

DAMIEN CODOGNOTTO AND LEWIS BORDON T/A

MRA PROMOTIONS

AND

(hereinafter called the "Agent")

CANBERRA MOTOR INSURANCE

(hereinafter called the "Principal Agent")

WHEREAS:

- A The Principal Agent has access to favourable insurance agreements negotiated with certain underwriters in respect of motor cycle insurance.
- B The Agent carries on business to promote the M.R.A. in the State of Victoria and has considerable expertise and competence in that area of business.

It is hereby agreed as follows:-

- 1 The Principal Agent appoints the Agent to sell motor cycle insurance and any other class of insurance which may be agreed upon from time to time.
- 2 The Principal Agent will
 - (a) Continue to support the promotion and marketing of the insurance scheme.
 - (b) Negotiate with the underwriters and any other underwriter in respect of the premiums payable after due consultation with the Agent.
 - (c) Supply all insurance certificates, policy workings and other insurance documentation.
- 3 The Agent will
 - (a) Ensure that all proposal forms are signed by the proposer(s).
 - (b) Remit to the Principal Agent, after deduction of the agreed commission, all premiums due and payable and copies of the insurance certificates or proposals within seven days from the end of each calendar week in which the policy was issued.
 - (c) Will indemnify the principal agent for all monies collected by M.R.A. persons in the State of Victoria.
- 4 The Agent is authorised to sign policy documents, certificates of insurance, certificates of currency and attend other matters which in the normal course of events could have been executed by the Principal Agent under its agreements.

5 Neither party shall assign or otherwise deal with the benefit of this agreement without the previous consent in writing of the other.

6 This Agreement will commence on the 7th day of September 1982 and may be terminated by either party giving to the other ninety (90) days notice in writing.

IN WITNESS WHEREOFF the parties hereto have hereunder set their hands and seals the day and year hereinbefore written.

DAMIEN CODOGNOTTO

D. Codognotto 7, 9, 1982

Witness

A. Priestley

LEWIS BORDON

L. Bordon 7, 9, 1982

Witness

A. Priestley

CANBERRA MOTOR INSURANCE

Johnston 7, 9, 1982

Witness

A. Priestley

Canberra Motor Insurance

2A Oatley Court, Belconnen ACT
PO Box 20 Macquarie ACT 2614

Telephone: (062) 51 5555

Mr. S. Rolfe
MRA House
184 Brunswick
FITZROY, VICTORIA

Dear Mr. Rolfe,

RE: EXCLUSIVE MRA (VICTORIA) INSURANCE AGENCY

I refer to meetin in Melbourne last Friday and confirm we are prepared to offer to the MRA in Victoria an exclusive agency for motor cycle insurance which will enable the MRA to insure the policy document in accordance with an agent procedure.

CONCEPT PROPOSAL

1 AGREEMENT

MRA and CMI to sign an agreement similar to the draft agreement attached.

2 CMI SERVICE

CMI will provide our Melbourne manager, Ian Holyman to administer the day to day requirements and to attend generally to ensure the success and smooth running of the agency.

3 CLAIMS SERVICE

CMI in conjunction with its underwriter, Western Underwriters Pty. Ltd. will establish a claims service facility and system which will guarantee prompt and efficient assessment and repairs for accident damaged cycles. Unless there are suspicious or unusual circumstances, authorisation to commence repairs will be given with seven working days.

4 MARKETING

CMI in conjunction with the MRA will design a brochure to establish the clear advantages for MRA members to purchase their insurance through each MRA register. The cost of this and all other material such as policy/proposal schedules, policy wordings, receipt books, etc. will be paid for by CMI.

5 RATES

A suggested rating structure is the attached rating chart less an additional discount of 20% for MRA members. Thses rates incorporate an agreed value on renewal.

Branch Offices:

13 Huntly Arcade
Goulburn, NSW, 2580
(048) 21 7074

E & F Auto Spares
184 Crawford Street
Queanbeyan, NSW, 2620
(062) 97 6544

6 POLICY WORDING

As per attachment.

7 COMMISSION

Suggested commission of 12% of the premium for the first year of the policy and an additional 6% of the premium for each year the policy is renewed.

8 RETURN TO MRA

Assuming a market penetration of 15% of MRA members in the first year.

Then 15% of 4400 = 660 policies
660 x \$ 250 (average premium) = \$ 165,000
\$ 165,000 x 12% = \$ 19,800

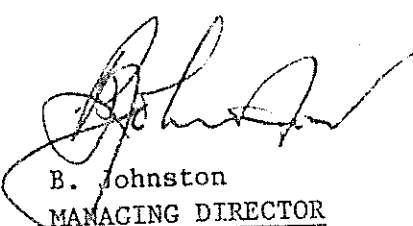
PLUS RENEWAL COMMISSION

CMI already has an established close relationship with the MRA in both the A.C.T. (Hal Caston) and N.S.W. (Adel Mitchell) and we would welcome the opportunity to extend this relationship into Victoria.

If after discussion within your executive our relationship is formalised we would expect that any formal or agency arrangements with Swann and VACC would be discontinued.

We look forward to your comments at your earliest convenience.

Yours sincerely,
CANBERRA MOTOR INSURANCE


B. Johnston
MANAGING DIRECTOR