

Adviser Group Terms

Issue date: 17 October 2022

1. Our Relationship

- 1.1 Under this agreement, the Product Issuer may pay the Adviser Group adviser service fees or commission, or both (**Remuneration**), including:
- (a) Remuneration by way of upfront fees as agreed between the Adviser Group and the Product Issuer, appropriately authorised and consented to by the client as applicable, which is paid by the Product Issuer from its own funds for services provided by the financial adviser, including facilitating the issue of a financial product; or
 - (b) Remuneration by way of ongoing fees as agreed between the Adviser Group and the client, appropriately authorised and consented to by the client as applicable, which is paid from the client's funds for services provided to the client.
- 1.2 As the 'Adviser Group' you will be eligible to receive Remuneration on a financial product issued by a Product Issuer only if at all times you hold a current Australian Financial Services Licence (**AFSL**) authorising you to deal in and provide financial product advice on the financial product.
- 1.3 A Product Issuer is a relevant Challenger Limited group company that offers the financial products (see section 9) to the Adviser Group's clients.
- 1.4 On acceptance of these terms (see section 11), the terms will apply as a separate agreement between the Adviser Group and each Product Issuer in respect of the Product Issuer's financial products. In the case of a life insurance company, the agreement will also apply to superannuation products issued by a trustee company in the Challenger Limited group that are invested wholly in life policies of the life insurance company and for the purposes of this agreement, those products will be taken to be issued by the life insurance company. Each agreement is referred to in these terms as this 'agreement'.
- 1.5 The Adviser Group and the Product Issuer enter into this agreement as independent

contractors. Nothing contained or implied in this agreement constitutes the Adviser Group or any of its representatives as the partner, agent or legal representative of the Product Issuer for any purpose. The Adviser Group and its representatives have no authority to bind the Product Issuer in any way.

- 1.6 For the avoidance of doubt, any financial services that this agreement contemplates will be provided by the Adviser Group and its representatives under its own AFSL and not that of the Product Issuer. In particular, the Adviser Group is not an authorised representative, within the meaning of section 761A of the Corporations Act, of the Product Issuer.

2. Product Issuer's Obligations

The Product Issuer must at all times:

- 2.1 **Make available all relevant information about its financial products** to the Adviser Group such as promotional material, and information which the Product Issuer is required to provide by law which includes current Product Disclosure Statements (PDS) and application forms.
- All information provided remains the property of the Product Issuer and must be returned on request or termination of this agreement.
- 2.2 **Pay Remuneration to the Adviser Group**, including:
- (a) Remuneration on behalf of the Product Issuer in relation to services, including the product issue facilitation services, provided by the Adviser Group; and
 - (b) Remuneration on behalf of the client in respect of advice services provided to the client by the Adviser Group, and provide Remuneration statements, in accordance with section 4.
- 2.3 **Provide the Adviser Group with reasonable notice** where the Product Issuer has deemed a Target Market Determination made for a financial product to be no longer appropriate,

with respect to clause 3.15(b)(1) below, following the result of a review trigger specified in the Target Market Determination or the occurrence of an event or circumstance, whatever the case may be, from time to time.

- 2.4 Generally do such matters or things necessary to meet its obligations under this agreement.

3. Adviser Group's Obligations

The Adviser Group must (and where the context allows, ensure that each of its representatives) at all times:

