



# Financial Services Guide

## The purpose of this guide

This Financial Services Guide (FSG) sets out the services that Alliance Insurance Broking Service Pty Ltd (Alliance) can offer you. It's 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 our others are paid
- Any potential conflicts 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

The information in the FSG is current at the date of issue and is general information only. In this FSG, the words "we", "our" or "us" is a reference to Alliance. "You" and "Your" refer to you as our client or the insured person.

If you ask us to act as your general insurance broker, we will do so on the terms set out in this FSG. Unless you tell us otherwise in writing, we assume that you agree with these terms. If there are any alterations to these terms, we will advise you in writing. In addition to this FSG, we may provide you with additional information depending on the type of product or service you choose. You may receive from us a Product Disclosure Statement (PDS) or other type of Offer Document. The PDS or Offer Document contains information about the particular product and will assist you in making an informed decision about that product.

If you need more information or have any questions, please feel free to contact us.

## When personal advice is given

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 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 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 policy wording or a product disclosure statement (PDS), unless you already have an up to date policy wording or PDS.

The PDS or policy wording will contain information about the particular policy which will enable you to make an informed decision about purchasing that product.

## Responsibility for services provided

Alliance is responsible for the financial services that will be provided to you, including the distribution of this FSG.

Alliance Insurance Broking Services Pty Ltd holds an Australian Financial Services Licence (ASFL 244127) and is regulated by the Australian Securities & Investments Commission (ASIC).

## What kind of financial services are offered

Alliance is authorised to carry on a financial services business to advise and deal in general insurance products to wholesale and retail clients.

We will do this for you as your broker unless we tell you otherwise. Alliance or its authorised representatives may act under a binding agreement from the insurer. If we act under a binding agreement 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 binding agreement to arrange your insurance or advise you about your insurance needs.

## Will tailored advice be provided

Maybe 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, issue insurance policies to you or to give you advice about your insurance needs. 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, at the time of any scheduled status review or upon renewal of your insurances.

## What information do we retain

We maintain a record of your personal profile, including details of insurance policies that we arrange for you. We also maintain records of any recommendations or advice given to you. We are committed to implementing and promoting a privacy policy, to ensure the privacy and security of your personal information. A copy of our privacy policy is available on request, and on our website; [www.allianceinsurance.com.au](http://www.allianceinsurance.com.au).

## How our services are paid for

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.

## Our fees and commission calculated

When placing your insurance, a commission is usually received from the insurer. The amount varies between 0% and 30% of the base premium you pay. Where personal advice has been or is to be provided, we will give full details of the amount of commission we will receive in the SOA.

We have standard nonrefundable arrangement Fees that we charge you for the cost of services such as:

- Market research on products available.
- Assessing the claims paying ability of insurers.
- Sourcing alternative quotations and coverage.
- Risk analysis and portfolio co-ordination.

In addition, some insurers with whom we arrange a large amount of business pay us a commission based on volume of/ profitability of the business we place with them. These payments do not increase the amount you are required to pay for your insurance. If we hold your money in trust pending payment to the insurer, we also receive any interest earned. All fees payable for our services will be advised to you at the time of providing the advice or service.

## Relationships and associations

Alliance 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 0.0 – 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). 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).

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 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% to 5% 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 our commission and any fee that we charge will set out in the premium funding contract.

## How our Employees and Authorised Representatives are paid

Our employees are paid by salary and includes superannuation benefits. The amount of salary varies according to the employee's position within Alliance. Bonuses or incentives may be payable depending upon a number of factors including performance and the achievement of company goals.

Alliance will pay an Authorised Representative an amount based on the level of commission received by Alliance for insurance arranged on your behalf. Alternatively, the Authorised Representative may charge a fee based on the nature of services provided.

## Compensation for client losses

Alliance has a professional indemnity insurance policy (PI policy) in place. This policy is designed to pay claims by Third Parties (including our clients) arising out of our professional negligence (including our Authorised Representatives).

## Code of Practice

Alliance is a member of the National Insurance Brokers Association (NIBA). As a member of NIBA, we subscribe to the Insurance Brokers Code of Practice (Code).

