

## FINANCIAL SERVICES GUIDE

Version – 21 August 2019

### INTRODUCTION AND OUR CONTACT DETAILS

This FSG sets out the services that we can offer you. It is designed to assist you in deciding whether to use any of those services and contains important information about:

- the services we offer you;
- how we and others are paid;
- any potential conflict of interest we may have;
- our internal and external dispute resolution procedures and how you can access them;
- arrangements we have in place to compensate clients for losses; and
- other important information.

The financial services referred to in this financial services guide (**FSG**) are offered by:

Armstrong's Insurance Brokers Pty Ltd (**Armstrong's**)  
ABN 90 533 581 271  
ACN: 0844766237

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47 Cameron  
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This FSG is also available on our website, [www.armstrongs.net.au](http://www.armstrongs.net.au).

### SERVICES WE PROVIDE

Armstrong's can arrange and provide a vast range of general insurance products and services to see the products and services we can provide please contact us or refer to our website at [www.armstrongs.net.au](http://www.armstrongs.net.au).

### OTHER DOCUMENTS YOU MAY RECEIVE

#### Statement of advice (SOA)

We will provide you with further information whenever we provide you with advice which takes into account your objectives, financial situation and needs. This information may include the advice that we have given you, the basis of the advice and other information on

our remuneration and any relevant associations or interests. This information may be contained in a statement of advice (**SOA**).

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.

### Product Disclosure Statement (PDS)

If we offer to arrange the issue of an insurance policy to you, we will also provide you with, or pass on to you, a product disclosure statement (**PDS**), unless you already have an up to date PDS. The PDS will contain information about the particular policy which will enable you to make an informed decision about purchasing that policy.

### FROM WHEN DOES THIS FSG APPLY?

This FSG applies from 21 August 2019 and remains valid unless a further FSG is issued to replace it. We may give you a supplementary FSG. It will not replace this FSG but will cover services not covered by this FSG.

### HOW CAN I INSTRUCT YOU?

You can contact us to give us instructions by post, phone, fax or email on the contact number or details mentioned in this FSG.

### WHO IS RESPONSIBLE FOR THE FINANCIAL SERVICES PROVIDED?

Armstrong's is responsible for the financial services that will be provided to you, or through you to your family members, including the distribution of this FSG.

Armstrong's holds a current Australian Financial Services Licensee no: 244408.

The contact details of Armstrong's are in this FSG.

### WHAT KINDS OF FINANCIAL SERVICES ARE YOU AUTHORISED TO PROVIDE TO ME AND WHAT KINDS OF FINANCIAL PRODUCT/S DO THOSE SERVICES RELATE TO?

Armstrong's is authorised to advise and deal in general insurance products to wholesale and/or retail clients. We will do this for you as your broker unless we tell you otherwise.

### **WILL I RECEIVE TAILORED ADVICE?**

Maybe not in all cases. However, we may need information about your personal objectives, details of your current financial situation and any relevant information, so that we can arrange insurance policies for you, or to give you advice about your insurance needs. We will ask you for the details that we need to know.

In some cases we will not ask for any of this information. If we do not ask, or if you do not give us all of the information we ask for, any advice you receive may not be appropriate to your needs, objectives and financial situation.

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.

Where we provide you with advice about your insurance arrangements, that advice is current at the time that we give it. We will review your insurance arrangements when you inform us about changes in your circumstances.

In some cases we may automatically renew your insurance to ensure you continue to be covered. At that time we will send you an offer to renew the insurance policy and invoice you for the cost of renewal. If there is a change to your circumstances or if you want to change the details of the cover, contact us as soon as you receive the renewal offer. This will allow us to assess whether your insurance is appropriate for your circumstances.

### **CONTRACTUAL LIABILITY AND YOUR INSURANCE COVER**

Many commercial or business contracts contain clauses dealing with your liability (including indemnities or hold harmless clauses). Such clauses may entitle your insurers to reduce cover, or in some cases, refuse to indemnify you at all. You should seek legal advice before signing and accepting contracts. You should inform us of any clauses of this nature before you enter into them.

### **UNDERSTANDING AVERAGE CLAUSES AND UNDER-INSURANCE**

Home building and contents, fire, business interruption, industrial special risks and other policies often contain an "Average Clause". This means you should insure for full value – which may be replacement, reinstatement, indemnity or market value depending on the type of insurance cover arranged.

If you are under insured your claim may be reduced in proportion to the amount of under insurance.

### **COOLING OFF PERIODS**

Retails clients may be entitled to a minimum 14 days cooling off period from the date cover commences

during which you may receive a refund of the insurance premium paid (less amounts lawfully deducted). This is subject to the requirements of the Corporations Act 2001 and the terms and conditions of your policy. This does not affect any other cancellations rights under your policy.

You should check your policy and schedule when you receive it to be sure you have the correct cover you require. If the cover does not meet your needs or you have any questions about your cooling off rights please contact Armstrong's.

### **WHAT INFORMATION DO YOU MAINTAIN IN MY FILE AND CAN I EXAMINE MY FILE?**

We are committed to protecting your privacy.

We use the information you provide to advise about and assist with your insurance needs. We provide your information to insurance companies and agents that provide insurance quotes and offer insurance terms to you or the companies that deal with your insurance claim (such as loss assessors and claims administrators). Your information may be given to an overseas insurer (like Lloyd's of London) if we are seeking insurance terms from an overseas insurer, or to reinsurers who are located overseas. We will try to tell you where those companies are located at the time of advising you. We do not trade, rent or sell your information.

If you don't provide us with full information, we can't properly advise you, seek insurance terms for you, or assist with claims and you could breach your duty of disclosure.

