

## Financial Services Guide: General Insurance Broking

Australian Unity Personal Financial Services Limited ABN 26 098 725 145 is the holder of Australian Financial Services and Australian Credit Licence No. 234459 and our registered office is 114 Albert Road, South Melbourne, VIC, 3205. Telephone: 13 29 39. Facsimile: (03) 8682 7099.

This Financial Services Guide (“FSG”) contains important information about:

- ❑ The **general insurance broking services** Australian Unity Personal Financial Services Ltd (“we”, “AUPFS”) offer you and information designed to assist you in deciding whether to use any of these services;
- ❑ How we and our associates are paid;
- ❑ Any potential conflict of interest we may have in providing you with the services; and
- ❑ Our internal and external dispute resolution procedures and how you can access them.

If we provide advice that is based upon your circumstances, needs and objectives, you will receive a Statement of Advice (SoA) which contains our advice, explains the reasons the advice is appropriate for your relevant circumstances and goals, and discloses the costs and benefits we will receive if you proceed with the advice.

If you apply for or acquire a particular general insurance product we will give you a Product Disclosure Statement (“PDS”) prepared by the product issuer of that product. The PDS will assist you to make an informed decision about that financial product and whether to acquire it. The PDS contains, amongst other things, product features and benefits and information about your cooling-off rights.

You can provide instructions to us in person, or via phone, email or fax; however we may ask you to confirm these instructions in writing before we action them.

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**What services are we authorised to provide you under our Australian Financial Services Licenses?**

We are authorised under the *Corporations Act 2001* (Cth) to advise on and deal in general insurance products to retail and wholesale clients. We can advise on and deal in a broad range of general insurance products, including the following areas:

- Accident or Sickness
- Aviation
- Commercial Packages/Business Insurance
- Compulsory Third Party Liability
- Construction/Contract Works
- Fire/Industrial Special Risks
- Liability – public/products
- Machinery breakdown/engineering
- Marine
- Motor Commercial
- Professional Indemnity/Directors & Officers
- Residential Strata
- Rural
- Workers Compensation (risk premium)

Not all of our General Insurance Brokers may be authorised to advise on and arrange the full suite of general insurance products. If a Broker is unable to advise you on a particular product they will refer you to another AUPFS Broker who is authorised to do so.

**Who is the provider of the financial services?**

AUPFS is the provider of the financial services mentioned in this FSG.

AUPFS is an Australian Financial Services Licensee: Licence No: 234459.

When providing our general insurance broking services, we act for you.

**What information must you provide in order to receive personalised advice?**

You need to provide us with accurate details of your objectives and needs, your current financial situation and any other relevant information, so that we can offer you the most appropriate advice possible.

You have the right not to disclose your personal information to us. However, if you do not provide us with sufficient information, the advice you receive may not be appropriate to your needs, objectives and financial situation.

You should read the warnings contained in the SoA carefully before making any decision relating to a financial product/s.

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**How will we provide advice to you?**

You will be provided with a Statement of Advice (SoA) if we provide insurance product advice that is based upon your personal circumstances, needs and objectives. A SoA will contain our advice, explains the reasons the advice is appropriate for your relevant personal circumstances and goals, and discloses the costs and benefits we will receive if you proceed with the advice. The SoA will include an invoice/quotation from the insurer.

A Product Disclosure Statement (PDS) is provided with all SoAs. The Product Disclosure Statement is a document provided by the product issuer and explains the features, limitations, terms and conditions of the product. Prior to making a decision about any insurance product, you should carefully read the PDS.

There may be instances where we provide advice about insurance products that is not based upon your personal circumstances, needs and objectives. This is General Advice, and you need to consider its appropriateness in light of your personal circumstances before acting on the advice. Where a particular general insurance product is mentioned, you should obtain a copy of the PDS for the product discussed and consider it before making any decision. Please contact us to obtain a copy of the PDS.

You should carefully consider any warnings, which may be contained in the SoA, PDS, or provided by other means, prior to making any decision about an insurance policy.

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**Contractual Liability and your insurance cover**

Many commercial or business contracts, unrelated to insurance, 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. We suggest that you seek legal advice before signing and accepting contracts. You should inform us of any clauses of this nature before you enter into them.

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**What information do we maintain in your file and can you examine your file?**

Australian Unity Ltd and its subsidiaries (of which AUPFS is one), collectively referred to as 'Australian Unity' in this section, respect the privacy rights of our members, customers and other individuals with whom we deal. Australian Unity is committed to complying with all applicable privacy laws including the Privacy Act 1988 (Cth) and Australian Privacy Principles.

