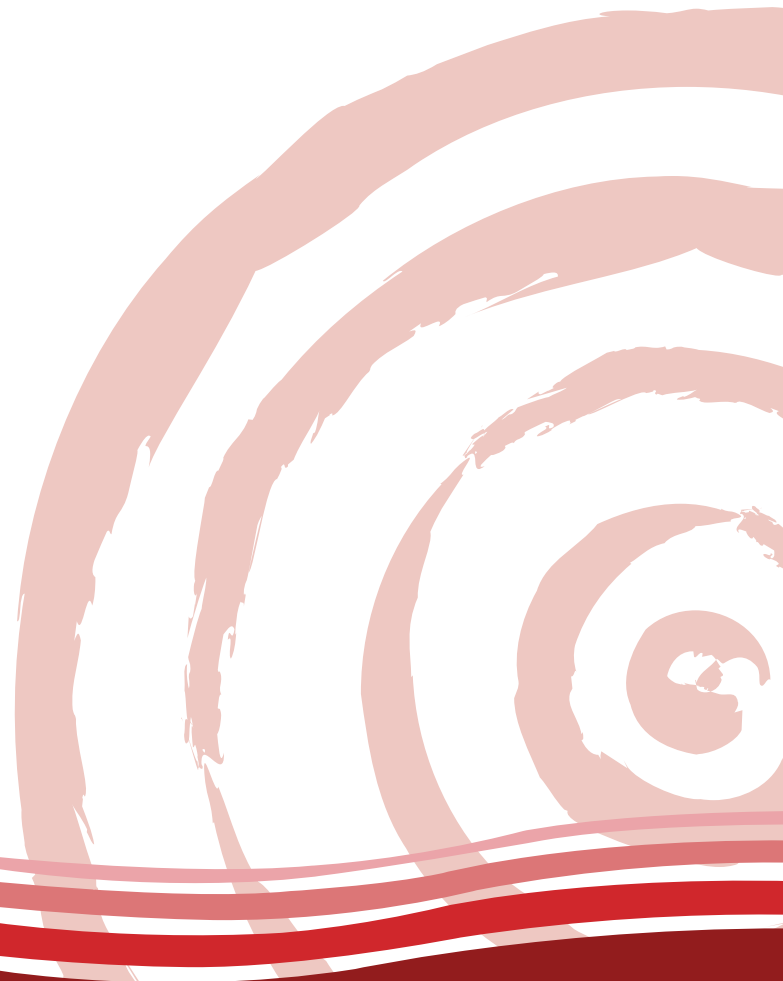




AVOCA
INSURANCE & RISK

FINANCIAL SERVICES GUIDE



The financial services referred to in this Financial Services Guide (**FSG**)
are offered by: Avoca Group Pty Ltd trading as **Avoca Insurance Brokers**
(ABN 32 114 246 721 AFS Licence No. 289811)

This FSG sets out the services 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 and how we are paid*
- *Any potential conflict of interest we may have*
- *Our internal and external dispute resolution procedures and how you can access them; and*
- *Arrangements we have in place to compensate clients for losses.*

Not Independent

We are not considered independent, impartial or unbiased in accordance with s923A of the Corporations Act 2001 as we may receive commissions, gifts and other benefits when we provide personal advice relating to insurance products and other financial products.

From when does this FSG apply?

This FSG version (V2021.1) applies from **1st July 2021** and remains valid unless a further FSG is issued to replace it. We may give you a supplementary FSG which is to be read in conjunction with this FSG.

What kinds of financial services are we authorised to provide?

Avoca Group Pty Ltd (ABN 32 114 246 721) trading as Avoca Insurance Brokers (**Avoca**) holds a current Australian Financial Services Licence (AFSL 289811) which authorises us to provide advice and deal in General Insurance Products to retail and wholesale clients. We will provide these services to you as your broker unless we tell you otherwise. All financial services provided to you by representatives of Avoca are the responsibility of Avoca, including the authorisation and distribution of this FSG.

Retail Client Disclosure Information and Advice

Our advice to you – 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. When considering the renewal of your insurance policy, we will only seek additional quotes where there have been significant changes to your policy or the policy is no longer competitive, subject to market conditions.

Personal advice – When we provide you with advice which takes into account your objectives, financial situation and needs, we will provide you with additional information. This information may include the basis for the advice and other information on our remuneration and any relevant associations or interests that may relate to the advice. This information will be disclosed on your Tax Invoice and Cover Summary or may be contained in a Statement of Advice (**SOA**) for certain insurance products

General advice – We may not provide tailored advice to you in all instances, for example if we don't ask for information on your objectives, financial situation and needs, or you don't provide all of the information we ask for. Where this is the case, any advice you may receive will be general advice only and may not be appropriate to your relevant circumstances. We will warn you if that is the case. You should read the warnings contained in any advice or any other documents that we give you carefully before making any decision about an insurance policy.

Currency of advice – 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 or upon renewal of your insurances.

Product Disclosure Statements – 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 that will enable you to make an informed decision about purchasing that policy.

How to provide us with instructions

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

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. The commission rate does not represent our profit margin but merely reimburses us for the cost of providing our services to you.

