

## IMPORTANT INFORMATION BOOKLET

### YOUR CHECKLIST

Before you give us instructions to place or change an insurance policy, have you?

- Read our correspondence detailing the insurers terms and our recommendations
- Read this Important Information Booklet
- Read the Insurer's Documentation (Policy Schedules and Policy Wordings)
- Made full disclosure about your circumstances, business activities, past and present claims, etc
- Asked us to explain anything you are unsure about
- Told us about any changes you need to make to your policy coverage (eg: sums insured, cover limits, etc)
- Considered whether you have adequate cover
- Given us your instructions to renew or effect insurance
- Paid the invoice (or completed the Premium Funding application Form)

### INTRODUCTION

At Marsh Advantage Insurance Pty Ltd (Marsh Advantage Insurance), we are committed to industry-leading professional standards, part of which includes our continual focus on maintaining effective transparency with our customers.

We understand that compliance information can be highly technical and can often involve a large number of separate documents. That's why we've produced this Booklet – a streamlined document that is clearer and easier to read. Whether you're a small business or a large company, the information contained in this booklet will help you understand your duties and obligations when arranging insurance through an insurance broker.

When we are corresponding with you about your insurance, we will regularly refer you back to the information in this booklet, so it is recommended that you keep it in a safe but easily accessible place for future reference.

Before you choose to arrange insurance through [Marsh Advantage Insurance](#) or accept our recommendations, please carefully read through this booklet and contact us immediately if you have any questions.

## FINANCIAL SERVICES GUIDE (FSG)

This FSG is a guide containing important information about our relationships and associations and is intended to assist you in your decision whether to use any of our services.

The FSG includes information about:

- Who we are
- The services we are authorised to provide to you
- How we and our associates are remunerated
- Any potential conflict of interest we may have
- Our internal and external dispute resolution procedures and how you can access them

You must read the FSG in conjunction with our renewal invitation or quotation proposal which gives you more details to allow you to make an informed decision about whether to use the financial services we offer. Together these documents form the complete FSG.

### Statement of Advice (SoA)

If we provide you with any personal advice for either sickness and accident insurance or a consumer credit insurance product, which takes into account your objectives, financial situation or needs, you will receive from us a Statement of Advice (SoA). The SoA will contain our advice, the basis on which our advice is given and information about the remuneration, fees, commissions, other benefits and any association and relationships that may have influenced the giving of our advice.

For all other types of general insurance products, we will provide you with information about how we are remunerated including any benefits we would receive and any relevant interests or relationships that might be considered as influencing us in the advice or recommendation we have provided.

If we only provide you with general advice for any type of insurance product, that is advice which does not take into account your objectives, financial situation or needs, we will give you a General Advice Warning at that time.

### Product Disclosure Statement (PDS)

If we recommend that you acquire or we offer to issue or arrange to issue you a financial product, we will give you information about the particular financial product by providing you with a Product Disclosure Statement (PDS). The PDS will help you make an informed decision about the financial product.

### Who will be providing the Financial Service?

Marsh Advantage Insurance Pty Ltd (Marsh Advantage Insurance) will be providing the financial service to you. Marsh Advantage Insurance is a subsidiary of Marsh Inc.. Marsh Inc. is a world leader in delivering risk and insurance services and solutions to clients.

Global risk management consulting, insurance broking and insurance program management services are provided for business, professional service organisations and private clients under the Marsh name.

Marsh's ultimate parent is Marsh & McLennan Companies, Inc. (MMC) which is a public company listed on the New York, Chicago, Pacific, and London stock exchanges.

**Refer below for different arrangements that apply in relation to South Australian clients.**

**What kinds of Financial Services are Marsh Advantage Insurance authorised to provide you with and what kinds of Financial Product/s do those services relate to?**

We are authorised to provide financial product advice and deal in:

- General insurance products
- Life insurance products

## What commissions, fees or other benefits does Marsh Advantage Insurance and Marsh Advantage Insurance's Authorised Representatives receive for providing the financial services?

We may be paid a commission by the insurer for arranging the policy which is based on a percentage of the premium less stamp duty, fire services levy, GST and any other government charges, taxes, fees or levies. The rate of commission depends on the policy and may range from 0% to 30%. The commission is included in the premium charged and covers things such as expenses we incur in arranging the insurance and a profit component. We retain the commission from the premium you pay us and remit the balance to the insurer.

We may receive a commission on each renewal, reinstatement and some variations of your policy. The rate of commission depends on the policy and may range from 0% to 30%.

We may charge you a broker fee or administration fee rather than commission for arranging the policy.

Our remuneration may also be a combination of charging you a broker fee/administration fee and commission for arranging the policy.

When you pay us your premium it will be banked into our trust account. We retain our remuneration from the total you pay us and remit the balance to the insurer in accordance with our arrangements with the insurer. We will earn interest on the premium while it is in our trust account. We will retain any interest earned. We may earn interest or benefit from foreign exchange differentials in the process of handling client money.

Unless specifically agreed to the contrary, we shall be considered to have earned all remuneration in full at the time the policy is placed. We reserve the right to retain in full all remuneration so earned even where an insurance policy is amended, terminated or otherwise cancelled

We and companies in the Marsh group of companies ("Intermediary Companies") may receive additional remuneration from insurers with whom we have profit share, reward for growth and business support arrangements. This remuneration is payable if certain agreed sales and/or profitability targets set by the insurer are met. Where we are involved in such arrangements, we may be considered to have an incentive to place your insurance with a specific insurer. In order to control any potential conflict of interest arising from such services we employ a Conflict of Interest policy and specific rules and controls to avoid conflicts arising.

If we have profit share arrangements, reward for growth and business support arrangements with an insurer that apply to a financial product we arrange for you, we will advise you of this before or at the time of placement with the insurer..

