

## Financial Services Guide

Australian Financial Services (AFS) Licence Number 241365

Version 6, 15<sup>th</sup> April 2019

The financial services referred to in this Financial Services Guide (FSG) are offered by:  
Ballarat Insurance Brokers Pty Ltd | ABN 67 007 323 622

**This FSG sets out the services that we can offer you. It is designed to assist you in deciding whether to use any of those services and contains important information about:**

- the services we offer you
- how we and others are paid
- any potential conflict of interest we may have
- what to do in the event of a complaint
- arrangements we have in place to compensate clients for losses

### About us

Ballarat Insurance Brokers has been operating since 1964, firstly as insurance agents and then as licensed insurance brokers since 1992. We are a well-known and established insurance broking firm with a reputation for professionalism and a commitment to understand our clients' needs to place their general insurance. We are a member of the National Insurance Brokers Association of Australia and the Steadfast Group Limited. We also subscribe to the Insurance Brokers Code of Practice, an initiative of the National Insurance Brokers Association.

We have Qualified practising Insurance Brokers employed to discuss your insurance needs and can visit you on site to complete insurance reviews.

### Our services

We offer a range of services to assist you to protect your assets and guard against unexpected liabilities including:

- Reviewing and advising on your general insurance needs;
- Arranging, varying or renewing general insurance on your behalf;
- Assisting you with general insurance claims, and identifying risk factors to avoid claims;
- Assisting you with risk management and premium funding needs;
- Seeking competitive premium quotations.

### Who is responsible for the financial services provided?

Ballarat Insurance Brokers Pty Ltd holds an Australian Financial Services Licence number 241365 and are authorised to advise and deal in the full spectrum of general insurance products.

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.

### What kinds of financial services are you authorised to provide to me and what kinds of financial product/s do those services relate to?

Ballarat Insurance Brokers Pty Ltd is authorised to advise and deal in General Insurance Products to wholesale and/or retail clients. We will do this for you as your broker unless we tell you otherwise. Sometimes we will act under a binder or agency from the insurer. When we act under a binder or agency we will be acting as the agent of the insurer. This means that we represent and act for the insurer, not for you. We will tell you when we act under a binder or agency to arrange your insurance or advise you about your insurance needs.

### Our products

We can advise and arrange a broad range of insurances on your behalf including: Home Building and Contents, Private and Commercial Motor, Farm, Business Packages, Construction, Liability, Industrial and Professional covers.

### 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.

#### **From when does this FSG apply?**

This FSG applies from 15<sup>th</sup> April 2019 and remains valid unless a further FSG is issued to replace it. We may give you a supplementary FSG. It will not replace this FSG but will cover services not covered by this FSG.

#### **How can I instruct you?**

You can contact us to give us instructions by post, phone, fax or email on the contact number or details mentioned on page 1 of this FSG.

### **How we and others are paid and payment of premiums**

#### **How will I pay for the services provided?**

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 premium (excluding relevant taxes, charges and levies) called commission, which is paid to us by the insurers. However, in some cases we will also charge you a fee. These will all be shown on the invoice that we send you. You can choose to pay by any of the payment methods set out in the invoice. You are required to pay us within the time set out on the invoice. If you pay by credit card we will charge you a non-refundable credit card fee as shown on the Tax Invoice, this reimburses us for the actual bank charge only, called the 'cost of acceptance'. There are no extra charges included.

If there is a refund or reduction of your premium as a result of a cancellation or alteration to a policy, or based on a term of your policy (such as a premium adjustment provision), we will retain any fee we have charged you. We will also retain commission depending on our arrangements with the insurer, or charge you a cancellation fee equal to the reduction in our commission.

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 in accordance with our arrangements with 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.

#### **How are any commissions, fees or other benefits calculated for providing the financial services?**

Our commission will be calculated based on the following formula:  $X = Y\% \times P$

In this formula: X = our commission, Y% = the percentage commission paid to us by the insurer. Our commission varies between 0 and 30%. P = the amount you pay for any insurance policy (less any government fees or charges included in that amount). Any fees that we charge you will be disclosed on the Tax Invoice.

We do not often pay any commissions, fees or benefits to others who refer you to us or refer us to an insurer. If we do, we will pay commissions to those people out of our commission or fees (not in addition to those amounts), in the range of 0 to 50% of our commission or fees.

