# STATEMENT OF SERVICES

## Version Date: 22 January 2024

### 1. WHAT IS A STATEMENT OF SERVICES?

This Statement of Services (**SOS**) is given by Clarity Insurance Brokers Limited (**Authorised Body**) as your financial advice provider and our Financial Adviser who is employed or contracted by the Authorised Body.

This SOS contains information about our services, what we are paid in relation to our services, your rights as a client and other things you need to know in relation to the financial advice we provide to you, including how any complaints you may have will be dealt with.

If you ask us to provide you with financial advice, or we already are, we will do so on the terms set out in this SOS. By requesting our services you accept these terms. If there is any change to these terms we will advise them to you in writing. This SOS records the basis of our relationship.

You might also receive some other documents after or at the time we provide you with our advice including:

- **Letter of Appointment** – this details the terms and conditions of our appointment as your general insurance financial adviser;
- **Risk Analysis** – this is a questionnaire that enables us to assess and understand your needs and objectives in protecting your assets and liabilities;
- **Statement of Advice** – this is a written summary recording our advice and the basis on which it was provided;
- **Policy Wordings** – these are legal documents and contain information about the products we recommend to you. They will help you in your decision about whether to acquire the product, which you should read; and
- **Confirmation Documents** – these will confirm the details of cover we have arranged on your behalf.

If you need more information or have any questions, please feel free to contact us.

### 2. WHO IS THE FINANCIAL SERVICES PROVIDER (FSP) LICENCE HOLDER?

Insurance Advisernet New Zealand Limited (**IANZ**) FSP26221, holds a financial advice provider licence issued by the Financial Markets Authority under the Financial Markets Conduct Act.

IANZ provides a number of support services to Clarity Insurance Brokers Limited including technology, compliance, training and education, professional indemnity insurance and client premium management.

You can contact IANZ at:

Insurance Advisernet New Zealand Ltd
PO Box 37670
PARNELL AUCKLAND 1052

Phone: 0800 524 760

### 3. WHO IS YOUR FINANCIAL ADVISER?

The Authorised Body and your Financial Adviser are authorised under IANZ's licence to provide financial advice services. Enquiries with respect to the financial advice services that we may provide you with should be addressed to your Financial Adviser, whose details are as follows:

| | |
|---|---|
| **Financial Adviser** | Finn Judson |
| FSP Register No. | 668471 |
| Telephone | 021 539 479 |
| Email | finn@clarityinsurance.co.nz |
| | |
| **Authorised Body** | Clarity Insurance Brokers Limited |
| FSP Register No. | 1001710 |
| Address | L9, 4 Williamson Ave<br>Ponsonby<br><br>Auckland 1021 |
| Telephone | 0800502221 |
| Email | jason@clarityinsurance.co.nz |

Your Financial Adviser has met the required standards of competency, knowledge and skill of the Code of Professional Conduct for Financial Advice Services.

### 4. WHAT RELIABILITY HISTORY SHOULD YOU BE AWARE OF?

Neither the Authorised Body, your Financial Adviser or IANZ has been subject to a reliability event. We are required to disclose a reliability event if it might materially influence you in deciding whether to seek advice from the Authorised Body or your Financial Adviser. Examples of reliability events include successful legal proceedings against your Financial Adviser in relation to the contravention of any financial markets legislation in the last five years, or being discharged from bankruptcy in the last four years.

### 5. HOW WILL WE LOOK AFTER YOUR INSURANCE NEEDS?

The Authorised Body and your Financial Adviser are committed to providing professional advice on your general insurance requirements which is based upon your needs and objectives and our experience and market knowledge.

We offer a range of insurance and risk management services to assist you to protect your assets and liabilities.

We will undertake the following activities:

- Conduct an analysis of your risk/needs and advise on appropriate general insurance covers required.
- Advise and recommend potential insurance product providers.
- Negotiate rates and obtain terms from potential insurance product providers.
- Confirm cover and terms on your behalf.
- Advise on premium funding options or other products as necessary.
- Once you have chosen the cover you require, we will send you confirmation of cover, obtain policies from the

relevant insurance product provider, check the terms are as agreed and provide you with summaries of cover.
- During our relationship, we will:
    - provide you with invoices for premiums,
    - forward premiums paid to insurers as required,
    - forward taxes, and levies to appropriate parties,
    - manage premium adjustments,
    - monitor the published performance of your product provider to ensure it meets Reserve Bank of New Zealand minimum financial guidelines and alert you if it falls below those guidelines,
    - assist with claim lodgement and provide claim advocacy.

