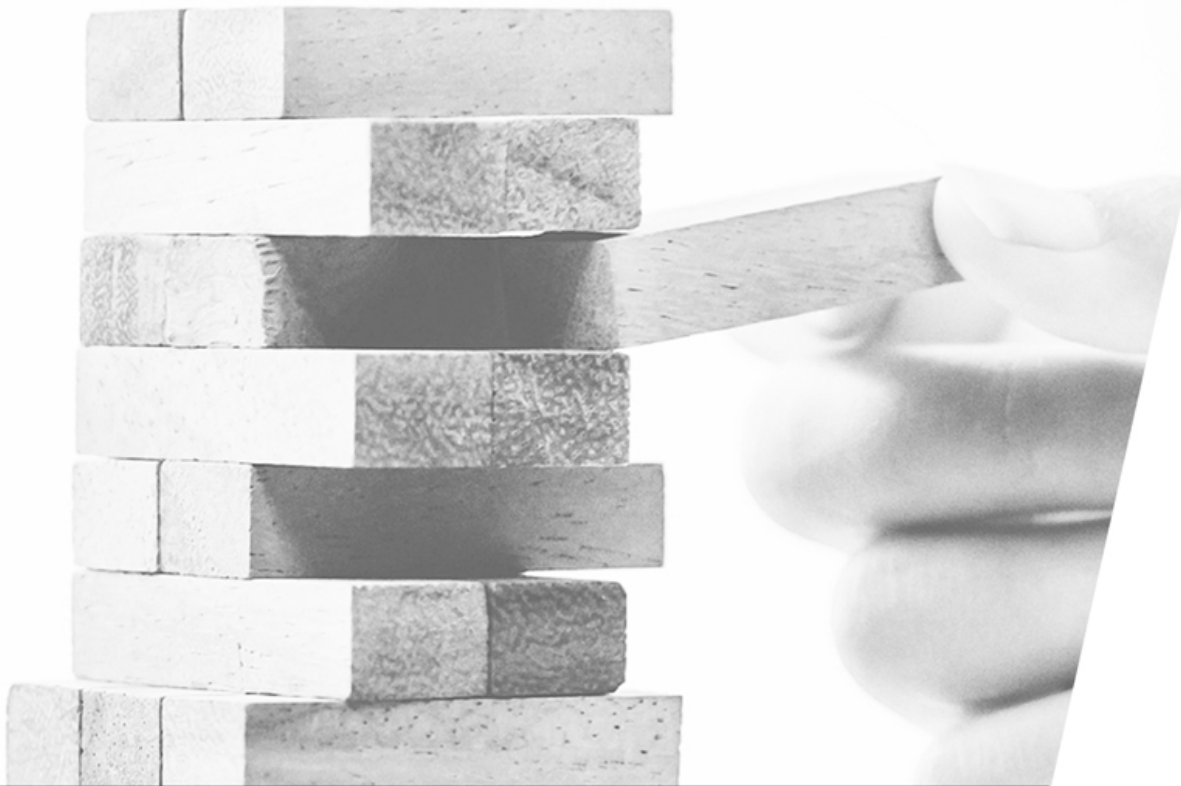




# PROPRIETORS OF UNIT PLAN 2000/29



STANDING BY YOU



## ABOUT MGA

MGA Insurance Brokers have been specialists in general insurance for over 40 years and can provide advice across a broad spectrum of industries. MGA commenced operations in 1975 and is one of the top 10 insurance brokerages in Australia with offices throughout mainland Australia and one office in Asia.

With over 65,000 clients, MGA's philosophy has been to maintain steady growth, with a branch network through Australia. Our reputation and strength in regional areas is complimented with our presence in most capital cities.

