

Terms of Business



Thank you for allowing us to work with you on your risk management and insurance requirements. We will provide you with professional and personal services at all times

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INTRODUCTION –

We are pleased to set out our Terms of Business which will apply to any financial advice and or services that we provide to you, unless we agree otherwise.

1. About Vercoe Insurance Brokers Ltd

Vercoe Insurance Brokers Ltd provides Fire and General Insurance services including advice, risk management guidance, claims management and support on Commercial, Rural and Domestic Insurance products. We have the capability to provide insurance solutions for you no matter how small or large you or your business may be.

Our foundation in a rural community means we have strong associations and knowledge with many rural lifestyle, farming and support businesses.

Vercoe insurance Brokers has been in business for over 50 Years and is owned by Adrienne Madden and Linda Kane and we take great pride in supporting our community. Please view our website to see the charities and organisations in which we support.

We employ Financial Advisers who will put you first, and demonstrate a high level of competence, knowledge and skill. Many of our team have had long standing insurance careers and offer a depth of experience. We have a dedicated Claims Manager who supports your financial adviser in ensuring you get the best result out of your claim.

Our approach is to provide exceptional service, putting our customers at the centre of everything we do. We work hard to ensure you understand the advice we are providing, and that our service meets your needs. We partner with you in the life cycle of our service to you, keeping you informed at all times. Insurance can be complex so our personal approach is to build a relationship between you and your financial adviser, who is backed by their broker support and our wider Vercoe Team, so you can feel comfortable with our advice and place trust in us.

We operate nationally, and are centrally located with offices in Morrinsville and Matamata,

providing the flexibility for us to come to you when you need us, or if you prefer, for you to call into either of our offices.

2. NZbrokers Membership

We are members of NZbrokers which is a recognized nationwide group of independently owned and operated professional Insurance Brokers. Membership provides us with access to an abundance of technical expertise, improved policy wordings and Insurer support, whilst allowing us to remain locally owned and focused. Should you wish to find out more about NZbrokers you can follow the link from our website or go directly to www.nzbrokers.co.nz

3. Insurance Brokers Association of NZ (IBANZ)

We are members of IBANZ which is a professional body, representing the interests of Insurance broker members. IBANZ provides us with guidance on regulation and technical advice, raising and maintaining professional standards and supporting our educational and professional development requirements

We adhere to the IBANZ Code of Professional Conduct.

4. Financial Advice Authority

Vercoe Insurance Brokers Ltd is a licensed Financial Advice Provider under the Financial Markets Conduct Act 2013.

This enables us to provide Fire and General Insurance advice. This relates to insurance protection for Rural, Personal and Business Assets, Liabilities and other specialty lines.

Our brokers are qualified Financial Advisers and registered on the Financial Service Providers Register.

Personal disclosure statements are available under our email address signature, on our website or we can email a PDF copy if you request it.

Our Code of Conduct requires us to comply with standards of ethical behavior, conduct and client care requiring us to:

- maintain high standards of integrity and professionalism,
- treat you fairly,
- give advice which is suitable to your needs,
- ensure you understand the financial advice,
- provide you with certain disclosures defined in our regulations,
- protect your client information,
- give priority to your interests whenever a conflict of Interest presents,
- not make any false or misleading statements.

The code is part of a wider regulatory regime for financial advice detailed in Subpart 5A of Part 6 of the Financial Markets Conduct Act which imposes statutory duties on persons who give regulated financial advice to retail clients.

“Client” means a retail client who is not wholesale

“Wholesale Client” is a larger client with experience in financial matters such as other types of financial advisers, Banks, government agency’s etc. and large clients who have net assets and/or turnover exceeding \$5,000,000 over 2 balance dates.

“Regulated Financial Advice” is when we provide advice or a recommendation on acquiring or disposing of a financial advice product. It does not include factual information, carrying out an instruction from you or providing general opinions on products or insurers without a specific recommendation.

You will be classified as either Retail or Wholesale client by your financial adviser, if you would like clarification of our classification please ask.

5. Our Remuneration

We want to encourage you to seek our services. Therefore, we do not charge you for taking the time to discuss with us what your insurance needs

are, gathering the information necessary for us to understand your risks and seeking and negotiating offers on your behalf. If you choose that our offering is not for you, then there will be no charge.

