

# DISCLOSURE INFORMATION (1)

## Licensing Information

Capricorn Risk Services PTY Ltd FSP 390446 (CRS, we, our, us) is a Financial Advice Provider (FAP) and is named as an Authorised Body to provide a financial advice service under the FAP Licence held by PSC Connect NZ Ltd.

PSC Connect NZ Ltd (PSCCNZ) (FSP 331526) is the Transitional licence holder, as approved by the Financial Markets Authority (FMA).

There are no special licence conditions imposed.

## Nature and Scope of the Advice

CRS provides advice to clients about General Insurance and our Financial Advisers provide financial advice in relation to these financial advice products.

We will not provide advice on Life and Health Insurance, Investments, Kiwisaver, Medical Insurance or Mortgages, so you will need to consult a specialist if you would like advice on those products.

CRS can provide financial advice on a variety of products from a wide range of New Zealand based and overseas providers and includes but is not limited to:

Financial Advice Products		
Business Insurance	Property	Business Interruption
Commercial Vehicles	Marine	Trade Credit
Travel	Liability	Engineering/Contract Works
Event Cancellation	Forestry	Mobile Plant
House	Contents	Private Motor Vehicles
Boat Insurance		

Providers		
AIG	Mecon	Allianz
Nautical Marine	Ando	NM Insurance
Berkshire Hathaway	Protecsure	Certain Underwriters at Lloyd's
QBE	Chubb	Sage
Classic Cover	Rosser	Club Auto
Salt Marine	Concordia	Star Insurance
Covermore	Sunderland Marine	Delta
TAI	Dual	TLC Insurance
Euler Hermes	UAA	Event Cover
Vero	IAG (NZI, Lumley)	Zurich

## **Material limitations and Restrictions**

We also offer advice on, and deal in, mutual risk products or “protections” issued by Capricorn Mutual Limited (Capricorn Mutual) Protections provided by Capricorn Mutual are not insurance. Capricorn Mutual is not regulated as an insurer in New Zealand law by the Reserve Bank of New Zealand and is not regulated as a provider of any other financial service by any other New Zealand regulator. Any advice provided on protections is not financial advice under the Financial Services Providers (Registration and Dispute Resolution) Act 2008.

We have an exclusive arrangement to deal on behalf of Capricorn Mutual for the protections it issues. We do not search the market for any insurance product that competes with, or is a substitute for, protections offered by Capricorn Mutual unless:

1. You are not eligible to be a member of Capricorn Mutual;
2. The product you request is not provided by Capricorn Mutual, which may include (a) management liability; (b) cyber liability; (c) employers and statutory liability; (d) contract works; and (e) boats (recreational and commercial);
3. The product you request is provided by Capricorn Mutual but you do not fall within Capricorn Mutual’s prescribed risk profile or you apply for protection and are declined; or
4. You inform us prior to receiving a quote for protection from Capricorn Mutual that you do not wish to receive protection.

We are not aware of any other material limitations or restrictions on the scope of financial advice service we provide. If any are identified, we will disclose them to you.

## **How We Get Paid**

We earn our income from either a fee or commissions earned from providers or a combination of both.

### Fees and Expenses

Should you proceed with our financial advice and we arrange insurance for you, then a fee will be charged.

This fee will be a transaction fee of \$5+GST per invoice. In addition to this, a fee, based on the amount of work and time required to provide and implement our advice may be charged in addition to the transaction fee. The combination of these will be shown on your invoice.

If we arrange insurance for you and you cancel it part way through the insurance period, we may keep some or all of that fee from any refund due to you by the provider.

We may charge a fee for making adjustments to your insurance during the insurance period. This fee will show on your invoice.

Sometimes other fees are charged that do not relate to the financial advice such as credit card fees. If so, we will advise you of this in our recommendation.

### Conflicts of Interest and Incentives

When we arrange insurance for you, the provider(s) may pay us a commission. The amount of the commission varies between providers and products and is based on a percentage of the Company Premium and Natural Disaster premium (if applicable).

If we arrange insurance for you and you cancel it part way through the insurance period, we may keep some or all of the commission from any refund due to you by the provider.

