

# Important Information for Client

## **POLICY**

This notice refers to a contract of insurance that you have entered into via our company. You should refer to your policy document for the full terms and conditions applicable and you should read them carefully. Should any doubts arise as to the scope of cover provided, please contact us for an explanation.

## **YOUR DUTY OF DISCLOSURE**

Before you enter into a contract of general insurance and up until the commencement of the insurance, you have a duty, under the Insurance Contracts Act 1984 to either provide answers to questions or disclose specific information to the underwriter. You have the same duty before you renew, extend, vary or reinstate an insurance contract.

For Consumer Insurance Contracts, (Consumer Insurance Contracts are defined as insurance that is obtained wholly or predominantly for the personal, domestic or household purposes of the insured) your only duty is to take reasonable care not to make a misrepresentation when answering questions asked of you by the underwriter.

In all other situations you must tell the underwriter about anything that you know or could be reasonably expected to know taking into account the nature and extent of the insurance cover to be provided and the class of persons who would ordinarily be expected to apply for such insurance cover. You do not need to tell the underwriter anything that reduces the risk of the underwriter, that is of common knowledge; that the underwriter knows or, in the ordinary course of business, ought to know or that the underwriter has waived your duty to tell them about.

## **NON-DISCLOSURE**

If you do not tell the underwriter anything you are required to, or in the case of Consumer Insurance Contracts fail to take reasonable care not to make a misrepresentation, they may cancel your contract or reduce the amount they will pay you if you make a claim, or both. If your failure to tell the underwriter is fraudulent, they may refuse to pay a claim and treat the contract as if it never existed.

## **RETAIL CLIENTS**

Under the Corporations Act 2001 and associated Regulations Retail Clients are provided with additional levels of protection from other insurance purchasers. The Act defines Retail Clients as:

Individuals or a small manufacturing business employing less than 100 people or any other business employing less than 20 people.

And that are being provided a financial service or product that relates to the following insurance covers:

Motor Vehicle (under 2 tonne), Home building, contents, personal and domestic, Sickness and Accident or Travel, Consumer Credit and other classes as prescribed by regulations.

## **WHAT ADVICE IS BEING PROVIDED (RETAIL CLIENTS ONLY)**

If you are a RETAIL CLIENT (refer above) and a Statement of Advice has not been provided to you with this invoice then the advice that we are giving you related to this transaction is General Advice.

General Advice is advice that has been prepared without considering your current objective's, financial situation or needs. Therefore, before acting on this advice, you should consider the appropriateness of the advice having regard to your current objective's, financial situation or needs.

If the advice provided relates to the acquisition or possible acquisition of a new insurance policy and the insurer has prepared a Product Disclosure Statement (PDS) we will have attached the PDS for your review. You should consider the PDS prior to making the decision to purchase this product. Further information regarding the income we have been paid by the insurer for this transaction is available upon request.

## **DISPUTES**

Clients not satisfied with our services should contact our Complaints Officer. We are members of the Australian Financial Complaints Authority (AFCA), a free consumer service. Further information is available from our office or contact AFCA directly on 1800 931 678 or visit [www.afca.org.au](http://www.afca.org.au). We also follow the Insurance Brokers Code of Practice.

## CANCELLATION WARNING (RETENTION OF BROKERAGE AND FEES)

If a cover is cancelled before expiry of the period of insurance, we reserve the right to refund to you only the net return premium we received from the insurer, and not refund any part of the brokerage or fees we receive for arranging the cover. A broker service fee may be charged to process the cancellation.

## AVERAGE OR COINSURANCE

If your insurance cover is provided by an Industrial Special Risks, Fire & Perils, Business Package or Business Interruption/Consequential Loss policy it will usually contain an Average/Co-Insurance clause. These clauses typically apply where coverage is triggered by damage to property and the sum insured is expected to reflect the full replacement value of property or the annual profit of the business.

This means that if the sum insured(s) you nominate for the insured property / profits etc. are less than 100% of their full value at the time the insurance was effected (or renewed), then part of the loss will/may not be covered by the policy.

For example, a policy with a 100 % co-insurance clause pays as follows: if a building is insured for \$150,000 when its value is \$200,000, then in the event of a claim for damage of \$100,000, underwriters will only pay \$75,000 and you will suffer an uninsured loss of \$25,000. Therefore, it is important that the Sum Insured(s) you select are adequate to represent the full value of the insured property / profits and are calculated in accordance with the cover being arranged.

## ELECTRONIC DELIVERY OF DISCLOSURE NOTICES

Please note that where possible we prefer to provide all correspondence and disclosure notices (including Financial Services Guides and Product Disclosure Statements) to you electronically, via email or links to websites etc. If you have provided your email address to us, we will typically use that email address for all correspondence and disclosure notices. Should you not wish to be sent disclosure documents electronically please advise us accordingly and we will update our records accordingly.

