

## Financial Services Guide

### The Financial Services covered by this Financial Services Guide are provided by:

J W Bell & Associates Pty Ltd of  
Level 4, QHA House. 160 Edward Street, Brisbane. QLD 4001  
A.B.N. 13 010 032 818  
AFSL 239125

This guide contains important information about:

- the services we offer you
- how we and our associates are paid
- any potential conflict of interest we may have
- our internal and external dispute resolution procedures and how you can access them

This is an important document. You should read it carefully and keep it in a safe place. If you are a retail client and we agree to give you advice we will provide you with a Statement Of Advice. This will contain our advice, the basis of our advice, and information on any remuneration, associations or other interests which might reasonably have influenced us in giving our advice.

If you are a retail client and we arrange an insurance policy for you, or if we recommend you buy a particular insurance policy, we will give you a Product Disclosure Statement when required. It is prepared by the insurer and is designed to give you important information on the policy.

### A Guide to our relationship with you and others

#### *1. What kinds of financial services are we authorized to provide and what kinds of Financial Products do those services relate to?*

We are able to provide financial product advice (personal and general) and deal in general insurance risk products.

There are a wide range of insurance policies we can arrange. These include, but are not limited to the following insurance policies:

- Motor vehicle insurance
- Home & Contents insurance
- Travel insurance
- Business Combined insurance including
- Contract Works Insurance
- Industrial Special Risks insurance
- Public/Products Liability insurance
- Professional Indemnity insurance
- Directors & Officers Liability Insurance
- Employment Practices Liability

We are authorized 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 what the scope of our personal advice will be. Before we provide any personal advice we will need to undertake a needs analysis so we can provide you with appropriate advice. We will also provide you with a Statement of Advice confirming our advice along with other relevant information on it.

The other services we can provide are:

1. general advice services – this is where we provide advice on an insurance product which is not based on our consideration of your personal needs. We will tell you when this is the case

2. dealing services – this is the service 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 of insurance policies
  - the coverage of insurance policies
  - options available under an insurance policy
  - the premium payable and payment options

*2. Who do we act for?*

As an Insurance Broker we normally act for you. We may enter into an agreement with an insurer to arrange policies on their behalf and not on your behalf. If we are given a binding authority from the insurer, this means we can enter into insurance policies and/or handle or settle claims on their behalf. WE will inform you when we act for the insurer and not for you.

*3. Do we have any relationships or associations with product issuers which might reasonably influence us?*

Other than the agency relationships noted above, we do not have any association or relationship with a product issuer which might reasonably influence us in providing our services.

*4. What information do we maintain about you and how can you access it?*

We maintain a record of your personal profile. That record contains information about insurance policies that we have arranged for you. The record may also contain details of your objectives, financial situation and needs collected for the purpose of giving you advice. We also maintain records of any recommendations made to you.

We are committed to implementing and promoting a privacy policy, which will ensure the privacy and security of your personal information. If you wish to access your file, please ask us.

*5. How can you give us instructions?*

You need to give us instructions in writing, by letter, fax, email or by another method agreed by us. We will tell you what is possible when you contact us.

*6. How will you pay for the services provided?*

We may be paid in a number of ways which vary according to the service you require and our arrangements with the relevant insurer.

**Your Duty of Disclosure**

An insured has a duty under the Insurance Contracts Act to disclose matters the insured knows to be relevant to the insurer’s decision to accept the risk or that a reasonable person could be expected to know to be relevant to the insurer, except for matters:

- That diminish the risk;
- That are of common knowledge;
- That the insurer knows or in the ordinary course of the insurer’s business ought to know;
- As to which compliance with the duty of disclosure is waived by the insurer.

You have the same duty to disclose the abovementioned matters to the insurer before you renew, extend, vary or reinstate a contract of general insurance.

### **Non-Disclosure**

If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce his 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 avoiding the contract from its beginning.

### **Interests of Other Parties**

This policy does not provide Insurance cover in respect of the interest of any person not named in the policy.

### **Average/Underinsurance**

(Applicable only to those policies which contain an average clause)

When your policy contains an average clause, this means that the Underwriter requires you to insure for the full value. If you do not do so, and you are underinsured, the Underwriter will pay you less in the event of a claim, in proportion to the amount of underinsurance, in particular, the Underwriter will pay an amount being the proportion that the Sum Insured bears to the % shown in the policy to the full value.

### **Payment by 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 insurers base premium (i.e. premium excluding GST, Stamp duty, FSL. fees and any other relevant government charges). The rate usually ranges between 5 and 30% but may vary from time to time dependant upon changes made by insurers. 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 such as data entry, marketing, annual renewal marketing and underwriting.

### **Other payments made to us**

J W Bell & Associates 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 the 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.

