



employsure
protect

Combined Financial Services Guide and Product Disclosure Statement.



employsure.com.au



For more information contact us.

Membership/Protection

Client Experience Team: 1300 651 415
client.experience@employsure.com.au

Claims

Employer Advice line: 1300 651 415
advice@employsure.com.au

Complaints

Client Experience Team: 1300 651 415
client.experience@employsure.com.au

Privacy

Business Risk Officer: 1300 651 415
compliance@employsure.com.au

Mutual

Employsure Mutual Limited
Telephone: 1300 651 415
Email: service@employsuremutual.com.au
Post: L6, 180 Thomas Street, Haymarket, NSW 2000

AFS Licensee

Regis Mutual Management Pty Ltd
Telephone: 02 9252 1599
Email: emp@rmml.com
Post: PO Box H96, Australia Square, NSW 1215

Parts.

Part 1.

Product Disclosure Statement

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Protection Terms and Conditions

Part 3.

Financial Services Guide

Part 1. Product Disclosure Statement

1. Defined terms used in this part

Word or Term	Meaning
AFSL	Australian Financial Services Licence.
ASIC	Australian Securities and Investments Commission.
Board	the board of directors of Employure Mutual.
Contribution	the total amount of fees plus any taxes, duties and charges that a Member is required to pay to access the Protection.
Deductible	the portion of any claim that the Board requires a Member to pay. This amount will be shown on the Protection Schedule.
Employsure	Employsure Pty Ltd ACN 145 676 026.
Employsure Mutual	Employsure Mutual Limited ACN 630 256 478.
FSG	Financial Services Guide
Gow-Gates	Gow-Gates Mutual Management Pty Ltd ACN 609 791 353.
Member	a current member of Employure Mutual.
Mutual	Employsure Mutual.
PDS	this Product Disclosure Statement, including any other documents that form part of this document.
Protection	the type and amount of Protection that a Member is able to access, which will be provided to the Member as a discretionary risk product.
Protection Period	the duration of the period for which protection will be active, being a 12-month period beginning at the time and on the date stated in the Protection Schedule and expiring at the time and on the date stated in the Protection Schedule.
Protection Schedule	the schedule of Protection including any renewal or endorsement schedules and documents issued by Employure Mutual in relation to your Protection.
Regis	Regis Mutual Management Pty Ltd ABN: 71 130 820 727 AFSL No. 338156

Part 1. Product Disclosure Statement



2. What is a Product Disclosure Statement?

This Combined Financial Services Guide and Product Disclosure Statement is an important legal document that contains details of EmploySURE Protect, the Protection that is available to clients of EmploySURE Pty Ltd as Members of EmploySURE Mutual Limited.

The PDS is designed to help you understand what you need to know about EmploySURE Mutual and EmploySURE Protect so that you can make an informed choice about whether or not you wish to join the Mutual and apply for the Protection available to Members.

Part 1 of this document contains information about the Protection offered by the Mutual and how to become a Member. It sets out your rights and entitlements as a Mutual Member and explains the benefits and risks that are relevant to the Protection provided.

Part 2 of this document contains the Terms and Conditions for the Protection offered by the Mutual.

Part 3 of this document contains the FSG for EmploySURE and Regis who have authorised this PDS. It describes the financial services they provide, how they are remunerated, how to make a complaint about the services and their professional indemnity arrangements.

You will be offered the opportunity to apply for Protection when you join as a Member. At that time you will be given details of the amount charged for that Protection (referred to as your Contribution). A Protection Schedule will be issued to you when you purchase Protection and this forms part of the terms and conditions of the Protection. See page 7 for further details.

Before making a decision about joining as a Member or purchasing Protection from the Mutual, please read this PDS carefully and keep it in a safe place for future reference.

We may update this PDS from time to time. When necessary EmploySURE Mutual will issue a supplementary or replacement PDS.

3. About EmploySURE Mutual

Introducing EmploySURE Mutual

The Mutual is the provider of the discretionary Protection referred to in the PDS. The Mutual is owned by its Members, who are clients of EmploySURE and access the workplace relations and work health and safety consulting and other services offered by EmploySURE.

The Mutual provides discretionary Protection solely to its Members. You must remain a client of EmploySURE to

Part 1. Product Disclosure Statement

maintain your membership of the Mutual. Claims on the Mutual may only be made by Members.

The Protection provided by the Mutual is regulated as a financial product by the Australian Securities & Investments Commission. The Mutual has employed Regis Mutual Management Pty Ltd (Regis) (ACN: 130 820 727 / AFSL No. 338156), to professionally manage its operations and provide its Australian Financial Services license for this offer and to support the financial services provided to members.

What is Employsure Mutual?

The Mutual is a company limited by guarantee which was formed to meet the needs of Employsure's clients. Using a company structure, those clients will become Members of the Mutual with the rights and entitlements contained in the Mutual's Constitution.

Each Member has an entitlement to one vote at any general meeting of Members of the Mutual, regardless of the financial commitment made to the Mutual. Employsure Mutual offers its Members the opportunity to access discretionary cover provided by the Mutual by paying a Contribution to the Mutual for that Protection. The Members of the Mutual will use their combined resources to fund the Protection and other costs of the Mutual. Each Member will pay a Contribution annually for their Protection effectively funding the agreed financial obligations of each Member through the Mutual.

The Mutual will purchase insurance to prudently manage its financial exposures. Instead of relying on a large insurer to handle claims, the claims will be handled by Employsure working closely with the professional mutual managers and other claims experts.

Who manages the Employsure Mutual?

The Board of the Mutual has appointed Regis to manage the Mutual and oversee the provision of financial services; and Gow-Gates to assist in claims handling and other professional services.

Regis holds Australian Financial Services Licence number 338156. Other professional advisers will also be appointed to support the Mutual's activities including Gow-Gates and its related companies who will provide professional insurance broking services for the placement of an insurance program to support the Mutual.

Regis and Gow-Gates both receive an annual management fee for the services they provide to the Mutual. Neither Regis nor Gow-Gates receive any commission or any other payment for their services.

Details of the financial services that are provided by Employsure Pty Ltd and Regis are set out in the FSG in Part 3 of this document.

About Employsure Protect

Employsure Protect is the financial product issued by the Mutual to enable Employsure's clients to access Protection for key risks associated with managing their workforce risks (relating to employment relations and workplace health and safety statutory liability). The Mutual seeks to offer more affordable solutions and broader benefits to its Members as an alternative for traditional insurance purchased from an insurer.

Members of the Mutual have the right to have a claim for Protection considered by the Board and the Board has the absolute discretion to accept or refuse a Member's claim for Protection. Discretionary Protection is described in more detail on page 6.

4. Types of Protection

Two types of **Protection** are available for **Members**:

1. Employment Relations

This Protection provides a Member (and its subsidiaries and declared related entities) with the right to claim for any loss brought against them in the Fair Work Commission and other employment claims where the claim is made against the Member during the Protection Period and the claim is notified to the Mutual during the Protection Period.

There is also Protection for legal costs and expenses in defending a Fair Work matter or employment claim where the Mutual gives consent to those costs.

Some things are not protected under this benefit. Details of the Protection for this benefit is in Section A of part 2 of this PDS.

