

Letter of Engagement

Lake Macquarie Insurance Services Pty Ltd



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Our Service Statement

We can 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.
- We will conduct a needs assessment based on our industry knowledge and provide details of this assessment so that you are able to make an informed decision based on our findings.
- 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 and renewal of the insurances to you.
- Calculate, invoice, and collect the premiums.
- Prepare policy wordings and obtain signed policies from insurers.
- 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 advocate on your behalf.
 - 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, or compromise of a 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.
- On renewal 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. At renewal we may not seek alternative quotes based on our assessment of your current programme and market knowledge.

Your Insurance Needs

From the date of our engagement, Lake Macquarie Insurance Services will assume responsibility for the following for an indefinite period. You may cancel our appointment by giving 30 days' notice or is until terminated by either party by written notification.

How We Seek Quotes

Before making a recommendation on the cover required, as outlined above in '*In Scope of our Engagement*' we will go to the broader general insurance market to obtain a number of quotes. This will enable us to ultimately source a solution that meets your specific needs.

Payment Terms

When making payment for a policy organised by us you may make payment using one of the following methods. Before choosing a payment method it is important to note the following.

Invoices

We will invoice you for the premium, statutory charges (e.g., stamp duty, fire services levy, etc) 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.

If you do not pay the premium on time, the insurer may cancel the contract of insurance and you may not be insured. The insurer may also charge a short-term penalty premium for the time on risk.

Premium funding

Premium funding products enable you to pay your premiums by instalments. Premium funders do charge interest and they take power of attorney over your insurance policy.

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.

Credit card fees

Payments by credit card may attract a surcharge.

Your Policies

Once we have arranged cover for you it is important to note the following.

Renewal

Prior to renewal we will contact you, at least 14 days prior, to re-assess your needs. If we are unable to get in contact with you, we will automatically arrange for cover to be held by the insurer.

No Longer Require Cover/Cancellation

If you no longer require cover it is important to contact us in writing. At this point, we will cancel the policy and notify the insurer. Please note the cancellation needs to be issued by an authorised person.

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

Our Remuneration

Lake Macquarie Insurance Services is committed to being fully transparent with our clients about how we are remunerated. Our remuneration is made up of the following:

Commission	The amount of commission paid by the insurer varies depending on the market and the risk but is generally calculated at a rate a percentage rate of between 0-30% of the base premium (excluding government charges, levies, fees and taxes).
Fees	The fee charged is dependent on the complexity of the account and the amount of time and effort required to service and support your risk portfolio. Any fees charged are outlined as a separate line item on the invoice.
Premium Funding	As mentioned, if we arrange premium funding for you, we may earn a commission from the premium funder. This is usually calculated as a percentage of the premium (excluding government charges, levies and taxes) of between 0 and 2% for each product arranged by us.
Referral Fee	If you were referred to us by a third party, we may pay the referrer a referral fee. This fee is generally calculated as a percentage of the commission earned from the referral. Any fees earned are outlined as a separate line item on the invoice. It is important to note, that this is a separate payment and does not increase the amount you pay for your insurance cover.

Informed Consent – For Retail Clients

For retail clients purchasing retail general insurance products only, we are required under law to obtain your informed consent before we can receive any commissions from insurers in relation to your policy.

We disclose the following for your consent:

Insurers	We may recommend products from one or more insurers. The name of the insurer(s) will be provided prior to arranging your cover.
Commission Range	We may receive a commission from the insurer of between 0% and 30% of the base premium (excluding government charges, levies, and taxes).
Frequency and Period	Commission is typically paid once at policy inception or renewal unless otherwise notified.
Services Provided	We will provide advice and arrange your insurance, as well as support you throughout the life of the policy, including with claims
Legal Statement	You should be aware that the law requires your consent before a commission can be paid to us. Once you provide your consent, it is irrevocable in relation to that transaction.

Our Team and Support

At Lake Macquarie Insurance Services we have a team of qualified professional brokers who are dedicated to providing you with a great client experience.

You can contact us via the following and we will endeavour to respond to you within 24 hours.

Phone	0449 584 797
Email	michael.luc@lakemacquarieinsurance.com.au
In Person	13 Thompson Road, SPEERS POINT, NSW 2284

If you need special assistance

We are committed to supporting people with diverse needs and take into account their specific circumstances. This includes people currently experiencing any vulnerability, for example relating to age, disability or mental or physical health conditions. Please advise us if you there is anything we can do to provide the required level of support. For further information, please refer to our Vulnerable Clients Policy.

Our Service Plan

As part of our commitment to provide you with excellent professional service, we would like to agree a timetable for managing your ongoing insurance requirements. This will ensure that you know what insurance services we will provide to you and what we need you to do to assist us.

Renewal Review Reminder	A reminder that your insurances will shortly be due for renewal and a request for information to enable us to obtain renewal quotations	One (1) Month prior to Renewal Review
Pre-Renewal Review	A meeting to discuss renewal of your existing policies and your insurance needs for the forthcoming year	See attached Calendar
Renewal Report/ Insurance Manual	A comprehensive list of all your current insurance covers (and uninsured risks) and a report on any alterations or additions to your insurances on renewal	As requested, or One (1) Month after all renewals are completed
Uninsured Risk Review	A review with you of your uninsured risks	As requested, or Six (6) Month after your insurance / renewals are completed
Status Reviews • Insurances • Claims	Up-to-date information on: • Any changes to your insurances • Status of outstanding claims	See attached Calendar

Your Obligations

Disclosure Obligations/Duty not to Misrepresent

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. In turn, a lack of disclosure may affect the insurer's decision to provide cover in the instance of a claim.

In addition, you must answer any questions that we and or the insurer ask you in an honest and truthful manner. If you do not take reasonable care not to make a misrepresentation to the insurer, the insurer may cancel your contract or deny or reduce the amount the insurer will pay you for a claim, in accordance with the insurer's rights at law.

Circumstances Change

If your circumstances change, please tell us so that we can ensure that your insurance continues to be suitable for your needs.