Steadfast/Miramar:

Steadfast is also a minority shareholder in Miramar Underwriting Agency Pty Limited (Miramar). As a shareholder, Steadfast may receive dividends from Miramar. These amounts will indirectly contribute towards the benefits we receive from Steadfast.

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

However, our Philosophy is to always place cover in the best interests of our clients regardless of any arrangements we have through this facility.

### **Premium & Fees Paid by You**

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.

We may charge you:

- an administration fee in addition to the commission when you enter into an insurance policy
- a flat fee for arranging an insurance policy or a fee based upon the time we spend advising you
- an annual management fee

you will be informed of the nature and amount of any fee involved prior to us performing the service for you.

### **Other Remuneration Information**

Our staff members receive an annual salary that may include bonuses based on performance criteria. Where a third party has referred you to us, we may share part of our commission or fees with them or pay them an agreed referral fee.

Where we provide personal advice to you as a retail client, we will tell you the remuneration that we and our associates are to be paid for providing the advice in the Statement Of Advice. Additionally, Interest may be earned by us on premium payments.

If there is a refund of premium as a result of the cancellation or adjustment of the policy, we reserve the right to retain our remuneration earned prior to the cancellation or adjustment.

If you need further advice, please ask us.

### **Cooling Off Period**

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.

### **Cancellations**

If a cover is cancelled prior to expiry, we will refund the net return premium received from the insurer less out cancellation fee of up to \$20 + GST for Domestic and \$50 + GST for Commercial insurance.

### Compensation Arrangements

We have Professional Indemnity Insurance Policy (PI Policy) in place. Our PI Policy covers us and our employees for claims made against us and our employees for errors and omissions or other allegations of professional negligence.

Our policy is in compliance with the Financial Services Reform Act as stipulated under Regulation 7.703A

If you have any further questions about this Financial Services Guide please contact us on phone number 07 3229 2205.

### What should I do if I have a complaint?

If you have any complaints about the service provided to you, you should take the following steps:

- Contact us and tell us about your complaint.
- If your complaint is not satisfactorily resolved within 24 hours, please contact the Compliance Officer on (07) 3229 2205 or put your complaint in writing and send it to us at:

Compliance Officer  
J W Bell & Associates Pty Ltd  
GPO Box 2767  
Brisbane QLD 4001

- If the complaint cannot be resolved to your satisfaction within 21 days, you have to right to refer the matter to Australian Financial Complaints Authority. Details for afca are:

Address: GPO Box 3, Melbourne Victoria 3001  
Phone: 1800 931 678  
Fax [03] 9613 6399  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Website: [www.afca.org.au](http://www.afca.org.au)

*If you have any further questions about the financial services please contact the manager on (07) 3229 2205.*

*Retain this document for your reference and any future dealings with J W Bell & Associates.*

### Important Note

#### How the Terrorism Insurance Act 2003 affects you

Following significant losses caused by acts of terrorism, most insurers stopped covering terrorism. As a consequence, the Australian Government introduced the **Terrorism Insurance Act 2003**. Under the Act, insurers can now get reinsurance cover for acts of terrorism from a new government body called the Australian Reinsurance Pool Corporation (ARPC).

#### How will the changes affect my cover?

If your Policy is an **Eligible Commercial Policy**, your premium may have increased to reflect the cost of terrorism cover provided by the Australian Reinsurance Pool Corporation. All eligible commercial policies now cover acts deemed by the Treasurer to be a **declared terrorist incident**. If a **declared insurance incident** occurs, **any terrorism exclusion in current policies would not apply**. Nuclear events and acts of war are still not covered. All other existing policy terms, conditions, exclusions,

and insured limits, still apply. **The exclusion for terrorism will remain in most policies**, but will be overridden by the **Terrorism Insurance Act 2003** when a **declared terrorist incident** is judged to have occurred by the Treasurer.

**What if I don't want terrorism cover?**

The **Terrorism Insurance Act 2003** states that your insurer must provide cover for **eligible policies**. The Act does not allow you to opt out of this cover.

**How is the terrorism premium calculated?**

Each terrorism premium is a percentage of the total amount you need to pay, for that section of your policy to which the levy applies, before charges and taxes are applied. This percentage varies dependant upon the postcode zone(s) of your insured property.

The Australian Reinsurance Pool Corporation has created the following three percentages and zones:

- 2% for non urban.
- 4% for urban.
- 12% for CBD.

**To find out which zone(s) your postcode(s) are in, visit [www.arpc.treasury.gov.au](http://www.arpc.treasury.gov.au).**

In some cases, the terrorism levy may be nil.

**From what date do the premium increases take effect?**

Premium increases apply to eligible policies that begin or are due for renewal from 1<sup>st</sup> October 2003.

**Which Policies are covered by the Act?**

In general, the **Terrorism Insurance Act 2003** applies to commercial policies (or relevant sections) that cover commercial property, business interruption, public liability, theft, glass, and money.