2. Health and Safety Statutory Liability

This Protection provides a Member (and its subsidiaries and declared related entities) with the right to claim for any loss suffered when a penalty is imposed by a regulatory body for liabilities arising from a statutory breach involving your business, where the claim is

Part 1. Product Disclosure Statement

made against the Member during the Protection Period and the claim is notified to the Mutual during the Protection Period.

There are some additional benefits for outside directorships, acquired companies and subsidiaries. There is also Protection for legal costs and expenses in defending a claim (if there are reasonable grounds for defence) and the Mutual gives consent to those costs.

Some things are not protected under this benefit. Details of the Protection for this benefit is in Section B part 2 of this PDS.

5. How protection works

Why does the Board have discretion to approve claims?

Employsure Mutual refers to the benefits it offers as 'Protection' to highlight the fact that it is offering an alternative to insurance. The Protection offered by the Mutual is 'discretionary Protection'. Discretionary Protection is a legitimate way in which a group of businesses can manage their financial risk and the consequence of certain events occurring that can impact their business.

To qualify as a discretionary Protection, it is important for the Board to have the absolute discretion to accept or reject a Member's claim. Otherwise there is a risk that the product would be considered an insurance product, and the Mutual would be required to be authorised under the Insurance Act 1973 to conduct an insurance business.

By offering Protection that is discretionary, the Mutual is able to offer its Members a financial product for management of business and other risks without establishing an insurance company. Discretionary Protection is a financial product which is regulated by the Australian Securities & Investments Commission (ASIC). ASIC supervises Regis as the AFSL holder for the financial product.

The Australian Prudential Regulatory Authority (APRA) regulates insurance companies, but not discretionary mutuals such as Employsure Mutual, so the Mutual is not subject to the prudential standards set by APRA or the provisions of the Insurance Act 1973 and the Protection is not subject to the Insurance Contracts Act 1984.

Insurance is different to discretionary Protection because an insurer must indemnify a policyholder if the

claim comes within the policy terms and conditions. Discretionary Protection involves the Board deciding whether to exercise its discretion to pay a claim based on its understanding of the Member's claim. Members are assured that the Board's discretion will be exercised fairly and consistently, and with all due consideration to the merits and circumstances of each claim and the Protection Terms and Conditions.

The Board sets guidelines to ensure that they exercise discretion in the interests of the Members and they will consider whether your claim falls within the Protection Terms and Conditions contained in Part 2 when deciding whether you qualify for the payment of your claim.

The Protection Terms and Conditions in Part 2 of the PDS also explain the scope of protection including what is and is not covered and this gives Members an indication of the circumstances of how the Board is likely to exercise its discretion in response to a Member's claim.

Significant risks

Protection is a financial product and you should be aware of the following:

- **The Protection is not an insurance product.**

The Mutual provides discretionary Protection which is a 'miscellaneous financial risk product'. This means that there is no automatic right of indemnity under the Protection Terms and Conditions. Instead there is an automatic right to have a claim considered and the Member may ask the Board to exercise their discretion to indemnify them for the loss. The payment of all claims is at the discretion of the Board.

- **Whether there is adequate funding of the Mutual**

If a large number of claims are made in any one year that exceeds the amount of Contributions that the Mutual has set aside to pay claims, there could be a risk that a Protection claim would not be paid.

To avert this risk, the Mutual regularly takes professional advice as to the adequacy of the Contributions to meet likely claims liabilities. In addition, the Mutual purchases excess of loss insurance cover to meet claims that exceed the Mutual's self-retention limit. When the insurance program is structured adequately, the Mutual will be fully funded for its claims liabilities so that Members are fully protected.

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- **It is a condition of Membership to be a client of Employsure**

Employsure Mutual is a mutual for the benefit of Employsure's clients and only clients of Employsure are eligible for membership. Membership and Protection will automatically cease if a Member ceases to be a client of Employsure. The Board reserves the right to expel Members who are no longer eligible, or who have failed to pay a Contribution.

6. Claims

How to claim

The Mutual is owned by its Members. It exists to help you. Claim notifications may be lodged in writing, electronically, or by telephone. We can be contacted at the address and telephone numbers set out in this PDS. We can provide expert advice and assistance in the event of a loss and you can refer to our website for more details of how we can assist you.

When you make a claim

As a Member of the Mutual, you will have an automatic right to have your claim for Protection considered by the Board of the Mutual.

Regis and Gow-Gates will support the Mutual to manage claims and may make recommendations to the Board on whether or not to accept a claim and the amount to be paid. At its discretion, the Mutual may elect to take over the management or defence of any claim or recovery action.

The Board's discretion to refuse or reduce a claim is absolute. The Board has the power to pay claims that do not fall within the terms and conditions in Part 2. If the Board exercises its discretion not to pay a claim, or to pay only part of a claim, you will be promptly advised.

7. Membership and Protection

How to join and access Protection

Employsure will invite its clients to become Members of the Mutual. As part of that process, you will be asked to complete an application form in respect of the Protection benefits for which you are eligible.

If you decide to proceed, you will be offered Membership and Protection and if you accept you will be provided with a Protection Schedule including details of Membership.

You may be invited to renew your Protection at expiry.

The Board has discretion to accept your completed proposal form for Protection and to set the amount of the Contribution payable by each Member.

Changes to Membership details

If your Membership details change including your contact details, you need to advise us. The Mutual will not be liable for any loss you suffer because you have failed to update your details.

Changes to your circumstances

You need to tell us if your circumstances change in such a way that may require changes to your level or type of Protection, or that increase the risks that are relevant to your Protection. In particular, you need to advise us if any of the answers provided in the proposal form are no longer correct. More details can be found in Part 2 of this PDS on page 23.

Changes required to your Protection that occur during the Protection Period can be made at the discretion of the Board. If necessary, the Mutual will issue you with a new Protection Schedule or it may endorse your existing Protection Schedule with the new details. The Mutual will also determine if any additional Contributions must be paid by you.

Cancelling your Membership and Protection

You may cancel your Membership and Protection at any time by giving the Mutual 30 days' notice. If you decide to cancel your Membership or Protection(s) during the Protection Period, and you have already paid the Contribution for the current year a refund of Contribution will apply in accordance with the process described in Part 2 on page 22.

8. Contributions and other Payments

How Contributions are calculated

Eligibility for Protection is linked to the core employment relations and/or work health and safety services you receive from Employsure. You are only able to select the Protection relating to the services you receive. Thus, depending on which core services you have selected you will be able to select one or other, or both of the benefits in Sections A and B of the Protection. If your application for Protection is successful, you will be required to pay your Contribution.

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Your Contribution is due and payable within a reasonable period of time after the Protection commences, depending on your method of payment.

The Mutual will consider a range of factors when calculating your Contribution. These factors may include:

- (a) the detailed information provided by you in your application form;
 - (b) your number of employees;
 - (c) your previous claims history. Your Contribution may be higher if you have a poor claims history;
 - (d) the size and nature of your organisation. Larger organisations, including turnover, may be subject to a higher Contribution;
 - (e) your general risk profile. Greater risks involved in your business may result in a higher Contribution;
 - (f) the Limits of the Protection (see page 12 in Part 2 to understand what is meant by Limit of Protection);
 - (g) the level of Deductible, if any, applying to your Protection; and
 - (h) any other factor regarded as relevant by Employure Mutual at the time of assessing your application.
- Depending on the nature of these factors, these may reduce or increase your Contribution.

