



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 you ask us to 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. If there is any change to these terms, we may also provide you with a Supplementary Financial Services Guide which, together with this Guide, will record the basis of our relationship.

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

ABOUT US

National Franchise Insurance Brokers Pty Ltd ABN 57 160 064 979 (**NFIB**) is a Corporate Authorised Representative (No 445168) of Morris Group Investments Pty Ltd. Morris Group Investments Pty Ltd holds Australian Financial Services Licence No 245374 which authorised it to advise or deal general insurance for retail and wholesale clients.

Morris Group Investments Pty Ltd is responsible for the financial services provided by our staff and our Authorised Representatives, including the distribution of this Financial Services Guide.

ABOUT OUR SERVICES

NFIB provides financial services exclusively to franchisors and franchisees.

We are committed to providing sound advice to our franchise industry clients, based on our comprehensive industry knowledge and requirements of each franchise group.

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

- Reviewing and advising on your insurance needs
- Arranging and renewing insurance contracts on your behalf
- Arranging premium funding, if required
- Assisting with insurance claims
- Risk management advice

The main services of NFIB, however, are provided to franchisees, principally via an online platform. The products that can be arranged for franchisee by NFIB via that platform conform to the common requirements of the franchise group, not the particular needs each franchisee.

If any franchisee has particular needs outside those that can be dealt with in the site or particular questions they should contact us on the number set out in this FSG. We are happy to discuss your needs in more detail if required.

HOW TO CONTACT US

You can contact NFIB by:

- Telephone: 1800 776 747
- Fax: 1800 194 525
- In person: Unit 9, 281 Hay Street, Subiaco, WA 6008
- Mail: Unit 9, 281 Hay Street, Subiaco, WA 6008



IMPORTANT INFORMATION ABOUT OUR SERVICES

General advice

The services that we provide to our franchisee clients are generally limited to general advice.

This advice does not take into account any of your particular objectives, financial situation or needs. For this reason, before you act on this advice, you should consider the appropriateness of the advice taking into account your own objectives, financial situation and needs.

Before you make any decision about whether to acquire the policy, you should obtain and read the product disclosure statement for the policy.

We also recommend that you consider the information provided on our website, including sums insured, sub-limits and product descriptions about the risk(s) to be insured, in considering your situation, needs and objectives.

Statement of Advice (SoA)

We will not generally provide personal advice to our franchisee clients, however, retail clients* may be entitled to receive a Statement of Advice (SOA) when we provide you with personal advice which takes into account your objectives, financial situation or needs.

The SOA will include information about the (\$) amount and/or description of fees, commissions, other benefits and any associations that may have influenced the giving of this advice.

We will not generally provide personal advice to our franchisee clients.

**Retail clients are individuals or those who purchase an insurance product for use in connection with a small business (a business which employs less than 20 people other than businesses that manufacture goods, where the limit is 100 people). Community groups and not-for-profit organisations are likely to be small businesses and will be treated as retail when acquiring retail classes or insurance.*

However they are only designated as retail clients when they purchase a general insurance contract which has been designated as a retail product, i.e.:

- *Motor vehicle;*
- *Home building;*
- *Home contents;*
- *Sickness and accident;*
- *Consumer credit;*
- *Travel;*
- *Personal and domestic property;*
- *Medical indemnity insurance; and*
- *Any other kind of insurance prescribed in the regulations.*

Personal and domestic property insurance is further defined:

It covers loss or damage to property that is wholly or predominantly (and ordinarily) used for personal, domestic or household use by the insured, a relative or the insured or any person with whom the insured resides.

Personal property includes:

- *Movables;*
- *Valuables;*
- *Caravan or mobile home (including an onsite mobile home);*
- *Trailer;*
- *Marine pleasure craft;*
- *Horse;*
- *Domestic pet; and*
- *Mobile phones*

Property is wholly or predominantly used for personal, domestic or household use if the insured gives the insurer a statement to that effect before the insurance product is issued.

Where the client buying the policy is a wholesale client, any related body corporate that is also party to the contract can be treated as a wholesale client even if they are a small business and would otherwise be seen as a retail client.

All other clients are wholesale (including workers compensation, CTP, marine insurance (other than pleasure craft) and statutory insurance relating to residential construction work.



