



# FINANCIAL SERVICES GUIDE

EAST WEST INSURANCE BROKERS PTY LTD

including specialist divisions  
**Ryno Insurance Services**  
**Mining Contractors Insurance Brokers**

East West Insurance Brokers Pty Ltd also trading as Ryno Insurance Services and Mining Contractors Insurance Brokers, ABN 83 010 630 092, AFS Licence No: 230041, offer the financial services referred to in this Financial Services Guide (FSG) and are responsible for those services.

Where we have appointed any Authorised Representatives, they will be authorised to deal with you under our Licence conditions and we will be responsible for any Financial Services they provide to you. If your advisor is an Authorised Representative you will find their full details on Page 5 of this FSG.

This FSG applies from 1 October 2010 and will remain valid unless a replacement FSG is issued. Alternatively, we may alter this FSG by issuing you a supplementary FSG. A copy of our FSG is also available on our website [www.eastwestinsurance.com.au](http://www.eastwestinsurance.com.au)

This FSG sets out our services. It contains important information and is designed to assist you in deciding whether to use any of our services; however, if you have any questions, please contact us. The following key information is provided in this FSG:

- Who we are and how you can contact us
- How we treat your information
- How we and our associates are paid
- Our internal and external dispute resolution procedures
- The services we are authorized to provide you
- Our advice and documents we are required to provide you
- Any potential conflicts of interest
- Arrangements we have in place to compensate clients for losses

## About us and how you can contact us

We are committed to delivering insurance services and solutions that make a real difference to you. For decades we have believed that our strong client relationships greatly enhance the services we provide. Our dedicated and professional advisers and support staff ensure our quality services are friendly, efficient, honest and fair.

Our contact details are set-out below. You can give us instructions by post, phone, fax or email. Our website addresses for further service and product information are: [www.eastwestinsurance.com.au](http://www.eastwestinsurance.com.au), [www.rynoinsurance.com.au](http://www.rynoinsurance.com.au) and [www.miningcontractorsinsurance.com.au](http://www.miningcontractorsinsurance.com.au)

**East West Insurance Brokers Pty Ltd**  
19 Rosedale St, COOPERS PLAINS QLD 4108  
Phone: 07 3344 3899  
Fax: 07 3344 2448  
Email: [info@eastwestinsurance.com.au](mailto:info@eastwestinsurance.com.au)

**Ryno Insurance Services**  
19 Rosedale St, COOPERS PLAINS QLD 4108  
Phone: 1300 650 670  
Fax: 1300 797 768  
Email: [admin@rynoinsurance.com.au](mailto:admin@rynoinsurance.com.au)

and

221a Hume St, TOOWOOMBA QLD 4350  
Phone: 07 4632 8977  
Fax: 07 4638 5845

**Mining Contractors Insurance Brokers**  
19 Rosedale St, COOPERS PLAINS QLD 4108  
Phone: 1800 809 132  
Fax: 07 3344 2448

### The services we are authorised to provide you

We are licensed to operate a financial services business and to provide financial product advice in relation to, and deal in, general insurance products. This allows us to issue, apply for, acquire, vary or dispose of these products. We can deal with and advise both Retail and Wholesale Clients. We will do this on your behalf as your broker, unless we tell you otherwise.

Sometimes we will act under a binder or agency agreement with insurer/s. When we do so, we act for the insurer and not for you. For example, under a binder agreement the insurer may authorize us to arrange insurance and enter into contracts and/or settle claims on behalf of that insurer. We will tell you whenever we act on behalf of an insurer.

Our specialist motor enthusiast division, Ryno Insurance Services, is a trading name of East West Insurance Brokers Pty Ltd and deals under such binder agreements on behalf of the insurer/s.

### The advice and documents we give Retail Clients

A retail client is an individual or small business who receives advice or service in relation to Motor Vehicle (2 tonnes or less); Home Building & Contents; Sickness and Accident; Consumer Credit; Travel; Personal and Domestic Property; or Medical Indemnity Insurance products. These products are also referred to as Prescribed Products.

**Personal Advice:** In most cases we will give you personal advice tailored to your needs after we have taken into account your individual objectives, financial situation and/or needs. When you ask us to recommend an insurance policy for you we will usually only consider the policies offered by the insurers 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 those insurers we deal with regularly.

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.

**General Advice:** When we have given you advice of a general nature rather than personal advice, we will tell you so and refer you to the relevant PDS for you to decide if it is right for you.

### Product Disclosure Statement

If you are a retail client and we arrange one of the above Prescribed insurance policies for you, or if we recommend you buy a particular prescribed insurance policy, we will give you a Product Disclosure Statement (PDS), unless you already have an up to date PDS from the insurer. The PDS is prepared by the insurer and is designed to give you important information regarding the insurer and the policy.