The Code of Practice sets out the minimum service standards you can expect when you use an insurance broker and outlines what you need to do in the unlikely event you have a complaint to make. The Code sets out our commitment in a number of areas including:

- Managing conflicts of interest
- Explaining what our services will be
- Acting for you diligently, competently, fairly and with honesty and integrity
- Informing you how we are paid for the services we provide
- Ensuring our staff are competent and adequately trained
- Providing an opportunity to resolve complaints and disputes

A copy of the Code can be obtained from the NIBA website ([www.niba.com.au](http://www.niba.com.au))

## Conflicts of interest

Conflicts of interest are circumstances where some or all of your interests are inconsistent or diverge from some or all of our interests. Conflicts of interest are managed in accordance with the Code.

## Sums Insured – Average and Co-Insurance

Some insurance contracts require you to bear a proportion of each loss or claim if the sum insured is inadequate to cover the amount of the loss. These provisions are called 'average' or 'co-insurance' clauses. If you do not want to bear a proportion of any loss, you must ensure that the amount for which you insure is adequate to cover the full potential of any loss at the time you arrange or renew your contract of insurance. If you insure on a 'new for old basis', the sum insured must be sufficient to cover the new replacement cost of the property insured.

## Interests of Other Parties

Some insurance contracts do not cover the interest in the property or risk of anyone other than the person named in the contract. Common examples are where property is jointly owned or subject to finance but the contract only names one owner or does not name the financier. Please tell us about everyone who has any interests in the property insured so that we can ensure that they are noted on the contract of insurance.

## Waiver of Rights

Some insurance contracts seek to limit or exclude claims where the insured person has limited their rights to recover a loss from the person who was responsible for it e.g. by signing an agreement which disclaims or limits the liability of the other party. Please tell us about any contracts of this type which you have or propose to enter into.

## Duty of Disclosure

In order to make an informed assessment of the risk and calculate the appropriate premium, your insurer needs information about the risk you are asking to insure. Before you enter into a contract of insurance, you have a duty under the Insurance Contracts Act 1984 to disclose to your insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk and, if so, on what terms. The duty also applies when you renew, extend, vary or reinstate a contract of insurance.

You do not have to disclose anything that:

- Reduces the risk to be undertaken by the insurer
- Is common knowledge
- Your insurer knows, or in the ordinary course of business ought to know or
- The insurer has waived your obligation to disclose

If you do not comply with your duty of disclosure, your insurer may be entitled to reduce its liability in respect of a claim or may cancel your contract of insurance. If the non-disclosure was fraudulent, the insurer may be able to avoid (or cancel) the contract of insurance from its beginning. This would have the effect that you were never insured.

One important matter to be disclosed is the history of losses suffered by the person seeking insurance or any closely associated person or entity. As you are responsible for checking that you have made complete disclosure, we suggest that you keep an up-to-date record of all such losses and claims. If you have any questions about whether information needs to be disclosed, please contact us.

## Cancellation

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 insureds in the contract of insurance. We will not refund our fees or commission for arranging the insurance.

## What should I do if I have a complaint

Please talk to us first.

If you have a complaint please contact us to address your concerns. The details of your complaint will be considered by our Internal Dispute Resolution procedures. We will acknowledge your complaint in writing and endeavour to resolve your problem.

If you are not satisfied with the response we provide, you may refer your complaint to the Financial Ombudsman Service (FOS). FOS offers a free independent dispute resolution service.

## You can contact FOS at:

Phone: 1800 367 287

Website: [www.fos.org.au](http://www.fos.org.au)

Email: [info@fos.org.au](mailto:info@fos.org.au)

Mail: Financial Ombudsman Service  
GPO Box 3  
Melbourne, VIC 3001

## Cooling off period – Retail Insurance only

If you decide that you do not need a contract of 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. If a contract of insurance is cancelled before expiry of the period of insurance, we will refund the net premium we receive from your insurer. We will not refund our fees or commission for arranging the insurance.

## Material Changes

You must also notify your insurer of any significant changes which occur during the period of insurance. If you do not, your insurances may be inadequate to fully cover you. We can assist you to do this and to ensure that your contract of insurance is altered to reflect those changes.

## What we expect from you

To enable us to provide the right advice we need you to provide us with complete information about the risk(s) that you face and those that you want to be insured for. You should also tell us about any relevant changes as they occur so that we can review your insurance needs accordingly.

## Contact Us

Visit our offices (details listed on our website)

Phone: +61 3 9647 0600

Email: [email@allianceinsurance.com.au](mailto:email@allianceinsurance.com.au)

Web: [www.allianceinsurance.com.au](http://www.allianceinsurance.com.au)

Mail: 119 Salmon Street  
Port Melbourne VIC 3207

