



**INTERLINK
INSURANCE BROKERS**



Financial Services Guide (FSG) / Terms of Engagement

Important Notices & Information

Lavaro Pty Ltd T/A Interlink Insurance Brokers
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PO Box 8200, Perth BC, Perth WA 6849
ACN 008 955 646/ABN 15 008 955 646
AFS Licence 238901
Ph: (08) 9228 2800
Web: www.iibs.com.au

FINANCIAL SERVICES GUIDE (FSG) / TERMS OF ENGAGEMENT

This Financial Services Guide contains information about our services and charges, your rights as a client and other things you need to know in relation to insurance matters including how any complaints you may have will be dealt with.

It aims to assist you in deciding whether to use our services.

If you ask us to act as your general insurance broker, we will do so on the terms set out in this Guide. Unless you tell us otherwise in writing, we assume that you accept and agree with these terms. Any changes must be agreed by us in writing.

Lack of Independence

Why are we not independent, impartial, or unbiased in relation to the provision of advice and the impact of this on you.

We, are not independent, impartial, or unbiased pursuant to section 932A of the *Corporations Act* because:

- We may receive commission when we provide advice to you in relation to insurance products and other financial products; and/or
- We may have associations or relationships with issuers of insurance products and other financial products.

Further information about these benefits and relationships is set out in this Financial Services Guide.

If you have any questions about this information, please ask us.

Under the Corporations Act 2001 Retail Clients are provided with additional protection from other clients. The Act defines Retail Clients as:

Individuals or a manufacturing business employing less than 100 people or any other business employing less than 20 people and that are purchasing the following types of insurance covers: Motor Vehicle, home building, contents, personal and domestic, sickness/accident/travel, consumer credit and other classes as prescribed by regulations.

If you require Retail Client products, we will provide you with general advice and you will receive some other documents after or at the time we advise you about your insurance needs, including a Product Disclosure Statement (PDS). This will contain information about the products we recommend to you.

We will not provide you with personal advice.

General Advice Warning – Retail Products

In quoting and arranging Retail Client insurance products for you, that service has been undertaken without taking into account of your personal objectives, financial situation or needs. You need to consider the appropriateness of that advice for your particular circumstances and assess the suitability of a particular insurance contract for your requirements. You also need to consider the cost of the product for your particular situation. You should ask for a copy of the Product Disclosure Statement (PDS) and consider the information in that document before you make a decision about a retail client insurance product.

We would like to bring to your attention that some insurance policies arranged by Interlink Insurance Brokers for Business and Commercial covers may have a retail component within them and this notification serves as our requirement to advise you.

If you need more information or have any questions, please feel free to contact us:

Interlink Insurance Brokers
Level 3, 102 Beaufort Street
Perth WA 6000

Telephone : (08) 9228 2800
E-Mail : [firstnamesurname@iibs.com.au](mailto:firstname.lastname@iibs.com.au)

This FSG applies from [1 November 2022] and remains valid unless a new FSG is issued to replace it.

ABOUT US

Lavaro Pty Ltd trading as "Interlink Insurance Brokers" (ACN 008 955 646) (ABN 15 008 955 646) has an AFS licence (Licence Number 238901) under the Corporations Act 2001 to provide financial product advice and arrange general insurance products.

Insurance Brokers Code of Practice

We are members of the National Insurance Brokers Association (NIBA) and are bound by their Code of Practice (the Code). The Insurance Brokers Code of Practice sets standards of good industry practice for insurance brokers.

The Code is owned and published by NIBA and is available to download from their website. If you would like to view a copy please click [here](#) or contact us for a copy.

OUR SERVICES

As your insurance broker, we will provide the following services:

Pre-placement services

- Help you identify and assess your risks and develop a proposal to submit to a potential insurer/insurers.
- Providing advice on risk mitigation and management strategies.

Insurance placement and premium funding

- Seek insurance quotes (for more information on how we will seek quotes see "Approaching the Market").
- Negotiate policy coverage and policy renewal annually or as otherwise agreed in your service plan.
- Seek to bind coverage where you have authorised us to do so (except in urgent circumstances where unless you instruct otherwise, we may choose to bind insurance on your behalf if we consider that is in your best interests).
- Obtain and provide a quotation for premium funding.

