Malcolm Flowers Insurances Ltd

Terms of Business and Important Disclosure Information

Malcolm Flowers Insurances Ltd is an insurance intermediary registered to provide financial services advice in New Zealand by the Financial Markets Authority (FMA).
Financial Services Provider Number FSP32190.

Malcolm Flowers Insurances Ltd
Insurance Brokers

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Definitions

In this agreement the meaning of words in bold are defined below.

Code of conduct – standards of adviser competence and professional conduct established under the Financial Services Legislation Amendment Act 2019.

Material fact – anything a prudent insurer would want to take into account when deciding whether to insure you, and if so, on what terms.

Premium – the amount of premium charged by the insurer (including any natural disaster premium but excluding any applicable Government charges, taxes and levies as determined by the insurer) for insurance placed or renewed by us on your behalf under this agreement.

Remuneration – the amount received by us for arranging insurance on your behalf, including any commissions paid by the insurer and any administration fees.

Services – the provision of insurance broking related advice and other **services** we mutually agree to be provided.

Terms of business – the standard terms on which Malcolm Flowers Insurances Ltd will provide our **services** to you.

We, us, and our - Malcolm Flowers Insurances Ltd

You and your - a Malcolm Flowers Insurances Ltd client who instructs us, or for whom we may provide financial advice on commercial and domestic insurance products.

Introduction

Thank **you** for allowing **us** to work with **you** on your risk management and insurance requirements. **We** take our responsibility to advise and support you seriously and will provide **you** with professional and personal services at all times.

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

We are member of the Insurance Brokers Association of New Zealand (IBANZ), a professional body representing the interests of member insurance brokers and **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 of business** under which **we** provide services to **you**, as well as the co-operation and responsibilities required from **you**. By taking on **our** services, **you** acknowledge that **you** accept these terms. This means **you** do not need to sign any formal agreement to indicate **your** acceptance.

These **terms of business** will supersede and replace any previous terms of business **you** have received from **us**, and will apply unless and until **we** provide **you** with new or amended **terms of business** or replace it with different terms agreed with **you.**

These terms of business apply until they are varied by mutual agreement, or until **our** appointment is cancelled by **you**.

We and **our** advisers provide advice on Insurance Products for Commercial and Domestic clients.

About Us

Financial Service Provider:	Malcolm Flowers Insurances Ltd – FSP32190
Telephone Number:	07 378 6328
Address:	34 Ruapehu Street, Taupo
Email Address:	reception@mfi.co.nz
Website:	www.mfi.co.nz

What Sort of Advisers Are We?

Malcolm Flowers Insurances Ltd holds a licence issued by the Financial Markets Authority (FMA) to provide a financial advice service (being the provision of financial advice on fire and general products). Under this licence, **we** may only provide **you** financial advice in relation to fire and general Insurance. Malcolm Flowers Insurances Ltd is a Financial Advice Provider under the licence. The licence came into effect when the Financial **Services** Legislation Amendment Act 2019 (FSLAA) came into force on 15 March 2021.

As a Licensed Authorised Body, **we** have standard conditions on our license, these conditions are not specific to **us** and does not limit or restrict advice that may be given. To review further details on our licence and disclosures please refer to our full company disclosure statement here.[i]

Our Responsibilities

1.1. **We** will provide insurance financial advice **services** with reasonable care, integrity and skill and as defined by the **Code of Conduct.** All representations made (whether express or implied) and all other implied conditions, warranties and terms as to the provision of the **services** are otherwise excluded to the extent permitted by law.

1.2. **We** will negotiate with insurers on **your** behalf and will keep **you** informed of any significant developments.

1.3. **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.

1.4. We recommend insurance products to you depending on your circumstances we may only recommend a limited range of insurers (or even one) to you. We will base that limited range on our assessment of the following:

- The insurer's level of interest in the type of insurance product(s) that you require and its risk appetite.
- The insurer's level of expertise in those types of insurance products.
- The policy wording provided by the insurer.
- The insurer's financial strength rating.
- The insurer's customer service and claims service reputation.

1.5. **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.

1.6. As soon as practicable after placing insurance on your behalf, we will provide you with evidence of that placement.

1.7. We take no responsibility for the adequacy or accuracy of policies arranged for you by any other insurance broker or direct insurer. If required by you, we will review these policies, advise you of the outcome and make such recommendations as we consider necessary.

1.8. 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.

1.9. Once **premiums** and related statutory charges have been paid to us, we will arrange for their timely disbursement to insurers as per the Insurance Intermediaries Act 1994.