When you decide to proceed and we put cover in place for you, we are remunerated as follows:

- The insurer will pay us a commission or brokerage equal to a percentage of the Insurer premiums (excluding Government Levies) which ranges between 0 -25% .We will deduct this from any monies payable to the insurer.

The amount of brokerage differs between insurers for similar products and policy types, and can be found in the link:

<https://www.vercoes.co.nz/info/ourpartners/brokerage-table>

- We may charge you a policy administration fee and /or service margin which enables us to provide our service standards to you.

At times, we may choose to supplement our commission and charge a full fee for services. This will be detailed in any quote we provide you or any renewal or endorsement arranged for you.

This fee is non- refundable in the event of early cancellation.

These charges become payable when our advice has been followed, accepted and the insurance policy purchased, or when we make an alteration during the policy period or at renewal. These charges will be documented in any quote we provide you and on our invoice documents. They are non-refundable if you cancel your policy before the end of the policy period and or have made a claim against your policy.

We do not charge any additional fees for managing routine claims or cancelling your policy at the end of the policy period.

We may request reimbursement from you of any costs we have incurred in arranging your insurance or managing your claims, such as external consultant or legal fees, valuers and other parties called on.

In claim situations which exceed routine claims and which involve substantial additional time or expense due to factors outside of our control, there may be fees charged. We will endeavour to discuss these costs with you in advance.

In holding your premiums we may earn interest on funds held between the time you pay us and our payment to Insurers, as permitted by Insurance Intermediaries Act 1994.

If we make arrangements on your behalf for premium funding from an external provider, we may earn commission between 1.0% - 1.75% as a percentage of the amount you choose to fund.

Our financial advisers are paid by us from our income as a salary which is reviewable in line with our commitments as an employer. We may also elect to offer other forms of remuneration based on new or continuing revenue, and client management and regulatory compliance measures.

We on occasion celebrate our success with rewarding our team out of our own revenue, this can take the form of meals, gift vouchers, or mystery weekends.

We may also pay or reward our business partners for referring clients to us, again this is paid from our own revenue.

6. Our service model

When we act for you we do so with reasonable care, integrity and skill. Our advice and service is based on the information and instruction that you have supplied to us and in keeping with our Industry codes of best practice, and all regulatory requirements.

We will:

Negotiate with Insurers to obtain suitable terms for your needs. As we are not the Insurer, we do not set the terms, nor can we guarantee to you that an Insurer will provide terms for your risk which are acceptable to you.

Facilitate payment of premiums to insurers after receiving payment from you in order to ensure you policy is valid.

Advise you and provide documentation regarding any criteria you are required to meet, including but not limited to; completion of declarations & proposals, survey and or survey requirements, supply of Insurance valuations and any other requirements needed for your Insurance product to be valid.

Use our experience and knowledge of the Insurance market and products to identify the

most appropriate coverage based on the information you have supplied to us.

Provide you with policy terms and other documents to evidence your cover.

We will also:

Manage any claims made for cover, which is placed by us, we will assist you in preparation of any claim and act as your advocate with insurers and any of their representatives such as assessors, legal services etc. We will regularly review to ensure the claim progresses in a timely manner and work between you and the insurer to ensure full settlement of your benefits as per the policy document issued. Where requested we will provide you with summary of claims and report on costs.

Renew your policies as they fall due in order to ensure your continued protection and avoid your policy ending at policy expiry. We will endeavour to contact you prior to renewal to discuss any updates or amendments you may require and keep you informed of any changes you should take into consideration when renewing your policy. However, if this is not possible you acknowledge that in accepting our terms of business you are giving us authority to bind cover on your behalf, unless you provide us with written instruction to cancel or do otherwise.

Cancel your cover when instructed in writing by you. In some instances if we and/or the insurer has advised they are unable to continue to offer the policy and or services to you the client, we will provide written notification as set out in the conditions of insurance policy cancellation clauses.

Our services will continue until either we have notified that we are no longer able to provide our services to you for whatever reason, or if you have notified us in writing that our appointment is cancelled. Upon notification we will immediately cease to act for you and withdraw from any negotiations or arrangements we are engaged in. This will include current or ongoing claims

In some instances, we have negotiated group or scheme insurance placement. These are targeted to a specific industry where we have negotiated special terms, and cover options. Where we believe this is suitable to your insurance needs, we may recommend this scheme without providing alternative quotes or comparisons.