Member Deductible

When you apply to have a claim for Protection considered by the Board of the Mutual, the Board may require you to pay an initial portion of your claim. This amount is your Deductible. Your Protection Schedule will show the amount, if any, that applies to your Protection.

Costs, fees and government charges

Your Contributions will be subject to GST. Your Contributions do not attract emergency services levies or stamp duty.

9. Estimating Future Contributions

Estimating future liabilities or future payments to Members

During the establishment of the Mutual a full set of financial projections was prepared based on poor and best-case scenarios for Membership, claims, operational costs and investments.

On the advice of its professional consultants including Regis and Gow-Gates, Employure Mutual will calculate the Contributions of Members to ensure that it will have adequate financial resources to discharge future liabilities and make future payments to Members with Protection, based on a mathematical model and independent actuarial advice.

Regis has a mathematical model which the Board will use to calculate:

- (a) income to be received by the Mutual from:
 - Contributions;
 - interest on investments; and
 - recoveries from third parties.
- (b) the outgoings to be paid by the Mutual for:
 - management costs;
 - the number and value of claims lodged each year;
 - the number and value of claims lodged for specific risks;
 - the cost of its own insurance;
 - the delay in lodging claims;
 - the cost of an average claim; and
 - payment of claims within the Mutual's self-retention limit.

The mathematical model is based on Employure Mutual being a fully funded mutual.

Each year, the Mutual will model its future claims liabilities to Members. Contributions will be calculated on the assumption that, in any one financial year, the Mutual will not receive or pay all the claims that the Members may have the right to claim for in that financial year. Each Contribution will include an amount that will be put aside for this purpose to meet the claims that have been delayed.

The Mutual will manage these future liabilities and payments through its risk management and transfer program and through its claim reserving policy.

Applying deficits and surpluses

Because the Mutual is an entity run on not-for-profit principles, there is no profit-factor built into the calculation of your Contributions. In other words, the Mutual will not increase your Contribution in order to generate a profit. Any surplus will be applied for the benefit of the Members.

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In the event of a surplus in any one year, the Board may exercise its discretion in applying that surplus for the benefit of Members. Surplus can be applied to reduce future pricing or can be placed into the Mutual's reserves, or both. The Board's discretion is subject to the requirements imposed on Directors to ensure that the company will have adequate financial resources to discharge future claims payments to Members with Protection.

Paying for your Membership and Protection

Your Tax Invoice will tell you how much you have to pay for your Contributions and the due date.

If you pay after the due date, the Board may, at its discretion, reject your payment and elect not to grant Protection for current year.

10. Disputes

The Board sets guidelines to ensure they exercise discretion fairly and consistently and in the interests of all Members when considering the merits of your claim. The Board also considers the terms of this PDS and the Constitution.

If you are unhappy with a claim decision, you may refer the matter to the Mutual's Complaints Manager or you may request that the matter be referred to the Board for adjudication.

You are welcome to make a written submission to the Mutual describing the reasons why your claim for Protection should be reconsidered. You must do this within 60 days of the date that you were notified that the claim would not be paid. The Board will give full consideration to your submission when deciding the final outcome. Send your submission and request for reconsideration to the Complaints Manager.

If you have a complaint about any of the services provided by the Mutual, its managers or their authorized representatives; or any other person engaged by them, please contact EmploySure. If, after making a complaint to EmploySure, you are still not satisfied, you can make a complaint to the Australian Financial Complaints Authority (AFCA). You can contact AFCA on 1300 780 808 or obtain additional information and contact details at www.afca.org.au

11. Privacy

Our Privacy Policy is in accordance with the Commonwealth Privacy Act 1988, as amended, and is based on the thirteen Australian Privacy Principles outlined in schedule 1 of the Privacy Act 1988 (Privacy Act) (Cth). Our Privacy Policy also complies with State legislation in relation to the collection and use of health information, where such legislation is applicable in addition to the Commonwealth Privacy Act.

If you provide personal information about another person to the Mutual or one of the organisations assisting it, you must have that person's authorisation to provide their information and you must inform that person of EmploySure Mutual's identity, how it will use and disclose the information and that person's rights to access that information.

The information collected will be provided to organisations that will assist in deciding whether to protect you, or to assess a claim. We will ensure that these organisations have appropriate privacy procedures.

These organisations include:

- Regis, Gow-Gates. EmploySure and their employees;
- professional service providers engaged by EmploySure Mutual including lawyers, assessors, actuaries, accountants, investment managers and other advisers;
- professional insurance and reinsurance advisors (including brokers and insurers).

We will take reasonable steps to make sure that the personal information we collect, use or disclose is accurate, complete and up to date.

Our internal complaints procedure is designed so that we may formally attend to any complaint where you believe your personal information may have been incorrectly used or disclosed.

If you would like to obtain further information about our privacy policy or complaints procedure, you can contact the Business Risk Officer on 1300 651 415 or by e-mail: compliance@employsure.com.au.

Part 2. Protection Terms and Conditions

1. Defined terms used in this part

Word or Term	Meaning
Act	<p>(a) any Act, Regulation or Code of Practice pertaining to , health and safety applicable nationally or in the states or territories of Australia, including any subordinate or delegated legislation made under those Acts; and</p> <p>(b) any amendment, consolidation or re-enactment of any of the above Acts or legislation.</p>
Appointed Representative	the solicitors, barristers, assessors, consultants or investigators appointed in accordance with this Protection when We accept Your Claim.
Back-pay	any Back-pay of wages or salary arising from an order of reinstatement or re-employment but limited to the amount You are legally liable to pay an Employee between the date of termination of the Employee's employment and date when the Employee's employment is reinstated or re-commences.
Business	the Business conducted by You as described in the Protection Schedule.
Claim	<p>the receipt by You of any verbal or written notice of demand for compensation including a writ, statement of Claim, summons, application or other originating legal or arbitrating process, cross-Claim, counter-Claim or third- or similar-party notice which:</p> <p>(a) in the case of the benefit in Section A (Employment Relations), is made by an Employee against You; or</p> <p>(b) in the case of the benefit in Section B (Health and Safety Statutory Liability), alleges a Wrongful Breach and Claims that You are liable to pay a Penalty.</p>
Contribution	the amount stated in the Protection Schedule.
Deductible	the amount as stated in the Protection Schedule
Defence Costs	<p>all reasonable legal costs, charges, fees, expenses and advances in respect of the same which are incurred with Our written consent in connection with:</p> <p>(a) in the case of the benefit in Section A (Employment Relations), in appealing, defending, investigating or settling an Employment Claim and Your reasonable costs and expenses;</p> <p>(b) in the case of the benefit in Section B (Health and Safety Statutory Liability), in appealing, defending, investigating or settling a Claim and Your reasonable costs and expenses,</p> <p>but shall not include wages, salaries, overtime, commissions, expenses or other benefits or other remuneration of any Employee or any office overheads, travel expenses, or administrative costs unrelated to the Employment Claim or Claim.</p> <p>Provided that where proceedings are commenced to impose a Penalty and those proceedings are also in respect of other matters, then We will not accept liability for that proportion of the legal costs and associated expenses that may be reasonably attributed to the proceedings in relation to those other matters, unless We exercise Our discretion to do so.</p>

