

POLICY

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

CANCELLATION WARNING (RETENTION OF BROKERAGE AND FEES)

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

ELECTRONIC DELIVERY OF DISCLOSURE NOTICES

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

WHOLESALE BROKER INFORMATION

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

PREMIUM FUNDING WARNING

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

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

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

UTMOST GOOD FAITH

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

UNDERWRITING AGENTS AND WHOLESALE BROKERS

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

CONTACT AGREEMENT

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

CONTRACTUAL LIABILITY

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

THIRD PARTY INTERESTS

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

ALTERATIONS

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

PAYMENT

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

NEW POLICIES

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

INTERESTS OF OTHER PARTIES

Many policies exclude cover for an interest in the insured property held by someone other than the named insured unless that interest is specifically noted on the policy. For example, if property is jointly owned, or subject to finance, the interest of the joint owner or financier may be excluded, if it is not specifically noted on the policy.

CANCELLATION

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

PRIVACY ACT

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

COOLING OFF

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

DISCLAIMER

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

TERMS OF TRADE

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

SUBROGATION

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

RIGHTS OF RECOVERY AGAINST OTHERS

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

CLAIMS MADE POLICY

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

AVERAGE/UNDERINSURANCE

This clause found in almost all commercial insurance contracts is applicable to all fire and business interruption sections. Some insurers may also apply it to the machinery breakdown section. It is important to ensure the sum insured you select is adequate to represent the value of the property insured at the time of making a claim. If you fail to do this and you understate a sum insured or declared value, you may have to contribute towards a claim.

For example -You insure your Building for \$500,000, The estimated replacement Value at beginning of your policy is \$1,000,000. You have a small fire with smoke damage totalling \$250,000. If your insurance policy has an average clause of 80%, the calculation will be as follows: Sum insured/(co-insurance percentage x value at beginning of your policy)x Loss amount. Hence, \$500,000 / (80% of \$1m) x \$250,000 = 62.5% x \$250,000. Insurer pays only \$156,250.

CLAIMS OCCURRING PRIOR TO COMMENCEMENT

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

VALUATIONS

The information we obtain from you as part of the process of placing your insurance may include details of the replacement value of property you wish to insure. Is your insurance declared values accurate? Unless you have recently had an insurance valuation, you may run a risk of declaring inadequate sums insured. We strongly recommend providing us with up-to-date valuations.

FLOOD

Flood is not covered by most insurance policies. If Flood is covered, it will be clearly shown on the schedule attached.

VACANT PREMISES

Most insurers will cover your property if it becomes vacant for a short period of time, this is generally 60 or 90 days. If the property remains vacant beyond such period, the insurer may decline to continue with cover or amend the terms in which cover was placed on. The insurers perceive vacant properties having a higher exposure to malicious damage claims.

If your building is likely to become vacant for more than 60 days, you should advise our office immediately.

ASBESTOS IN YOUR BUILDING

Asbestos has been used heavily in the Australian cement manufacturing industry from the 1940's to the 1980's. It can be found in commercial buildings and domestic housing. If your property contains asbestos in the roofing or building you must notify our office in writing as some insurers will not cover your property or business, or some will impose a larger excess on claims you may have. You may also need to ensure you have adequate Removal of Debris cover so you are not out of pocket in case of a claim. Asbestos removal is time consuming and can be costly.