Our employees that will assist you with your insurance needs will be paid a market salary, performance bonus or a share of the commission and fees from 0 – 30%.

If we give you personal advice, we will inform you of any fees, commission or other payments we, our associates or anyone referring you to us (or us to any insurer) will receive in relation to the policies that are the subject of the advice.

See below for information on the Steadfast association and commission.

#### **Important relationships or associations we have with the insurers who issue the insurance policies or any other material relationships**

Ballarat Insurance Brokers Pty Ltd is 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](http://www.steadfast.com.au)

If we arrange premium funding for you we may be paid a commission by the premium funder. We may also charge you a fee (or both). The commission that we are paid by the premium funder is usually calculated as a percentage of your insurance premium (including government fees and charges). If you instruct us to arrange or issue a product, this is when we become entitled to the commission.

Our commission rates for premium funding are in the range of 0 – 2.0% of funded premium. When we arrange premium funding for you, you can ask us what commission rate 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.

Where we refer you to a Life Insurance Broker or Financial Planner and you purchase a policy through them, they may pay us a percentage of their commission between 0 – 30%.

#### **Profit Share**

At the end of the financial year, we may receive a profit share commission from insurers, depending on the performance and profitability of the portfolio we place with the insurer(s).

#### **Non-monetary benefits**

Some insurers give us other benefits such as football tickets,

race tickets or buy us dinner. These benefits may change from year to year. We do not permit our advisers to accept this type of benefit where the value is greater than \$400 in any one event.

## Conflicts of interest

As a business we have relationships with and receive income from various third parties as detailed in this FSG. For Retail Clients receiving Personal Advice, details of relationships that impact the advice will be included in any SOA or invoice documentation we send you. All material conflicts that impact our advice, that are not mentioned in this FSG, will be advised to you on the invoices related to that advice.

## Complaints and the Financial Ombudsman Service

### What should I do if I have a complaint?

Contact us and tell us about your complaint. We will do our best to resolve it quickly.

- If your complaint is not satisfactorily resolved within 21 days, please contact our complaints manager as printed on the front page of your current Tax Invoice on 03 5333 5222 or put your complaint in writing and send it to the Complaints Manager at the address noted at the beginning of this FSG. We will try and resolve your complaint quickly and fairly.
- Ballarat Insurance Brokers Pty Ltd is a member of the Australian Financial Complaints Authority (AFCA). If an issue has not been resolved to your satisfaction, you can lodge a complaint with AFCA, AFCA provides fair and independent financial services complaint resolution that is free to consumers.

#### The AFCA can be contacted at:

Website – [www.afca.org.au](http://www.afca.org.au)

Email – [info@afca.org.au](mailto:info@afca.org.au)

Phone – 1800 931 678 (free call)

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

- **Note:** Time limits may apply to complain to AFCA and so you should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expires.
- We also follow the Insurance Brokers Code of Practice.

## Arrangements we have in place to compensate clients for losses

Ballarat Insurance Brokers Pty Ltd has a professional indemnity insurance policy (PI policy) in place.

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.

Our PI policy cover us for claims relating to the conduct of representatives who no longer work for us.

## Important Information

### Contact agreement

To ensure that we provide you with appropriate products and services, you agree to us calling you to discuss any new products and services. If you do not wish to receive such calls please advise us and we will place you on our Do Not Call Register.

### Electronic delivery of disclosure notices

Please note that where possible we prefer to provide all

correspondence and disclosure notices (including Financial Services Guides and Product Disclosure Statements) to you electronically, via email or links to websites etc. If you have provided your email address to us we will typically use that email address for all correspondence and disclosure notices. Should you not wish to be sent disclosure documents electronically please advise us and we will update our records accordingly.

### 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.

## How we look after your insurance needs

### New Business

Contact us as soon as possible if you need cover for a risk or property that is not insured. If you need immediate cover, we can usually obtain an interim contract of insurance (which is generally valid for a month or less). To arrange this, we will need details of the property or risk and all other information which you need to disclose to the insurer.

We will then send you a proposal form for completion if one is required by the insurer. You will need to complete and sign this and return it to us as soon as possible and before any interim cover expires.

We will send the original insurance policy documents by post or email as soon as they are issued correctly by your insurer. As these are legal documents, you should keep them in a safe place.

