



## TERMS OF ENGAGEMENT AND SERVICE AGREEMENT

**The below sets out the service commitment offered by IPS Insurance Brokers Pty Ltd (ABN 85 090 923 452 AFSL 224855) trading as IPS Insurance Brokers.**

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

We act on your behalf and in your interests in all matters. Sometimes, it may be more appropriate for us to either arrange insurance or manage claims where we act as an agent of the insurer. If this situation arises, we will explain and highlight this to you

We are authorised to advise you about and arrange general insurance products. If we are unable to advise you or act on your behalf due to a conflict of interest which cannot be managed, we will immediately notify you.

### **Your Insurance Needs**

Depending on the nature of your business, we will provide, where possible insurance needs for your personal and/or business insurance requirements.

### **Your Team**

Your dedicated Account Manager will provide you with these Terms of Engagement and their direct contact details.

Our claims team can be contacted via email [claims@theipsgroup.com.au](mailto:claims@theipsgroup.com.au), phone (08) 9340 5400 or see our website for claims forms and information.

### **Our Services**

As your insurance broker, we will provide the following services;

#### ***Pre-placement services***

- *Help you identify, understand and assess your risks;*
- *Assist you in deciding what risks to insure, including providing advice on how you can manage those risks in other ways such as risk mitigation strategies;*
- *Develop a proposal to submit to a potential insurer/insurers;*

#### ***Insurance Placement and Premium Financing***

- *Seek insurance quotes (see "Approaching the Market");*
- *Negotiate policy coverage, terms and premiums;*
- *Contact you at least 14 days prior to policy expiry to review the renewal of your policy;*
- *Seek to bind coverage where you have authorised us to do so\*;*
- *Obtain and provide a quotation for premium funding;*



#### **Post-placement services**

- Assist in the preparation and management of claims if an insured event occurs;
- Advocate on your behalf and keep you informed during the claims process;
- Facilitate policy changes and/or cancellations as per your instructions.

*\*where unless you instruct otherwise, in urgent circumstances we may choose to bind insurance on your behalf if we consider that is in your best interests.*

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.

Our [Financial Services Guide](#) provided to you set out further detail on our role and services, including any relationships or associations we have that relate to our services.

Our [Privacy Policy](#) sets out how we deal with personal information.

In providing our services to you, we will adhere to the service standards as set out in the [Insurance Brokers Code of Practice](#), which we are bound by.

A copy of these documents are also available upon request or from our [website](#).

#### **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. 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.

#### 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 Executive.

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. Please tell us about any changes in your circumstances so that we can confirm that your insurance continues to be suitable for your needs.

#### Our Advice To You

When providing our initial advice to you we will take into consideration your personal objectives, financial situation or needs before making a recommendation. In order to provide this personalised advice, we rely on you to provide accurate and complete information.

If we do not have this complete and up to date information, any advice you receive may not be appropriate to your needs, objectives and financial situation. We will make it clear if we are providing general advice to you at the time of advice, which includes policy renewals.

#### Electronic Delivery of Documentation

We will provide all correspondence, advice and disclosure notices to you electronically. Disclosure notices will either be provided via hyperlinks in an email or as a direct attachment to the email. If you do not wish to be sent documents in this way, please advise us and we will send them as instructed.



### Remuneration

In return for the services we provide, we will receive a commission usually between 5% and 30% of the premium paid (excluding relevant taxes, charges and levies) which is paid to us by the insurer and a fee, payable by you.

### Premium Funding

Premium funding products enable you to pay your premiums by installments. Premium funders do charge interest, and they take power of attorney over your insurance policy as they have paid the premium 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. 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.

### Continuity of Cover

It is important that you maintain continuity of cover. 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.

### Payment Terms

You are required to pay outstanding premiums to us within the time set out on our invoice. If you pay by our online payment option (DEFT), the financial institution may charge you a non-refundable credit card fee, which will be shown on your invoice.

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.

### 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

Our engagement commences upon your instruction to proceed with our recommendations for your insurance contract(s), which you may cancel at any time by providing notice in writing to us. Should we wish to cancel the engagement we will provide 30 days' notice in writing.

If you have any questions or queries at all about our services, please speak to your Account Manager before proceeding. We will notify you of any changes to this Terms of Engagement.

Yours sincerely,

**Frank Cusmano**  
**Managing Director**