



**Kelly & Coe Insurance
Brokers Pty Ltd**
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AFS Licensee No. 247278

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31 October 2018

A guide to our relationship with you and others.

This document is a **Financial Services Guide (FSG)**. The Financial Services covered by this **FSG** are provided by:

Kelly & Coe Insurance Brokers Pty Ltd

Suite 1, 98 Alfred Street Milsons Point NSW 2061

Our ABN is 87 002 406 180 and our Australian Financial Services Licensee no is 247278.

This guide contains important information about: The **services** we offer, how we are **paid (remuneration)**, any **potential conflict (associations)** of interest we may have and our internal and external **dispute resolution procedures** and how you can access them, arrangements we have in place to **compensate clients** for losses and **information management (records)**. It is an important document. Please read it carefully and keep it in a safe place.

If you are a retail client and we agree to give you personal advice we will provide you with a **Statement of Advice (SOA)**. This will contain our advice, the basis of our advice taking into account your needs, objectives and financial situation. It will also contain information on any remuneration, associations or other interests that might reasonably have influenced us in giving our advice. If we arrange or recommend an insurance policy for you, you will receive a **Product Disclosure Statement (PDS)** when required, prepared by the insurer containing important policy information. The **PDS** will enable you to make an informed decision about purchasing that policy. We will usually only consider the policies offered by the insurers or insurance providers that we deal with regularly.

Our Services

We are able to provide financial product advice (personal and general) and deal in general insurance products. These include but are not limited to – Motor vehicle insurance; Home building and/or contents insurance; Sickness and accident insurance and Travel insurance. We are authorised to provide you with personal advice as to the suitability of general insurance policies to meet your particular needs. We will agree with you when this service is to be provided and the scope of our personal advice based on a **needs analysis** and confirmed in a **Statement of Advice (SOA)**. Other services we can provide include: **general advice** services- this is where we provide advice on an insurance product which is not based on our consideration of your personal needs; **dealing services**- this is the services of arranging insurance policies, whether on your behalf or the insurer's. In doing so we can provide factual information about insurance policies such as: the nature, coverage and options available under an insurance policy including the premium payable and payment options available. As an insurance broker we generally act for you.

Our Remuneration

We may be paid in a number of ways which vary according to the service you require and our arrangements with the relevant insurer. 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 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). The rate ranges between **0 and 27%**. The commission rate does not represent our profit margin as it also reimburses us for administrative and other expenses we incur in providing our services. It also covers the cost of performing the distribution functions of the insurer such as data entry, marketing, annual renewal marketing and underwriting.

We may charge you an **administration fee (broker fee)** in addition to commission when you enter into an insurance policy. This maybe a flat fee for arranging an insurance policy or a fee based upon the time we spend advising you. You will be informed of the nature and amount of any fee involved prior to us performing the service for you. All Premiums paid by you are deposited into our **Insurance Brokers 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 receive **Interest** on these deposited funds from the date you pay us to the date we remit the payment to the Insurer. The Interest paid to us is calculated by the Banking Institution on a standard commercial basis. Finally if we arrange a **Premium Funding** solution for you we will receive a Commission from the Premium Funder based on a percentage of the amount financed ranging between .5 and 1.5% plus GST.

Where we provide **personal advice** to you as a retail client, we will tell you the remuneration that is to be paid for providing the advice in the Statement of Advice.

Cancellations during a Policy Term: Where a **refund of premium** is due as a result of the cancellation or adjustment of the policy, Insurer's deduct our previously earned commission. **We reserve the right to retain our remuneration** earned prior to the cancellation or adjustment of your Policy. We will detail to you any amount retained and this will be in the form of a Cancellation Remuneration disclosure. Our standard procedure is to apply a Broker Fee to the Return Premium to show you the amount of adjusted remuneration. If you need further explanation of what this means please ask us.