# 1. VALUE PROPOSITION

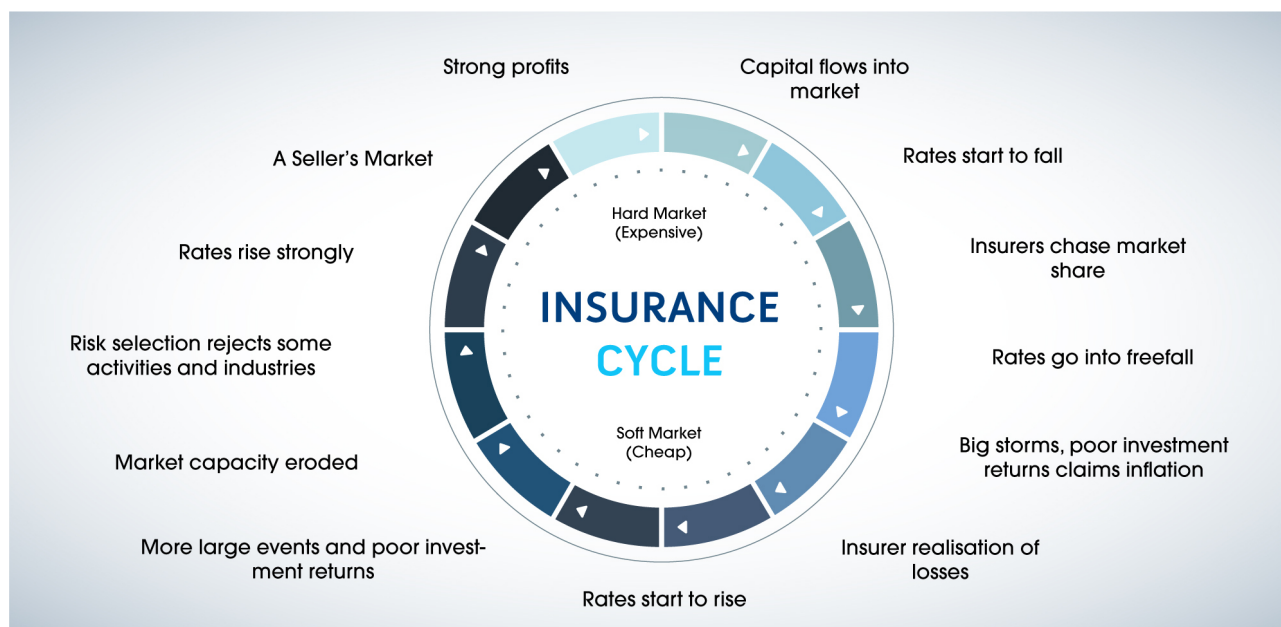
MGA Insurance Group Darwin is a locally owned and operated general insurance brokerage specialising in Residential and Commercial Strata insurance. We are a team of Territorians with significant experience across all facets of the insurance industry. We are part of MGA Insurance Group which is one of the top 10 insurance brokerages in Australia with 38 offices throughout the country.

At MGA Darwin we have an in-depth knowledge of the unique insurance needs of the Top End and understand that claim outcomes are invariably tied to the quality of the insurance product. We pride ourselves on the long-term relationships we build with our clients, insurers and loss adjusters which enables us to provide peace of mind and protection at the best value.

As specialist Residential and Commercial Strata insurance brokers we provide a number of services to not only identify your insurance risks, but to also mitigate and manage them, and if the worst happens - to manage your claim to the highest service level. These include:

- New business quoting and advice
- Renewal negotiations
- Policy comparisons
- Excess negotiations
- Claims management
- Risk recommendations

## 2. MARKET CONDITIONS



The insurance market is cyclical, moving through both hard and soft markets. In a soft cycle/market, insurers provide lower premiums/rates and have a more relaxed approach to assessing the risk of insuring a business. In a hard market it is quite the opposite, as insurers increase rates/premiums and provide reduced/restricted coverage as they adopt a tougher underwriting approach.

Currently, the insurance market is moving through a Hard Market. This has been caused by a number of factors including years of declining prices, falling investment returns due to historical low interest rates, increases in frequency and severity of losses, and the rising cost of reinsurance. Premiums and excesses on policies are increasing, and underwriting guidelines are tightening. Insurers will be less likely to provide insurance coverage for clients with high-risk profiles, poor claims history or clients with little or no risk management.

A string of recent natural disasters including severe bushfires, cyclones, floods and hailstorms, has seen Insurers pay the highest levels of claims witnessed in recent periods. The COVID-19 pandemic and its aftermath are also expected to continue hitting some property-casualty lines harder than others, and Business Interruption claims will continue to be a concern. The ultimate cost of the pandemic remains unclear and the full economic implications of COVID-19 are yet to be realised.

