

# Duty of Disclosure and other Important Notices.

## SOME IMPORTANT THINGS YOU NEED TO KNOW

It is essential that you carefully read and understand the following important notices. If you have any questions, please ask us.

### **Make sure you comply with your Duty of Disclosure**

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

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

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

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

### **If you are responding for other insureds**

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

### **Avoid making misrepresentations or not telling the insurer something**

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

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

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

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

If in doubt it is better to tell us.

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

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

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

When you answer any questions asked by the insurer, you must give honest and complete answers and tell the insurer, in answer to each question, about every matter that is known to you

and which a reasonable person in the circumstances would include in answering the questions.

Examples of matters that should be disclosed are:

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

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

### **Delay between final entry into the policy and original disclosure of information**

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

### **Misstatement of Premium**

We try to tell you the correct amounts of premium and statutory and other charges that apply to your insurance. In the event that we misstate that amount (either because we have made an unintentional error or because a third party has misstated the amount), we reserve the right to correct the amount. Where permitted by law, you shall not hold us responsible for any loss that you may suffer as a result of any such misstatement.

### **Change of Risk or Circumstances**

You should carefully monitor and review that your insurance contract is adequate to cover your assets or business activities and seek a variation if it is not. Many policies require us to notify the insurer in writing of certain changes to the insured risk during the period of insurance. The insurer can then decide whether to cover the new risk.

Examples are:

- For insurance covering property location changes, new business activities or any significant departure from your normal business operations.
- For insurance covering your liability to third parties changes to the nature of your business, and specifically in products liability, changes to your product range or your involvement in products not previously notified to insurers.

### **Interest of Other Parties**

Many policies exclude cover for an interest in the insured property held by someone other than the insured, unless that interest is specifically noted in the policy. For example, if property is jointly owned, or subject to finance, the interest of a third party such as the joint owner or financier may be excluded if it is not specifically noted on the policy. If you want the interest of any third party to be covered, please let us know, so that we can ask the insurer to note that party's interest on the policy.

### **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 received from the Insurer or have a cancellation fee charged to offset the Insurers deduction of commission. Please ask us for any additional information you require about our remuneration or cancellation policy.

### **The Australian Financial Complaints Authority**

If you have any complaints about the service provided to you, you should contact us and tell us about your complaint. If the complaint cannot be resolved to your satisfaction within 45 business days, you have the right to refer the matter to the Australian Financial Complaints Authority (AFCA):  
Online: [www.afca.org.au](http://www.afca.org.au)  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Phone: 1800 931 678  
Mail: Australian Financial Complaints Authority  
GPO Box 3 Melbourne VIC 3001

### **Important Notice about your Austbrokers Broker and Hunter Premium Funding Agreement**

#### **Austbrokers role and remuneration**

Your Austbrokers Broker and AUB Group Limited ("AUB") (ABN 60 000 000 715) have a preferred supplier arrangement with Hunter Premium Funding Pty Ltd ("Hunter") for the arrangement of premium funding. They do not act for Hunter and do not advise on whether Hunter's products or services are right for you or are most appropriate. You need to make your own decision based on the information provided.

If you use Hunter, your Austbrokers Broker receives:

- a payment based on the interest earned on the premium funding by Hunter each month;
- a commission which is a percentage of the amount of funding provided to you;
- a payment based on a percentage of all outstanding loans less any cancelled or terminated loans; and
- a payment based on a percentage on certain general insurance business placed by the Austbrokers Network with certain divisions of Allianz Insurance Ltd.

AUB receives certain upfront payments from Hunter for entering into (or renewing) a preferred supplier arrangement with Hunter. Your Austbrokers Broker is owned [partly/wholly] by AUB and benefits from any profit made by this entity due to this arrangement.

If your loan is cancelled, your Austbrokers Broker and AUB keep any payments received pursuant to the above arrangement with Hunter.

If you need more information or explanation of the above, please ask us.

### **Cancellation of your Policy(ies) on request of Hunter**

Your Loan Agreement with Hunter allows your Austbrokers Broker, on receipt of a notice from Hunter requesting cancellation of any policy specified in the Loan Agreement with Hunter, to cancel the policy and provide the relevant refund to Hunter. Your Austbrokers Broker will notify you of any such cancellation.