

# FINANCIAL SERVICES GUIDE

This Financial Services Guide (FSG) sets out key information in relation to The Insurance Centre Pty Ltd ABN 40 088 381 060 and is intended to assist you to decide whether you wish to use our services.

This FSG applies from **25 May 2009** 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 any services not covered by this FSG.

## Key information provided in this guide:

- Other documents you are entitled to receive
- About The Insurance Centre and how you can contact us
- Which financial services we are authorised to provide to you
- How we and our associates are paid
- Any potential conflict of interest we may have
- Our internal and external dispute resolution procedures and how you can access them
- the arrangements we have in place to compensate clients for losses

## About Us

The Insurance Centre Pty Ltd trading as The Insurance Centre holds Australian Financial Services Licensee Number 237572 issued by the Australian Securities and Investments Commission (ASIC). Our contact details are set out at the end of this FSG.

Where The Insurance Centre has appointed Authorised Representatives, they will also be authorised by The Insurance Centre. If your advisor is an Authorised Representative their profile is provided on Page 3 of this FSG.

## Other Documents you are entitled to receive:

- **Product Disclosure Statement** If you are a retail client and we arrange an insurance policy for you, or if we recommend you buy a particular insurance policy, we will give you a Product Disclosure Statement (PDS), unless you already have an up to date PDS from the insurer. The PDS is prepared by the insurer and is designed to give you important information regarding the insurer and the policy.
- **Statement of Advice** If you are a Retail client purchasing a Personal Accident and Illness policy you will receive a Statement of Advice (SoA) when we provide you with initial personal advice regarding this product. The SoA will contain our advice, the basis of our advice, and information on any remuneration, associations or other interests which might reasonably have influenced us in giving our advice. The SoA will assist you to make an informed decision about your insurance needs.
- **Record of Further Details** If you are a Retail client purchasing a prescribed product you may request a record of further details regarding our advice to you if you haven't already been provided with it. This can be requested by contacting our office by telephone, email or fax. This information is kept on file for 7 years.

## What financial services are The Insurance Centre authorised to provide and what types of financial products do those services relate to?

The Insurance Centre and its Authorised Representatives are authorised to advise and deal in general insurance products to wholesale and/or retail clients. Our authorisation includes arranging and renewing insurance contracts; assisting with claims; and varying or dispersing such products. We will do this for you as your broker unless we tell you otherwise.

## Who is responsible for the financial services provided and who do we act for?

The Insurance Centre is responsible for the financial services provided to a client, or through a client to their family members, including the distribution of this FSG. When we provide you with financial services we will act on your behalf. If we ever act under a binder arrangement, which means we have authority to issue policies as an agent for the insurer, rather than acting for you, we will inform you of this arrangement. We currently do not operate under any binder arrangements.

## How does a client instruct The Insurance Centre?

A client can give The Insurance Centre and its Authorised Representatives instructions in person, by post, phone, fax or email. The Insurance Centre contact details are set out at the end of this FSG. If you are dealing with an Authorised Representative you will find their contact details on Page 3.

## Does The Insurance Centre provide tailored advice?

The Insurance Centre aims to provide tailored advice where possible, based on the information provided by the client. We may need information about your personal objectives, details of your current financial situation and any relevant information to arrange insurance policies for you and give you advice about your insurance needs. We will only ask for the details we need. In some cases it may not be possible to ask for any of this information or you may not be in a position to provide it to us. If we do not ask, or if you do not give us all the information we ask for, then the advice you receive may not be appropriate to your needs, objectives and financial situation.

We research a range of insurance products regarding their quality and price competitiveness but do not deal with all insurers. When 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. You should use our advice to make an informed decision about the suitability of the insurance policies we recommend. It is your responsibility to decide if our advice meets your particular needs. You should carefully read the PDS and any other documents you receive before making any decision about an insurance policy.

**Does The Insurance Centre have any relationships or associations with product issuers or any other organisations which might reasonably influence the advice given? Steadfast:** The Insurance Centre is a shareholder of Steadfast Group Limited (Steadfast). Steadfast has exclusive arrangements with some insurers under which Steadfast will receive between 0.5-1% marketing and administration fee for each product arranged by us with those insurers. These payments are used to operate Steadfast. Depending on the operating costs of Steadfast (including the costs of member services provided by Steadfast to us and other Steadfast shareholders) and the amount of total business we place with the participating insurers in any financial year, we may receive a proportion of those fees at the end of each financial year.

As a shareholder of Steadfast 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 shareholders for a fee.

Steadfast is also a minority shareholder in Miramar Underwriting Agency Pty Limited (Miramar). As a shareholder, Steadfast may receive dividends from Miramar. These amounts will indirectly contribute towards the benefits we receive from Steadfast.

You can obtain a copy of the Steadfast FSG at [www.steadfast.com.au](http://www.steadfast.com.au).

