



Christchurch **Insurance** Brokers

Terms of Business

Overview

These terms outline the standard conditions under which we will provide our services to you. They apply each time you request our services, along with any additional or amended terms that may be agreed upon in writing.

By engaging our services, you accept these terms, meaning no formal signature is required unless we specifically request it.

Key Points:

- **Supersedes Previous Terms:** These terms replace any prior terms of business you may have received from us and will remain in effect until we provide you with new or revised terms, or we mutually agree on different terms.
- **Priority of Agreed Terms:** If there is any conflict between these terms and other terms, we have agreed upon with you, the terms you have agreed to will take precedence.
- **Disclosure Requirements:** These terms also outline the information we are legally required to provide, ensuring that you have the necessary details to make informed financial decisions.

Governing Law and Jurisdiction

Our relationship is governed by the laws of New Zealand. Any disputes arising from or related to our engagement will fall under the exclusive jurisdiction of New Zealand's courts.

Our authorisation that allows us to provide financial advice

Canterbury Insurance Brokers Limited t/a Christchurch Insurance Brokers holds a Class 2 Financial Advice Provider licence, issued by the Financial Markets Authority, to provide financial advice. To view our licence, go to the Financial Service Providers Register website and search our Financial Service Provider (FSP) number FSP1009413

Christchurch Insurance Brokers provides advice on Life & Health Insurance products only.

Overview of Our Services

Christchurch Insurance Brokers Insurance offers expert insurance advice and brokerage services, specializing in life and health insurance. Our financial advisers are dedicated to providing tailored guidance to help you make well-informed insurance decisions.

Our Approach to Recommending Insurance Products:

We work with a broad network of both local and international insurers. However, some insurers may not offer their products through brokers like us. As a result, we may be able to provide a more limited range of options - or in some cases, just one insurer - based on your specific needs. If this is the case, we will make sure to inform you.

Factors Influencing Our Recommendations:

Our recommendations are grounded in a thorough evaluation of the Insurer's; willingness and capability to provide the coverage you require, their approach to assessing and underwriting the risks associated with your coverage, their expertise and history in offering the relevant insurance products, their financial health and ability to fulfil its obligations and their reputation for customer service and the efficiency of their claims handling.

We have access to insurance markets in New Zealand. A list of the types of insurance we can provide financial advice on can be found on **Appendix 1**, and the product providers who provide such insurance products can be found here on **Appendix 2**. The specific types and providers of insurance that individual advisers can advise customers on may vary.

If you are a retail client, as defined under the Financial Markets Conduct Act (FMCA), we are required to comply with the competency and conduct standards set out in the Code of Conduct for financial advice services. In such cases, we ensure that both we and anyone providing advice on our behalf adhere to the following obligations:

- Maintain the required standards of competence, knowledge, and skill as outlined in the Code of Conduct.
- Uphold the ethical standards for behaviour, conduct, and client care as specified in the Code of Conduct.
- Provide advice with appropriate care, diligence, and skill.
- Prioritize your interests in the event of any conflict of interest, taking all reasonable steps to ensure our advice remains unbiased and unaffected.

We are dedicated to ensuring our advice is always in your best interest and upholds the highest professional standards.

Our Duties

Key Responsibilities

In fulfilling our obligations to you, we may, where applicable, carry out the following:

- **Acting on Your Behalf**
We will act on your behalf, following your instructions and the arrangements you've made, unless we notify you otherwise.
- **Providing Advice and Arranging Insurance**
Based on our understanding of your needs, we will offer advice and, upon receiving your instructions, make reasonable efforts to arrange suitable insurance (subject to availability).

➤ **Assisting with Claims**

We will support you in preparing, managing, and negotiating any claims you may have.

➤ **Engaging Insurers**

We will only engage insurers who meet our specific criteria, unless you instruct us otherwise. However, we do not guarantee the solvency or ability of any insurer to settle claims or make payments.

➤ **Providing Policy Documents**

We will promptly provide you with your policy documents from the insurer, unless the insurer sends them directly to you.