### Renewals

We will give you at least 14 days' notice of expiry of any insurance policy which we arranged or last renewed for you.

Unless you tell us otherwise, we will automatically renew your insurance to ensure you continue to be covered. At that time we will send you an offer to renew the insurance policy and invoice you for the cost of renewal. If there is a change to your circumstances or if you want to change the details of the cover, contact us as soon as you receive the renewal offer. This will allow us to assess whether your insurance is appropriate for your circumstances.

If you arrange or renew your insurance directly with an insurer or through another broker, we will not be responsible for notifying you of expiry or arranging further renewals unless you ask us to do so.

### Variations

You should carefully monitor and review that your insurance policy is adequate to cover your assets or business activities.

If you want to vary any cover, e.g. by increasing the sum insured or adding other property, please provide us with details of the changes you require and any other information you need to disclose to the insurer.

We will arrange the variation with the insurer and notify you when it is arranged.

### Claims

When you need to make a claim, we can advise if it is covered under that policy and assist you to prepare and submit the claim to the insurer. If there is uncertainty about whether a claim is covered under your policy we will advise you.

If the insurer appoints a loss adjustor we shall, with your permission, pass on your contact details and co-ordinate

meetings. For major losses, we can attend the initial meeting with the loss adjuster if you wish us to.

We will promptly forward to you all claims documentation, insurance company settlement cheques and other information.

If any claims are outstanding when you terminate our appointment as your insurance broker, we will provide details of the claim(s) to your new insurance broker so that they may continue to negotiate settlement on your behalf.

### **Material Changes**

You must also notify your insurer of any significant changes which occur while the policy is on risk or under negotiation. If you do not, your insurances may be inadequate to fully cover you.

We can assist you to tell the insurer about changes and to ensure that your contract of insurance is altered to reflect those changes if necessary.

### **Sums Insured – Average and Co-Insurance**

Some insurance policies require you to bear a proportion of each loss or claim if the sum insured is inadequate to cover the amount of the loss. These provisions are called 'average' or 'co-insurance' clauses.

If you do not want to bear a proportion of any loss, when you arrange or renew your contract of insurance ensure that the amount for which you insure is adequate to cover the full potential of any loss. If you insure on a new for old basis, the sum insured needs to be sufficient to cover the new replacement cost of the property.

### **Any questions?**

If you have any further questions about the financial services Ballarat Insurance Brokers Pty Ltd provides, please contact us.

Please retain this document for your reference and any future dealings with Ballarat Insurance Brokers Pty Ltd.

## **Personal Information**

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. Our Privacy Policy Statement is available on our website and is shown below.

### **Privacy Policy**

At Ballarat Insurance Brokers Pty Ltd we are committed to protecting your privacy in accordance with the Privacy Act 1988 (Cth) and the Australian Privacy Principles. This Privacy Policy describes our current policies and practices in relation to the collection, handling, use and disclosure of personal information. It also deals with how you can complain about a breach of the privacy laws and how you can access the personal information we hold and how to have that information corrected.

#### **What information do we collect and how do we use it?**

When we arrange insurance on your behalf, we ask you for the information we need to advise you about your insurance needs and management of your risks. This can include a broad range of information ranging from your name, address, contact details, age to other information about your personal affairs including your assets, personal belongings, financial situation, health and wellbeing. We provide any information that the insurers or intermediaries who we ask to quote for your insurances and premium funding require to enable them to decide whether to insure you and on what terms or to fund your premium and on what terms.

Insurers may in turn pass on this information to their reinsurers. Some of these companies are located outside Australia. For example, if we seek insurance terms from an overseas insurer (e.g. Lloyd's of London), your personal information may be disclosed to the insurer. If this is likely to happen, we inform you of where the insurer is located, if it is possible to do so.

When you make a claim under your policy, we assist you by collecting information about your claim. Sometimes we also need to collect information about you from others. We provide this information to your insurer (or anyone your insurer has appointed to assist it to consider your claim, e.g. loss adjusters, medical brokers etc) to enable it to consider your claim. Again, this information may be passed on to reinsurers.

From time to time, we will use your contact details to send you direct marketing communications including offers, updates and newsletters that are relevant to the services we provide. We always give you the option of electing not to receive these communications in the future. You can unsubscribe by notifying us and we will no longer send this information to you.

