



# FINANCIAL SERVICES GUIDE

Brecknock Insurance Brokers Pty Ltd

**ABN 85 060 524 503**

**AFS Licence number – 239942**

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**At Brecknock Insurance Brokers Pty Ltd, we aim to make you feel totally at ease with the services we offer. In doing so we are providing you with this easy-to-understand Financial Services Guide. It is designed to answer your frequently asked questions. If you would like more information or clarification, please do not hesitate to contact us.**

The Australian Securities and Investments Commission (ASIC) requires us to provide retail clients with a Financial Services Guide, before we provide any advisory services.

Our Financial Services Guide is designed to assist you in deciding whether or not to use any of the services offered in the Guide. It contains information about remuneration paid in relation to the services offered and what to do if you have a complaint about our services.

Should you proceed to deal with us you may also be provided with other documentation including Statements of Advice, Product Disclosure Documents or other regulated documents.

A Statement of Advice, details important information about the recommendations we are making to you in relation to the provision of Financial Services.

Where we are recommending a particular financial product, you may also receive a Product Disclosure Statement (PDS) or shortform Product Disclosure Statement.

A Product Disclosure Statement contains important information about the financial products being recommended.

Before you commit to accepting any recommendations made to you, you should have been provided with a Statement of Advice and/or a Product Disclosure Statement.

There are some circumstances in which these documents do not need to be provided.

If you have not been provided with these documents, and think that they should have been provided, please contact us on **(08) 8413 6300** and we shall endeavour to provide them to you.

## **Who are we?**

Brecknock Insurance Brokers Pty Ltd is an Australian Financial Services Licensee under the Corporations Act. We are authorised to arrange and deal in a range of general insurance products to wholesale and retail clients.

We are a well-known and established, general insurance broker with a reputation for professionalism and a commitment to understanding our client's insurance needs, concerns and issues.

Because we are committed to the professionalism of our industry we are a member of the National Insurance Brokers Association and a member of Steadfast Group Ltd. We also subscribe to the General Insurance Brokers' Code of Practice.

## **Frequently Asked Questions**

In this section key information is provided in answer to the following questions. If you'd like more information or clarification, please don't hesitate to contact us.

## **Before you get our advice?**

### **Q. Who is responsible for the advice I receive?**

**A.** Brecknock Insurance Brokers Pty Ltd will be responsible for the advice provided to you by our representatives. Our representatives are competent and experienced professionals who will work with you to obtain cover appropriate for your needs and circumstances.

### **Q. What financial services are available to me?**

Brecknock Insurance Brokers Pty Ltd can arrange for the purchase, variation and cancellation of general insurance such as your home contents insurance or motor vehicle insurance.

Essentially, this means that you can contact us, for advice on or assistance with:

- New business insurance – You should contact us to obtain insurance cover for a risk, property or asset that is not currently insured.
- Renewals – We can ensure continuity of insurance cover or arrange temporary cover.
- Endorsements or Variations – If your circumstances change, we can assist you to review the adequacy of your cover or vary your insurance.
- Claims – We can assist and advise you in the initial management of your claim and liaise with the insurer on your behalf.

The financial product advice we provide to you may either be general, which is non specific, or personal in that it will consider your personal needs and circumstances. We try to always provide personal financial product advice to our retail clients, but if we can't we'll draw this to your attention.

Depending on your needs and requirements, we can provide different levels of service, for example from general advice on a particular Product, to personal advice, that considers your personal circumstances and objectives.

In order to be able to provide you with recommendations that are appropriate to your personal needs and circumstances, we'll need you to provide us current information about your situation, your objectives and any relevant

information, which may include your current financial situation. We'll also need you to fully disclose information about the risks to be insured.

In the event that you are unable or unwilling to do this, or if we don't obtain the required information, we may not be able to help you because we will not be able to make appropriate recommendations. Even if we do advise you, it is important that you carefully review the appropriateness of our advice before acting on our recommendation. We will clearly warn you if we consider that we do not possess the information we require to provide you with advice.

It is important that you understand your obligation to provide the insurer with all the information they require to make an informed decision about the risk, asset or property you want to insure. To assist them to assess the risk and the appropriate premium, the law requires you to disclose all the information you know, or should know, that is relevant to the insurer's decision whether to provide cover or determine the terms of cover. For example, you should disclose your history of losses or claims.

Your failure to disclose relevant information may void your cover or prejudice any claim so it is important that you are as open and honest as possible.

This duty extends to notifying your insurer of any significant changes that occur during the period of your insurance. We consider it critically important that your insurance is adequate and accurately reflects your circumstances.

Remember that in the event of a claim, if your insurance is inadequate to cover the loss, you may be required to bear a proportion of the loss or claim.