Product Disclosure Statement

If we offer to arrange the issue of an insurance policy to you, we will also provide retail clients* with, or pass on to you, a Product Disclosure Statement (**PDS**), unless you already have an up to date PDS from the insurer. The PDS will contain information about the particular policy which will enable you to make an informed decision about purchasing that policy.

Confirmation notices (Invoices)

These will be provided to all clients to confirm the details of transactions we have arranged on your behalf.

Certificate of Placement (COP)

These will be provided to all franchisee clients to confirm cover arranged on your behalf. We will also provide a copy of your COP to your franchisor to confirm that cover is in place.

WHO DO WE ACT FOR

If your policy has been placed by NFIB through Skyline Underwriting as a Coverholder via a binder agreement, we will be acting as an agent of the insurer.

If your policy has been placed by NFIB outside of a binder agreement, we will be acting on your behalf as an insurance broker.

If you are unsure of the relationship, or would like further clarification, please contact us on 1800 776 747.

IMPORTANT RELATIONSHIPS

Morris Group Investments Pty Ltd is a Steadfast Group Limited (**Steadfast**) Network Broker. Steadfast has exclusive arrangements with some insurers and premium funders (**Partners**) under which Steadfast will receive between 0.5–1.5% commission for each product arranged by us with those Partners. Steadfast is also a shareholder of some Partners. We may receive a proportion of that commission from Steadfast at the end of each financial year (or other agreed period).

As a Steadfast Network Broker 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 Steadfast Network Brokers for a fee.

You can obtain a copy of Steadfast's FSG at www.steadfast.com.au

Morris Group Investments Pty Ltd and National Franchise Insurance Brokers also have relationships with a number of other bodies to provide brokerage and referral services to their members/clients who may receive financial benefits calculated on either a % of business written or fee per client arrangement. Details of these arrangements are available on request and where applicable.

Where policies are underwritten by Certain Underwriters at Lloyd's, an underwriting fee will be received by Morris Group Investments Pty Ltd trading as Skyline Underwriting (Skyline). The shareholders of Morris Group Investments Pty Ltd may from time to time expect to receive a share in the company's profit based on a profit share formula after deduction of claims and expenses. The % of profit payable may vary and is not guaranteed

HOW WE WILL LOOK AFTER YOUR INSURANCE NEEDS

You can provide us with instructions in person, by telephone, email, facsimile, or in writing. However, for insurance arranged via our online portal, we will communicate with you via email, unless you instruct us otherwise.

BECAUSE OF THIS IT IS MOST IMPORTANT that you advise us of any change in your email address for electronic communication as soon as the change occurs.

Signing up to our online portal

If you are arranging insurance through NFIB for the first time, go to www.mynfib.com.au and register as a new franchisee. You can then follow the online process to arrange your franchise insurance with us.



Renewals

We will give you notice of expiry of any insurance contract which we arranged or last renewed for you. This will be sent to you electronically via our website (3) weeks prior to expiry of your policy. At that time we will send you an offer to renew the insurance contract via our online system which you should consider.

If you want to change the details of the cover, contact us as soon as you receive the renewal offer. If want to renew the contract on the same terms, you must pay the premium or accept the monthly payment options online prior to expiry.

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, for example, 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. If a loss adjustor is appointed we shall, with your permission, pass on your contact details and co-ordinate meetings. In the case of a major loss, we can attend the initial meeting 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.

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

We may be paid commission by the relevant insurers when we arrange insurances on your behalf. As a general rule, the insurer will pay us an amount based on a percentage of the premium ranging between 5-35% depending on the class of insurance. In addition to the commission, we may also charge you a broker fee.

Alternatively, we may rebate all commissions to you and charge you a fee based upon the nature of the service we provide.

The commission will be calculated based on the following formula: $X = Y\% \times P$

In this formula X = the commission, Y% = the percentage commission paid to us by the insurer and P = the amount you pay for any insurance policy (less any government fees or charges included in that amount).

For retail clients we will provide specific information about the basis and amount you will be charged before or at the time we arrange your insurance.

When you pay us your premium 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 in accordance with our arrangements with 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.

Sunrise

We may be entitled to receive additional commissions where we use electronic data interface (Sunrise) to process your policy with certain underwriters. Where this is the case, for retail clients, the amount will be included in the commission declared on your Tax Invoice.

