

# FINANCIAL SERVICES GUIDE

## THE PURPOSE OF THIS GUIDE

This Financial Services Guide (FSG) is designed to assist you in deciding whether to use any of our services and contains important information about the services we offer you, how we and our associates are paid, any potential conflicts of interest we may have and what to do in the event of a complaint. It remains valid unless a further FSG is issued to replace it. We may give you a supplementary FSG which will not replace this FSG but will cover services not covered by this FSG.

## RESPONSIBILITY FOR SERVICES PROVIDED

Rainbow Coast Insurance Brokers P/L (Trading As Rainbow Coast Insurance Brokers) holds an Australian Financial Services Licence. We are authorised to advise and deal in the full spectrum of general insurance products. We are responsible for the financial services provided to you, or through you to your family members, including the distribution of this FSG. We are required to meet high standards for staff training, organisational competence, management expertise, financial control and compliance disciplines.

## WHO DO WE ACT FOR

We usually act on your behalf and in your interests in all matters.

Sometimes, it may be more appropriate for us to access insurance or manage claims where we act as an agent of the insurer in which case we will act under a binder from the Insurer. When we act under a binder we represent and act for the insurer, not for you. We will tell you when we act under a binder to arrange your insurance or advise you about your insurance needs.

## OUR SERVICES

We offer a range of services to assist you to protect your assets and guard against unexpected liabilities including reviewing and advising on your insurance needs, identifying risk factors to avoid claims and seeking competitive premium quotations.

## HOW TO CONTACT US

You are able to contact us by phone, in writing or by email or in person.

## OUR PRODUCTS

We can advise and arrange a broad range of insurances on your behalf including Home Building and Contents, Private and Commercial Motor, Farm, Business Packages, Construction, Liability, Industrial and Professional covers.

## LACK OF INDEPENDENCE

Why we cannot be considered independent, impartial, or unbiased in relation to the provision of personal advice and the impact of this on you.

According to section 923A of the Corporations Act, we are not independent, impartial, or unbiased because:

- We may receive remuneration, commission, gifts or other benefits, when we provided 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.

## **RETAIL CLIENTS**

Under the Corporations Act 2001 (The Act) Retail Clients are provided with additional protection from other clients. The Act defines Retail Clients as:

Individuals or a manufacturing business employing less than 100 people or any other business employing less than 20 people AND that are purchasing the following types of insurance covers: Motor vehicle, home building, contents, personal and domestic, sickness/accident/travel, consumer credit and other classes as prescribed by regulations.

Some of the information in this FSG only applies to Retail Clients and it is important that you understand if you are covered by the additional protection provided.

## **RETAIL CLIENT ISSUES**

Typically, we only provide General Advice to our Retail Clients. General Advice does not take into account your particular needs and requirements and you should consider the appropriateness of this advice to your circumstances prior to acting upon it. We will provide you with a General Advice Warning in such cases.

If you are a new Retail Client purchasing Personal Accident or Sickness insurance and obtain Personal Advice, that is, advice that takes into account your particular circumstances, we will give you a **Statement of Advice (SOA)**, that sets out the advice provided and the basis on which the advice is made and our remuneration should you purchase the product.

For existing Retail Clients, we may not provide an SOA but rather provide the advice to you orally. In such cases you may request us to provide you with a Record of Advice (via phone or in writing) which we will provide to you within 28 days of such request.

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. If we recommend the purchase of a particular financial product, we will also give you a **Product Disclosure Statement** at that time, which sets out details specific to that product and the key benefits and risks in purchasing the product.

## **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.

## **PERSONAL INFORMATION**

The Federal Privacy Act 2000 sets out standards for the collection and management of personal information. With your consent, we will only use your personal information for general insurance services. Our Privacy Policy Statement is available on our website.

## **COOLING OFF PROVISIONS**

All retail products are subject to a 14 day 'cooling off period'. This means that if you are not happy with the product, you have 14 days to withdraw from the contract at no cost to you.

