

# FINANCIAL SERVICES GUIDE



The financial services referred to in this financial services guide (FSG) are offered by:

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Address – Level 18, 140 St. George’s Terrace, Perth WA 6000  
Phone – 08 6467 7999, Email – [info@kbigroup.com.au](mailto:info@kbigroup.com.au)

**KBI Pty Ltd is the authorised representative of:**

KBI Group Pty Ltd (KBI Group) ABN 56167437121  
Address – Level 18, 140 St. George’s Terrace, Perth WA 6000  
Phone – 08 6467 7999, Email - [info@kbigroup.com.au](mailto:info@kbigroup.com.au)

KBI Group holds a current Australian Financial Services Licence No 494792 and is responsible for the financial services that KBI provides to you. KBI's Authorised Representative No is 450152. KBI Group is also responsible for the content and distribution of this FSG. The distribution of this FSG by KBI is authorised by KBI Group.

**This FSG sets out the services that we can offer you and contains important information about:**

- the services we offer you.
- 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.
- arrangements that are in place to compensate clients for losses.

**From when does this FSG apply?**

This FSG applies from 5 December 2017 and remains valid unless a further FSG is issued to replace it. We may give you a supplementary FSG. It will not replace this FSG but will cover services not covered by this FSG.

**How can I instruct you?**

KBI is authorised to advise and deal in general insurance products to wholesale and/or retail clients under KBI Group's Australian Financial Service Licence. We will do this on your behalf as your broker unless we tell you otherwise. Sometimes we will act under a binder or agency that KBI Group has from an insurer. When we act under a binder or agency, we will be acting as the agent of the insurer. This means that we represent and act for the insurer, not for you. We will tell you when we act under a binder or agency to arrange your insurance or advise you about your insurance needs.

**Retail clients**

Under the Corporations Act 2001 (the Act) Retail Clients are provided with additional protection from other clients. The Act defines Retail Clients as: Individuals or a manufacturing business employing less than 100 people or any other business employing less than 20 people and that are purchasing the following types of insurance covers: Motor vehicle, home building, contents, personal and domestic, sickness/accident/travel, consumer credit and other classes as prescribed by regulations. Some of the information in this FSG only applies to Retail Clients and it is important that you understand if you are covered by the additional protection provided.

**Retail client issues**

We typically only provide General Advice to our Retail Clients. General Advice does not take into account your particular needs and requirements and you should consider the appropriateness of this advice to your circumstances prior to acting upon it. We will provide you with a General Advice Warning in such cases. If you are a new Retail Client purchasing Personal Accident or Sickness insurance and obtain Personal Advice, that is, advice that takes into account your particular circumstances, we will give you a Statement of Advice (SOA), that sets out the advice provided and the basis on which the advice is made and our remuneration should you purchase the product. For existing Retail Clients, we may not provide an SOA but rather provide the advice to you orally. In such cases you may request us to provide you with a Record of Advice (via phone or in writing) which we will provide to you within 28 days of such request. When you ask us to recommend an insurance policy for you, we will usually only consider the policies offered by the insurance providers that we deal with regularly. In giving you advice about the costs and terms of recommended policies we have not compared those policies to other policies available, other than from those insurance providers we deal with regularly. If we recommend the purchase of a particular financial product, we will also give you a Product Disclosure Statement at that time, which sets out details specific to that product and the key benefits and risks in purchasing the product.

**Distributors**

KBI Group has Distributor arrangements in place with some organisations whereby they are authorised to arrange certain types of insurance on our behalf for our clients. Typically, this will be for residential, commercial and community association strata policies and workers compensation. If your insurance was arranged for you by a strata manager, they may receive a commission for doing so in the range of 10% to 20%. The contents of this FSG apply to you including our complaints handling procedure.

**Contractual Liability and your insurance cover**

Many commercial or business contracts contain clauses dealing with your liability (including indemnities, waiver of rights and/or hold harmless clauses). Such clauses may entitle your insurers to reduce cover, or refuse to indemnify you at all. You should seek legal advice before signing and accepting contracts. Please inform us of any clauses of this nature before you enter into them.

**What information do you maintain in my file and can I examine my file?**

We maintain a record of your personal profile, including details of insurance policies that we arrange or issue for you. KBI Group may also maintain records of any recommendations or advice given to you. KBI Group will retain this FSG and any other FSG given to you as well as any SOA or PDS that we give or pass

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on to you for the period required by law. KBI Group is committed to implementing and promoting a privacy policy, which will ensure the privacy and security of your personal information. A copy of KBI Group's privacy policy is available on request. A copy is also available on KBI Group's website - [kbigroup.com.au](http://kbigroup.com.au). If you wish to look at your file please ask us. We will arrange for you to do so.

