

Financial Services Guide

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
- our internal and external dispute resolution procedures and how you can access them
- arrangements that are in place to compensate clients for losses.

The financial services referred to in this Financial Services Guide (FSG) are offered by **RP-Wanneroo Pty Ltd, ACN 164 472 851, CAR No: 447339**. Postal address: Suite 9/2 Prindiville Drive, Wangara WA 6065 (Locked Bag). Phone: (08) 9309 9622 and Email: rpwanneroo@reliancepartners.com.au. **RP-Wanneroo Pty Ltd** is a Corporate Authorised Representative of **PSC Reliance Franchise Partners Pty Ltd (RFP), ABN 40 087 819 805, AFSL No: 232446**. Head office: Level 35 140 William Street MELBOURNE, VIC 3000. Phone: 1300 403 386, Facsimile: (03) 9604 2299 and Email: info@reliancepartners.com.au.

Who is responsible for the financial services provided? - **RFP** holds a current Australian Financial Services Licence No: 232446 and is responsible for the financial services that **RP-Wanneroo Pty Ltd** and its' representatives will provide to you. **RP-Wanneroo Pty Ltd** is also responsible for the contents and distribution of this FSG. The distribution of this FSG is authorised by **RFP**.

Retail Client Disclosure Information - Where we (**RFP**) provide a recommendation to a retail client, in relation to a retail product, we will provide you with additional information as listed below:

- **Remuneration** – We will disclose the dollar amount of remuneration we will be paid by the insurer on the front of your Tax Invoice.
- **Disclosure Statement** - We will include a disclosure clause on your tax invoice schedule that will outline information about any remuneration and/or other benefits we may receive and any interests or associations we may have that may influence us in providing the advice.
- **Product Disclosure Statements** – If we offer to arrange the issue of an insurance policy to you, we will also provide you with a product disclosure statement (**PDS**) or short-form PDS, unless you already have an up to date PDS or short-form PDS from the insurer. The PDS or short-form PDS will contain information about the particular policy which will enable you to make an informed decision about purchasing that policy.

From when does this FSG apply? - This FSG applies from **19th February 2016** 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.

What kinds of financial services are you authorised to provide to me and what kinds of financial product/s do those services relate to? **RP-Wanneroo Pty Ltd** and its' representatives are authorised to provide advice and deal in General Insurance Products to wholesale and retail clients under **RFP's** Australian Financial Services Licence. We do this on behalf of you as your broker unless we tell you otherwise.

Services Offered - We offer a range of services to assist you to protect your assets. These include reviewing and advising on your insurance needs, arranging and renewing insurance contracts on your behalf, arranging premium funding if required and assisting with insurance claims.

Sometimes we may 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. If we do not advise you that we are acting under a binder or agency with the insurer, we will be acting as your broker on your behalf.

Will I receive tailored advice? - To enable us to provide advice which is appropriate to your circumstances, you will need to provide us with complete information about the risk(s) to be insured, your situation, your needs and objectives. You should also tell us about any relevant changes as they occur.

If you don't provide us with full information, we can't properly advise you and this may result in you not being adequately insured and/or breaching your duty of disclosure.

If you are unable or choose not to provide some information to us, we will be unable to comprehensively review your circumstances. As this may limit our ability to make appropriate recommendations, you will need to assess the appropriateness of our advice to your needs before acting on it.

When we recommend an insurance policy for you, we will usually only consider the policies offered by the insurers or 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 insurers we deal with regularly. We undertake a review of all insurers with which we deal with on an annual basis. When considering the renewal of your insurance policy, we will only seek additional quotes where the premium quoted by your current insurer is significantly greater than the prior year premium or if there is a significant change to the policy wording.

How can you be contacted? - You can provide us with instructions in person, by telephone, email or in writing.

How will I pay for the services provided? - Payment for the services provided are payable directly to **RFP**. For each insurance product the insurer will charge a premium that includes any relevant taxes, charges and levies. **RFP** often receive a payment based on a percentage of this premium (excluding relevant taxes, charges and levies) called commission, which is paid to **RFP** by the insurers. However, in some cases you will also be charged a fee. All fees charged will be shown on the invoice that is sent to you and for retail



clients we will also disclose the dollar amount of any commission earned. Alternatively, we may rebate all commissions to you and charge you a fee based upon the nature of the service we provide.

Terms of Payment - You are required to pay us within the time set out on the invoice. You can choose to pay for our services by any of the payment methods set out in the invoice.

Commission and fees are earned for the policy period and we will be entitled to retain all commission and fees in respect of the full policy period in relation to policies placed by us.

Cancellation/Alteration - We cannot 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 insured's in the contract of insurance. We cannot cancel any contract of insurance which is subject to the Marine Insurance Act 1909.