You should also ensure that the insurer is aware of everyone who has an interest in the property or asset to be insured so that, their interests are protected.

If you have any questions about your duty of disclosure you should ask us to assist.

### **Q. How will I pay for the services? What commission/ fee do you get, and how is it calculated?**

**A.** We have an open, honest fee structure and are committed to ensuring that you know the cost of any recommendation we may provide to you.

The remuneration we receive can be all or any of the following. The specific amount of the

remuneration will be disclosed in the Statement of Advice or upon request.

**1)** When we place insurance for you, we receive commission from your insurer. This commission is generally in the range of between 0% and 25% of the premium you pay, depending on which insurer the business is placed with.

**2)** We may also charge a broker fee, which can vary depending on the services provided. The fee charged will be shown as a separate item on our Invoice.

**3)** Interest earned on premiums held in our Trust Account, are retained by us as income. The interest rate we receive fluctuates in line with current Reserve Bank interest rates.

**4)** We may from time to time receive some form of material benefit from our insurer contacts. These may include administration support, commission over-ride, subsidies or performance bonuses and are described below. Any relevant specific benefits will be disclosed in the Statement of Advice or upon request.

**5)** Brecknock Insurance Brokers Pty Ltd is a shareholder of Steadfast Group Limited (Steadfast). Steadfast has exclusive arrangements with some insurers under which Steadfast will receive between 0.5% – 1% commission for each product arranged by us with those insurers. These payments are used to operate Steadfast.

Depending on the operating costs of Steadfast (including costs of member services provided by Steadfast to us and other Steadfast shareholders) and the amount of total business we place with the participating insurers in any financial year, we may receive a proportion of that commission at the end of each financial year.

As a shareholder of Steadfast 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 shareholders for a fee.

**6)** Steadfast is also a shareholder of Miramar Underwriting Agency Pty Ltd (Miramar). As a shareholder, Steadfast may receive dividends from Miramar. These amounts will indirectly

contribute towards the benefits we receive from Steadfast. We may also qualify for reward points under the Miramar rewards program for insurance we arrange with Miramar. The number of points we earn will depend on the premium paid to Miramar for the insurance products we arrange with them, subject to a minimum threshold. The points may be redeemed for certain goods or flights.

You can obtain a copy of Steadfast's FSG at [www.steadfast.com.au](http://www.steadfast.com.au).

**7)** If we recommend a product issued by Allianz Australia Ltd, QBE Insurance Australia Limited or Zurich Aust. Ins. Ltd, we may be entitled to a profit share from those insurers based on the amount of insurance that we have placed with each of these companies. At this point of time we are unable to determine what that profit share may be.

The profit share is generally based on the profitability of insurance business placed across our entire portfolio with a given insurer over a specific period. The profit share can range between 0% and 10% of the commission payable.

**8)** Brecknock Insurance Brokers Pty Ltd places General Insurance cover with Platinum Underwriting Agency Pty Ltd (The Agency). The directors/shareholders and employees of the Agency are common to both Companies. The shareholders of the Agency may receive profits from the Underwriting Agency based upon the profitability of the Business after deducting all claims and expenses (the percentage of profit payable is variable and not guaranteed). All business placed with the Agency is underwritten by The Hollard Insurance Company Pty Ltd ABN 78 090 584 473 / AFSL 241 436 (Hollard). When business is placed with the Agency it is acting as a Corporate Authorised Representative No. 337731 of Hollard. Brecknock continues however to act for you as a broker.

**9)** We can also assist you to obtain finance to enable you to pay your premium(s) by instalments. We can arrange premium funding on your behalf or refer you to a premium funder. Please be aware that premium funders do charge you interest for the service.

Our commission rates for premium funding are in the range of 0% - 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.

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

We are a shareholder of Steadfast Group Limited (Steadfast). Steadfast has a shareholding in Macquarie Premium Funding.

Under its agreement with Macquarie Premium Funding, Steadfast will receive 0.5% of your insurance premium (including government fees or charges (funded premium)).

Also, an equity shareholder of Macquarie Premium Funding, Steadfast may also receive dividends from profits of Macquarie Premium Funding. The amount of the Steadfast dividend is based on the share of profit attributable to funding arranged by Steadfast shareholders.

The payments (commission and dividends) that Steadfast receives from Macquarie Premium Funding are used to operate Steadfast. Depending on the operating costs of Steadfast and the amount of total business we place with Macquarie Premium Funding in any financial year, we may receive a portion of those amounts at the end of each financial year.

**10) Referral arrangements;** In some circumstances, we may pay a person or organisation, which referred you to us. If this does occur, the total amount of remuneration paid to the referrer will be shown on your invoice. The remuneration paid to the referrer differs from year to year on a sliding scale. A referrer will receive between 50% to 0% of the commission/fee paid to us by the insurer/client.

