

STRATA VOICES HEARD

ANALYSING SURVEY
RESULTS FOR
CONSUMER RIGHTS
AND INDUSTRY REFORM

SPECIAL THANK YOU
LOOKUP STRATA!!!



WHO ARE ACIL?

**ADVOCATE FOR
AFFORDABLE AND
ACCESSIBLE
INSURANCE**

**PROTECT
CONSUMER
RIGHTS AND
INTERESTS**

**INFLUENCE POSITIVE
CHANGE IN THE
INSURANCE
INDUSTRY**



**GOOD
ACTORS**

**THANK
YOU!**



HISTORY

REVIEWS

ACCC NORTHERN AUSTRALIA
INSURANCE INQUIRY

JOHN TROWBRIDGE INQUIRY

QUALITY OF ADVICE REVIEW
(EXCL STRATA INSURANCE)

ACIL ADVOCACY

LOOKUP STRATA FORUM

ACIL CONSUMER FORUM

SCA CONSULTATIONS

REFERRAL ASIC & ACCC

ACIL, OCN, UOAQ JOINT CALL

ACIL SURVEY & REPORT

OTHER

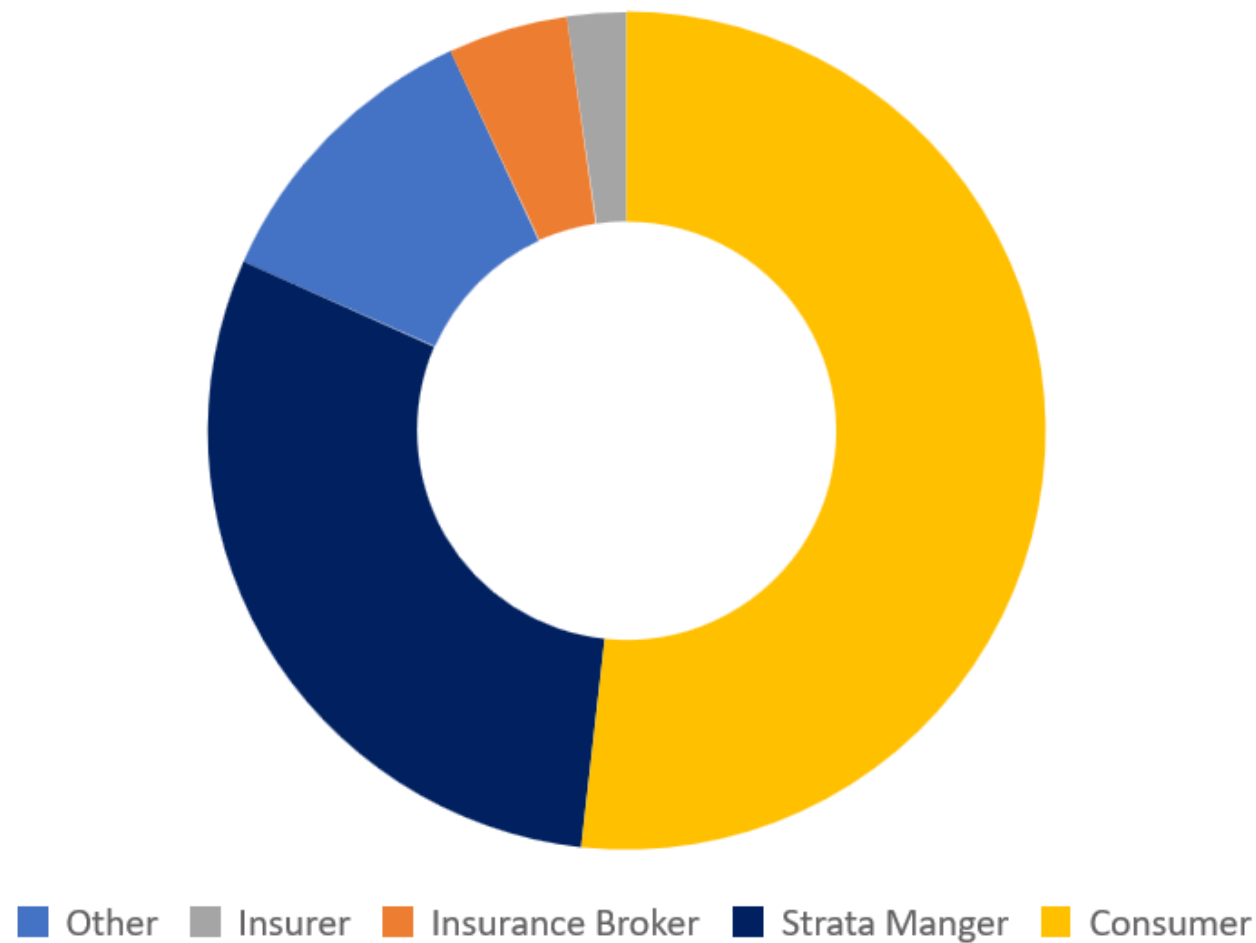
7:30 REPORT

NSW STRATA COMMISSIONER
INQUIRY INTO NETSTRATA

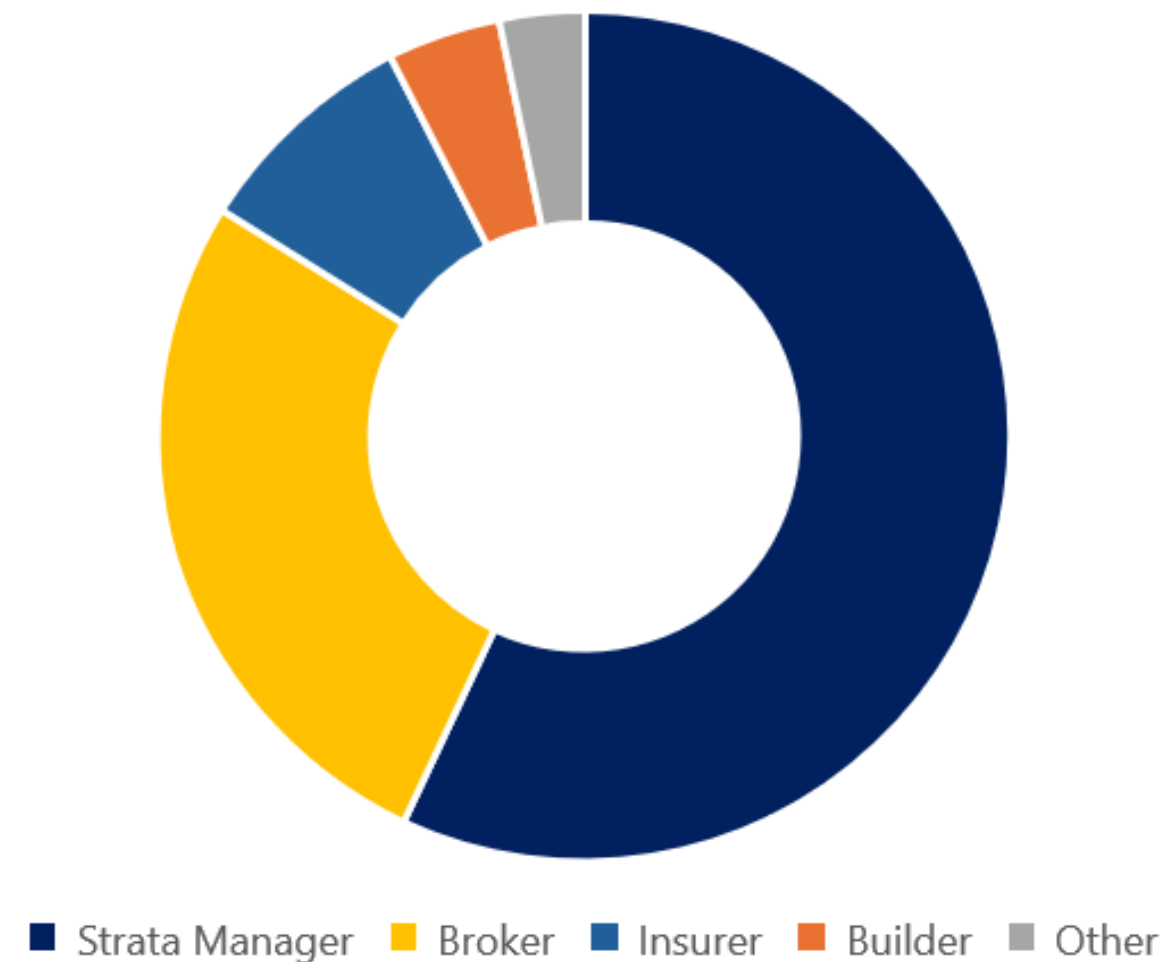
DIVERSE INSIGHTS

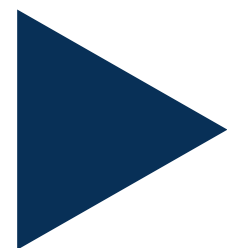
87 RESPONSES

Response By Participant Category



