

INSURANCE BROKERS ALLIANCE LIMITED OUR TERMS OF TRADE

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Introduction

Thank you for allowing us to work with you on your risk management and insurance requirements. We take our responsibility to advise and support you seriously and will provide you with professional and personal service at all times.

This document sets out our disclosure requirements, our standard terms of business on which we will provide our services to you and your duty of disclosure. We provide this document to meet our requirements under current regulations and to set out the terms of business that apply whenever you ask us to act for you for all services we provide to you, together with any additional or different terms as agreed in writing with you.

By taking on our services, you acknowledge acceptance of these terms. This means you do not need to sign any formal agreement to indicate your acceptance unless we ask you to.

These terms of business supersede and replace any previous terms of business you have received from us, and will apply unless and until we provide you with new or amended disclosures or terms of business or replace it with different terms agreed with you.

If there should be any inconsistency or conflict between these terms of business and additional or different terms agreed with you, we will respect the terms agreed with you.

Purpose / values / service commitment

Our commitment

To provide Financial Advice for Insurance Products to you in accordance with the **Standards of the Code of Professional Conduct for Financial Advice Services for Ethical Behaviour**, Conduct and Client Care. Our Financial Advice provides good outcomes for you.

Treat Clients Fairly

Here at Insurance Brokers Alliance Limited we will listen to you carefully and together we will discover your insurance needs. We will provide options available for your insurance needs and communicate these to you in a timely manner.

Act with Integrity

As your Professional Insurance Adviser we will ensure your needs are put first and will recommend products that are best suited to your needs. We will work within our skills and knowledge to ensure our recommendations meet your needs. We will discuss any matters of conflict or dispute with you.

Give Advice that is suitable

After considering and analysing your insurance needs, we will provide our recommendation to you on the solution that best meets your insurance needs with our reasons for the recommendation.

Ensure that the Client understands the Financial Advice

We will work with you to ensure that you understand our insurance recommendations and scope of the policies offered.

Protect Client Information

The protection of and usage of your personal information is of the utmost importance to us and we will ensure it is only used for the purposes obtained. Our systems and procedures in place will ensure your personal information is protected at all times.

About us

Financial Service Provider: Insurance Brokers Alliance Limited
Telephone Number: 03 211 3018
Address: Level 1, 33 Gala Street, Invercargill 9810
Email address: admin@ibal.co.nz
Website: www.ibal.co.nz

Important information

This will help you the Client make an informed decision whether we Insurance Brokers Alliance Limited, our adviser's financial advice and products are suitable for your needs, and whether to seek, follow or accept the Financial Advice. This Disclosure Statement is required under the Financial Markets Conduct (Regulated Financial Advice Disclosure) Amendment Regulations 2020.

What sort of Advisers are we?

Insurance Brokers Alliance Limited holds a licence issued by the Financial Markets Authority (FMA) to provide financial advice (being the provision of financial advice on fire and general, life and health insurance products). Under this licence, we may only provide you financial advice in relation to fire and general insurance products. Insurance Brokers Alliance Limited is a Financial Advice Provider under the licence. The licence came into effect when the Financial Services Legislation Amendment Act 2019 (FSLAA) came into force on 15 March 2021.

As a Licensed Authorised Body, we have Standard Conditions on our licence. These conditions are not specific to us and does not limit or restrict Advice that may be given. To review further details on our licence and disclosures please refer to our full company disclosure statement at https://www.ibal.co.nz/uploads/1/2/2/7/122778216/ibal_disclosure_document_v1.1.pdf

We are committed to providing you with good financial advice that is suitable for your needs. We only provide financial advice on Insurance Products.

How do we get paid for the Financial Advice and Products we provide to you?

Fire & General Insurance Products

We receive commission (brokerage) when you, the client, accept our financial advice and purchase an insurance policy. Commission is paid to us by the Insurer (product provider) based on each insurance policy you purchase. The commission only applies to the company premium and natural disaster premium portion of the total premium and excludes any Fire & Emergency levy, Earthquake Commission levy or other government charges.

Please refer to our full commission table at: https://www.ibal.co.nz/uploads/1/2/2/7/122778216/insurance_brokers_alliance_commission_table_v1.pdf to see the commission % we receive by the insurer on each policy. This is provided to you to disclose our exact commission remuneration.

Policy Administration Charges and Fees

We may charge a policy administration charge and/or Broker Fees for financial advice. We will tell you what the fee is and we will show these charges and/or fees on your policy invoice. These charges and fees are only payable by you when our advice is followed, accepted and the insurance policy is purchased. The fees we charge are for our service, placement, implementation, and administration of the insurance policies you choose to accept and purchase. The total fees payable may increase with the number of insurance policies you choose to purchase. Fees may be received instead of or in addition to commission.