➤ **Retention of Insurance Documents**

We will securely retain your insurance documents in electronic form, in line with our records retention policies. However, for certain types of insurance, you may need to file a claim after our retention period has expired. You are responsible for retaining your own documents, and we recommend storing them safely.

➤ **Limitations of Our Services**

- We do not provide tax, legal, regulatory, or accounting advice. For assistance in these areas, we recommend consulting with the appropriate professionals.

Your Duties

When you request us to arrange a new insurance policy or renew an existing one, it is essential that you provide us with all relevant information that may affect an insurer's risk assessment. Your full disclosure ensures the coverage meets your needs and is appropriately priced.

Key Responsibilities

➤ **Informing Us of Relevant Information**

You must inform us of any circumstances that may influence the insurer's decision or affect the terms of your coverage. If you're unsure what constitutes relevant information, it's crucial that you ask us for clarification to ensure full transparency.

➤ **Full Disclosure**

You are required to disclose all facts and details that could impact an insurer's decision to offer coverage. This includes any terms and conditions they may apply. Your obligation to disclose is not limited to the questions we ask on behalf of insurers, and you should provide any information that could be relevant.

➤ **Ongoing Duty of Disclosure**

After your insurance cover begins, it remains your responsibility to notify us of any significant changes to your circumstances. This includes new information or changes that could alter your risk profile or the terms of your policy.

➤ **Making a Claim**

If a claim arises or if you are aware of a situation that may lead to a claim, it is important to notify us as soon as possible with all relevant details. Understanding the claims process and the requirement under your policy is essential, and we are here to assist you throughout the process.

➤ **Premium Payments**

You are responsible for paying your premium and any associated charges on time, as specified in the invoices from us or your insurer. Timely payment is essential to ensure that your coverage remains active without interruption.

➤ **Documentation Review**

Once you receive documentation from us or your insurer, it is your responsibility to carefully review it. If you notice any errors, discrepancies, or if the information doesn't align with your instructions,

please notify your usual Christchurch Insurance Brokers contact immediately. This will help prevent any misunderstandings or issues in the future.

➤ **Accuracy of Information**

The information you provide—or that is provided on your behalf—must be accurate and complete. We rely on this data to arrange your insurance correctly. While we are not responsible for verifying its accuracy, you should always ensure that the details provided are correct and up to date.

➤ **Understanding Your Cover**

It's crucial that you read and understand your policy documents to confirm that your coverage meets your needs. Take note of any obligations, special terms, or conditions. Failing to do so could affect your ability to make a claim, or even invalidate your insurance.

The consequences of non-disclosure

Failing to disclose or misrepresenting relevant information—whether when initiating a policy, renewing an existing policy, or during the life of your coverage - could have serious consequences. The insurer may refuse to pay a claim or, in some cases, cancel the entire policy. Therefore, it's vital that you keep us informed of all pertinent details.

Our remuneration & commission structure

As your insurance broker, we use our expertise to understand your unique business or personal situation, assess your risks, and negotiate the best insurance solutions on your behalf. In exchange for these services, we receive commission from the insurers whose products we recommend. This commission is our primary method of compensation.

What the Commission Covers

Our commission is not a typical sales commission; it compensates us for the ongoing services we provide, which include:

- Offering tailored insurance advice that aligns with your needs
- Developing policy wordings and assisting with claims management
- Providing continuous support throughout the claims process
- Distributing insurer products to the market
- Managing and maintaining client management systems

Commission Payment Structure

The commission we receive varies depending on the insurer and the type of policy. It is generally calculated as a percentage of the insurance premium, excluding taxes. The exact percentage can differ based on the insurance product you choose.

Life and Health Insurance

For life and health insurance, our commission structure differs from that of fire and general insurance. Life and health policies are typically not renewed automatically, and they don't require ongoing broking services each year. As a result, the commission for these policies is higher and is usually based on the first year's premium, ranging from 0% to 240%.

- **Initial Commission:** Paid when the policy is arranged. However, this commission may be subject to repayment if the policy is cancelled within the first 24 months.
- **Ongoing (Trail) Commission:** After the first year, we may receive a smaller ongoing commission as long as the policy remains active.