Part 2. Protection Terms and Conditions

Word or Term	Meaning
Employee	<p>(a) in the case of the benefit in Section A (Employment Relations), any past present or future natural person employed (including part-time, casual, seasonal, temporary, voluntary and experience), but only while the natural person is acting in such capacity. Employee will also include an independent contractor who is engaged by You pursuant to an independent contractor agreement who makes an Employment Claim. Employee does not include any of your partners, principals or directors of any agent, received or external auditor.</p> <p>(b) in the case of the benefit in Section B (Health and Safety Statutory Liability), any person employed by You under a contract of service during or prior to the commencement of the Protection Period, but does not include any independent contractor or any employee of any independent contractor.</p>
Employment Claim	<p>any Claim brought or maintained against You by or on behalf of an Employee for any actual or alleged:</p> <p>(a) wrongful, constructive or unfair dismissal, discharge or termination of an employment; and/or</p> <p>(b) breach of any oral, written or implied employment contract or contractual obligation arising out of any personnel manual, Employee handbook, policy statement or representation; and/or</p> <p>(c) discrimination on the basis of an Employee's race, colour, religion, age, sex, national origin, disability, pregnancy, sexual orientation or preference, sexual and/or workplace harassment or other status protected under Australian law; and/or</p> <p>(d) retaliatory treatment for that Employee exercising their rights under Australian employment laws, and/or supporting the rights of another Employee filing or pursuing any Claim against You under any 'whistle blower' legislation.</p>
Employsure	Employsure Pty Ltd ACN: 145 676 026.
Employsure Mutual	Employsure Mutual Limited ACN: 630 256 478.
External Administrator	<p>(a) a receiver, or receiver and manager, of any of Your property;</p> <p>(b) an administrator appointed to You;</p> <p>(c) an administrator of a deed of company arrangement executed by You;</p> <p>(d) a provisional liquidator or liquidator appointed to You;</p> <p>(e) a trustee or other person administering a compromise or arrangement made between You and someone else; or</p> <p>(f) any other external administrator to You.</p>

Part 2. Protection Terms and Conditions

Word or Term	Meaning
Incident	the issue that starts a train of events that leads to a matter or occurrence which becomes the subject of a Claim.
Investigation	<p>Any official inquiry, investigation, public examination or commission into the affairs of the Business:</p> <p>(a) which is instigated by a person or government authority that is legally empowered to conduct such an investigation or inquiry etc; and</p> <p>(b) which You are legally compelled to attend; and</p> <p>(c) which alleges an Event by You; and</p> <p>(d) that is not of a general nature which affects the industry of the Business, as a whole.</p>
Joint Venture	any enterprise undertaken jointly by You and another party or parties.
Limit of Protection	the maximum amount of Protection for each benefit as stated in the Protection Schedule.
Loss	<p>(a) in the case of the benefit in Section A (Employment Relations), the total amount which You become legally liable to pay in respect of an Employment Claim and includes:</p> <ul style="list-style-type: none"> • damages, judgment or settlements; • legal costs and expenses awarded against You; • Defence Costs; and/or • Back-pay. <p>(b) in the case of the benefit in Section B (Health and Safety Statutory Liability), any Penalty and Defence Costs.</p>
Member	the entity named in the Protection Schedule.
Merger or Acquisition	<p>(a) You or Your Business consolidating with, merging with, or You selling all or substantially all of its assets to, any other person or entity or group of persons and/or entities acting in concert;</p> <p>(b) You or Your Business becomes a subsidiary of another entity by virtue of Australian law.</p>
Officer	any past, present or future director, managerial or executive officer (as defined by the Corporations Act 2001 (Cth)) or company secretary appointed by You.
Outside Directorship	an executive position held in connection with the Business at Your specific request in any corporation, Joint Venture, partnership, trust or other enterprise which is not included in the definition of You.

Part 2. Protection Terms and Conditions

Word or Term	Meaning
Penalty	<p>Penalty any monetary sum payable by You to any Regulatory Authority pursuant to any act for a Wrongful Breach by You but excluding:</p> <ul style="list-style-type: none">(a) any amounts payable as compensation;(b) any compliance, remedial, reparation or restitution costs;(c) any damages, including any exemplary, aggravated or punitive damages;(d) any indirect or consequential economic loss;(e) any legal costs and associated expenses, <p>notwithstanding item (e) above, We will include any reasonable legal costs and associated expenses payable by You to any Regulatory Authority upon the imposition of a Penalty covered by the benefit in Section B (Health and Safety Statutory Liability). Provided that where the proceedings that lead to the imposition of the Penalty also include proceedings in respect of any of the matters set out in items (a) to (e) above, We will not be liable for that proportion of the Penalty that may be reasonably attributed to the proceedings in respect of those matters set out in items (a) to (e).</p>
Protection Period	<p>the period between the start date and the expiry date for the Protection stated in the Protection Schedule.</p>
Protection	<p>the discretionary protection provided by EmploySure Mutual described in clause 2 of this document.</p>
Protection Schedule	<p>the schedule of protection including any renewal or endorsement schedules and documents issued by EmploySure Mutual in relation to Your Protection.</p>
Reasonable Grounds for Defence	<ul style="list-style-type: none">(a) You have reasonable prospects of success in avoiding or reducing any Penalty alleged in the Claim; or(b) You have reasonable prospects of success in reducing the quantum of any Penalty alleged in the Claim, and that having regard to the likely legal costs incurred in defending the Claim it is reasonable for the Claim to be defended. <p>provided that in either scenario (a) or (b) above, the Claim is not capable of being avoided or mitigated by a settlement into which a reasonable person in Your position, properly advised, would enter.</p>
Regulatory Authority	<p>a person or entity appointed, constituted or acting under a delegation pursuant to any Act for the purposes of enforcement of such Act or another Act, including a person or entity authorised to collect monies pursuant to such Act.</p>
Retroactive Date	<p>the date shown in the Protection Schedule. However, unless otherwise agreed by us, such date in respect of any entity acquired or created by You shall be the date of acquisition or creation of that entity by You or the date shown in the Protection Schedule, whichever is the later date.</p>

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Word or Term	Meaning
Subsidiary	any entity in respect of which the named organisation: (a) controls the composition of the Board of Directors (b) is in a position to cast, or control the casting of more than 50% of the issued voting shares; or (c) holds more than 50% of the issued share capital, and shall include any entity which is deemed to be a subsidiary of the named organisation by virtue of an legislation or law.
Senior Office	any director, chief executive officer, or company secretary appointed to You.
Territorial Limits	anywhere in Australia.
Terrorism	an act, including but not limited to the use of force or violence and /or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) which from its nature or context is done for, or in connection with, political, religious, ideological, ethnic or similar purposes or reasons, including the intention to influence any government and /or to put the public, or any section of the public, in fear.
We / Us / Our	Employsure Mutual
Wrongful Breach	means any act, error or omission which occurs: (a) in connection with the Business; (b) within the Territorial Limits; and (c) after the Retroactive Date, whereby: (d) You contravene an Act or are involved in the contravention of an Act; (e) You commit an offence pursuant to an Act; or (f) such conduct is prohibited under an Act or is the subject of the imposition of a Penalty under an Act.
You, Your	(a) the Member organisation named in the Protection Schedule; (b) all Subsidiaries (now or hereafter constituted) of the Member whose place of incorporation is within Australia; (c) in the case of the benefit in Section B (Health and Safety Statutory Liability) only, any Officer whilst acting in the performance of their duties to the Member; and (d) in the case of the benefit in Section B (Health and Safety Statutory Liability) only, any Employee whilst acting in the performance of their employment by You.

