

## Financial Services Guide

### For Authorised Representatives of CHUISAVER Underwriting Agency

CHUISAVER Underwriting Agency Pty Ltd ABN 85 613 645 239 (CHUISAVER) trading as Flex Insurance has appointed your Strata Manager, Residential Manager, Owners Corporation Manager or Body Corporate Manager as its Authorised Representative (AR) to act on CHUISAVER's behalf. The AR's details are set out on the last page of this FSG.

This FSG covers the financial services provided by CHUISAVER's AR on its behalf. CHUISAVER has given authority to its AR to provide this Financial Services Guide (FSG) on its behalf. This FSG is an important document. Please read it carefully and keep it in a safe place for your reference and for any future dealings with CHUISAVER and its AR.

This FSG applies to all new and renewed insurance policies from **1 September 2019** and remains valid unless CHUISAVER issues a further FSG to replace it.

#### Who is responsible for the financial services provided?

CHUISAVER is responsible for the financial services that its AR provides to you and for the content and distribution of this FSG. Any financial services provided in accordance with this FSG will only relate to products issued by CHUISAVER.

#### The purpose of this FSG

The purpose of this FSG is to help you to make an informed decision about whether to use any of the financial services offered by the AR of CHUISAVER. It contains information about:

- The services that CHUISAVER and its AR offer you
- How CHUISAVER's AR and others are paid
- How CHUISAVER manages any potential conflicts of interest
- Arrangements CHUISAVER has in place to compensate clients for losses and
- How you can make a complaint and how CHUISAVER will deal with it

#### About CHUISAVER

CHUISAVER is an underwriting agency, which deals in specialist strata insurance underwriting. CHUISAVER offers a "bare essentials" residential strata insurance policy. CHUISAVER is wholly owned subsidiary of CHU Underwriting Agencies (ABN: 18 001 580 070) (AFSL No: 243261) (CHU). CHU is a wholly owned entity of Steadfast Group Limited, ABN 98 073 659 677 (SGL).

CHUISAVER holds an Australian Financial Services License No 491113 issued by the Australian Securities and Investments Commission (ASIC) under the *Corporations Act 2001* (Cth). The License allows CHUISAVER to provide advice on and deal in General Insurance products.

#### CHUISAVER Binder

CHUISAVER acts under a Binder on behalf of the Insurer, QBE Insurance (Australia) Limited ABN: 78 003 191 035 (AFSL No 239545) (QBE) when providing financial services to you. This means that CHUISAVER acts for QBE and not you. This Binder allows CHUISAVER (and the AR) to accept your application for insurance as if CHUISAVER is the Insurer.

## About CHUISAVER's AR

When acting in the capacity as CHUISAVER's AR, the AR represents and acts on behalf of CHUISAVER when providing financial advice and/or arranging insurance for you.

The AR is authorised pursuant to CHUISAVER's AFSL to provide financial advice in relation to general insurance products for retail and wholesale clients and to arrange your Body Corporate, Strata, Community Title or other related insurance policies that meet the insurance requirements under the Strata and Community Title laws in your State or Territory. To assist in your decision-making, the AR will give you information about the insurance product by providing you with a Product Disclosure Statement (PDS) (see below).

CHUISAVER's AR will only make a general recommendation or give an opinion about the CHUISAVER insurance policy ("General Advice"). The AR will do this without considering your specific individual objectives, financial situation or needs.

## Product Disclosure Statement

If the AR offers to arrange an insurance policy for you, they will also provide you with a Product Disclosure Statement (PDS). The PDS will contain important information about the particular policy, which will assist you in making an informed decision about whether to purchase the policy.

The PDS is an important document. You should read it carefully to decide if the product features suit your objectives, financial situation and needs before making a decision to purchase the policy. Please keep the PDS in a safe place for your reference and for any future dealings with CHUISAVER.

## Premiums, Commissions, Profit Shares, Financial Incentives/Benefits, Administration Fees and Remuneration

### Premium

When CHUISAVER issues you with an insurance product, you will pay a "premium" based on CHU's assessment of the risk profile you have provided. The total amount you pay is the premium, which includes any government taxes/duties/levies such as GST and stamp duty and an administration fee if applicable.

When you pay your premium to CHUISAVER, CHUISAVER will retain its commission from the premium you pay and remit the balance to QBE. CHUISAVER will earn interest on the premium whilst it is in its account and earn a return. CHUISAVER will retain any interest earned on the premium.

You can choose to pay the premium by any of the payment methods set out in your invoice. You are required to pay CHUISAVER within the timeframe set out in the invoice. If CHUISAVER's AR is a Strata Manager, the usual practice is that you pay the AR for the services provided and they will deposit the payment into their trust account and then pay the premium to CHU.

### Commissions

QBE pays a commission to CHUISAVER for each policy issued or renewed. The commission amount is 12.5% to 30% of the base premium paid by you (excluding any government taxes, duties and levies). The commission amount is included in the total amount you pay for your policy and not in addition to the policy.

CHUISAVER will also pay its AR a commission of up to 20% of the base premium paid by you (excluding taxes and charges). The commission amount will be set out in your invoice.

### QBE Profit share

QBE may pay to CHUISAVER, a profit share, which is based upon QBE's underwriting profitability on the CHU portfolio of policies. Due to the contingent nature of insurance and the way the arrangement is set up, it is not possible to know the exact amount, if any, to which CHU may be entitled until the end of the qualifying period.

