



Financial Services Guide

AFS Licensee & Authorised Representative

Document ID Number: V 1.5

AFSL Name: Coverforce Partners Pty Ltd trading as Coverfreight

AR: Coverforce 3LP Pty Ltd

Date prepared: 1 March 2023





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

Coverforce 3LP Pty Ltd (Coverforce 3LP) (AR No. 001244497) (ACN 613 073 573)

1/93 Commercial Road, Newstead QLD 4006

P: 0499 995 522

E: mark_jackson@coverforce3lp.com.au

Lack of Independence

Why we are not independent, impartial, or unbiased in relation to the provision of personal advice and the impact of this on you

We, Coverforce 3LP Pty Ltd are not independent, impartial, or unbiased pursuant to section 923A of the Corporations Act because:

- We or Coverforce Partners Pty Ltd trading as Coverfreight may receive remuneration, commission, gifts or other benefits when we provide personal advice to you in relation to insurance products and other financial products;
- We or Coverforce Partners Pty Ltd trading as Coverfreight may be subject to direct or indirect restrictions relating to the financial products in respect of which personal advice is provided; and/or
- We or Coverforce Partners Pty Ltd trading as Coverfreight may have associations or relationships with issuers of insurance products and other financial products.

Further information about these benefits and relationships is set out in this Financial Services Guide.

If you have any questions about this information, please ask us.

AUTHORISED REPRESENTATIVES

Stephen Mahaffey

AR No. 000425423

P: 0499 995 511

E: steve_mahaffey@coverforce3lp.com.au

Coverforce 3LP is the authorised representative of **Coverforce Partners Pty Ltd trading as Coverfreight (Coverfreight) (ABN 57 089 245 465)**

Level 26, Tower One International Towers, 100 Barangaroo Avenue, Barangaroo, New South Wales 2000

P: 02 9376 7888

E: compliance@coverforce.com.au

This FSG sets out the services that we can offer you. It is designed to assist you in deciding whether to use any of those services 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 we have in place to compensate clients for losses.

The information in the FSG is current at the date of issue and is general information only. In this FSG, the words “we”, “our” or “us” is a reference to Coverforce 3LP. “You” and “your” refer to you as our client or the insured person.

Coverfreight holds a current Australian Financial Services Licence No: 245377 and is responsible for the financial services that Coverforce 3LP provides to you. Coverforce 3LP's Authorised Representative No is 001244497.

Coverfreight is also responsible for the content and distribution of this FSG. The distribution of this FSG by Coverforce 3LP is authorised by Coverfreight.



Further information when personal advice is given

We will provide you with further information whenever we provide you with advice which takes into account your objectives, financial situation and needs. This information may include the advice that we have given you, the basis of the advice and other information on our remuneration and any relevant associations or interests. This information may be contained in a Statement of Advice (**SOA**).

When you ask us to recommend an insurance policy for you, we will usually only consider the policies offered by the insurers or 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 insurers we deal with regularly.

PRODUCT DISCLOSURE STATEMENT (PDS)

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

From when does this FSG apply?

This FSG applies from 1 March 2023 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?

You can contact us to give us instructions by post, phone, fax or email mentioned on page 1 of this FSG.

Who is responsible for the financial services provided?

Coverfreight is responsible for the financial services that will be provided to you, or through you to your family members, including the distribution of this FSG.

Coverfreight holds a current Australian Financial Services Licensee No: 245377. The contact details for Coverfreight are on the front of this FSG.

What kinds of financial services are you authorised to provide to me and what kinds

of financial product/s do those services relate to?

Coverforce 3LP is authorised to:

- > provide financial product advice in relation General Insurance Products to Wholesale and Retail Clients; and
- > deal in and arrange the General Insurance Products at the request of the Client

under Coverforce's Australian Financial Services Licence. We will do this on your behalf as your broker unless we tell you otherwise.

The products in respect of which Coverforce 3LP has been authorised by Coverforce to provide the above services are:

- > General Insurance Products
- > (the **Products**)

Sometimes we will act under a binder or agency arrangement that Coverfreight has with 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 arrangement to arrange your insurance or advise you about your insurance needs.

Will I receive tailored advice?

Coverfreight holds an Australian Financial Services Licence (**AFSL**). This allows Coverfreight to provide personal financial product advice.

Coverforce 3LP is not authorised to provide personal advice in relation to the Products or any other financial products. If such advice is required, you must contact Coverforce at the contact details in this document.

The information provided to you by Coverforce 3LP and its employees does not take into account your personal objectives, financial situations or needs.

Coverforce 3LP is authorised to deal in and provide general product advice and services to wholesale and/or retail clients. Coverforce 3LP is not authorised to give personal advice in relation to the products Coverfreight authorises them to sell. The information Coverforce 3LP provides you does not take into account your personal objectives, financial situations or needs. If such advice is required, you must contact Coverforce at the contact details in this document.



Contractual Liability and your insurance cover

Many commercial or business contracts contain clauses dealing with your liability (including indemnities or hold harmless clauses). Such clauses may entitle your insurers to reduce cover, or in some cases, refuse to indemnify you at all. You should seek legal advice before signing and accepting contracts. You should 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?