PSCCNZ retain a percentage of this commission for a range of professional services they provide to CRS.

If a person or entity has referred you to us, we may pay them a percentage of the commission and/or fees we receive for their referral.

A financial adviser may have a conflict of interest in circumstances where financial advice has been provided to two clients who later have a dispute. If this occurs the financial adviser will disclose the conflict of interest to you and refer one client to another financial adviser for advice and assistance.

To ensure that our Financial Advisers prioritise your interests above their own, we follow an advice process that ensures our recommendations are made on the basis of the information you have provided and your unique circumstances.

We maintain a register of conflicts of interest, of gifts and any other incentives we may receive.

If we believe there is a conflict of interest – real or perceived – we will discuss this with you.

PSCCNZ and CRS also undertake annual internal reviews to ensure compliance with these statements.

### **Premium Funding**

Premium funding enables you to pay the insurance premium by instalments, rather than make a lump sum payment.

Premium funding companies charge interest and they take a power of attorney over your insurance policy. This means they have the ability to cancel your insurance policy if you fail to pay an instalment.

If you enter into a premium funding arrangement, the premium funding company will pay CRS a commission as a percentage of the amount they fund. We share some of this commission with PSCCNZ for the services they provide.

We will disclose the amount of this when we know the scope and nature of the advice you need and whether you want to pay by instalments.

## **Complaints Handling & Dispute Resolution**

Please refer to our Internal Complaints Process that can be found [here](#).

## **Duties Information**

CRS, PSCCNZ and anyone who gives financial advice on their behalf have duties under the Financial Markets Conduct Act 2013 relating to the way that we give advice.

We are required to:

- give priority to your interests by taking all reasonable steps to make sure our advice isn't materially influenced by our own interests;
- exercise care, diligence and skill in providing you with advice;
- meet standards of competence, knowledge and skill as set by the Code of Professional Conduct for Financial Advice Services. These are designed to make sure that we have the expertise needed to provide you with advice.
- meet standards of ethical behaviour, conduct and client care set by the Code of Professional Conduct for Financial Advice Services. These are designed to make sure we treat you as we should and give you suitable advice.

This is only a summary of the duties that we have. More information is available by contacting us, or by visiting the FMA website [here](#).

## **Identifying Information**

Capricorn Risk Services PTY Ltd FSP 390446 is a Financial Advice Provider (FAP).

Our contact details are:

Phone: 0800 555 303  
Email: [lyndon.mason@capricorn.coop](mailto:lyndon.mason@capricorn.coop)  
Address: Locked Bag 3003, West Perth WA 6872

Lyndon Mason (FSP 642389) is a Financial Adviser of CRS and his contact details are:

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Email: [Lyndon.mason@capricorn.coop](mailto:Lyndon.mason@capricorn.coop)

## GLOSSARY

<b>Authorised Body</b>	is an entity named on a financial advice provider's licence that can provide the licensed service without needing its own licence. Authorised Bodies must register on the Financial Service Providers Register as a financial advice provider.
<b>Financial Advice</b>	a recommendation or an opinion about buying or selling financial advice products
<b>Financial Advice Provider</b>	a business or individual who provides a financial advice service.
<b>Financial Advice Service</b>	engages one or more individuals to give financial advice on their behalf or provides financial advice on their own account.
<b>Financial Adviser</b>	is an individual registered on the Financial Service Providers Register to provide a financial advice service, who is not a financial advice provider.
<b>Financial Markets Authority (FMA)</b>	is the New Zealand government agency responsible for enforcing securities, financial reporting and company law as they apply to financial services and securities markets.
<b>Financial Service Provider</b>	FSP refers to Financial Service Provider a person who provides or offers to provide a financial service (as per the Financial Services Providers (Registration and Dispute Resolution) Act 2008)
<b>Financial Service Providers Register (FSPR)</b>	a searchable register of people, businesses and organisations that provide financial services in New Zealand. The register contains key information about FSPs including the financial services they provide, any relevant licences they hold and the dispute resolution scheme they belong to.
<b>Transitional Licence</b>	approved by the FMA and must be held with effect from 15 <sup>th</sup> March 2021 by a financial advice provider providing advice to retail clients.