Part 2. Protection Terms and Conditions

2. Scope of protection

The Protection is subject to the rights and entitlements contained in Employsure Mutual's Constitution and explained in the PDS.

There are two types of Protection offered by Employsure Mutual in this document. They are set out in Section A and Section B. You may apply for and hold both Protections or only one of them depending on which level(s) of service you have taken with Employsure. Information about which Protection benefits/sections You hold are in Your Protection Schedule.

SECTION A - EMPLOYMENT RELATIONS

3. What is protected

If We grant You Protection for a Claim, We will pay, on Your behalf, any Loss:

- (a) brought against You in the Fair Work Commission; or
- (b) arising out of an Employment Claim;

where such a Claim is first made against You during the Protection Period, and which You notify to Us during the Protection Period, provided that:

- (c) this Protection will not cover any Claim made against You by any partner, principal or director, unless brought in the capacity of an Employee; and
- (d) the total aggregate Limit of Protection will only apply to that part of each Loss (including Defence Costs) in respect of each Employment Claim.

Limit of Protection and Your Deductible

Our liability for Claims accepted under this Protection in respect of all Losses arising out of all Claims covered by this Section A during the Protection Period will not exceed the Limits of Protection stated in the Protection Schedule.

Our liability for Claims accepted under this Protection applies only to that part of each Loss in excess of Your Deductible. We will not be liable to pay the amount of Your Deductible in respect of each Loss.

We may pay up to \$5,000 in the aggregate during any Protection Period for reasonable costs and expenses incurred from responding to formal investigations or inquiries launched by any State or Commonwealth

agency irrespective of whether those matters relate to an Employment Claim.

4. What is not Protected

We will not provide Protection under Section A of this document for any Claim which is a Loss arising from any Employment Claim made against You arising:

- (a) *Advice not sought*
directly or indirectly out of, based upon, attributable to, or in consequence of any fact or circumstance if You have not:
 - (i) sought and followed advice from Employsure or its nominee as soon as the Incident that gave rise to the Employment Claim arose or became reasonably apparent; and
 - (ii) continued to seek and follow advice from Employsure or its nominee until the conclusion of the Employment Claim.
- (b) *Breach of employer obligations*
directly or indirectly out of, based upon, attributable to, or in consequence of a breach of Your express obligations:
 - (i) to make any contractual payment (including the provision of non-cash benefits); or
 - (ii) pursuant to any procedural or legal notification requirement in the event of termination or cessation of employment;whether such obligation arises under statute, regulation, award, contract of employment (including any arrangement or agreement collateral to any contract of employment), or any industrial, workplace or enterprise agreement or otherwise. However, this exclusion will not apply to Back-pay arising from such Employment Claim.
- (c) *Bodily injury or property damage*
directly or indirectly out of, based upon, attributable to, or in consequence of any Employment Claim for actual or alleged bodily or psychological injury, sickness, disease or death of any Employee or damage to or destruction of any tangible property, including the loss of use thereof, except that this exclusion will not apply to emotional distress or mental anguish brought as part of any Employment Claim.

Part 2. Protection Terms and Conditions



- (d) *Building modifications*

directly or indirectly out of, based upon, attributable to, or in consequence of any Employment Claim which constitutes any costs incurred by You to modify any building, premises, fixtures, fittings, plants, equipment or other property in order to make the same more accessible or accommodating to any disabled person.
- (e) *Fines and penalties*

directly or indirectly out of, based upon, attributable to, or in consequence of any Employment Claim which constitutes a punitive, aggravated or exemplary damage or fine or penalty imposed by law, including but not limited to, any civil penalty or penalties.
- (f) *Future earnings*

directly or indirectly out of, based upon, attributable to, or in consequence of any future earnings, wages, commissions, damages or economic loss, if You are ordered, pursuant to a judgement, determination or final adjudication of a court or tribunal, but fails to employ, promote or reinstate the Claimant as an Employee, provided that this exclusion will not apply to Defence Costs.
- (g) *No Protection Schedule at time of Claim*

if this Protection is not in force at the time when the Employment Claim for the Loss is first made against you.
- (h) *Non-pecuniary relief*

directly or indirectly out of, based upon, attributable to, or in consequence of any Employment Claim which constitutes the costs of compliance with any order of a court or tribunal for the grant of or agreement to provide injunctive or non-pecuniary relief, however, this exclusion will not apply to Defence Costs arising from such Employment Claim.
- (i) *Securities offering*

directly or indirectly out of, based upon, attributable to, or in consequence of any public or private offering, solicitation, sale, distribution, or issuance of stock or securities, or the ownership of stock or securities of the Member, whether or not a prospectus document has been issued.
- (j) *Prior or pending Claims*

(i) directly or indirectly out of, based upon, attributable to, or in consequence of any Employment Claim made against You prior to the Protection Period; or

Part 2. Protection Terms and Conditions

- (ii) any actual or alleged Incident committed prior to the retroactive date of the Protection (if such a date is specified); or
- (iii) Claims made after the expiry of the Protection Period even though the event giving rise to the Claim may have occurred during the Protection Period; or
- (iv) Claims made, threatened or intimated against You prior to the commencement of the Protection Period; or
- (v) facts or circumstances of which You first became aware prior to the Protection Period, and which You knew or ought reasonably to have known had the potential to give rise to a Claim under this Protection; or
- (vi) Claims arising out of circumstances noted on the proposal form for the current Protection Period or on any previous proposal form, or which should have been declared at that time.

(k) *Territorial limitations*

for which an Employment Claim which arises or is instituted, threatened or commenced in a jurisdiction which is outside Australia.

SECTION B - HEALTH AND SAFETY STATUTORY LIABILITY

5. What is Protected

If We grant you Protection, We will pay to You and on Your behalf any Penalty and Defence Costs arising from any verbal or written notice received by You which alleges a Wrongful Breach and Claims that You are liable to pay a Penalty, provided that such notice is first received by You and notified to Us during the Protection Period.

We will not provide Protection for a Penalty under this clause unless You obtain Our written consent. We will only provide such consent if We are satisfied that You have reasonable grounds for defence.

If We do not provide the consent, We will give to You reasons for the refusal. If You contest Our refusal to provide such consent You may obtain the written opinion of a Senior Counsel. The Senior Counsel must be mutually agreed upon by both parties or failing

agreement will be appointed by the President of the Law Society or the Law Institute in the relevant state or territory. If the Senior Counsel is of the opinion that You have reasonable grounds for defence then We may:

- (a) give Our consent; and
- (b) be responsible for the Senior Counsel's reasonable fees for providing such opinion.

