



Financial Services Guide



Financial Services

This Financial Services Guide (FSG) contains information about our services and charges, your rights as a client and other things you need to know in relation to insurance matters such as our dispute resolution process, conflicts of interest and client compensation arrangements. This FSG (V9) applies from 1 November 2018 and remains valid unless a further FSG is issued to replace it.

Our Services

Bourchier Nominees Pty Ltd as trustee for the Coastal Unit Trust T/ as Bruce Insurance, Dental Essentials, Professional Essentials, Trades Insurance, myCafe Insurance & Machine Insurance ABN 92241283362 holds Australian Financial Services License No. 238917 under the Corporations Act 2001 to provide financial product advice and deal in general insurance products for retail and wholesale clients.

Responsibility for services provided

We are responsible for the financial services provided to you, or through you to your family members, including the distribution of this FSG. We are required to meet high standards for staff training, organisational competence, management expertise, financial control and compliance disciplines.

Who we act for

We usually act on your behalf and in your interests in all matters. Sometimes, it may be more appropriate for us to access insurance or manage claims where we act as an agent of the insurer. If and when this situation arises we will explain and highlight this to you.

We are committed to providing sound advice based on your needs and our specialised market knowledge. We offer a range of services to assist you to protect your assets and manage your risk exposure. We are a member of the National Insurance Brokers Association and we are a Steadfast Network Broker. We subscribe to the Insurance Brokers Code of Practice and follow the General Insurance Code of Practice. If you request we act as your general insurance broker, we will do so on the terms set out in this FSG. Unless you inform us in writing, we assume you agree with these terms.

Retail Clients

Under the Corporations Act 2001 (The Act) Retail Clients are provided with additional protection from other clients. The Act defines Retail Clients as:

Individuals or a manufacturing business employing less than 100 people or any other business employing less than 20 people and that are purchasing the following types of insurance covers: Motor vehicle, home building, contents, personal and domestic, sickness/accident/travel, consumer credit and other classes as prescribed by regulations.

Some of the information in this FSG only applies to Retail Clients and it is important that you understand if you are covered by the additional protection provided.

Retail Client Issues

Typically we only provide General Advice to our Retail Clients. General Advice does not take into account your particular needs and requirements and you should consider the appropriateness of this advice to your circumstances prior to acting upon it. We will provide you with a General Advice Warning in such cases.

If you are a new Retail Client purchasing Personal Accident or Sickness insurance and obtain Personal Advice, that is, advice that takes into account your particular circumstances, we will give you a Statement of

Advice (SOA), that sets out the advice provided and the basis on which the advice is made and our remuneration should you purchase the product.

For existing Retail Clients we may not provide an SOA but rather provide the advice to you orally. In such cases you may request us to provide you with a Record of Advice (via phone or in writing) which we will provide to you within 28 days of such request.

When you ask us to recommend an insurance policy for you, we will usually only consider the policies offered by the insurance providers that we deal with regularly. In giving you advice about the costs and terms of recommended policies we have not compared those policies to other policies available, other than from those insurance providers we deal with regularly.

If we recommend the purchase of a particular financial product, we will also give you a Product Disclosure Statement at that time, which sets out details specific to that product and the key benefits and risks in purchasing the product.



Your Instructions

You can provide us with instructions in person, by telephone, email or in writing.

Important Relationships

We are a Steadfast Group Limited (Steadfast) Network Broker. Steadfast has exclusive arrangements with some insurers and premium funders (Partners) under which Steadfast will receive between 0.5 – 1.5% commission for each product arranged by us with those Partners. Steadfast is also a shareholder of some Partners. We may receive a proportion of that commission from Steadfast at the end of each financial year (or other agreed period).

As a Steadfast Network Broker we have access to member services including model operating and compliance tools, procedures manuals and training, legal, technical, banking and recruitment advice and assistance, group insurance arrangements, product comparison and placement support, claims support and group purchasing arrangements. These member services are either funded by Steadfast, subsidised by Steadfast or available exclusively to Steadfast Network Brokers for a fee. You can obtain a copy of Steadfast's FSG at www.steadfast.com.au.

Compensation

We have a professional indemnity (PI) policy. The PI policy covers us and our representatives (including our authorised representatives) for claims made against us and our representatives by clients as a result of the conduct of us, our employees or representatives in the provision of financial services.

Privacy

The Privacy Act 1988 sets out standards for the collection and management of personal information. With your consent, we will only use your personal information for general insurance services. We are committed to implementing and promoting a privacy policy, which will ensure the privacy and security of your personal information. A copy of our privacy policy is available on request. If you wish to look at your file please ask us. We will make arrangements for you to do so.

Our Remuneration

Our commission is calculated based on the following formula:

$$X = Y\% \times P$$

X = Our commission

Y% = The percentage commission paid to us by the insurer

P = The amount you pay for any insurance policy less any government fees or charges

The rate of commission ranges between 5–30% plus GST. If you are a Retail Client and we give you Personal Advice, commission amounts will be provided in any SOA or (where an SOA is not required to be provided) included on any relevant invoices. When we give you General Advice, full commission information (including dollar amounts) will be provided on request. We do not often pay commissions, fees or benefits to others who refer you to us or refer us to an insurer but, if so, we pay them out of our commission or fees, in the range of 0-30%.