Post-placement services

- Prepare and manage claims if an insured event occurs.
- Advocate on your behalf during the claims process.
- Facilitate policy changes and/or cancellations as per your instructions.

Approaching the market

We will seek quotes from the broader general insurance market before making a recommendation. We have arrangements with various insurers and underwriters, which enable us to find the right insurance product for you.

Other Services

From time to time, we may send you via electronic means general information on safety, risk management and other matters. We do not provide specialist risk management services. This information is general in nature and before you implement or act upon any advice, you should make your own assessment and/or seek your own professional advice. We can refer you to a risk management specialist on request. If you do not wish to receive this information, you can "Opt Out" by notifying our Privacy Officer (privacy@iibs.com.au).

OUR RELATIONSHIP WITH YOU

Terms of Our Appointment

Unless we agree otherwise, our appointment as your broker commences when you first instruct us to arrange insurance on your behalf or you first seek our advice on your insurance arrangements. It continues until cancelled by either of us.

You may cancel our appointment by giving 30 days' notice in writing subject to our minimum charges and fees as specified in our Cancellation/Variation clause. At our option and discretion, we may discharge ourselves as your appointed general insurance broker.

If our relationship is terminated, we will pay all money owing to each other (including premium, claims payments, broker fees and service charges). We may deduct any money which is due to us from the money we hold for you. For example, this could be cancellation and professional fees.

During our appointment, you agree not to appoint or deal with any other financial services or insurance advisors to act for you, without first advising us of your intentions.

Unless otherwise agreed, our appointment is ongoing and continuous.

Authority to Obtain Insurance Information

By instructing us to act on your behalf and signing our Letter of Appointment, you authorise us to obtain information about your current, future and previous insurance from the insurance market and any financial services or insurance advisor who have previously acted for you (including details of policy terms, premiums, claims information, claims loss ratio and any other matter pertaining to your portfolio).

On request, you will give us a written authority to obtain information about your current or previous insurances from your current and previous Insurers and any financial services or insurance advisor who have previously acted for you.

Documents and Information You Give Us

To enable us to provide advice, which is appropriate to your circumstances, we will need you to provide us with complete information about the risk(s) to be insured. This includes full information, which may consist of personal information of your employees (including workers' compensation claims data). You should also tell us about any relevant changes as they occur.

If you are unable or choose not to provide some information to us, we will be unable to comprehensively review your circumstances. As this may limit our ability to make appropriate recommendations, you will need to assess the appropriateness of our advice to your needs before acting on it.

We will at our discretion offer your insurance business to all insurance markets that we can access.

Privacy Policy

We are committed to protecting your privacy. We use the personal information you provide to advise about and assist with your insurance needs. We do not trade, rent or sell your information.

You authorise us to disclose the information and documents you provide to us to Insurers, Loss Adjusters, Premium Funders and/or other parties involved in providing the insurance or related services. We will seek your prior written consent to any other disclosures.

You can check the personal information we hold about you at any time. For more information about our Privacy Policy, please ask us for a copy.

Documents and Information We Give You

All documentation and information about your insurance arrangements and our business that we provide to you is strictly confidential. You must not pass on these documents and information to Insurers, Financial Services Providers, Authorised Representatives (except our Authorised Representatives) or any other intermediary without our prior written consent.

If there is more than one insured party on any of the insurance contracts managed by Interlink Insurance Brokers; it is your responsibility to ensure each of the parties/persons shown in any of the insurance contracts receive a copy of this Financial Service Guide (FSG) and the relevant Product Disclosure Statement (PDS) as you are acting as the authorised contact point on behalf of the insured parties.

You agree to read the wordings and terms and conditions of insurance policies effected by us on your behalf. You agree to raise with us any queries or concerns you have thereon within 14 days of having received same. You agree that unless you raise such concerns or queries with us, you will be obliged to and hereby agree to accept and abide by all such wordings and terms and conditions. You further agree that we will have no responsibility or be liable for any loss that may be occasioned by the wording, term or condition of an insurance policy or that you may suffer as a consequence thereof in circumstances where you have failed to raise any concern or query with us.