If we arrange premium funding for you we will 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 stamp duty, fire services levy, GST and any other government charges, taxes, fees or levies). If you instruct us to arrange or issue a product, this is when we become entitled to the commission.

You may request further details of the remuneration or other benefits disclosed in this document from us within a reasonable time of being provided this document and before we provide you with any financial services.

If you receive personal advice from us, we will tell you in our SOA (where applicable) or other disclosure document about any commissions, fees and any other benefits, in actual dollar amounts where possible (or if it is not known, the manner of calculation) that might reasonably be expected to be, or have been capable of influencing us in providing the advice.

Our representatives receive an annual salary which may include a bonus based on performance. They may also from time to time be eligible to receive incentives or bonuses based on service, retention and increasing new business.

Our representatives may also receive non-monetary benefits from insurers. This may include entertainment at sporting events, hospitality including lunches and attendance at insurer sponsored functions. It is not possible to determine in advance what, if any, non-monetary benefit a representative may receive and these benefits are not generally attributed to any particular product. Marsh Advantage Insurance has compliance policies that ensure these do not conflict with your interests.

All fees, commissions and expenses are (unless otherwise expressly stated) exclusive of GST, which will be added as appropriate.

If you receive personal advice from us, we will tell you about any commissions, fees and any other benefits, where possible in actual dollar amounts, in the information provided or if relevant, the SoA.

We will answer any questions you have about our remuneration to ensure you are clearly informed.

**Refer below for different arrangements that apply in relation to South Australian clients.**

## What relationships or associations exist which might influence Marsh Advantage Insurance in providing Financial Services?

Where you have been referred to us by someone else, if we pay them a fee or commission in relation to that referral, we will tell you.

Some insurance risks may be placed by us with companies in the Marsh group of companies ("Intermediary Companies") who act as intermediaries. An Intermediary Company is remunerated under its contractual arrangements with the relevant insurer. The rate of remuneration depends on the policy and the insurer and may range from 0% to 15%. The amount that we are remunerated is not affected if we place an insurance risk through an Intermediary Company. As outlined above, our Intermediary Companies may also receive remuneration in the form of profit share arrangements. The amount of our remuneration is not affected if we place an insurance risk through an Intermediary Company.

Marsh receives compensation from insurers for providing consulting, data analytics, or other services. The services are designed to improve the product offerings available to our insurance broking clients, assist insurers in identifying new opportunities, and enhance insurers' operational efficiency. The scope and nature of the services vary by insurer and by geography. In Australia this compensation is paid in the form of a fixed fee. Where Marsh is involved in such arrangements, Marsh may be considered to have an incentive to place a client's insurance with these insurers. In order to control any potential conflict of interest arising from the provision of these services to insurers, Marsh employs and acts in accordance with its policies and procedures.

We will answer any questions you may have about the above and in particular our remuneration to ensure you are clearly informed.

### Refer below for different arrangements that apply in relation to South Australian clients.

#### South Australian clients only

Marsh Advantage Insurance also provides the Financial Services to the South Australian clients of its parent company, Marsh Pty Ltd (ABN 86 004 651 512, AFSL 238983) (MPL). Marsh Advantage Insurance provides these Financial Services under its own Australian Financial Services Licence on behalf of those clients and is paid fees by MPL for doing so. These fees are not an additional cost to you and are paid from the amounts disclosed below that MPL receives in respect of its clients in South Australia.

MPL (and not Marsh Advantage Insurance) is entitled to receive the fees, commissions and benefits disclosed in this FSG in respect of the Financial Services provided by Marsh Advantage Insurance to MPL's South Australia clients. MPL also has the relationships and associations disclosed in this FSG in relation to its South Australia clients and MPL (and not Marsh Advantage Insurance) receives the remuneration and compensation disclosed in this FSG from those relationships and associations.

When you pay us your premium it will be banked into MPL's trust account. MPL retains its remuneration from the total you pay us and remits the balance to the insurer in accordance with MPL's arrangements with the insurer. MPL will earn interest on the premium while it is in its trust account. MPL will retain any interest earned. MPL may earn interest or benefit from foreign exchange differentials in the process of handling client money.

## What should you do if you have a complaint?

1. Contact us and tell us about your complaint. We have our own internal dispute resolution procedure, a copy of which is available upon request. In the first instance you should address any concern or complaint to the Marsh Advantage Insurance representative servicing your account. Alternatively, you may contact the Marsh Advantage Insurance Complaints Officer on (03) 9603 2338.
2. If your complaint is not resolved to your satisfaction, the matter will be referred to the Marsh Advantage Insurance Complaints Officer to investigate and take appropriate action. You will be advised within 15 working days of our decision. If the matter is complex and a longer period is required you will be informed.
3. We are a member of an external dispute resolution scheme. If your complaint cannot be resolved to your satisfaction by us you may be able to refer the matter to the free consumer service offered by this scheme subject to its terms of reference.

### The Financial Ombudsman Service Limited (FOS)

You may be able to refer your complaint to the FOS which is a national scheme for consumers aimed at resolving disputes between clients and their broker or insureds and their insurance companies or claimants who have a dispute with another person's insurance company in relation to motor vehicle property (i.e. third party) claim.

If you have any query about whether your complaint can be handled by FOS, call 1300 78 08 08 or email [info@fos.org.au](mailto:info@fos.org.au).

## Compensation Arrangements

In accordance with s912B of the Corporations Act, Marsh Advantage Insurance holds professional indemnity insurance which may cover claims arising out of the conduct of Marsh Advantage Insurance, its employees and representatives in the provision of financial services by Marsh Advantage Insurance. The policy also covers Marsh Advantage Insurance (subject to its terms and conditions) for work done for Marsh Advantage Insurance by employees and representatives who no longer work for Marsh Advantage Insurance. In some instance our authorised representatives may hold their own insurance for this purpose.

