

# DISCLOSURES

## Please read prior to binding insurance.

Our clients, prospective clients and broker clients are entitled to any information about our business relationships that pertain to a transaction or recommendation we may furnish to you. Any material perception of influence over our decision-making process around placing, or recommending to place, a contract of insurance on your behalf needs to be disclosed.

### **How RAISE is Compensated**

**RAISE Underwriting Limited** (“RAISE”) provides wholesale insurance, insurance brokerage and other insurance-related services to other insurance brokers and insureds. Our compensation may take the form of commissions (typically as a percentage of the premium), client fees (paid either instead of or in addition to commissions), third party fees and contingency commissions paid to us by insurers which we describe below in greater detail.

**Commission Income** – is the amount of the premium retained by RAISE as compensation for originating, underwriting, and servicing insurance policies. Commissions may range from 2.5% to 30%, depending on the type of insurance policy or surety contract provided. Commission percentages for each type of coverage are typically consistent among most insurance companies but may vary due to a variety of factors from time to time.

**Contingency Commissions** – are amounts of money that may be paid to RAISE, usually annually, relating to RAISE’s ability to achieve certain business metrics established between the insurer and RAISE. Contingency Commissions vary from insurer to insurer but are typically aligned to maintaining a profitable underwriting result.

**Fee Income** – from time to time, typically on lower commission policies and/or where additional credit card or courier charges are incurred RAISE may charge a fee in addition to the commission. RAISE charges a fee in addition to the commission:

- a) to bring the aggregate of commission and fee income to between 7.5% and 10% of the policy premium; and/or
- b) to offset credit card and courier expenses.

**Other Income** – RAISE provides other services to our clients through third-party service providers where we are paid or reimbursed fees. Clients who pay by credit card, for example, incur up to 2.5% of the amount charged as an additional fee (which is remitted to the credit card company). Where RAISE arranges premium financing, the premium finance provider may pay us a percentage of the interest as an origination fee.

### **Financial Relationships with Insurers**

RAISE transacts with many insurance companies on our clients’ behalf. From time to time, RAISE’s ultimate shareholders and/or related entities may secure financing in the form of loans to assist and enable perpetuation of the businesses. Insurer-provided financing may contain incentives, similar to the contingent commissions disclosed above, that align the terms of the loan to certain business metrics established between related entities to RAISE and the insurer-financing provider.

### **Financial Relationships with other Insurance Brokers, Wholesale Insurance Brokers & MGAs**

The majority shareholder of RAISE is also the majority shareholder of **PLATFORM Insurance Management Inc.** (“PLATFORM”), a retail insurance broker and a client of RAISE. PLATFORM engages RAISE (and other non-owned wholesale brokers and MGAs) to place insurance contracts on PLATFORM clients’ behalf when coverage is either not available or where terms are otherwise unfavourable with insurance companies. In the circumstance where PLATFORM places a contract of insurance through RAISE, both PLATFORM and RAISE earn commission and/or fee income.

Both RAISE and one of RAISE’s parent company’s shareholders have a financial interest in **BOXX Underwriting Inc.** (“BOXX”). BOXX is a specialty cyber-insurance wholesale and direct-to-market insurance broker.

### **Additional Information**

Additional information regarding any disclosure or conflict of interest concern may be directed to RAISE’s CEO, T. Neil Morrison ([nmorrison@raiseuw.com](mailto:nmorrison@raiseuw.com)).