

Statement of Services



aibGROUP Insurance Limited

Introduction

We are a leading general insurance intermediary and risk management consultancy and offer transactional and/or advisory services for your insurance requirements. We are committed to acting in your best interests at all times in providing services to you.

As such We:

- Listen to You and only recommend products that We feel meet your needs and explain why.
- Will only recommend products from providers who are financially stable, and share Our client centric view.
- Strongly believe in ethical behaviour and doing the “right thing”. We support and abide by the Code of Professional Conduct for Financial Services [codeofprofessionalconduct-march2021.pdf](#)
- Our qualified financial advisers hold the New Zealand Certificate in Financial Services Level 5 (V2) - General Insurance or the equivalent of it.
- We are focussed on our Professional Development to ensure We maintain competence, Knowledge and skill for giving Financial Advice.
- We are members of Insurance Brokers Association of New Zealand (IBANZ), a professional body representing the interests of member insurance brokers. We are also members of the NZbrokers Group, which is a collaborative group of New Zealand owned and operated professional insurance brokers.

This document sets out the terms under which We provide services to You, as well as the co-operation and responsibilities required from You. These terms apply until they are varied by mutual agreement, or until Our appointment is cancelled by You. We may vary the services We offer You from time to time by written notice to You.

A list of the services We provide to You are stated in Section 1 of Appendix A, attached to this document.

Contents

Page:

- 4.** Insurance Broking and Financial Services
- 5.** Claims Service
- 5.** Other Risk Consultancy Services
- 5.** Your Co-Operation
- 6.** Remuneration
- 7.** Payment of Premiums/Cancellation
- 8.** Complaints Procedure
- 9.** Privacy & Confidentiality Statement
- 9.** General

11. Appendix A:

Insurance & Risk Advisory Services

IN THIS DOCUMENT **“We”, “Us”** AND **“Our”** MEANS **aibGROUP Insurance Limited** and its Financial Advisors and Authorised Bodies.

aibGROUP Insurance Limited is an insurance intermediary registered to provide financial services advice in New Zealand by the Financial Markets Authority (FMA) (Financial Services Provider number FSP331014).

1. INSURANCE BROKING & FINANCIAL SERVICES

- 1.1 We will negotiate with insurers on Your behalf and will keep You informed of any significant developments.
- 1.2 We are independent of insurers, and are not bound to use any particular insurer. We will advise You of those with whom We propose placing Your insurance and will also advise You of any change of insurers after the insurance has been placed. Unless You advise Us to the contrary, each insurer with whom We place Your insurance will be deemed acceptable to You.
- 1.3 We may enter into an agreement with an insurer to arrange insurance and settle claims on its behalf. We will inform You when We act for an insurer and not for You.
- 1.4 You understand that We will use all reasonable precautions in choosing an insurance company(ies) and will advise You of their claims paying rating where required under the Insurance (Prudential Supervision) Act 2010. You understand that We cannot guarantee the financial status of any company and We do not accept any liability due to the failure of any insurance company.
- 1.5 As soon as practicable after placing insurance on Your behalf, We will provide You with evidence of that placement.
- 1.6 We take no responsibility for the adequacy or accuracy of policies arranged for You by any other broker or direct insurer. If required by You, We will review these policies and will advise You of the outcome and make such recommendations, as We consider necessary.
- 1.7 We will draw Your attention to Our statutory or regulatory obligations applicable to any insurance that We arrange for You on Your local and overseas (if any) assets and operations.
- 1.8 Once premiums and related statutory charges have been paid to Us, We will arrange for their timely disbursement to insurers and the appropriate authorities.
- 1.9 We will hold review meetings with You as and when required. At those meetings We will report on matters relating to the insurance programme and will gather information regarding any changes in Your business that could affect Your insurance.

