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## Financial Services Guide

Westminster Broking House Pty Ltd t/as Coverforce  
v17 - 24<sup>th</sup> July 2020

# Westminster Broking House Pty Ltd t/as Coverforce Financial Services Guide v17



## Financial Services Guide

This Financial Services Guide (FSG) was issued on **2<sup>nd</sup> July 2020** and remains valid until a further FSG is issued to replace it. It is an important document. Please read it carefully and keep it in a safe place. In this FSG, the words “we”, “our” or “us” is a reference to Westminster Broking House Pty Ltd t/as Coverforce. “You” and “your” refer to you as our client or the insured person.

This FSG is also available on our website at [www.coverforce.com.au/wl](http://www.coverforce.com.au/wl).

The financial services referred to in this FSG are offered by:

Westminster Broking House Pty Ltd t/as Coverforce (WBH)  
ACN 008 908 852 | AFSL 237466

Level 1, 139 Newcastle Street  
Perth WA 6000  
T 08 6210 8888  
E [wlinfo@coverforce.com.au](mailto:wlinfo@coverforce.com.au)

This guide contains important information about: the services we offer; how we and our associates are paid; any potential conflict of interest we have; our internal and external dispute resolution procedures and how you can access them; and the arrangements we have in place to compensate you for losses.

## Who is responsible for the Financial services provided?

WBH is responsible for the financial services provided to you, or through you to your family members, including the distribution of this FSG. WBH holds a current Australian Financial Service Licence – AFSL No: 237466.

## What kinds of financial services are WBH authorised to provide and what kinds of financial product/s do those services relate to?

WBH is authorised to provide financial product advice and deal in general insurance products to wholesale and retail clients. We will do this for you as your broker unless we tell you otherwise.

## Retail Clients/Retail Products?

Under the Corporations Act, clients are categorised as either Retail or Wholesale. Retail Clients are afforded additional protection compared to Wholesale Clients. **A Retail Client is an individual or small business that purchases a prescribed retail insurance product.** A small business is one employing less than 20 people or if a manufacturer, less than 100 people.

## RETAIL INSURANCE PRODUCTS

- Motor vehicle; Home building; Home contents; Sickness & accident; Consumer credit; Travel; Personal & domestic property; any other kind of insurance prescribed in the regulations.

Typically, we only provide General Advice to our Retail Clients who purchase a retail product. General Advice does not take into account your particular needs and requirements and where general advice has been provided we will include a General Advice Warning on your tax invoice.

We recommend that you read the relevant Product Disclosure Statement (PDS) in order to determine if that product is right for you. The PDS will contain information about the particular policy which will enable you to make an informed decision about purchasing that policy.

If you are a new client purchasing Personal Accident or Sickness insurance and we provide you with 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, including our remuneration earned.

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 all other policies available, other than from those insurers we deal with regularly.

A cooling off period may apply to an insurance policy issued to you as a retail client, please refer to the PDS for details of any cooling off period. During the cooling off period you may withdraw from the contract at no cost to you.

## Electronic Delivery of Notices

Please note that where possible we prefer to provide all correspondence and disclosure notices (including Financial Services Guides and Product Disclosure Statements) to you electronically, via email. If you have provided your email address to WBH we will typically use that email address for all correspondence and disclosure notices. Should you not wish to be sent disclosure documents electronically or should your email address change, please advise us and we will update our records accordingly.



## Wholesale Broker Information

In some cases we use the services of a wholesale broker (insurance intermediary) to access products that are not available to us directly from the underwriter.

You can identify where we have used an insurance intermediary as the invoice/schedule will show that the policy is placed via another insurance intermediary. This situation usually arises where the insurance intermediary has developed a specialised product and competitive pricing for risks that are not commonly available directly but via the insurance intermediary.

All insurance intermediaries that we deal with are required to hold an Australian Financial Services Licence and to place all client funds received into a trust account and are required to meet the same high standards in the delivery of the services that apply to us. Importantly all claims will be the ultimate responsibility of and paid for by the insurer.

## Underwriting Agents and Wholesale Brokers

In some cases we access insurance products via underwriting agents and wholesale brokers rather than directly with the insurer. In such cases should you wish to access the Financial Services Guide of the underwriting agency or broker please contact us and we will arrange to have a copy sent out to you.

## How will I pay for the 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. We consider our remuneration is fully earned at the time the invoice is issued.

We make all attempts to provide you with the correct calculations of premium, statutory and other charges that apply to your insurance. In the event that there is an error in these amounts (either because we or a third party have made an unintentional error), we reserve the right to correct the amount. Where permitted by law, you will not hold us responsible for any loss that you may suffer as a result of any such error.

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.

## Premium Payment Terms

We will invoice you for the premium, statutory charges (e.g. stamp duty, GST, etc.) and any fees we charge for arranging your insurances. You must pay us within 14 days of the policy inception date or, expiry date. 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

You may also pay your invoice utilising premium funding. Premium funding enables you to pay your premiums by instalments, although you will incur a fee and be charged interest by the premium funding company. You should read the terms and conditions in the premium funding loan application and agreement carefully.