Our Advisers Act with Integrity

To ensure we and our advisers prioritise your interests above our own, we follow an advice process to ensure recommendations are made based on your individual requirements, goals, and circumstances. Our advisers complete annual and ongoing training about how to manage conflict of interests. A register of interests is maintained which we monitor and provide additional training where necessary. We perform an annual review of our compliance programme.

You should be aware there may be potential conflicts of interest you may need to take into consideration when you decide to seek and accept financial advice from our advisers. We will make you aware of any conflicts when giving advice.

Complaints Process

We take our service responsibility to you seriously. If you have a problem, concern, or you are dissatisfied with either a product or financial advice service provided by one of our Advisers and you require action to be taken, please tell us so we can help resolve the issue. Please contact us directly or feel free to use our Complaints Process, which you will find at <https://www.ibal.co.nz/compliments-complaints.html>.

If a complaint is received by us, we will approach all complaints with an open mind, listen and treat you as an individual, with courtesy and respect. We will promptly acknowledge the complaint at the earliest possible opportunity and make every attempt to resolve your complaint in a timely manner, with staff escalating as necessary to Senior Management or our Complaints Manager. You will receive a written decision, remedies, and resolution as soon as practicable after an internal investigation has been completed.

What to do if you are not satisfied after making a Complaint

If you feel your complaint is not resolved to your satisfaction using our complaints process, or you are unsatisfied with the response or resolution, you can contact Financial Services Complaints Ltd (FSCL) – A Financial Ombudsman Service. FSCL is our independent external ombudsman and dispute resolution service that has been approved by the Minister of Consumer Affairs under the Financial Service Providers (Registration and Dispute Resolution) Act 2008. FSCL is a dispute resolution scheme that we are a member of. This service **will cost you nothing** and is an independent service that will help investigate or resolve the complaint. You can click on this link to find out how to make a complaint to FSCL www.fscl.org.nz/complaints/how-make-complaint

You can contact (FSCL) at:

Postal Address: P.O. Box 5967, Wellington 6145

Email: complaints@fscl.org.nz

Telephone: 0800 347 257

Website: www.fscl.org.nz

Our Adviser Duties to You - our Client

Our Advisers give financial advice to clients on behalf of Insurance Brokers Alliance Limited. When giving advice all our Advisers must:

- Hold a Level 5 New Zealand Certificate in Financial Services.
- Maintain competence, knowledge and skills for giving financial advice by completing continuing professional development.
- Abide by the Code of Professional Conduct for Financial Services and have Ethical behaviour, good conduct and provide Client Care. www.mbie.govt.nz/assets/a96d1b4800/code-of-professional-conduct-for-financial-advice-services.pdf
- Listen to you carefully to discover your needs.
- Recommend products or services that meet your needs and explain why.
- Give clear and concise communication.
- Protect your information.
- Give priority to your interests when giving financial advice.

Our Terms of Trade

1.0 **Definitions**

- 1.1 **Company** means Insurance Brokers Alliance Limited
- 1.2 **Insurer** means the provider of the insurance policy or product.
- 1.3 **Client** means the person, company, entity obtaining advice on insurance products and services.
- 1.4 **Premium** is the charge of the policy.
- 1.5 **Insurance Policy** is the Insurance product provided to the client and combines the policy document, insurance schedule and application form.
- 1.6 **Contract** is the agreement by the client to pay the premium in exchange for advice from the company and for the insurer to provide cover as set out in the Insurer policy document.
- 1.7 **Period** means the dates the policy applies to.

2.0 **Your Client Responsibilities**

- 2.1 The client must pay the Premium by the due date as set out below.
- 2.2 The client must provide all relevant information to the company.
- 2.3 The client must inform the company of any material change during the period of this contract.
- 2.4 If the client fails to follow these responsibilities it may invalidate the policy.

3.0 **Our Company Responsibilities**

- 3.1 The Company will provide insurance broking services with reasonable care, integrity and skill and as defined by the Code of Conduct. All representations made (whether express or implied) and all other implied conditions, warranties and terms as to the provision of the services are otherwise excluded to the extent permitted by law.
- 3.2 The Company will forward payments received to the Insurer as per the Insurance intermediaries Act 1994.
- 3.3 The Company and Insurer will keep all client information confidential and will use it for the sole purpose of which it was disclosed in line with the Privacy Act.
- 3.4 The company may correspond with you by electronic communication which may not always be secure and may be read copied or interfered with in transit. We are not responsible for risks associated with electronic communication.