## How will I pay for the services provided?

Payment for the services we provide you are payable directly to KBI Group. For each insurance product, the insurer will charge a premium that includes any relevant taxes, charges and levies. KBI Group receive a payment based on a percentage of this premium (excluding relevant taxes, charges and levies) called commission, which is paid to KBI Group by the insurers. In some cases, we will also charge you a fee, which will be outlined on the invoice provided. You can choose to pay for our services by any of the payment methods set out in the invoice. You are required to pay KBI Group within the time set out on the invoice. When you pay us your premium it will be banked into KBI Group's trust account. KBI Group will retain the commission from the premium you pay us and remit the balance to the insurer in accordance with KBI Group's arrangements with the insurer. KBI Group will earn interest on the premium while it is in their trust account or KBI Group may invest the premium and earn a return. KBI Group will retain any interest or return on investment earned on the premium.

If there is a refund or reduction of your premium as a result of a cancellation or alteration to a policy or based on a term of your policy (such as a premium adjustment provision), we will retain any fee we have charged you. We will also retain commission depending on our arrangements with the insurer, or charge you a cancellation fee equal to the reduction in commission.

## How are any commissions, fees or other benefits calculated for providing the financial services?

KBI will typically charge you a broking fee and/or obtain a commission from the insurer. Our fees vary depending on the level of service, advice and time provided along with the whether we are receiving a commission. The amount of commission received depends on the line of coverage and the market, but is generally calculated at a rate of 5% to 30% of the insurer's base premium (ie. before government charges, insurer fees and levies). As mentioned, we may also charge a fee for the services rendered. Our fees will be outlined on our invoice and also provided at the time of advice or as soon as practicable.

KBI Group will retain 4% of any commission and fee charged by KBI. We do not often pay any commissions, fees or benefits to others who refer you to us or refer us to an insurer. If we do, we will pay commissions to those people out of our commission or fees (not in addition to those amounts). Our employees that will assist you with your insurance needs will be paid a market salary. Travis Kenzle is a shareholder of both KBI Group and KBI. If we give you personal advice, we will inform you of any fees, commission or other payments we, our associates or anyone referring you to me/us (or me/us to any insurer) will receive in relation to the policies that are the subject of the advice.

## Do you have any relationships with insurers who issue the insurance policies or any other material relationships?

KBI Group 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 KBI Group with those Partners. Steadfast is also a shareholder of some Partners. KBI Group may receive a portion of that commission from Steadfast at the end of each financial year (or other agreed period). As a Steadfast Network Broker, KBI Group has 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](http://www.steadfast.com.au).

If we arrange premium funding for you, KBI Group may be paid a commission by the premium funder. The commission that KBI Group is 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 KBI Group become entitled to the commission. KBI Group's commission rates for premium funding are in the range of 0.5 to 3% of funded premium. KBI Group retains 4% of the commission and passes the rest to KBI. When we arrange premium funding for you, you can ask us what commission rates KBI Group are paid for that funding arrangement compared to the other arrangements that were available to you.

At times, we will be paid for referring you to another financial service provider such as Steadfast Life. We may receive a commission for doing so in the range of 5% - 7.5%.

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

Contact us and tell us about your complaint. We will do our best to resolve it quickly. If your complaint is not satisfactorily resolved within 5 days, please contact Travis Kenzle on 08 6467 7999 or put your complaint in writing and send it to the address noted at the beginning of this FSG. KBI Group will try to resolve your complaint quickly and fairly. KBI Group is a member of the Australian Financial Complaints Authority, or AFCA. If an issue has not been resolved to your satisfaction, you can lodge a complaint with AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: [www.afca.org.au](http://www.afca.org.au)

Email: [info@afca.org.au](mailto:info@afca.org.au)

Telephone: 1800 931 678 (free call)

In writing to: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

## What arrangements are in place to compensate clients for losses?

KBI Group has a professional indemnity insurance policy (PI policy) in place. The PI policy covers KBI Group and its representatives (including authorised representatives) for claims made against them by clients as a result of their conduct in the provision of financial services. The PI policy covers KBI Group and KBI for claims relating to the conduct of former representatives who no longer work for KBI Group.

## Any questions?

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