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# Insurance Risk and Advice Report

## Owners of Strata Plan 65049

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Insurance Prepared by: Chloe Johnson  
Bresland Insurance and Risk Specialists

# Market Overview

## General Insurance Premium Pricing May 2024 - Outlook for 2024/25

Having appropriate sums insured for the current replacement value of your assets, stock, contents and machinery is crucial. The continuing impacts of inflation, labour shortages, persistent lower AU\$ at around US\$ 0.66 Cents (May 2024) and supply chain issues continue to cause a dramatic increase in the costs to rebuild/repair properties and replace items. It's important that we work together to ensure you have the correct valuations and sums insured for your insurance policies.

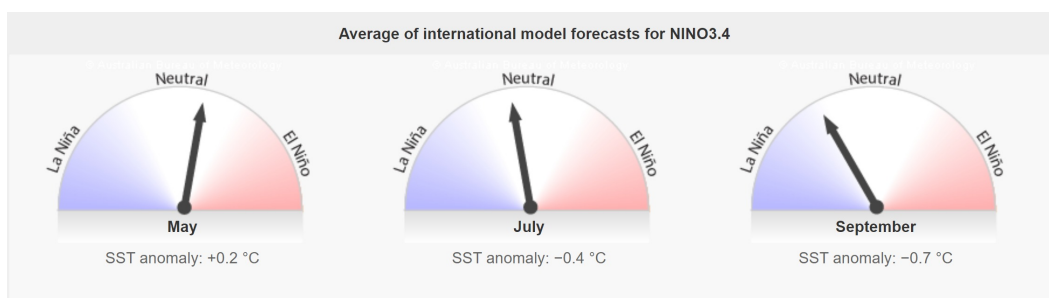
As your Adviser, we recommend that your property and other asset values be reviewed regularly to ensure you're adequately insured. Having incorrect insured values could result in an adjusted claim due to underinsurance, meaning you are paid less than you need to replace your property. Having a professional valuation can help to prevent this. Our team can arrange access to experienced quantity surveyors who can accurately confirm rebuild costs for commercial and domestic buildings, in addition to plant and machinery.

### Pricing Outlook:

The following are some of the key "positives" and "negatives" that will impact insurance premiums over the next 12-18 months.

#### Positives:

- ✓ Improved profitability of Insurers, mainly due to improved investment returns.
- ✓ For extreme weather events, the Bureau of Meteorology has confirmed the conclusion of the El Niño pattern of drier conditions and forecasts a Neutral setting for the remainder of 2024. This means more stable conditions and less likely to have extremes of dry/hot or wet/cold weather events.



SST: Sea Surface Temperature Source: bom.gov.au

#### Negatives:

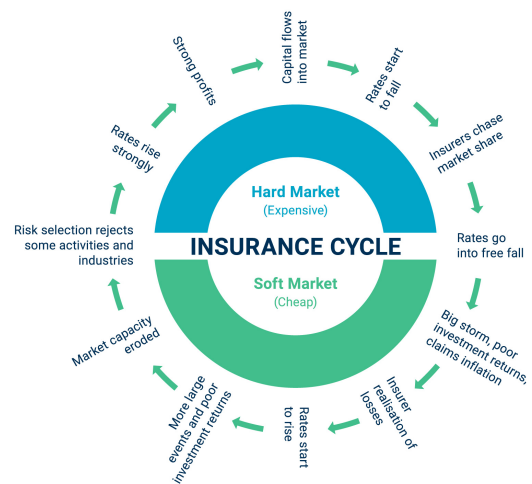
- ✓ The Bureau of Meteorology still maintains Extreme weather events are still likely.
- ✓ Reinsurance rates remaining high for Catastrophe Insurance that Insurers purchase due to the ongoing potential of significant weather-related claims.
- ✓ Continuing inflation and supply issues impacting sums insureds and rebuilding costs coupled with persistent lower AU\$.

Given the less than expected number of weather-related claims paid and with reinsurance costs stabilising, we believe pricing increases will continue upwards albeit on a lesser trajectory than in previous years. We expect we will start to see pricing rates and premiums soften for claims-free risks that are not prone to catastrophe peril locations, i.e. cyclones. We expect to see increases in the vicinity of 5% - 7% for commercial insurance and 3% - 5% for property risks. Home Building and Contents remains a market that is suffering large losses and we still expect to see increases of 7%+, depending on dwelling locations. Motor premium costs are steady; however, reliability on offshore vehicles, parts and increasing labour prices, see motor premiums continue to be above general inflation levels. Regarding Liability/Professional line classes, due to the longer-term improved outlook for investment returns on reserves held for liability classes of insurance, particularly if inflation continues to moderate, we have seen rates reduce for these classes of business.