## Premium and Invoice Calculations

We make every effort to correctly determine the premium, fire services levy (if applicable), GST and any other government charges, taxes, fees or levies that apply to your insurance. However, occasionally errors can occur. We may correct any such error and (except to the extent prohibited by law) we will not be responsible for any loss you suffer as a result of the error and its correction.

## Automatic Renewals

In some circumstances we may automatically renew your existing policy with your current insurer as per expiring policy details. You will be notified in our renewal invitation or quotation offer if this is relevant to the financial service offered or provided to you. Where this arrangement is in place you can contact us at anytime in order to instruct us to stop automatic renewals

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## TERMS OF ENGAGEMENT

These Terms of Engagement apply between you and Marsh Pty Ltd if you are in South Australia and between you and Marsh Advantage Insurance Pty Ltd elsewhere in Australia. In particular, we wish to draw your attention to the Limitation of Liability clause in Clause 8 below.

### 1. Introduction

- 1.1 Payment of our invoice or verbal or written acceptance of the quotation proposal or renewal invitation shall be deemed as acceptance of these Terms of Engagement.

### 2. Making a claim

- 2.1 Most insurance policies have strict requirements about what the insured should do if they have a claim or if they know about something that might lead to a claim in the future. It is your responsibility to understand these requirements and any relevant limitation period for commencing legal proceedings or other forms of dispute resolution against insurers should the need occur.

### 3. Market security

- 3.1 Marsh only places insurance with insurers that meet its minimum financial standards, unless a client provides specific instructions to the contrary. Marsh does not guarantee the solvency or continuing solvency of any insurer and you should note that the financial position of an insurer can change.
- 3.2 Where Marsh advises you of an insurer's 'Standard & Poors' (or equivalent) credit rating this does not apply in relation to any insurances arranged for you as a Retail Client as that term is defined in Chapter 7 of the Corporations Act 2001 (Cth).

### 4. Products and Services

- 4.1 Marsh will normally make a recommendation to you for insurance policies. You will need to make your own choice about how to proceed and, on receipt of your instructions, Marsh will endeavour to arrange insurance, subject to availability.
- 4.2 Marsh shall provide the Services either itself or, where it considers it appropriate, through one or more of its Associated Entities (as that term is defined in the Corporations Act 2001 (Cth)) or sub-contractors.
- 4.3 You should note that Marsh is not qualified to provide, and will not provide legal, accounting, regulatory or tax advice (including on any liability for Government or other taxes, levies and duties).
- 4.4 Marsh may communicate with you by electronic means, including sending renewal notices and policy documentation, unless you specifically request that this is not done.

- 4.5 Unless advised otherwise we will forward all correspondence and policy documentation to the email or postal address that you last provided to us as your correct contact details for the receipt of policy notices and information. This email or postal address is the only official contact details on which we rely. It is your responsibility to ensure that these details are accurate and complete.

### 5. Remuneration

- 5.1 Marsh will be remunerated for its Services in one of three ways:

- a specific fee(s) paid by you; or
- a percentage commission of the premium due to the insurer for your insurance policies (please note that this will be the basis for Marsh's remuneration unless otherwise agreed); or
- a combination of fee(s) and commission.

Marsh will advise you of the way it is remunerated in the correspondence communicating the recommended insurance program to you.

- 5.2 You are entitled, at any time, to request information regarding any remuneration which Marsh may have received as a result of placing your insurance business. Marsh discloses its wider compensation arrangements in a document entitled "Compensation Guide for Australian clients" available at [marshadvantage.com.au](http://marshadvantage.com.au).
- 5.3 Marsh shall be considered to have earned all remuneration in full at the time the policy is placed. Marsh reserves the right to retain in full all remuneration so earned even where an insurance policy is amended, terminated or otherwise cancelled. This does not affect any statutory cancellation rights. The remuneration of Marsh (especially the fee paid by you) is not conditional on the placement of an insurance policy being made, and Marsh reserves the right to be remunerated for the work it has undertaken.

- 5.4 You will promptly pay the premium and any other charges (including statutory taxes/duties/levies) that any insurer or Marsh invoices to you. Where the policy includes a premium payment warranty or condition, you acknowledge that failure to pay the insurer or Marsh in sufficient time may result in the insurer having the right to cancel the policy. You may remain liable to the insurer for any premium due prior to cancellation of the policy.
- 5.5 Marsh may earn interest or benefit from investment income or from foreign exchange differentials in the process of handling client money. Marsh reserves the right to retain all such benefits. This limits the need for additional charges that Marsh might otherwise have to make.
- 5.6 If, as part of the Services, Marsh spends more than twenty (20) hours negotiating the settlement of a claim or series of related claims arising from one originating cause, you agree that for every hour in excess of twenty (20) hours Marsh's remuneration in respect of such additional work will be AUS\$300 plus GST for each hour, or part of an hour (or such other fee as may be agreed in writing between the parties).
- 5.7 If during the term of this Engagement, you instruct Marsh to arrange a contract of insurance (that was not included in the insurance program at the commencement of this Engagement) or premium funding contract, Marsh will agree with you additional remuneration which may include:
- (a) commission from an insurer or premium funder as the case may be in accordance with customary market practice; and/or
  - (b) an additional fee from you.
- 5.8 Marsh may recommend contracts of insurance which are arranged through facilities that Marsh has in place with insurers whereby Marsh acts as the agent of the insurer and/or Marsh may obtain the assistance of another broker or Associated Entity, in order to carry out your instructions to arrange contracts of insurance. Where Marsh does so, Marsh, an Associated Entity, the other broker and/or the agent may receive additional remuneration from the relevant insurer or charge a fee to you.
- ## 6. Your Obligations
- 6.1 Provision of information: In order to be able to arrange insurance for you, you must:
- act at all times with utmost good faith towards your insurers and Marsh;
  - disclose to insurers before the policy is placed, and before the policy is renewed, extended, varied or reinstated, and at any other time when providing information to the insurer, all information, facts or circumstances which are, or ought to be, known to you and which are material to the risk or which is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms;
  - ensure that when completing and signing any proposal form, or otherwise confirming information to insurers, the information provided is complete, accurate and provided within an agreed timescale.
- 6.2 You acknowledge that this duty is not limited to answering specific questions that may be asked by Marsh or the insurer, and further that the duty of disclosure arises again if you wish to make changes to your policy or when the policy is renewed, extended, varied or reinstated.
- 6.3 If you have any doubt whether information is material, you should disclose it to Marsh, as failure to do so might lead to your policy being avoided or cancelled by insurers or your claim being reduced to nil.
- 6.4 You shall be solely responsible for the accuracy and completeness of all information that you furnish to Marsh and/or insurers, and you shall sign any required application for insurance. Marsh shall not be responsible to verify the accuracy or completeness of any information that you provide and Marsh shall be entitled to rely on that information. Marsh shall have no liability for any errors, deficiencies or omissions in any Services provided to you, including the placement of insurance on your behalf, that are based on inaccurate or incomplete information provided to Marsh. You understand that the failure to provide all necessary information to an insurer, whether intentional or in error, could result in the impairment or voiding of coverage.
- 6.5 You agree to promptly check all documentation supplied to you by Marsh or insurers to ensure there are no mistakes or misunderstandings. You will advise your usual Marsh contact or the insurer immediately of any errors or anything you believe is not in accordance with your instructions or specifications.
- 6.6 You are responsible for maintaining copies of your insurance policies, and any amendments to them, in a safe place for as long as it is possible for a claim to be made under them. New documentation may not be issued every year, and subject to any regulatory requirements, after expiry or termination (whatever the reason) of Marsh's appointment as your insurance broker, Marsh may not retain copies of policies placed by it on your behalf.

