

FINANCIAL SERVICES GUIDE

THE PURPOSE OF THIS GUIDE

This Financial Services Guide (FSG) applies from **1st March 2017** and is designed to assist you in deciding whether to use any of our services and contains important information about:

- The services we offer you
- Any potential conflicts of interest we may have
- How we and our associates are paid
- What to do in the event of a complaint

RESPONSIBILITY FOR SERVICES PROVIDED

Empire Insurance Services P/L (ABN 14 064 465 309) holds an Australian Financial Services Licence (AFSL No. 232987) and 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 through AIBI, a member of our Corporate Authorised Representative, CMIB Insurance Services Pty Ltd. Our contact details are shown below.

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. If and when this situation arises we will explain and highlight this to you.

OUR SERVICES AND PRODUCTS

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. 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.

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 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 (PDS)** at that time, which sets out details specific to that product and the key benefits and risks in purchasing the product.

ELECTRONIC DELIVERY OF DISCLOSURE NOTICES

Please note that where possible we prefer to provide all correspondence and disclosure notices (including FSG's and PDS's) 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 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.

COMPLAINTS AND COMPENSATION

Clients not satisfied with our services should contact our Complaints Officer. We are members of the Financial Ombudsman Service (FOS), a free consumer service. Further information is available from our office, or contact FOS directly on 1300 780 808 or visit www.fos.org.au. We also follow The Insurance Brokers Code of Practice.

We hold a Professional Indemnity Policy designed to pay claims by Third Parties (including our clients) arising out of our Professional Negligence. The policy extends to cover 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.

OUR SOURCES OF INCOME

When placing your insurance, we usually receive a commission from the insurer. The amount varies between 0% and 27% 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.
- Sourcing alternative quotations and coverage.
- Assessing the claims service of insurers.
- 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 shareholder of STEADFAST Group Ltd. They have exclusive arrangements with some insurers where they receive between 0.5 – 1.5% commission on the premium placed by us with those insurers. These payments are used to operate STEADFAST. Depending on the operating costs of STEADFAST (including the costs of shareholder services provided to us and other shareholders) and the amount of total business we place with the participating insurers in any financial year, we may receive some of that commission at the end of each financial year. 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. A copy of the STEADFAST FSG is available at www.Steadfast.com.au.

If you pay by credit card we may charge you a credit card (incl. arrangement & handling) fee, 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 installments. Premium funders do charge interest. 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. We will tell you the basis and amount of any such payment if you ask us.

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.

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