

# Financial Services Guide

December 2015 (V20)



This Financial Services Guide (FSG) contains important information to assist you in deciding whether to use our services and includes:

1. Who we are and who we act for
2. Types of services we provide
3. Your Duty of disclosure
4. Product Disclosure Statement (PDS)
5. Insuring the interest of other parties
6. Change of risk or circumstances
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## 1. Who we are and who we act for

Family Day Care Australia Limited (FDCA) ABN 93 094 436 021 AFSL 329 616 is the national peak body for family day care. As an insurance broker we act on your behalf.

## 2. Types of services we provide

FDCA can provide general product advice on, and deal in general insurance products to retail and wholesale clients.

Any advice we provide is general in nature and we do not take into account your personal needs or financial objectives. Before you decide to purchase general insurance products from us you need to consider if the advice and relevant product is right for your circumstances as we have not done this.

We act as a referrer only for Income Protection and Superannuation. In making any referral we do not advise or represent that their products and services are right for you and take no responsibility for the products and services they may provide to you. You need to make your own decision based on the information they provide.

Premium funding is available for certain FDCA products and enables you to spread your payment over instalments rather than pay it in a lump sum; however you will have to pay a fee to the premium funder. When we offer you premium funding we act on behalf of the premium funder, not you. We do not provide personal advice or represent that any of the funder's products and services are right for you or that they are the most appropriate. You need to make your own decision based on the information provided.

## 3. Your Duty of disclosure

Before you enter into a contract of general insurance with an Insurer, you have a duty under the Insurance Contracts Act 1984, to disclose to the Insurer every matter that you know, or could reasonably be expected to know, is relevant to the Insurer's decision whether to accept the risk of the insurance and, if so, on what terms. You have the same duty to disclose those matters to the Insurer before you renew, vary or reinstate a contract of general insurance. Your duty however does not require disclosure of any matter that diminishes the risk to be undertaken by the Insurer, that is of common knowledge, that your insurer knows or, in the course of their business ought to know, as which compliance with your duty is waived by the insurer.

Non-Disclosure and Misrepresentation

If you fail to disclose any matter, which you were under a duty to disclose to the insurer or you made a misrepresentation to the insurer before this Policy was entered into, the Insurer may be entitled to reduce

its liability under the contract in respect of a claim or may cancel the contract. If your non disclosure is fraudulent, the Insurer may also have the option of voiding the contract from its beginning. Contracts of Insurance are subject to the doctrine of utmost good faith. Failure to adhere to this may prejudice any claim.

## 4. Product Disclosure Statement

If you ask us to arrange personal accident insurance for carers or children, motor vehicle or home and contents insurance we will provide you with a Product Disclosure Statement (PDS) unless you already have an up to date version. It is prepared by the insurer and is designed to help you make an informed decision about the financial product.

## 5. Insuring the interest of other parties

If you require the interest of a party other than the named insured to be covered, you MUST request this. Most policy conditions will exclude indemnity to other parties.

## 6. Change of risk or circumstances

It is important that you advise us of any location changes, business activities or any departure from your normal form of business.

## 7. Terms of the insurance contract

By taking out this insurance you agree that:

- a) You have read and understood FDCA's Financial Services Guide and Duty of Disclosure, Privacy Policy and the relevant Product Disclosure Statements if Personal Accident for Children or Carers, Motor Vehicle and Home & Contents insurances have been selected.
- b) If you select the premium funding option, you have read and understood the Premium Funding Payment and Instalment Plan Terms and Conditions and you agree to be bound by these Terms and Conditions.
- c) You authorise FDCA (ABN 93 094 436 021) to give to or obtain from any relevant authority or the Service you are registered with, any information relating to the status of the insurances you have selected including providing a copy of the certificate of insurance.
- d) You understand that:
  - i) any statement made in the application will be treated by us as a statement made by all the people insured
  - ii) the insurance/s and membership are only valid if you are registered with an Australian Government Funded Family Day Care service or In-Home Care service
- e) If you are a FDCA member, you agree to be bound by the constitution and by-laws of FDCA.
- f) The insurance/s and membership are non-transferable.

## 8. Insurer's rights following a claim

Under the policy the insurer is entitled on the happening of any accident, injury, loss or damage to undertake in your name and on your behalf the conduct, control and settlement of any proceedings and to take proceedings at their own expense and for their own benefit but in your name to recover property or secure indemnity or contribution in respect of anything insured in this policy.

## 9. Insurers

Your Insurances are only arranged with Insurers that are authorised under the *Insurance Act 1973* to conduct insurance business in Australia. Although the insurers are subject to the supervision of the Australian Prudential Regulation Authority (APRA), we are not in a position to guarantee that any insurer will at all times be in a position to pay claims as and when they occur and we disclaim any liability for losses that you may not be able to recover from your insurer/s.