**Are my home and private motor policies affected?**

The **Terrorism Insurance Act 2003** does not apply to home and private motor policies.

**Where can I find more information?**

You can find more information by referring to [www.arpc.treasury.gov.au](http://www.arpc.treasury.gov.au)

**Confidentiality Notice**

This report contains information which is confidential to your organisation and J W Bell & Associates Pty Ltd. Accordingly, we trust you will understand this report is given to your organisation and its officers and employees in confidence and may not be reproduced in any form or communicated to any other person, firm or company without the prior approval of J W Bell & Associates.

**Privacy Notice**

**Our Privacy Policy**

We are covered by the Federal Privacy Act and its National Privacy Principles (NPPs), which set out standards for the collection, use, disclosure and handling of personal information.

Personal information is essentially information or an opinion about a living individual whose identity is apparent or can reasonably be ascertained from the information or opinion (e.g. a name and address).

Our Privacy Policy applies to any personal information we collect, use or disclose after 21 December 2001. It does not apply to our employee records.

### **How and why we collect personal information**

We collect personal information either directly from the relevant individuals or indirectly from third parties.

For example, an insured may not only provide us with information on themselves for the purpose of obtaining our services but also on other insureds who they represent. We may also obtain personal information from past insurers, witnesses to claims, health care workers and publicly available sources etc].

We collect personal information to be able to provide our various services. These include - insurance broking, claims management, risk management consulting, other forms of insurance services (including underwriting and reinsurance), employee benefits, superannuation and investment advisory services].

We also use it to help to develop and identify products and services that may interest clients, conduct market or customer satisfaction research, develop, establish and administer alliances and other arrangements with other organisations in relation to the promotion, administration and use of our respective products and services]. For more information on our services please contact us.

### **How we use and disclose personal information**

We do not use or disclose personal information for any purpose that is unrelated to our services and that you would not reasonably expect (except with your consent).

We have a duty to maintain the confidentiality of our clients' affairs, including personal information. Our duty of confidentiality applies except where disclosure of your personal information is with your consent or compelled by law.

We usually disclose personal information to third parties who assist us or are involved in the provision of our services.

*For example, in arranging and managing your insurance needs we may provide information to insurers, reinsurers, other insurance intermediaries, insurance reference bureaus, our advisers such as loss adjusters, lawyers and accountants, and others involved in the claims handling process. We also provide it to purchasers of our business and related companies].*

We take reasonable steps to ensure that your personal information is accurate, complete, and up-to-date whenever we collect or use or disclose it.

If the required personal information is not provided, we or any involved third parties may not be able to provide appropriate services.

### **What we expect of you and third parties we deal with**

When you provide us with personal information about other individuals, we rely on you to have made them aware that you will or may provide their information to us, the purposes we use it for, the types of third parties we disclose it to and how they can access it (as described in this document). If it is sensitive information we rely on you to have obtained their consent to the above.

*If you have not done either of these things, you must tell us before you provide the relevant information.*

If we give you personal information, you and your representatives must only use it for the purposes we agreed to.

Where relevant, you must meet the requirements of the National Privacy Principles set out in the Privacy Act 1988, when collecting, using, disclosing and handling personal information on our behalf;

You must also ensure that your agents, employees and contractors meet the above requirements.

#### **Security of your personal information**

We endeavour to protect any personal information that we hold from misuse and loss, and to protect it from unauthorised access, modification and disclosure.

*[For example - We maintain physical security over our paper and electronic data stores and premises, such as locks and security systems. We also maintain computer and network security; for example, we use firewalls (security measures for the Internet) and other security systems such as user identifiers and passwords to control access to computer systems].*

#### **Transfer of information overseas**

We may transfer your personal information overseas where it is necessary to provide our service. For example, we sometimes use the internet to collect and process information. In addition, some insurers or reinsurers are based overseas and we need to provide your personal information to them to arrange your cover. In most cases, we only do this with your consent.

#### **Opting out**

If we send you any information about services or products, or you do not want us to disclose your personal information to any other organisation (including related bodies corporate) you can opt out by telephoning, faxing or e-mailing us.

#### **How to contact us**

If you wish to gain access to your personal information, or you want us to correct or update it, or you have a complaint about a breach of your privacy, or any other query relating to our Privacy Policy, contact our Privacy Officer during business hours on:

**Telephone:** 07 3229 2205 or 1800 177 315

**Mail:** GPO Box 2767, Brisbane Qld 4001

**Fax:** 07 3221 6566

We will respond to your query or complaint as soon as possible and will try to resolve any complaint within 5 working days. If this is not possible, we will contact you within that time to let you know how long we estimate that it will take to resolve your complaint. Any unresolved complaints should be referred to the Privacy Commissioner.