We are unable to provide comparisons between differing broker companies agreed policy

wordings, unless you supply us with copies of your current terms, conditions and policy wordings at which point we can only provide commentary based on normal industry assumptions or what is on face value within the documents supplied.

We do not offer advice on accounting, legal, tax, or regulatory matters. Any comment we make should not be considered advice and you should seek professional advice from the industries who provide those services.

7. Your responsibilities and disclosures

We want to ensure your cover is valid when you need it most. To enable us to arrange your cover you must:

Provide us with the necessary information, relevant to the insurers we approach and the coverage you seek. This includes any material information we have not specifically asked for. We rely on you to inform us of any changes to your business or circumstances.

Ensure that the information you provide is true and correct and complete. If you are unsure ask us.

Keep us informed of any material changes to the information you have supplied during the period of insurance and at any renewal.

When applying for or renewing insurance you have a legal duty of disclosure, this means you should tell us and your insurer of any information you know or should reasonably know that would influence their judgement in offering cover or the setting of terms and conditions. Some examples of this

- Change in description, use or location of Insured property.
- Change in fire or burglary protections or construction materials.
- New product lines or methods of manufacture being implemented.
- Any criminal or traffic offence (subject to the provisions of the Clean Slate Act) or incidences which may give rise to a claim or that you may have had in the past
- Any information regarding natural hazards floods or slips effecting your property or notifications by council of changes in title or special notices on your title.
- Any cancellation, refusal of renewal or imposed terms made by another insurer.
- Bankruptcy

- Modifications to vehicles or buildings

This list is not exhaustive, please discuss with us anything you are uncertain of.

Check all policy documentation provided to you to ensure the cover meets your needs and you understand your obligations. Please advise your Broker immediately if there is any information which is incorrect or if the cover is not suitable or does not comply with your instructions.

Pay all premiums and other amounts owing in full by the due date, late payment may mean your insurance cover may be cancelled or reduced and you may be left owing to us or the insurer.

When you have asked us to support you with any vulnerability that requires our assistance in completion of proposals or other documentation, we can't accept any responsibility for the accuracy of the contents, nor can we sign insurance proposals, declarations or claim forms. This remains your responsibility to check and verify.

Notify us of any potential claims and provide all relevant information within acceptable time frames, late notification of claims may be rejected by your insurer if they believe the delay has prejudiced their position.

8. Paying your Insurance

Once we have arranged your insurance you will receive an invoice from us for the total cost of your insurance.

You are responsible for the payment of the invoice, including when you have asked us to forward this to another party.

If you do not pay your Invoice/Premiums your policy may be cancelled in line with policy conditions.

Upon receipt of the payment we will remit to the insurer their premiums and government charges of duties, levies and GST less our charges as detailed previously.

9. Instalment Premiums

All invoices are payable annually, you can pay this either in cash, Eftpos, Visa or Mastercard, unless you request an instalment option.

Instalments are arranged via an external party, Embassy Finance Ltd. We are not the credit provider but will act as an agent for arranging terms to be sent to you for consideration. We do not offer a recommendation or opinion on any credit terms you consider. We recommend you seek independent advice on acceptance of any terms offered.

If you accept an instalment plan, the financier places a charge over the proceeds of the insurance premiums, and if you cease to pay they can request that we cancel your policy for non-payment. You are required to meet any shortfall between any policy credit and the amount owing on your instalment funding.

In some instances, if you suffer a total loss claim, you have exhausted your paid premium to the insurer and no refund is due. You are required to settle the instalments in full at this time and or make arrangement to continue paying until the loan is cleared.

10. Conflicts of Interest

If you choose to pay your premiums by Instalment we will earn interest from the Finance provider. The company Embassy Finance is owned by Hugh Vercoe who is a relative of one of our directors and a previous owner of Vercoe Insurance Brokers Ltd. We manage this conflict by our brokers not providing any advice or recommendation on this service.

It is entirely at your discretion if you use this facility.

Where any other conflict of interest is identified between you and one of our staff who is providing advice to you, we will advise you of the conflict and the steps we have taken to manage that advice and ensure we always give priority to your interest and confidentiality.

From time to time we receive training in products, sponsorship at conferences, or other non-monetary considerations which assists us to build relationship with our insurer partners and thus enables us to provide benefit to our clients from these connections.