Premium Funding

Premium funding products enable you to pay your premiums by instalments. Although they do not usually require any security, premium funders do charge interest.

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 changes). 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 1–4% of funded premium. The amount of our commission and any fee that we charge will be set out in the premium funding contract, which you can review prior to acceptance.

Overrides

In addition to this commission payments, we may be entitled to receive an override of between 0%-2% of your premium, from either an underwriter or premium funder dependent on the total amount of business placed or a certain level of profitability being achieved.

Other Benefits

From time to time our advisers may receive certain “hospitality benefits” (such as tickets to sporting events, movies, meals, bottles of wine, hampers). The receipt of these benefits is not based upon the volume of business placed with the provider but are more of an ad hoc reward. It is not possible to determine the exact value of these benefits, however the details of such benefits are recorded on a specially maintained Register. Please ask your adviser if you wish to view our register.

How our staff (advisers) and Authorised Representatives are paid

Our advisers are usually paid in two ways – salary, and a profit share which is based on achievement of company goals.

TERMS OF PAYMENT

Invoices

At the time you instruct us to purchase your insurance coverage online at www.mynfib.com.au you will be given options to pay by credit card, BPAY or monthly instalment premium funding (Macquarie Premium Funding). These are the only options available for insurance purchased through us online.

If you require any other payment method you will need to contact us to make alternative arrangements for your insurance needs.

Cancellation

We cannot cancel a contract of insurance without written instructions from a person(s) who is authorised to represent each of the parties who are named as insured’s in the contract of insurance.

We cannot cancel any contract of insurance which is subject to the Marine Insurance Act 1909.

If a contract of insurance is cancelled before expiry of the period of insurance, we will refund the net premium we receive from your insurer. We will not refund our fees or commission for arranging the insurance and we will charge a transaction fee.

Material Changes

You must also notify your insurer of any significant changes which occur during the period of insurance. If you do not, your insurances may be inadequate to fully cover you. We can assist you to do this and to ensure that your contract of insurance is altered to reflect those changes.

Cooling Off Period – Retail Insurance Only

If you decide that you do not need a contract of retail insurance which has been arranged on your behalf, you may return the insurance contract and receive a refund of premium any time within 14 days from the earlier of the date confirmation was received or the end of the fifth business day after the insurance contract was sold. 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 and the premium will be returned. 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.

Sums Insured – Average and Co-Insurance

Some insurance contracts require you to bear a proportion of each loss or claim if the sum insured is inadequate to cover the amount of the loss. These provisions are called “average” or “co-insurance” clauses.



If you do not want to bear a proportion of any loss, when you arrange or renew your contract of insurance, you must ensure that the amount for which you insure is adequate to cover the full potential of any loss. If you insure on a new for old basis (Replacement & Reinstatement), the sum insured must be sufficient to cover the new replacement cost of the property.

Interests of Other Parties

Some insurance contracts do not cover the interest in the insured property or risk of anyone other than the person named in the contract. Common examples are where property is jointly owned or subject to finance but the contract only names one owner or does not name the financier. Please tell us about everyone who has interests in the property insured so that we can ensure that they are noted on the contract of insurance.

Waiver of Rights

Some insurance contracts seek to limit or exclude claims where the insured person has limited their rights to recover a loss from the person who was responsible for it, e.g. by signing an agreement which disclaims or limits the liability of the other party.

Please tell us about any contracts of this type which you have or propose to enter into.

Standard Covers

The Regulations to the Insurance Contracts Act set out standard terms for the cover which is provided by motor vehicle, home buildings, home contents, sickness and accident, consumer credit and travel insurance (including a minimum amount of insurance). If an insurer wants to alter these terms or offer less than the minimum amount of insurance they must clearly inform you in writing that they have done so. They can do this by providing you with a Product Disclosure Statement or a copy of the insurance contract.

DUTY OF DISCLOSURE

Your duty of disclosure:

Contracts of General Insurance, Other Than Eligible Contracts

Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect our decision to insure you and on what terms.

You have this duty until we agree to insure you.

You have the same duty before you renew, extend, vary or reinstate an insurance contract.

You do not need to tell us anything that:

- reduces the risk we insure you for; or
- is common knowledge; or
- we know or should know as an insurer; or
- we waive your duty to tell us about

New Eligible (i.e. Retail) Contracts of Insurance

Before you enter into an insurance contract, you have a duty of disclosure under the *Insurance Contracts Act 1984*.