If You continue to defend a Claim where We have refused to provide consent and You are successful in respect of that Claim, then the consent shall be deemed to have been given at the time it was first requested by the Member. For the purpose of this clause, successful means that the outcome of the Claim establishes that at the time at which We refused consent, You had reasonable grounds for defence.

If We accept Your Claim, We may pay the following benefits to You:

Acquired companies and subsidiaries

- (a) If You notify Us as soon as practicable, We will extend the definition of You to include any Subsidiary acquired or created subsequent to the commencement of the Protection Period but the benefit will only apply in respect of any Wrongful Breach committed or alleged to have been committed by You in respect of such Subsidiary subsequent to such acquisition or creation.
- (b) We may extend Protection to any Subsidiary existing at or prior to the commencement of the Period of Protection. Such Protection will extend to any Officer or Employee whilst acting in the performance of their duties or employment of any Subsidiary.

Continuous Protection

- (a) We may protect You in respect of any Claim notified to Us during the Protection Period where that Claim arose from circumstances which You knew (or ought reasonably to have known) to have been circumstances which may have given rise to a Claim prior to commencement of the Protection Period.

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We will not provide Protection if:

- You have committed or attempted to commit any fraud or made a fraudulent misrepresentation or omitted to tell Us important information about the risk in which case We may refuse the Claim or exercise Our discretion to reduce the amount We pay for a Claim by the amount which fairly represents the extent to which Our interests are prejudiced.
- The Protection Schedule does not identify that We provide Protection for a continuous (and uninterrupted) period from the date You first became aware of the circumstances which You knew (or ought reasonably to have known) to be circumstances which may have given rise to such a Claim, up to and including when the Claim was first made against You and notified to us.

Outside Directorships

We may protect You for a Loss in respect of any Outside Directorship held by an Officer, provided that:

- (a) such Protection shall not be extended to the outside organisation in which such Outside Directorship is held, or to any other director, executive officer, company secretary or employee of such organisation; and
- (b) the Protection afforded by this extension will not apply to any part of any Loss covered by any indemnity given by such outside organisation or any contract of insurance taken out by or on behalf of that outside organisation or its directors, executive officers, company secretary or employees.

Limits of Protection and Your Deductible

Our liability for Claims accepted under this Protection in respect of all Losses arising out of all Claims covered by this Section B during the Protection Period will not exceed the Limits of Protection stated in the Protection Schedule.

Our liability for Claims accepted under this Protection applies only to that part of each Loss in excess of Your Deductible. We will not be liable to pay the amount of Your Deductible in respect of each Loss.

All Losses arising out of any one Wrongful Breach or interrelated Wrongful Breaches are deemed to be one Loss.

6. What is not Protected

We will not provide Protection in relation to the benefits provided in Section B of this document for any Claim which is:

- (a) *Excluded events*
directly or indirectly arising out of, based upon, attributable to, or in consequence of:
 - (i) a Wrongful Breach relating to the regulation of vehicular, air or marine traffic;
 - (ii) ionising radiations or contamination by radioactivity from any nuclear waste or from the combustion of nuclear fuel;
 - (iii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
 - (iv) war, invasion, act of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any Government or Public or Local Authority;
 - (v) any act of Terrorism; or
 - (vi) resulting from the existence, mining, handling, processing, manufacture, sale, distribution, storage or use of asbestos, asbestos products and/or products containing asbestos.
- (b) *Failure to follow Employsure's advice*
directly or indirectly arising out of, based upon, attributable to, or in consequence of any fact or circumstance if You have not:
 - (i) sought and followed advice from Employsure or its nominee as soon as the fact that gave rise to the Claim arose or became reasonably apparent; and
 - (ii) continued to seek and follow advice from Employsure or its nominee until the conclusion of the Claim.

Part 2. Protection Terms and Conditions

- (c) *Joint venture*
for any Loss or part of any Loss directly or indirectly arising out of, or which is attributable to Your participation in any Joint Venture except not in relation to an Outside Directorship.
- (d) *Penalties already paid*
in respect of any Penalty incurred or paid before Our consent has been given to do so or before We have exercised Our discretion to pay your Claim under this Protection.
- (l) *Prior or pending Claims*
(i) directly or indirectly arising out of, based upon, attributable to, or in consequence of any Employment Claim made against You prior to the Protection Period; or
(ii) any actual or alleged Incident committed prior to the retroactive date of the Protection (if such a date is specified); or
(iii) a Claim made after the expiry of the Protection Period even though the event giving rise to the Claim may have occurred during the Protection Period; or
(iv) a Claim made, threatened or intimated against You prior to the commencement of the Protection Period; or
(v) facts or circumstances of which You first became aware prior to the Protection Period, and which You knew or ought reasonably to have known had the potential to give rise to a Claim under this Protection; or
(vi) a Claim arising out of circumstances noted on the proposal form for the current Protection Period or on any previous proposal form, or which should have been declared at that time.
- (e) *Sanctions-affected payments*
a Claim payment that breaches any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, the European Union, United Kingdom or United States of America.
- (f) *Strike, industrial and civil action*
directly or indirectly arising out of, based upon, attributable to, or in consequence of any Wrongful Breach involving a strike, lockout, picket line, stand down or industrial dispute (but not where the Claim is for an Officer or Employee and the Claim arises in the proper discharge of their duties).
- (g) *Territorial limitations*
for any Penalty:
(i) imposed pursuant to any law of any country, state or territory outside the Territorial Limits; or
(ii) imposed within the Territorial Limits but arising out of any act or omission occurring outside the Territorial Limits, and any Defence Costs associated with such Penalty.
- (h) *Taxes*
directly or indirectly arising out of, based upon, attributable to, or in consequence of a Wrongful Breach in involving a requirement to pay taxes, rates, duties, levies, charges, fees or any other revenue or impost.
(i) Wilful, fraudulent, negligent or intentional acts
directly or indirectly arising out of, based upon, attributable to, or in consequence of:
(i) any wilful, intentional or deliberate Wrongful Breach;
(ii) a wilful, intentional or deliberate failure to comply with any lawful notice, direction, enforcement action or proceeding under any Act;
(iii) any Wrongful Breach caused by gross negligence or recklessness by You;
(iv) deliberately or intentionally solicited by You (but not where the Claim is for an Officer or Employee and the Claim arises in the proper discharge of their duties);
(v) a dishonest, fraudulent, malicious act or omission by You; or
(vi) You gaining any personal profit or advantage or receiving any remuneration to which he/she was not legally entitled.

Part 2. Protection Terms and Conditions



7. Making a claim

Except where stated otherwise, this clause applies to all benefits provided by the Protection under Sections A and B and referred to in this document.

Notification of Claims

- (a) You must immediately notify Us in writing:
- (i) of any Claim made against You during the Protection Period; and
 - (ii) of any circumstances which You shall become aware of during the Protection Period which may give rise to a Claim under this Protection, irrespective of whether the Loss or Penalty is likely to be within the Limits of the Protection or not.
- (b) If a Claim is made against You during the Protection Period and You notify Us of the Claim within 21 days after the expiry of the Protection Period, We may treat the Claim as notified to Us during the Protection Period.
- (c) If during the Protection Period, You become aware of any circumstances which may subsequently result in a Claim against You and You give written notice of those circumstances to Us during the Protection Period, then any Claim which is later made against You, will be treated by Us as a Claim made against You and notified to Us during the Protection Period.

