



**McCormick  
Harris**  
INSURANCE  
ADVICE • SOLUTIONS • SERVICE

Wayne Carpenter Insurance Pty Ltd

Trading As

McCormick Harris Insurance (Orange)

## ***Financial Services Guide***

**THIS FSG APPLIES FROM 1/10/2019**

Version 5.0

*This Financial Services Guide (FSG) contains information about our services and charges, your rights as a client and other things you need to know in relation to insurance matters including how any complaints you may have will be dealt with.*

We trust it will assist you in deciding whether to use our services.

If we act as your general insurance broker, we will do so on the terms set out in this Guide. Unless you tell us otherwise in writing, we assume that you agree with these terms. Any terms which are specific to our relationship with you, may be contained in a Letter of Engagement.

You might also receive some other documents after or at the time we advise you about your insurance needs including:

- Statements of Advice – these will be summaries of our advice and the basis on which it was provided;
- Product Disclosure Statements – these will contain information about the products we recommend to you; and
- Confirmation notices – these will confirm the details of transactions we have arranged on your behalf.

If you need more information or have any questions, please feel free to telephone us.

### ***About Us***

McCormick Harris Insurance is a registered trading name of McCormick Harris & Associates Pty Ltd. McCormick Harris & Associates Pty Ltd are holders of an Australian Financial Services Licence under the Corporations Act 2001 to provide financial product advice on, and deal in general insurance products.

AFSL: 238979 ABN: 29 912 860 252

McCormick Harris Insurance was established in 1996 following the merger of two existing insurance businesses. We aim to develop close working relationships with our clients to provide them with the most professional and reliable advice on their commercial Insurance requirements and their related personal insurance covers.

McCormick Harris as the Licensee is Steadfast Network Broker and a member of NIBA.

Wayne Carpenter Insurance Pty Ltd is an Authorised Representative of McCormick Harris Insurance. Wayne Carpenter Insurance Pty Ltd 446315 is authorised by McCormick Harris to provide services in accordance with the terms and conditions set out in this guide.

### ***Our Services***

We offer a range of services to assist you to protect your assets and your legal liabilities. These include:

- Reviewing and advising on your insurance needs;
- Identifying Risk factors to avoid claims
- Management of insurance claims.

We are able to advise about and arrange general insurance products including corporate, commercial and retail insurance programs tailored to your needs.

### ***What we expect from you***

To enable us to provide the right advice we will need you to provide us with complete information about the risk(s) to be insured.

You should also tell us about any relevant changes as they occur so that we can review your insurance requirements.

We also expect you to pay our invoices on time and to complete all forms in an honest and accurate manner and to return them in a timely manner.

### ***Retail Clients***

Under the Corporations Act 2001 (The Act), retail clients are provided with additional levels of protection from other insurance purchasers. A Retail client is defined as:

Individuals or a small manufacturing business employing less than 100 people or any other business employing less than 20 people.

AND the financial product is:

- (i) Motor Vehicle Insurance
- (ii) Home Building Insurance
- (iii) Home Contents Insurance
- (iv) Sickness and Accident Insurance
- (v) Consumer Credit Insurance
- (vi) Travel Insurance

And all other classes as prescribed by regulations.

### ***Retail client issues***

Typically we only provide General Advice to our Retail Clients. General Advice does not take into account your particular needs and requirements and you should consider the appropriateness of this advice to your circumstances prior to acting upon it.

If you are a Retail Client and obtain 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 and our remuneration should you purchase the product.

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.

If recommendations about the purchase of a particular financial product are made in the SOA, we will also give you a Product Disclosure Statement at that time, which sets out details specific to that product and the key benefits and risks in purchasing the product.

### ***Cooling Off***

All retail products are subject to a 14 day “Cooling off period”. This means that if you are not happy with the product, you have 14 days to withdraw from the contract at no cost to you.

### ***Important relationships***

We are a privately owned business.

As your Insurance Broker we act on your behalf.

We are also a Steadfast Network Broker. Steadfast is a national marketing group that provides us with access to a range of resources and develops products and services for our clients. This assists us when we provide services to you by giving:

- Access to insurance products underwritten by a wide range of insurers.
- Access to insurance products that provide wide insurance cover.
- Access to consultants with specialised skills in certain risk products and services.

### ***How we will look after your insurance needs***

You can provide us with instructions in person, by telephone, email, fax or in writing.

We will respond to your insurance requirements in a professional and timely manner. At all times as your broker we will act for you in any dealings we have with insurers unless we inform you otherwise.

### ***Variations***

You should carefully monitor and review that your insurance contract is adequate to cover your assets or business activities.

If you want to vary any cover, eg by increasing the sum insured or adding other property, please provide us with details of the changes you require and any other information you need to disclose to the insurer.