## 7. Term and Termination

- 7.1 Either of us may terminate these terms of engagement by giving the other party fourteen days written notice. On receipt of your notice of termination, we will immediately stop acting as your insurance broker (including when assisting you in claim settlements). Because we earn our remuneration for arranging your insurance, we both agree no refund of commission or broker fee will be due to you on termination of our appointment.

## 8. Limitation of Liability

- 8.1 In no event shall either party to this Engagement be liable for any indirect, special, consequential or punitive damages or for any lost profits arising out of or relating to any Services provided by Marsh and/or Marsh's Associated Entities and their representatives (including but not limited to Our/ their employees, agents, consultants and authorised representatives (collectively the "Relevant Persons").
- 8.2 The aggregate liability of Marsh and the Relevant Persons combined, arising out of or relating to the provision of Services shall not exceed AUD\$1 million.
- 8.3 The provisions in clauses 8.1 and 8.2 apply to the fullest extent permitted by applicable law for all events giving rise to any liability on Our/the Relevant Persons' part, whether arising in contract, tort (including negligence) or on any other basis, but do not apply to any liability arising as a result of fraud or wilful default by Marsh and/or the Relevant Persons.
- 8.4 The provisions in clause 8.2 do not apply in relation to any Services supplied to you as a Retail Client.

- 8.5 Marsh's liability will further be limited to the extent it or the Relevant Persons' conduct causes the loss, damage or expense. If you caused or contributed to the loss, damage or expense, Marsh's liability and/or that of the Relevant Persons will be reduced to the extent which takes into account your conduct.

- 8.6 You will and you will further ensure that any entities for which you act as representative in relation to the Services performed by Marsh indemnifies Marsh and the Relevant Persons against all demands, claims, proceedings, costs or damages made against Marsh by a third party connected with the Services.

- 8.7 Marsh are not liable to you in respect of loss or damage caused by any matter beyond Marsh's reasonable control.

- 8.8 The benefit of the rights provided in this clause 8 to Relevant Persons is also held on trust by Marsh for the Relevant Persons.

## 9. Governing Law and Jurisdiction

- 9.1 These Terms of Engagement, and the services provided under them, shall be governed by Australian law, and any dispute shall be submitted to the exclusive jurisdiction of the Australian Courts.



## IMPORTANT NOTICES

Before you instruct us to arrange your insurance, please read these important notices which:

- Outline your rights and obligations in relation to entering into contracts of general insurance
- Provide details of who to contact at Marsh Advantage Insurance should you have problems with any of our services
- Detail how we manage your personal and private information

If you have any questions, or need to make a declaration, contact your Marsh Advantage Insurance Adviser.

### GENERAL NOTICES

These notices are applicable to all types of general insurance policies.

#### Disclosure

##### **Your Duty of Disclosure - contracts of general insurance subject to the Insurance Contracts Act**

Before you enter into a contract of general insurance with an insurer, you have a duty, under the Insurance Contracts Act 1984, to disclose to the insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms.

You have the same duty to disclose those matters to the insurer before you renew, extend, vary or reinstate a contract of general insurance.

Your duty, however, does not require disclosure of matters:

- That diminish the risk to be undertaken by the insurer
- That are of common knowledge
- That your insurer knows or, in the ordinary course of its business, ought to know
- As to which compliance with your duty is waived by the insurer

##### **Non-Disclosure**

If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce its liability under the contract in respect of a claim, or may cancel the contract.

If your non-disclosure is fraudulent, the insurer may also have the option of avoiding the contract from its beginning.

Please note that your duty to disclose applies also when you amend, alter, vary or endorse a policy.

#### Your Duty of Disclosure – Other Contracts

Please note that in relation to policies which are not governed by the Insurance Contracts Act 1984 such as marine insurance (other than marine inland transit insurance and pleasure craft insurance) and insurance required by statute, the insured still owes a duty of disclosure to the insurer. This is a duty to disclose to the insurer before the contract is concluded, every material circumstance which is known to the insured. Every circumstance is material which would influence the judgment of a prudent insurer in fixing the premium or determining whether they will take the risk. The insurer may avoid the contract from inception if the insured fails to make such disclosure. In the case of insurance required by statute, such as compulsory third party motor vehicle insurance, the insurer may have rights of recovery against the insured in the event of misrepresentation, misstatement or non-disclosure.