Electronic Delivery of Disclosure Notices

Please note that where possible we will provide 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 correspondence and disclosure notices. Should you not wish to be sent disclosure documents electronically, please advise us and we will update our records accordingly.

OUR RELATIONSHIP WITH INSURERS AND OTHER FINANCIAL SERVICES PROVIDERS

Interlink Insurance Brokers may receive commission from Insurers when we place insurance with them. In addition, other businesses, when appropriate, may recommend Interlink and our services to their clients. (see 'Fees For Our Services').

ASSOCIATIONS

Interlink Insurance Brokers is a Steadfast Group Limited (Steadfast) Network Broker. As a Steadfast Network Broker, we have access to services including model operating and compliance tools, procedures, manuals and training, legal, technical, HR, contractual liability advice and assistance, group insurance arrangements, product comparison and placement support, claims support, group purchasing arrangements and broker support services. These services are either funded by Steadfast, subsidised by Steadfast, or available exclusively to Steadfast Network Brokers for a fee.

Steadfast has arrangements with some insurers and premium funders (Partners) under which the Partners may pay Steadfast a fee to access strategic and technological support and the Steadfast Broker Network. Steadfast is also a shareholder of some Partners.

You can obtain a copy of Steadfast's FSG at www.steadfast.com.au.

If we arrange premium funding for you, we may be paid a commission by the premium funder. The commission that we are paid by the premium funder is usually calculated as a percentage of your insurance premium (including government fees or charges). If you instruct us to arrange or issue a product, this is when we become entitled to the commission.

Our commission rates for premium funding are in the range of 0.00% to 4.00% of funded premium depending upon the amount of premium. When we arrange premium funding for you, you can ask us what commission rates we are paid for that funding arrangement compared to the other arrangements that were available to you.

CONFLICTS OF INTEREST

Conflicts of interest may arise in circumstances where some or all of your interests as our client are, or may be, inconsistent with some or all of our interests.

We have a conflicts of interest policy and procedure to ensure we are aware of and manage any conflicts of interest. Our company and staff must comply with this policy and procedure.

Where a conflict is unavoidable, we will consult with you and manage the conflict in such a way as to avoid prejudice to any party.

HOW WE WILL LOOK AFTER YOUR INSURANCE NEEDS

New Business

Contact us as soon as possible if you need cover for a risk or property that is not insured. To arrange cover, we will need details of the property or risk and all other information, which you need to disclose to the Insurer.

We will then send you a proposal for completion. You will need to complete and sign this and return it to us as soon as possible.

We will send the original insurance contract documents as soon as your Insurer issues them correctly. As these are legal documents, you should keep them in a safe place.

Interim Insurance

If you require immediate cover for a risk, we may be able to arrange interim cover for you. Interim cover gives you short term insurance until an insurance contract can be arranged.

When we seek interim cover, we will be acting on your behalf. You need to give us a reasonable period of notice to make these arrangements. We do not automatically issue interim cover– the Insurer issues this. If we arrange interim cover for you, we will contact you to confirm placement of the insurance. You are not protected by interim cover until we provide confirmation.

Some interim cover can take an extended time to place. We cannot guarantee that interim cover will be available in all cases.

Renewals

Where possible, we will give you at least 14 days' notice of expiry of any insurance contract, which we arranged or last renewed for you.

If you want to change the details of the cover, contact us as soon as you receive the renewal offer. If you wish us to renew the contract on your behalf, you must provide us with clear instructions and/or pay the premium and other charges before the date shown on the invoice or within the timeframe agreed with us.

We will notify you when renewal has been effected.

If we cannot contact you to arrange to renew the insurance contract, we may automatically renew the contract or extend and invoice you for the premium. We can increase the sum insured (at our discretion) to an amount we consider appropriate, however, no responsibility is assumed by us, as to the adequacy of such an increase.

If you arranged or renewed insurance directly with an Insurer or through another financial services or insurance advisor, we will not be responsible for notifying you of expiry or arranging renewal unless you ask us to do so.

Variations

You should carefully monitor and review that your insurance contract is adequate to cover your assets or business activities.

If you want to vary any cover, e.g., by increasing the sum insured or adding other property, please provide us with details of the changes you require and any other information you need to disclose to the Insurer. We will negotiate the variation with the Insurer. If the Insurer agrees to vary the insurance contract, we will provide you with written confirmation.