## With the continuing hard market, we anticipate:

- ✓ Premium levels softening depending on class of insurance and risk location
- ✓ Obtaining insurance coverage remains challenging in areas prone to catastrophe risk claims
- ✓ Insurers are increasing capacity on certain occupational risks, industry groups or clients
- ✓ Excesses on policies are stabilising
- ✓ Focus remains on risk management and mitigation processes
- ✓ More time and accurate information is still required to place or renew insurance

We expect that the insurance market, whilst offering softer terms, will continue to maintain underwriting discipline, meaning well managed risks are best positioned to experience best conditions of the market. As our experience consistently shows, we can achieve the best terms and premium outcomes by working together.



## Looking to the future

The Insurance Industry, we believe, is between 11 and 12 o'clock on the Insurance Clock. Insurers reporting strong profits at the end of 2023 and new capital entering the market in early 2024 has amended our outlook over the position of the last few years. However, the presence and impact of future catastrophic weather events, along with economic factors for the rest of 2024, will dictate if the clock's hands move forward or backwards as we near 2025. We believe average premium increases will remain in the range of 3% - 7%. The exact figures above and below this range will be influenced by industry sector, geographic location, prior claims experience and approach to risk management.

*Structural change and cost cycles are part of every industry. The Insurance Clock is a useful tool to represent where Insurance rates are now and where they're likely to be heading in the future.*

Should you have any questions or would like to arrange a property and asset valuation or discuss any other general insurance needs, please don't hesitate to get in touch. We'll be more than happy to help.

# Service Team Directory

As one of the largest insurance brokers in Australia you can be assured of IA's ability to deliver a high level of customer service for all your insurance needs.

Our service team is available via the details outlined below for any professional advice or support regarding coverage, premiums and general enquiries.

Your Adviser:	Chloe Johnson
Authorised Representative No:	1308635
Address:	Bresland Insurance and Risk Specialists PO Box 711 OSBORNE PARK WA 6916
Phone:	(08) 6234 1876
Email:	chloe@breslandinsurance.com.au

# Further Information Regarding Our Advice

This is an important document and you should read it carefully to ensure you understand it.

**Important Information:** There are two common problems when purchasing insurance which you should consider.

You should not:-

- Assume that all policies are the same
- Compare policies on the basis of Premium alone. There are often crucial differences in the scope of protection provided by various policies.

Date of Advice: 20/06/2024

Selected Risks: Strata Plan

## General Advice

General Advice Warning: The information provided is to be regarded as general advice. Whilst we may have collected risk information, your personal objectives, needs or financial situations were not taken into account when preparing this information. We recommend that you consider the suitability of this general advice, in respect of your objectives, financial situation and needs before acting on it. You should obtain and consider the relevant product disclosure statement before making any decision to purchase this financial product.

## Target Market Determination

We confirm we have reviewed the Insurer's Target Market Determination (TMD) for this product and have assessed that you fall within the target market for this financial product. On the basis of our assessment, we consider that the product has therefore been issued to you consistently with the TMD provided by the Insurer. Please ask us if you would like a copy of the TMD.

## Insurer:

Longitude Insurance Pty Ltd as AR of Austagencies Pty Ltd

## Referrer:

There is no Referrer to whom we have or will pay remuneration.

## Relevant Relationships and Associations:

There are no specific relationships or associations which have influenced the provision of this advice.

# Coverage Summary

## Strata Plan Insurance

The following information was provided to your Insurers when negotiating the terms of your insurance program. It is common to all of your insurance policies, unless specifically stated otherwise in any of the Coverage Summaries forming part of this document. It is important that you notify us of any change in the following details to ensure that you are adequately protected. Please note that this is a summary only, and you should always refer to the insurer's policy schedule and wording for full terms and conditions.

### Insurer

Longitude Insurance Pty Ltd as AR of Austagencies Pty Ltd  
Underwriter: Chubb Insurance Australia Limited

100.00%

### Policy Number

Ref: LNG-STR-92584

### Reference Number

P602559746/4

### Policy Wording

[Longitude Residential Strata 21PDSLRS03 PDS Wording 16 11 2021](#)

### Period Of Insurance

From: 30/06/2024  
To: 30/06/2025

From 4PM to 4PM both local time and standard time.

### Insured

The Owners of Strata Plan 65049

Anzsic Rating: 67110010 Body Corporate Services - Made Up Of Owner/occupiers Of A Small Block Of Flats Units Townhouses Or Duplexes (Internal Use Only)

Year Established: 2005

Business Activities: Principally Body Corporate Services

Products Sold and/or Distributed: -

# Insured Situation

210 Durlacher Street, GERALDTON WA 6530

## Strata Plan

Provides cover for building/s, common property, common area contents and legal liability as defined in the policy wording.