#### Disclosure – Subsidiary & Associated Companies

Your Duty of Disclosure - Cover which is arranged for subsidiary and/or associated companies in addition to named insureds.

If you enter into a contract of insurance on behalf of any subsidiary and/or related company of the named insured, that subsidiary and/or related company has the same duty of disclosure as the named insured. We recommend that you ensure that each subsidiary and/or related company is made aware of the duty of disclosure and given an opportunity to make any necessary disclosures.

#### Utmost Good Faith

Every insurance contract is subject to the doctrine of utmost good faith, which requires that parties to the contract should act toward each other honestly and fairly, avoiding any attempt to deceive in assuming and performing contractual obligations.

Failure to do so on the part of the insured may permit the insurer to refuse to pay a claim or to cancel the policy or both.

## Essential Reading of Policy Wording

We will provide you with a full copy of your policy as soon as it is received from the insurer.

It is essential that you read this document without delay and advise Marsh Advantage Insurance in writing of any aspects which are not clear or where the cover does not meet with your requirements.

## Change of Risk or Circumstance

It is vital that you advise the insurer of any changes to your company's usual business. For example, insurers must be advised of any:

- Mergers or acquisitions
- Changes in occupation or location
- New products or services
- New overseas activities

If you are in doubt as to whether to notify your insurer of a change in business operations, please consult Marsh Advantage Insurance.

Please note that your duty to disclose applies also when you amend, alter, vary or endorse a policy.

## Subrogation

Some policies contain provisions that either exclude or reduce the insurer's liability for a claim if you waive or limit your rights to recover damages from another party in relation to any loss.

You may prejudice your rights with regard to a claim if, without the prior agreement from your insurers, you make any agreement with a third party that will prevent the insurer from recovering the loss from that, or another party.

If you have such agreements, we may be able to negotiate with the insurer to permit them and therefore we request you advise Marsh Advantage Insurance of their existence.

Examples of such agreements are the "hold harmless" clauses which are often found in leases, in maintenance or supply contracts from burglar alarm or fire protection installers and in repair contracts. If you are in doubt, please consult Marsh Advantage Insurance.

## Un-named Parties

Most policy conditions will exclude indemnity to other parties (eg. mortgagees, lessors, principals, etc.) unless their interest is properly noted on the policy.

If you require the interest of a party other than the named insured to be covered, you must specifically request this.

## General Advice Warning

It is important that you understand and are happy with the policies Marsh Advantage Insurance can arrange for you. Any recommendations we have made have been based on a consideration of the premium quoted and the scope of cover offered by an insurer. We can give you general information to help you decide but unless we have specified otherwise, we have not advised you on whether the terms are specifically appropriate for your individual objectives, financial situation or needs. We therefore recommend that you should carefully read the relevant Product Disclosure Statement and other information we provide before deciding.

## Privacy Notice

Marsh Advantage Insurance Pty Ltd (ABN 31 081 358 303 AFS licence number 238 369) and our associated entities value the privacy of your personal information and we are committed to handling your personal information in a responsible way in accordance with the Australian Privacy Principles (APPs) and the Privacy Act 1988 (Cth). Full details of how, when and from where we collect, hold, use and disclose personal information is available in our Privacy Policy at the Legal Notices section of [marshadvantage.com.au](http://marshadvantage.com.au). Our Privacy Policy also contains information about how you may complain about a breach of the APPs and our complaint handling process.

In the course of performing our business activities including providing insurance and risk services such as arranging insurance policies and advising on insurance options, reinsurance, managing claims or consulting on other risks for our clients and those of our associated entities, insurers and other insurance intermediaries we (and our authorised agents) may collect or disclose your personal information from or to other persons, which include:

- a person authorised by you;
- a third party such as your employer;
- our employees, authorised representatives, associated entities and contractors and other business support service providers for the purposes of the operation of our business;
- insurers, reinsurers; other insurance intermediaries and premium funders;
- persons involved in claims such as solicitors, assessors, repairers, builders, investigators, your employer or medical practitioners and rehabilitation providers; or
- government bodies, regulators, the Financial Ombudsman Service, law enforcement agencies and any other parties where required or authorised by law.

Marsh Advantage Insurance may also collect and disclose your personal information for other purposes as outlined in our Privacy Policy, which includes marketing activities. We will only use and disclose your personal information for a purpose permitted by law or that you would reasonably expect. We will request your consent for any other purpose.

When you give Marsh Advantage Insurance personal information about other individuals, we rely on you to have made them aware that you will or may provide their information to us, the purposes for which we use it, the types of third parties we disclose it to and how they can access it (as described in this notice). If it is sensitive information we rely on you to have obtained their consent to these matters. If you have not done these things, you must tell us before you provide the relevant information.

If you do decide not to provide us with the information required we may not be able to provide a service or arrange a product.

Your personal information may be disclosed to our associated entities, service providers, insurers, reinsurers and other insurance intermediaries located in countries outside of Australia. The countries this information may be disclosed to will vary from time to time, but may include the United Kingdom, the United States, Canada, India for business support services and international insurance market hubs in Bermuda, Brazil, China, Dubai, Hong Kong, Ireland, Japan, Singapore, South Korea, United Kingdom, and the United States. We take reasonable steps to ensure that overseas recipients of your information do not breach the privacy obligations relating to your personal information.