Retention of Remuneration

We are entitled to retain all commission and other remuneration for the full duration of the policy, even if the policy is amended, terminated, or cancelled (subject to any "cooling-off" rights you may have).

Other forms of remuneration

Beyond the commissions and fees mentioned earlier, we may receive compensation through other avenues in certain situations:

➤ Referrals & Third-Party Remuneration

We may share a portion of our remuneration with third parties who refer clients to us. This may be in the form of a referral fee or other arrangement, as applicable.

➤ Non-Monetary Benefits

Sporadically we may receive non-monetary benefits from insurers. These benefits could include:

- Sponsorship of conferences or industry events
- Hospitality and invitations functions
- Access to training and development opportunities

These non-monetary benefits are provided by insurers at no cost to you. We maintain strict internal policies and procedures to ensure that these benefits do not influence the impartiality of our advice or create any conflicts of interest in the services we provide to you.

Amounts payable

Premiums

For life and disability insurance policies, premiums and any insurer-imposed administration fees are billed directly by the insurer. These details will be provided in the communications you receive from the insurer.

Failure to make premium payment

Failure to pay your insurance premium by the due date may result in your insurer cancelling your policy, leaving you without coverage. Additionally, the insurer may charge a premium for any period during which coverage was provided but not paid for.

- **Payment Conditions:** If the insurer has conditions regarding premium payments, we will inform you if these apply. Failure to meet these conditions could lead to policy cancellation. If you are unable to meet the payment terms, please contact your broker as soon as possible to discuss options.

Client-Centric Advice and Conflict of Interest Management

When providing financial advice, we are dedicated to placing your interests first. Our goal is to recommend only the financial products that truly meet your specific needs and align with your goals. Our financial advisers base their recommendations on your individual circumstances, not on any external factors or incentives.

Tailored Advice Process

We follow a structured and thorough advice process to ensure that each recommendation is designed to serve your best interests. This approach guarantees that the solutions we offer are fully tailored to your unique situation. Additionally, our financial advisers undergo an annual review of our compliance program to ensure they are adhering to the highest standards of integrity and professionalism.

Managing Conflicts of Interest

In the event of any potential conflict of interest, we adhere to a clear and binding conflict-of-interest policy, applicable to all our employees, contractors, and representatives. This policy outlines how conflicts are identified, managed, and resolved, including specific escalation procedures and review mechanisms.

If a conflict does arise, we will inform you promptly and work closely with you to address the issue in a transparent and fair manner, ensuring that your interests remain our top priority.

Use, Protection and Disclosure of Your Personal Information

At Christchurch Insurance Brokers, we are committed to protecting your personal and sensitive information. In line with the Privacy Act, we handle your data with the utmost care and only use it for specific purposes related to our insurance broking, risk management, and consulting services. If you choose not to provide the requested personal information, it may limit our ability to offer or deliver the services you require.

How We Collect and Use Your Information

We collect your personal information primarily to provide, manage, and administer the insurance services we offer. This may include sharing your details with insurers to help them assess your coverage options and determine the terms of any insurance policies.

Disclosure of Your Information

In order to provide our services effectively, we may need to share your personal and confidential information with various parties, including:

- **Insurers:** To evaluate your insurance application and determine the coverage terms.
- **Regulatory Authorities:** To comply with legal and regulatory requirements.
- **Other Service Providers:** To assist with the delivery of services related to your insurance needs.

We will only disclose your information as necessary to fulfil our obligations to you or where you have expressly consented.

Protecting and Storing Your Information

We prioritize the security of your personal data and follow strict protocols to safeguard it. Our Privacy Policy, available on our website or upon request, explains how we handle your information, including:

- **Disclosure:** When and why we may share your information with third parties.
- **Access:** How you can access, correct, or update the information we hold about you.
- **Collection:** How and why we collect your personal information.
- **Security:** The steps we take to prevent unauthorized access to your data.

We store your personal and confidential information, including documents related to claims or other insurance services, for a period of seven years as part of our data retention policy. After this time, we will either archive or securely destroy your data (please ensure you retain any information you may need beyond this period).

