



## FINANCIAL SERVICES GUIDE (FSG)

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

**Smartsalary Pty Ltd t/a Smartleasing (Smartsalary)**

ABN – 24 096 796 100

Address – GPO Box 2739, Sydney NSW 2000

Phone – 1300 476 278

Email – [vero@smartleasing.com.au](mailto:vero@smartleasing.com.au)

Website - [www.smartleasing.com.au](http://www.smartleasing.com.au)

and

**BMS Risk Solutions Pty Ltd (BMS)**

ABN – ABN 45 161 187 980

AFS Licence No - 461594

Address – Level 3, 222 Clarence Street, Sydney NSW 2000

Phone – 1800 290 974

Email – [smartgroup@bmsgroup.com](mailto:smartgroup@bmsgroup.com)

Website – [www.bmsgroup.com/australia](http://www.bmsgroup.com/australia)

Smartsalary is a corporate authorised representative (Number 000284495) of BMS.

**This FSG includes important information about:**

- the financial services we offer
- how we are paid
- any potential conflicts of interest we may have
- the type of advice we will give to you
- what to do if you have a complaint

**From when does this FSG apply?**

This FSG applies from 4 December 2018 and is valid until we issue you with a new guide.

You should read this FSG in its entirety and retain it for your future reference. By engaging, or continuing to engage us you are, in the absence of any formal written agreement with us, agreeing to the delivery of our services and remuneration as described in this FSG.

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

BMS is responsible for the financial services provided to you by Smartsalary, including the distribution of this FSG. The distribution of this FSG by Smartsalary is authorised by BMS.

BMS holds an Australian financial service (AFS) licence issued by the Australian Securities & Investments Commission (ASIC). The AFS licence number is 461594.

All references in this FSG to ‘we’, ‘us’ and ‘our’ mean Smartsalary.

**What kinds of Financial Products are we authorised to advise and deal in?**

Smartsalary is authorised to provide general advice on and deal in the comprehensive motor vehicle insurance policy that is underwritten by AAI Ltd trading as Vero Insurance or “Vero”.

**Who do we act for when providing the financial service?**

As BMS has authority to effect the comprehensive motor vehicle insurance under a binder agreement with Vero, this means they can enter into the insurance contract on the Insurer’s behalf. In arranging your insurance BMS therefore act on behalf of Vero and not for you.

When we provide you with general advice about your motor vehicle insurance we act on your behalf.

**Retail Clients**

Under the *Corporations Act 2001* (the **Act**) Retail Clients are provided with additional protection, compared to the other clients. The Act defines Retail Clients as: individuals or a manufacturing business employing less than 100 people or any other business employing less than 20 people and that are purchasing the following types of insurance covers: Motor vehicle, home building, contents, personal and domestic, sickness/ accident/ travel, consumer credit and other classes as prescribed by regulations.

The Vero comprehensive motor vehicle insurance is a retail product and when purchasing this insurance as part of your novated lease you are a retail client.

**Retail Client issues**

We will only provide you with general advice. General advice does not take into account your particular needs and requirements and you should consider the appropriateness of this advice to your circumstances prior to acting upon it.

When you ask us to recommend an insurance policy for you, we will only consider the Vero Comprehensive Motor Vehicle Insurance policy. In giving you advice about the costs and terms of the policy we have not compared the policy to other policies available.

When we provide you with your novated lease quote, we will also give you a Product Disclosure Statement (PDS),

which sets out details specific to the motor vehicle insurance and the key benefits and risks involved in purchasing this insurance.

#### **What information do we need from you?**

We expect that you will provide us with accurate information that we request so that we have a reasonable basis on which to provide you with advice. We will rely on the accuracy and completeness of the information that you provide to us and do not independently verify the information before sending it to the insurer.

As a financial service provider, we have an obligation under the *Anti-Money Laundering and Counter Terrorism Financing Act 2006* (Cth) to verify your identity and the source of any funds. This means that we may need to ask you to present identification documents such as passports and driver's license. If this is the case we will handle this information in line with the *Privacy Act 1988* (Cth).

#### **What are the possible consequences of not providing this information?**

You are of course at liberty to decline to provide some or all of the information that we request, but if you do not provide it, any recommendations we make may not be appropriate to your needs and objectives. In certain cases, your failure to provide information may place us in a position where we cannot provide any advice or any financial services to you.