### 3. PREMIUMS

#### PREMIUMS

Renewal Premium	\$7,120
Last Year's Premium	\$6,415*
Variation (\$)	<b>\$705</b>
Variation (%)	<b>10.99%</b>

\*includes any alterations made to the policy throughout the year

#### SUMMARY

We have renewed your policy with **TIO**. Your policy has increased **10.99%** this year. This premium increase is due to **strata rate increases in line with current market conditions and previous claims made on your policy.**

For detailed policy coverage regarding sums insured, excesses and other important information, please refer to your Tax Invoice/Coverage Summary.

**CURRENT EXCESSES / IMPOSED TERMS AND CONDITIONS**

Standard Excess	<b>\$1,000</b>
Imposed Excess/es	<b>N/A</b>

**COMMENTS**

Please note we have based these renewal terms on a total occupancy of the complex to be greater than 75%. If this is incorrect, please notify us immediately as failure to do so may result in a change of terms and conditions by the insurer.

**ALTERNATE QUOTATION/S**

CHU	<b>\$19,415</b>
-----	-----------------

**COMMENTS**

We have sought an alternate quotation this year from **CHU** who have offered a premium of **\$19,415**. Their quotation/s are not being recommended due to - **limited cover, premium not being competitive and imposed excess.**

## 4. RECOMMENDATIONS

### UNINSURED RISKS

#### FLOOD COVER

We recommend your Corporation insures for Flood Cover as an optional extra. Due to the climate and conditions in the NT, flooding can be quite a large exposure.

#### MACHINERY BREAKDOWN

We recommend your Corporation insures for Machinery Breakdown Cover as an optional extra. This provides cover against breakdown of air conditioning units and any other electrical, electronic and mechanical plant (elevators, pool pumps, switchboards etc.) at the premises.

### IMPORTANT ITEMS TO CONSIDER

#### BUILDING VALUATIONS

It is important that an Insurance Building Valuation or Building Sum Insured Review be conducted on a regular basis. This will provide your Corporation with professional advice to ensure you are adequately covered.

#### ROOF INSPECTIONS

Due to the significant rainfall we receive, it is important to ensure regular roof inspections are completed. A well maintained roof will assist in reduced claims and in turn keep premiums increases to a minimum.

#### FIRE SAFETY EQUIPMENT

It is important that fire safety equipment is regularly inspected and follows all relevant legislation. Speak to your Body Corporate Manager to ensure your Corporation is up to code as required.

#### LEAK DETECTION

If your Corporation experiences high water charges or ongoing leaks, it is recommended you engage a plumber to inspect the property.

### **CYCLONE PREPAREDNESS**

It is important that your Corporation has a cyclone plan in place. The Northern Territory Government as well as the Northern Territory Police, Fire and Emergency Services have action plans and guides available on their respective websites.

### **PREVENTATIVE MAINTENANCE**

It is important for your Corporation to undertake regular inspections of the exterior, interior and roof spaces to ensure the property is watertight and sound. A well maintained property can alleviate potential claims before they arise, saving your Corporation both time and money. This is likely to reduce claims occurrence and alleviate premium increases or remedial action such as imposed excesses or declining to continue cover in the future.

### **OFFICE BEARER'S LIABILITY**

We recommend your Corporation considers increasing the Sum Insured for Office Bearer's Liability to at least \$1,000,000. This covers the Officers of the listed Corporation on the Schedule for amounts they become legally liable to pay, arising from a Claim in connection with managing the affairs of the Body Corporate.



## 5. SIGN OFF

**Name** Craig Allen

**Position** Broker

**Signed**



Thank you for choosing MGA as your trusted advisor, we look forward to working with your Corporation and Body Corporate Manager for the upcoming year.



### We Value

Family, Integrity, Teamwork, Loyalty,  
Innovation

### Mission Statement

From beginning to end, we provide tailored service through quality advice and superior claims advocacy.

### Vision Statement

To be the most dedicated brokerage in the NT, providing financial security through tailored service and experience.