

## Financial Services Guide

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

Richard Ray & Associates Pty Ltd T/As Richard Ray Insurance Brokers  
ABN: 33 008 154 167 AFSL: 224426

Head Office  
3 Graves Street PO Box 156 Kadina SA 5554  
T: 08 8821 3622 Email: [info@richardray.com.au](mailto:info@richardray.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.

### 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, Richard Ray & Associates Pty Ltd, are not independent, impartial, or unbiased pursuant to section 923A of the *Corporations Act* because:

- We 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 may be subject to direct or indirect restrictions relating to the financial products in respect of which personal advice is provided; and/or
- We 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.

### **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 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 policy.

### **From when does this FSG apply?**

This FSG applies from 1<sup>st</sup> November 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 on the contact numbers or details mentioned on the first page of this FSG.

### **Who is responsible for the financial services provided?**

Richard Ray & Associates Pty Ltd T/As Richard Ray Insurance Brokers 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.

Richard Ray & Associates Pty Ltd T/As Richard Ray Insurance Brokers holds a current Australian Financial Services Licence no: 224426. The contact details for Richard Ray & Associates Pty Ltd T/As Richard Ray Insurance Brokers are on the first page 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?**

Richard Ray & Associates Pty Ltd T/As Richard Ray Insurance Brokers is authorised to advise and deal in general insurance products to wholesale and/or retail clients. We will do this for you as a broker unless we tell you otherwise.

### **Will I receive tailored advice?**

Maybe not in all cases. However, we may need information about your personal objectives, details of your current financial situation and any relevant information, so that we can arrange insurance policies for you, or to give you advice about your insurance needs. We will ask you for the details that we need to know.

In some cases we will not ask for any of this information. If we do not ask, or if you do not give us all of the information we ask for, any advice you receive may not be appropriate to your needs, objectives and financial situation.

You should read the warnings contained in any SOA, or any other warnings that we give you, carefully before making any decision about an insurance policy.

Where we provide you with advice about your insurance arrangements, that advice is current at the time that we give it. We will review your insurance arrangements when you inform us about changes in your circumstances.

## **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?**

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

We are committed to implementing and promoting a privacy policy, which will ensure the privacy and security of your personal information. A copy of our privacy policy is available on request. A copy is also available on our website, [www.richardray.com.au](http://www.richardray.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?**

For each insurance product the insurer will charge a premium that includes any relevant taxes, charges and levies. We often receive a payment based on a percentage of this premium (excluding relevant taxes, charges and levies) called commission, which is paid to us by the insurers. However, in some cases we will also charge you a fee. These will all be shown on the invoice that we send you. You can choose to pay by any of the payment methods set out in the invoice. You are required to pay us 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 our commission.

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.

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

Our commission will be calculated based on the following formula:

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

In this formula:

X = our commission

Y% = the percentage commission paid to us by the insurer. Our 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).

Any fees that we charge you will be calculated based on the amount of service we provide you and the type of insurance we arrange.

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), in the range of 0% - 30% of our commission or fees.

If we refer you to Steadfast Life and you purchase any of their Life Insurance products, we will receive up to 33% of the upfront and trail commission for referring you, and for any variation, extension, renewal or replacement of the product/s.

For referrals we make to National Credit Insurance (Brokers) Pty Ltd, we will receive up to 25% of the upfront commission and 15% on an ongoing basis.

Our employees that will assist you with your insurance needs will be paid a market salary. They may also receive a performance bonus which is paid at the discretion of our directors where the adviser's performance has been exceptional in terms of meeting our business goals.

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 us (or us to any insurer) will receive in relation to the policies that are the subject of the advice.

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?**

Richard Ray & Associates T/As Richard Ray Insurance Brokers is a Steadfast Group Limited (Steadfast) Network Broker. As a Steadfast Network Broker we 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 a fee to access strategic and technological support and the Steadfast Broker Network. Steadfast is also a shareholder of some Partners. 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 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 charges). 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 0% to 3% of funded premium. When we arrange premium funding for you, you can ask us what commission rates we are paid for that funding arrangement compared to the other arrangements that were available to you.