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## Payments to Third Parties

Where a third party has referred you to us we may elect to pay the referrer an agreed referral fee. This amount will be paid out of our commissions or fees (not in addition to those amounts) in the range of 1% - 50%.

## How WBH are Paid?

Unless we tell you otherwise, we are remunerated in the following ways:

- a commission paid to us by the relevant insurer
- an administration/service fee; or
- a combination of fees and commission.

## Commission

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).

The commission rate earned by WBH does not represent our profit margin; it merely reimburses us for administration and other expenses we incur in providing our services to you on behalf of the insurer.

## Fees paid by you

We may charge you; an administration fee in addition to the insurer's commission for arranging the insurance policy based upon the time we spend in advising and servicing you; a flat fee for arranging an insurance policy or a fee based upon the time we spend advising or servicing you; an annual management fee by agreement. You will be informed of the nature and amount of any fee involved prior to us performing the service for you. Any fees charged will be disclosed on your tax invoice/s.

## Premium Funding

If we arrange premium funding for you we may be paid a commission by the premium funder. You may also be charged 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 or issue a product, this is when we become entitled to the commission. Our commission rates for premium funding are in the range of 1 to 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 charged will set out in the premium funding contract. In addition to the commission payment, we may be entitled to receive an overriding commission of between 0 – 0.95% of the funded premium, depending upon the amount of business we place with the premium funder.

## Profit Share/Volume Bonuses

In some instances WBH have agreements with various insurers to pay us a commission based on the volume of, or profitability, of work that we place with them. Some of those agreements include a profit share. Please let us know should you require more information about those insurers which we have these agreements with. These arrangements do not impact on the amount you are required to pay for your insurance and does not influence us in the deciding where to place your insurance.

## How are our staff remunerated?

WBH staff are remunerated with an annual salary that may include bonuses based on specified performance criteria.

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## Associations and relationships we have

We are a Steadfast Group Limited (Steadfast) Network Broker. Steadfast has exclusive arrangements with insurers and premium funders (Partners) under which Steadfast will receive between 0.5% and 1.5% commission for each Product arranged by us with those Partners. Steadfast is also a shareholder of some Partners. As a Steadfast Network Broker we have access to 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 broker 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). In some instances we have agreements with various insurers to pay us a commission based on the volume of, or profitability, of work that we place with them. Some of those agreements include a profit share. Please let us know should you require more information about those insurers which we have these agreements. These arrangements do not impact on the amount you are required to pay for your insurance and does not influence us in the deciding where to place your insurance.

## What information do you maintain in my file and can I examine my file?

We maintain a record of your personal profile, including details of insurance policies that we arrange for you. Our representative will also maintain records of recommendations made to you. **WBH** is committed to implementing and promoting a privacy policy, which will ensure the privacy and security of your personal information and complies with the *Privacy Act 1988*. A copy of our privacy policy is available on request and/or on our company website. If you wish to look at your file, please ask us and we will make arrangements for you to do so.

## What should I do if I have a complaint?

We are committed to providing quality advice to our clients. This commitment extends to providing accessible complaint resolution mechanisms for our clients. If you have any complaint about the service provided to you, you should take the following steps:

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 seven (7) days please contact the Complaints Officer at **WBH** on 08 6210 8888 or put your

complaint in writing and either email it to us at [winfo@coverforce.com.au](mailto:winfo@coverforce.com.au) or send it to us at, **WBH**, GPO Box D180, Perth WA 6849. We will try and resolve your complaint quickly and fairly.

3. **WBH** 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 AFCA. AFCA provides fair and independent financial services complaint resolution that is free to customers.

AFCA can be contacted at:  
*Australian Financial Complaints Authority*  
PO Box 3, Melbourne, VIC 3001  
Ph - 1800 931 678 | Email - [info@afca.org.au](mailto:info@afca.org.au)  
Website - [www.afca.org.au](http://www.afca.org.au)

## What arrangements do WBH have in place to compensate clients for losses?

WBH 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 will cover us for claims relating to the conduct of representatives who no longer work for us.

## Restraint provision

It is understood and agreed that past employees are not permitted to trade with past clients of Westminster Insurance Brokers Pty Ltd (ACN 113 735 167) or Westminster Broking House Pty Ltd (ACN 008 908 852) for a period of 24 months from the termination of the employees employment.

## How can I instruct WBH?

You can contact us to give us instructions by post, phone, fax or email as per the details noted in this FSG.

## Any questions?

If you have any further questions about the financial services **WBH** provides, please contact us. Please retain this document for your reference and any future dealings with **WBH**.

*Please refer to the reverse of your Tax Invoice for Contractual Clauses and Notices applicable to all clients including your Duty of Disclosure.*


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For more information

 1800 625 988

 [coverforce.com.au/wl](https://coverforce.com.au/wl)

This financial services guide is issued  
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