Understanding Your Insurance Cover

You must read the Product Disclosure Statement and/or policy wordings for the insurance contracts we arrange for you. You have 14 days from the date we send you the Product Disclosure Statement and/or policy wording to raise with us any queries or concerns you have.

Unless you tell us otherwise, we will assume that the cover provided by those insurances is acceptable to you and you agree to abide by the terms and conditions contained in the Product Disclosure Statement and/or insurance contract. We will not be liable for any losses or any expenses you incur as a consequence of any error or omission relating to the cover provided by the insurance contracts we have arranged.

Essential Reading of Policy Wording / Product Disclosure Statement (PDS)

The Policy Wordings / Product Disclosure Statements (PDS) for your insurances are essential reading to understand what is protected by each policy. Please read them carefully, as soon as they have been provided to you, and contact us if you have any questions or concerns about the extent of your cover.

Target Market Determination (TMD) – Retail Products

A Target Market Determination (TMD) is a document which describes who a product is appropriate for (target market), and any conditions around how the product can be distributed to customers. Should you wish to see a copy of the TMD for your product(s), please advise our office and this can be provided to you.

Claims

We will receive your claim notifications, assist and advise you regarding the scope of cover and pass information about your claim to your Insurer. If a loss adjuster is appointed, we will pass on your contact details and co-ordinate meetings.

We will promptly forward to you all claims documentation, insurance company settlement payments and other information.

In the event you authorise your own repairs/replacement after a loss, the Insurer may have an assessor review the costs and if any adjustments/alterations are to be made, the Insurer will process settlement based on the lesser amount. As you may be 'out of pocket', we suggest you do not proceed with replacement/repairs until you have authority from the Insurer or our office.

If any claims are outstanding when you terminate our appointment as your general insurance broker, we will close our files. We can provide claims information to you upon written request. We can continue to manage the claim at agreed rates for this service.

Completion of Documents (Proposal Forms, Claim Forms, etc.)

It is your responsibility to ensure all information is correctly completed on documents (even though Interlink Insurance Brokers would assist in some cases). These documents form the basis of your agreement or claim with Insurers and therefore Interlink Insurance Brokers do not accept any responsibility for any deficiencies in this regard.

GOODS AND SERVICES TAX (GST)

We will provide you with a tax invoice, which will be sufficient proof of the amount payable for your insurance. You need to consider the amount of input tax credit you can claim for an insurance contract when purchasing insurance. You should speak to your Accountant about how this will apply, as we cannot give you advice on tax matters.

You should also seek advice from your Accountant regarding the GST implications to ensure sufficient protection when considering the level of cover selected.

FEES FOR OUR SERVICES

Retail Clients

As a guide, our commission would on average, range between 0% – 30% of the policy base premium. The commission rate does not represent our profit margin as it also reimburses us for administrative and other expenses, we incur in providing our services. It also covers the cost of performing the distribution functions of the Insurer such as data entry, marketing, annual renewal marketing and underwriting.

Our Remuneration

There may be an annual service charge for normal insurance broking services.

We may also charge a broker fee when we place your insurance. The amount of any fee we charge depends on the complexity of your account. This fee is payable in addition to the premium and will be specified in our invoice.

The insurers and underwriters with whom we arrange your insurance may pay us commission. If commission is paid, it is usually a percentage of the premium (excluding taxes, levies and charges).

We may receive commission for Referrals, and we may pay commission for business referred to us.

If we arrange premium funding for you, we may receive commission from the premium funder.

If we perform additional work on your behalf, we may charge an hourly rate plus GST. We will agree the amount in writing before carrying out the work.

During the course of our business, we may receive non-monetary remuneration from insurers, underwriters or other third parties. This may include but is not limited to; access to technology platforms and I.T support, education and training, event sponsorship, and marketing assistance. We will not accept any non-monetary remuneration were doing so could reasonably be expected to influence the advice we provide to you.

How Are Our Insurance Brokers Paid?

Our insurance brokers are paid an annual salary and may receive a bonus based on meeting business goals across a wide range of factors, including leadership, income, compliance and adherence to the Interlink Insurance Brokers Values.