For more information about how to access the personal information we hold about you and how to have the information corrected and how to complain if you think we have breached the privacy laws, ask us for a copy of our Privacy Policy or visit our website, [www.armstrongs.net.au](http://www.armstrongs.net.au)

### **HOW WILL I PAY FOR SERVICES PROVIDED?**

For each insurance product the insurer will charge a premium that includes any relevant taxes, charges and levies. We often receive a payment based on a percentage of this premium (excluding relevant taxes, charges and levies) called commission, which is paid to us by the insurers. However, in some cases we will also charge you a fee. These will all be shown on the invoice that we send you. You can choose to pay by any of the payment methods set out in the invoice. You are required to pay us within the time set out on the invoice.

If there is a refund or reduction of your premium as a result of a cancellation or alteration to a policy, or based on a term of your policy (such as a premium adjustment provision), we will retain any fee we have charged you. We will also retain commission depending on our arrangements with the insurer, or charge you a cancellation fee equal to the reduction in our commission.

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.

### **HOW ARE ANY COMMISSIONS, FEES OR OTHER BENEFITS CALCULATED FOR PROVIDING THE FINANCIAL SERVICES?**

Our commission will be calculated based on the following formula:

$$X = Y\% \times P$$

In this formula:

X = our commission

Y% = the percentage commission paid to us by the insurer. Our commission varies between 0% and 30%.

P = the amount you pay for any insurance policy (less any government fees or charges included in that amount).

Any fees that we charge you will be shown on our invoice/schedule.

At times we may pay commissions to others who refer you to us. If we do, we will pay commissions to those people out of our commission or fees (not in addition to those amounts), in the range of 1% to 50% of our commission or fees.

Our employees that will assist you with your insurance needs will be paid a market salary. In addition our employees may be provided a discretionary annual bonus at the end of the financial year; this will be based on predetermined business performance criteria such as business profitability and service standards. They may also be eligible for incentive or bonuses based on business retention or generation.

If we give you personal advice, we will inform you of any fees, commission or other payments we, our associates or anyone referring you to us (or us to any insurer) will receive in relation to the policies that are the subject of the advice.

See below for information on the Steadfast association and commission.

### **DO YOU HAVE ANY RELATIONSHIPS OR ASSOCIATIONS WITH THE INSURERS WHO ISSUE THE INSURANCE POLICIES OR ANY OTHER MATERIAL RELATIONSHIPS?**

Armstrong's is 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 - 2% commission for each product arranged by us with those

Partners. Steadfast is also a shareholder of some Partners.

We may receive a proportion of that commission from Steadfast at the end of each financial year (or other agreed period).

As a Steadfast Network Broker 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 Steadfast Network Brokers for a fee.

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

If we arrange premium funding for you we may be paid a commission by the premium funder. We may also charge you a fee (or both). The commission that we are paid by the premium funder is usually calculated as a percentage of your insurance premium (including government fees or changes). If you instruct us to arrange or issue a product, this is when we become entitled to the commission.

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. The amount of our commission and any fee that we charge will set out in the premium funding contract.

We may refer you to Steadfast Life and/or Steadfast Life Express (Steadfast Life is 50% owned by Steadfast Group Limited) for life insurance related products. We have a referral agreement in place between us and Steadfast Life. We may receive commission on a referral to Steadfast Life and/or Steadfast Life Express in the range of 1-33% of the revenue generated by the policy.

We may refer you to Nib Health Funds Limited for health insurance related products. We have a referral agreement in place between us and Nib Health Funds Limited. We may receive commission on a referral to Nib Health Funds Limited in the range of 2% (excluding GST) of the revenue generated by the policy.

Armstrong's is also a member of the Australian and New Zealand Institute of Insurance and Finance (ANZIFF), and we encourage our staff and directors to participate in these industry bodies including Steadfast and to serve on committees and boards.

Armstrong's may receive hospitality, gifts, financial bonuses and the like from insurers, but we have procedures in place to ensure these do not influence our recommendations to you in relation to placement of insurance. Armstrong's may receive a performance based incentive (which may vary from year to year according to volume and mix of business we place with the insurer, or premium funder and their underwriting performance) including allowances and bonuses as well as discounted services and awards. Armstrong's may receive financial, marketing and training assistance from an Insurer. These amounts are not an additional cost to you.

As part of our commitment to ongoing training and development, we encourage employees to attend industry as well as product training some of which is provided by insurers.

#### **WHAT ARRANGEMENTS DO YOU HAVE IN PLACE TO COMPENSATE CLIENTS FOR LOSSES?**

Armstrong's 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.

The PI Policy covers the requirements for compensation arrangements under section 912B of the Corporations Act.

#### **WHAT SHOULD I DO IF I HAVE A COMPLAINT?**

1. Contact us and tell us about your complaint. We will do our best to resolve it quickly.
2. If your complaint is not satisfactorily resolved within 30 days, please contact Hayden Armstrong (Director) on (03) 63315455 or put your complaint in writing and send it to PO Box 2150, Launceston, TAS, 7250. We will try and resolve your complaint quickly and fairly.
3. Armstrong's is a member of the Australian Financial Complaints Authority (**AFCA**). If your complaint cannot be resolved to your satisfaction by us, you have the right to refer the matter to the AFCA. AFCA provides fair and independent financial services complaint resolution that is free to customers. The AFCA can be contacted at:  
Mailing address - Australian Financial Complaints Authority, GPO Box 3, Melbourne, VIC 3001  
Ph - 1800 931 678  
Email - [info@afca.org.au](mailto:info@afca.org.au)  
[www.afca.org.au](http://www.afca.org.au)

#### **ANY QUESTIONS?**

If you have any further questions about the financial services Armstrong's provides, please contact us.

Please retain this document for your reference and any future dealings with Armstrong's.