**Interested Party:**

Not applicable

Building/s sum insured:	\$3,263,384
Common contents sum insured:	\$32,634
Building catastrophe sum insured:	Not Insured
Lot owners fixtures and fittings sum insured:	\$300,000
Loss of rent/temporary accommodation sum insured:	\$489,508
Legal liability sum insured:	\$20,000,000
Personal accident/voluntary workers sum insured	\$200,000 / \$2,000
Fidelity guarantee sum insured:	\$100,000
Office bearers liability sum insured:	\$250,000
Audit expenses sum insured:	\$30,000
Legal defence expenses sum insured:	\$50,000
Appeal expenses (occupational health and safety) sum insured:	\$150,000
Machinery breakdown sum insured:	Not Insured
Workers Compensation:	As per Act
Excess:	\$2,000

**Flood:** **Not Insured**

**Special Notes**

- Property No Claim Bonus included
  - Customer Loyalty Discount included
  - Fixed artwork & sculptures sub-limit \$50,000
  - Pots, plants, shrubs, trees, rockwork & lawns \$25,000; Money \$10,000; Artwork of sculptures (other than fixed) \$32,634
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# LONGITUDE INSURANCE - QUOTATION

## POLICY TYPE: Residential Strata Package LONGRSI 12 03-2024

QUOTE NUMBER: LNG-STR-92584

INSURED: The Owners of Strata Plan 65049.

THE BUSINESS: Residential Strata as per attached schedule

PERIOD OF INSURANCE: 30 June 2024 expiring on 30 June 2025 at 4pm Local Standard Time

INTERESTED PARTIES: Nil advised

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SITUATION: 210 DURLACHER STREET, GERALDTON, WA 6530

PERCENTAGE OF BUILDING OCCUPIED BY COMMERCIAL OCCUPANTS: 0.00%

## SECTION 1 - PROPERTY: PHYSICAL LOSS, DESTRUCTION OR DAMAGE

Buildings	\$3,263,384
2.1 i) fixed artwork or sculptures	\$50,000
Common Contents	\$32,634
2.2 g) pots, plants, shrubs, trees, rockwork and lawns	\$25,000
2.2 h) money	\$10,000
2.2 i) artwork of sculptures (other than fixed	\$32,634
Storm Surge (caused by and immediately following a named tropical cyclone) any one event and in the aggregate Period of Insurance	\$2,000,000
<b>Optional Cover</b>	
Loss of Market Value	Insured
Flood	Not Insured
<b>Costs Incurred by the Lot Owner</b>	
<b>All sub-sections 5.16 (a) - (h) combined</b>	\$815,846
Lot Owners fixtures and fittings (per lot)	\$300,000
Temporary Accommodation & Loss of Rent	\$489,508





### Lot Owners Optional Covers

Paint & Wallpaper (applies to NSW & ACT only)	Not Insured
Floating floorboards	Insured

### Catastrophe Cover (sub-section 5.1)

Buildings	Not Insured
Common Contents	Not Insured
Costs Incurred by the Lot Owner	Not Insured
Additional Benefits	Not Insured

### Excesses

Loss, destruction or damage caused by or arising from earthquake, subterranean fire or volcanic eruption (each and every Claim)	\$2,000
All other losses (each and every Claim)	\$2,000

## SECTION 2 - VOLUNTARY WORKERS PERSONAL ACCIDENT

Accidental Death & Disablement	\$200,000
Weekly Benefits	up to \$2,000 per week for Total Disablement and up to \$1,000 per week for Partial Disablement as outlined in the Table of Benefits
All per Policy Table of Benefits	

### Excess

Excluded Period of Claim (each and every Claim)	7 days
All Per Table of Benefits	

## SECTION 3 - OFFICE BEARERS LIABILITY

Limit of Liability (in the aggregate Period of Insurance)	\$250,000
<b>Optional Additional Benefits (in addition to limit of liability)</b>	
Defence Costs (in the aggregate Period of Insurance)	\$250,000
Statutory Fines and Penalties (in the aggregate Period of Insurance)	\$250,000
<b>Excess</b>	
Each and every Claim	\$2,000

## SECTION 4 - FIDELITY GUARANTEE

Any one Loss and in the Aggregate Period of Insurance	\$100,000
<b>Excess</b>	
Each and every Claim	\$2,000