You have the right to access and request corrections to the personal information we hold. For more details, please refer to our Privacy Policy on our website www.cibrokers.co.nz

Exceptions to Confidentiality

Our commitment to confidentiality does not extend to information that we lawfully possess, is required by law (such as for regulatory or legal purposes), you have explicitly or implicitly consented to share and is publicly available or in the public domain.

Additionally, we may contact you from time to time with information about other products or services we believe may interest you, unless you have opted out of receiving such communications.

Complaints and dispute resolution

At Christchurch Insurance Brokers Insurance, we are committed to delivering exceptional service to all of our clients. If, for any reason, you feel that our services have not met your expectations, we want to hear from you. We are dedicated to addressing your concerns and resolving any issues quickly and fairly.

How to Lodge a Complaint

If you have a concern about the services we've provided or any insurance products we've arranged for you, please get in touch with us as soon as possible. When contacting us, please reference your policy or claims number, or provide any other relevant details to help us resolve your issue more efficiently.

Our Complaint Resolution Process

We take every complaint seriously and follow a clear process to resolve issues in a fair and transparent manner:

1. **Initial Review:** When we receive your complaint, the person you've been working with will review the issue and attempt to resolve it directly with you. This is usually the individual you have been in contact with throughout your dealings with us.
2. **Escalation:** If the issue isn't resolved to your satisfaction during the initial discussion, it will be escalated to their manager. This escalation will occur within five working days of us receiving your complaint.
3. **Manager's Involvement:** The manager will contact you directly to address your concerns and work with you towards a resolution. We encourage you to provide all relevant details to ensure a thorough review of the issue.
4. **External Dispute Resolution:** If the matter remains unresolved after managerial involvement, we will refer you to our external dispute resolution provider for further assistance. This will provide you with an independent perspective to help settle the matter.

If You Prefer Not to Speak to the Person You've Dealt With

We understand that there may be situations where you may not wish to discuss your concerns with the person you've been working with, particularly if the issue involves their conduct. In these cases, please feel free to contact our Complaints Manager, Matt Jensen, directly at 027-3000-323. Matt will personally manage your complaint and ensure an impartial investigation of the matter to reach a fair and satisfactory resolution.

We take all complaints seriously and are committed to addressing them efficiently. Your feedback is vital to us, and we will work to ensure you are fully satisfied with the outcome.

Who is our External Complaints Provider?

If we are unable to resolve your complaint within 30 working days to your satisfaction, you may contact Financial Dispute Resolution Service (FDRS). This is a free, independent dispute resolution service, who may help investigate or resolve your complaint.

You can contact FDRS at level 4, 142 Lambton Quay, Wellington 6011, ph 0508 337 337 & enquiries@fdrs.org.nz

Ending of Services

You may terminate our engagement at any time by providing us with at least 30 days' written notice. Upon termination, any outstanding payments due up to the termination date must be settled. Any open claims will be transferred to you for your management, unless otherwise agreed.

In the event we are unable to continue providing our services, we will notify you in writing at least 30 days in advance. However, if we suspect or become aware of any actions on your part that may violate sanctions laws or other legal obligations, we may terminate our engagement immediately, without prior notice.

We also reserve the right to amend these terms to reflect any changes in applicable laws or regulations, with appropriate notice provided.

E-mail

We may communicate with you via email unless otherwise agreed. Please note that email communication is not fully secure and may be intercepted, altered, or contain viruses. While we take reasonable measures to mitigate these risks, we cannot accept responsibility for any loss, damage, or disruption caused by email corruption or the transmission of attachments.

Since we rely on third-party service providers for electronic communications, we cannot guarantee the confidentiality of information transmitted through electronic means. This clause supersedes any confidentiality agreements you may have with us.

Appendix 1 - Products

- ✓ Employee Benefits (Life)
- ✓ Health
- ✓ Key Person
- ✓ Income Protection
- ✓ Mortgage Protection
- ✓ Life
- ✓ Share Purchase (Life)
- ✓ Trauma
- ✓ Total & Permanent Disability

Appendix 2 - Insurers

- AIA New Zealand Limited
- Asteron Life Limited
- Fidelity Life Assurance Company Limited
- NIB NZ Limited
- Partners Life Limited
- Southern Cross Medical Care Society