COMPLAINTS AND DISPUTES

We are committed to providing quality services to our clients, however, if you are not fully satisfied with our services, please contact the Complaints Manager at Interlink Insurance Brokers or send your complaint in writing or E-Mail. We will acknowledge your complaint and advise you of the expected time for resolution. Our contact details:

Complaints Manager – Interlink Insurance Brokers
PO Box 8200, Perth Business Centre, Perth WA 6849
Telephone : (08) 9228 2800
Facsimile : (08) 9228 2808
E-Mail : enquiries@iibs.com.au

If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers. AFCA's contact details:

Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001
Telephone : 1800 931 678
E-Mail : info@afca.org.au
Website : www.afca.org.au

TERMS OF PAYMENT

Deposit

We may ask you to give us a deposit before we place your insurance. If so, you authorise us to use this deposit to pay premiums for your insurance and/or pay our service charges. We will retain the deposit and any interest earned should you choose not to proceed with our professional services.

Invoices

We will invoice you for the premium, statutory charges (e.g., stamp duty, fire services levy, etc.) and any service charges for arranging your insurance. You must pay us within the time shown on our invoice or as otherwise advised.

If you do not pay the premium on time, the Insurer may cancel the contract of insurance and you will not be insured. The Insurer may also charge a short-term penalty premium for the time on risk. If your insurance is cancelled because you have failed to pay the premium on time, we are not liable for any losses you suffer or expenses you incur as a consequence.

Credit Terms

Our terms are strictly 7 days from date of invoice; however, we may be able to help you arrange premium funding if required for certain types of insurance. These terms and conditions remain throughout the life of your insurance cover and will apply to any alteration or amendment or subsequent renewal.

Late Payment Fees

If we incur expenses in seeking to recover payment of premiums or service charges due to us, you will pay our reasonable costs (including legal fees, interest and other out of pocket expenses).

You confirm that we can offset any outstanding broker fees, service charges, commission, or other fees, including but not limited to statutory charges and premium amounts, in their entirety from any premium refund or claim benefit that you may be entitled to receive on this or any other insurance policy that you have obtained through us. You, including and on behalf any Director, in consideration of us providing services to you, guarantees the due and punctual payment of all outstanding broker fees, service charges, commission, or other fees including but not limited to statutory charges and premium amounts in their entirety.

Adjustment of Premium

Some policies may be subject to premium adjustment at the expiry of each period of insurance. Please refer to your Policy Wording for specific terms and conditions applicable.

Cancellation / Variation

In the event of cancellation of policies, discharge as broker or otherwise, and/or adjustment of the original placement, no commission and/or fees will be refunded.

We cannot cancel or vary a contract of insurance without instructions from a person(s) who is authorised to represent each of the parties who are named as insureds in the contract of insurance. If a contract of insurance is cancelled or varied before the period of insurance expires, we will refund the net premium we receive from your Insurer.

If you ask us to cancel or vary your insurance, we will not refund the service charges, fees and/or commission for arranging the original contract. We will charge an additional fee if you cancel or vary your insurance before its expiry date.

This is applicable to all contracts whether they are insurance, premium funding or otherwise related.

We may also act as the premium funder's intermediary in cancelling any insurance where you have failed to meet your repayment obligations and remit to the funder, any Premium Refund. You release and indemnify us for any claim loss or damage as a result of such cancellation. The details of your premium funding arrangement will be set out in your separate agreement with the premium funder.

Our commission, fees and service fees must be paid in full when:

- we are appointed to market and arrange insurance for the forthcoming period of insurance.
- you discharge our services with less than 30 days' notice of your policy expiry dates.
- where you do not proceed for the forthcoming period of insurance for whatever reason.

You agree to pay all charges in full (Interlink service fees and commission are minimum charges for work completed that would have been earned by Interlink from the insurance placements).

However, where a fixed term of appointment is agreed in writing with Interlink (e.g., 3 years) and where you discharge Interlink prior to expiry of the agreed appointment period; commission, fees and services charges will apply for the unexpired term of the appointment period for each subsequent year thereafter. These charges will be calculated at 50% of the preceding period of insurance.