Negative Sentiment Index





REAFFIRMING KNOWN CONCERNS



BREACH OF FIDUCIARY DUTY



COERCIVE TACTICS



**EXCESSIVE & UNREASONABLE
REMUNERATION MODELS**



**CROSS-SUBSIDISATION OF
REMUNERATION**



**LACK OF INFORMED CONSENT
ON BROKER APPOINTMENTS**



**PENALTY CLAUSES
IN CONTRACTS**



QUESTIONABLE ARRANGEMENTS



**MISLEADING
REPRESENTATIONS**

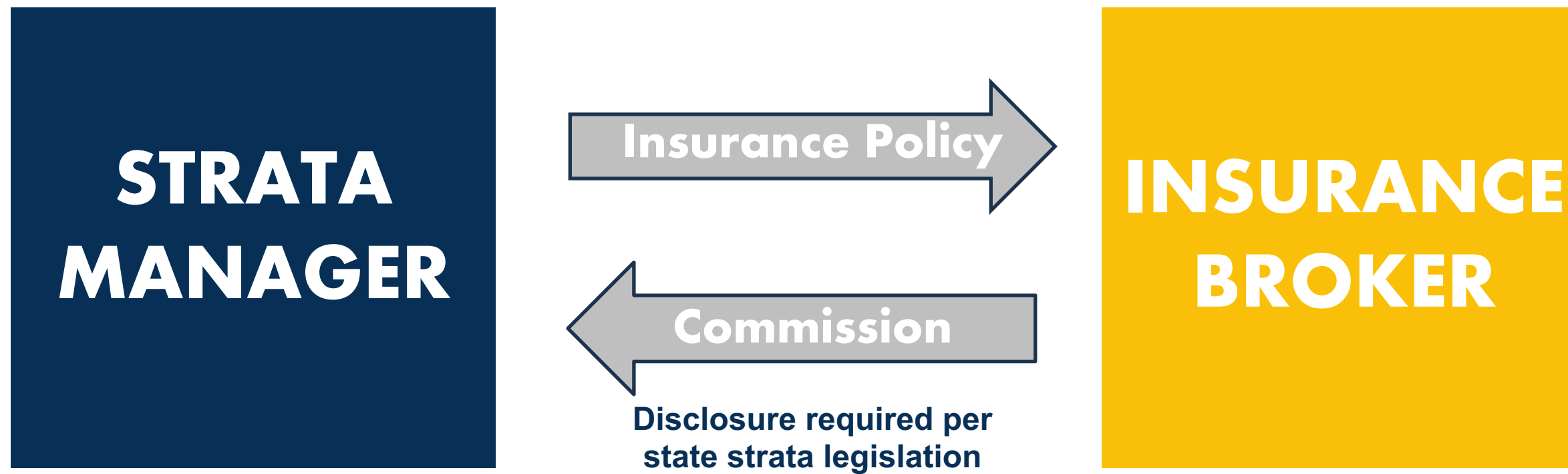


DELAYED RENEWALS

QUESTION: DOES THIS PASS THE PUB TEST?