2. CLAIMS SERVICE

- 2.1 We are committed to achieving the best outcome for You from every claim on policies arranged or reviewed by Us during Our appointment. We will:
- Assist You with the preparation of claims.
 - Act as Your advocate in negotiations with insurers or their legal advisors.
 - Regularly review and pro-actively manage Your claims.
 - Provide You with records and analysis of claims as required.
- 2.2 If You terminate Our appointment, We will not continue to provide services in relation to any notified claims or circumstances.

3. OTHER RISK CONSULTANT SERVICES

- 3.1 The advisory and risk consulting services stated in Section 2 of Appendix A are not included under this statement.
- 3.2 The scope, objectives, procedures and fee for any advisory and risk consulting services, as stated in Section 2 of Appendix A, will be agreed with You prior to their commencement.

4. YOUR CO-OPERATION

- 4.1 To perform Our services efficiently, We will need Your co-operation, particularly the timely provision of information.
- 4.2 We rely on You to advise Us of any change in Your business or circumstances that might affect Your insurance programme. This may include (but is not limited to) acquisitions, disposals, mergers, sale of principal assets, or material changes to business operations.
- 4.3 While We will assist You with the completion of proposals and other forms of application for insurance, We cannot accept responsibility for the accuracy of their contents, nor can We sign the insurance proposals on Your behalf. You must provide information that is correct and complete.
- 4.4 After receiving Your insurance documents from Us, You must read and check them, then advise Us promptly of any discrepancies or anything that does not meet Your expectations.

- 4.5 While We may prepare underwriting information on Your behalf, the legal obligation to disclose all material facts rests with You. You must tell the insurer, before each policy starts and renews, about anything a prudent insurer would want to take into account when deciding whether to insure You, and if so, on what terms. Please provide this information to Us. If You do not provide Us with full information, We cannot properly advise You and You could breach Your duty of disclosure which could result in avoidance of an insurance policy and cancellation of cover.
- 4.6 Should a circumstance or event occur which could result in making an insurance claim, You must advise Us of the details as soon as possible. Failure to advise such actual or potential claims, may prejudice Your rights under an insurance policy and the ability to have a claim paid.
- 4.7 You must pay all premiums and other amounts owing in full by the due date. Late payment may mean your insurance cover will be cancelled or reduced and you may be left with amounts owing to Us or to the insurer.
- 4.8 If You do not provide Us with the relevant information, this could mean that an insurer cannot provide You with insurance cover. If the information You provide is incorrect or incomplete then this may cause an insurer to decline a claim. We are not responsible for verifying that the information You provide or that Your application is correct and complete.

5 REMUNERATION

- 5.1 We may be paid commission by the insurer when You enter into an insurance contract that We arrange (this includes renewals and policy alterations). The rates of remuneration We may receive may vary between Insurers and type of contract. Our rates of commission range of 0 - 25%.
- 5.2 We may also charge You a fee to supplement the commission amount or a fee to replace the commission amount. These fees will be disclosed and reviewed annually or earlier if the extent of service required by Us is affected by changing circumstances.
- 5.3 Our remuneration may include investment income earned from premium payments before they are forwarded to the insurer. This is permitted by the Insurance Intermediaries Act 1994.
- 5.4 If We arrange a loan for You to pay the premium, We may earn remuneration or dividends for doing so.

- 5.5 We sometimes pay a fee to a party who has referred You to Us. We pay this fee out of the remuneration received from insurers and fees You pay Us.
- 5.6 We are a member of the NZbrokers Group which provides personalised insurance broker services, efficiencies, competitive rates, improved policy coverage, national and international capabilities to Us. The NZbrokers Group has arrangements with some insurers which entitles it to receive remuneration for some policies We arrange with those Insurers.
- 5.7 We may charge you an administration fee for each insurance policy we arrange on Your behalf. This charge is for Our expenses associated with issuance of hard copy policies, certificates, invoices and similar office services. This charge is calculated within the guidelines prescribed by IBANZ. Any administration fee is included in Our invoice.
- 5.8 In addition to the fees and commissions that We receive, We may negotiate additional fees for our services in relation to a claim which is complex or contentious and where Our time exceeds 10 hours.
- 5.9 We do not have any profit sharing arrangement, conflicts of interest or accept any other incentives for giving Financial Advice.