### **SGL - Benefits**

As our parent company (CHU) is a wholly owned subsidiary of SGL, we have access to shared services from SGL, including compliance tools, manuals and training as well as legal, banking and group purchasing arrangements. These services are funded by SGL, subsidized by SGL or SGL receives a fee for them (see below).

### **PICA**

If CHUISAVER's AR is a member of Prudential Investment Company of Australia ACN 004266817 (PICA), then the following applies:

As our parent company (CHU) has entered into an arrangement with PICA and QBE in relation to the provision of general insurance products, including the CommunitySure Insurance Solutions brand, QBE and CHU products. Under this arrangement, PICA may receive payments/commissions from QBE and CHU which may include management fees, sponsorship and profit share.

The exact amount(s) payable to PICA is unknown at the time this FSG is provided as the amount of the management fees, profit shares etc. depends upon future events.

### **Administration fees**

CHUISAVER will charge you an Administration Fee for each policy issued or renewed through the AR. The reason for the fee is to meet CHUISAVER's costs to prepare and distribute documents. The Administration Fee is noted separately on your invoice. The Administration Fee is not refundable in the event of cancellation unless the insurance policy is cancelled either within the cooling-off period or is a full term cancellation.

### **Remuneration of AR employees**

Individual ARs engaged by the Corporate Authorised Representative are salary employed but may also receive a bonus payment for meeting sales targets from the Authorised Representative.

### **Further information on Premiums, commissions, profit shares, financial incentives/benefits, fees and remuneration**

You may request particulars of CHUISAVER and CHUISAVER's AR's remuneration, commission, fees, profit sharing and other benefits, including to the extent relevant, a statement of the range of amounts or rates within a reasonable time following receipt of this FSG and before any financial service is provided to you.

### **Conflicts of interest**

CHUISAVER takes any actual, apparent and potential conflicts of interest seriously and has a conflict of interest policy, which CHUISAVER and its AR must comply with. Conflicts of interest are circumstances where some or all of your interests are or may be inconsistent with or diverge from some or all of CHUISAVER's or its AR's interests. CHUISAVER manages conflicts of interest through adequate controls, disclosure and avoidance. CHUISAVER also provides training to its employees and its AR to identify conflicts of interest and encourage the early reporting of potential conflicts of interest.

### **Privacy Promise**

CHUISAVER and its AR are committed to protecting your privacy in accordance with the *Privacy Act 1988* (Cth) and the Australian Privacy Principles. CHUISAVER has a Privacy Promise (located in its PDS) and a

Privacy Policy on its website ([www.flexinsurance.com.au/resource/privacy-policy/](http://www.flexinsurance.com.au/resource/privacy-policy/)) which deals with the privacy and security of your personal information. If you apply for one of CHUISAVER's insurance products, CHUISAVER or its AR will collect information from you to decide whether to arrange insurance for you, on what terms and to handle any claims you make.

### General Insurance Code of Practice

CHUISAVER and its AR supports and QBE is a signatory to the General Insurance Code of Practice issued by the Insurance Council of Australia (the Code).

### Your Duty of Disclosure

In accordance with *the Insurance Contracts Act 1984* (Cth) you have a duty of disclosure. For the full wording of your duty of disclosure, please refer to the PDS.

### CHUISAVER's Professional Indemnity Policy

We maintain a Professional Indemnity Policy (PI Policy) which satisfies the requirements for compensation arrangements under Section 912B of the *Corporations Act 2001* (Cth).

### Complaints and Dispute Resolution

If you are not satisfied with our products or services or a decision made in relation to your insurance claim, please let us know using the contact details below.

If you have a complaint about a claim and/or service decision contact the Claims Consultant who was handling the Claim in the first instance. The consultant may be able to resolve the complaint for you.

When you first contact us, we will endeavour to resolve your complaint within the first 5 working days. If we have not been able to resolve this within 5 working days, we will refer your Complaint to our Internal Dispute Resolution (IDR) team for further review.

The IDR team will usually contact you within 15 days and will endeavour to resolve your complaint within 45 days of the date of the initial complaint.

### Australian Financial Complaints Authority (AFCA)

If CHUISAVER cannot resolve your Complaint to your satisfaction within 45 days of the initial complaint (or an agreement cannot be reached on a timeframe acceptable to you), you have the right to refer the matter to the AFCA:

Contact number: 1800 931 678 (free call)  
Address: GPO Box 3, Melbourne Victoria 3001  
Website: [www.afca.org.au](http://www.afca.org.au)  
Email: [info@afca.org.au](mailto:info@afca.org.au)

### How you can provide instructions

Should you wish to provide CHUISAVER's AR with instructions in relation to the financial services CHUISAVER's AR offers, please contact CHUISAVER's AR as per the below.

### Our Contact Details

Level 33, 10 Miller Street  
North Sydney NSW 2061  
Tel: 1300 201 201  
Email: [info@flexinsurance.com.au](mailto:info@flexinsurance.com.au)

### CHUISAVER AUTHORISED REPRESENTATIVE DETAILS

**MUST** be completed by AR of CHUISAVER before providing this FSG to the client

**Name of AR** (company name): O'NEILL STRATA MANAGEMENT PTY LIMITED

**ABN of AR** (if applicable): 42105340805

**AR ASIC No:** 241147

**Address:** PO BOX 887  
BONDI JUNCTION NSW 1355

**Phone:** 02 9387 7488

**Email:** ronnie@oneillstrata.com

This FSG was prepared on 1 September 2019.