



# nminsurance

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## Financial Services Guide

NM Insurance Pty Ltd  
June 2019

Our Brands



## Who provides the services described in this Financial Services Guide ('FSG')?

The financial services referred to in this Financial Services Guide ('FSG') are offered by NM Insurance Pty Ltd (ABN 34 100 633 038, AFSL 227186) ('NM Insurance').

All references to 'we', 'us' or 'our' in this FSG are references to NM Insurance unless specified otherwise.

## What are our contact details?

Listed below are the contact details for NM Insurance:

**Street Address:** Level 7, 99 Walker Street,  
North Sydney NSW 2060

**Phone:** 02 8920 1157

**Email:** [contact@nminsurance.com.au](mailto:contact@nminsurance.com.au)

## Purpose and content of this FSG

This FSG sets out the services that we can offer you. It is designed to assist you in deciding whether to use any of those services and contains important information about the services; how we and others are paid; any potential conflict of interest we may have; our internal and external dispute resolution procedures and how you can access them; and arrangements that are in place to compensate clients for losses.

This guide is an important document. Please read it carefully and keep it in a safe place for your reference and for any future dealings with us.

## From when does this FSG apply?

This FSG applies from 1 July 2019 and remains valid unless a further FSG is issued to replace it.

## Who is responsible for the financial services provided?

We hold a current Australian Financial Services Licence No.: 227186 and are responsible for the financial services that we provide to you. We are responsible for the content and distribution of this FSG.

We have given authority to your insurance broker to release this FSG on our behalf.

## What kinds of financial services are we authorised to provide and what kinds of financial products do those services relate to?

We are authorised to deal in and provide financial advice in relation to general insurance products for retail and wholesale clients.

To assist in your decision making, we will give you information about the insurance product by providing you with a Product Disclosure Statement ('PDS'). The PDS is an important document. You should carefully read the PDS to decide if the insurance product features suit your objectives, financial situation and needs before making a decision about the insurance product. Please keep the PDS in a safe place for your reference and for any future dealings with us.

In some cases, we may make a general recommendation or give an opinion about the insurance products ('General Advice'). We do this without consideration of your specific individual objectives, financial situation or needs. This is a General Advice service. We do not provide any advice on whether other insurance products may be more appropriate for your needs or which of the insurance product options may be best for you.

You need to consider the appropriateness of any information or General Advice we give you, having regard to your specific individual objectives, financial situation or needs before acting on it.

## Product Disclosure Statement

If we offer to issue an insurance policy to you, we will also provide you with, or pass on to you, a PDS, unless you already have an up to date PDS. The PDS will contain information about the particular insurance policy, which will enable you to make an informed decision about purchasing that insurance policy.

## Who do we act for?

When we provide financial services to you, we will not be acting on your behalf. This is because we are underwriting agents. When we distribute insurance products, we are acting under a binding authority given to us by the insurer who underwrites the insurance cover. This binding authority allows us to accept your application for insurance as if we were the insurer. This means that we represent and act for the insurer and not for you.

## General Insurance Code of Practice

We support the General Insurance Code of Practice ('the Code'). The Code is designed to raise the standard of practice and service in the general insurance industry.

For further information about the Code, please go to [www.codeofpractice.com.au](http://www.codeofpractice.com.au) or contact us.

## How we are paid

We receive income from the following sources:

### Premium

When we issue you with an insurance policy, you will pay a premium based on our assessment of the risk profile you have provided. The total amount you pay is the premium plus any relevant taxes, charges and levies.

When you pay your premium to us, it will be banked into our trust account prior to being remitted to the insurer's trust account, net of any commission (see below) payable to us. We will 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. We will retain any interest earned on the premium.

All collected premium, plus any relevant taxes, charges and levies, are held in our trust account in accordance with statutory provisions.

You can choose to pay the premium by any of the payment methods set out in your insurance schedule and tax invoice. You are required to pay us, on behalf of the insurer, within the timeframe set out in the insurance schedule and tax invoice.

### Commission

We receive a commission which is calculated as a percentage of the premium less any relevant taxes, charges and levies.

The commission is paid at rates between 20% - 35%. The commission is included in the total amount you pay for the insurance policy and is not in addition to the insurance policy.

The commission applies to each insurance policy issued or renewed through us. The commission may not be refundable in the event of cancellation unless the insurance policy is cancelled either within the cooling-off period or is a full term cancellation.

See below for information on our association with Steadfast Group Ltd.

### Profit Share

For services in administering this insurance, the insurer may pay us a profit share amount in relation to such each policy entered into in each annual period. The amount we receive is a percentage of the net profit amount (if any) which is determined by the insurer and is based on the premium excluding certain costs, expenses, fees and liabilities in relation to the policies (e.g. taxes and charges on the policy, reinsurance costs, claims payments, commission paid and remuneration costs) over a 12 month period. If there is no net profit in the annual period, we receive no profit share. Any profit share amount is paid 3 months after the annual period ends.

### Marketing Fees

We may receive payment from the insurer to cover marketing costs which is agreed on a case by case basis with the insurer.

### Administration Fee

We may charge you an administration fee plus GST. We can tell you the exact administration fee at the time you (or your broker) contact us. The administration fee, if applicable, is stated in your insurance schedule/tax invoice. Such fee includes meeting our costs of preparation and distribution of documentation.

The administration fee applies to each insurance policy issued or renewed through us.

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.

### Endorsement Fee

Any change that results in an additional premium to your policy throughout the period of insurance may incur an endorsement fee plus GST and will be shown in your insurance schedule/tax invoice. The endorsement fee is not refundable in the event of cancellation.

