

Financial Services Guide

INTRODUCTION

This Financial Services Guide is intended to give our Retail Clients information concerning our relationship, prior to our providing you with a financial service. This guide will assist you in determining whether to use any of our services, brief descriptions of which are shown below.

This guide outlines:

- Who we are;
- How we can be contacted;
- The services we are authorised to provide to you;
- How we are remunerated;
- Details of any potential conflicts of interest.
- Details of our internal and external dispute resolution procedures and how you can access them;
- Cooling-off Notice;
- Details of our Professional Indemnity insurance.

ABOUT US

Master Builders Queensland is the State's leading industry organisation representing over 11,500 businesses in the building and construction industry. Master Builders Queensland holds Australian Financial Services Licence (AFSL) No 246834 under the *Corporations Act 2001* to provide general insurance services.

The provider of the financial services to you

The financial services will be provided by Master Builders Queensland Insurance Services (MBQIS), a wholly owned division of Master Builders Queensland.

Financial Services we are authorised to provide and the products to which the services relate

Master Builders AFSL authorises us to deal in financial products and provide financial product advice in relation to General Insurance products. This includes:

- Arranging and amending insurance cover on your behalf; and
- Assisting with insurance claims.

Contact Details

Contact details for our offices are shown on the back page of this guide.

OUR GENERAL INSURANCE SERVICES

Who we act for when providing services

We may act:

- On your behalf; or
- On behalf of the insurer (i.e. the product issuer or their agent)

In circumstances when we are acting as agent of the insurer and not for you, we will tell you. This usually occurs when we are arranging the insurance under a binder authority that we hold with the insurer. A binder authority allows us to enter into the insurance contract on behalf of the insurer and this is why we are their agent in the insurance contract.

Remuneration and other benefits we receive for our Financial Services

We may be paid a commission by the insurer for arranging the policy. The commission is based on a percentage of the premium, less stamp duty, fire services levy, GST and any other government charges, taxes, fees or levies. The rate will depend on the type of policy and may range from 5% to 25%. The commission paid to us is included in the premium charged and covers various expenses incurred by us in arranging the insurance, plus a profit component. When we are paid a commission, we retain it from the premium you pay us and remit the balance to the insurer. We may also receive commission from the insurer on each renewal and on some variations to your policy.

We may also:

- charge you an administration fee when we finalise your cover. Any such charge will appear separately on your Tax Invoice.
- retain interest earned on insurance monies held in our trust pending payment to the insurer.
- be paid a commission by a premium funding provider in circumstances where we assist in arranging a loan for you to fund your premium payments.
- receive a profit share commission in some circumstances from certain insurers which is based on volume or profitability.

Our staff receive an annual salary, that can include a bonus based on business performance criteria.

In the event of a refund for the cancellation or adjustment of a policy, we reserve the right to retain our remuneration.

Relationships or associations which might influence the provision of our Financial Services

We are not controlled by any insurance company, bank or other financial institution. No such institution has a vested interest in our

business and subsequently is not in a position to influence us in arranging your insurance.

Master Builders holds binding authority with some insurers, to issue certain contracts of insurance. This means that we hold authority to enter into the contract on behalf of the insurer. When we arrange insurance under binder we will be acting as an agent of the insurer not as your agent.

Methods for providing us with instructions on how you wish us to arrange your insurances

You may instruct us by a personal meeting, telephone, fax, email or other means as mutually agreed.

COMPLAINTS AND DISPUTES

If you are not satisfied with our services you may express your concerns and/or complaints to our Complaints Officer in writing, by telephone, fax or e-mail. You should provide us with comprehensive details to enable us to investigate your complaint fully. Any information you provide to us will be treated with the strictest confidence.

We have certain legal obligations to belong to an external dispute resolution scheme. To comply we are a member of the Financial Ombudsman Service (FOS) which is free to consumers. You should feel free to contact them at any time with any concern or complaint and they, in turn, will refer the matter to our Complaints Officer for further investigation.

You may contact the FOS on phone 1300 780 808.

INSURANCE BROKERS CODE OF PRACTICE

MBQIS is a member of the National Insurance Brokers Association (NIBA) and is bound by their Code of Practice (The Code). The Code sets out the responsibilities of members in the provision of their services to clients. A copy of The Code is available from MBQIS or NIBA.

ADDITIONAL INFORMATION FOR RETAIL CLIENTS

The Corporations Act classifies a Retail Client as:

- An Individual; or
- Those who purchase an insurance product for use in connection with a Small Business.*

They must also purchase a general insurance contract which is designated as a Retail Product. Such insurance products which may be available through MBQIS are:

- Motor Vehicle;
- Home Building or Contents;
- Accident and/or Sickness;
- Consumer Credit;

- Travel;
 - Personal and/or Domestic Property;
 - Pleasure Craft; and
 - Others as may be prescribed by regulation from time to time.
- * A Small Business is a business which employs less than 20 people (other than businesses that manufacture goods where the limit is 100 people.)

Cooling Off Notice

If you are a Retail Client who purchases a Retail Product and you decide that you do not require this contract of insurance, you have 14 days (or longer if the insurer allows it) from the earlier of the date you receive confirmation of this insurance contract and the date the insurance contract was arranged, to change your mind. You must tell the insurer in writing that you wish to return the insurance contract and have the premium repaid.

If you do so the insurance contract will be terminated from the time you notified the insurer. The insurer may retain its reasonable administration and transaction costs and a short-term premium.

You cannot return the contract of insurance if it has already expired or if you have made a claim under it.

Personal Advice and General Advice

Whenever we provide you with Personal Advice (i.e. advice which takes into account your specific needs, objectives or financial situation) for Accident and/or Sickness and Consumer Credit insurance, we are obliged to give you a Statement of Advice. This statement will contain our advice, the basis on which it is given and information about our fees, commissions or other benefits and any associations that may have influenced the giving of our advice.

Where we provide a General Advice service (i.e. advice which does not take into account your specific needs, objectives or financial situation), we will give you a General Advice Warning at that time and you should consider the product information we provide in deciding whether it is appropriate for your specific needs, objectives or financial situation.

Product Disclosure Statement

If we recommend that you should acquire a financial product, or we offer to issue or arrange to issue you with a financial product, where required we will also provide you with a Product Disclosure Statement containing information about that product. This will enable you to make an informed decision about the acquisition of that product.

PROFESSIONAL INDEMNITY INSURANCE

MBQIS has in place Professional Indemnity insurance relating to errors and omissions arising from advice provided by our representatives, past or present. If you require further information regarding our Professional Indemnity insurance, please contact our Compliance Officer.

Ph: 1300 13 13 26 Fax: 1300 13 13 29 Email: insurance@masterbuilders.asn.au

Brisbane 417 Wickham Terrace, Brisbane Qld 4000

Gold Coast 18 Central Park Avenue, Ashmore Qld 4214

Rockhampton 35 Derby Street, Rockhampton Qld 4700

Cairns 310-314 Gatton Street, Manunda Qld 4870

You can also contact us through all other Master Builders Queensland offices.

Privacy Statement

Master Builders Queensland and MBQIS comply with provisions of the Privacy Act. Details of our Privacy Policy are available on request or through our website: www.masterbuilders.asn.au.

**A Division of Queensland Master Builders Association
Industrial Organisation of Employers**
ABN 96 641 989 386
Australian Financial Services Licence No 246834

This guide is current as at time of production in May 2011. It is also available, with any updates through our Website: www.masterbuilders.asn.au.