BLACK BOX ARRANGEMENTS EXPLAINED

TRADITIONAL ARRANGEMENT



BLACK BOX ARRANGEMENT



TRADITIONAL ARRANGEMENT

**STRATA
MANAGER**

Insurance Policy
High Commission

**INSURANCE
BROKER**

**SM
SHAREHOLDER**

NEW REVELATIONS



IDENTIFICATION OF BAD ACTORS



SUPPLY CHAIN OWNERSHIP



**DEFECT INSPECTIONS AND
CONFLICTS OF INTEREST**



**INAPPROPRIATE RELATIONSHIPS
WITH DEVELOPERS**



**INFLATED MAINTENANCE & REPAIR
QUOTES**



IDENTIFICATION OF BAD ACTORS



SUPPLY CHAIN OWNERSHIP



DEFECT INSPECTIONS AND CONFLICTS OF INTEREST



INAPPROPRIATE RELATIONSHIPS WITH DEVELOPERS



INFLATED MAINTENANCE & REPAIR QUOTES

REGULATORY LANDSCAPE



CODE OF CONDUCT

All Members must at all times:

- iv. Be objective, fair and not allow prejudice or bias to override that objectivity.*
- v. Be and appear to be free of any interest, which might be regarded as being incompatible with integrity and objectivity.*
- vii. Act in a lawful manner and comply with the law as may apply from time to time.*
- xi. Disclose and deal with Conflict of Interest issues in an open and fair manner, and not pay or accept secret commissions, either directly or indirectly.*