## SECTION 5 - EQUIPMENT BREAKDOWN - NOT INSURED

## SECTION 6 - PUBLIC LIABILITY

Personal Injury or Property Damage Limit of Liability (any one Occurrence) \$20,000,000

### Excess

Each and every Claim \$2,000

## SECTION 7 - GOVERNMENT AUDIT COSTS, WORKPLACE HEALTH & SAFETY BREACHES AND LEGAL EXPENSES

### (a) Taxation and Audit Costs

Limit of Liability (in the aggregate Period of Insurance) \$30,000  
Excess (each and every Claim) \$500

### (b) Workplace Health and Safety Breaches

Limit of Liability (in the aggregate Period of Insurance) \$150,000  
Excess (each and every Claim) \$500

### (c) Legal Defence Expenses

Limit of Liability (in the aggregate Period of Insurance) \$50,000  
Excess (each and every Claim) \$1,000  
Contribution (each and every Claim) 10.00% of Legal Expenses Incurred

### Special Notation

Property No Claim Bonus included YES  
Customer Loyalty Discount included YES  
Number of years with Longitude 10

## ENDORSEMENTS / CONDITIONS:

If any endorsement or conditions are shown under this part of the Policy Schedule they will vary the standard terms of Your Policy. They may expand, reduce, or impose additional conditions on Your cover as set out in the standard Policy terms and should be read carefully.

## IMPORTANT INFORMATION

### Your Policy

This policy is issued by Longitude Insurance Pty Ltd (ABN 86 152 337 267) as an Authorised Representative (AR 424867) of Austagencies Pty Ltd (ABN 76 006 09 464) (Austagencies). Austagencies have binding authority from Chubb Insurance Australia Ltd (ABN 23 001 642 020, AFSL 239687)

### Target Market Determination

The product issuer Chubb Insurance Australia Ltd (Chubb) AFSL 239687 ABN 23 001 642 020, has prepared a Target Market Determination (TMD) for this product as required under section 994B of the Corporations Act

Page 3 of 6

Longitude Insurance Pty Ltd ABN 86 152 337 267 AR 424 867 is an authorised representative of Austagencies Pty Ltd ABN 76 006 090 464  
AFSL 244584 L14, 141 Walker Street, North Sydney NSW 2060, PO BOX 1813 North Sydney NSW 2059 T: 1300 442 676

21 May 2024



2001 (Cth). The TMD sets out who this product has been designed for and who it is not suitable for and identifies the conditions and restrictions on its distribution. A copy of the TMD for this product can be found on [here](#)

The TMD is not a Product Disclosure Statement (PDS) and is not a summary of the product features or terms of the product. Persons interested in acquiring this product should carefully read the PDS before deciding whether to purchase this product.

### Endorsements and Conditions

As outlined in our e-mail sent with this attachment.

Credit terms - Sections 1 to 7 - 60 days from inception.

This quote is valid for 60 days or until Inception Date whichever is the sooner.

The quote has been based upon the information provided by your broker. Longitude reserves the right to amend or withdraw this quote if the information that was provided is found to be incomplete or inaccurate or if, prior to the policy start date, there has been a material change to the risk. This quote is also subject to the following conditions:

- a) You have not had any previous insurance policy declined or cancelled; renewal refused, or have had any special terms or conditions applied to your insurance covers previously.
- b) You have provided us with your complete claims history as part of your quote request and no further claims, or circumstances that may give rise to a claim occurring, have arisen to your knowledge that you have not already advised to us.
- c) No changes in occupancy have occurred since your quote request.

Please contact us if any of the above is incorrect as it may affect the terms and conditions under which we will provide cover.

No terms or conditions contained in any broker's slip are included unless specifically stated as being included.

Unless stated otherwise, cover is as per the Longitude Policy Wording and Product Disclosure Statement (PDS). Commissions payable are calculated on the base premium only.

Please note in the event that you cancel this policy prior to expiry, in accordance with the policy conditions, we will retain the proportion of the premium, (less our fees which we deem to be fully earned at policy inception) which is equal to the proportion that the remaining policy period bears of the total policy period.

To ensure your client maintains continuous cover, please ensure that your written instructions be provided to our office prior to expiry.

This quote has been issued based on the following information provided by You

### Construction

Walls	Double Brick
Floors	Concrete Slab
Roof	Tiles

Has there been any Expanded Polystyrene (EPS), Aluminium Composite Panelling (ACP) or like materials used in the construction of the property? NO



Is there any known Asbestos in the building? NO

Are there any known building defects? NO

#### Claims Information

Policy Year Ending	No. of Claims	Aggr. Attritional Losses
2020	0	\$0.00
2021	0	\$0.00
2022	0	\$0.00
2023	0	\$0.00
2024	0	\$0.00



# Risk Details

Please find below full details of all the information we have gathered about you and shared with insurers in order to organise this insurance on your behalf. Please check that this information is correct and up to date and advise us immediately if anything is incorrect or has been omitted.