Assistance and co-operation

You must provide Us with all reasonable assistance We require when You deal with Us and You will:

- (d) be truthful and frank;
- (e) not behave in a way that is abusive, dangerous, hostile, improper or threatening;
- (f) co-operate fully with Us, even after We have paid a Claim.

You must at all times promptly notify Us of any information, documents or reports in Your possession or knowledge relevant to any Claim and You shall, whenever so requested, give to, or procure for, Us free access to such information, documents or reports with the right to inspect and copy them.

Multiple Claims

All causally connected or interrelated Employment Claims jointly constitute a single Employment Claim under this Protection and will be deemed to have occurred on the date of the earliest Employment Claim.

Where a single Employment Claim or series of causally connected or interrelated Employment Claims give rise to more than one Claim, all such Claims will jointly constitute one Claim which will be deemed to have been made at the time the first Claim was made.

Settlement, defence and appointment of lawyers

- (a) You must seek Our express written consent to pay Defence Costs before they are incurred.
- (b) If You hold Protection under Section B (Health and Safety Statutory Liability), You must do all things reasonably practicable to avoid a Wrongful Breach or to minimise a Loss.

Part 2. Protection Terms and Conditions

- (c) If You hold Protection under Section B (Health and Safety Statutory Liability), until We have made a decision to accept Your Claim, You must not make any offer, payment, admission, settlement or effect any resolution in respect of any Claim or agree to pay any Penalty or consent to any order directing You to pay any Penalty without Our consent. We will not be liable for any such Penalty incurred without Our consent which will not unreasonably be withheld. Even when We have agreed to pay Your Claim, You must follow our instructions or those of Our appointed legal counsel in managing or dealing with the Claim.
 - (d) If You hold the benefit in Section A (Employment Relations), until We have made a decision to pay Your Claim, You must not admit liability, or attempt to settle or make any admission with respect to a Claim. Even when We have exercised our discretion to pay Your Claim, You must follow our instructions or those of the Appointed Representative in managing or dealing with the Claim.
 - (e) We shall have the right, but not the obligation, to conduct in Your name, the investigation, defence (including appeal and resisting appeal) and settlement of any Claim. Any amount We incur shall be deemed to be part of the Loss.
 - (f) If You hold the benefit in Section B (Health and Safety Statutory Liability) and We have made a decision to pay Your Claim, if We recommend to You to agree to pay any Penalty, consent to any order directing You to pay any Penalty or otherwise settle or resolve any Claim, and You do not agree to do so, then We may reduce the amount We pay for your Claim to take into account any prejudice caused because You failed to follow Our direction.
 - (g) You may request Us to nominate an Appointed Representative to act on Your behalf. Alternatively, if You wish to nominate an Appointed Representative You must obtain Our consent to the appointment, which shall not be unreasonably withheld. However;
 - (i) unless otherwise agreed by Us, Our maximum liability for any legal and/or other fees charged by the Appointed Representative shall not exceed \$500 per hour or their usual charge out hourly rate, whichever is the lesser.
 - (ii) We may accept or refuse any nomination of any person or firm to act as Appointed Representative if We consider that a more experienced or competent representative is available.
 - (h) You shall not enter into any agreement to appoint the Appointed Representative without first obtaining our consent as to the terms of the appointment of the Appointed Representative, including remuneration terms. Further, You shall not represent to the Appointed Representative that all costs and associated expenses are covered by this Protection.
 - (i) You shall do all things reasonably necessary to allow Us to obtain from the Appointed Representative any information, report, documents or advice relating to the Claim.
 - (j) You shall upon Our request or the Appointed Representative and at its own expense:
 - (i) provide all information and assistance as may be required;
 - (ii) give a complete and truthful account of the facts relevant to any Claim;
 - (iii) supply all documents and other evidence relevant to the Claim; and
 - (iv) obtain and sign all documents reasonably required to be obtained and signed and attend any meeting or conferences when reasonably requested,
- and in respect of a Claim made against:
- (v) the Member, You shall, upon Our request or the Appointed Representative and at its own expense ensure that a Senior Officer attends and if necessary gives evidence, on behalf of the Member, at any conference, hearing, enquiry, investigation, proceeding or review in connection with any Claim made against the Member;
 - (vi) any Officer or Employee, You shall, upon Our request or the Appointed Representative and at Your own expense attend, and if necessary give evidence at any conference, hearing, enquiry, investigation, proceeding or review in connection with any Claim made against such Officer or Employee.

Sending Us notice of your Claim

You must:

- (a) give Us written notice as soon as practicable of any Claim; and
- (b) at any time during the Period of Protection, give Us written notice of any circumstance that might reasonably be expected to give rise to a Claim.

Part 2. Protection Terms and Conditions

Notice of any Claim under this Protection should be made by contacting Us:

The Claims Manager

Employsure Mutual Limited

Tel: Employer Advice line – 1300 651 415

Email: advice@employsure.com.au

Notice given of a circumstance should include reasons for the anticipation of a Claim with full particulars of the circumstances, dates and persons involved. Any subsequent Claim arising out of such circumstance will be deemed to have been made during the Protection Period in which the Claim was first notified to Us.

8. Other Terms

Except where stated otherwise, this clause applies to all benefits provided by the Protection and referred to in this document.

Mitigation of Loss

You must take any reasonable step, including but not limited to any action that is reasonably requested by Us, to avoid or reduce loss or damage suffered as part of any actual or potential Claim.

Fraudulent Claims and failing to comply with these conditions

If any of the conditions in this document are not met, We may refuse to pay a Claim, reduce the amount We pay for a Claim or in some circumstances We may cancel Your Protection. When making a Claim, you must have met and then continue to comply with the conditions of this Protection. Any person entitled to a benefit under this Protection, or Claiming under it, must also comply with these conditions.

If You, or a person covered under this Protection, don't meet these conditions or make a fraudulent Claim We may:

- (a) refuse to pay Your Claim or reduce what We pay for Your Claim;
- (b) cancel Your Protection entirely.

We may refuse to pay or reduce the amount We pay under a Claim if You do not comply with the conditions of this document, if You do not comply with Your duty of disclosure, or if You make a fraudulent Claim.

Authorisation

You agree to act on behalf of all other persons entitled to a benefit under this Protection and each person agrees that the Member is authorised to act on their behalf in giving and receiving the notice of any Claim, receiving and giving notice of cancellation or expiry of this Protection, the payment of the Contribution and any refund of moneys that may become due under this Protection, the negotiation, agreement to and acceptance of any changes to these terms and conditions.

Complying with statutory notices

You must comply with any lawful notice or direction received from, or any enforcement action taken by, any appropriate Regulatory Authority under any Act within the time specified or if no time is specified, within a reasonable time.

Preventing our right of recovery

If You have agreed not to seek compensation from another person who is liable to compensate You for any Loss, damage or liability which is covered by this Protection, We will not accept a Claim by You under this Protection for that Loss, damage or liability.