6 PAYMENT OF PREMIUMS AND CANCELLATIONS

- 6.1 The premium and any fee should be paid to Us in full. We do not provide any credit and the full amount is due to Us immediately upon receipt of Our invoice. We are required to pay Your insurer within a specific time frame. If We are unable to do so because We have not received the premium from You, the Insurer may then issue a notice of cancellation of the policy in accordance with the policy terms because of the non-payment. Although the time frame varies from policy to policy, the insurer usually allows 30 days for the premium to be paid before the policy comes to an end.
- 6.2 We will send you an invoice for the cost of Your insurance and Your premiums, (which may include Our fees/remuneration). The invoice may also include any relevant statutory charges like GST, fire and emergency levies, Natural Hazards Commission/Toka Tū Ake levies and NHI premiums. Additionally, We may apply a fee or broker administration charge to cover any administrative or disbursement expenses incurred. Our fees may vary based on the services you require.

- 6.3 You are required to pay any premiums, additional charges, and statutory fees, in full by the due date noted on Your invoice (due date is based on the period of cover). To enable you to pay your insurance premiums in an effective way that suits your cash-flow requirements, aibGROUP can facilitate financing of insurance premiums via aibPremium Funding Limited upon request and subject to terms and conditions.
- 6.4 If We do not receive Your payment by the due date, We will reach out to You to request payment including outlining Your payment options. 6.4 If You do not settle the overdue premiums following Our reminders, (which may include a notice of impending cancellation due to non-payment), Your insurer may instruct Us to cancel Your policy/policies, which may leave You uninsured. The insurer may also charge a premium for any time they may have covered You without payment. We reserve the right to charge interest, as well as any collection costs and legal fees incurred in recovering overdue payments.
- 6.5 If an insurance policy is cancelled before expiry by You, We will pay to You any premium refunded by the insurer, less any outstanding remuneration and/or fees You owe Us. We may retain any remuneration already received on downward premium adjustments or for a policy cancellation.

7 COMPLAINT PROCEDURE

- 7.1 If You have a problem, concern or complaint about any part of Our service, please tell Us so the problem can be remedied. If You prefer or we cannot agree how to resolve the matter to Your satisfaction, You may formalise Your complaint by writing to Our Complaints Officer or email feedback@aibgroup.co.nz. Your complaint will be acknowledged in writing and We will endeavour to resolve the matter within 20 working days.
- 7.2 In the event that We still cannot agree how to resolve the matter, You can register your complaint with Financial Services Complaints Ltd (FSCL), to whom We subscribe. There is no cost to You for this service and You may write to them at PO Box 5967, Lambton Quay, Wellington 6145 or telephone FSCL on 0800 347 257.

Please refer here for more information on our Compliments & Complaints - aib Group
<http://aibgroup.co.nz/complaints-compliments>

8 PRIVACY & CONFIDENTIALITY STATEMENT SUMMARY

- 8.1 We are committed to protecting your privacy. Please refer to our Privacy Statement http://aibgroup.co.nz/files/Privacy_Statement.pdf and Privacy Policy http://aibgroup.co.nz/files/Client_Privacy_Policy.pdf
- 8.2 We are committed to protecting Your privacy including complying with the Privacy Act 2000 and the Code of Professional Conduct for Professional Advisers. Our Privacy Statement and Privacy Policy is published on our website and sets out how we collect, use and store personal information as well as the circumstances in which we may pass it to third parties such as insurers. We use the information You provide to advise about and assist with Your insurance needs. We only provide Your information to the companies whom We recommend or whom You choose to deal with (and their representatives). We do not trade, rent or sell Your information. You can check the information We hold about You at any time.
- 8.3 We will keep all non-public information We receive from You to enable Us to give You advice confidential. We are committed to protecting Your information from unauthorised access, use or disclosure and will only use it to provide You with Our services, except with Your consent or as provided for by the applicable laws of New Zealand. You consent to disclosure of Your information to insurers and other third parties in connection with obtaining and maintaining insurance cover and to Us contacting You about Your cover or other services. All documents, templates, methodologies, data, reports and other intellectual property used by Us to give advice remain Our property and You must not forward these to another party without Our written consent.