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

Interest Earned on Trust Account - When you pay us your premium it will be banked into **RFP's** trust account. **RFP** retain the commission from the premium you pay and remit the balance to the insurer in accordance with RFPs' arrangements with the insurer. **RFP** earn interest on the premium while it is in their trust account or **RFP** may invest the premium and earn a return. **RFP** 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?

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

In this formula: X = **RFP's** commission, Y% = the percentage commission paid to **RFP** by the insurer. **RFP's** commission earned varies between 0% and 30%, P = the amount you pay for any insurance policy (less any government fees or charges included in that amount). Charges include GST. Some of the charges may be tax deductible.

Referrers/Alliance Partners - We may pay third parties who have referred you to us or referred us to an insurer, a commission amount of up to 50% of the total commission and fees earned.

How are Corporate Authorised Representatives paid? - **RP-Wanneroo Pty Ltd** will receive 70% of **RFP's** commissions earned from each policy we arrange for you. **RP-Wanneroo Pty Ltd** will pay their employees in two ways; salary only or salary and bonus or incentive based on a number of factors, including company goals.

Do we have any relationships or associations with the insurers who issue the insurance policies or any other material relationships? - **RFP** 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 **RFP** 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 **RFP** 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.

For specific scheme policies, PSC Insurance Group does have an underwriting agency, Breeze Underwriting which specialises in the hospitality industry. This business operates independently from the broking business.

Profit Share/Reward Agreements - We may also receive a profit share commission and/or earn rewards points from insurers and/or insurance agencies if a particular portfolio of business reaches a certain level of profitability and performance. Payments from these companies are based on, the volume of certain business we provide to them, certain loss ratio target levels being met and the profit that they earn on certain business within an agreed time frame. These payments do not affect the premium paid by you. We keep the details of these arrangements confidential to certain PSC Insurance Board members only who have no involvement with placement of insurance business, in order to prevent any prejudicial treatment in our dealings between you and the insurers with which we place your policies. Any profit share received is used to help relieve corporate expenses and is not directly passed on to employees as a bonus/profit share.

Premium funding - If we arrange premium funding for you, **RFP** may be paid a commission by the premium funder in the range of 0% - 3%. We may also charge you a fee (or both). The commission that **RFP** is paid by the premium funder is usually calculated as a percentage of your insurance premium (including government fees or changes). If you instruct us to arrange or issue a product, this is when **RFP** become entitled to the commission. When we arrange premium funding for you, you can ask us what commission rates **RFP** are paid for that funding arrangement compared to the other arrangements that were available to you. The amount of our commission will be set out in the premium funding contract.

What arrangements do we have in place to compensate clients for losses? - **RFP** has a professional indemnity insurance policy (PI Policy) in place. The PI Policy covers **RFP** and its' representatives for claims made against them by clients as a result of their conduct in the provision of financial services. **RFP's** PI Policy provides cover for claims relating to the conduct of former representatives who no longer work for **RFP**.

Privacy Statement - **RFP** maintain a record of your personal profile, including details of insurance policies that we arrange or issue for you. We may also maintain records of any recommendations or advice given to you. **RFP** will retain this FSG and any other FSG given to you as well as any SoA, PDS or short-form PDS that we give or pass on to you for the period required by law.

RFP is committed to implementing and promoting a privacy policy, which will ensure the privacy and security of your personal information. A copy of the **RFP's** Privacy Policy is available upon request and at website www.reliancepartners.com.au.



If you wish to look at your file, please ask us and we will make arrangements for you to do so.

Complaints and Disputes - If you are not fully satisfied with our services, please contact our **Complaints Manager on (03) 98626502** or **alternatively put your complaint in writing to PSC Complaints Officer**, Level 1 390 St Kilda Road Melbourne Victoria 3004 and tell him about your complaint or dispute. We will acknowledge your complaint/dispute in writing and endeavour to resolve your problem within 20 days.

If your complaint cannot be resolved to your satisfaction by us, you have the right to refer the matter to the Financial Ombudsman Service Limited (FOS) with whom **RFP** is a member.

FOS can be contacted;

- Phone; 1300 780 808
- Fax; 03 9613 6399
- Email: info@.fos.org.au
- Website; www.fos.org.au
- Mailing Address: GPO Box 3, Melbourne, VIC 3001.

Alternatively, you can contact the Australian Securities & Investment Commission on their free call info line on 1300 300 630.

RFP subscribes to the Insurance Brokers Code of Practice. Further information relating to the code can be found on **RFP's** website or by contacting our office.

If you ask us to act as your general insurance broker, we will do so on the terms set out in this Guide. Unless you tell us otherwise in writing, we assume that you agree with these terms. If you have any queries, please do not hesitate to contact us on the numbers provided on the front of this document.