## **COMPLAINTS**

Clients not satisfied with our services should contact our Complaints Officer. We are members of the Australian Financial Complaints Authority (AFCA), a free consumer service. Further information is available from our office, or contact AFCA directly on 1800 931 678 or visit [www.afca.org.au](http://www.afca.org.au). We also follow The Insurance Brokers Code of Practice and the General Insurance Code of Practice.

## **COMPENSATION**

We hold a Professional Indemnity Policy. This policy is designed to pay claims by Third Parties (including our clients) arising out of our Professional Negligence. The policy extends to covers us for work done for us by representatives/employees after they cease to work for us and satisfies the requirements for compensation arrangements under Section 912B of The Act.

## **CONTACT AGREEMENT**

To ensure that we provide you with appropriate products and services, you agree to us calling you to discuss any new products and services. If you do not wish to receive such calls please advise us and we will place you on our Do Not Call Register.

## **ELECTRONIC DELIVERY OF DISCLOSURE NOTICES**

Please note that where possible we prefer to provide all correspondence and disclosure notices to you electronically, via email or links to websites etc. If you have provided your email address to us we will typically use that email address for all correspondence and disclosure notices. Should you not wish to be sent disclosure documents electronically please advise us and we will update our records.

## **OUR SOURCES OF INCOME**

When placing your insurance, we usually receive a commission from the insurer. The amount varies between 0% and 30% of the base premium you pay. Where a policy is cancelled before the period of insurance has ended, we will usually retain the commission on any return premium involved.

If you are a Retail Client and we give you Personal Advice, commission amounts will be provided in any SOA or (where an SOA is not required to be provided) included on any relevant invoices. When we give you General Advice, full commission information (including dollar amounts) will be provided on request.

We have a set of standard non refundable Broker Fees that we charge you for services such as market research on products available, assessing the claims paying ability of insurers, sourcing alternative quotations and coverage, and risk analysis and portfolio co-ordination.

All fees payable for our services will be advised to you at the time of providing the advice or service. We may receive additional remuneration from insurers with whom we have profit share or volume bonus arrangements. This remuneration is payable if we meet certain agreed sales and/or profitability targets set by the insurer. If we have profit share arrangements with an insurer that apply to a product we recommend to you, we will advise you of this at the time of making any such recommendation if the amount involved is material.

We retain the interest on premiums paid by you that are held in our trust account before paying the insurer.

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.

As a Steadfast shareholder, we can access services including operating and compliance tools, advice and assistance from professional bodies, group insurance arrangements, product comparison and placement support, claims support and purchasing arrangements. These shareholder services are either funded or subsidised by Steadfast or available exclusively to shareholders for a fee. You can obtain a copy of Steadfast's FSG at [www.steadfast.com.au](http://www.steadfast.com.au).

If you pay by credit card, we may charge you a credit card fee (incl. arrangement & handling), which is disclosed and shown separately on our invoices, they are non-refundable. This fee covers the cost of bank charges etc., associated with such facilities.

Premium funding products enable you to pay your premiums by instalments. Premium funders do charge interest and administration fees. We can arrange premium funding if you require it. We may receive a commission based on a percentage of the premium from the premium funder for doing so.

Our commission rates for premium funding are in the range of 0% to 2% of funded premium. When we arrange premium funding for you, you can ask us what commission rates we are paid for the funding arrangement compared to the other arrangements that were available to you.

## **HOW OUR REPRESENTATIVES ARE PAID**

Our representatives do not receive any benefit directly from the sale of a product to you. Our representatives may receive bonuses payable based on the overall performance of our business.

If a person has referred you to us, we may pay them a part of any fees or commission received. If you are a Retail Client and receive Personal Advice, full remuneration details will be disclosed in the SOA or invoices related to the advice.

## **CONFLICTS OF INTEREST**

As a business we have relationships with and receive income from various third parties as detailed in this FSG. For Retail Clients receiving Personal Advice, details of relationships that impact the advice will be included in any SOA or invoice documentation we send you. All material conflicts that impact our advice, that are not mentioned in this FSG, will be advised to you on the invoices related to that advice.