### Statement of Advice

If you are a Retail client purchasing a Personal Accident and Illness policy you will receive a Statement of Advice (SoA) whenever we provide you with personal advice regarding this product. The SoA will contain our advice, the basis of our advice, and information on any remuneration, associations or other interests, which might reasonably have influenced us in giving our advice. The SoA will assist you to make an informed decision about your insurance needs.

### Record of Further Details

If you are a Retail client purchasing a prescribed product and you have not already been provided with a copy of our advice, you may request a record of details regarding our advice. To do so, please contact our office by telephone, email or fax. We will keep these details on file for 7 years.

**Cooling off period:** If you purchased a prescribed product as a Retail Client you may be entitled to a minimum 14 day cooling off period during which time you can return the policy and receive a premium refund. If you choose to return a product within the cooling off period we will return the commission to the Insurer, however we reserve the right to retain our fees. The cooling off period is subject to legal requirements and terms and conditions of the policy. You should check the relevant PDS for full details.

### How you can pay for the services

For each new insurance product, alteration or renewal, the insurer will charge a premium that includes any relevant taxes, charges and levies. In some cases we will also charge you a fee. These amounts 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 of premium owed to you as a result of a cancellation or alteration to a policy, we will retain any fee we have charged you and reserve the right to retain the full commission.

When you pay the premium to us, 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. 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 commissions, fees or other benefits are calculated

We are paid a commission from the Insurer when we arrange a policy on your behalf. This commission is calculated as a percentage of the base premium amount, before GST, Stamp Duty and other Government charges. Our commission will be calculated based on the formula  $X=Y\% \times P$ . X=our commission; Y%=the percentage commission paid to us by the insurer and which varies between 5 and 25%; 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 calculated dependant upon factors such as time and costs associated with the particular administration performed and/or service provided. We may also charge you a fee for any special advisory or additional claims-related services.

We may also receive other income or benefits from insurers, including:

- commission or allowances from insurers for managing binding authorities or other similar facilities;
- profit commissions or profit shares paid by insurers on certain classes of insurance;
- expense reimbursements e.g. some training costs or resources;
- administrative fees for services we provide to insurers.

If you instruct us to arrange premium funding to spread payments over a number of months, we generally outsource this function to Flexifund Australia Pty Ltd (FFA). FFA is a company owned by the Rynenberg Family Trust of which Greg Rynenberg is a Director of both Flexifund Australia Pty Ltd and East West Insurance Brokers. FFA earns interest on the premium funding contracts. EWIB does not receive any remuneration for these transactions. Should FFA outsource the funding to an alternative premium funding company, FFA usually receives commission. The commission that is paid by the premium funder is usually calculated as a percentage of your insurance premium (including government fees or charges). Our commission rates for premium funding are in the range of 0-2% and disclosed at the time of contract. Please contact us if you would like more information.

On occasion, another person or company introduces prospective clients to us. Sometimes we share our commission or fees with them or pay them an agreed referral fee. If we give you personal advice, we will let you know of any fees, commission or other payments we, our associates or anyone referring you to us will receive in relation to the policies that are the subject of the advice.

Our employees receive a market salary. They may also receive an incentive bonus based on performance criteria e.g. level of quality service, retained renewals, or new business income. An employee may be paid a share of our remuneration in the range of 3-10%. For example, if our remuneration was 10% of the net premium of \$1,000.00 (i.e. \$100.00), the employee may receive up to \$10.00 from that transaction.

Our Authorised Representatives are paid a percentage of our commission ranging from 10% to 60%.

If we are instructed to arrange a policy for you and we have provided you with personal advice as a retail client purchasing a prescribed product, **full details** regarding the remuneration that we and our associates are to be paid will be clearly detailed in the **Important Information Document regarding our Advice (IIROA)** which will accompany your invoice.

If you require further details regarding the remuneration we may receive to assist you with making a decision to deal with East West Insurance Brokers, you can contact our office by telephone, email or mail **within 7 days** of the receipt of this FSG and this information will be provided to you in writing. This also applies to any non monetary remuneration we may receive from insurers such as gifts, entertainment and other incidental benefits where such remuneration could impact in any way on the services we provide you.

#### **Relationships or associations capable of influencing the provision of our services**

We endeavour to avoid any associations or relationships that do not benefit you in some way. In this FSG and at other times, we will tell you about those that are capable of influencing our services so that you can make an informed decision.

We are a member of certain groups and associations for insurance purchasing power, administrative ease, and/or professional standing.

**Steadfast Group Limited** - We are a shareholder of Steadfast Group Limited (Steadfast) who has exclusive arrangements with some insurers under which Steadfast will

receive between 0.5 - 1% commission for each policy arranged by us with those insurers. These payments are used to operate Steadfast. You can obtain a copy of Steadfast's FSG at [www.steadfast.com.au](http://www.steadfast.com.au).

Depending on the operating costs of Steadfast (including the costs of member services provided by Steadfast to us and other Steadfast shareholders) and the amount of total business we place with the participating insurers in any financial year, we may receive a proportion of that commission at the end of each financial year.