#### **Duty of Disclosure**

If the insurer asks you questions that are relevant to their decision whether to insure you and on what terms, you are required to tell the insurer about anything you know and that a reasonable person in the circumstances would include in answering their questions.

At renewal the insurer may give you a copy of anything you previously told them and ask you to advise them if that information has changed. If they do this, you must tell them about any change or tell them if there is no change. If you don't tell the insurer about a change, the insurer assumes there is no change to this information.

This duty applies until the insurer agrees to insure you. You have the same duty before you renew, extend, vary or reinstate an insurance contract.

#### **If you do not tell the insurer something**

If you don't tell the insurer something you are required to tell them, they may cancel your insurance contract or reduce the amount they will pay you if you make a claim, or both. If your failure to tell them is fraudulent, they may refuse to pay a claim and treat the contract as if it never existed.

#### **Cooling off period**

The Vero Comprehensive Motor Vehicle Insurance Policy wording and PDS includes details of the cooling off period. You may cancel the policy in accordance with that policy wording and PDS.

#### **Relationships or associations which might influence us in providing you with a financial service**

BMS and Smartsalary are not controlled by any financial institution(s) such as a fund manager, bank, insurance company or trade/credit union. None of these institutions has a vested interest in our business and are not therefore in a position to influence us in the provision of advice.

#### **Privacy**

BMS and Smartsalary are committed to protecting your privacy. We use personal information you provide to advise about and assist with your insurance needs. We provide your personal information to insurance companies and agents that provide insurance quotes and offer insurance terms to you or the companies that deal with your insurance claim (such as loss assessors and claims administrators). BMS may disclose your personal information to an overseas insurer (like Lloyd's of London) if we are seeking insurance terms from an overseas insurer, or to reinsurers who are located overseas. BMS will try to tell you where those companies are located at the time of advising you. BMS also provides your personal information to the providers of our policy administration and broking systems that help us to provide our products and services to you. We do not trade, rent or sell your personal information. If you don't provide us with all information that we may require, we can't properly advise you, seek insurance terms for you, or assist with claims and you could breach your duty of disclosure.

For more information about how to access the personal information that BMS hold about you and how to have the information corrected and how to complain if you think we have breached the privacy laws, ask us for a copy of our Privacy Policy or visit our website at <http://www.bmsgroup.com/data-privacy> .

#### **How can you give us instructions about Financial Products?**

You may tell us how you would like to give us instructions. For example by telephone, email or other means.

If you have supplied your email address to us, we will send insurance documents including this FSG and any PDS (if required) to that email address either as attachments or links to documents/websites, unless you tell us you would like to receive those documents in a different form.

#### **How will you pay for the service?**

For the comprehensive motor vehicle insurance Vero will charge you a premium which includes any relevant taxes,

charges or levies as well as any other amounts charged. The premium will be shown on your Novated Lease Quote.

The Corporations Act requires us to fully disclose all fees and charges, so if you are in doubt please ask us to explain.

You will make payment of the premium as shown on your Novated Lease Quote, as part of your monthly novated lease payment.

If you do not wish to include comprehensive motor vehicle insurance from Vero as part of your novated lease package please let us know. We will send you a revised quotation reflecting your self-selected insurance provider and premium, and you will not be charged any premium relating to a policy from Vero.

Your payment of the first monthly instalment which includes the insurance premium is treated as acceptance of all of the terms and conditions of the comprehensive motor vehicle insurance policy.

If you do not pay the monthly novated lease payment/s which includes the insurance premium the Insurer may cancel the contract, and you would not be insured.

Where you have paid a premium, as well as any other amounts charged for arranging your insurance policy, those amounts are held (less any commission) on trust for you until BMS pass it on to the insurer. BMS will retain any interest earned on the premium during that period.

If your insurance contract is cancelled or varied before the expiry of the period of insurance, you will be paid any refunded pro-rata premium received from the insurer. BMS and Smartsalary will retain all of their commission in full in the event of any early cancellation or variation of your insurance contract or adjustment of premium. We may charge an additional fee for processing your request to cancel, or vary your insurance contract and you agree that this fee may be offset against any premium pro-rata refund you are entitled to.