IMPORTANT INFORMATION

We have prepared this document to assist you to understand important issues relating to your insurances. We recommend that you read it carefully. Please contact your Authorised Representative if there is anything you do not understand, or if you have any questions.

Your Duty of Disclosure

Before you enter into a contract of general insurance with an Insurer, you must disclose to the Insurer every matter that you know, or could reasonably be expected to know, that is relevant to the Insurer's decision whether to accept the risk of the insurance, and if so on what terms. You must provide accurate information and not misrepresent the nature of the risk to be insured.

The duty of disclosure applies when you seek to renew, extend, alter or reinstate a policy. It applies up to the time the policy is used, renewed, altered or reinstated.

Your duty, however, does not require you to disclose matters:

- that diminish the risk to be undertaken by the Insurer,
- that are of common knowledge,
- that your Insurer knows or ought to know in the ordinary course of their business,
- as to which compliance with your duty is waived by the Insurer.

If you do not tell us everything you are required to, the insurer may cancel your contract or reduce the amount to be paid if you make a claim, or both.

If your failure to tell us is fraudulent, the insurer may refuse to pay a claim and treat the contract as if it never existed.

For insurances required by statute, such as CTP motor vehicle insurance and workers compensation, the Insurer may be able to recover against the Insured in the event of misrepresentation, misstatement or non-disclosure.

If you are uncertain as to whether particular information is relevant to the insurer's decision to insure, please contact your Authorised Representative who will help you identify whether the information should be disclosed to the insurer on the application or upon renewal or variation of the insurance.

Duty of Good Faith

Both parties to an insurance contract, the insurer and the insured, must act towards each other with the utmost good faith. If you fail to do so, the insurer may be able to cancel your insurance. If the Insurer fails to do so, you may be able to sue the Insurer.

Average Or Co-Insurance

Some policies contain an Average clause. This means that if you insure for less than the full value of the property, your claim may be reduced in proportion to the amount of the under-insurance. These clauses are also called "Co-Insurance" clauses.

A simple example is as follows:

Full (Replacement) Value	\$1,000,000
Sum Insured	\$ 500,000

Therefore you would be self insured for 50% of the Full Value.

Amount of Claim, say	\$ 100,000
Amount payable by Insurers as a result of the application of Average/Co-Insurance, i.e. 50%,	\$ 50,000

Some Business Interruption policies contain an Average/Co-Insurance clause, but the calculation is different. Generally, the Rate of Gross Profit, Revenue or Rentals (as applicable) is applied to the Annual Turnover, Revenue or Rentals (as applicable) (after adjustment for business trends or other circumstances).

If you are in any doubt about whether and how Average/Co-Insurance clauses apply to your insurances, please contact your Authorised Representative for assistance.

Subrogation and/or Hold Harmless Agreements

You can prejudice your rights to claim under your insurance if you make any agreement with a third party that will prevent or limit the Insurer from recovering the loss from that party (or another party who would otherwise be liable). This can occur when you sign a contract containing an indemnity clause, "hold harmless" clause or a release – unless you obtain the Insurer's consent in advance.

This is because some policies contain 'contractual liability exclusions' that mean the Insurer can refuse to pay or reduce the amount it is liable to pay by the extent to which it is unable to recover from the third party. These exclusions are often found in Public and Products Liability, Broadform Liability and Professional Indemnity Policies.

Examples of such agreements are the "hold harmless" clauses which are often found in leases, in property management contracts, in maintenance or supply contracts from burglar alarm or fire protection installers and in repair contracts. Other contracts you sign from time to time relating to your business operations (e.g. supply agreements, equipment hire contracts, event hire contracts, labour hire contracts, subcontracts, design and construct contracts, consultancy agreements etc.) may contain indemnity clauses and releases which may trigger the operation of policy exclusions or breach the conditions of your insurance.

Do not sign a contract or lease without contacting your broker and/or taking legal advice as to whether the contract terms will prejudice your insurance protection under your policies. If you are in doubt or require further assistance, please consult your Authorised Representative.

Leasing, Hiring and Borrowing Property

When you lease, hire or borrow property, make sure that the contract clearly identifies who is responsible for insuring the property. This will help avoid arguments after a loss and ensure that any claims are efficiently processed.

Industrial Special Risks policies automatically cover property which you are responsible to insure, subject to the policy excess. The decision as to who should insure the property is not left to your discretion. You may have other insurance (for example, public liability) which may assist you to meet claims relating to property damage or personal injury caused to or by property which you lease or hire.

Please note, there is usually a sub-limit on the amount of claims that can be made for damage to property in your temporary care, custody or control.

If the responsibility to insure lies with the owner, we recommend you try to ensure the lease or hire conditions waive any rights of recovery against you, even when the damage is due to your negligence. This will prevent the owner's Insurer making a recovery against you.