We will arrange the variation with the insurer and provide you with written confirmation.

### ***Claims***

We will receive your claims notifications, assist and advise you regarding the scope of cover and pass the information to the insurer or where applicable direct you on how to pass on this information.

If a loss adjustor is appointed we shall, with your permission, pass on your contact details and coordinate meetings. In the case of a major loss, we can attend the initial meeting or appoint someone to act for you to attend with the loss adjustor if you wish us to.

We will promptly forward to you all claims documentation, insurance company settlement cheques and other information.

If any claims are outstanding when you terminate our appointment as your insurance broker, we will:

- Negotiate settlement on your behalf subject to a claim service fee (to be agreed) or,
- Provide details of the claim(s) to your new insurance broker so that they may continue to negotiate settlement on your behalf.

### ***Fees for our Services***

You are entitled to know how and what we will charge for our services and what other benefits we receive.

### ***Our remuneration***

When we place insurance for you, we normally receive a payment from the insurer. This payment is referred to as a commission; the amount we are paid from the insurers varies between 0% and 30% of the base premium you pay.

Commission generally covers our costs associated with arranging, delivering and servicing the product. Where a policy is cancelled before the period of insurance has ended we will usually retain the commission on any return premium involved.

We also have a standard set of non-refundable Broker Fees that we charge for the services we provide that the commission does not cover. All Broker Fees payable for our services will be advised to you at the time of providing the advice or service.

Fees and commission are our main source of income and cover the cost of providing services to you including:

- Market Research on available products
- Assessment of claims paying ability of insurers
- Sourcing of alternative quotations
- Staff development and training to assist in delivering service to you.

Our charges include GST. Some of our charges may be tax deductible. If we hold your money in trust pending payment to the insurer, we also receive the interest earned.

McCormick Harris Insurance is a Steadfast Network Broker. Steadfast receives between 0% and 5% commission and override on premiums paid from certain insurers or premium funders. This income is used to operate Steadfast and any surplus funds may be paid to us and other shareholders as a dividend or as a rebate.

We may receive additional remuneration from insurers with whom we have profit share or volume bonus arrangements. This remuneration is payable if we meet certain agreed

sales and/or profitability targets set by the insurer. If we have profit share arrangements with an insurer that apply to a product we recommend to you, we will advise you of this at the time of making any such recommendation if the amount involved is material.

### ***How are our staff paid***

Our Staff including Account Executives are usually paid in two ways – salary, and a bonus or incentives which are based on a number of factors including achievement of company goals.

If a person has referred you to us with whom we have an agreement, we may pay them between 0 to 50% of our remuneration. This will not increase the amount you pay us.

### ***Remuneration or other benefits received by authorised representatives of McCormick Harris.***

Payments to our Authorised Representatives are based on a percentage of commission and fees derived from business serviced by them. The percentage varies between 0% and 90.00% according to the range of services they perform for us. There are no additional costs to you in accessing the McCormick Harris services through them.

### ***Terms of Payment***

#### ***Invoices***

We will invoice you for the premium, statutory charges (eg stamp duty, fire services levy, etc) and any fees we charge for arranging your insurances. You must pay us upon receipt of the invoice or, in the case of a renewal, within 14 days of the expiry date of the contract of insurance.

If you do not pay the premium on time the insurer has the right to 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.

#### ***Credit Card Fees***

If you pay by credit card we may charge you a credit card (incl. arrangement & handling) fee, which is always disclosed and shown separately on our invoices to you, they are non refundable. This fee reimburses us for the bank interest, extra charges/costs and internal time generated for credit card use.

#### ***Premium funding***

Premium funding products enable you to pay your premiums by instalments. Premium funders do charge interest.

We can arrange premium funding on your behalf if you require it. We may receive a commission based on a percentage of the premium from the premium funder for doing so. We will tell you the basis and amount of any such payment if you ask us.

#### ***Privacy***

The Federal Privacy Act 2000 sets out standards for the collection and management of personal information. With your consent, we will only use your personal information for general insurance services.

#### ***Complaints and Disputes***

Clients not satisfied with our services should contact our Complaints Officer. We are members of the Australian Financial Complaints Authority (AFCA), a free consumer service. Further information is available from our office, or contact AFCA directly on 1800 931 678 or visit [www.afca.org.au](http://www.afca.org.au). We also adopt The Insurance Brokers Code of Practice.

#### ***Conflicts of interest***

As a business we have a relationship with and receive income from various third parties as detailed in this FSG. Details of relationships that impact the advice that we provide will be included in any SOA we send you. We will give you further information regarding relationships and remuneration that may impact any General Advice provided by us or representatives upon request.