STATE STRATA LEGISLATION

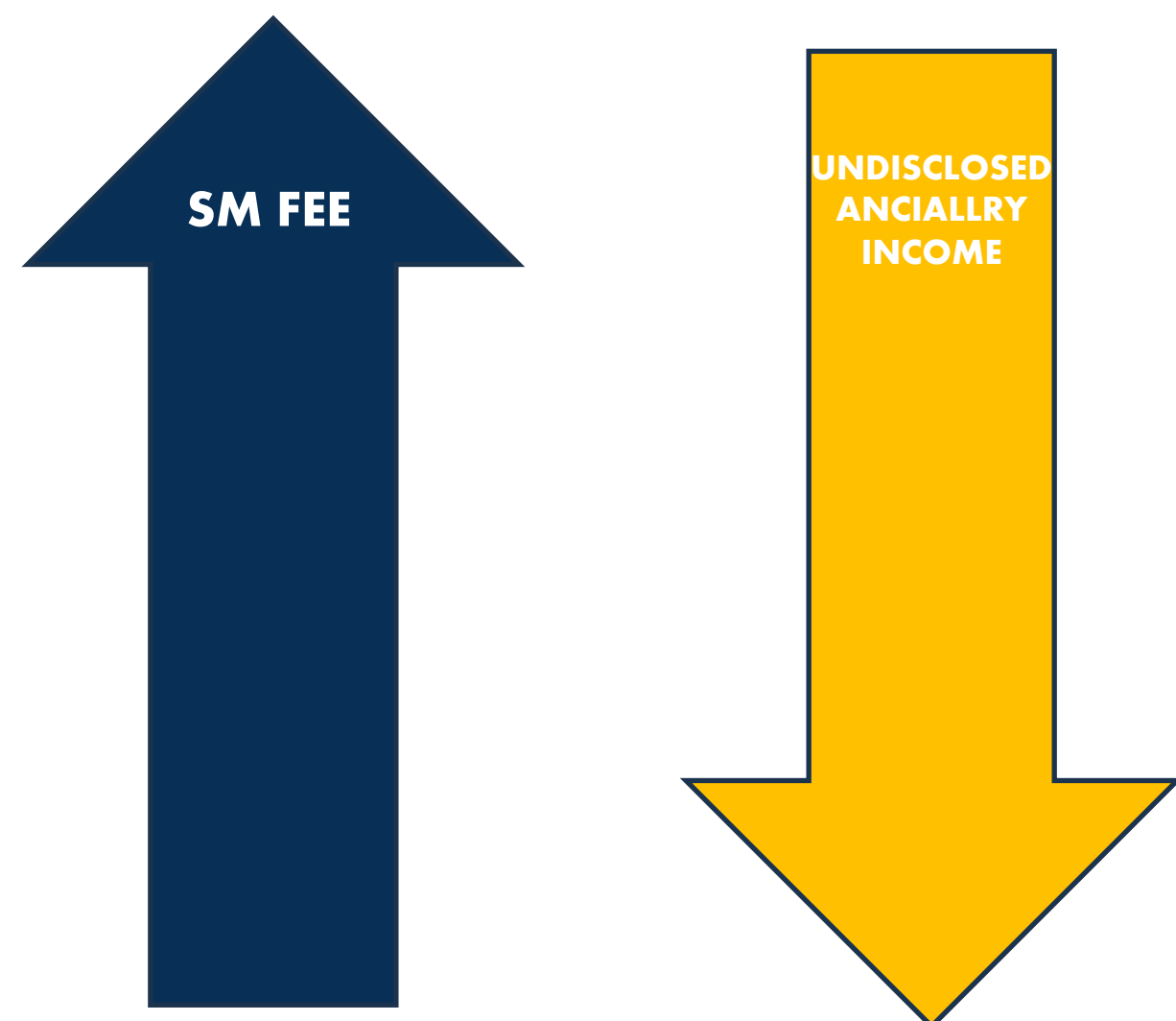


FEDERAL REGULATORS

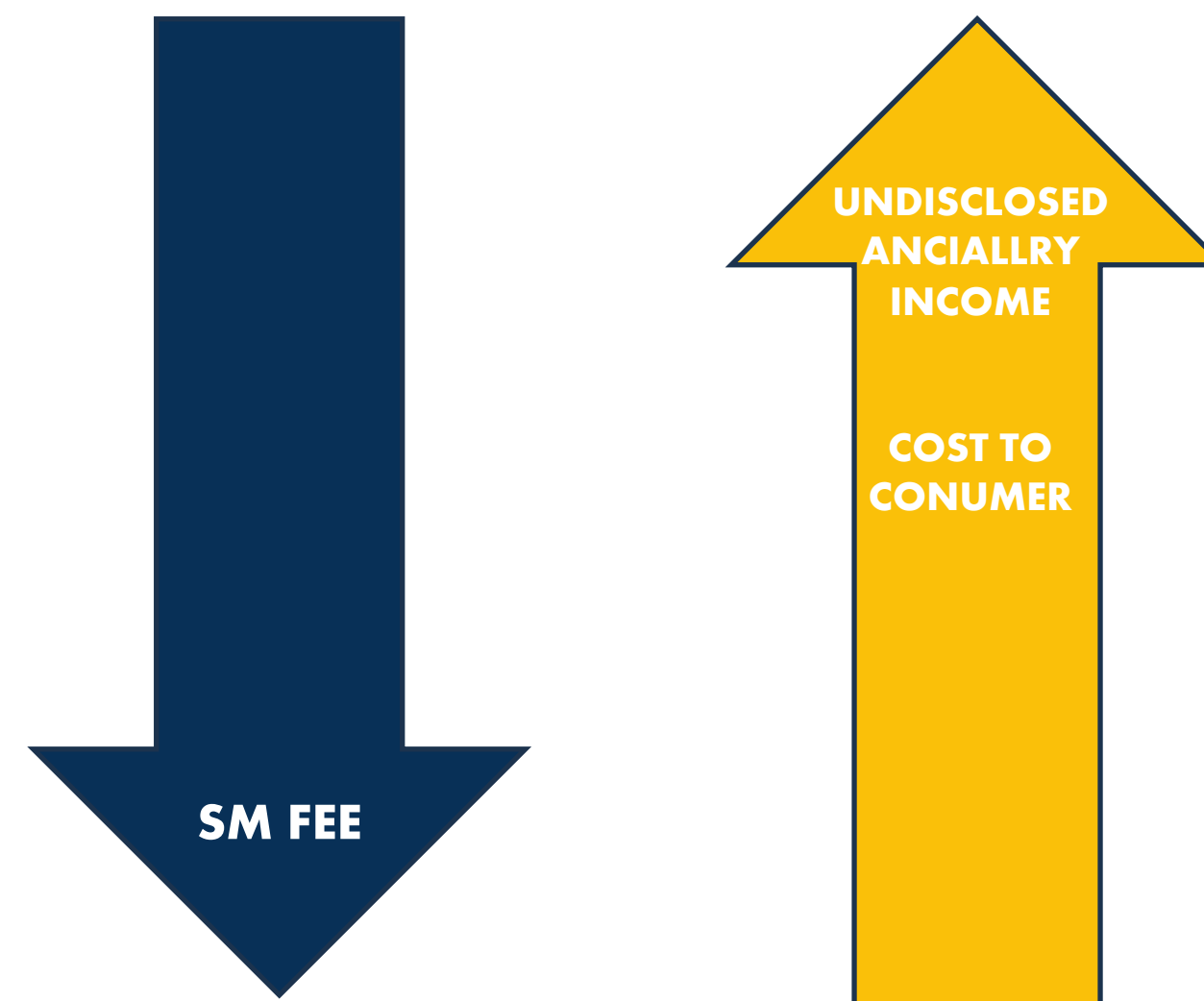
IMPACT ON COMPETITION

THE HIGH COST OF INTEGRITY

TRANSPARENT REMUNERATION



OPAQUE & QUESTIONABLE REMUNERATION



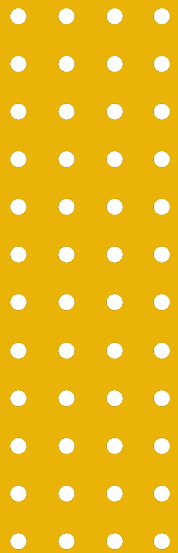


DECISIONS ON STRATA MANAGEMENT CONTRACTS ARE PREDOMINANTLY INFLUENCED BY THE PRESENTATION OF A SINGULAR PRICE POINT — **THE STRATA MANAGEMENT FEE** — DURING ANNUAL GENERAL MEETINGS



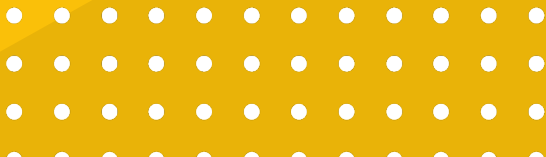


TRANSPARENT & FAIR **REMUNERATION!**



LEGAL DOES NOT EQUATE TO RIGHT



FOCUS BEYOND STRATA INSURANCE



WHAT DOES THE FUTURE LOOK LIKE?

**MEDIA
ATTENTION**

**CONSUMERS
UNITING**

**REGULATORY
ACTION**

**GOVERNMENT
INQUIRY**

THE CALM BEFORE THE STORM

WHAT DOES ACIL WANT FOR THE STRATA INSURANCE/INDUSTRY?

TRANSPARENCY

ACCOUNTABILITY

PROFESSIONALISM

ETHICS

The strata management industry cannot achieve reputable status as long as it persists with questionable and opaque remuneration models.



THANK YOU