

Financial Services Guide

AFS Licensee

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Lack of Independence

Why we are not independent, impartial, or unbiased in relation to the provision of personal advice and the impact of this on you

We, Coverforce Insurance Broking Pty Ltd, are not independent, impartial, or unbiased pursuant to section 923A of the Corporations Act because:

- We may receive remuneration, commission, gifts or other benefits when we provide personal advice to you in relation to insurance products and other financial products;
- We may be subject to direct or indirect restrictions relating to the financial products in respect of which personal advice is provided; and/or
- We may have associations or relationships with issuers of insurance products and other financial products.

Further information about these benefits and relationships is set out in this Financial Services Guide.

If you have any questions about this information, please ask us.



The financial services referred to in this financial services guide (FSG) are offered by:
Coverforce Insurance Broking Pty Ltd ABN 11 118 883 542 AFSL 302522

Level 26, Tower One, International Towers Sydney, Barangaroo, New South Wales 2000
02 9376 7888
info@coverforce.com.au

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 we have in place to compensate clients for losses.

A copy is also available on our website, www.coverforce.com.au. If you wish to look at your file, please ask us. We will make arrangements for you to do so.

When we provide advice

If we provide you with General Advice, or assist you in obtaining a Retail insurance product (as defined in the Corporations Act 2001), we provide you with a general recommendation or opinion about a product which does not take into consideration your financial needs, situation or objectives. In these circumstances we will provide you with a General Advice Warning. We recommend that you read the relevant Product Disclosure Statement (PDS) in order to determine if that product is right for you. The PDS will contain information about the particular policy which will enable you to make an informed decision about purchasing that policy.

We will provide you with further information whenever we provide you with Personal Advice which takes into account your objectives, financial situation and needs. This information may include the advice that we have given you, the basis 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 all other policies available, other than from those insurers we deal with regularly.



How can I instruct you?

You can contact us to give us instructions by post, phone or email on the contact number or details mentioned on the first page of 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?

Coverforce Insurance Broking Pty Ltd is authorised to deal in and provide financial product advice regarding general insurance products to retail and wholesale 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 arrangement.

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 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 of 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 itemised on our Invoice or Statement and for Retail Clients we disclose the dollar value of the commissions earned. If you pay by credit card we may charge you a fee which is non-refundable and reimburses us for bank fees, interests and charges associated with the use of a credit card. If you are no longer a client of Coverforce Insurance Broking Pty Ltd, we may charge you a fee associated with the ongoing cost of managing your claims. Depending on any written agreement with us, this fee is up to \$250 per hour.

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 10% to 60% of our commission or fees.

Our employees are paid a market salary and may be entitled to a performance bonus depending on the quality of work that they provide to clients during any financial year and the achievement of company goals. Our employees may also be invited to annual conferences, receive sponsorship for conferences, functions, meals or other non-monetary benefits from external parties such as insurers, underwriting agencies or reinsurers. You do not bear the cost of these events and such relationships are managed under our conflicts of interest policy. Our policy is that any of the above received by us or our representatives that exceed \$300 per item or transaction in estimated value are potentially material and must be disclosed to our Conflicts Manager in writing.

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.

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

Coverforce Insurance Broking Pty Ltd is a wholly owned subsidiary of Steadfast Group Limited, ABN 98 073 659 677 (Steadfast). As a Steadfast Network Broker we have access to services including model operating and compliance tools, procedures, manuals and training, legal, technical, HR, contractual liability advice and assistance, group insurance arrangements, product comparison and placement support, claims support, group purchasing arrangements and broker support services. These services are either funded by Steadfast, subsidised by Steadfast or available exclusively to Steadfast Network Brokers for a fee.



Steadfast has arrangements with some insurers and premium funders (Partners) under which the Partners may pay Steadfast commission of between 0.5 – 1.5% for each product arranged by us with those Partners, or alternatively a fee to access strategic and technological support and the Steadfast Broker Network. Steadfast is also a shareholder of some Partners.

We may receive a proportion of any commission paid to Steadfast by its Partners at the end of each financial year (or other agreed period). You can obtain a copy of Steadfast's FSG at 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 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 0% to 6% of the 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.