## How does a client pay for the services provided?

Clients can choose to pay by any of the payment methods set out in the invoice, including cash, cheque, direct debit, premium funding or credit card. You are required to pay The Insurance Centre within the timeframe set out on the invoice.

When premiums are paid to The Insurance Centre, they are deposited into a Trust Account and are held in this account until they are to be paid to the insurer. We may invest these funds until we pay them to the insurer. Any interest earned on this investment is retained by The Insurance Centre.

### What type of remuneration will The Insurance Centre receive and how will it be calculated?

- Unless we tell you otherwise, we are remunerated by commission from the relevant insurer whenever you enter into an insurance policy arranged by us (including renewal and some variations). The commission is calculated as a percentage of the insurer's base premium (ie premium excluding stamp duty, fire services levy, GST or any other government charges, taxes, fees or levies).
  - We may also charge you a Broker Fee.
  - 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 (less government fees or 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 1 to 3% of funded premium. When we arrange premium funding for you, you can ask what commission rates we are paid for that funding arrangement compared to other arrangements that are available to you.
  - Where a third party has referred you to us, we may share part of our commission or fees with them or pay them an agreed referral fee.
  - If we refer you to a CTP Insurer we may receive commission or a fee for this referral.
  - Our Corporate Authorised Representatives, who may assist you with your insurance needs are paid a commission. Our Employees are paid a market salary and may on occasion be paid a small percentage of The Insurance Centre commission.
  - When we pay any commissions, fees or benefits to others who refer you to us, we will pay them a percentage of our commission (not in addition to these amounts).
- If we are instructed to arrange a policy for you where we have provided you with personal advice as a retail client purchasing a prescribed product, **full details** regarding the remuneration that we and our associates are to be paid will be clearly detailed in the **Important Information regarding our Advice** attachment provided to you with our invoice.

If you require further details regarding the remuneration we may receive, in order to assist you with making a decision to deal with The Insurance Centre, you can contact our office by telephone, email or mail **within 7 days** of the receipt of this FSG and this information will be provided to you in writing.

### How do we handle cancellations?

If there is a refund of premium as a result of the cancellation or adjustment of your policy, we reserve the right to retain our fees and commission earned prior to the cancellation or adjustment. We may also charge you a fee for the cancellation. In some cases the Insurer may apply penalties to mid term cancellations and if this is the case we will always advise you prior to you taking out the policy. If the cancellation occurs within the cooling off period (see below), we will return the commission to the insurer, however we do reserve the right to retain our fees.

### Is there a Cooling off Period?

If you purchase a prescribed product as a Retail Client you may be entitled to a minimum 14 day cooling off period during which time you can return the policy and receive a premium refund. We will let you know when the cooling off period is applicable. If you choose to return a product within the cooling off period we will return the commission to the Insurer, however we reserve the right to retain our fees. The cooling off period is subject to legal requirements and terms and conditions of the policy. You should check the relevant PDS for full details.

### Privacy

The Insurance Centre and its Authorised Representatives are committed to protecting your privacy and the security of your personal information. Information collected by The Insurance Centre is only disclosed to third parties who are involved in the provision of insurance services to our clients or to an auditor who is authorised by ASIC to audit our client files and trust account. Our full Privacy Statement is available at [www.theinsurancecentre.com.au](http://www.theinsurancecentre.com.au) and upon request.

### Duties of Disclosure

You are required to disclose every matter that you know, or a reasonable person in the circumstances could be expected to know is relevant to the insurer's decision whether to insure you. Your Duty of Disclosure applies when you enter into a contract of insurance for the first time or when you renew, vary, extend or reinstate your policy.

You do not need to disclose any matter that:

- That diminishes the insurer's risk
- That is of common knowledge
- That the insurer knows or as an insurer should know;
- That the insurer tells you they do not need to know

If you do not fully disclose, your insurer may reduce or refuse to pay a claim or may treat the policy as if it never existed.

If you have any questions about whether information needs to be disclosed, please ask us for assistance.

### Legal Advice

Our duty as an insurance broker does not extend to giving legal advice. You should consult your solicitor when you need advice on legal matters.

### What should a client do if they have a complaint when dealing with The Insurance Centre?

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

The Insurance Centre is a member of the Financial Ombudsman Service (FOS). If your complaint cannot be resolved to your satisfaction by us you have the right to refer the matter to FOS. FOS can be contacted at Level 12, 717 Burke Street, Docklands, Melbourne VIC 3000 on 1300 780 808, fax 03 9613 6399, email [info@fos.org.au](mailto:info@fos.org.au) or website [www.fos.org.au](http://www.fos.org.au).

### What arrangements do you have in place to compensate clients for losses?

The Insurance Centre has a professional indemnity 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 will also cover us for claims relating to the conduct of our employees (during the period employed by The Insurance Centre) who no longer work for us, however it will not cover us for claims relating to the conduct of former Authorised Representatives.

### Have you any questions?

If you have any questions about this FSG or the financial services we provide, please contact us. We recommend that you retain this document for your reference and any future dealings with us.



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