

Financial Services Guide

AFSL Name Clearlake Insurance Brokers Pty Ltd

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1. Introduction

- a. This Financial Services Guide (FSG) 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 and our associates are remunerated for our services, our professional indemnity insurance and how we handle any complaints you may have.
- b. We may give you other documents when providing our services including:
 - i. **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 (SOA). This document confirms the advice we have given and explains our fees for arranging the insurance we have recommended.
 - ii. 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.
 - iii. **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 (PDS), or short-form PDS, unless you already have an up-to-date PDS or short-form PDS from the insurer. The PDS or short-form PDS will contain information about the product and the issuer.
- c. We may, in some circumstances, also direct you to the **Target Market Determination (TMD)** for the insurance (if any). The TMD describes the type of customers for whom the insurance is appropriate, based on their likely needs, objectives and financial situation as well as the product features.
- d. Reading the PDS and the TMD will help you to decide if the insurance suits your needs, objectives and financial situation.
- e. If you have supplied your email address to us, we will send documents or links to documents including this FSG, SOA and PDS (if required) to that address unless you instruct us that you wish to receive these documents via a different method (e.g. hard copy sent to you by post).
- f. All references in this FSG to 'we', 'us' or 'our' refer to Clearlake Insurance Brokers Pty Ltd ABN 16 651 113 861 AFSL Number 559829.

Lack of Independence

We are not independent, impartial or unbiased because we or our representatives or associates may:

- a. Receive remuneration or other gifts or benefits from the issuer of the product you buy (e.g. commission that we retain from an insurer), or other third parties for related services provided (e.g. premium funding, claims or loss adjusting or reinsurance services);
- b. Be subject to direct or indirect restrictions relating to the financial products in respect of which personal advice is provided (for example, an approved product list); or
- c. Have associations or relationships with issuers of financial products and others, which may reasonably be expected to influence the personal advice provided to you.

For more information refer to the "Important relationships", "Conflicts of interest" and "How we are paid" sections in this document.

If you have any questions about this information, please ask us.



2. Our Services

- a. We can provide general insurance broking services and we hold an Australian financial services licence (AFSL). Our AFSL number is 559829 Clearlake Insurance Brokers Pty Ltd (Clearlake Insurance Brokers) is responsible for the financial services that will be provided to you.
- b. Our services include:
 - i. Reviewing and advising on your general insurance needs;
 - ii. Arranging and renewing general insurance on your behalf; and
 - iii. Providing a claims managements and administration;for wholesale and retail clients.
- c. As an insurance broker, we provide our services as your agent and on your behalf unless we tell you otherwise. Sometimes we will act under a binder or agency arrangement that Clearlake Insurance Brokers has with an insurer. When we act under a binder or agency agreement, we will be acting as an agent of the insurer. This means that we represent and act for the insurer, not for you. We will tell you when we act under a binder or agency agreement to arrange your insurance or advise you about your insurance.

2.1 How Can You Instruct Us?

- a. You may instruct us by phone, post 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.
- b. If your circumstances change, our recommendations may no longer be appropriate. Please tell us about any changes in your circumstances, including at renewal of your policy, so that we can confirm that your insurance continues to be suitable for your needs.

3. Payment for Services

3.1 Payment Terms

- a. For each insurance product, the insurer will charge a premium that includes any relevant taxes, charges and levies.
- b. We generally 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.
- c. 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.
- d. When you pay 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 may 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.

3.2 Premium Funding

- a. 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.
- b. We can arrange premium funding on your behalf if you require it. You will incur a fee and interest if you choose to use premium funding. 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.

3.3 Credit Card Fees

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

4. How We Are Paid

If you decide to purchase the insurance, you will be charged a premium based on your risk profile and circumstances. The total amount you will pay is the premium plus any amount payable in relation to any stamp duty, goods and services tax and other government charges, taxes, fees and levies.

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 describe the way in which our remuneration is calculated.

We receive a commission from the insurer with whom we place your insurance. The amount of commission varies depending upon the product, but is in the range of 0% – 30% of the premium (excluding taxes and statutory charges).

The commission is included in the premium quoted to you, it is not an additional cost you need to pay.

Commission is our main source of income and also covers the costs of operating our business.

Commission

We also charge you a fee for arranging the insurance. The amount depends upon the type of insurance we arrange. This fee is payable by you in addition to the premium charged by the insurer.

Broker Fees

Some insurers give us other benefits such as business lunches or tickets to sporting or other events. These benefits may change from year to year. We do not permit our brokers to accept this type of benefit where the value is greater than \$300 in any year. We do not accept non-monetary remuneration if this could reasonably be expected to influence the financial services that we provide to you.

Non-monetary Benefits



4.1 Who We Pay

Brokers	<p>Our brokers are paid an annual salary for their work.</p> <p>They may also receive a performance bonus which is paid at the discretion of our directors where the broker's performance has been exceptional in terms of meeting our business goals.</p>
Referrers	<p>If you were referred to us, we pay the person who referred you up to 50% of the commission and fees we earn for placing your insurance. If we pay them any remuneration or other benefits for referring you to us, they will disclose this information at the time of making the referral.</p>
Distributors	<p>If one of our distributors has assisted you to arrange insurance, the distributor is our representative and acts on our behalf when providing this financial service. We pay them up to 50% of the commission and fees we earn for the financial services they provide to you.</p>

4.2 Important Associations

- We are a wholly owned subsidiary of Mal Insurance Services Pty Ltd. Where there may be a conflict of interest, we will contact you in a timely manner and clearly inform you that there may be a conflict of interest.

