

## TERMS OF ENGAGEMENT

We are delighted to confirm our engagement as your insurance broker, and we write to confirm how and on what terms we will manage your insurance needs.

Further, we subscribe to and are bound by the Insurance Brokers Code of Practice a full copy of which is available from the National Insurance Brokers Association (NIBA) website, [www.niba.com.au](http://www.niba.com.au).

As our client we will act on your behalf and in your interests in all matters and We are authorised to advise you about and arrange general insurance products. Should a conflict of interest arise which cannot be managed and results in Us being unable to advise you or act on your behalf, we will immediately notify you.

### Acceptance of Terms of Engagement

These Terms of Engagement apply from the date they are provided to you and your instructions to us to proceed with any insurance placement, renewal, variation, claim, or related service will constitute your acceptance of these Terms.

If you have any questions, concerns, or objections to these Terms, you must notify us in writing within seven (7) days of receipt. If we do not hear from you within this timeframe, you will be deemed to have accepted these Terms in full.

We encourage you to contact your Account Manager promptly should you require any clarification.

### Delegated Authority / Lloyds' Binder Arrangements

We may from time-to-time act under a delegated authority or binder arrangement granted by an insurer, including Lloyds' of London syndicates or their managing agents.

Where we act under such an authority, we may have the authority to enter contracts of insurance, issue policy documentation, endorsements, or handle certain aspects of claims on behalf of the insurer.

Therefore, we acknowledge that acting under a delegated authority creates a potential conflict of interest, as we may be acting both as your broker and as agent of the insurer. We manage this conflict through documented governance arrangements,

controls, and compliance processes to ensure we continue to act in your best interests.

By engaging us, you consent to us acting under any such delegated authority arrangements that are relevant to your insurance placement. Further details are available on request.

We may provide you with Personal or General Advice (Personal Advice considers your individual circumstances, needs, and goals, while General Advice provides information or recommendations without taking your personal situation into account).

For more information about our services is available from our Financial Services Guide (FSG) available on our website at [www.indemnitypro.com.au](http://www.indemnitypro.com.au)

### Remuneration and Your Consent

In return for the services we provide to you, if we are paid a commission, the commission will be between 1% and 30% per cent of the premium paid (excluding relevant taxes, charges and levies) which is paid to us by the insurer when the policy is arranged, renewed or where ever there is a variation to the policy (if additional premium is payable).

We may also charge a fee payable by you either in lieu of commission or in addition to the commission.

Further, we may receive remuneration from insurers, reinsurers, underwriting agencies, premium funders, or other third parties, including commissions, fees, or profit-based arrangements.

Where such arrangements give rise to a conflict of interest, we manage the conflict in accordance with our Conflict-of-Interest Policy and our obligations under the Corporations Act.

### Account Managers

Your Account Manager will look after your insurances and they will be assisted by other brokers and specialists within the firm from time to time and you may contact them directly, in person office visit, by telephone or email.

### Our Services

We will provide you with the following services:

- Help you identify and assess your risks and develop a proposal to submit to potential insurers
- Advise and make recommendations as to your insurance requirements
- Contact you with our recommendations
- Prepare underwriting submissions
- Seek insurance quotes (we will seek quotes from the broader general insurance market before making a recommendation. We have established arrangements with an extensive panel of reputable insurers, allowing us the capability to source competitive quotes and tailor cover to suit your requirements.
- Negotiate terms with any existing insurers and with alternative insurers.
- Place the insurances agreed upon
- Review policy wordings and obtain signed policies from insurers
- Confirm the placement of the insurances to you
- Calculate, invoice and collect the premiums
- Adjust premiums on prior year policies
- Review your insurance arrangements:
  - when you inform us about material changes to your circumstances;
  - at the time of any scheduled status reviews as agreed with you;
  - upon renewal of your insurances.
- Facilitate policy changes and/or cancellations as per your instructions
- If required, assist you with any Insurance Premium Funding needs.
- If required, assist you to manage any claims you may need to make:
  - we will keep you informed in a timely manner regarding the progress of claims.
  - when we receive an insurer's response to a submitted claim, we will notify you of the outcome as soon as it is reasonably practical to do so.
  - if a claim is either unreasonably denied or reduced by the insurer, we will act as claims advocates on your behalf to try to have the claim paid.
  - we will advise you if the insurer seeks to negotiate a settlement of your claim.
  - we will seek your instructions before agreeing to any settlement of your claim.
  - if the insurer declines to pay a claim, we will explain the reasons for the insurer's decision and outline what further steps can be taken, including steps to make a complaint.
  - in the event you terminate our appointment as your insurance broker we

will provide details of any claim(s) to your new insurance broker so that they may continue to negotiate settlement on your behalf.

- Where we act under either an arranging or a claim's authority from the insurer, which is relevant to you, as exercising that authority is a conflict of interest, we will contact you in a timely manner, and put in place adequate measures to manage the conflict.
- We will take reasonable steps to contact you at least fourteen (14) days prior to your insurance cover expiry date to engage you on the next steps to be taken prior to the expiry of the policy.

