



# Chegwyn Insurance Brokers

INSURANCE BROKING & RISK MANAGEMENT

AFSL - 283020

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## FINANCIAL SERVICES GUIDE<sup>1</sup>

This FSG was prepared on 27<sup>th</sup> May, 2008

This Financial Services Guide describes the services we provide. It is designed to assist you in deciding whether to use any of our services, and it describes how we are remunerated for our services, our professional indemnity insurance and how we handle any complaints you may have.

We may give you other documents when providing our services including:

- **Statements of Advice** - If we provide you with advice about your personal circumstances in relation to a sickness and accident policy or consumer credit insurance we will give you a Statement of Advice. This will confirm the advice we have given and explain our fees for arranging the insurance we have recommended.  
For any other types of insurance, you can ask us for a copy of the record of the advice we give you by calling us.
  - **Product Disclosure Statements** - If we recommend a particular insurance product to you, or you ask us to arrange insurance, we will also provide you with a Product Disclosure Statement containing information about the policy.
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## **Our services**

We can provide general insurance broking services and we hold an Australian Financial Services Licence. Our Australian Financial Services Licence number is 283020.

Our services include:

- Reviewing and advising on your general needs;
- Arranging and renewing general insurance on your behalf;
- Assisting you with general insurance claims;
- Arranging Premium Funding if required

We advise on and arrange the following types of insurance:

- Business Package
- Industrial Special Risks (Property)
- Liability
- Motor Vehicle (Fleet / Commercial & Private)
- Householders
- Landlords
- Strata Title
- Professional Liability
- Marine Cargo
- Workers Compensation

As an insurance broker, we provide our services as your agent.

### **How can you instruct us?**

You may instruct us in person, by phone, fax or email. It is important that you provide us with complete and accurate information about the risk to be insured otherwise the advice we give you may not be appropriate for your needs.<sup>2</sup>

If your circumstances change, our recommendations may no longer be appropriate. Please tell us about any changes in your circumstances so that we can confirm that your insurance continues to be suitable for your needs.

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### How we are paid

<b>Commission</b>	<p>We receive a commission from the insurer with whom we place your insurance. The amount is calculated as a percentage of the premium (excluding taxes and statutory charges) and is included in the premium quoted to you.</p> <p>Our remuneration will be calculated and disclosed to you at the time that we advise you on your insurance requirements. If we are unable to provide this information to you at this time, we will disclose the way in which our remuneration is calculated.</p> <p>Commission is our main source of income and also covers the costs of operating our business.</p>
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### Who we pay

<b>Referrers<sup>3</sup></b>	If you were referred to us, we pay the person who referred you to us up to a maximum of 25% of the commission and fee income earned..
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### Our Professional indemnity insurance

We have professional indemnity insurance in place which covers us for any errors or mistakes relating to our professional broking services. This insurance meets the requirements of the Corporations Act and covers the services provided by us.

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### **What to do if you have a complaint**

If you wish to complain about our services, you can either discuss the matter with your adviser or contact our Complaints Officer on 9604 6166. We will acknowledge receipt of your complaint within 2 days, and attempt to resolve it within 20 days.

We are a member of the Insurance Brokers Disputes Limited, an external dispute resolution scheme. If you are not satisfied with the manner in which we handle your complaint, you are entitled to take your complaint to them. The contact details for IBD are 1300 780 808. You can access this scheme for free and any decision they make is binding on us but not on you.

### **How can you contact us?**

We can be contacted at:

<p>Chegwyn Insurance Brokers Pty Ltd <b>ABN: 79 110 736 877</b> <b>AFS Licence No: 283020</b> Suite 105, Level 1, 447 Victoria Street Wetherill Park NSW 2164 <b>Ph: 9604 6166</b> <b>Fax: 9604 6188</b></p>
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## **HOW WE LOOK AFTER YOUR INSURANCE NEEDS<sup>4</sup>**

### **New Business**

Contact us as soon as possible if you need cover for a risk or property that is not insured. If you need immediate cover, we can usually obtain an interim contract of insurance (which is generally valid for a month or less). To arrange this, we will need details of the property or risk and all other information which you need to disclose to the insurer.

We will then send you a proposal for completion. You will need to complete and sign this and return it to us as soon as possible and before the interim cover expires.

We will send the original insurance policy documents as soon as they are issued correctly by your insurer. As these are legal documents, you should keep them in a safe place.

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### **Renewals**

We will give you at least 14 days notice of expiry of any insurance policy which we arranged or last renewed for you.

Unless you tell us otherwise, we will 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.

If you arrange or renew your insurance directly with an insurer or through another broker, we will not be responsible for notifying you of expiry or arranging further renewals unless you ask us to do so.

### **Variations**

You should carefully monitor and review that your insurance policy is adequate to cover your assets or business activities.

If you want to vary any cover, eg by increasing the sum insured or adding other property, please provide us with details of the changes you require and any other information you need to disclose to the insurer.

We will arrange the variation with the insurer and notify you when it is arranged.

### **Claims**

When you need to make a claim, we can advise if it is covered under that policy and assist you to prepare and submit the claim to the insurer. If there is uncertainty about whether a claim is covered under your policy we will advise you.

If the insurer appoints a loss adjustor we shall, with your permission, pass on your contact details and co-ordinate meetings. For major losses, we can attend the initial meeting with the loss adjustor if you wish us to.

We will promptly forward to you all claims documentation, insurance company settlement cheques and other information.