If we arrange premium funding for you we may be paid a commission by the premium funder which is usually calculated as a percentage of your insurance premium (less government fees or charges). Our commission rates for premium funding range between 1-3% of funded premium. If you instruct us to arrange or issue a product, this is when we become entitled to the commission. When we arrange premium funding for you, you can ask us what commission rates we are paid for that funding arrangement compared to the other arrangements that were available to you. The amount of our commission and any fee that we charge will be set out in the premium funding contract.

We may be part of a profit share arrangement with some insurers. The amount of the profit share is determined by the amount of the premium earned when compared with the claims experienced with the insurer. Due to the contingent nature of insurance and the way the arrangements are set up, it is not possible to know the amount of any profit share, if any, to which we may be entitled.



Our brokers are paid predominantly by market salary, plus incentives based on new business commission and other targets.

If you pay by credit card we may charge you a credit card fee (including arrangement & handling), which is disclosed and shown separately on our Invoices. This is non refundable and covers the cost of bank charges etc associated with such facilities.

Payment

For each insurance product the insurer will charge a premium that includes any relevant taxes, charges and levies. We often receive a payment based on a percentage of this payment called commission which is paid to us by the insurers. In some cases we will also charge you a fee. All fees and charges will be shown on the Invoice provided. You can choose to pay by any of the payment methods set out in the Invoice and are required to pay us within the specified time.

When you pay us your premium it will be banked into our trust account. We retain the commission from the premium you pay us and remit the balance to the insurer. We will earn interest on the premium while it is in our trust account or we may invest the premium and earn a return. We will retain any interest or return on investment earned on the premium.

Contractual Liability and your insurance cover

Many commercial or business contracts contain clauses dealing with your liability (including indemnities or hold harmless clauses). Such clauses may entitle your insurers to reduce cover, or in some cases, refuse to indemnify you at all. You should seek legal advice before signing and accepting contracts. You should inform us of any clauses of this nature before you enter into them.

Electronic Delivery of Disclosure Notices

Where possible if you have given us your email address we will provide all correspondence and disclosure notices (including Financial Services Guides and Product Disclosure Statements) to you electronically. Disclosure notices will usually be provided to you via hyperlinks in an email. If you do not wish to be sent disclosure notices as hyperlinks please advise us and we will send them as attachments, or in hard copy if preferred.

Complaints and Disputes

If you are dissatisfied with a product or service, please contact us. If your complaint is not resolved satisfactorily then please contact our Complaints Manager and we will endeavour to resolve your complaint promptly and fairly. If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority, or AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers. We also follow the Insurance Brokers Code of Practice.

Website: www.afca.org.au

Email: info@afca.org.au

Telephone: 1800 931 678 (free call)

In writing to: Australian Financial Complaints Authority
GPO Box 3
Melbourne
VIC 3001

Wholesale Broker Information

In some cases we use the services of a Wholesale Broker (insurance intermediary) to access products that are not available to us directly from the underwriter. You can identify where we have used an insurance intermediary as the Invoice/schedule will show that the policy is placed via another Insurance Intermediary. This situation usually arises where the insurance intermediary has developed a specialised product and competitive pricing for risks that are not commonly available directly from most insurers. This means we are not dealing with the end insurer directly but via the insurance intermediary. All insurance intermediaries that we deal with are required to hold an Australian Financial Services Licence and to place all client funds received into a Trust Account and are required to meet the same high standards in the delivery of their services that apply to us. Importantly all claims will be the ultimate responsibility of and paid for by the end insurer.

New Business

If you need immediate cover for an uninsured risk or property, we can usually obtain an Interim Contract of Insurance and will need details of the property or risk and all other relevant information you are required to disclose to an insurer. On receipt of our Proposal you must complete and sign the Proposal and return it to us promptly to ensure it is received prior to the expiry of the interim cover. We will send the original Insurance Contract documents to you after issue by the insurer. As these are legal documents they should be kept in a safe place.

Renewals

We will provide you at least 14 days' notice of expiry of any Insurance Contract we have arranged. Unless you inform us we will automatically renew your insurance to ensure you continue to be covered. At that time we will send you a Renewal Invoice. If you wish to change the details of the cover or there is a change to your circumstances, you must contact us to assess the appropriateness of your insurance and whether you require further advice from us. In some circumstances we may be able to arrange for the insurer to cover you temporarily before payment is received, but we can not guarantee this. We will also advise you at least 14 days in advance of expiry of any Insurance Contract should the insurer not wish to offer renewal. If you arranged or renewed insurance directly with an insurer or through another broker, we will not be responsible for notifying you of expiry or arranging renewal.

Variations

You should carefully monitor and review your Insurance Contract to ensure that it adequately meets your requirements. If you wish to vary any cover please provide us with details of the changes you require and any other information you need to disclose to the insurer. We will provide written confirmation in the form of an Endorsement Invoice when the insurer has accepted the variation to cover. Any premium adjustment will be advised to you in the Endorsement Invoice.

Cancellations

We cannot ask your insurer to cancel a Contract of Insurance without written instructions from a person(s) who is authorised to represent each of the parties who are named as insureds in the Contract of Insurance. If a Contract of Insurance is cancelled before expiry of the period of insurance we will refund the gross return premium we receive from the insurer (subject to any cancellation or administrative fee imposed by the insurer) but we will not refund commission or fees we have received. We may also retain a fee for processing your cancellation request.

Claims

We will accept your claims notifications, assist and advise you regarding the scope of cover and pass the information to the insurer. If a loss adjustor is appointed we will, with your permission, pass on your contact details. We will promptly forward all claims documentation, insurer settlement cheques and other information to the appropriate persons.



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