By continuing to engage us, you confirm that you have read this Notice and the Marsh Advantage Privacy Policy available on our website and you authorise and consent to Marsh Advantage collecting, holding, using and disclosing any personal information related to your application for insurance in accordance with those terms, including for the purposes explained and to the persons and authorised third parties identified. You may modify or withdraw your consent at any time by contacting our Privacy Officer (whose details are outlined in the Privacy Policy and Notices). If you do not give us consent or subsequently modify or withdraw your consent, we may not be able to provide you with the products or services you want.

If you have any questions or comments in relation to Privacy or if you wish to access your personal information or update it please contact:

The Privacy Officer  
Marsh Advantage Insurance Pty Ltd  
ABN 31 081 358 303  
PO Box H176, Australia Square NSW 1215  
Tel: 02 8864 7688  
Email: [privacy.australia@marsh.com](mailto:privacy.australia@marsh.com)

### What should you do if you have a complaint?

If you have a concern about your insurance and/or the standard of service please contact Marsh Advantage Insurance. Please refer to the ("What should you do if you have a complaint?") section of the Financial Services Guide for details on how Marsh Advantage Insurance handle complaints and who to contact.

### Trade Sanctions

Marsh Advantage Insurance is unable to provide insurance or reinsurance broking, risk consulting, claims or other services or provide any benefit to the extent that the provision of such services or benefit would violate applicable law or expose Marsh Advantage Insurance or its affiliates to any sanction, prohibition or restriction under UN Security Council Resolutions or under other trade or economic sanctions, laws or regulations.

### POLICY SPECIFIC NOTICES

The following notices apply to specific insurance policies and your broker will advise if they are applicable to you. We recommend that you read these notices in the event that they do apply.

### Average/Co Insurance Business Interruption Insurance

Some policies contain an Average/Co-Insurance clause, which is fully set out in the "Basis of Cover" or "Policy Specification" of the policy. For the types of cover usually provided, the Average/Co-Insurance calculation is arrived at by applying the Rate of Gross Profit; Revenue or Rentals (as applicable) to the Annual Turnover, Revenue or Rentals (as applicable); these factors first being appropriately adjusted as provided for in the "Trend of Business" or "Other Circumstances" clause.

If you are in any doubt about the application of this clause to your policy, please contact Marsh Advantage Insurance for assistance.

### Average/Co-Insurance (other than Business Interruption Insurance)

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

The calculation of “full value” for the purposes and application of the Average/Co-Insurance clause varies from policy to policy. These variables must be taken into account when calculating the “full value” of your property and you are asked to check with your contact in Marsh Advantage Insurance in order to review these if you are in any doubt.

For example, you may need to establish with us:

- The date from which Average/Co-Insurance would apply - is it the date of loss/damage or the date of commencement of your current policy?
- The type of cover - for example, if your policy is arranged so that cover is on a “maximum loss” basis, then any Average/Co-Insurance clause will still relate to the full value of the property insured.
- The most critical factor in determining the full value of the property insured is the basis of valuation - is the property insured on the basis of “Indemnity” or “Reinstatement /Replacement”?
- “Indemnity” means - placing the insured in the same financial position after the loss, as applied before the loss i.e. the Insured does not receive new for old.
- “Reinstatement/Replacement” means – replacing the property destroyed or restoring the damage in new materials without any deduction for depreciation.

The basis of valuation applicable to your policy is specified in documentation provided to you.

A simple example, illustrating the basic principle, application and effect of the Average/Co-Insurance clause is as follows:

▪ Full Value at policy commencement date	\$1,000,000
▪ Sum Insured at policy commencement date	\$700,000
\$700K/\$1M – insurer pays 70% of any insured loss & insured retains balance of 30%	
▪ Amount of Claim, say	\$100,000
▪ Amount payable by Insurers as a result of the application of Average / Co-Insurance (being 70% of \$100,000)	\$70,000

## Claims made during the Period of Insurance

Some policies provide cover on a “claims made” basis. This means that claims first made against you AND reported to the insurer during the period of insurance are covered irrespective of when the act causing the claim occurred, subject to the provisions of the Prior and Pending Litigation Date stated in the Schedule.

Please note the effect of Section 40(3) of the Insurance Contracts Act 1984. If you become aware of facts that may give rise to a claim, and you give written notice to the insurer of those facts as soon as possible (and before the policy period expires), then the insurer may not deny liability for that claim, when made, solely because it was made after the expiry of the policy period.

For this reason, you must advise the insurer in writing of all incidents that may give rise to a claim against you without delay after such incidents come to your attention and prior to the policy’s expiry date.

## Retrospective Cover

Some policies do not provide cover in respect of claims arising out of acts committed prior to any “Retroactive Date” specified in the policy wording unless you specifically request and obtain this cover. An additional premium may apply to any extension to the retroactive date.

## Unauthorised Foreign Insurer Notices

Your insurance contract(s) is / are proposed to be placed with (or partly with) an unauthorised foreign insurer that is not located in Australia or authorised under the Insurance Act 1973 to conduct insurance business in Australia.

Such insurers are not subject to the provisions of the Insurance Act 1973, which establishes a system of financial supervision of general insurers in Australia by the Australian Prudential Regulation Authority (APRA).

You should consider whether to obtain further information from us on matters such as:

- the name and postal address of the insurer;
- the country of incorporation of the insurer and whether that country has a scheme of financial supervision of insurers;
- the paid up capital of the insurer;
- its rating by a credit rating agency;
- which country's laws apply to the policy and will determine disputes under the contract.

## Events Occurring Prior to Commencement

Some policies provide cover on an “occurrence” basis. Your attention is drawn to the fact that such policies do not provide indemnity in respect of events that occurred prior to commencement of the contract.

## Not a Renewable Contract

Some policies terminate on the date indicated. We emphasise that such a policy is not a renewable contract. If you require similar insurance for any subsequent period, you will need to complete a new proposal so that terms of insurance and quotation/s can be prepared for your consideration prior to the termination of the current policy.