Any gifts offered to our staff by clients or insurers are required to be reported and under what circumstance. If any conflict of interest is considered then the gift is not accepted.

11. Complaints and Disputes

Vercoe Insurance Brokers is committed to providing a Quality Service to all Clients to achieve good customer outcomes, which include client satisfaction. Feedback from clients, including complaints is considered an important part of client satisfaction.

A complaint relating to a financial advice service, is an expression of dissatisfaction made to the Financial Advice Provider or person engaged by Vercoe Insurance Brokers about a product, service or failure to provide a service or advice and the Client requires action to be taken.

We are committed to resolving complaints received, and recognise the right of complainants to be dealt with fairly, in a timely and transparent manner. Our Internal complaints process includes information about complaints handling process and how to access the external dispute resolution scheme. This is made available to the public via the Vercoe Insurance Brokers website.

<https://www.vercoes.co.nz/assets/pdf/Internal-Complaints-Policy-Process.pdf>

If a complaint is received we will approach all complaints with an open mind, listen and treat each complainant as an individual and with courtesy and respect. We will promptly acknowledge the complaint at the earliest opportunity and make every attempt to resolve your complaint in a timely manner. We will endeavour to respond to your complaint with a written decision, remedies and resolution within 48 business hours. If following our review of your complaint you remain dissatisfied, you may contact our external Disputes and Resolution supplier Financial Services Complaints Ltd.

This service is free to you.

You can contact FSCL at:-

PO Box 5967 Wellington 6145

Email info@fscl.org.nz

Telephone 0800 347 257

Website www.fscl.org.nz

12. Health and Safety Work Act

We ensure the health and safety of our Employee's, Insurer partners and clients when they are on our premises, and/or travelling in our vehicles as part of our obligations under our Health and Safety at Work laws.

When you are visiting any third party supplier associated with your insurance they are responsible for your health and safety.

When our employees are on site at your premises we have instructed that they are to follow any health and safety protocols you may have and ask that you please ensure their safety is not at risk as far is reasonably practical.

13. Anti - money Laundering & Sanctions

As part of our responsibilities under the Anti Money Laundering and Countering the Financing of Terrorism act and economic sanctions, we may be required to collect information to enable any due diligence requirements we have. If the required due diligence can't be completed by us or the Insurer, we may not be able to lawfully provide you with services or cover you require.

14. Privacy Statement and Confidentiality

Your privacy is important to us. Vercoe Insurance Brokers comply with the New Zealand Privacy Act 2020 when dealing with personal information. This policy sets out how we collect, use, disclose and protect your personal information.

We also follow the Code of Professional Conduct for Financial Advisers.

Our full privacy statement is on our website and details how we collect, use and store your personal information and how we will use the information and in what circumstances we will disclose this information to other parties.

Our statement also includes information on your rights to request amendment or correction to information that we hold.

It is your responsibility to obtain privacy consent from any other party for whom you are providing information to us that may be confidential, which we will/may hold or use in carrying out our duties.

No outside party may rely on the advice that we have provided to you, and you must not forward

our advice to any other party without our express consent. Our advice is for the sole purpose of the recipients identified in our communication and should at no time be relied on by any other party.

Any claim you make with an insurer is lodged with the Insurance claims register, it is issued by insurers to prevent claims fraud and double dipping. This is administered by the Insurance council of NZ. We highlight this to ensure you are aware of how your information can be used by insurers and the importance of accurate information.

15. Limitation of Liability

As Insurance brokers, Vercoe Insurance Brokers Ltd are fully licenced Financial Advice Providers we and our advisers are subject to New Zealand regulation and legislation.

As we are not an Insurance company, we are unable to confirm that any insurance cover will be offered for any particular risk until such as time as the insurer has confirmed acceptance. We are unable to guarantee the financial stability or solvency of any insurer, or that they will accept any claim that you may make.

Insurer Financial Strength ratings are issued by the reserve bank and are published to their website and also on our documentation.

We will check documentation issued in support of your insurance programme arranged by us. We do not accept responsibility for any error or omission or inaccuracy in information received except that which stems from our own work.

Our liability in respect of any loss suffered by you, shall be proportional to the contribution our negligence has been to the loss, at all times our liability in aggregate shall be \$1,000,000, as to the extent permitted by law. You must notify us or make a claim against us within 12 months from the date you know or reasonably ought to know of the potential for compensation claim.