1.10. We and the insurer will keep all client information confidential and will use it for the sole purpose for which it was disclosed in line with the Privacy Act.

1.11. We will automatically renew all policies arranged for you by us on your behalf unless you advise us not to.

1.12. We may correspond with you by electronic communication which may not always be secure and may be read, copied or interfered with in transit. We are not responsible for risks associated with electronic communication.

Claims Services

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.

Your Responsibilities

3.1. To perform **our services** efficiently, **we** will need **your** co-operation, particularly the timely provision of information.

3.2. It is important that **you** understand that **we** will rely on the accuracy and completeness of the information that **you** give **us** or someone else gives to **us** on your behalf. **We** will not be responsible for verifying the accuracy or completeness of any information **you** or someone else provides to **us** on your behalf.

3.3. **We** will rely on **you** to advise **us** of any change in your business, or any change in circumstance that might affect **your** insurance programme. This may include, but not be limited to, acquisitions, disposals, mergers, sale of principal assets, material changes to business operations or any **material fact.**

3.4. 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 content, nor can **we** sign the insurance proposals on **your** behalf.

3.5. After receiving your insurance documents from **us**, **you** should read and check them to ensure there are no mistakes or misunderstandings. **You** should advise us immediately of any discrepancies or anything **you** believe is not in accordance with **your** instructions.

3.6. **You** need to carefully read **your** policy documents to make sure that the insurance cover accurately fits **your** needs, and **you** understand and comply with the obligations under **your** policy(ies) or any specific terms or conditions that apply to **your** policy(ies). Failure to do so may affect your ability to make a claim or invalidate **your** policy of insurance.

3.7. 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. It is important that this information is provided to **us**. If You do not provide **us** with full information, **we** cannot properly advise **you** and **you** could breach **your** duty of disclosure.

3.8. Should a circumstance or event occur which could result in making an insurance claim, **you** should advise **us** of the details as soon as possible so that **we** can provide assistance and support. Failure to advise of such actual or potential claim, may affect **your** ability to make a claim or invalidate **your** policy of insurance.

3.9. **You** must pay the **premium** amount by the due date as set out below.

3.10. If you fail to follow these responsibilities it may invalidate the policy(ies) of insurance.

Payment of Premiums

4.1. The method of payment will be made by direct credit, EFTPOS or as arranged through an agreed **premium** funding company.

4.2. Payment in full of outstanding amounts shall be received no later than 20 days from the invoice date or by the inception/effective date of the cover, whichever is the later, unless there exists any mutual agreements or specific instructions to the contrary.

4.3. If the payment remains outstanding beyond the payment terms above, then **your** policy may be cancelled and be null and void. Any claim on the insurer could be invalid.

4.4. **Premium** funding can be arranged at **your** option. This will be arranged via a third party provider and be subject to their terms and conditions.

4.5. Any invoices that are billed outside of any **premium** funding arrangement are subject to be paid as stated in clause 4.2. above.

Policy Cancellation

5.1. **You** are able to cancel a policy(ies) with the insurer at any time by providing written notice to **us**.

5.2. If **we** and/or the Insurer are unable to continue to offer the policy and/or service to **you**, we will provide written notice subject to the terms and conditions of the Insurance policy(ies).

5.3. Commission earned and/or fees charged for **our services** are considered to be earned at the time the insurance cover is placed and not refundable in the event the cover is terminated early. Any refunds created by the cancellation of a policy either by **you** or **us** or the insurer will only be paid back to **you** once any outstanding **premiums** have been received from the Insurer

Commissions and Fees

6.1. As an insurance broker, **we** use our knowledge and expertise to understand **your** business and/or personal circumstances, assess the risks, negotiate and place insurance on **your** behalf in order to provide our **services** to **you**. As a result, we may be paid commission by the insurer (product provider) when **you** enter into an insurance contract that **we** arrange (this includes any renewals and policy alterations).

6.2. The rates of commission may vary between insurers and types of insurance policies and is calculated as a proportion of the insurance premium excluding any applicable government charges, taxes and levies as determined by the insurer.

6.3. The commission paid to **us** can be between 0%-30% of the **premium** (total **premium** excluding any applicable government charges, taxes and levies).

6.4. The rates of commission can be viewed here[ii]

6.5. Unless mandated by law, the commission(s) and any fee(s)earned on policies are deemed to be earned at the inception of the policy. **We** are entitled to retain all commission(s) and fee(s) covering the full policy period for the insurances we have arranged for **you**, even where an insurance policy is amended, terminated or otherwise cancelled, subject to any right **you** may have to cancel the insurance policy during any “cooling off” period.