Refunds and Claims Payments

You authorise us to receive on your behalf any claim payments or other money (including premium refunds) which are paid by the Insurer or other parties and are owed to us. In addition, you authorise us to apply these funds against any service charges or other outstanding insurance placements.

Where your premiums have been premium funded and are still not paid to the Insurer and a claim occurs, the Insurer will demand immediate payment of the premium. As the agreed payment is required early, this may affect your monthly repayments with the premium funder.

Credits

Any credits on your account are to be retained by us and will be applied firstly to our fees, commissions and charges and then whatever the balance of credits remaining will be allocated to other outstanding insurance premiums and policies. We will request your bank details from you to enable us to arrange your refund. If these are not received, the balance of credits will remain on your account.

IMPORTANT INFORMATION ABOUT YOUR INSURANCE

Standard Covers – Retail Client Products Only

If an Insurer wants to alter these terms or offer less than the minimum amount of insurance, they must clearly inform you in writing that they have done so. They can do this by providing you with a Product Disclosure Statement or a copy of the insurance contract. You should read these documents carefully.

Cooling Off Period for Retail Clients

If you are a retail client as defined in the Corporations Act 2001, you are entitled to a minimum 14 day cooling-off period during which you may return the insurance policy and receive a refund of the insurance premium paid (less amounts lawfully deducted), subject to the requirements of the Act and the terms and conditions of your policy. This does not affect any other cancellation rights you may have under your policy. Please check your policy and schedule upon receipt to be sure you have the cover you require. If the cover does not meet your needs, please contact our office.

Unusual Terms

If an Insurer wants to rely on a term in a contract of insurance, which is not usually included in contracts that provide similar cover, they must clearly inform you in writing of that term. Again, they may do so by providing you with a copy of the insurance contract.

Terrorism and Electronic Date Recognition Exclusions

Most insurance contracts exclude Electronic Date Recognition losses. Please note that the Insurance Terrorism Act 2003 may apply to various policies where applicable. You should check the Product Disclosure Statement or a copy of the insurance contract and contact us if you have any concerns regarding these exclusions.

Security Notice

In no case do we warrant or guarantee the solvency of the Insurer (whether UFI or not) when you buy the policy or on an ongoing basis. We cannot accept responsibility for the financial viability of any Insurer, as we have no control of the Insurer's performance, which can be affected by many complex commercial and economic factors. The solvency of an insurer can change significantly between the time an insurance contract is entered into and when a claim is made.

We note the Insurer is authorised under the Insurance Act 1973 (Cth), which establishes a system of financial supervision of general Insurers in Australia monitored by the Australian Prudential Regulatory Authority. See www.apra.gov.au for details. This does not however guarantee their financial adequacy.

Placement of Insurance with an Unauthorised Foreign Insurer (UFI)

An unauthorised foreign insurer is an insurer that is not authorised under the Insurance Act 1973 (The Act) to conduct insurance business in Australia. Such Insurers are not subject to the provisions of that Act, which establishes a system of financial supervision of general insurers in Australia that is monitored by the Australian Prudential Regulation Authority (APRA).

The UFI cannot be declared general insurer for the purpose of Part VC of The Act, and, if the insurer becomes insolvent, you will not be covered by the Financial Claims Scheme provided under Part VC of The Act.

Your policy will identify if it and the insurer are subject to Australian law and jurisdiction. When they are not subject to Australian law and jurisdiction you may not have the protection of Australian legislation such as the Insurance Contracts Act 1984 and you may have to resolve any dispute in a foreign jurisdiction.

Even when they are subject to Australian law and jurisdiction we do not warrant or guarantee that this will be the case and there is a risk that the insurer will not meet its obligations and you may need to seek to enforce your rights against it in a foreign jurisdiction. Such insurers also do not subscribe to the Financial Ombudsman Service Australia, a consumer protection body designed to help consumers with complaints regarding insurance companies.

Such insurers are not bound by the Australian Privacy Act 1988 and may not have legislation that provides similar protections for your personal information as the Australian Privacy Principles (APP).

We can assist you in obtaining further information you need on the UFI in order to make your decision e.g., its country of incorporation, what scheme of financial supervision applies (if any), which country's law will determine disputes in relation to the financial product, its rating by credit rating agencies and its financial reports.