4.0 **Commissions and Fees**

- 4.1 The Company will receive commission from Insurers.
- 4.2 We may alternatively or in addition charge a Policy Administration Charge and or Broker Fee for our services.
- 4.3 Unless mandated by law, commissions and any fee earned on policies are deemed to be earned at the inception of the policy.

5.0 **Payment, Late Payment. Default of Payment and Consequences of Default of Payment**

- 5.1 The method of payment will be made by direct credit, credit card or as arranged through an agreed Premium Funding company.
- 5.2 Payment in full of outstanding amounts shall be received no later than 20 days from the invoice date or by the effective/inception date of the cover, whichever is the later, unless specific written agreement to the contrary.
- 5.3 If the payment remains outstanding further to the above, then your policy may be cancelled and be null and void. Any claim on the Insurer could be invalid.
- 5.4 Credit Card payments are subject to a surcharge, which will be advised when you make your payment.
- 5.5 Premium Funding can be arranged at the client's option. This will be arranged via a third-party provider and be subject to their terms and conditions.
- 5.6 Any invoices that are billed outside of the Premium funding arrangement are subject to be paid as stated above in Clause 5.2.

6.0 **Cancellation**

- 6.1 The Client is able to cancel a policy(ies) with the Insurer at any time by providing written notice to the Company.
- 6.2 If the Company and/or Insurer are unable to continue to offer the policy and/or services to the client, we will provide written notice subject to the Insurance policy.
- 6.3 Commission earned and/or fee charged for the Company services are considered to be earned at the time the insurance cover is placed and are not refundable in the event the cover is terminated early. Any refunds created by the cancellation of a policy either by the Client or the Company or the Insurer will only be paid back to the Client once any outstanding premiums have been received from the Insurer.

Your Duty of Disclosure

You must promptly advise us of any changes in risk, business developments or any further information likely to affect the Insurer's decision to insure you, and the terms and conditions on which they insure you. This obligation is ongoing during the time you have the insurance. If there are changes in risk, business developments or any further information and you do not tell us promptly, cover may not apply.

Arrangement of Insurance

It is your duty to advise us of all matters which may affect the initial arrangements or renewal of your insurance protection. Examples of such matters include:

- Changes and developments outlined in the section below
- Changes which may increase the possibility or extent of a claim
- For Personal Accident and/or Disability Insurance Protection, details of any disease, illness or injury which you have suffered or of which you may become aware
- Convictions
- Previous accidents, losses, damage or liabilities (even if claims were not made for them)

Homes, Contents, Private Motor & Pleasurecraft Policies

Examples of things you need to disclose:

- Unoccupancy in excess of 60 days of your home, rental property, holiday home and the like
- Changes in occupancy of your home, rental property, holiday home and the like
- Your bankruptcy or insolvency, criminal activity or associations or convictions
- Alterations or disconnection of previously advised fire or burglary prevention systems
- Hazardous processes, or any circumstances giving greater than normal risk of loss

When you have a **vehicle** insured, examples of what you must tell us are:

- Of any driving, traffic offences or convictions, changes of drivers or changes in their percentage of use of the vehicle
- Any modifications to the vehicle

Business and All Other Insurance Policies

Examples of any changes or developments you need to disclose:

- Purchase or occupation of new properties
- Alterations or additions to existing buildings or plant
- Changes in occupancy, process manufacture or business activities
- Removal of assets to new locations
- Alterations in type, quantity or storage method of dangerous goods
- Installation, alteration or disconnection of fire/burglary systems
- Alteration of any financial arrangements or property
- Tenders, installations and major expansion – submit details in advance for advice or insurance ramifications
- Hire, lease or borrowing of equipment (inward or outward)
- Contractual Liability, granting of indemnity or 'hold harmless' agreements
- Dependence on a new outside supplier or customer
- Changes in basis of sales and purchases both within New Zealand and overseas
- New overseas markets
- Installation of pressure plant or key machines
- Use of private aircraft, watercraft or drones
- Acquisition of controlling interests or joint undertakings in another company
- Any threats to cause harm or damage to the Company's property, trading activities or injury to personnel

NOTE: The examples on this page are not exhaustive – **if in doubt it is safer to tell us**. Insurers may decide not to pay claims and cancel or void the policy (possibly from when it started) if material facts are not disclosed. These are facts which if known to a prudent insurer would influence its judgement in fixing the premium or determining whether it would have taken or continued the risk upon substantially the same terms and conditions. In addition to the examples listed above, facts relating to previous claims history are material.