nor its representatives engage in conduct that would breach such laws. The Broker must notify Tokio Marine Nichido if it becomes aware of any actual or suspected breach.

20. Variation, Termination and Other Terms

Tokio Marine Nichido may vary these Terms at any time on at least 30 days' written notice, unless it must act more urgently to comply with a regulatory directive. These Terms may be terminated by either party by giving 30 days' written notice to the other. These Terms will terminate immediately if either party's AFSL is cancelled or suspended, or varied in a manner that does not allow for these Terms to viably operate. Tokio Marine Nichido may also immediately terminate these Terms if the Broker engages in serious misconduct (including fraud or misappropriation of monies), brings Tokio Marine Nichido into disrepute, breaches a material term of these Terms, or enters administration, receivership or liquidation. Upon termination of these Terms, within 90 days all monies owned between the parties must be reconciled and paid. Each party must promptly return any property, including documents, belonging to the other.

The Broker cannot assign its agreement to these Terms without written consent of Tokio Marine Nichido. Any inconsistency between these Terms and any policy offered or issued by Tokio Marine Nichido is not intended, and the relevant offer or policy will prevail to the extent of the inconsistency.

21. Governing Law and Notice Provision

These Terms are governed by the laws of New South Wales. The parties submit to the jurisdiction of the courts of New South Wales and any court of permitted appeal. Any notice under these Terms is to be provided to the relevant representative of the other party, who the provider is dealing with for the transaction, or otherwise to the recipient party's main email or postal address. A notice is deemed received under these Terms on the third business day after it is posted or on the same business day if emailed before 5:00pm NSW time, or otherwise by the next business day in NSW; unless the sender receives notification of a delivery failure.



**TOKIOMARINE
NICHIDO**

Contact us

Specialty Lines*: specialty@tokiomarine.com.au

Trade Credit: tradecredit@tbcco.com.au

Japanese Interest Abroad (JIA) Business:
JIAbusiness@tokiomarine.com.au

**Specialty Lines: Cyber, Commercial Property,
Renewable Energy, Event Cancellation*

www.tokiomarine.com.au