If there are no conditions relating to responsibility to insure in the hire or lease contract, you should write to the owner asking who is required to insure the property.

Unnamed Parties

If you require a person to be named as a co-insured, a joint insured, an insured person or if you require the interest of a third party to be covered by your policy, you **must** request this in advance. Most policy conditions will not provide indemnity to other parties (e.g. mortgagees, lessors, principals etc.) unless their interest is properly noted on the policy. Please note, while we can ask, we cannot guarantee that an insurer will accommodate a request to include a further party as an insured under your policy or to note the interests of another party on your policy.

If this is required under a contract or agreement, do not sign the contract without checking with us whether the insurer is prepared to include the other party as an insured or note that party's interests. You should also be aware that it may not be in your best interests to make arrangements to have someone else insured under the terms of your policy.

If you would like assistance or guidance with the insurance requirements under a contract, please consult your Authorised Representative.

Insurance Placed With Unauthorised Foreign Insurers

If your risk is atypical or the insurance cannot reasonably be placed with an Australian authorised insurer, we may recommend that you insure with an unauthorised foreign insurer.

An unauthorised foreign insurer is an insurer that is not authorised under the Insurance Act 1973 (**Act**) to conduct insurance business in Australia and is not subject to the provisions of that Act, which establishes a system of financial supervision of general Insurers in Australia that is monitored by the Australian Prudential Regulation Authority (**APRA**).

The Insurer cannot be a declared general insurer for the purpose of Part VC of the Insurance Act 1973, and, if the insurer becomes insolvent, you will not be covered by the Federal Government's Financial Claims Scheme provided under Part VC of that Act.

If we do recommend that you insure, vary or renew your insurance with an unauthorised foreign insurer, we will tell you about that insurer and which policies we have placed with them.

You should consider whether you require further information regarding:

- The country in which the insurer is incorporated, and what scheme of financial supervision of insurers applies;
- The paid up capital of the insurer;
- The insurer's rating by credit rating agencies;
- The insurer's financial reports; and
- Which country's laws will determine disputes in relation to the policy.

As your insurance broker, we do not warrant or guarantee the current or ongoing solvency or financial viability of the Insurer because we have no control over the insurer's performance and this can be affected by many complex commercial and economic factors. The solvency of an insurer can change significantly between the time an insurance contract is entered into and the time a claim may be made. If you have concerns about the Insurer's solvency you should review the insurer's credit rating from time to time.

Claims Occurring Prior To Commencement

Your attention is drawn to the fact that most of your policies do not provide indemnity in respect of events that occurred before the insurance commenced. They cover events that occur during the time the policy is current.

Claims Made During The Period Of Insurance

Some policies (for example, professional indemnity insurance) provide cover on a "claims made" basis.

This means that claims that are first advised to you (or made against you) and reported to your insurer during the period that the policy is current are insured under that policy, irrespective of when the incident causing the claim occurred (unless there is a date beyond which the policy does not cover – this is called a "retroactive date").

If you become aware of circumstances which could give rise to a claim and notify the insurer during the period that the policy is current, a claim later arising out of those circumstances should also be covered by the policy that is current at the time of the notification, regardless of when the claim is actually made or when the incident causing the claim occurred.

In order to ensure that your entitlement to claim under the policy is protected, you must report all incidents that may give rise to a claim against you to the Insurers without delay after they come to your attention and before the policy expires.

Non Renewable Insurance

Cover under your policies terminates as indicated in our tax invoice or adjustment note.

While insurers will send renewal offers for most insurance policies, there are some which are not "renewable". For these, if you wish to effect similar insurance for a subsequent period, you will need to complete a further proposal before the current policy expires so that we can seek terms of insurance and quotations on your behalf.

Essential Reading Of Policy Wording

The policy wordings for your insurances have either been provided to you or will be sent to you as soon as they are received from your Insurers. We recommend that you read these documents carefully as soon as possible and advise us in writing of any aspects which are not clear to you or if any aspect of the cover does not meet with your requirements.

Cooling off Period – Retail insurance

Please refer to the Product Disclosure Statement for information relating to the cooling off period.

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 for completion. You will need to complete and sign this and return it to us as soon as possible and before the interim cover expires.

We will send the original insurance policy documents/product disclosure statement (PDS) 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 the 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 and any necessary documents 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, lawyer or other consultant, we shall let you know and in accordance with the Privacy Act, pass on your contact details and co-ordinate meetings. For major losses, we can attend the initial meeting with the loss adjustor if you wish us to.

We will promptly forward to you all claims documentation, insurance company settlement cheques and other information. We will assist you to negotiate settlement and obtain payment of claims and can assist you to seek recovery from third parties if required.

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.