### **Renewal of your insurance policy**

When you engage us as your Broker and we arrange an insurance policy on your behalf, we will also automatically renew the policy prior to expiry. This forms part of the engagement you have with us. Should you wish to be contacted prior to renewal of your policy(ies), please advise us and we will record this on your client file.

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

1. Contact us and tell us about your complaint. We will do our best to resolve it quickly.
2. If your complaint is not satisfactorily resolved within 3 days, please contact Christopher Sze on 08 8821 3622 or put your complaint in writing and send it to him at the address noted at the beginning of this FSG. We will try and resolve your complaint quickly and fairly.
3. Richard Ray & Associates Pty Ltd T/As Richard Ray Insurance Brokers is a member of the Australian Financial Complaints Authority (**AFCA**). If your complaint cannot be resolved to your satisfaction by us you have the right to refer the matter to AFCA. AFCA provides fair and independent financial services complaint resolution that is free to customers. AFCA can be contacted at:

Mailing Address – Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001  
Phone - 1800 931 678  
Email - [info@afca.org.au](mailto:info@afca.org.au)  
Website - [www.afca.org.au](http://www.afca.org.au).

### **What arrangements do you have in place to compensate clients for losses?**

Richard Ray & Associates Pty Ltd T/As Richard Ray Insurance Brokers has a professional indemnity policy (PI Policy) in place.

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. This policy also extends to cover FP Agriservices Pty Ltd T/as FP Ag (ABN: 86 119 656 656) acting in its capacity as a Distributor for Richard Ray Insurance Brokers.

Our 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.

### **Duty of Disclosure**

In order to make an informed assessment of the risk and to calculate the appropriate premium, your insurer needs information about the risk you are asking it to insure.

### **Your Duty To Take Reasonable Care Not To Misrepresent – Consumer Products**

When purchasing insurance wholly or predominantly for personal, domestic or household purposes, you have a duty to take reasonable care not to make a misrepresentation to the insurer. This means that it is essential that you answer questions honestly and to the best of your knowledge, including when you confirm or update information when you enter into, vary, extend, reinstate or renew a Policy.

The responsibility to take reasonable care not to make a misrepresentation applies to everyone who will be insured under the policy. If you answer questions on behalf of others, the insurer will treat your answers or representations as theirs.

### **If You do not meet Your Duty**

If you do not meet the above duty, the insurer may refuse or not fully pay your claim and/or cancel your policy. If the misrepresentation was deliberate or reckless, the insurer may refuse to pay a claim and treat your policy as if it never existed.

## **Your Duty of Disclosure – Products Other than Consumer Products**

Before you enter into a contract of insurance, you have a duty under the Insurance Contracts Act 1984 to disclose to your 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 and, if so, on what terms. The duty applies when you enter into, vary, extend, reinstate or renew a contract of insurance.

You do not have to disclose anything that:

- Reduces the risk to be undertaken by the insurer
- Is common knowledge
- Your insurer knows, or in the ordinary course of business, ought to know, or
- The insurer has waived your obligation to disclose

### **If you do not comply with your duty of disclosure**

If you do not comply with your duty of disclosure, your insurer may be entitled to reduce its liability in respect of a claim or may cancel your contract of insurance. If the non-disclosure was fraudulent, the insurer may be able to avoid (or cancel) the contract of insurance from its beginning. This would have the effect that you were never insured.

**If you have any questions about whether information needs to be disclosed, please contact us.**

### **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.

### **Any questions?**

If you have any further questions about the financial services Richard Ray & Associates Pty Ltd T/As Richard Ray Insurance Brokers provides, please contact us. Please retain this document for your reference and any future dealings with Richard Ray & Associates Pty Ltd T/As Richard Ray Insurance Brokers.