## WHOLESALE BROKER INFORMATION

In some cases, we use the services of a Wholesale Broker (insurance intermediary) to access products that are not available to us directly from the insurer. You can identify where we have used an insurance intermediary as the Invoice/schedule will show that the policy is placed via another Insurance Intermediary. This situation usually arises where the insurance intermediary has developed a specialised product and competitive pricing for risks that are not commonly available directly from most underwriters. This means we are not dealing with the end insurer directly but via the insurance intermediary. All insurance intermediaries that we deal with are required to hold an Australian Financial Services Licence and to place all client funds received into a Trust Account and are required to meet the same high standards in the delivery of their services that apply to us. Importantly all claims will be the ultimate responsibility of and paid for by the end underwriter.

## PREMIUM FUNDING WARNING

Premium funding allows you to spread out the cash flow associated with paying your insurance premiums over the next twelve months. We receive a commission from the funder for arranging the funding contract; full details are available on request.

Please note that should the insurance policy be cancelled before the expiry date for whatever reason, the Premium Funder will charge you the full interest applicable to the contract, as detailed in the Loan Application Form. Typically, there will be no refund of our commission on the refund premium and no refund of any fee we may have charged you for arranging the cover. We also reserve the right to charge you a policy cancellation handling fee. In some cases, underwriters also apply minimum premiums to policies, which may further reduce the refund that you might otherwise receive.

The impact of the above on you is that any refund you receive for the mid-term cancellation of your policy will usually be significantly less than a pro rata calculation would produce and in extreme cases may involve you having to make an additional final payment even though the policy has been cancelled. Therefore prior to cancelling a policy and replacing it with another cover we strongly recommend that you discuss your situation with us so that we can advise the exact extent and impact of the early cancellation provisions mentioned above.

## UTMOST GOOD FAITH

Every contract of insurance is subject to the doctrine of utmost good faith which requires that the parties to the contract should act toward each other with the utmost good faith. Failure to do so on your part may prejudice any claim or the continuation of cover provided by Underwriters.

## UNDERWRITING AGENTS AND WHOLESALE BROKERS

In some cases, we access insurance products via Underwriting Agents and Wholesale brokers rather than directly with the insurer. In such cases should you wish to access the Financial Services Guide of the Underwriting Agency or Wholesale Broker please contact us and we will arrange to have a copy sent out to you.

## CONTACT AGREEMENT

To ensure that we provide you with appropriate products and services, you agree to us calling you at our discretion to discuss any new products and services. If you do not wish to receive such calls, please advise us and we will place you on our Do Not Call Register.

## CONTRACTUAL LIABILITY

Many commercial or business contracts contain clauses dealing with your liability (including indemnities or hold harmless clauses). Such clauses may entitle your underwriters to reduce cover, or in some cases, refuse to indemnify you at all. You should seek legal advice before signing and accepting contracts. You should inform us of any clauses of this nature before you enter into them.

## THIRD PARTY INTERESTS

Some insurance policies may only provide cover for your interest in the property insured and may not cover the interest of any third parties unless you have informed the insurer of them, they are noted on the policy. For example, if property is jointly owned, or subject to finance, the interest of the joint owner or financier may be excluded, if it is not specifically noted on the policy.

## ALTERATIONS

No alterations to the risk whatsoever will be admitted and will not take effect until acceptance is confirmed by the underwriter.

## PAYMENT

You will not be insured if you fail to pay the premium in full within 14 days from commencement of the risk for new policies and prior to the due date for renewals unless alternative credit arrangements have been agreed with us in writing.

## NEW POLICIES

Notwithstanding the above, you will not be insured if you do not submit the relevant Proposal within 30 days from commencement of the risk unless an extension of time has been agreed with us in writing.

## PRIVACY ACT

The Privacy Act 1988 requires us to inform you on how we collect, use and disclose your personal information. A copy of our Privacy Policy Statement is available on request from our office or from our Website.

## COOLING OFF

All Retail Products are subject to a 14-day "cooling off period". This means that if you are not happy with a Retail Product, you have 14 days to withdraw from the new contract at no cost to you other than our broker's fee, which is not refundable.

## DISCLAIMER

The coverage details provided with this notice are a summary only (errors and omissions excepted) and do not purport to be an exact copy of the underwriters' policy schedule and/or related documents. In case of any discrepancy between the coverage details provided and the underwriter's policy schedule and related documents, the underwriters' documents will prevail. We will provide a full copy of the underwriter's policy schedule and documents upon request.

## TERMS OF TRADE

Payment of this account constitutes your acknowledgement and acceptance of these conditions and authorises us to act as your insurance brokers for the risks outlined on the face hereof and no others unless specifically agreed by us in writing.

## SUBROGATION / RIGHTS OF RECOVERY AGAINST OTHERS

You are warned that should you become a party to any agreement that has the effect of excluding or limiting your underwriter's ability to recover from a third party, your underwriters may have the right to refuse to indemnify you for such loss where it is shown that your underwriter's rights of recovery have been prejudiced by your action.

## CLAIMS MADE POLICY

Where indicated on the invoice this policy provides cover on a "claims made" basis which means that claims first advised to you (or made against you) during the period of insurance are covered irrespective of when the incident causing the claim occurred. To protect your entitlement to indemnity under this policy you must report to underwriters without delay and prior to expiry of the policy period all incidents that may give rise to a claim against you.

## CLAIMS OCCURRING PRIOR TO COMMENCEMENT

Your attention is drawn to the fact that your policies do not provide indemnity in respect of events that occurred PRIOR to commencement of the contract.