4.3 Conflicts of Interest

- If we identify that there is or is likely be a conflict of interest in us providing services to you, we will contact you in a timely manner and suggest steps to manage the conflict in your best interests. We will only continue to provide services to you with your written consent.

- Any potential conflicts of interest in our remuneration arrangements or in our dealings with related parties are managed in accordance with our Conflicts of Interest Policy which all staff and representatives must comply with. If we cannot provide services to you due to a conflict of interest that cannot be managed, we will notify you immediately.

5. 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 2001* (Cth) and covers the financial services provided by brokers after they cease working with us, provided we notify the insurer of the claim when it arises and this is done within the relevant policy period.

6. What to do if You have a Complaint

- If you wish to complain about the financial services we provided to you, you can either discuss the matter with your broker or contact our Complaints Officer:

Email: info@clearlakeinsurance.com.au

Telephone: (02) 9037 8970

Post: Level 5, Suite 5.02, 333 Kent Street
Sydney NSW 2000

- We will acknowledge receipt of your complaint within one business day, and attempt to resolve it within 30 days. We will take all reasonable steps to ensure that the person to whom your complaint relates does not handle your complaint. A final decision will be made within 30 calendar days of the date on which you first made the complaint.



- c. We have membership of the Australian Financial Complaints Authority (AFCA), 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.
- d. Their contact details are on their website at www.afca.org.au and below. You can access this scheme for free and any decision they make is binding on us but not on you. AFCA provides fair and independent financial services complaint resolution that is free to customers.

Website: www.afca.org.au

Email: info@afca.org.au

Telephone: 1800 931 678

Post: GPO Box 3, Melbourne VIC 3001

7. 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.

8. Important Information about Your Insurance

8.1 Your Duty of Disclosure

- a. 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.
- b. For this reason, before you enter into a contract of insurance, you have a duty of disclosure under the *Insurance Contracts Act 1984* (Cth). This duty differs slightly depending on the type of insurance you apply for and it also applies when you renew, extend, vary or reinstate a contract of insurance.
- c. For consumer insurance contracts, the duty is for you to take reasonable care not to misrepresent to the insurer. Consumer insurance contracts include insurance which is obtained wholly or predominantly for personal, domestic or household purposes or which is otherwise treated as a consumer insurance contract by the insurer. This will include consumer credit insurance, motor vehicle insurance, home buildings insurance, home contents insurance, sickness and accident insurance, travel insurance, pet insurance, mobile phone insurance and other products that cover personal and domestic property, such as jewellery insurance.
- d. For all other policies, you have a duty to disclose to the 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. You do not have to disclose anything that:
 - i. Reduces the risk to be undertaken by the insurer;
 - ii. Is common knowledge;
 - iii. Your insurer knows, or in the ordinary course of its business, ought to know; or
 - iv. If the insurer has waived your obligation to disclose.
- e. 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.
- f. 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.
- g. If you have any questions about whether information needs to be disclosed to your insurer, do contact us.



8.2 Material Changes

- a. 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.
- b. 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.

8.3 Cooling Off Period – This only applies to Retail Insurance

- a. 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 or within 5 days after the insurance policy was arranged (whichever occurs earlier).
- b. You must tell the insurer in writing that you wish to cancel the insurance policy and have the premium repaid. The insurance policy will be terminated from the time you notify the insurer and they will refund the full amount you paid for the insurance
- c. You cannot cancel the contract of insurance if it has already expired or if you have made a claim under it.

8.4 Sums Insured – Average and Co-Insurance

- a. 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.
- b. 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.

8.5 Interests of Other Parties

- a. Some insurance policies do not cover the interest in the insured property or risk of anyone other than the person(s) 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.
- b. 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.

8.6 Waiver of Rights

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

8.7 Standard Covers

- a. 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).
- b. 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.

8.8 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 Product Disclosure Statement or insurance policy.



9. Insurance Brokers Code of Practice

- a. We are a principal member of the National Insurance Brokers Association (NIBA) and have adopted the Insurance Brokers Code of Practice (NIBA Code). A copy of the NIBA Code will be provided upon request or can be obtained from the NIBA website: <https://www.niba.com.au/insurance-brokers-code-of-practice>.
- b. If you think we may have breached the NIBA Code, you can report alleged breaches to the Insurance Brokers Code Compliance Committee (IBCCC). You can contact the IBCCC using the following details:

Website: www.insurancebrokerscode.com.au

Email: info@codecompliance.org.au

Telephone: 1800 931 678 (free call)

Post: IBCCC P.O. Box 14240,
Melbourne VIC 8001

10. How We Protect Your Privacy

- a. 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.
- b. 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.clearlakeinsurance.com.au.

11. Special Assistance and Access to Our Services

- a. We will take all reasonable steps to ensure our services are accessible to clients with special needs. Please let us know if you are experiencing any vulnerability when engaging our services, for example relating to your age, disability or mental or physical health conditions.
- b. If you tell us or we identify that, due to your vulnerability, you need additional support or assistance, we will work with you as soon as possible to find a suitable way to provide our services to you. During this time, we will of course respect your right to privacy and self-advocacy. If your circumstances mean that you need third-party support (such as a lawyer, interpreter or friend), we will work with you to allow for this when providing our services.
- c. For further information on how we provide additional assistance or support, please contact us.

12. How can You Contact Us?

You can contact us using the contact details shown below:

Clearlake INSURANCE BROKERS

ABN: 16 651 113 861

AFS Licence No: 559829

Address: Level 5, Suite 5.02, 333 Kent St.
Sydney NSW 200

Telephone: (02) 9037 8970

Email: info@clearlakeinsurance.com.au