## Reference Number

P602559746/4

Please note that this is a summary only, and you should always refer to the insurer's policy schedule and wording for full terms and conditions.

## Strata Plan Insurance

### Insured Situation

210 Durlacher Street, GERALDTON WA 6530

### Strata Plan

Type of Cover:	Replacement Value
Construction of walls:	Brick, concrete
Construction of roof:	Metal,Iron,Tin,Steel
Construction of floor:	Concrete
Number of units in the complex:	16
Number of floors in the complex:	1
Year Built:	2014
Construction of fences:	Other
Condition of complex:	Good
Building is heritage or national trust listed:	No
Building is occupied:	Yes
There is a gymnasium, tennis court or sporting facilities in the complex:	No
There is a swimming pool or outdoor spa in the complex:	No
There are lifts or elevators:	No
Key operated deadlocks on all external doors:	Yes
Key operated window locks or window security grills/bars on all windows and sliding doors up to 3 metres from ground level:	Yes
Type of alarm or security system:	None
Body corporate provides 'on site services' (eg caretaking, security monitoring etc):	No
Complex has a fully maintained sprinkler system installed:	No
Complex has fully maintained fire extinguishers/fire hydrants installed:	No
Smoke detectors are installed and maintained:	Yes
Number of employees:	0
Estimated annual wages:	\$0

NSW Small Business Stamp Duty Exemption criteria:	No
Is the business;	
• An individual, partnership, company or trust that is carrying on a business; and	
• Has an aggregated turnover of less than \$2 million	
Number of claims last year:	0
Number of claims in last 3 years:	0
Number of claims in last 5 years:	0

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# Other Insurable Risks And Services

The preceding Coverage Summary has listed out the covers in place for you. It is important to note there are a number of other types of insurance you can purchase, which may not currently be included.

The list below shows the types of insurance able to be purchased through Insurance Advisernet. This list doesn't include every type of insurance available, rather, it is intended to give you a summary of covers available in helping you decide what type of protection you require. Please contact us if you require any additional information (please note this list does include the covers you have already purchased):

Asset Protection	Excess of Loss	Marine Professional Indemnity
Association Liability	Fleet Motor	Medical Indemnity/Malpractice
Aviation	General Property	Money
Bond/Surety/Guarantee	Glass	Mortgage Protection
Builders Warranty	Goods In Transit	Personal Accident & Illness
Burglary/Theft	Group Personal Accident	Plant & Machinery
Business Interruption	Home & Contents	Pleasure Craft
Cancellation & Abandonment	Home Business	Private Motor
Caravan & Trailer	Household Removals	Prize Indemnity
Carriers Cargo	Industrial Special Risks	Product Recall/Guarantee
Commercial Motor	Information Technology Liability	Professional Indemnity
Contract Works/Construction	Investment Managers Liability	Property
Corporate Travel	Journey Injury	Shipbuilders Warranty
Crime	Landlords	Statutory Liability
Crop	Legal Expenses	Strata Plan
Cyber	Liability	Tax Audit
Deductible Buy Down	Livestock/Bloodstock	Trade Credit
Directors & Officers Liability	Machinery Breakdown	Travel
Electronic Equipment Breakdown	Management Liability	Umbrella Liability
Employee Dishonesty/Fidelity Guarantee	Marine Cargo	Voluntary Workers
Engineering	Marine Hull	Workers Compensation (ACT/NT/TAS/WA)
	Marine P&I	

Not all these covers may apply to your particular circumstances. However, we suggest this list be reviewed regularly to ensure your current insurance is still satisfactory in meeting your needs. Additionally, should a particular exposure exist, which is neither included in your current insurance program, nor listed above, we would be pleased to investigate availability of the product on your behalf.



# Claims Procedures

Our claims procedures are focused on providing value and integrity to you, we are on hand to provide fast and efficient claims service and advice when required.

To assist us in achieving the most efficient claims procedure possible, we have set out the following guidelines for your information: -

## Notification of Claims

All losses or incidents which may result in a claim are to be reported as soon as possible after the event to us.

The first notification should be by telephone, or as circumstances dictate, and should include the following information: -

- Description of incident
- Date and time of incident
- Location where circumstances originated
- Estimate of loss
- Action being taken to minimise loss
- Whether police or emergency services were called

## Loss Minimisation

Action should be taken to protect property from any further damage however no action should be taken to repair damage until instructed by us or your Loss Adjuster. Please contact us for further information on loss minimisation.