If any claims are outstanding when you terminate our appointment as your insurance broker, we will:

- Provide details of the claim(s) to your new insurance broker so that they may continue to negotiate settlement on your behalf



### **Cancellation**

We cannot cancel a contract of insurance without written instructions from a person authorised to represent each of the parties who are named as insureds. We cannot cancel any contract of insurance which is subject to the Marine Insurance Act 1909.

If you cancel your insurance mid term, we will refund the net premium we receive from your insurer. We will not refund our fees or commission for arranging the insurance.

### **How we protect your privacy<sup>5</sup>**

We are committed to protecting your privacy. We use the information you provide to advise about and assist with your insurance needs. We only provide your information to the insurance companies with whom you choose to deal (and their representatives). We do not trade, rent or sell your information.

You can check the information we hold about you at any time. For more information about our Privacy Policy, ask us for a copy or visit our website at [www.chegwyninsurance.com.au](http://www.chegwyninsurance.com.au)

### **Our payment terms**

#### **Invoices**

We will invoice you for the premium, statutory charges (eg stamp duty, fire services levy, etc) and any fees we charge for arranging your insurances. You must pay us within 30 days of the date of the invoice or, in the case of a renewal, before the expiry date of the contract of insurance.

If you do not pay the premium on time, the insurer may cancel the contract of insurance and you will not be insured. The insurer may also charge a short term penalty premium for the time on risk.

#### **Premium funding**

Premium funding products enable you to pay your premiums by instalments. Premium funders do charge interest and they take a power of attorney over your insurance policy.

We can arrange premium funding on your behalf if you require it. We may receive a commission based on a percentage of the premium from the premium funder for doing so. Please note that our policy for refunds following cancellation of a policy applies to any policies cancelled as a result of a premium funding default.

#### **Credit card fees**

If you pay by credit card we may charge you a non refundable credit card fee. This fee will be shown on your invoice and reimburses us for the bank interest, extra charges/costs and internal time generated for credit card use.

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## **Important information about your insurance**

### **Your duty of disclosure**

To make an informed assessment of the risk and calculate the appropriate premium, your insurer needs information about the risk you are seeking to insure.

For this reason, before you enter into a contract of insurance, you have a duty under the Insurance Contracts Act 1984 to disclose to your insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk and, if so, on what terms. The duty also applies when you renew, extend, vary or reinstate a contract of insurance.

You do not have to disclose anything that:

- Reduces the risk to be undertaken by the insurer;
- Is common knowledge;
- Your insurer knows, or in the ordinary course of its business, ought to know; or
- If the insurer has waived your obligation to disclose.

If you do not comply with your duty of disclosure, your insurer may be entitled to reduce its liability in respect of a claim or may cancel your contract of insurance. If the non-disclosure was fraudulent, the insurer may be able to avoid (or cancel) the contract of insurance from its beginning. This would have the effect that you were never insured.

One important issue to be disclosed is the history of losses suffered by the person seeking insurance or any closely associated person or entity. As you are responsible for checking that you have made complete disclosure, we suggest that you keep an up to date record of all such losses and claims.

If you have any questions about whether information needs to be disclosed to your insurer, do contact us.

### **Material Changes**

You must also notify your insurer of any significant changes which occur while the policy is on risk or under negotiation. If you do not, your insurances may be inadequate to fully cover you.

We can assist you tell the insurer about changes and to ensure that your contract of insurance is altered to reflect those changes if necessary.



### **Cooling Off Period – this only applies to Retail Insurance**

You may change your mind about a contract of retail insurance, within 14 days (or longer if the insurer allows it) from the date you receive confirmation of the insurance and 5 days after the insurance policy was arranged (whichever occurs earlier).

You must tell the insurer in writing that you wish to return the insurance policy and have the premium repaid. The insurance policy will be terminated from the time you notify the insurer. The insurer may retain its reasonable administration and transaction costs and a short-term premium.

You cannot return the contract of insurance if it has already expired or if you have made a claim under it.

### **Sums Insured – Average and Co-Insurance**

Some insurance policies require you to bear a proportion of each loss or claim if the sum insured is inadequate to cover the amount of the loss. These provisions are called 'average' or 'co-insurance' clauses.

If you do not want to bear a proportion of any loss, when you arrange or renew your contract of insurance ensure that the amount for which you insure is adequate to cover the full potential of any loss. If you insure on a new for old basis, the sum insured needs to be sufficient to cover the new replacement cost of the property.

### **Interests of other Parties**

Some insurance policies do not cover the interest in the insured property or risk of any one other than the person named in the contract. Common examples are where property is jointly owned or subject to finance, but the policy only names one owner or does not name the financier.

Please tell us about everyone who has an interest in the property insured so that we can ensure that they are noted on the policy.

### **Waiver of Rights**

Some insurance policies seek to limit or exclude claims where the insured person has limited their rights to recover a loss from the person who was responsible for it, for example by signing an agreement which disclaims or limits the liability of the other party.

Please tell us about any contracts of this type which you have or propose to enter into.

**Standard Covers**

Insurance laws prescribe minimum standard cover provided by motor vehicle, home buildings, home contents, sickness and accident, consumer credit and travel insurance policies (including a minimum amount of insurance).

If an insurer wants to offer different cover or less than the minimum amount of insurance, they must clearly inform you in writing that they have done so. They can do this by providing you with a Product Disclosure Statement or a copy of the insurance policy.

**Unusual Terms**

If an insurer wants to rely on a term in an insurance policy which is not usually included in policies that provide similar cover, they must clearly inform you in writing of that term. Again, they may do so by providing you with a copy of the insurance policy.