Your Financial Adviser is able to provide regulated financial advice dealing in a wide range of general insurance products.

To enable us to provide advice which is appropriate to your circumstances, we will need you to provide us with information about the risk(s) to be insured to ensure we correctly evaluate your situation, needs and objectives. You should also tell us about any relevant changes as they occur.

If you are unable, or choose not to provide some information to us, our review will be incomplete and may not take into account all of your needs or circumstances. We may still give you advice, but will provide you with the details and limitations of that advice or in some cases we may also decide that it is not appropriate to give you advice without further information. You will need to assess the appropriateness of our advice, if given, to your needs before acting on it.

## 6. WHAT OTHER SERVICES DOES YOUR FINANCIAL ADVISER OFFER?

At your request your Financial Adviser can offer you the following additional services:

- Monthly payment options for your insurance policies.
- Advice on indemnity and insurance provisions in your commercial contracts.
- Arrangement of an independent review of your Business Interruption sums insured and indemnity period from an external expert.
- Assistance with a bespoke Business Continuity Plan for your business.
- Provision of an independent risk engineering and management report.
- Commercial and residential valuations from an external expert.

A number of these services fall outside of our core services and may be subject to the agreement of additional remuneration between us or direct with the relevant outsourced services provider. We will advise you of any cost you will incur prior to you authorising any work be completed on your behalf.

## 7. YOUR OBLIGATIONS

### Payment

Prompt payment of premiums, taxes and levies (if applicable) on receipt of our invoice (unless arranged otherwise).

You will indemnify us against any liability we may incur regarding payment of Fire and Emergency NZ levies payable when policies are placed with overseas insurers.

### Information

You are solely responsible for the accuracy of any information provided by you to us and to your insurance product provider. Inadequate or incorrect information provided intentionally or in error could result in the impairment or voiding of your insurance cover.

We take no liability for the accuracy or completeness of any information that you provide for the placement or provision of general insurance on your behalf, or incomplete or inaccurate information.

Please let us know if you have any concerns regarding the information you are providing or the level of insurance cover you are requesting.

You are required to:

- Fully disclose any material information to us and your insurance provider. Disclosure in the context includes every matter that you know or could reasonably be expected to know that is relevant to the insurer's decision to accept the risk and, if so, on what terms.
- Set adequate sums insured and liability limits of cover.
- Advise us if you have any questions or concerns regarding the information you are providing for insurance purposes.

## 8. WHAT FEES AND COMMISSIONS ARE PAYABLE FOR SERVICES?

You are entitled to know how and what we will charge for our services and what other benefits we receive.

When you take out, alter or cancel insurance cover following our advice, the Authorised Body may charge you an Adviser Service Fee plus GST and charges. IANZ may also charge an administration fee for processing insurance premiums. The Authorised Body may also receive a commission from the Insurance Company of between 5% and 25% of the premium. These fees and commissions will be clearly noted on your premium summary and invoice.

If we refer you to a premium funder with whom you enter into a premium funding arrangement, the Authorised Body may receive a commission of between 0% and 4% of the amount you borrow.

## 9. CONFLICTS OF INTEREST AND INCENTIVES

A conflict of interest may arise where the interests of an adviser or Authorised Body may be perceived to materially influence the advice.

### Remuneration

The Authorised Body may pay your adviser a salary, plus bonuses and other incentives.

### Commission and Fees

If you do decide to take out any financial advice product with us, the Authorised Body may receive a commission from the product providers that we work with. On top of or in replacement of some or all of the commission we may charge a fee for our service. This will be listed and agreed with you before accepting the quote.

### Indirect Benefits

The Authorised Body and your Financial Adviser may receive indirect benefits from Insurers and premium funders such as business lunches, tickets to sporting and/or cultural events or corporate promotional merchandise.

The Authorised Body maintains a comprehensive and robust framework of policies and processes to manage conflicts of interest. Conflicts of interest are managed by various means including use of appropriate disclosures, separation of functions, compliance policies and declining to act. Our policies, procedures and practice include employee outside interests, gifts and benefit policy, managing personal conflicts of interest.

All advisers undergo annual training about how to manage conflicts of interest. IANZ undertakes a compliance audit, and a review of its compliance program annually by our internal compliance team.