Emergency Repairs - If you require emergency repairs, you can access 24 hour support by calling this number: 1300 831 094

## Own Property Damage

All losses should be reported immediately to us and we will arrange for Loss Adjusters to take whatever action is required.

## Theft and Money

If loss is due to theft/burglary or involves the loss of money, the police should be contacted immediately and details kept of the police officer and station notified. All losses should also be reported to us as soon as possible.

## Motor Vehicle

Own Damage - All accidents involving your motor vehicle should be reported immediately to either our office or the nearest office of your insurer. The vehicle may be towed to the closest repairer capable of rectifying the damage.

The claim processing is accelerated if a completed claim form can be left at the repairer's premises before the visit by the Loss Adjuster. If there are any delays in obtaining repair authorisation or necessary services, please contact us and we will act on your behalf to expedite.

Usually the policy excess is paid to the repairer upon collection of the repaired vehicle. If the damage is due to the negligence of an identifiable third party, your Insurer will normally endeavour to recover your excess. Where a third party is involved, under no circumstances should any admission of liability be made.

Personal Injury - In cases where personal injury is involved, a separate claim form must be submitted to the Motor Accident Compensation Insurer. Claim forms can be supplied upon request.

No further direct actions with any Third Parties should be undertaken without instruction from Insurer.

A copy of the claim form should be lodged with our office.

## Liability

General and Products - No admission of liability should be made to any party in any form whatsoever. All correspondence, summonses and demands should be sent to our office immediately upon receipt.

Should you be unable to contact us and your requirements are urgent, please contact IA's central office on 1300 366 085 or email [info@iaa.net.au](mailto:info@iaa.net.au).

# Reporting Procedures

Your insurance submission has been prepared from information obtained from you and relates to your activities at a certain date. Changes and developments can and do occur which could have a bearing on the adequacy of your insurances.

The following list is to be used as a guide on areas of activity which should be notified to us as they are proposed, or occur, so appropriate steps can be taken to ensure you are adequately protected. Remember it is by no means complete, so when in doubt contact us for guidance:

- Acquisition of new Companies and or Joint Ventures in which you become involved
- Purchase, construction or occupancy of new premises
- Alterations, vacation, temporary un-occupancy, extension of, demolition of existing premises
- Increase in values in excess of sums insured or declared limits
- Removal of stock or equipment to new locations
- Purchase, hire, lease or borrowing of plant and equipment of motor vehicles
- Contractual liabilities, including leases or hiring agreements, particularly any contracts which impose additional liabilities
- Granting of indemnities or hold-harmless agreements
- Changes in processes, occupancy, products or extension of business operations, including new products or processes
- Proposed installation of computers, pressure vessels, lifting equipment or other plant and equipment
- Expansion to other States or Territories within Australia or internationally
- Alteration, amendment to or disconnection of fire or burglary protection systems
- Use or charter or operation of aircraft or waterborne craft (except for ordinary travel)
- Financial dealings which create insurable or pecuniary interest by third parties
- Significant changes to security, money handling or administration methods
- Overseas developments involving establishment of business, export or products or personal movements and travel

# Your Duty

The *Insurance Contracts Act 1984 (ICA)* requires that you, and everyone who is an insured under your policy, comply with a relevant duty.

The duty requires you at a minimum to answer all questions the Insurer asks of you honestly, and in addition may require 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 insurance policy.

The ICA specifically defines certain insurance policies as Consumer Insurance Contracts. In these circumstances, you have a duty to take reasonable care not to make a misrepresentation to the Insurer when answering questions that the Insurer will ask.

You therefore must take reasonable care not to make a misrepresentation to the Insurer when answering their questions by answering all questions fully and accurately and to the best of your knowledge. Failing to take such reasonable care may have consequences as outlined below.

For all other insurance policies, those not defined as Consumer Insurance Contracts, you have a duty to disclose to the Insurer every matter that is known to you, or a reasonable person in the circumstances could be expected to know, to be a matter relevant to the decision of the Insurer whether to insure you and, if so, on what terms.

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.

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. 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 obligations.

If in doubt it is better to tell us. We can assist you in determining what needs to be disclosed to the Insurer in order to meet your duty.

If your policy is renewable, before an Insurer agrees to renew your policy, you may again be asked questions by the Insurer relevant to their decision whether to renew your policy. They may provide you a copy of anything you have previously told them and ask you to tell them if anything has changed. If you do not advise of any relevant changes then this will be taken to mean there has been no changes.

Your duty is an important issue and if you do not understand its operation or the effect it may have if not complied with, please contact your Adviser to discuss further.