- 3.1 **Comply with** all relevant statutes, laws, regulations, licences and directives (**Law**) and maintain professional indemnity and fidelity guarantee cover that a prudent AFSL holder would hold and is otherwise required by law.
- 3.2 **Hold an AFSL** authorising it to deal in and provide financial product advice on each financial product that either the Product Issuer has issued to the Adviser Group's client or the Product Issuer offers and that the Adviser Group submits an application in relation to or receives Remuneration for. The Adviser Group must immediately notify the Product Issuer if its AFSL does not so authorise it or is suspended or cancelled.
- 3.3 **Give documents and information** to clients as required by Law including:
 - (a) information about remuneration and other benefits the Adviser Group or its representatives are to receive from the Product Issuer;
 - (b) an up-to-date PDS prior to submitting any application for the financial product by any client; and
 - (c) where required for an ongoing fee arrangement, the fee disclosure statement required by section 962G of the Corporations Act.
- 3.4 **Provide to the Product Issuer a list of names of representatives** of the Adviser Group authorised to deal in and provide financial product advice on financial products issued by the Product Issuer and notify the Product Issuer within seven days of any changes to that list of names and provide the Product Issuer with any other information it reasonably requests.
- 3.5 **Promptly submit all application forms**, client identification related information (as requested in the application forms or by the Product Issuer from time to time) and application monies to the Product Issuer for the financial products which it is facilitating the issue of. If lodging an application online on behalf of clients via BoardRoom's Platform, ensure consent from client(s) have been obtained to complete the application on their behalf and that they have read and consented to the collection of their personal information in accordance with the Fidante Privacy Policy and BoardRoom Privacy Policy, and understand and agree to the use and disclosure of their personal information as outlined in the Privacy Collection Notice. If lodging an application online on behalf of clients via BoardRoom's Platform, ensure that the client(s) agree(s) to the online application terms and conditions and that all entered details are true and correct.
- 3.6 **Agree to not breach or circumvent**, or attempt to breach or circumvent, any security measures on the Fidante Website or via BoardRoom's Platforms including 'hacking' or attempting to obtain access to secure parts of, or customer information on the Fidante Website or BoardRoom's Platforms, without prior authorisation.
- 3.7 **Not hold itself out** to any person as having authority to act for or on behalf of the Product Issuer or any related party.
- 3.8 **Comply with** the FSC/FPA Industry Guideline (Guideline) on managing mutual obligations under Chapter 7 of the Anti-Money Laundering/ Counter-Terrorism Financing Act 2006 (Cth) (AML/CTF Act).
- 3.9 **In relation to each service or financial product** to which the Guideline applies, provide the Product Issuer with a copy of or access to (whichever the Product Issuer requires) records which demonstrate that the client identification procedure was conducted in a manner consistent with the Guideline.
- 3.10 **Comply with** any request made by the Product Issuer to provide a copy of or access to a client identification record, irrespective of whether or not a copy of or access to the record has previously been requested by or provided to the Product Issuer.
- 3.11 **Comply with the Adviser Group's obligations** under Law regarding retention of client identification records, including ability to access records and integrity of records and notify the Product Issuer as soon as practicable on or within 5 days of becoming aware of any event affecting or likely to affect such record retention.

- 3.12 **Promptly notify the Product Issuer** if the Adviser Group intends to, or becomes aware that it may, be subject to a winding up application, dissolved, deregistered or placed in administration or receivership, and, if requested, provide the Product Issuer with copies of all client identification records that relate to financial products issued by the Product Issuer.
- 3.13 **Notify** the Product Issuer of any proposed changes to the Adviser Group's client identification procedures. The Product Issuer should be notified of the proposed changes no later than 30 days before the changes are to be implemented unless this is not feasible due to the money laundering or terrorism financing risk involved.
- 3.14 To the extent that the Adviser Group is not prohibited from doing so, **promptly notify the Product Issuer** of any action taken by AUSTRAC or other authorised officer in relation to the Adviser Group's compliance with the AML/CTF Act. The obligations in clauses 3.9 to 3.15 survive termination (for whatever reason) of this agreement.
- 3.15 **Comply with** the design and distribution obligations as specified in this clause 3.15 as follows:
- (a) ensure that the Adviser Group complies with its obligations under the Design and Distribution Obligations Regime;
 - (b) not engage in Retail Product Distribution Conduct (other than the giving of personal advice) in relation to a financial product where there is no Target Market Determination in respect of the financial product or where:
 - (1) a Target Market Determination may no longer be appropriate, as notified by the Product Issuer from time to time; or
 - (2) the Adviser Group deems the Target Market Determination is no longer appropriate, as notified to the Product Issuer in writing, in accordance with Laws, which for the avoidance of doubt, will include the Design and Distribution Obligations Regime;
 - (c) take all reasonable steps to ensure that Retail Product Distribution Conduct (other than the giving of personal advice) is consistent with the Target Market Determination made for the relevant financial product in accordance with Laws, including the Design and Distribution Obligations Regime;
 - (d) comply with the distribution conditions that apply to a financial product, as set out in the applicable Target Market Determination;
 - (e) collect and report any information specified in the applicable Target Market Determination as being required to be collected and reported to the Product Issuer and, notwithstanding any other clause in this agreement, collect and report to the Product Issuer any information about complaints and the number of complaints (including a nil report as required by Law) with respect to the financial product during a reporting period specified in the Target Market Determination in such form as prescribed by the Product Issuer; and
 - (f) notify the Product Issuer of any significant dealing in relation to a financial product that is not consistent with the Target Market Determination made for the relevant financial product. Such notification with respect to this clause 3.15(f) will be done so by the Adviser Group as soon as practicable but no later than 10 Business Days on becoming aware of any significant dealings not consistent with the Target Market Determination made for the relevant financial product.
- For the purpose of this agreement, the following definitions will apply:
- Business Days** means a day other than Saturday or Sunday on which banks are open for general banking business in Sydney or Melbourne.
- BoardRoom's Platform** means any online portal managed by BoardRoom Pty Limited (ABN 14 003 209 836) including (but not limited to) the online application portal, InvestorServe and AdviserServe.
- Design and Distribution Obligations Regime** means the obligations contained in Part 7.8A of the Corporations Act and any associated regulations and regulatory guidance from a regulator.
- Retail Product Distribution Conduct** has the meaning given in section 994A(1) of the Corporations Act.
- Target Market Determination** has the meaning given in section 994A(1) of the Corporations Act.