Disclosure of what may be perceived as Conflicts of Interest

A conflict of interest arises in circumstances where some or all of the interests of people (clients) to whom a licensee (or its representative) provides financial services are inconsistent with, or diverge from, some or all of the interests of the licensee or its representatives. This includes actual, apparent and potential conflicts of interest. To ensure that the services we provide to you are not affected as a result of these relationships we have prepared and implemented a conflict of interest policy which our staff are required to comply with and we have implemented specific rules including, segregating responsibilities for insurer/provider relationship from staff advising clients, and system based controls to prevent any conflicts affecting our services

The interests of our clients are always paramount. To comply with our obligation to manage conflicts of interest, we believe it important to disclose the following information to you.

Our Associations

We are 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 (or other agreed period).

Steadfast Network Brokers 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.

If you instruct us to arrange premium funding with a Funding **Partner** for you, we may be paid a commission by the **Partner**. We may also charge you a fee (or both). The commission is calculated as a percentage of the funded premium. The amount of our **commission** and any fee that we charge will be set out in the premium funding contract.

The Insurance Brokers' Code of Practice

The Insurance Brokers Code of Practice is intended to promote good relations between insurance brokers, policyholders and others in the insurance industry. In addition the Code promotes efficiency in transactions by laying out standards of good practice and levels of service that are expected of brokers. The Code was developed by the National Insurance Brokers Association (NIBA) as part of a national self-regulatory scheme.

In respect to our brokerage the Code applies principally to general insurance and also to associated services such as risk management and arrangement of premium funding. The Code requires us to establish an internal dispute resolution process. It also sets out standards to follow when dealing with clients, including requirements to inform clients of remuneration arrangements and any conflict of interest. Please ask our office if you require any additional information about the Code of Practice, we can supply a copy by email or mail if requested. The Code is overseen by the Code Compliance Committee. You can view the [Insurance Brokers Code of Practice Committee Deed and Charter here- https://www.niba.com.au/resource/NIBA_CCC_Deed_300614.pdf](https://www.niba.com.au/resource/NIBA_CCC_Deed_300614.pdf). This Deed sets out the obligations of NIBA, the Code Administrator and the Code Compliance Committee in relation to the Code.

Dispute Resolution - What should I do if I have a complaint?

We value our client relationship and if for some reason a dispute arises, we have an internal dispute resolution mechanism you can access. If you have a complaint please contact us immediately. We will do our best to resolve it quickly. If your complaint is not satisfactorily resolved within 24 hours, please contact Suzanne G Kelly on 02 99297155 or put your complaint in writing and send it to the Manager at the address noted above. We will try and resolve your complaint quickly and fairly.

[Kelly & Coe are a member of the Australian Financial Complaints Authority \(AFCA\), an External Dispute Resolution body. If we cannot resolve your dispute within 20 business days, you have the right to refer the matter to the AFCA.](#)

Their contact details are as follows: AFCA, GPO Box 3, Melbourne VIC 3001, phone 1800 931 678, email [AFCA info@afca.org.au](mailto:info@afca.org.au). You can also find information about AFCA on their website <http://www.afca.org.au/>. Our AFCA Membership Details [13957](#).

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

We have a **professional indemnity insurance policy** (PI policy) in place. The PI policy covers us and our employees for claims made against us and our employees by clients as a result of the conduct of us or our employees in the provision of financial services.

Record Keeping

We maintain a record of your personal profile, including details of insurance policies that we arrange. 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. If you wish to look at your file please ask us. We will make arrangements for you to do so.

Is the advice we provide limited in any way?

Yes. We may collect some information about your objectives, some details of your current financial situation and relevant information required to arrange specific insurance policies requested by you. Our advice does not take into account all of your objectives, financial situation or needs and our recommendations are based on general trends, information and your instructions. We have not considered your particular circumstances and for this reason, before you act on our advice, you should consider its appropriateness taking into account your own objectives, financial situation and needs. Before you make a decision about whether to acquire the policy, you should obtain and read the product disclosure statement. You should also read the warnings contained in any SOA, or any other warnings that we give you before making any decision about an insurance policy. A **cooling off period** may apply to an insurance policy issued to you as a retail client. During the period you may return the policy. Details of your cooling off rights will be included in the relevant Product Disclosure Document.

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.

Any Questions

If you have any further questions about the financial services we offer or want to give us instructions please contact us by post, telephone, fax or email. This FSG applies at this date Wednesday, 31 October 2018 and remains valid unless a further FSG is issued to replace it.