The Authorised Body takes the following additional steps to ensure that any conflicts of interest are identified and managed, and that clients interests are always put first. These are:

- Disclosing the existence of conflicts of interest to clients, including in the disclosure above;
- Our policies and procedures require that advisers must never permit their personal interests to conflict with or to appear to conflict with, the interests of clients. All advisers must make all reasonable efforts to avoid conflicts of interest and ensure that clients are fairly treated;
- Compliance by advisers with the Code of Professional Conduct for Financial Advice Services; and
- Monitoring by internal compliance team to ensure that our directors and employees comply with our duties to clients and all other relevant laws and rules, and regular reporting on compliance related issues to our board.

We may, however, choose to rebate all or some of the commissions we receive and charge you a fee based on the nature of the service we provide which we will agree with you.

## 10. WHAT ARE OUR TERMS OF PAYMENT?

### Invoices

We will invoice you for the premium, statutory and similar charges (eg EQC, FENZ levy, etc) and any fees we charge for arranging, altering or cancelling your insurances.

You must pay us within the date specified on the invoice or, in the case of a renewal, before the expiry date of the contract of insurance.

If you do not pay the premium on time, the insurer may cancel the contract of insurance and you will not be insured. The insurer may also charge a short term penalty premium for the time on risk.

Premium funding enables you to pay your premiums and statutory and other charges by instalments. We can facilitate the payment by monthly instalment from a company that provides premium funding. Payment by monthly instalments will include an interest charge, which is paid to the premium funding company.

## 11. GENERAL INFORMATION

### Professional Indemnity Insurance

The Authorised Body and your Financial Adviser are covered under a group professional indemnity insurance policy arranged by IANZ, in the amount of NZ$100m.

The insurance (subject to its terms and conditions) covers errors and omissions arising from advice provided by the Authorised Body through its financial advisers.

If you require further information regarding our Professional Indemnity insurance please contact our office.

### Term and Termination

Our services may be terminated by you or the Authorised Body with one month's notice in writing to the other party.

If you decide to terminate our services we will be entitled to retain all commissions/fees/brokerage for any policies of insurance that we have arranged on your behalf. In the event that any insurance premiums are outstanding at the time of termination you must pay us these amounts as part of the termination arrangements.

If payment of our service fee and/or the insurance premium is not received by the due date or there has been a material breach of your obligations, we reserve the right to terminate this agreement or engagement with immediate effect. We will provide all reasonable assistance and cooperation after such notice of termination.

We may continue to answer queries and provide assistance after this period if requested by you, however we reserve the right to charge scaled fees for the provision of such services.

### Trust Account for Client Funds

IANZ operates a trust account for the collection of client premiums and the onward payment of insurance premiums to insurers. The trust account is audited at least annually by a qualified auditor not affiliated with IANZ.

## 12. IBANZ AND THE CODE OF PROFESSIONAL CONDUCT

IANZ and the Authorised Body are members of the Insurance Brokers Association of New Zealand (IBANZ) and are bound by the IBANZ Code of Professional Conduct.

The Code sets out standards for financial advisers to follow when dealing with clients including requirements to inform clients of remuneration arrangements and any conflict of interest.

A copy of the Code is available in the consumer advice section of our website www.insuranceadvisernet.co.nz

## 13. WHO DO I CONTACT WITH ANY COMPLAINTS AND/OR DISPUTES?

If you are not fully satisfied with our services or wish to make a complaint, please speak to your Financial Adviser or Authorised Body in the first instance. If your complaint is not resolved to your satisfaction or you do not want to speak with your Financial Adviser, you may contact IANZ directly as follows:

Complaints Officer
Insurance Advisernet New Zealand Ltd
PO Box 37670,
PARNELL AUCKLAND 1052
Phone: 0800 524 760
www.insuranceadvisernet.co.nz/compliments-and-complaints

We will endeavour to resolve your problem openly and fairly and within a timely manner.

If you are unable to resolve your complaint with IANZ, you may refer it to Financial Services Complaints Limited (**FSCL**) – A Financial Ombudsman Service, of which IANZ is a member. FSCL is our independent external ombudsman and dispute resolution service which handles complaints against financial service providers, including insurance brokers. FSCL is free to consumers and its decisions are binding on IANZ and the Authorised Body (but not on you). Further information about FSCL is available from IANZ and/or from www.fscl.org.nz . You may contact FSCL directly on 0800 347 257.

In some circumstances a dispute may arise between you and the insurer. In such circumstances the Authorised Body and IANZ will assist you with details of the insurer's Internal Dispute Resolution process and, if the dispute remains unresolved, access to the Insurer disputes resolution scheme. If the dispute proceeds, you should obtain legal advice from a qualified lawyer.

