



**ALBANY DISTRICT  
INSURANCE BROKERS**  
PTY LTD

AFS Licence No. 239780

ABN 93 221 392 547

**23 December 2008**

## FINANCIAL SERVICES GUIDE (FSG)

This document is a **Financial Services Guide (FSG)**. It sets out information on the services we can offer you and is designed to assist you to decide whether you wish to use any of those services. It also contains important information about how we and others are paid, any potential conflicts of interest we may have, our internal & external dispute resolution procedures and how you can access them and arrangements we have in place to compensate clients for losses. The Guide contains only general information on the services offered.

This FSG applies from the date shown above and will remain valid from that date. You may receive a further FSG. This will not replace this FSG, but may cover services not covered here.

If you obtain personal advice, that is, advice that takes into account your particular circumstances and/or insurance needs, you should generally also receive a **Statement of Advice (SOA)**, which sets out the personal advice given to you, including any recommendations about a particular financial product, as well as the basis on which those recommendations are made. 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. Additionally, this document will advise the amount of any commission we will receive in respect of any Financial Product purchased by you in connection with that advice. If recommendations about a particular financial product are made, you should also generally receive a **Product Disclosure Statement (PDS)** at that time, which sets out details specific to the product.

If you do not obtain personal advice, or obtain personal advice that does not contain recommendations about a particular financial product, but you nevertheless proceed to acquire a product, you should still generally receive a **Product Disclosure Statement (PDS)**, before you acquire the product.

## OUR VISION

We at Albany District Insurance Brokers (ADI) strive to provide a quality service to all our customers and we are a solutions based, not a product driven organisation. We are a company that embraces change and we endeavour to always have a clear understanding of our clients needs and to maintain that understanding throughout the life of the client relationship. We create an environment that is friendly, inviting and professional, which in turn makes us an employer of choice within the region.

## ABOUT US & HOW WE WORK

Albany District Insurance Brokers Pty Ltd holds a current Australian Financial Services Licence, the number of which is shown at the top of this FSG. We are responsible for the financial services that will be provided to you, or through you to your family members, including the distribution of this FSG.

We are a General Insurance Broker and are licensed to provide advice and deal in relation to general insurance products to retail & wholesale clients. As an Insurance Broker we are able to act on your behalf and provide you with advice on general insurance product types that are appropriate for your needs.

In some cases, it may be more appropriate to access insurance arrangements where we act under a binder or as 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 binder or agency to arrange your insurance or advise you about your insurance needs.

For each insurance product, insurers charge a premium that includes any relevant taxes, charges and levies. These will all be shown on the invoice that we send you. You can choose to pay by any of the methods set out on the invoice. You are required to pay us within the time set out on the invoice.

We are remunerated by means of a commission, which is paid to us by insurers. This is a payment based on a percentage of your premium excluding relevant taxes, charges and levies called your base premium, and usually falls within the range of 5-22.5%. Our commission will be calculated based on the following formula:  $X=Y\% \times P$  (X is our commission; Y% is the percentage of commission paid to us by the insurer; P is the amount you pay for any insurance policy, less any government fees or charges included in that amount). We may also charge you a broker fee based on the amount of administration involved in handling your insurance. If we give you personal advice, we will inform you of any fees, commission or other payments we or our associates or anyone referring you to us, will receive in relation to the policies that are the subject of the advice.

Your premium payment is banked into and held in our trust account prior to forwarding it to the relevant insurer, in accordance with our arrangements with that insurer. We retain the commission from the premium you pay us and remit the balance to the insurer. We may earn interest on this money until it is rendered to the insurer, or we may invest the premium and earn a return. We will retain any interest or return on investment earned on the premium.

If there is a refund of premium owed to you as a result of a cancellation or alteration of a policy, we will retain any broker fee we have charged you. We may also retain the commission depending on our arrangements with the insurer. If we receive a premium refund from your insurer on your behalf, it will be held in our trust account for a short period of time. We may earn interest on this money before it is forwarded to you. We will also retain this interest.

If we arrange insurance products through Miramar Underwriting Agency Pty Ltd (Miramar), we may qualify for rewards points under the Miramar rewards program. 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.

Our employees that assist you with your insurance needs are paid a market salary.

If we arrange premium finance for you, we may receive a commission from the premium funder, ranging between 0-3% of the funded premium. When we arrange premium finance for you, you can ask us what commission rates we are paid for that funding arrangement compared to other arrangements that were available to you.

Albany District Insurance Brokers is a shareholder of Steadfast Group Ltd. Steadfast has exclusive arrangements with some insurers under which Steadfast will receive between 0.5-1% commission for each policy arranged by us with those insurers. This is 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 the 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 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.

Steadfast has a shareholding in Macquarie Premium Funding. If we arrange premium funding with Macquarie Premium Funding for you, under its agreement with Macquarie Premium Funding (MPF), Steadfast will receive 0.5% of your insurance premium (including government fees or charges). As an equity shareholder of MPF, Steadfast may also receive dividends from profits of MPF. 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

MPF are used to operate Steadfast. Depending on the operating costs of Steadfast and the amount of total business we place with MPF in any financial year, we may receive a portion of those amounts at the end of each financial year.

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

#### COMPENSATION ARRANGEMENTS

Albany District 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 covers us for claims relating to the conduct of representatives who no longer work for us.

#### PRIVACY/RECORD KEEPING

In order for us to arrange insurance, issue insurance policies to you or to give you advice about your insurance needs, we may need information about your personal objectives, your current financial situation and any other relevant personal details. We will ask you for the details that we need to know. If we do not ask or you do not give us all the information we ask for, we may not be able to provide advice or any advice you do receive may not be appropriate to your needs, objectives and financial situation.

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 will retain this FSG and any other FSG given to you as well as any SOA or PDS that we give or pass onto 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. Please ask us if you wish to look at your file, and we will make arrangements for you to do so.

#### INTERNAL COMPLAINTS HANDLING

If for some reason a dispute arises, we have an internal disputes resolution process that you can access. Complaints are taken seriously and our staff are authorised to handle complaints up to their level of training and authority and can settle complaints to mutual satisfaction. If you are dissatisfied with our services, please contact our Complaints Officer, Gerard Cameron (or in his absence Amanda Brown) who will investigate and try to reach a satisfactory resolution.

#### EXTERNAL DISPUTES RESOLUTION

Albany District Insurance Brokers Pty Ltd is a member of the Financial Ombudsman Service (FOS). For disputes that cannot be resolved by us together, we have joined FOS, which is an external dispute resolution complaints scheme that you have the right to refer the matter to. FOS can be contacted at Level 5, 31 Queen Street, Melbourne Vic 3000, phone 1300 780 808, fax (03) 9613 6399, email [info@fos.org.au](mailto:info@fos.org.au) or website [www.fos.org.au](http://www.fos.org.au).

#### CONTACT

To give us instructions or if you have any further questions regarding the financial services we provide, this FSG or any other queries, please contact us at/on the below.

Please retain this document for your reference and any future dealings with us.