



## Important Notices

### **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.

### **GENERAL ADVICE WARNING (RETAIL CLIENTS ONLY)**

If you are a RETAIL CLIENT (refer below) 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 underwriter 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 underwriter for this transaction is available upon request.

### **YOUR DUTY OF DISCLOSURE**

The Insurance Contracts Act (1984) requires that you, and everyone who is an insured under your policy, comply with the duty of disclosure. Make sure you explain the duty to any other insureds you may apply on behalf of. We do not do this unless specifically agreed in writing.

The duty requires you to tell the insurer certain matters which will help them decide whether to insure you and, if so, on what terms.

You have this duty until the insurer agrees to insure you and before the insurer agrees to renew your policy. You also have the same duty before you extend, vary or reinstate an insurance policy.

The type of duty that applies can vary according to the type of policy.

### ***IF YOU ARE RESPONDING FOR OTHER INSUREDS***

If you are providing information for other insureds, you confirm you have their authority to do so and that the information provided is what they have told you in response to the duty of disclosure obligations.

### ***AVOID MAKING MISREPRESENTATIONS OR NOT TELLING THE INSURER SOMETHING***

If you (or anyone who is an insured, or a proposed insured, under the policy) make a misrepresentation, or if you do not tell the insurer something that you are required to tell them, they may cancel your policy or reduce the amount they will pay you in the event of a claim, or both. If the misrepresentation or failure is fraudulent, the insurer may refuse to pay a claim and treat the policy as if it never existed.

If we act on behalf of the insurer, you need to refer to the policy which will set out the duty that applies. We will advise you when/if we act on behalf of the insurer.

If we act on your behalf, to assist us in protecting your interests, it is important that you tell us every matter that:

- you know; or
- a reasonable person in the circumstances could be expected to know, may be relevant to the insurer's decision whether to insure you and, if so, on what terms.

If in doubt it is better to tell us.

We will then assist you in determining what needs to be disclosed to the insurer in order to meet your duty.

When you first apply for your policy, the insurer may ask you specific questions relevant to their decision whether to insure you.

Before an insurer agrees to renew your policy, you may again be asked specific questions by the insurer relevant to their decision whether to renew your policy.

When you answer any questions asked by the insurer, you must give honest and complete answers and tell the insurer, in answer to each question, about every matter that is known to you and which a reasonable person in the circumstances would include in answering the questions.

Examples of matters that should be disclosed are:

- any claims you have made in recent years for the particular type of insurance;
- cancellation, avoidance of, or a refusal to renew your insurance by an insurer;
- any unusual feature of the insured risk that may increase the likelihood of a claim;
- circumstances which may give rise to a claim.

An insurer who is deciding whether they are prepared to renew your policy, may give you a copy of anything you have previously told them and ask you to tell them if anything has changed. If an insurer does this, you must tell them about any change or advise that there is no change. If you do not respond then this will be taken to mean there has been no changes.

### **DELAY BETWEEN FINAL ENTRY INTO THE POLICY AND ORIGINAL DISCLOSURE OF INFORMATION**

You need to tell us if you have made disclosure of information in the application process and something has happened that makes the information disclosed inaccurate, or new matters arise that would require disclosure under the duty. You must do this before the policy has been entered into (or renewed, varied, reinstated or extended as applicable).

### **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.

### **DISPUTES**

Clients not satisfied with our services should contact our Complaints Officer. We are members of the Financial Ombudsman Service (FOS), a free consumer service. Further information is available from our office, or contact FOS directly on 1800 367 287 or visit [www.fos.org.au](http://www.fos.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 underwriter, 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.

### **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 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 ten 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.

### **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.

### **AVERAGE / CO-INSURANCE**

It is most important that the Sum Insured you select is adequate to represent the value of the insured property and is calculated in accordance with the cover being arranged. Otherwise, you will be under-insured and in terms of the Average / Co-insurance provisions of your policy, you may be responsible for paying part of the loss you actually suffer.

### **THIRD PARTY INTERESTS**

Insurance policies will only provide cover for your interest in the property insured and does not cover the interest of any third parties unless you have informed us of them in writing and they are noted on the policy.

### **ALTERATIONS**

No alterations to the risk whatsoever will be admitted until you have notified us in writing and will not take effect until acceptance is confirmed by the insurance underwriters.

### **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.

## **INTERESTS OF OTHER PARTIES**

Many policies exclude cover for an interest in the insured property held by someone other than the named insured, unless that interest is specifically 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.

## **CANCELLATION**

If you cancel this insurance prior to the expiry date, we will be entitled to retain such proportion of any broker's fee and/or commission that relate to the unexpired period of insurance.

## **PRIVACY ACT**

The Privacy Act 1988 (Cth) including the Privacy Amendment (Enhancing Privacy Protection) Act 2012 requires us to inform you on how we collect, use and disclose your personal information. A copy of our Privacy Collection Notice is attached and a copy of our Privacy Policy 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**

This notice is a summary only (errors and omissions excepted) and does not purport to be a copy of the insurance underwriters' policy or other documents. In case of any discrepancy, the underwriters' documents will prevail.

## **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**

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.

## **RIGHTS OF RECOVERY AGAINST OTHERS**

It is a condition of a Contract of Insurance that you may not forego any right of recovery that may exist against another party without prior approval in writing being given by your underwriter.

## **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.

## **AVERAGE OR CO-INSURANCE**

If the subject matter of insurance (or part thereof) relates to Industrial Special Risks, Fire & Perils or Business Interruption/Consequential Loss, then the policy (or part thereof) will be subject to average. This means that if the sum insured you nominate for buildings, plant, machinery, stock is less than 100% of its value (100% for Business Interruption/Consequential Loss) 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 be your own underwriter for the balance.

## **AVERAGE/CO-INSURANCE - BUSINESS INTERRUPTION POLICIES**

Some policies contain an Average/Co-Insurance clause which is fully set out in the "Basis of Cover" or "Policy Specification" of the policy. For the types of cover most usually provided, the Average/Co-Insurance calculation is arrived at by applying the Rate of Gross Profit, Revenue or Rentals (as applicable) to the Annual

Turnover, Revenue or Rentals (as applicable); these factors first being appropriately adjusted as provided for in the “Trend of Business” or “Other Circumstances” clauses.

If you are in any doubt regarding this clause insofar as it applies to your policy, please contact your Account Manager for assistance.

**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.

**If there is any part of the above that you do not understand or you require further explanation, please contact us immediately**

End of Important Notices