PROLINK BROKER NETWORK

Ambroziak & Rao Insurance Brokers Inc.
DISCLOSURE STATEMENT—YOUR PRIVACY IS PROTECTED

Canada's national privacy legislation, the *Personal Information Protection and Electronic Documents Act,* applies to all insurance brokerages collecting, using or disclosing personal information. **Ambroziak & Rao Insurance Brokers Inc.** is a part of the **PROLINK GROUP** and we pledge to protect your privacy and safeguard your personal information.

You have access to our detailed privacy policy on our web site: ***pbnet.ca/ambroziak-rao***

The following Corporations are Subsidiaries and/or Affiliates of PROLINK:

- PROLINK Insurance Inc.
- PROLINK Financial Group Inc.
- PROLINK Broker Network Inc. (including 60 brokerage partners)
- PROLINK Finance Company Ltd.
- **Ambroziak & Rao Insurance Brokers Inc.**

Ownership:

Ambroziak & Rao Insurance Brokers Inc. is an independent insurance broker. PROLINK Broker Network owns a minority interest.

Insurance is a contract of *UTMOST GOOD FAITH* between all parties of the contract:
YOU *(the client)* and **YOUR INSURANCE COMPANY**.

Visit **www.PBNet.ca** for more information.

Sources of Financing:

Ambroziak & Rao Insurance Brokers Inc. recognizes the value of capital growth and business expansion in a very competitive industry. To finance new initiatives and start new programs, our company and its shareholders may seek financing from Canadian Banks, Trust and/or Insurance Companies to support these operations. The financial requirements of repayment of such loans **do not require and will not influence** the placement of business with any insurer or Financial Institution.

Broker Compensation by Insurance Companies:

Insurers are most selective when choosing an insurance broker with whom they establish a brokerage contract. They seek relationships with professional brokers capable of understanding the complexity of risk management, policy wordings and limitations. Both insurers and clients place the responsibility on brokers to arrange appropriate protection for our clients.

Accordingly, insurers compensate brokers for:

- Attracting the class of risk that the insurer is interested in writing.
- Providing complete details as determined by the insurer.
- Prescribing the type of protection to meet the needs of the client and the interest of the insurer.
- Addressing all service issues and maintaining communications.
- Remitting the required premium after deducting a fixed tariff, commission, or fee, as prescribed by the contractfrom the insurer.

"PROLINK" and "PROLINK—Canada's Insurance Connection" are trade names for PROLINK Insurance Inc. (doing business as PROLINK Insurance Advisors in British Columbia and Les Assurances PROLINK in Quebec).

The compensation for providing these services is as follows:

- Personal automobile insurance contract compensation ranges from **5%** to **15%** of premium, or a flat fee of **$250** regardless of the amount of the premium.
- Liability and property insurance contract compensation ranges from **7%** to **25%**. Occasionally a flat fee is charged as identified in an invoice.
- (OPTIONAL) Risk Management and Consulting Services: **$150** to **$250** per hour.

Contingent profit commissions are additional compensatory income available to the broker if the portfolio of business written with any individual insurer is profitable to the insurer. This is a standard tool used by some insurers to help encourage brokers to select above average clients.

We may receive approximately **1%** to **2%** of the premium as a contingent profit commission from the following insurers. Our insurers* occasionally offer small gifts to insurance brokers in appreciation of the relationship. These gratuities in no way influence the volume of business we place with an insurer.

- Aviva Canada
- Intact Insurance
- Travelers Insurance
- Wawanesa
- SGI/Coachman
- Max Insurance

*Our affiliation with PROLINK Insurance Inc. and the PROLINK Broker Network offers access to these insurers.

Unequivocally, **the needs of our clients govern our risk placement decisions.**

Reallocation of Commissions to Group Sponsors for Promotion and Administration Costs:

Program Business (a.k.a. Group Business) is often written with unique coverage and at rates that are typically 20% less than standard rates. Notwithstanding, we have some group program arrangements whereby we reallocate a portion of our commissions to a group sponsor in lieu of promotion and administration costs which the sponsor mayincur on our behalf. Such allocations can range between 1% and 2% of the premium.

If you have questions regarding this or any other matter that pertains to our business:

Please contact our Privacy Officer:

Harish Rao
Ambroziak & Rao Insurance Brokers Inc.
905-366-0066
hrao@pbnet.ca

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