4. Adviser Group Remuneration

- 4.1 If applicable, Remuneration will only be paid on financial products issued by the Product Issuer pursuant to an application bearing the Adviser Group's identification stamp or details as proof of facilitation. Only the Product Issuer is responsible for the payment of Remuneration under this agreement. The amount of any Remuneration will not exceed that disclosed in the relevant PDS or as last notified by the Product Issuer to the Adviser Group. The Product Issuer may at any time alter the Remuneration by notice to the Adviser Group. To the extent that there is any inconsistency between any provisions of a notice specifying the amount of the Remuneration and a provision of this agreement, the provision of this agreement prevails unless the notice expressly provides otherwise.
- 4.2 If a Remuneration arrangement is permitted by any applicable PDS for a financial product, the amount of the Remuneration in accordance with the PDS will continue to be paid until the Product Issuer becomes aware that the client has ceased to be a client of the Adviser Group, the client notifies the Product Issuer in writing or otherwise that they no longer receive services from the Adviser Group or the arrangement is otherwise terminated in accordance with the PDS or terms of the financial product.
- 4.3 Remuneration will be paid by direct credit to the Adviser Group's nominated bank account on the dates notified by the Product Issuer from time to time.
- 4.4 A Remuneration statement will be provided from time to time to the Adviser Group including details of the Remuneration type, amount and representative.
- 4.5 Remuneration will be repayable by the Adviser Group to the Product Issuer to the extent that the Remuneration has been:
- (a) paid in respect of a financial product that is returned by the holder exercising a cooling off right;
 - (b) incorrectly or over-paid;
 - (c) paid in respect of a former representative of the Adviser Group;
 - (d) paid in respect of a financial product and is required to be repaid in accordance with a notice given by the Product Issuer in relation to the amount of Remuneration on the product; or
 - (e) paid after the Adviser Group ceases to hold
- an AFSL.
- 4.6 Any repayable Remuneration will be set off against other Remuneration payable to the Adviser Group and will become a debt that is due and payable if no other Remuneration becomes payable within three months of the Remuneration becoming repayable.
- 4.7 Remuneration will cease to be payable on the earlier of the following events:
- (a) in respect of a holder of a financial product, the holder to whom the product was first issued ceasing to hold the product or notifying the Product Issuer in writing or otherwise that the holder is no longer a client of the Adviser Group or no longer receives financial services from the Adviser Group in relation to the product;
 - (b) in respect of a group of holders of financial products, where the Adviser Group has, with the consent of the Product Issuer, transferred its rights to receive the Remuneration in respect of that group of clients to another Adviser Group;
 - (c) in respect of an ongoing fee arrangement within the meaning of section 962A of the Corporations Act, the client not renewing the arrangement or terminating the arrangement;
 - (d) in respect of a financial product, where the Product Issuer is not permitted to make Remuneration payments pursuant to any Law, direction from a regulator or order of a court;
 - (e) in respect of a financial product, the Adviser Group ceasing to hold an AFSL authorising it to deal in and provide financial product advice on the financial product or having its AFSL suspended or cancelled;
 - (f) in respect of all financial products of the Product Issuer, in the reasonable opinion of the Product Issuer, the Adviser Group is in any material respect in breach of this agreement or any Law;
 - (g) the Adviser Group is wound up, dissolved, deregistered or placed in liquidation, administration or receivership; or
 - (h) where it is otherwise not able to be paid due to any provision of any relevant law.
- In any such case, where Remuneration has already been paid, it will become repayable pursuant to clause 4.5(b).
- 4.8 Remuneration may be repayable, or may cease to be payable, on the happening of an event identified in the relevant PDS as having that result.