Coverfreight maintains a record of your personal profile, including details of insurance policies that we arrange for you. Coverfreight may also maintain records of any recommendations or advice given to you. Coverfreight will retain this FSG and any other FSG given to you as well as any Statement of Advice or Product Disclosure Statement that we give or pass on to you for the period required by law.

Coverfreight and Coverforce 3LP are committed to implementing and promoting a privacy policy, which will ensure the privacy and security of your personal information. A copy of Coverfreight's privacy policy is available on request. A copy is also available on Coverfreight's website, www.coverforce.com.au. If you wish to look at your file, please ask us. We will make arrangements for you to do so.

How will I pay for the services provided?

Payment for the services we provide to you are payable directly to Coverfreight. For each insurance product, the insurer will charge a premium that includes any relevant taxes, charges and levies. Coverfreight often receive a payment based on a percentage of this premium (excluding relevant taxes, charges and levies) called commission, which is paid to Coverfreight by the insurers. However, in some cases you will also be charged a fee. These will all be shown on the invoice that we send you.

You can choose to pay for our services by any of the payment methods set out in the invoice. You are required to pay Coverfreight within the time set out on the invoice.

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.

When you pay your premium it will be banked into Coverfreight's trust account. Coverfreight will retain the commission from the premium you pay us and remit the balance to the insurer in accordance with Coverfreight's arrangements with the insurer. Coverfreight's will earn interest on the premium while it is in our trust account, or we may invest the premium and earn a return. Coverfreight will retain any interest or return on investment earned on the premium.

You may also pay your invoice utilising premium funding. If you do use premium funding you are able to pay your premium by instalments, although you will incur a fee and interest. Any benefit Coverforce may receive as a result of premium funding being arranged for you is set out in this document.

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

Coverfreight's commission will be calculated based on the following formula:

$$X = Y\% \times P$$

In this formula:

X = Coverfreight's commission

Y% = the percentage of commission paid to Coverfreight by the insurer. Coverfreight's commission varies between 0% and 30%.

P = the amount you pay for any insurance policy (less any government fees or charges included in that amount).

We will receive the following remuneration in respect of the services provided:

- a percentage share of between 0 – 70% of commission generated by Coverforce 3LP in the placement of insurance policies.

Our Individual Authorised Representatives are not employees of Coverforce 3LP. Any remuneration our Individual Authorised Representatives may be entitled to receive arising out of the performance of their role as an authorised representative is not paid to them by Coverforce 3LP and is subject to a separate employment agreement. Under that employment agreement, the Individual Authorised Representative receives a market salary and may be entitled to a performance bonus depending on the quality of their work provided to clients in the relevant financial year and the achievement of company goals.



Any fees that we or Coverforce charge you will be itemised on our Invoice or Statement and for Retail Clients we disclose the dollar value of the commissions earned. If you pay by credit card we may charge you a fee which is non-refundable and reimburses us for bank fees, interests and charges associated with the use of a credit card. If you are no longer a client of Coverfreight, we may charge you a fee associated with the ongoing cost of managing your claims. Depending on any written agreement with us, this fee is up to \$250 per hour.

Coverfreight do not often pay any commissions, fees or benefits to others who refer you to us or refer us to an insurer. If Coverfreight does, Coverfreight will pay commissions to those people out of our commission or fees (not in addition to those amounts), in the range of 10% to 50% of our commission or fees.

Coverfreight's employees are paid a market salary and may be entitled to a performance bonus depending on the quality of work that they provide to clients during any financial year and the achievement of company goals. Coverfreight's employees may also be invited to annual conferences, receive sponsorship for conferences, functions, meals or other non-monetary benefits from external parties such as insurers, underwriting agencies or reinsurers. You do not bear the cost of these events and such relationships are managed under Coverfreight conflicts of interest policy. Coverfreight policy is that any of the above received by us or our representatives that exceed \$300 per item or transaction in estimated value are potentially material and must be disclosed to Coverfreight Conflicts Manager in writing.

See below for information on the Steadfast association and commission.

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

As a Steadfast Network Broker of Steadfast Group Limited, ABN 98 073 659 677 (**Steadfast**), Coverfreight have access to services including model operating and compliance tools, procedures, manuals and training, legal, technical, HR, contractual liability advice and assistance, group insurance arrangements, product comparison and placement support, claims support, group purchasing arrangements and broker support services. These services are either funded by Steadfast, subsidised by Steadfast or available exclusively to Steadfast Network Brokers for a fee.

Steadfast has arrangements with some insurers and premium funders (Partners) under which the Partners may pay Steadfast commission of between 0.5 – 1.5% for each product arranged by Coverfreight with those Partners, or alternatively a fee to access strategic and technological support and the Steadfast Broker Network. Steadfast is also a shareholder of some Partners.

Coverfreight may receive a proportion of any commission paid to Steadfast by its Partners at the end of each financial year (or other agreed period). You can obtain a copy of Steadfast's FSG at www.steadfast.com.au

If we arrange premium funding for you, we and Coverforce may be paid a commission by the premium funder. We may also charge you a fee (or both). The commission that we and Coverfreight 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 Coverfreight become entitled to the commission.