## Underwriting Binder

When arranging insurance, some insurers give us an authority to effect the contract of insurance with you as its agent and not yours. Whenever this applies, we will inform you of this.

## Claims Binder

Some insurers give us an authority to deal with or settle claims under the policy and in doing so we will be acting as the agent of the insurer and not yours. Whenever this applies, we will inform you of this.

## Workers Compensation

If you have arranged a business package or composite type policy through Marsh Advantage Insurance it will not include Workers' Compensation insurance. This must be arranged as a stand-alone contract as per the various State/Territory legislative requirements. It is compulsory for employers to have Workers' Compensation insurance in place to cover work related injuries to their employees and workers. You must also ensure your agents, employees and contractors meet all of these requirements. If you are in doubt regarding this notice, please contact Marsh Advantage Insurance for assistance.

## ACT Workers' Compensation

The ACT Default Insurance Fund (DI Fund) levy covers the cost of uninsured employers' claims on the DI Fund. The cost was previously incorporated into the total premium payable by all ACT Employers and is now separated out of premium and shown as a levy.

## Placement with Lloyds

If your policy is underwritten by certain underwriters at Lloyd's, the following will apply:

The insurers' obligations under contracts of insurance to which they subscribe are several and not joint and are limited solely to the extent of their individual subscription. The subscribing insurers are not responsible for the subscription of any co-subscribing insurer who for any reason does not satisfy all or part of its obligation.

## Lloyd's Binders – What to do if you have a complaint

If certain underwriters at Lloyd's have given us authority to effect the contract of insurance and you have a complaint, please read below.

### About Lloyd's

Since the late seventeenth century, the name Lloyd's has been synonymous with insurance. Many of the world's leading underwriters are based at Lloyd's. The market is internationally renowned and has an impeccable claims record.

In Australia, Lloyd's is proud to be a member of the Insurance Council of Australia, and strives to comply with the agreement we have made under the General Insurance Code of Practice.

Our aim is to provide the highest service to our Australian policyholders and, to this end, we have developed the following procedures for the fair handling of complaints from Lloyd's policyholders.

### How can we help you?

There are established procedures for dealing with complaints and disputes regarding your policy or claim. All policyholders can take advantage of the complaints service, as can third-party motor vehicle claimants who are uninsured and where the amount in dispute is less than \$3,000.

#### Step 1

Any enquiry or complaint relating to a Lloyd's policy or claim should be addressed to either your Lloyd's insurance intermediary ("the coverholder") or to the administrator handling your claim in the first instance – in most cases this will resolve your grievance.

They will respond to your complaint within 15 business days provided they have all necessary information and have completed any investigation required. Where further information, assessment or investigation is required, they will agree to reasonable alternative timeframes with you. You will also be kept informed of the progress of your complaint.

#### Step 2

In the unlikely event that this does not resolve the matter or you are not satisfied with the way your complaint has been dealt with, you should contact:

Lloyd's Australia Limited  
Level 21 Angel Place  
123 Pitt Street  
Sydney NSW 2000  
Telephone: (02) 9223 1433  
Facsimile: (02) 9223 1466  
Email: [ldraustralia@lloyds.com](mailto:ldraustralia@lloyds.com)

When you lodge your dispute with us, we will usually require the following information:

- Name, address and telephone number of the policyholder
- The type of insurance policy involved
- Details of the policy concerned (policy and/or claim reference numbers, etc)
- Name and address of the insurance intermediary through whom the policy was obtained



- Details of the reasons for lodging the dispute
- Copies of any supporting documentation you believe may assist us in addressing your dispute appropriately

Following receipt of your dispute, you will be advised whether your dispute will be handled by either Lloyd's Australia or the Policyholder & Market Assistance Department at Lloyd's in London:

- Where you are a retail client and your dispute is eligible for referral to the Financial Ombudsman Service (FOS), your dispute will be reviewed by a person at Lloyd's Australia with appropriate authority to deal with your dispute
- Where you are a retail client and your dispute is not eligible for referral to the FOS, or where you are a wholesale client, Lloyd's Australia will refer your dispute to the Policyholder & Market Assistance Department at Lloyd's, who will then liaise directly with you

#### **How long will the Step 2 process take?**

Your dispute will be acknowledged in writing within 5 business days of receipt, and you will be kept informed of the progress of our review of your dispute at least every 10 business days.

The length of time required to resolve a particular dispute will depend on the individual issues raised, however in most cases you will receive a full written response to your dispute within 15 business days of receipt, provided we have received all necessary information and have completed any investigation required.

#### **Step 3**

If your dispute is not resolved in a manner satisfactory to you, we will then provide retail clients eligible for referral to the FOS with details of that body. FOS is an independent body that operates nationally in Australia and aims to resolve disputes between you and your insurer. Your dispute must be referred to the FOS within 3 months of the date of our final decision.

Retail clients not eligible for referral to the FOS, and wholesale clients, may be eligible for referral to the Financial Ombudsman Service (UK). Such referral must occur within 6 months of the final decision by the Policyholder & Market Assistance Department at Lloyd's. Further details will be provided by the Policyholder & Market Assistance Department with their final decision to you.

#### **How much will this procedure cost you?**

This service is free of charge to policyholders.

## SUMMARY OF CLASSES OF INSURANCE AVAILABLE

These are the types of insurance policies that are available and may include those which you have already purchased. This list is not comprehensive, so if you have any other specific insurance needs contact your Marsh Advantage Insurance Authorised Representative. A broader outline of these classes is also available upon request, or via our website [marshadvantage.com.au](http://marshadvantage.com.au).