In some cases we will also charge you a broker administration fee, which usually applies on a per invoice basis. The fee charged will vary depending on the complexity of your needs but for retail product recommendations it will generally range from \$0 to \$1,650.00 (GST inclusive). Any variations outside of these stated ranges will be agreed with you prior to providing any advisory services.

In all instances for retail product recommendations, full details of all commissions, benefits or other remuneration we receive will be disclosed on the front of your Tax Invoice. 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.

How are any commissions, fees or other benefits calculated for providing the financial services?

Our commission payments 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)

Our charges all include GST and some may be tax deductible. Please ask us should you require any further information in relation to any remuneration applicable.

Premium Funding

Premium funding provides you the ability to pay premiums by instalments (which charges interest on amounts funded). 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 charges). If you instruct us to arrange a product, this is when we become entitled to the commission.

Our commission rates for premium funding are in the range of 0% to 3% of the total funded premium. If you instruct us to arrange the premium funding for you, this is when we will become entitled to the commission. 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.

Referrals

We do not often pay or receive any remuneration to or from others who refer you to us, refer us to an insurer or we refer for services we don't provide, such as life insurance or mortgage broking services. If we do, that remuneration is paid out of our commission or fees (not in addition to those amounts) in the range of 0% to 50%.

Cancellations

Commission and fees are earned for the policy period and we will be entitled to retain all commission and fees in respect of the full policy period in relation to policies placed by us. 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.

In the event of cancellation of a premium funded policy, the premium funder will determine if there are any outstanding payments payable by you. Otherwise, the returned premium from the insurer will be forwarded to you (less any fees or charges resulting from cancellation of policy). Commissions received as a result of premium funding will not be returned when a policy is cancelled.

Interest Earned on Trust Account

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.

Other Remuneration Information

Our employees/representatives receive an annual market salary that may include commission and performance or discretionary bonuses. Any amounts payable to employees are only payable subject to certain key performance indicators and criteria being met, they are not solely volume based.

From time to time our representatives may also receive certain 'hospitality benefits' (such as tickets to sporting events, movies or bottles of wine). The receipt of these benefits is not based upon the volume of business placed with the provider but is more of an ad hoc reward. The details of any such benefits received can be viewed on a specially maintained register. Please ask us if you wish to view our register.

Do we have any relationships or associations with the insurers who issue the insurance policies or any other material relationships?

Avoca Group Pty Ltd is a Steadfast Group Limited (**Steadfast**) Network Broker. As a Steadfast Network Broker we have access to member services including model operating and compliance tools, procedures, manuals and training, legal, technical, HR, contractual liability advice and assistance, 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.

Steadfast has arrangements with some insurers and premium funders (**Partners**) under which the Partners may pay Steadfast commission of between 0.5 - 1.5% for each product arranged by us with those Partners or alternatively a fee to access strategic and technological support and the Steadfast Broker Network. Steadfast is also a shareholder of some Partners. You can obtain a copy of Steadfast's FSG at www.steadfast.com.au

What kind of compensation arrangements are in place and are these arrangements complying?

Avoca Group Pty Ltd has a Professional Indemnity insurance policy (**PI policy**) in place. The PI policy covers us, our employees and representatives (including our Authorised Representatives) for claims made against us and our representatives by clients as a result of the conduct of us, our employees or representatives in the provision of

financial services. The PI policy also covers us for claims relating to the conduct of former representatives who no longer work for us. Some Authorised Representatives maintain their own PI policies to provide equivalent cover to them. This PI policy satisfies the requirements for compensation arrangements under section 912B of the Corporations Act.

What personal information is maintained on your file and how you can access that information?

We maintain a record of your personal profile, including details of insurance policies that we arrange for you. We will retain this FSG and any other FSG given to you as well as any recommendations, advice and policy documents that we give or pass on to you for the period required by law.

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 from our website or upon request. If you wish to look at your file please ask us and we will make arrangements for you to do so.

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.

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 5 days, please contact Charles Elders at Avoca Insurance Brokers via the details noted at the beginning of this FSG. We will try and resolve your dispute quickly and fairly.
3. We are also a member of the Australian Financial Complaints Authority (AFCA), an external disputes resolution scheme who provides independent financial services complaints resolution services which is free to consumers. If your complaint cannot be resolved to your satisfaction by us you have the right to refer the matter to the AFCA. The AFCA can be contacted at:
GPO Box 3, Melbourne VIC 3001
Phone: 1800 931 678
Email: info@afca.org.au
Website: www.afca.org.au

Avoca Group Pty Ltd is also a subscriber to the Insurance Broking Code of Practice (**the Code**). The Code has been developed by the National Insurance Brokers Association (**NIBA**) as part of a national self-regulatory scheme and is intended to promote good relations between insurance brokers, policyholders and others in the insurance industry, as well as efficiency in transactions by laying out standards of good practice and levels of service. Further details relating to the Code can be found at www.niba.com.au

If you have any further questions about the financial services Avoca provides, please contact us on the details listed on the front page of this FSG. Please retain this document for your reference and any future dealings with us.



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