5. Indemnity

Each party will indemnify and hold harmless the other party for all claims, losses, damages, costs, expenses and liabilities suffered or incurred in connection with any breach of this agreement and any fraud, negligence or misconduct, by the party or its representatives. The indemnities survive termination (for whatever reason) of this agreement.

6. GST

- 6.1 The terms, 'GST', 'Tax Invoice', 'supply', 'consideration' and 'Recipient Created Tax Invoice' have the meaning given to those terms in the A New Tax System (Goods and Services Tax) Act 1999 (Cth).
- 6.2 If GST has application to any supply made by one party ('supplier') to another party ('recipient') under this agreement, the supplier may in addition to any amount or consideration, calculated on a GST-exclusive basis and expressed as payable elsewhere in this agreement, subject to delivering a valid Tax Invoice (where a Recipient Created Tax Invoice has not and will not be issued under clause 6.6), recover from the recipient an additional amount on account of GST, such amount to be calculated by multiplying the relevant amount or consideration payable by the recipient for the relevant supply by the prevailing GST rate. Any such additional amount will be payable at the same time as the other consideration for the supply.
- 6.3 In relation to any amount or consideration for a supply that is expressed as GST inclusive in or in connection with this agreement, in the event of a change in the rate of GST, the new GST inclusive consideration is determined by converting the existing GST inclusive consideration to a GST exclusive figure (based on the GST rate immediately prior to the new prevailing GST rate) and multiplying it by $(1+n)$ where 'n' is the new prevailing rate of GST (expressed as a decimal).
- 6.4 If it is determined on reasonable grounds that the amount of GST paid or payable on a supply under this agreement differs from the amount payable on account of GST to a supplier under this clause 6 or otherwise including by reason of:
 - (a) an alteration in the GST law;
 - (b) any ruling or advice of the Commissioner of Taxation;
 - (c) a refund of GST to the relevant supplier in respect of any supply made under this agreement; or

- (d) a decision of any relevant tribunal or court, the amount payable on account of GST shall be adjusted accordingly.

- 6.5 All amounts payable by the recipient to the supplier under this agreement by way of reimbursement of an amount paid or payable by the supplier to any other person, or calculated on the basis of amounts incurred or to be incurred by the supplier, shall be calculated on the basis of such amounts payable by the supplier, or costs incurred by the supplier, excluding any applicable amount in respect of GST incurred by the supplier to the extent to which the supplier is entitled to an input tax credit in respect of such GST or amount and this amount shall be taken to be the GST-exclusive consideration for the purposes of clause 6.2.

6.6 Recipient Created Tax Invoice

For the purpose of satisfying the requirements of the GST legislation and any additional requirements as determined by the Commissioner of Taxation from time to time, the parties agree that:

- (a) unless the Adviser Group notifies the Product Issuer to the contrary, the Product Issuer will issue Recipient Created Tax Invoices in respect of taxable supplies made by the Adviser Group to the Product Issuer under this agreement; and
- (b) the Adviser Group will not issue a Tax Invoice in respect of any supply by the Adviser Group to the Product Issuer under this agreement unless the Product Issuer notifies the Adviser Group that the Product Issuer will not be issuing a Recipient Created Tax Invoice for that supply; and
- (c) the Product Issuer is registered for GST purposes when this agreement is entered into. The Product Issuer will notify the Adviser Group in the event that the Product Issuer ceases to be registered for GST purposes or ceases to satisfy the requirements for issuing Recipient Created Tax Invoices as set out in the GST legislation or as determined by the Commissioner of Taxation from time to time; and
- (d) the Adviser Group is registered for GST purposes when this agreement is entered into and has notified the Product Issuer of its ABN. The Adviser Group will notify the Product Issuer in the event that the Adviser Group ceases to be registered for GST purposes or the Adviser Group becomes aware of any reason why its registration may be cancelled; and