9 GENERAL

- 9.1 Prior to the renewal of Your insurance policies, We will discuss with You any changes in Our service as may be appropriate for the ensuing year.
- 9.2 Our obligation to provide services to You will end when Our appointment is cancelled. You can cancel Our appointment by notice in writing to Us. You may however, request that we enter into a separate claim servicing agreement with Us. If such agreement is entered, We will continue to provide service for nominated claims that arose before Our appointment was cancelled.

- 9.3 Upon notice of cancellation of Our appointment We will:
- Immediately withdraw from all negotiations in progress at that time, including but not limited to renewal negotiations for any insurance falling due within the period of notice.
 - Take no further action in relation to any current or ongoing claim for which We are acting on Your behalf, unless We have agreed to a separate claim servicing agreement.
 - We will keep all information about Your business confidential, and except where necessary for the purpose of providing services to You, will not disclose it to any third party without Your consent. This undertaking does not apply to information which is already public knowledge.
- 9.4 We may terminate the provision of services by Us to You upon 30 days written notice. We may terminate the provision of services without prior notice if it becomes illegal for Us to continue to provide the services to You or if by providing the services to You, We would suffer a materially adverse effect by continuing to provide the services.
- 9.5 Upon termination, We are not obliged to rebate or refund the services or service margin or other costs. At our sole discretion We reserve the right to pay You a pro rata amount. We are not obliged to pay any part of the brokerage paid by You or on Your behalf. Termination of the provision of services by Us will not terminate:
- Our Privacy obligations to You;
 - Our confidentiality obligations to You; and
 - Limitations of Our liability.



APPENDIX A | INSURANCE & RISK ADVISORY SERVICES

SECTION 1

11.1 Insurance, Transactional & Advisory Service

- Placement of insurance programme.
- Customised policy wordings.
- Insurance renewal planning and strategy.
- Marketing of insurance policies.
- Insurance transactions.

1.2 Documentation

- Agenda and minutes for meetings.
- Placing Slips.
- Invoices.
- Insurance manuals or registers.
- Claims procedures.
- Policies.
- Claims reports.
- Renewal reports.
- Other reports as may be agreed.

1.3 Claims

- Administration.
- Monitoring progress and negotiation with interested parties.
- Recording and analysis as may be agreed.

1.4 Advice

- Identify insurable hazards and risks.
- Scope of insurance policy cover.
- Insurance marketing strategies.

1.5 Meetings

- Site visits as agreed.
- Review meetings as agreed.
- Service review meetings.
- Site visits on all major losses.
- Other as agreed.

1.6 Contracts

- Advice (indemnity and insurance provisions).

1.7 General

- Provision of regular insurance market information.

SECTION 2

(the following advisory & risk consulting services are not included in Our services to You but are available by specific agreement)

2.1 Risk Advice and Services

- Underwriting information reports for insurers.
- Business risk review.
- Establishing an integrated risk management framework.
- Crisis management.
- Business continuity management.
- Statutory compliance monitoring and reporting.
- Workplace safety and workers compensation: health and safety programmes, regulatory compliance and claims management advisory services.
- General and product liability risk assessment.
- Environmental risk assessment.
- Environmental risk management.
- Property and disruption risk control standards and guidelines.
- Property and disruption risk assessment.
- Fire risk assessment.
- Fire protection engineering.
- Terrorist risk assessment.
- Fault tree analysis and significant special studies.
- Incident investigation.
- Advice relating to any significant acquisition or merger.
- Servicing of life insurance products or employee benefit plans.
- Training (in any of the above).

2.1 Alternative Risk Financing Advice

- Study of alternative risk financing methods.
- Captive – advice, establishment and management services.

aib GROUP
INSURED