## 10. 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) as well as contractors or partners who supply services to us or our members. We also provide details of your insurance status to the Service that you are registered with (including providing your Certificate of Insurance) as well as Regulatory Authorities if requested. 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 and if necessary, seek your consent before disclosing your information to them. Public liability Insurance for FDCA members is placed with certain underwriters at Lloyds of London and London companies.

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 can breach your duty of disclosure. For more information about how to access the personal information we hold about you, how to have the information corrected and how to complain if you think we have breached the privacy law, ask us for a copy of our Privacy Policy or visit our website. [www.fdca.com.au](http://www.fdca.com.au)

### 11. Payment for our services

When we place insurance for you we receive commission from the insurer (including renewals and some variations to the policy). The commission is a percentage of the insurer's base premium (i.e. excluding stamp duty, fire services levy, GST or any other government charges, taxes, fees or levies). The commission rate varies between 0-30%. Different insurers can agree to pay us different commission rates for the same type of products. The rates also vary for each product type. FDCA may sometimes receive additional remuneration from insurers through profit commissions on insurance products. Because the amount of the commission earned may vary depending on the performance of the portfolio over a period of time, the amount of possible commission attributable to any policy will not be known at the time of placement. The commission is included in the premium amount detailed on your invoice and we receive it when you pay the premium or at a later time as agreed with the insurer.

You may cancel your policy at any time and under certain circumstances, you may be eligible for a refund. If you advise us in writing within 14 days of the inception date of the policy and no care has taken place, we will refund the full premiums of certain products less a cancellation fee of \$25.00. Beyond this 14 day term, Membership, Telephone Legal Advice, Personal Accident for Children and carers and Educator Management Liability Insurances and Kick Start Packages are non refundable. A proportion of your Public Liability Insurance may be eligible for refund beyond the 14 day term, less fees, commissions and government charges.

We also have standard administration/policy handling fees which are charged in addition to the premium for the insurance to cover the cost of services for preparation and distribution of FDCA documentation and other services we provide to our members. The FDCA fee ranges between \$0-\$300 per policy and is noted in the documentation we send you. They are non-refundable. If you pay annually and cancel or vary your insurance package mid-term, FDCA will retain \$25 (including GST) for our expenses in relation to the cancellation and/or variation. If you are not a member of FDCA we will charge you a non-member fee of \$110.00 to arrange your insurance packages.

All commission and fees assist to support the work of FDCA. 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. We may earn interest on the premium while it is in our trust account and retain any interest earned on the premium.

If we arrange premium funding/instalment payment options for you we are paid a commission of between 0-5% of the funded premium.

From time to time FDCA may provide sponsorship and/or financial support to various Associations and Services of up to 10% of the annual premium.

### 12. Cooling off period

A cooling off period may apply to an insurance policy issued to you as a retail client. During the period you may return the policy. If a cooling off period applies to your policy the details of your rights are included in the relevant Product Disclosure Statement.

### 13. Potential Conflicts of Interest

FDCA and its staff may also receive 'soft dollar' benefits from insurers and other service providers and can include entertainment or small gifts. There are no other associations or relationships with insurers which may influence us in providing our services.

### 14. Complaints Policy

FDCA have developed a Complaints and Dispute Resolution Process which is fair, efficient and accessible to all our clients.

If you would like to make a complaint about the services provided by FDCA you should telephone FDCA on free call 1800 658 699, or if you wish you can put your complaint in writing for referral to the complaints officer. The complaints officer will acknowledge your complaint in writing as soon as it is received by FDCA. We will respond to your complaint within 5 business days of receipt by FDCA.

If the complaint is not resolved to your satisfaction you can refer the matter to the Financial Ombudsman Service Limited (FOS) [www.fos.org.au](http://www.fos.org.au) which is a national scheme for consumers. Its aim is to resolve disputes between clients, brokers and insurance companies. Contact them at Financial Ombudsman Service Limited GPO Box 3, Melbourne VIC 3001 Telephone: 1300 780 808 E: [info@fos.org.au](mailto:info@fos.org.au)

### 15. Insurance Brokers Code of Practice

FDCA subscribes to the National Insurance Brokers Association Code of Practice (The Code). The code sets out standards for Brokers to follow when dealing with clients. The code is available at [www.niba.com.au](http://www.niba.com.au).

### 16. Compensation arrangements for clients' losses

FDCA has a professional indemnity insurance policy (PI policy) in place. The PI policy covers FDCA and their representatives (including ex employees and representatives) for claims made against them by clients as a result of their conduct in the provision of financial services.

### 17. How to contact us

Family Day Care Australia Limited PO Box 571, Gosford NSW 2250  
Telephone: 1800 658 699 Fax: 02 4324 7882

E: [memberservices@fdca.com.au](mailto:memberservices@fdca.com.au)

W: [www.familydaycareaustralia.com.au](http://www.familydaycareaustralia.com.au)

This FSG Version was prepared on 1 December 2015 by Family Day Care Australia Limited ABN: 93 094 436 021, AFSL No: 329616.

***Please keep this document for your reference and any future dealings with us.***