## General Questions:

Please complete the following questions. Your and/or any potential Insurer may ask subsequent questions based on the responses below.

- |  |     |
|--|-----|
| • In the past 5 years have you had any insurance declined, cancelled, proposal or application rejected, renewal refused, had any claim rejected, had any special term, condition, warranty or excesses imposed by an Insurer?  | No  |
| • In the past 5 years have you or any Partner or other Director been declared bankrupt, been placed into receivership or liquidation been involved in any Company or Business that became insolvent or entered administration or receivership or had any threats to life or property (whether private or business)?  | No  |
| • In the past 10 years have you or any other Partner, Director or Owner been charged with or convicted of any criminal offence, (other than minor traffic convictions) in connection to crimes related to drugs, dishonesty, arson, theft, fraud or violence against persons or property, had penalties imposed or been liable for any civil offence or pecuniary penalty exceeding \$5,000? | No  |
| • In the past 5 years have you lodged any claims, notified an Insurer of a potential claim, had any claims made against you or aware of any incident that may give rise to a claim?  | No  |
| • Do you authorise us to give to, or obtain from, other Insurer's or any relevant Third Party, in accordance with our Privacy Policy, any information relating to insurance or claim information held by you or any Insured Persons, Office Holders, Directors, Businesses or Corporations?  | Yes |

- |  |     |
|--|-----|
| <ul style="list-style-type: none"> <li>• Are you aware of any matter, or any exceptional circumstance not covered above, that relates to the risk to be insured that you have not already told us about, and that you know or should know may affect the Insurer's decision to insure you?</li> </ul>  | No  |
| <ul style="list-style-type: none"> <li>• I/We consent to IA's Privacy Policy and acknowledge our Duty of Disclosure under the Insurance Contracts Act 1984 (as amended), to disclose to the Insurer every matter that I/We may know, or could reasonably be expected to know, that is relevant to the Insurer's decision whether to accept the risk of the insurance and, if so, on what terms. Failure to comply with the above may result in the cancellation of the policy or a claim being declined or reduced.</li> </ul> | Yes |

## Privacy Notice

We are committed to protecting your privacy in accordance with the Privacy Act 1988 (Cth) (Privacy Act) and the Australian Privacy Principles (APPs). Where required, we will provide you with a Collection Notice which outlines how we collect, disclose and handle your personal information. You can also refer to our Privacy Policy available on our website [www.insuranceadviser.net](http://www.insuranceadviser.net) or by contacting us for more information about our privacy practices including how we collect, use or disclose information or how to complain in relation to a breach of the Australian Privacy Principles and how such a complaint will be handled.

## Client Acknowledgement – I/we acknowledge that:-

All answers and statements made in the coverage summary forming part of this Insurance Proposal are true and accurate in every respect. No information has been withheld which is likely to affect an insurer's decision about rating or accepting my/our insurances. The Insurer reserves the right to decline my application.

This acknowledgement will be relied upon by the insurer and/or Insurance Advisernet Australia Pty Ltd.

# Important Notices

For your protection, we are required to draw your attention to the following important information.

## Financial Services Guide (FSG)

We are obliged to provide you with a Financial Services Guide (FSG) which 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. Please [click here](#) to view our FSG.

## Workers Compensation

It is compulsory for Employers to have Workers Compensation Insurance. Please ask us for further details, if you are unsure.

## Cancellation Of Your Policy

If a policy is cancelled before the expiry of the period of insurance, we reserve the right to refund the net return premium we receive from the Insurer or have a cancellation fee charged to offset the Insurer's deduction of commission. Please refer to our Financial Services Guide for more Information about our remuneration and cancellation policy.

## Complaints and/or Disputes

We are committed to providing you with excellent customer service and quality products. Complaints are an important part of maintaining and improving our standards, so If you believe that we have not delivered in a particular area we would like to hear your comments. Details about our approach to Complaints can be found on our website [insuranceadviser.net/compliments-and-complaints](https://insuranceadviser.net/compliments-and-complaints). Alternatively, you can contact our Complaints Manager on 1300 366 085.

If you are not satisfied, we subscribe to the Australian Financial Complaints Authority (AFCA) complaints resolution scheme, which handles complaints against insurance brokers relating to a variety of small business and domestic processes. You can refer your complaint to the AFCA who will conciliate with a view to seeking a solution that is acceptable to both parties.

Further Information about AFCA is available from IA and/or from [www.afca.org.au](http://www.afca.org.au), or you may call them directly on 1800 321 678.

## NIBA and the General Insurance Brokers Code of Practice

IA is a proud member of the National Insurance Brokers Association of Australia (NIBA) and are bound by their Code of Conduct.