(You will be advised separately and specifically if an unauthorised foreign insurer is used).

Please refer to Unauthorised Foreign Insurer (UFI) Notice and Client Declaration.

Recommendations about Australian and Overseas Insurers

We are not liable, and you absolve us for any loss you incur as a consequence of the financial difficulties or insolvency of an Insurer, Underwriting Agency or other insurance facilities (whether they are authorised in Australia or not).

Professional Indemnity Insurance Arrangements

We and our representatives are covered under professional indemnity insurance that we believe meets the requirements of section 912B of the Corporations Act.

The insurance (subject to its terms and conditions) will continue to cover claims in relation to our representatives / employees who no longer work for us (but who did at the time of the relevant conduct).

IMPORTANT NOTICES & INFORMATION

We have prepared the following information to assist you to understand important issues relating to your insurances. We recommend you read this carefully. If there is any part that you do not understand or require further explanation, please contact your Broker immediately.

Your Duty to Your Insurers

Utmost Good Faith

Every contract of insurance is based on 'utmost good faith' requiring each party (i.e., you and the insurer) to act towards the other party in respect of any matter arising under the contract, with the utmost good faith. If you fail to do so, you may prejudice any claim.

Your Duty of Disclosure / Duty to Not Misrepresent

Duty of Disclosure – (non-consumer insurance contracts only)

Before you enter into an insurance contract, you have a duty to tell the insurer anything that you know, or could reasonably be expected to know, that may affect the insurer's decision to insure you and on what terms.

You have this duty until the insurer agrees to insure you.

You have the same duty before you renew, extend, vary, or reinstate an insurance contract.

You do not need to tell the insurer anything that:

- reduces the risk they insure you for; or
- is common knowledge; or
- the insurer knows, or should know; or
- the insurer waives your duty to tell them about.

Duty to not make a misrepresentation – (consumer insurance contracts only) - Renewals

*(Note: if you are **renewing a consumer insurance contract**, which is an insurance policy obtained wholly or predominately in relation to personal, domestic or household insurance purposes, you must answer the specific questions asked by the insurer truthfully and accurately. In answering those questions, you must tell the insurer all information that's known to you and that a reasonable person would be expected to provide in answer to the questions).*

Before you renew your policy, you have a duty under the Insurance Contracts Act 1984 (ICA) to take reasonable care not to make a misrepresentation to the insurer (your duty).

Your duty applies only in respect of your policy that is a consumer insurance contract, which is a term defined in the ICA.

This notice includes information you have previously told us that is relevant to your policy, which we passed on to the insurer. The insurer requires you to contact us to tell us if this information is incorrect, or if it has changed. If you do not tell us about a change to something you have previously told us, the insurer will take this to mean that there is no change.

To ensure you meet your duty, when you contact us to advise of any information that is incorrect or has changed, the

updated information you give us must be truthful, accurate and complete.

Duty to not make a misrepresentation – (consumer insurance contracts only) - New Business and Variations
*(Note: if you are **applying for a new consumer insurance contract, or varying an existing consumer insurance contract**, which is an insurance policy obtained wholly or predominately in relation to personal, domestic or household insurance purposes, you must answer the specific questions asked by the insurer truthfully and accurately. In answering those questions, you must tell the insurer all information that's known to you and that a reasonable person would be expected to provide in answer to the questions).*

You have a duty under the Insurance Contracts Act 1984 (ICA) to take reasonable care not to make a misrepresentation to the insurer (your duty).

Your duty applies only in respect of a policy that is a consumer insurance contract, which is a term defined in the ICA.

Your duty applies before you enter into the policy, and also before you renew, extend, vary or reinstate the policy.

Before you do any of these things, you may be required to answer questions and the insurer will use the answers you provide in deciding whether to insure you, and anyone else to be insured under the policy, and on what terms. To ensure you meet your duty, your answers to the question must be truthful, accurate and complete.

If you are in any doubt whatsoever regarding your disclosure obligations, please contact our office to discuss.

