



## Financial Services Guide

This Financial Services Guide (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:

- who we are
- 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
- your duty of disclosure under the Insurance Contracts Act
- arrangements we have in place to compensate clients for losses

**The financial services referred to in this financial services guide (FSG) are offered by:**

**BJS Insurance Brokers (Gippsland) Pty Ltd (BJS) ABN 51 091 705 770**

129 – 131 Graham Street, Wonthaggi VIC 3995

Phone: 03 5671 3600 Fax: 03 5672 3663

Email: [gippsland@bjsib.com.au](mailto:gippsland@bjsib.com.au)

### Further information when personal advice is given (Further information about our advice)

We will provide you with further information whenever we provide you with advice which takes into account your objectives, financial situation and needs. This information may include the advice that we have given you, the bases of the advice and other information on our remuneration and any relevant associations or interests. This information may be contained in a Statement of Advice (**SoA**).

When you ask us to 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.

### Product Disclosure Statement

If we offer to arrange the issue of an insurance policy to you, we will also provide you with, or pass on to you, a Product Disclosure Statement (**PDS**), unless you already have an up to date PDS from the insurer. The 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 1<sup>st</sup> October 2014 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 we authorised to provide and what kinds of financial product/s do those services relate to?

BJS is authorised to carry on a financial services business, to provide advice for and deal in general insurance products by applying for, acquiring, varying or disposing of a financial product on behalf of another person for retail and/or wholesale clients.

As insurance brokers we act on your behalf and in your interests. We offer a range of services to assist you to protect your assets as follows:

- reviewing and advising on your insurance needs
- arranging and renewing your insurance coverage
- arranging premium funding if required
- assisting with insurance claims

In some situations it may be more appropriate for us to access insurance arrangements or manage claims where we act as the agent of the insurer. If and when this situation arises, we will inform you on our invoice.

### How can you instruct us?

You can contact us to give us instructions by post, phone, fax or email on the contact number or details provided in this FSG.

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

BJS is responsible for the financial services that will be provided to you, or through you to your family members, including the distribution of this FSG.

BJS holds a current Australian Financial Services License No. 238365.

## **Will I receive tailored advice?**

Not in all cases. However, we may need information about your personal objectives, details of your current financial situation and any relevant information, so that we can arrange insurance policies for you. We will ask you for the details that we need to know.

In some cases we will not ask for any of this information. If we do not ask, or if you do not give us all of the information we ask for, any advice you receive may not be appropriate to your needs, objectives and financial situation.

You should read the warnings contained in any SoA, or any other warnings that we give you, carefully before making any decision about an insurance policy.

Where we provide you with advice about your insurance arrangements, that advice is current at the time that we give it. We will review your insurance arrangements when you inform us about changes in your circumstances.

## **What information of we maintain in your file and can I examine my file?**

We maintain a record of your personal profile, including details insurance policies that we arrange for you. We also maintain records of any recommendations or advice given to you. We will retain this FSG and any other FSG given to you as well as any SoA or PDS that we give or pass on to you.

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. A copy is also available on our website, [www.bjsib.com.au](http://www.bjsib.com.au)

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

## **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 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. This 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 invoices. You are required to pay us within the time set out in the invoice.

If there is a refund of premium owed to you as a result of a cancellation or alteration to a policy, we will retain any fee we have charged you. We may also retain commission depending on our arrangements with the insurer.

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 the providing the financial services?**

### **Commission**

We are generally paid a commission by the insurers when we arrange insurances for you. The commission received reflects in part the work that we do on behalf of the insurer, including tasks such as mail, invoicing and collecting premiums, electronic data submission, providing insurer documentation, handling your policy queries, claims support activities and the general marketing of the insurers products to our clients.

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 varied between 0% and 30%

P = the amount you pay for any insurance policy (less any government fees or charges included in that amount)

In various situations we may also receive additional payment from insurers due to specific commercial arrangement that we have entered into with them, such as profit share agreements. These might include things such as additional incentive payments based on the over-all amount or profitability of the insurance that we place with them and subsidised training. Such an arrangement does not increase the amount you pay for your insurance.

We currently have such arrangements with QBE, Zurich and Allianz.

### **Fees paid by you**

We generally charge our clients a broker fee for the additional services that we provide which are not covered by the commissions received from insurers. Activities that such fees cover include;

- conducting market research on the best value for money products available and the financial strength or claims paying ability of insurers
- canvassing the market to source alternative quotations and coverage options for you and performing risk analysis and insurance portfolio co-ordination
- providing you with advice on a particular product and options that we believe best meet your individual needs
- providing you with claims support in situations where the insurer fails to meet your expectations

## **How are our staff and advisors paid?**

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 between 0% to 50% of our commissions or fees.

Our employee that will assist you with your insurance needs will be paid a market salary which may include, for the policies we arrange for you, a small percentage of our commission or fees.

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.

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

BJS 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% and 1% 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)

BJS have an agreement with Macquarie Pacific Funding who pay BJS a Marketing and Distribution fee (**MD fee**) on each Premium Funding Agreement (capped at \$900) at a rate of 0.9%. The MD fee is in addition to commission we may be paid on an individual contract.

BJS have an agreement with Hunter Premium Funding who pay BJS an override commission of 1.5% on each Premium Funding Agreement. This override commission is in addition to commission we may be paid on an individual contract.

BJS Have an agreement with Centrepoint Alliance who pay BJS an override commission of 0.5% on domestic Premium Funding Agreements. This override commission is in addition to commission we may be paid on an individual contract.

If we arrange premium funding for you we may be paid a commission by the premium funder. We may also charge you a fee . The commission that we are 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 we become entitled to the commission.

Our commission rates for premium funding are in the range of 0% and 3% of funded premium. 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 out commission and any fee that we charge will set out in the premium funding contract.

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

1. Contact us and tell us about your complaint. We will do our best to resolve it quickly.
2. If your complaint is not satisfactorily resolved within 20 days, please contact our complaints officer on 03 5671 3600 or put your complaint in writing and send it to "the complaints officer" at the BJS address noted within this FSG. We will try and resolve your complaint quickly and fairly.
3. BJS 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. The address details for FOS are: Street Address: Financial Ombudsman Service, Level 12 717 Bourke Street, Docklands VIC 3008. Mailing address: Financial Ombudsman Service, GPO Box 3, Melbourne 3001. 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 arrangement do you have in place to compensate clients for losses?**

BJS has a professional indemnity policy (**PI policy**) in place. The PI policy covers us and our employees or other representatives in the provision of financial services. Our distributors and authorised representatives have their own PI policies to cover them for claims made against them by clients as a result of the conduct by them in the provision of financial services.

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

## **Any questions?**

If you have any further questions about the financial services BJS provides, please contact us.

Please retain this document for your reference and any future dealings with BJS.