We also subscribe to the General Insurance Brokers Code of Practice (the Code). The Code sets out standards for insurance brokers to follow when dealing with clients including requirements to inform clients of remuneration arrangements and any conflict of interest.

A copy of the Code is available at <https://ialinks.net/NibaCode>

## 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 may prejudice any claim or the continuation of cover provided by Insurers.

## Average or Co-Insurance

Some policies contain an average/co-Insurance clause, which means that you must insure for the full insurable value of the property insured. If you under-insure, your claim may be reduced in proportion to the amount of the under-insurance.

A simple example, illustrating the application and effect of the average/co-Insurance clause, is as follows: -

Full (replacement) value	\$1,000,000
Sum Insured	\$500,000

Therefore you would be self-insured for 50% of the full value.

Amount of claim (example only)	\$100,000
Amount payable by insurers as a result of the application of average/co-Insurance (being 50% of the \$100,000)	\$50,000

## Average (Co-Insurance Business Interruption Policies)

Some policies contain an average/co-insurance clause, which is fully set out in the 'Basis of Cover', 'Basis of Settlement' 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); 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 as it applies to your policy, please contact us for assistance.

## Subrogation and/or Hold Harmless Agreements

You may prejudice your rights with regard to a claim if, without prior agreement from your Insurers, you make any agreement with a third party which would prevent the Insurer from recovering the loss from that third party, or any party which would be otherwise liable.

Some policies contain provisions that either exclude the Insurer from liability, or reduce its liability, if you have entered into any agreements which exclude or limit your rights to recover damages from another party in relation to any loss, damage or destruction, the subject of a claim under the policy.

Examples of such agreements are the "hold harmless" clauses that are often found in leases, in maintenance or supply contracts and in repair contracts. If you are in any doubt, please contact us to discuss.

## Unnamed Parties

If you require the interest of a party other than the named insured to be covered, you **MUST** request this. Most policy conditions will exclude indemnity to other parties (e.g. mortgagees, lessors, principals etc) unless their interest is properly noted on the policy.

## Not A Renewable Contract

Cover under your policies terminates on the date shown on the Insurance Advisernet Australia Pty Ltd tax invoice. Some policies are not renewable contracts, in which case, if you wish to purchase similar insurance for any subsequent period, it will be necessary for you to complete a new proposal form prior to the termination of the current policy.

If you wish to effect similar insurance for any subsequent period, it will be necessary for you to complete a new proposal prior to the termination of the current policy.

## Leasing, Hiring and Borrowing Property

When you lease, hire or borrow property, make sure that the contract clearly identifies who is responsible to insure the property. This will help avoid arguments after a loss and ensure that any claims are efficiently processed. Some policies automatically cover property you are responsible to insure, subject to the policy deductible.

If the responsibility to insure lies with the owner, we recommend you try to ensure that any lease or hire conditions entered into by you, waive any rights of recovery against you, even when the damage is due to your negligence. This will prevent the owner's Insurer making a recovery against you. If there are no leases or hire conditions, you should write to the owner asking who is to insure the property.

## Essential Reading of Policy Wording

The policy wordings will be passed to you as soon as they are received from the Insurers. It is in your own interests to read these documents without delay and advise us in writing of any aspects which are not clear to you or where any aspect of the cover does not meet with your requirements.

## Claims Made During the Period of Insurance

Your attention is drawn to the fact that some policies provide cover on a 'claims made' basis. This means that claims first advised to you (or made against you) and reported to your Insurer during the Period of Insurance are recoverable irrespective of when the incident causing the claim occurred, subject to the provisions of any clause relating to a

'retroactive date'.

In terms of the provisions of Section 40(3) of the Insurance Contracts Act 1984, where you give notice in writing to the Insurer of facts that might give rise to a claim against you as soon as is reasonably practicable after you become aware of those facts (but before the insurance cover provided by the contract expires) then the Insurer is not relieved of liability under the contract in respect of the claim, when made, by reason only that it was made after the expiration of the Period of Insurance cover provided by the contract.

In order to ensure that any entitlement under the policy is protected, you must therefore report all incidents that may give rise to a claim against you to the Insurers without delay after such incidents come to your attention and prior to the expiration of the policy period.

## Claims Occurring Prior to Commencement

Your attention is drawn to the fact that, except as indicated in the foregoing section, your policies do not provide indemnity in respect of events that occurred **PRIOR** to commencement of the contract.

For more information please contact your Authorised Representative or IA directly via the details outlined in your insurance policy proposal document or visit [www.insuranceadviser.net](http://www.insuranceadviser.net) for more information.