### Cancellation Fee

We may charge a fee for cancellation of the insurance policy. We can tell you the exact fee at the time you (or your broker) contact us.

You may cancel your insurance policy at any time. If you choose to cancel your insurance policy, we will retain a portion of the premium that relates to the period for which

you have been insured. We will refund the residual for the unexpired period less the cancellation fee and any other non-refundable taxes, charges and levies fees provided that no event has occurred where liability arises under the insurance policy.

No cancellation fee will be charged if the insurance policy is cancelled either within the cooling-off period or is a full term cancellation.

### Remuneration of employees

Our employees assisting you with your insurance needs will be paid a market salary and may earn a cash bonus or other incentives based on achievement of a broad range of goals, including financial targets.

### Premium funding

If we arrange premium funding for you, we may be paid a commission by the premium funder. We may also charge you 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% - 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.

### Further information

You may request particulars of our remuneration (including commission) or 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 we provide any financial service to you.

## Association with Steadfast

Steadfast Group Ltd (ABN 98 073 659 677) ('SGL') is a shareholder of NM Insurance.

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, subsidised by SGL or SGL receives a fee for them.

SGL has arrangements with some insurers and premium funders ('Partners') under which SGL may receive between

0.5% - 1.5% commission of the base premium paid (excluding relevant taxes, charges and levies) for some insurance products arranged by us with those Partners. SGL is also a shareholder of some Partners.

SGL's FSG is available either at [www.steadfast.com.au](http://www.steadfast.com.au) or on request by telephoning SGL's Company Secretary on +61 2 9495 6500.

## Distributors

We may appoint certain persons, including selecting watercraft dealers, caravan dealers and motorcycle dealers, finance companies, and occasionally other persons as a distributor under a distribution agreement, to deal in general insurance products on our behalf. Our authority does not allow the distributor to give financial product advice. Our distributors may be paid a commission or fee out of our commission and fees (not in addition to those amounts), in the range 10% - 25% plus 5% marketing fee for arranging a new policy for you or renewing an existing policy on your behalf.

## What is your duty of disclosure obligation?

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.

## Conflicts of interest

We take any potential and actual conflicts of interest seriously and have a conflict of interest policy. 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 our interests. We manage conflicts of interest through adequate controls, disclosure and avoidance. We also provide training to our employees to identify conflicts of interest and encourage the early reporting of potential conflicts of interest.

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

We have a professional indemnity insurance policy ('PI policy') in place which satisfies the requirements for compensation arrangements under section 912B of the Corporations Act 2001 (Cth).

The PI policy covers us for claims made against us as a result of our conduct or conduct by our employees (or former employees) in the provision of financial services.

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

If you make a complaint regarding our services, we will do everything we can to try to resolve it as quickly and fairly as possible.

### Stage 1

You can make a complaint by contacting us on 1300 780 553 or writing to us at:

**Street Address:** Level 7, 99 Walker Street,  
North Sydney NSW 2060

**Phone:** 02 8920 1157

**Email:** customerservice@nminsurance.com.au

We will provide a response in writing within fifteen (15) business days unless further time is required (e.g. insufficient information), in which case we will provide a response as soon as possible.

### Stage 2

If we do not resolve your complaint to your satisfaction, the complaint will be handled by our or the insurer's internal panel.

If it is to be handled by us, we will respond in writing within fifteen (15) business days of the date you advise that you wish to proceed to Stage 2, provided all the necessary information has been provided and any investigation required has been completed.

### Stage 3

If we are unable to resolve your complaint within forty-five (45) business days of the date we first received your complaint or if your complaint has not been resolved to your satisfaction, you can lodge your complaint with the Australian Financial Complaints Authority ('AFCA') depending on eligibility related to your policy. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

You can contact AFCA by:

**Post:** Australian Financial Complaints Authority,  
GPO Box 3, Melbourne VIC 3001

**Phone:** 1800 931 678 (free call)

**Website:** www.afca.org.au

**Email:** info@afca.org.au

For our full complaints process please go to [www.nminsurance.com.au](http://www.nminsurance.com.au) or request a hard copy.

## How can you instruct us?

You can contact us to give instructions by post, phone, fax or email on the contact number or details mentioned on page 1 of this FSG.

## What information do we maintain in your file and how can you access it?

We are committed to implementing and promoting a privacy policy, which will ensure the privacy and security of your personal information.

If you apply for one of our insurance products, we will collect information from you or the purpose of us deciding whether to arrange insurance for you, and if so, on what terms. If we agree to issue the relevant insurance, we will use the information to manage rights and obligations under the insurance product.

You can request details of the information we hold about you at any time.

Our privacy officer can be contacted on 1300 780 533 or by writing to the privacy officer at:

**Street Address:** Level 7, 99 Walker Street,  
North Sydney NSW 2060

**Email:** contact@nminsurance.com.au

For a full privacy collection statement, please refer to the PDS. To access our privacy policy, please go to [www.nminsurance.com.au](http://www.nminsurance.com.au)

If you wish to either examine your file or have a copy of this privacy policy sent to you, please ask us. We will arrange for this to occur.

We will retain this FSG and any other FSG given to you as well as any PDS that we give or pass onto you for the period required by law.

## More information

If you have any further questions about the financial services we provide, please contact us.

This FSG was prepared on 5 June 2019.

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**NM Insurance Pty Ltd**

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**[www.nminsurance.com.au](http://www.nminsurance.com.au)**

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The underwriter of this insurance is AIG Australia Limited ("AIG Australia") (ABN 93 004 727 753) (AFSL 381686).  
AIG is the marketing name for the worldwide property-casualty, life and retirement, and general insurance operations of American International Group, Inc.