



QBE INSURANCE LIMITED

A.C.N. 000 157 899

GROUP SCHEMES BRANCH
473 BOURKE STREET
MELBOURNE, VIC. 3000
AUSTRALIA

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BOX 766G, G.P.O., MELBOURNE, VIC. 3001

13th December 1995

Mr D. Codognotto
National Motorcycle Consultants
Elizabeth street
MELBOURNE VIC 3000

Dear Mr. Codognotto,

RE: AGENCY AGREEMENT NUMBER MG 4810 / MG 4811

Further to previous correspondence and discussions including Mr Raymond Jones letter 8.12.95, I write to confirm Termination of your Agency Agreement, and in accordance with article 10 of the said Agreement, Termination will occur 30 days from the date of this letter.

I also advise that you are required to inform other Insurance Companies you currently have a relationship with, that your Agreement with Western Underwriters is to be terminated, and a representative from Western Underwriters will call shortly to collect all documentation, proposal pads etc.

Whilst our decision to cancel your Agency is based upon your results over the last couple of years and our current commercial environment, should you wish to discuss re-establishing an Agency with us at a future time, it would be helpful if you collated claims ratio's, premium volume etc for our consideration.

In the interim, we wish you the best of success in your growing operation and thank you for your past support.

Yours sincerely


Per
Chris Blair
Branch Manager
Group Schemes - Victoria



Raus
10-25 AM THURS. DEC.

SECRETARY.

SEMREEN. (WOMAN)

Mr Blair in meeting till noon. Then another meeting at 12-15. I quietly explained to her the incompetence

over recent months and that the envelope was an example. No real address I'll see if Mr Blair bothers to ring me back. Mr

Jones told me Blair would organize a meeting with me.

10-45 AM FRI. DEC. 15, 1995 Semreen rang to apologise that Chris Blair could not get through to me. He will try this afternoon.



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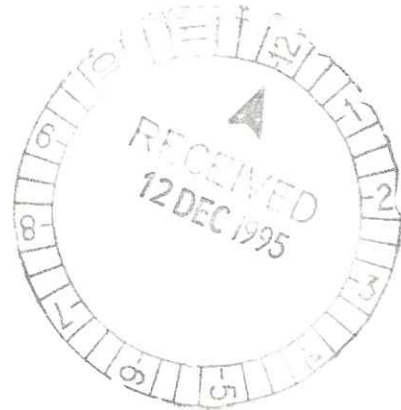
AUSTRALIAN OPERATIONS DIVISION
82 PITT STREET
SYDNEY, N.S.W., 2000
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TELEPHONE: (02) 235 4444
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BOX 82., G.P.O., SYDNEY, N.S.W., 2001

8th December 1995

Mr. D. Codognotto
National Motorcycle Consultants
GPO Box 1933R
Melbourne
VICTORIA 3001



Dear Mr. Codognotto,

Re: NMC Agency Cancellation

I refer to your letter of the 4th December 1995 and our telephone conversation on the issue of the cancellation of your Western Underwriters Motorcycle Agency.

I have reviewed the situation in detail with the Manager of our Victorian Group Schemes branch, Mr. Chris Blair, and advise that I am satisfied that the commercial decision they have made in the cancellation of your agency is justified.

Your concerns about the manner in which the cancellation was enacted are noted, and I have asked Mr. Blair to respond to you on that point.

It is disappointing that such a long relationship between Western Underwriters and one of its agents should end, however, the commercial reality is that relationships must be viable for both parties on an ongoing basis, and unfortunately, that is not the case with the relationship between NMC and Western Underwriters.

Yours sincerely,

Raymond Jones
General Manager, Australia

c.c. Mr. C. Blair, QBE Melbourne