Authorised Representatives and Distributors that provide financial services to you on our behalf are also remunerated. Authorised Representatives and Distributors are not employees and are not paid a salary. Instead, they are paid a percentage of the remuneration we receive (not in addition to those amounts) based on the services they provide. Generally they will receive between 10% and 75% of our remuneration. We may pay our Authorised Representatives and Distributors for services provided in the sale, distribution and administration of this product. These costs may be passed on to you and included as part of the total amount payable. The remuneration paid to the Authorised Representative or Distributor is disclosed in their Profile which is provided to you at point of sale. If you were referred to Coverforce Insurance Broking Pty Ltd by a third party we may pay that third party a referrer fee which is calculated on a percentage of the commission that we receive, generally between 10% – 60%. This does not impact on the amount that you are charged for your insurance and the services that we provide.

In some instances we have agreements with various insurers to pay us a commission based on the volume of, or profitability, of work that we place with them. Some of those agreements include a profit share. Please let us know should you require more information about those insurers with which we have these agreements. These arrangements do not impact on the amount you are required to pay for your insurance and does not influence us in deciding where to place your insurance.

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. If your complaint is not satisfactorily resolved within 5 days, please contact the Complaints Manager on 02 9376 7888 or put your complaint in writing and email it to compliance@coverforce.com.au or 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.
2. Coverforce Insurance Broking Pty Ltd is a member of the Australian Financial Complaints Authority (AFCA). If your complaint cannot be resolved to your



satisfaction by us, you have the right to refer the matter to the AFCA. AFCA provides fair and independent financial services complaint resolution that is free to customers. The AFCA can be contacted at:

Mailing address:

Australian Financial Complaints Authority,
GPO Box 3, Melbourne, VIC 3001

P: 1800 931 678
E: info@afca.org.au
W www.afca.org.au

What arrangements are in place to compensate clients for losses?

Coverforce Insurance Broking 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. The PI policy in place covers Us and our employees for claims made against Us by clients as a result of the conduct of us, 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. The PI policy Will cover us for claims relating to the conduct of representatives who no longer work for us.

Cooling off Period – retail insurance only

If you decide that you do not need the retail insurance which has been arranged on your behalf, you have a minimum of 14 days from the earlier of the date you receive confirmation of the contract and the date it was arranged to change your mind. You must tell the insurer in writing that you wish to return the insurance contract and have the premium repaid. If you do so, the insurance contract will be terminated from the time you notified the insurer and the premium will be returned.

The insurer may retain its reasonable administration and transaction costs and a short term premium. You cannot return the contract of insurance if it has already expired or if you have made a claim under it.

We note that the above is the standard cooling off period and that you should check your Insurer's Product Disclosure Statement for the specific cooling off period that relates to your product.



Making a claim

Please contact us immediately if you need to lodge a claim.

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. Alternatively, we can continue to manage your claims for you at a fee of \$250 per hour.

Duty of Disclosure

Before you enter into an insurance contract with an insurer, you have a duty to 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. Your duty is not limited to answering specific questions in a proposal. Any additional relevant matters must also be disclosed. You have this duty until the insurer agrees to cover your risk. You have the same duty before you renew, extend, vary or reinstate an insurance contract.

Your duty however does not require disclosure of a matter:

- > that diminishes the risk to be undertaken by the insurer;
- > that is of common knowledge;
- > that your insurer knows, or in the ordinary course of its business, ought to know; or
- > as to which compliance with your duty is waived by the insurer.

For eligible contracts (where a natural person is purchasing Motor Vehicle, Home, Contents, Accident & Sickness, Consumer Credit or Travel Insurance) the insurer may provide you with a copy of all information previously disclosed to them by you, and request you provide updated information where required. If you do not advise of any changes to previous information, the insurer will be under the impression that no changes have occurred to the risk.

Non-disclosure

If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce their liability under the contract in respect of a claim or may cancel the contract. If your non-disclosure is fraudulent, the insurer may also have the option of voiding the contract from its beginning.

Any questions?

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

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