If we ask you questions that are relevant to our decision to insure you and on what terms, you must tell us anything that you know and that a reasonable person in the circumstances would include in answering the questions.

You have this duty until we agree to insure you.

Renewal of Eligible (i.e. Retail) Contracts of Insurance

Before you renew this contract of insurance, you have a duty of disclosure under the *Insurance Contracts Act 1984*.

If we ask you questions that are relevant to our decision to insure you and on what terms, you must tell us anything that you know and that a reasonable person in the circumstances would include in answering the questions.

Also, we may give you a copy of anything you have previously told us and ask you to tell us if it has changed. If we do this, you must tell us about any change or tell us that there is no change.



If you do not tell us about a change to something you have previously told us, you will be taken to have told us that there is no change.

You have this duty until we agree to renew the contract.

If you do not tell us something

If you do not tell us anything you are required to tell us, we may cancel your contract or reduce the amount we will pay you if you make a claim, or both.

If your failure to tell us is fraudulent, we may refuse to pay a claim and treat the contract as if it never existed.

PRIVACY

We are committed to protecting your privacy. We use the information you provide to advise about and assist with your insurance needs. We provide your information to insurance companies and agents that provide insurance quotes and offer insurance terms to you or the companies that deal with your insurance claim (such as loss assessors and claims administrators).

Your information may be given to an overseas insurer (like Lloyd’s of London) if we are seeking insurance terms from an overseas insurer, or to reinsurers who are located overseas. We will try to tell you where those companies are located at the time of advising you. We do not trade, rent or sell your information.

If you don’t provide us with full information, we can’t properly advise you, seek insurance terms for you, or assist with claims and you could breach your duty of disclosure.

For more information about how to access the personal information we hold about you and how to have the information corrected and how to complain if you think we have breached the privacy laws, ask us for a copy of our Privacy Policy or visit our website www.mynfib.com.au.

COMPLAINTS AND DISPUTES

We are committed to meeting if not exceeding our clients’ expectations whenever possible. Much as we dislike receiving complaints, we recognise that dissatisfied clients have a right to complain and to have their complaint handled. If you wish to lodge a complaint, please contact our Complaints Officer, Susan Lynch, or if she is not available, Brad Dixon. Susan and Brad can be contacted either by phone, email or in writing. Their details are below:

Susan Lynch	(08) 6380 0804	susan@mynfib.com.au	Unit 9, 281 Hay Street
Brad Dixon	(08) 6380 0815	brad@mynfib.com.au	SUBIACO WA 6008

Our Complaints Officer is responsible for:

- Dealing with and attempting to resolve all client complains which cannot be resolved by the provision of clarification or information;
- Advising clients of their rights to lodge complaints with the FOS;
- Managing all disputes with clients; and
- Liaising with FOS

NFIB as a Corporate Authorised Representative of Morris Group Investments Pty Ltd is a member of the Financial Ombudsman Service (FOS). If your complaint is unresolved after 20 days or not resolved to your satisfaction, you have the right to refer the matter to FOS. FOS can be contacted on 1300 780 808 or online at www.fos.org.au. The address for FOS is GPO Box 3 Melbourne Victoria 3001.

The Australian Securities & Investments Commission (ASIC) also has a free call Infoline on 1300 300 630 which you may use to make a complaint or obtain information about your rights.

NOTE: Lloyd’s Australia Complaint Handling Guidelines

Where a complaint is in relation to a policy underwritten by Certain Underwriters at Lloyd’s NFIB will adopt the Lloyd’s Australia Complaint Handling Guidelines. For a copy of these guidelines, please contact the Complaints Officer. You will be advised if your complaint falls under the Lloyd’s Australia Complaint Handling Guidelines once this becomes apparent.



NFIB is protected by professional indemnity insurance as a listed Corporate Authorised Representative of Morris Group Investments Pty Ltd on their professional indemnity insurance policy (**PI policy**). The PI policy covers us and our employees for claims made against us and our employees by clients as a result of the conduct of us or our employees in the provision of financial services.

Our PI policy does cover us for claims relating to the conduct of representatives who no longer work for us. If you have any further questions about the financial services provides, please contact us

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Please retain this document for your reference and any further dealings with National Franchise Insurance Brokers.

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