#### **What if you don't provide some information to us?**

We can only fully advise you and assist in arranging your insurance or with a claim, if we have all relevant information. The insurance laws also require you to provide your insurers with the information they need in order to be able to decide whether to insure you and on what terms. You have a duty to disclose the information relevant to the insurer's decision to insure you.

#### **When do we disclose your information overseas?**

If you ask us to seek insurance terms and we recommend an overseas insurer, we may be required to disclose the information to the insurer located outside Australia. For example, if we recommend a policy provided by Lloyd's of London, your information may be given to the Lloyd's broker and underwriters at Lloyd's of London to make a decision about whether to insure you.

We will tell you at time of advising on your insurance if they are overseas and in which country the insurer is located. If the insurer is not regulated by laws which protect your information in a way that is similar to the Privacy Act, we will seek your consent before disclosing your information to that insurer.

Australian and overseas insurers acquire reinsurance from reinsurance companies that are located throughout the world so in some cases your information may be disclosed to them for assessment of risks and in order to provide reinsurance to your insurer. We do not make this disclosure, this made by the insurer (if necessary) for the placement for their reinsurance program.

#### **How do we hold and protect your information?**

We strive to maintain the reliability, accuracy, completeness and currency of the personal information we hold and to protect its privacy and security. We keep personal information only for as long as is reasonably necessary for the purpose for which it was collected or to comply with any applicable legal or ethical reporting or document retention requirements.

We hold the information we collect from you initially in a working file, which when completed is electronically imaged and stored, after which any paper is destroyed in our onsite shredder.

We ensure that your information is safe by protecting it from unauthorised access, modification and disclosure. We maintain physical security over our paper and electronic data and premises, by using locks as allowed by council permits. We also maintain computer and network security; for example, we use firewalls (security measures for the Internet) and other security systems such as user identifiers and passwords to control access to computer systems where your information is stored.

#### **Will we disclose the information we collect to anyone?**

We do not sell, trade, or rent your personal information to others.

We may need to provide your information to contractors who supply services to us, e.g. to handle mailings on our behalf, external data storage providers or to other companies in the event of a corporate sale, merger, re-organisation, dissolution or similar event. However, we will take reasonable measures to ensure that they protect your information as required under the Privacy Act.

We may provide your information to others if we are required to do so by law, you consent to the disclosure or under some unusual other circumstances which the Privacy Act permits.

#### **How can you check, update or change the information we are holding?**

Upon receipt of your written request and enough information to allow us to identify the information, we will disclose to you the personal information we hold about you. We will also correct, amend or delete any personal information that we agree is inaccurate, irrelevant, out of date or incomplete.

If you wish to access or correct your personal information please write to our managing director at PO Box 117, Ballarat Vic or call on 03 5333 5222.

We do not charge for receiving a request for access to personal information or for complying with a correction request. Where the information requested is not a straightforward issue and will involve a considerable amount of time then a charge will need to be confirmed for responding to the request for the information.

In some limited cases, we may need to refuse access to your information or refuse a request for correction. We will advise you as soon as possible after your request if this is the case and the reasons for our refusal.

#### **What happens if you want to complain?**

If you have concerns about whether we have complied with the Privacy Act or this Privacy Policy when collecting or handling your personal information, please write to our managing director at Ballarat Insurance Brokers, PO Box 117, Ballarat Vic 3353, or call on 03 5333 5222.

We will consider your complaint through our internal complaints resolution process and we will try to respond with a decision within 45 days of you making the complaint.

#### **Your consent**

By asking us to assist with your insurance needs, you consent to the collection and use of the information you have provided to us for the purposes described above.

Information collected via on-line forms is sent to our offices via EMAIL (not encrypted) and is also stored on a database which is accessible by Ballarat Insurance Brokers staff only (password protected).

We also use your information to send you requested product information and promotional material and to enable us to manage your ongoing requirements, e.g. renewals, and our relationship with you, e.g. invoicing, client surveys etc.

We may occasionally notify you with direct marketing about new services and special offers, events or articles we think will be of interest to you. We may send you regular updates by email or by post on insurance matters. If you would rather not receive this information or do not wish to receive it electronically, email or write to us. We may use your information internally to help us improve our services and help resolve any problems.

#### **Tell us what you think**

We welcome your questions and comments about privacy. If you have any concerns or complaints, please contact our Privacy Officer on 03 5333 5222.