# PRIVACY COLLECTION NOTICE

At Clarity Insurance Brokers Limited and Insurance Advisernet New Zealand Limited (**IANZ**), we are committed to protecting your privacy in accordance with the Privacy Act 2020 (**Privacy Act**) and the New Zealand Information Privacy Principles (**NZIPPs**). This Privacy Notice outlines how we collect, disclose and handle your personal information as defined in the Act.

## WHY WE COLLECT YOUR PERSONAL INFORMATION?

We collect your personal information so we can:

- identify you and conduct necessary checks (including where required by the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 and other legislation);
- determine what services or products we can provide to you e.g our insurance broking services, financial advice services, funding services, claims management services, risk management and other consulting services;
- issue, manage and administer services and products provided to you or others, including claims investigation, handling and settlement;
- improve our services and products e.g training and development of our representatives, product and service research and data analysis and business strategy development; and
- provide you with information and to tell you about our products, services or events or any other direct marketing activity (including third party products, services and events which we consider may be of interest to you).

## WHAT IF YOU DO NOT PROVIDE SOME PERSONAL INFORMATION TO US?

If the required personal information is not provided, we or any involved third parties may not be able to provide appropriate services or products. If you do not provide the required personal information, we will explain what the impact will be.

## HOW WE COLLECT YOUR PERSONAL INFORMATION?

Collection can take place by telephone, email, or in writing and through websites (from data you input directly or through cookies and other web analytic tools).

Unless it is unreasonable or impracticable for us to do so, we will collect your information directly from you or your agents.
We may obtain personal information indirectly and who it is from can depend on the circumstances. We will usually obtain it from another insured if they arrange a policy which also covers you, related bodies corporate, referrals, your previous insurers or insurance broker/adviser, witnesses in relation to claims, publicly available sources, premium funders and persons who we enter into business alliances with.

If you provide us with personal information about another person you must only do so with their consent and agree to make them aware of this privacy notice.

## WHO WE DISCLOSE YOUR PERSONAL INFORMATION TO?

We share your personal information with third parties for the collection purposes noted above where it is reasonably necessary for, or directly related to, one or more of our functions or activities.

We do not use or disclose personal information for any purpose that is unrelated to our services and that you would not reasonably expect (except with your consent). We will only use your personal information for the purposes for which it was collected or as consented to.

We usually disclose personal information to third parties who assist us or are involved in the provision of our services and your personal information is disclosed to them only in connection with the services we provide to you or with your consent. We may also disclose it for direct marketing purposes.

These third parties can include our related companies, our agents or contractors, insurers, their agents, regulators such as FMA and others they rely on to provide their services and products (e.g reinsurers), premium funders, other insurance broker/advisers, loss adjusters or assessors, medical service providers, credit agencies, lawyers and accountants, prospective purchasers of our business and our alliance and other business partners.

These parties are prohibited from using your personal information except for the specific purpose for which we supply it to them and we take such steps as are reasonable to ensure that they are aware of the provisions of our Privacy Statement in relation to your personal information.

We also use personal information to develop, identify and offer products and services that may interest you, conduct market or customer satisfaction research. From time to time we may seek to develop arrangements with other organisations that may be of benefit to you in relation to promotion, administration and use of our respective products and services.

Any personal information provided to us may be transferred to, and stored at, a destination outside New Zealand, including but not limited to Australia, United Kingdom and the United States of America. If we need to provide your personal information to a country that does not offer similar privacy protections, we will fully inform you and seek your express consent to do so, prior to sharing your personal information.

## MORE INFORMATION, ACCESS, CORRECTION OR COMPLAINTS

For more information about our privacy practices including how we collect, use or disclose information, how to access or seek correction to your information or how to complain in relation to a breach of the New Zealand Information Privacy Principles and how such a complaint will be handled, please refer to our Privacy Statement available at our website www.insuranceadvisernet.co.nz or by contacting us (our contact details are below).

## YOUR CONSENT TO THE ABOVE, CONTACTING US AND OPTING OUT

By providing us with personal information you and any other person you provide personal information for, consent to this use and these disclosures unless you tell us otherwise. If you wish to withdraw your consent, including for things such as receiving information on products and offers by us or persons we have an association with, please contact us.

By phone: 0800 524 760
By email: info@ianz.co.nz
In writing: PO Box 37670 Parnell Auckland 1052
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