As a shareholder of Steadfast, 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 shareholders for a fee.

Steadfast is also a shareholder in Miramar Underwriting Agency Pty Ltd (Miramar). As a shareholder, Steadfast may receive dividends from Miramar. These amounts will indirectly contribute towards the benefits we receive from Steadfast

Steadfast has a shareholding in Macquarie Premium Funding. If we arrange premium funding with Macquarie Premium Funding for you, we will be paid a commission by Macquarie Premium Funding. We may also charge you a fee. The commission is calculated as a percentage of the funded premium. If you instruct us to arrange for your premium to be funded, we will become entitled to commission. The amount of our commission and any fee what we charge will be set out in the premium funding contract.

Under the agreement with Macquarie Premium Funding, Steadfast will receive 0.5% of your insurance premium (including government fees or charges – funded premium)

Also, as an equity shareholder of Macquarie Premium Funding, Steadfast may also receive dividends from profits of Macquarie Premium Funding. The amount of the Steadfast dividend is based on the share of profit attributable to funding arranged by Steadfast shareholders.

As previously advised, we can arrange premium funding. We generally recommend Flexifund Australia Pty Ltd which is a company owned by the Rynenberg Family Trust. Greg Rynenberg is a Director of both Flexifund Australia Pty Ltd and East West Insurance Brokers Pty Ltd. We can access other premium funders should you require.

**Council of Queensland Insurance Brokers Inc (CQIB) -** We are a member of the Council of Queensland Insurance Brokers Inc (CQIB) and may receive indirect benefits from arranging cover for CQIB branded products. CQIB negotiates with certain insurers to issue enhanced products with broader cover for the clients of CQIB members. CQIB may receive royalties and/or sponsorship from the insurers depending on the continued support from members. CQIB also receives sponsorship from Insurers and other service providers for its annual convention and monthly member meetings. These royalties and sponsorships also provide members Education programs which offer opportunities for members to enhance their skills and knowledge.

We may refer you to a Life Insurance adviser to complement your insurance program. We recommend the services of David Hare who is the Managing Director of Your Risk Protection Specialists Pty Ltd (YRPS) and an Authorised Representative of Professional Investment Services Pty Ltd. We may receive a commission for this referral.

### **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].

### **Insurer security**

The security of your insurance is important to us. To ensure your needs are met, we assess the financial soundness of insurers and markets using public information including rating agencies. However, the financial standing or condition of any insurer or market can change after your policy has been arranged. We can accept no responsibility for the financial standing or performance of any insurer or market and will not be responsible in any circumstances in the event that they are unable to meet their obligations to you. If you have concerns about the security of any insurer, please contact us immediately.

### **How we treat your information**

We maintain a record of your personal profile, including details of insurance policies that we arrange or issue for you. We may also maintain records of any recommendations or advice given to you. We will retain this FSG, any Statement of Advice (SOA) or Product Disclosure Statement (PDS) that we give or pass on to you for the period required by law. If you wish to look at your file, please ask us. We will make arrangements for you to do so.

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 statement and privacy policy are located on our websites or available upon request.

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

Occasionally disputes or complaints do occur and when they do we try and resolve them as quickly and easily as possible.

- Contact one of our advisers or our Compliance Manager in writing, by phone or email and advise us about your complaint.
- Your complaint will be acknowledged within 2 working days of receipt.
- We will keep you informed of the progress towards resolving your complaint.
- We will endeavour to resolve the matter within 15 business days of receipt.

If you are still not satisfied, we are a member of the Financial Ombudsman Service (FOS) and you have the right to refer the matter to them. FOS can be contacted on telephone 1300 780 808, fax 03 9613 6399, email [info@fos.org.au](mailto:info@fos.org.au) or website [www.fos.org.au](http://www.fos.org.au).

For any complaint about a claim or the insurance policy that was handled under a binder agreement e.g. within our Ryno Insurance Services division:-

- The above steps will also apply.
- We will inform the relevant insurer who also has dispute resolution procedures in place. These procedures are explained in each Product Disclosure Statement and Policy located on our website and/or issued to you. You can also contact the relevant insurer if you wish.
- If any dispute remains unresolved after 15 business days you will be referred to the Financial Ombudsman Service (FOS) which is a free consumer service in relation to Financial Service Providers. For more information call FOS on 1300 780 808 or visit [www.fos.org.au](http://www.fos.org.au).

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

East West Insurance Brokers Pty Ltd has a professional indemnity policy (PI Policy) in place.

The PI Policy covers us and our 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.

Our PI Policy will also cover us for claims relating to the conduct of our employees (during the period employed by East West Insurance Brokers) who no longer work for us, however it will not cover us for claims relating to the conduct of former Authorised Representatives.

### **Have you any questions?**

If you have any questions about this FSG or the financial services we provide, please contact us. We suggest that you retain this document for your reference and any future dealings with us.

End of FSG.