(e) if the Adviser Group ceases to be registered, the Product Issuer will immediately cease paying any amount on account of GST to the Adviser Group in respect of any supplies made by the Adviser Group to the Product Issuer under this agreement, and any consideration expressed to be inclusive of GST is to be reduced accordingly.

6.7 The Adviser Group agrees to provide the Product Issuer with any relevant information required from time to time to assist the Product Issuer to issue each Recipient Created Tax Invoice required for the purposes of payment of GST under this agreement.

7. General Terms

7.1 Assignment

Any party may with the prior written consent of the other party assign its rights under this agreement. The Adviser Group must ensure that it complies with all Law including the Privacy Act 1998 and AML/CTF Act in respect of dealing with information about a holder of a financial product issued by a Product Issuer where the Adviser Group has been, is or will be paid Remuneration for that financial product (including the transfer or assignment of the right to receive Remuneration to or from the Adviser Group).

7.2 Variation

This agreement may be varied at any time by the Product Issuer giving notice to the Adviser Group.

7.3 Interpretation

Unless the contrary intention appears, words that are defined in the Corporations Act have the same meaning in this agreement.

7.4 Notices

Unless expressly stated otherwise in this agreement, all notices and other communications in connection with this agreement must be:

- (a) in writing, signed by the sender (if an individual) or an officer of the sender or an authorised signatory of the sender; and
- (b) in the case of communications to the Product Issuer, marked for the attention of the Adviser Services Team, Challenger Limited or if the Product Issuer or that person has notified otherwise, then marked for the attention in the way last notified.

Communications take effect from the time they are received unless a later time is specified. If sent by post to the address last notified by the recipient, they are taken to be received three days after posting.

7.5 The agreement is governed by the laws of New South Wales and each party agrees to submit to the jurisdiction of the Courts in that state.

8. Termination

This agreement may be terminated at any time by a party giving the other party notice specifying a termination date.

9. Product Issuers

9.1 Each of the following companies is a Product Issuer at the time these terms were first published: Fidante Partners Limited (ABN 94 002 835 592, AFSL 234668); Fidante Partners Services Limited (ABN 44 119 605 373, AFSL 320505); Challenger Life

Company Limited (ABN 44 072 486 938, AFSL 234670); and Challenger Retirement and Investment Services Limited (ABN 80 115 534 453, AFSL 295 642, RSE Lic. L0001304).

9.2 The terms apply separately to each Challenger Limited group company that gives the Adviser Group notice that it is a Product Issuer for the purposes of these terms.

10. Privacy

The Product Issuer may collect personal information about financial advisers associated with the Adviser Group. This may be collected from the Adviser Group or otherwise from the adviser directly, and will be handled in accordance with the relevant Product Issuer's privacy policy (located at www.fidante.com.au or challenger.com.au). Personal information is collected and used to administer financial products that the Adviser Group is facilitating the issue of, or to inform the Adviser Group (or its financial advisers directly) of products and services that may be of interest to them or their respective clients.

11. Acceptance of These Terms

11.1 An Adviser Group is taken to accept these terms at any time after receipt of these terms by:

- (a) submitting an application that bears the Adviser Group's identification stamp or details and is for a financial product issued by the Product Issuer or any other Product Issuer in the Challenger Limited group; or
- (b) providing its AFSL number to the Product Issuer or any other Product Issuer in the Challenger Limited group; or
- (c) accepting a payment of Remuneration from any Product Issuer in the Challenger Limited group; or
- (d) otherwise confirming its acceptance to any member of the Challenger Limited group.

11.2 This agreement constitutes the entire agreement of the Adviser Group and each Product Issuer about its subject matter and supersedes all previous agreements, understandings and negotiations on that subject matter except where expressly agreed otherwise in writing.