### Liabilities (other than Aviation and Marine)

- Asbestos Removal and Demolition
- Association Liability (Not-for-Profit incorporating PI and D&O)
- Clinical Trials Liability
- Commercial Structural Defects Insurance for Building Practitioners (VIC or TAS)
- Compulsory Third Party (CTP)
- Contractual Liability Extension to waive Contractual Liability Policy Exclusions
- Directors and Officers (D&O) Supplementary Legal Expenses
- Directors and Officers Liability
- Employment Practices Liability
- Employers' Indemnity Industrial Diseases Western Australia
- Environmental Impairment (EIL)
- Extra Territorial Workers' Compensation
- Information Technology
- Intellectual Property
- Investment Managers
- Legal Expenses
- Libel and Slander/Defamation
- Malicious Product Tamper/Accidental Contamination
- Management Liability
- Medical Malpractice
- Product Guarantee
- Product Liability
- Product Recall
- Professional Indemnity
- Prospectus Liability
- Public Liability and Products Liability Combined
- Pollution Legal Liability (PLL)
- Pollution Contractor's Legal Liability (CPL)
- Queensland Electrical Consumer Protection Insurance
- Statutory Liability
- Trustees Liability/Superannuation Trustees Liability
- Umbrella Liability
- Victorian Plumbers Liability
- Workers' Compensation (all States and Territories)

### Material Damage/ Business Interruption (BI)

- Accidental Damage Extension
- Accounts Receivable
- BI Additional Increased Cost of Working Extension
- BI Advance Profits new buildings/operations
- BI Contractual Commitments Extension
- BI Customers and Suppliers Premises Extensions
- BI Loss of Profits/Revenue
- BI Machinery Breakdown
- BI Prevention of Access Extensions

- BI Public Utilities Extension
- BI Wages and Salaries
- Boiler and Pressure Vessel Explosion
- Burglary (including theft without forcible entry extension and theft of property in the open air)
- Computer (Electronic Breakdown and Additional Expenditure)
- Contract Works/Advance Consequential Loss
- Fire and Specified Perils
- Flood Extensions
- Gates, Fences, Retaining Walls and Property in Open Air inclusion Extension
- General Property (or Specified Risks)
- Glass Breakage
- Goods in Cold Storage
- Householders
- House Owners
- Industrial Special Risks (ISR)
- Machinery Breakdown
- Money – at Employee Residences, in Transit, on Business Premises etc.
- Motor – inclusion of Dangerous Goods Code (Liability for Property Damage)
- Motor Vehicle
- Storm Surge Extension
- Terrorism Property Damage Wrap Cover
- Weather and Energy Speciality Products (WESP)

### Other Classes

- Bankers Blanket Bond
- Bloodstock
- Computer Crime
- Consumer Credit
- Contract Penalties
- Control of Oil and Gas Wells
- Credit (Bad Debts)
- Crime
- Crisis Management/Crisis Containment Expenses
- Crops (Growing)
- Cyber & Impaired Electronic Access (Liabilities)
- Electronic Systems/ E-Commerce & Trading, Damage and Business Interruption (Other)
- Event Cancellation and Non-Appearance
- Export Credit
- Fidelity Guarantee (also refer Crime)
- Fine Arts Risk
- Forged Share Transfer
- Home Warranty - ACT, NSW, SA, TAS, VIC and WA
- Jewellery – Wholesale and Retail Jewellers
- Livestock

- Political Risks
- Pluvius or Weather
- Privacy Liability & Notification Costs (Liabilities)
- Representation and Warranties (Takeover)
- Strata Title
- Surety Bonds (Contract and Commercial)
- Taxation Audit
- Warranty or Extended Warranty

## Personal Accident, Health and Life Insurance

- Corporate and Personal Travel
- Expatriate Health Cover
- Group Health Benefits
- Group or Individual Income Protection – Salary Continuance
- Group Journey Injury Cover
- Group Life and Total Permanent Disablement
- Group Personal Accident and Sickness
- Inpatriate Health Cover
- Key Person
- Kidnap, Ransom and Extortion
- Pilot – Loss of Licence Personal Accident
- Superannuation
- Trauma
- Marine Cargo/Hull and Liability Insurance
- Carriers Liability – Carriers
- Commercial Hull
- Container Liability
- Freight Forwarders Liability
- Loss of Hire/Loss of Earnings (Hull)
- Manufacturers Output/Stock Throughput
- Marine Bunkers
- Marine Cargo and Transit
- Marine Charterers Liability
- Marine Consequential Loss/Advance Consequential Loss
- Marine Contractors Liability
- Marine Pollution Liability
- Marine Protection and Indemnity
- Marine Professional Negligence
- Pleasure Craft
- Port Authority Liabilities
- Removal of Wreck and/or Debris
- Seafarers Compensation
- Ship Builders Risks
- Ship Refuelling Liability
- Ship Repairers Legal Liability
- Stevedoring Liability
- Terminal Operators Liability
- Wharfingers Liability

## Aviation and Liability Insurance

- Aircraft Hull and Liabilities
- Aircraft Hull Deductible
- Aircraft Hull War and Allied Perils
- Airport Owners and Operators Liability
- Aviation Liabilities
  - Ground Service Providers
  - Security Services
  - Refuellers
  - Repairers
  - Products e.g. Manufacturers etc
- Carriers Liability Aviation
- Excess AVN52 War and Terrorism (Aviation Liabilities)
- Hangarkeepers Liability
- Non Owned Aircraft Liability
- Non Owned Liability Insurance (Aviation including Charterers)

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## CALL US TODAY

For more information about how you can benefit from our services, contact your Marsh Advantage Insurance Adviser, or phone **1300 413 484**.

Marsh Advantage Insurance is a leading provider of insurance broking services for businesses across Australia. Our company is built on a culture dedicated to understanding the risk and insurance needs of local and national businesses that operate in our cities, regions and communities. We are driven by a commitment to deliver industry leading service and value for our clients. Marsh Advantage Insurance sits alongside Marsh as part of Marsh & McLennan Companies, a global team of professional services firms offering clients advice and solutions in the areas of risk, strategy and human capital.