Non-Disclosure

If you do not comply with your duty of disclosure & duty not to misrepresent, the Insurer may be entitled to reduce its liability in respect of a claim or may cancel your contract of insurance. If the non-disclosure was fraudulent, the Insurer may be able to void (or cancel) the contract of insurance from its inception. This would have the effect that you were never insured.

If you do not comply with your duty of disclosure or your duty not to misrepresent and your insurance is compromised, we are not liable for any losses or expenses you incur as a consequence.

Examples of What You Should Disclose

You should disclose the history of losses suffered by you or any closely associated person or entity. As you are responsible for checking that you have made complete disclosure, we suggest that you keep an up-to-date record of all such losses and claims.

You should also tell us if you do something that affects your insurance. For example, if you lease the insured property, commence building or construction work; install a burglar alarm or fire protection.

Material Changes

You must also notify your Insurer of any significant changes, which occur during the period of insurance, e.g., if you change your business operations, start offering new products or services or start a new business venture. If you do not, your insurance may be inadequate to fully cover you.

We can assist you to do this and to ensure that your contract of insurance is altered to reflect those changes.

Average and Co-Insurance

Many insurance policies contain an 'average' or 'co-insurance' clause. This means that to ensure that your insured property or exposure is fully insured, you must insure for its full value. The full value will vary depending on whether you purchase replacement or market value cover.

If you do not insure for the full value, you will be underinsured and you will be treated as your own insurer for the difference. You will have to pay a rateable proportion of the loss. A simple example of how this applies is:

Full insurable value	\$100,000	You are your own insurer for 50%
Selected sum insured	\$50,000	
Cost of repair due to fire damage	\$40,000	You must pay the remaining \$20,000
Insurer pays	\$20,000	

For this reason, it is important to take care to ensure that your property or exposure is insured for its full value. We encourage you to obtain and regularly update valuations for the replacement cost of your assets including buildings, plant and equipment, jewellery and artwork.

Double Insurance

If more than one policy covers the loss, then each of the insurers are likely to be liable for an amount which is proportionate to the amount for which they have insured the property.

Hold Harmless / Subrogation / Waiver Clauses

You may prejudice your right to claim if you make any agreement that prevents the insurer from recovering a loss from a third party without first obtaining the insurers consent in writing. Be aware that if you enter into an agreement that imposes a contractual liability on you, that would not have existed but for the agreement, that liability is unlikely to be covered by your insurance.

These "hold harmless" clauses are often found in leases, maintenance and supply contracts, building or repair contracts, supplier agreements and the like. Please refer all such agreements to us prior to signing to ensure your insurance cover isn't affected. We may recommend you obtain legal advice in some cases.

Insuring the Interest of other Parties

Most policies will exclude indemnity to other parties (such as mortgagees, lessors, principals etc.) unless their interest has been specifically endorsed or noted onto the policy.

You must tell us if you need to insure the interest of a party other than the named insured, so we can ask your insurer to extend the policy.

Claims Made Policies

Some insurance policies are written on a 'claims made' basis. This means that the policy will only respond to claims which are made against an insured and notified to the insurer during the policy period. If the policy expires, no additional claims can be made under the policy.

Run-Off Insurance

There is a potential for claims to be made against an insured after a business is wound up or a project is finished. If a claim is made at a time in the future and there is no insurance policy in place, there would be no protection for the insured. This is where a run-off insurance policy can prove to be very valuable.

A run-off insurance policy can be purchased prior to cessation of the business or finalisation of a project. It will provide coverage to an insured for future claims made against them which arise from acts, errors or omissions which occurred prior to the inception of the run-off policy. Run-off policies can be purchased on an annual basis or a multi-year basis.

The following policy types are generally written on a claims made basis and run-off insurance should be considered if ceasing business or finishing a specific project.

- Professional Indemnity
- Management Liability
- Directors' & Officers Liability
- Association Liability
- Information Technology Liability
- Cyber Liability

Claims

All claims or possible claims must be notified immediately to our office as late notification may cause denial of liability.

Late Notification of Claims

Terms obtained on your behalf are based on the understanding that there will be no deterioration in the claims experience between the date the insurer quoted their terms and the renewal / inception date of the cover. If any claim(s) (or circumstances which may give rise to a claim) do occur during this period, the insurer has the right to revise the terms quoted or even withdraw their terms.