We will take appropriate, professional and timely steps to seek insurance cover terms and conditions and advise you of available options (if any) for your consideration.

Many commercial or business contracts contain clauses that relate to your liability (including indemnities or hold harmless clauses).

These clauses may entitle your insurers to either reduce cover, or in some cases, refuse to indemnify you at all. Please inform us of any clauses of this nature before signing and accepting such contracts. We may recommend that you seek legal advice.

We can also advise on risk management strategies apart from insurance.

## Important Relationships

We are a privately owned insurance broking firm.

## Your Disclosure Obligations

It is important that you provide us with complete and accurate information about the risk to be insured otherwise the advice we give you may not be appropriate for your needs. We rely on you to provide complete and accurate information.

Before you enter into an insurance contract with an insurer, you have a duty under the Insurance Contracts Act 1984 (Cth) to disclose information to the insurer.

This Duty of Disclosure applies until the insurer agrees to either insure you or renew your insurance. The Duty

of Disclosure also applies before you extend, vary or reinstate your insurance.

If you are applying for or renewing insurance in relation to consumer insurance products such as, your motor vehicle, home building and/or contents, residential strata, travel, personal accident or sickness and/or consumer credit products, 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. By not doing so may be considered by the insurer to be a breach of your 'duty to take reasonable care not to make a misrepresentation' and may cause issues in relation to the validity of your insurance policy and/or issues in the event of you lodging a claim.

At renewal, the insurer may either ask you to advise any changes to information you have previously disclosed, or may give you a copy of the information you previously disclosed and ask you to advise them if there have been any changes. If you do not tell the insurer about a change, you will be taken to have told the insurer there is no change.

If you are applying for or renewing any other insurance, you must tell the insurer all information that is known to you that a reasonable person could be expected to know or that is relevant to the insurer's decision to insure you and on what terms.

You do not need to tell the insurer anything:

- that reduces the risk it insures you for;
- is common knowledge;
- that the insurer knows or should know; or
- which the insurer waived your duty to tell it about.
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## Non-Disclosure

If you fail to comply with your Duty of Disclosure, the insurer may cancel your contract of insurance, or reduce the amount it will pay you if you make a claim, or both. If your failure to comply with the Duty of Disclosure, or you are fraudulent, the insurer may refuse to pay a claim and treat the contract of insurance as if it never existed.

If you are in doubt about whether or not a particular matter should be disclosed, please contact your Account Manager.

You must make sure you explain the Duty of Disclosure to any person you represent when we arrange any insurance cover for you. Alternatively, you may ask any person you represent to contact us and we will explain their Duty of Disclosure to them directly.

If your circumstances change, our recommendations may no longer be appropriate. Therefore, please tell us about any changes in your circumstances so that we can confirm that your insurance continues to be suitable for your needs.

## Continuity of Cover

It is important that you maintain continuity of cover and accordingly, if a contract of insurance falls due and we are unable to contact you, we will automatically arrange for the policy to be held covered (or renewed if necessary). If you do not require the cover, we ask that you tell us as soon as possible. A short-term premium may apply. Please tell us if you do not wish us to provide this service.

## Cancellation

We can only cancel a contract of insurance on the written instructions of a person authorised to represent each of the parties who are named as insureds. We cannot cancel any contract of insurance which is subject to the Marine Insurance Act 1909.

## Period of Engagement

Unless we agree in writing otherwise, our appointment is on-going commencing the date you receive these Terms of Engagement or you request us to begin working on your behalf, whichever comes first. You may cancel our appointment by giving at least one month's notice. Our appointment is exclusive and replaces the appointment of your current broker.

We look forward to working with you and to a long and mutually satisfactory relationship. We encourage you to call your Account Manager at any time, if you have any questions about our services or your insurances.

## Premium Funding

Premium Funding products enable you to pay your premiums by installments, though Premium funders

do charge interest and they take a power of attorney over your insurance policy, as they have paid it to the insurer in advance, in full, as required at the beginning of the policy period.

We can arrange premium funding on your behalf if you require it and we may receive a commission based on a percentage of the premium from the premium funder for doing so. We will tell you the basis and amount of any such payment before or at the time the premium funding is arranged.

## Our Payment Terms

**Invoices** - we will invoice you for the premium, statutory charges (e.g. stamp duty and fire services levy) and any fees we charge for arranging your insurances.

You must pay us within:

- 14 days of the date of the invoice.
- Or in the case of a renewal, before the expiry date of the contract of insurance.
- Please be aware that we do not in any circumstance refund our commission and fees in the event of a mid-term cancellation or where another broker is appointed after a renewal has been processed or agreed to pre or post renewal date. This is because we would have already done the work and it's only fair that we get paid for the renewal work done.

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.

**Credit Card Fees** - if you pay by credit card, we may charge you a non-refundable credit card fee. This fee will be shown on your invoice and reimburses us for bank interest, extra charges/costs and time incurred by us when providing credit card facilities.