

Frequently Asked Questions



What do strata managers do in relation to strata insurance and why do they receive remuneration?

Strata managers undertake or participate in 47 different services in relation to strata insurance to their clients, including, but not limited to:

- ▶ Quotation
- ▶ Procurement
- ▶ Placement and renewal
- ▶ Claims management
- ▶ Insurance record keeping
- ▶ Correspondence
- ▶ Negotiation and liaison
- ▶ Advice based on insurance knowledge

The value of strata manager and insurance brokers in the insurance process

- ▶ The knowledge and experience the strata manager holds of the insurance landscape as well as the building is an asset to the strata committee and the policy outcome.
- ▶ Increased legislative and regulatory requirements, along with buildings which are often complex, mean strata manager and broker expertise is incredibly valuable.
- ▶ Insurance brokers provide general and personal advice, drawing on their specialist skills and working closely with the strata manager when involved.
- ▶ Specialist brokers work to understand the unique aspects of the building being insured and provide a tailored quote based on the building's particular set of circumstances.

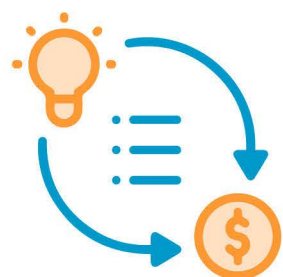
What is strata insurance remuneration?

Strata insurance remuneration is the total value of the remuneration paid to the parties involved in the process of insuring a strata building.

Who is paid strata insurance remuneration?

The two most common parties who receive remuneration will be the strata manager and the insurance broker, however who receives remuneration is based on the arrangement the strata committee chooses:

- ▶ Many use a strata manager who works closely with one or more insurance brokers.
- ▶ Some contact an independent broker to aid their insurance choice.
- ▶ Some strata communities choose to take out insurance directly with insurers.



Do strata communities have choice about remuneration models?

Yes. Strata communities have the choice of several remuneration models, and it is advisable if they wish to alter their current remuneration model to discuss it with their strata manager to fully understand their personal circumstances.



What about potential conflicts of interest or business arrangements?

If any parties to the insurance process have conflicts of interest, or are receiving other remuneration as part of the transaction, they will list it clearly.



Are all parties who are remunerated as part of the insurance process listed in this section?

Yes. No matter which remuneration model is chosen, all parties who are involved in the insurance process will usually receive remuneration, and you will receive details about how much remuneration they receive.