Coverfreight's commission rates for premium funding are in the range of 0% to 6% of funded premium. When we arrange premium funding for you, you can ask us what commission rates Coverfreight are paid for that funding arrangement compared to the other arrangements that were available to you.

In some instances we have agreements with various insurers to pay us a commission based on the volume of, or profitability, of work that we place with them. Some of those agreements include a profit share. Please let us know should you require more information about those insurers with which we have these agreements. These arrangements do not impact on the amount you are required to pay for your insurance and does not influence us in deciding where to place your insurance.



Coverforce subscribes to the Insurance Brokers Code of Practice.

The Coverforce Group and other related entities

Coverfreight is part of a group of financial services companies (collectively referred to as the Coverforce Group). The Coverforce Group is comprised of the following companies:

- Coverforce Insurance Broking Pty Ltd (ABN 11 118 883 542);
- Coverforce Partners Pty Ltd (ABN 57 089 245 465); and
- Coverforce Pty Ltd (ABN 31 067 079 261).

If we recommend a product or service of a company in the Coverforce Group, we may receive benefits as a result of that referral including a share of any commission generated by that referral, dividends and in some cases a share of that entities profits.

We ensure that all negotiations and discussions with entities in the Coverforce Group are conducted as if that entity was an unrelated party and the relationship between the entities does not influence us in our recommendation of a product to you. We will always recommend products to you that are an appropriate solution for your needs.

Where there is potential conflict of interest in our remuneration or arrangements generally with entities in the Coverforce Group we manage those in accordance with our conflicts of interest policy which all staff, Distributors and Authorised Representatives must comply with.

Should you have any questions in relation to or remuneration please do not hesitate to contact us.

What should I do if I have a complaint?

1. Contact your consultant and/or Coverforce Compliance on compliance@coverforce.com.au about your complaint. Coverfreight will do their best to resolve it quickly.

If your complaint is not satisfactorily resolved within 5 days, your complaint will be escalated to our Compliance Manager. You can contact the Compliance Manager on 1300 503 503 or put your complaint in writing and email it to compliance@coverforce.com.au or send it to the Complaints Manager at the address noted at the beginning of this FSG. Coverfreight will try and resolve your complaint quickly and fairly.

2. Coverfreight is a member of the Australian Financial Complaints Authority (AFCA). If after 30 days, your complaint is still not resolved in a manner acceptable to you, you have the right to refer the matter to the AFCA. AFCA provides fair and independent financial services complaint resolution that is free to customers. The AFCA can be contacted at:

Mailing address:

Australian Financial Complaints Authority,
GPO Box 3, Melbourne, VIC 3001

P: 1800 931 678

E: info@afca.org.au

W: www.afca.org.au

What arrangements are in place to compensate clients for losses?

Coverfreight has a professional indemnity insurance policy (PI policy) in place.

The PI policy in place covers Us and our employees for claims made against Us by clients as a result of the conduct in the provision of financial services. The PI policy will cover us for claims relating to the conduct of representatives who no longer work for us.

This policy satisfies the requirements for compensation arrangements under section 912B of the Corporations Act.

Cooling off Period

If you decide that you do not need the retail insurance which has been arranged on your behalf, you have a minimum of 14 days from the earlier of the date you



receive confirmation of the contract and the date it 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 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.

We note that the above is the standard cooling off period and that you should check your Insurer's Product Disclosure Statement for the specific cooling off period that relates to your product.

Making a claim

Please contact Us or your Insurer immediately if you need to lodge a claim. Further details on how to make a claim on your policy can be found in the relevant Product Disclosure Statement.

Duty to take reasonable care not to make a misrepresentation

A contract of insurance is a consumer insurance contract if the insurance is obtained wholly or predominantly for personal, domestic or household purposes of the insured. It includes general insurance contracts (such as consumer credit, motor vehicle, home and contents, sickness and accident and travel insurances) and life insurance contracts.

When you apply for home insurance, car insurance or any other insurance that is wholly or predominantly for personal, domestic or household use we will ask you specific questions that are relevant to the insurers decision to insure you and on what terms including the premium that the insurer will charge.

When you take out, renew, extend or vary your insurance policy, it is important that you understand you are answering questions for yourself and anyone else to be covered by the policy.

You should always provide us with complete and honest answers to all the questions we ask you, by answering questions about yourself and other named policyholders to the best of your knowledge.

This is your duty to take reasonable care not to make a misrepresentation.

If you breach your duty, the insurer may be entitled to refuse to pay your claim, reduce the amount payable for a claim or cancel your policy.

If your breach is fraudulent, your policy may be cancelled from the beginning.

Changes to your circumstances

During the term of your contract of insurance, we ask that you inform your insurer of any changes to the details on your Certificate of Insurance that are no longer accurate.

Any changes may affect the premium and excesses applied to your policy or 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.

Any questions?

If you have any further questions about the financial services we or Coverfreight provides, please contact Us at the contact details noted on page 1 of this document.

Please retain this document for your reference and any future dealings with Us or Coverfreight.