We will only collect, maintain and use personal information about you if it is necessary for us to adequately provide you the products and services you have requested, provide you with information about other products and services offered by a member or representative of Australian Unity, or to meet our obligations under applicable Laws (e.g. the Anti-Money Laundering and Counter Terrorist Financing Act (2006) (AML Act)). If you wish to acquire a financial product we will share necessary information to the issuer of the product. Our detailed Privacy Policy can be found at <http://www.australianunity.com.au/privacy-policy> or alternatively you may request it by calling 13 29 39.

Our Privacy Policy outlines how we collect and use your personal information. Australian Unity will only disclose personal information to third parties for the purposes of managing, delivering and administering the product and/or service you require, and in accordance with our Privacy Policy and applicable laws. If you have an enquiry or complaint about our Privacy Policy or information handling practices, or would like to access or correct information that we hold, please contact us. You can do so by calling 13 29 39 or writing to:

Privacy Officer  
Australian Unity Personal Financial Services Ltd  
114 Albert Road  
South Melbourne VIC 3205

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**How does your consultant and others connected with the provision of the financial services get paid?**

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 may also charge you a separate fee as outlined in the next section. These will all be shown in your Statement of Advice (where relevant) and 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 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 any 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.

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

**Commissions:**

Some insurers may pay AUPFS a commission for placing insurance policies with them. These amounts vary from insurer to insurer and between different classes of insurance, and will fall within the range of 1% to 33% inclusive of GST. Note that these commissions are not additional charges to you.

**Broker service fees:**

We may charge a broker service fee, which will be subject to GST. These fees will be shown in your Statement of Advice and as a specified amount on your tax invoice. The amount charged will be based upon the complexity and anticipated time taken to provide the cover and services you require and may take the form of an administration fee, annual management fee or agreed flat fee. If a fee is charged, it will be disclosed in the quotation letter provided to you with our recommendation. If you don't proceed with engaging AUPFS, you will not incur any fees, unless we have agreed otherwise between us.

**Referral fees:**

We may pay commissions, fees or benefits to others who refer you to us or refer us to an insurer. These will be paid from the commission or fees we receive (i.e. not in addition to those amounts), in the range of 5% to 22% (including GST) of our commission or fees.

**Other benefits we may receive:**

Our employees that will assist you with your insurance needs will be paid a market salary. They may also receive a bonus or other monetary or non-monetary benefit.

**If we provide 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.**

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**Do we have any relationships or associations with financial product issuers?**

AUPFS 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. The percentage rebated, if any, and eligibility for the rebate, are at the sole discretion of Steadfast. The amount will be calculated as at 30<sup>th</sup> June for the year in arrears.

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

The commission rates we receive for premium funding are in the range of 0.5% to 4.4% of funded premium including GST. When we arrange premium funding for you, the amount of our commission and any fee that we charge will be set out in our Statement of Advice (where relevant) and the premium funding contract.

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**What should you do if you have a complaint?**

If you have any complaints about the service provided to you by AUPFS you should take the following steps:

1. Contact your consultant and tell him or her about your complaint.
2. If your complaint is not satisfactorily resolved within 7 days, please contact the Complaints Officer on 13 29 39 or put your complaint in writing and send it to:

Complaints Officer  
Australian Unity Personal Financial Services Limited  
114 Albert Road  
SOUTH MELBOURNE VIC 3205  
Phone 03 8682 6347

We will try and resolve your complaint quickly and fairly.

3. If the complaint can't be resolved to your satisfaction you have the right to refer the matter to external dispute resolution service that can make decisions which AUPFS are obliged to comply with. Their contact details are as follows:

**Australian Financial Complaints Authority**  
**GPO Box 3**  
**Melbourne Vic 3001**  
**Online: [www.afca.org.au](http://www.afca.org.au)**  
**Email: [info@afca.org.au](mailto:info@afca.org.au)**  
**Telephone: 1800 931 678**

Australian Financial Services licensees are required to have adequate compensation measures in place under s912B of the Corporations Act (2001). AUPFS has Professional Indemnity Insurance in place to cover the services we provide to you. We are of the view the insurance is sufficient to meet our regulatory requirements. Our cover includes claims relating to the conduct of Brokers who no longer work for us, but did at the time of the relevant conduct.

If you have any further questions about the financial services offered by us, please contact us on 13 29 39. Retain this document for your reference and any future dealings with us.

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