Subrogation

Upon our payment of Your Claim You agree to subrogate all rights of recovery to Us. You must not waive any rights of recourse or recovery against any other person relating to a Claim under this Protection and You must assist Us in all aspects in exercising such rights if requested to do so. In the event of any payment under this Protection, We will be subrogated to the extent of such payment to all Your rights of recovery, and You must execute all papers required and will do everything necessary to secure and preserve such rights, including the execution of documents necessary to enable Us to effectively bring proceedings in Your name.

Cancellation

We may cancel this Protection if You do not comply with the terms and conditions, fail to pay Contributions when due or if Your membership of Employsure Mutual is cancelled. We will give You 90 days prior written notice if We decide not to renew Your Protection.

You can cancel the Protection at any time by providing Us with 30 days prior written notice.

Part 2. Protection Terms and Conditions

If Protection is cancelled, We will retain part of the Contribution calculated by reference to the proportion that the expired part of the Protection Period bears to the whole Protection Period.

Where You have made a Claim during the Protection Period and We have agreed to accept it, We will retain all of the Contribution You paid for the Protection.

Change in circumstances

You must give to Us written notice as soon as practicable of any material alteration to the risk during the Protection Period including where an External Administrator is appointed or Your going into voluntary bankruptcy, receivership, liquidation or any other form of external administration or Your failing to pay debts or breaching or becoming the subject of bankruptcy or winding-up proceedings.

Confidentiality

Except where You are compelled to do so by law, You must not disclose the existence of this Protection, or release to any person or publish information about the Protection, including the benefits provided by Us, the Limit of Protection or the amount of the Contribution paid, except to the extent that:

- (a) such disclosure is made to Employsure;
- (b) You are required by law to do so; or
- (c) We consent, in writing, to such disclosure.

Notices

Any notice We give You will be in writing, and it will be effective if:

- (a) it is delivered to You personally; or
- (b) it is delivered to You at Your address (including an electronic address) last known to Us.

It is important for You to notify Us if Your address changes as soon as possible.

Merger, acquisition or receivership

If You hold the benefit in Section B (Health and Safety Statutory Liability) and during the Protection Period, You are the subject of a Merger or Acquisition or have a

Receiver appointed then this Protection shall only apply in respect of a Wrongful Breach occurring prior to such an event, unless otherwise agreed in writing by us.

Severability and non-imputation

If You hold the benefit in Section B (Health and Safety Statutory Liability), We agree that where We have exercised our discretion to pay a Claim, where this Protection protects more than one party, any conduct on the part of any party or parties whereby such party or parties:

- (a) failed to notify Us of material issues relating to the risk including significant changes to risk;
- (b) made a misrepresentation to Us before this Protection was entered into;
- (c) failed to comply with any term or condition of this Protection; and /or
- (d) acted in a manner which gives rise to the application of an exclusion of this Protection,

shall not prejudice the right of the remaining parties to Protection as may be provided by this document and the rights of the Member under the Employsure Mutual's Company Constitution and Rules.

Provided always that any other party Claiming under this Protection must:

- (e) not have participated in and have had no prior knowledge of any such conduct; and
- (f) as soon as is reasonably practicable upon becoming aware of any such conduct, advise Us in writing of all known facts in relation to such conduct.

Insurance policies You hold

You must notify Us immediately if You hold any insurance policy that provides cover in respect of the risks protected by this Protection.

Governing Law / Jurisdiction

This Protection will be governed by and interpreted in accordance with the laws of the Commonwealth of Australia and the jurisdiction of the courts in the State of New South Wales.

Part 3. Financial Services Guide



Introduction

This Financial Services Guide (**FSG**) describes the services Employsure Pty Ltd ACN 145 676 026 (**Employsure**) provides and explains our relationship with Regis Mutual Management Pty Ltd (**Regis**) ABN: 71 130 820 727 AFSL No. 338156 and Employsure Mutual Limited ACN 630 256 478 (**Mutual**). This FSG also describes how we are remunerated for our services, our professional indemnity insurance arrangements, and how we handle any complaints you may have.

Employsure Protect is the discretionary protection provided by the Mutual, which is a financial product so if you are interested in becoming a member of the Mutual and purchasing this protection, we will give you the Product Disclosure Statement (**PDS**). The type of protection offered by the Mutual is explained in the PDS including the coverage benefits, limitations and other terms and conditions. Reading it will help you to decide if membership of the Mutual and the protection it offers to members will suit your business' needs, objectives and financial position.

What services can we provide?

Employsure will provide financial services to you when we offer you membership of the Mutual and when we accept an application for protection from you. When we offer you discretionary protection, we are doing so on behalf of the Mutual and we have the authority to issue a discretionary protection product on their behalf.

We may also advise you about discretionary protection products. Employsure can only provide this advice in general terms and cannot advise about your individual situation. When giving general advice and dealing in discretionary risk products, we are acting as an authorised representative of the mutual manager, Regis Mutual Management Pty Ltd. Employsure's authorised representative number is 001274577.

Remuneration and important relationships

Employsure will be paid a fee for the services it provides to the Mutual. This remuneration fee will be calculated depending on a number of factors, including the number of Members that are serviced by Employsure, claims handled by Employsure, and other services delivered by and on behalf of the Mutual by Employsure in each year.

Employsure has Directors appointed to the Board of the Mutual.

Regis earns remuneration for providing mutual management services to the Mutual which includes granting the financial services authorisation to Employsure.

Employsure' professional indemnity insurance

Employsure has professional indemnity insurance in place which covers Employsure for any errors or mistakes relating to our services. This insurance meets the requirements of the Corporations Act and covers the services provided by Employsure and after Employsure

Part 3. Financial Services Guide



ceases to provide mutual management services to the Mutual, provided Employsure notifies the insurer of the claim when it arises and this is done within the relevant policy period.

What to do if you have a complaint

If you have a complaint about the financial services we have provided, please contact Employsure in the first instance.

We will acknowledge receipt of your complaint within 24 hours and provide a response in writing within 15 business days. Regis will also facilitate resolution of your complaint as the authorising licensee.

After this, if the complaint can't be resolved to your satisfaction, you may have the right to refer the matter to the Australian Financial Complaints Authority (AFCA). Membership of AFCA is held by Regis as the authorising licensee. AFCA can be contacted on 1800 931 678 or you can write to them at:

AFCA

GPO Box 3 Melbourne VIC 3001

Email: info@afca.org.au

Further details are available on their website at www.afca.org.au

How do you contact us?

You can contact us using the following methods

Employsure Pty Ltd

ABN: 145 676 026

AR No: 001274577

Level 60, 180 Thomas Street
Haymarket NSW 2000

Tel: Client Experience Team – 1300 651 415

Email: client.experience@employsure.com.au

Regis Mutual Management Pty Ltd

ABN: 71 130 820 727

AFS Licence No: 338156

Level 11, 56 Pitt Street
Sydney NSW 2060

Tel: 02 9252 1599

Email: emp@rmml.com

More Information

If you would like more information, please contact us by phone, in writing by email as set out in the contact details above.

This FSG was prepared on 12 March 2019.

This FSG has been authorised for distribution by Regis Mutual Management Pty Ltd ABN: 71 130 820 727
AFSL No. 338156.



employsure
protect