**What remuneration, commission, fees or other benefits do we receive in relation to providing you with financial services?**

We are remunerated through a percentage of the premium – a ‘commission’ – which BMS receives from the insurer. The commission BMS receives is 20.5% of the premium and BMS passes 100% of this to us. This does not influence the amount that you pay.

We charge a separate administrative fee of \$24 plus GST (per annum) to administer the comprehensive motor vehicle insurance policy.

Full commission and fee information (including dollar amounts) will be provided on request.

All fees payable for arranging the comprehensive motor vehicle insurance will be included as part of your novated lease quote.

**What information do we maintain on file and can you examine your file?**

We need to hold all information you give us for a period of 7 years. You can view information held by us by making a written request.

**What kind of compensation arrangements are in place and are these arrangements compliant?**

BMS has Professional Indemnity Insurance in place to cover the financial services that it and its representatives (including Smartsalary) provide. BMS understand that it is sufficient and appropriate to meet our obligations as the holder of an Australian Financial Services license. The policy includes coverage for claims made in relation to the conduct of representatives/employees who no longer work for BMS (but who did at the time of the relevant conduct).

**Conflicts of interest**

As a business we have relationships with and receive income from various third parties as detailed in this FSG. Any material conflicts that impact our advice, that are not mentioned in this FSG, will be advised to you on the invoices related to that advice.

**What should you do if you have a complaint?**

BMS and Smartsalary are committed to providing quality advice to our clients. This commitment extends to providing accessible complaint resolution mechanisms for our clients. If you have any complaint about the service provided to you, please contact BMS first to discuss your concern, or you can contact our Complaints Manager at the contact details at the top of this FSG.

If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority, or AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: [www.afca.org.au](http://www.afca.org.au)  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Telephone: 1800931678 (freecall)  
In writing: Australian Financial Complaints Authority  
+GPO Box 3, Melbourne VIC 3001.

## **IMPORTANT NOTICES AND DUTY OF DISCLOSURE**

### **Policy**

You should refer to your policy document for the full terms and conditions applicable and you should read them carefully. Should any doubts arise as to the scope of cover provided, please contact us for an explanation.

### **What advice is being provided (retail clients only)**

If you are a retail client and a Statement of Advice or Further Information has not been provided to you, then the advice that we are giving you related to this transaction is general advice. General advice is advice that has been prepared without considering your current objectives, financial situation and needs. Therefore, before acting on this advice you should consider the appropriateness of the advice having regard to your current objectives, financial situation and needs. Please check the policy schedule carefully to ensure that the sum insured is adequate and that the cover is appropriate. If the advice provided related to the acquisition or possible acquisition of a new insurance policy, you should consider any PDS provided to you prior to making the decision to purchase the product. Information regarding the income we have been paid by the insurer for this transaction is available upon request.

### **Electronic delivery of disclosure notices**

Where possible if you have given us your email address we will provide all correspondence and disclosure notices (including Financial Services Guides and Product Disclosure Statements) to you electronically. Disclosure notices may be provided to you via hyperlinks in an email or as an attachment. If you do not wish to be sent disclosure notices as hyperlinks please advise us and we will send them as attachments, or in hard copy if preferred.

### **Utmost good faith**

Every insurance contract is subject to the doctrine of utmost good faith, which requires that parties to the contract should act toward each other honestly and fairly, avoiding any attempt to deceive in assuming and performing contractual obligations. Failure to do so on the part of the insured may permit the insurer to refuse to pay a claim or to cancel the policy or both.

### **Subrogation**

Some policies contain provisions that either exclude or reduce the insurer's liability for a claim if you waive or limit your rights to recover damages from another party in relation to any loss. You may prejudice your rights with regard to a claim if, without the prior agreement from your insurers, you make any agreement with a third party that will prevent the insurer from recovering the loss from that, or another party.

If you have such agreements, we may be able to negotiate with the insurer to permit them and therefore we request you advise BMS of their existence.

Examples of such agreements are the "hold harmless" clauses which are often found in leases, in maintenance or supply contracts from burglar alarm or fire protection installers and in repair contracts. If you are in doubt, please consult BMS.