**11) Your adviser is employed by Brecknock and is paid a salary.** We may also pay an annual bonus to advisers.

### **When you get our advice?**

**Q. Will the advice I receive be appropriate for me and my circumstances?**

A. To properly consider your insurance needs and objectives, and to deliver recommendations which are designed to satisfy your requirements, we will need to obtain from you key facts as to your business and personal circumstances, such

as your financial needs and requirements. Of course, you have the right not to share this information with us. In this case, we may not be able to advise you, or, if we do, we are required to warn you of the possible consequences.

To determine the appropriateness of the advice provided to you, you should read the warnings carefully as the scope of the advice provided to you will be limited as a consequence of you exercising your right not to disclose all the information sought by us.

We will explain any significant risks associated with recommended solutions, as well as the risks associated with not acting on the recommended solutions. If we don't, you should ask us to explain the risks to you. Our Statement of Advice and/or a Product Disclosure Statement will contain important information in this regard.

Brecknock Insurance Brokers Pty Ltd has 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. Our PI policy will cover us for claims relating to the conduct of representatives who no longer work for us.

**Q. What information is maintained in my file, and can I examine it?**

A. We will maintain a record of your personal profile, including details of your insurance objectives and needs and any other information relating to your specific financial situation. We will also maintain records of any recommendations or advice given to you.

As professional advisers, we are committed to ensuring the privacy and security of your personal information in accordance with the principles of the Privacy Amendment (Private Sector) Act 2001 (Privacy Act).

You have a general right to examine the relevant contents of your file and you should have been provided with our privacy statement, which details our approach to privacy. A full copy of our Privacy Statement is contained in our website. [www.brecknock.com.au](http://www.brecknock.com.au).

Should you wish to examine your file please ask us and we will make all necessary arrangements. Further details on our information handling policy can be obtained by contacting our Privacy Officer

or put your complaint in writing and send it to us at:

**PO Box 6095, Halifax Street Adelaide SA 5000**  
Phone: **08 8413 6300**, Fax **08 8211 9838**  
Email: [breckins@brecknock.com.au](mailto:breckins@brecknock.com.au)

**Q. What can you do if you are not happy with the insurance policy provided?**

**A.** Our commitment to providing you with considered advice should ensure that our recommendations are appropriate for your circumstances. However, if you are not satisfied, please note that the legislation regulating advice given in relation to retail products allows for a 14 day cooling off period.

This means that if you are not happy with the product, you have 14 days from the time you have received the policy to withdraw from the contract at no cost to you.

If this is the case, please ensure that you inform us of your decision immediately to assist us in appropriately notifying the insurer.

**Q. What to do if you need to cancel your policy?**

**A.** If you wish to cancel your policy, your request must be written and counter signed by all co-insured persons.

**Q. If you cancel, what refunds do you receive?**

**A.** In most cases you will be entitled to a full pro-rata premium refund (this may vary dependant upon the type of cover provided). Unless agreed previously, our professional brokerage fees will not be refunded upon any cancellation. We may also retain commission depending upon the period of insurance remaining.

**If you have any complaints**

**Q. Who can I talk to if I have a complaint about the advisory services?**

**A.** If you have a complaint about the services provided, you should take the following steps:

1. Contact us and tell them about your complaint.
2. If your complaint is not satisfactorily resolved within three days, please call us on **Phone: 08 8413 6300**, or put your complaint in writing and send it to us at: **PO Box 6095, Halifax Street Adelaide SA 5000 – Fax 08 8211 9838 –** Email: [breckins@brecknock.com.au](mailto:breckins@brecknock.com.au)

We will endeavour to resolve your complaint quickly and fairly.

If you still don't receive a satisfactory outcome, Brecknock Insurance Brokers Pty Ltd is a Member of the Financial Ombudsman Service (FOS), an independent private complaint body funded by its corporate members.

You can call (FOS) from anywhere in Australia On **1300 780 808**, or write to them at: Level 5 31 Queen St Melbourne VIC 3000. The (FOS) can handle complaints against brokers (up to \$100,000) and will generally attempt conciliation before adjudication. Any decision made by the (FOS) is binding on us as a member of the scheme.

Brecknock Insurance Brokers Pty Ltd can arrange and advise on a wide range of general insurance products. These include:

- Industrial Special Risks
- Business Package
- Office Package
- Retail Package
- Tradesman Package
- Stand-Alone Liability
- General Property
- Engineering
- Electronic Equipment
- Marine Transit / Cargo
- Professional Indemnity
- Directors & Officers
- Commercial Motor / Trucks & Heavy Haulage
- Construction
- Rural & Livestock

Please contact our office for details on further covers suitable to your needs.