6.6. **We** may also charge **you** an administration fee when **our** advice is followed, accepted and the insurance policy is purchased. The amount of the administration fee depends on the costs associated with **us** providing the **services** you require and are for general office **services**, implementation and disbursements.

For new insurance policies or the renewal of any existing insurances, fees are calculated based on the number of policies **you** have and the **premium** you pay. The administration fee rates are as indicated below;

a) Personal house, contents, motor vehicle, boat and any other personal insurance policy a fee of no more than $50.00 per policy.

b) Any commercial insurance policy a fee of no more than $250.00 per policy.
c) For minor mid-term policy change a fee of no more than $50.00 per policy.

Any fee will be clearly disclosed on our **premium** tax invoice (policy charge).

6.7. **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.

6.8. If **we** arrange a loan (**premium** funding) for **you** to pay the **premium**, **we** may earn **remuneration** or dividends for doing so.

6.9. We are a member of NZbrokers Management Ltd. NZbrokers Management Ltd provide **services** such as IT, education, training, technical insurance product and claims support and group member benefits to us. When **you** accept **our** financial advice, NZbrokers may receive a service fee or technology fee from the insurer.

6.10. We sometimes pay a fee to a party who has referred you to **us**. **We** pay this fee out of the **remuneration we** receive from the insurer(s).

Privacy and Confidentiality

7.1. **We** are committed to protecting **your** privacy. When **we** collect, hold, use disclose and otherwise handle **your** personal information **we** must comply with the Privacy Act.

7.2. **We** use the information **you** provide to manage and administer our insurance brokering **services** to **you**. If **you** do not provide the personal information **we** request, **we** may not be able to provide the **services you** require.

7.3. **We** provide your personal information to insurers to allow them to determine whether to insure you and if so, on what terms.

7.4. **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 as per our Privacy Policy.

7.5. When using **your** personal information to carry out **services** to **you**, **we** comply with our Privacy Policy[iii], a copy of which is available on our website.

How we Act with Integrity

8.1. To ensure that **we** and **our** advisers prioritise **your** interests above our **own**, **we** follow an advice process that ensures recommendations are made on the basis of your individual goals and circumstances.

8.2. **Our** advisers complete annual and ongoing training about how to manage conflicts of interest and a register of interests is maintained. **We** monitor these registers and provide additional training where necessary. **We** perform an annual review of **our** compliance programme.

8.3. **You** should be aware there are potential conflicts of interest that **you** may need to know. If any conflict of interest (other than a commission or other incentive) currently exists or is likely to arise in the future in relation to advice given by **us**, **we** will provide to you:

(i) a brief description of the nature of each conflict of interest; and

(ii) a brief explanation of the steps that have been or will be taken to manage each conflict of interest.

Force Majeure

9.1. **We** are not liable for any failure or delay to carry out any of **our** obligations due to causes outside **our** reasonable control.

Complaints Process

10.1. We take **our** service responsibility to you seriously. If **you** have a problem, concern or **you** are dissatisfied with either a product or financial advice **service** that has been provided by **us** or one of **our** Advisers and **you** require action to be taken please tell **us** so that **we** can help and fix the issue. Please contact **us** directly or feel free to use **our** complaints process.[iv]

10.2. If a complaint is received by **us**, **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 possible opportunity and make every attempt to resolve **your** complaint in a timely manner, with staff escalating as necessary to senior management or complaints manager. **You** will receive a written decision, remedies, and resolution as soon as practicable after **we** have decided the outcome.

10.3. If **you** feel your complaint is not resolved to **your** satisfaction using **our** complaints process, or **you** are unsatisfied with the response or resolution, **you** can contact Financial **Services** Complaints Ltd**.** FSCL is a dispute resolution scheme of which **we** are a member**.** This service will cost **you** nothing and is an independent service that will help investigate or resolve the complaint. **You** can click on this link to find out how to make a complaint to Financial Services Complaints Limited.[v]

You can contact FSCL at:

Postal Address:	P.O. Box 5967, Wellington 6145
Email:	info@fscl.org.nz
Telephone:	0800 347 257
Website:	http://www.fscl.org.nz/

Cancellation of Appointment

11.1. **Our** obligation to provide **services** to **you** will end when **our** appointment is cancelled by **you**. You can cancel our appointment by notice in writing to **us**. Any outstanding claims will be transferred to **you** to manage from the termination date, unless we agree otherwise.

11.2. 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.

11.3. If **we** are unable to continue to provide **services** to **you**, **we** will provide **you** a minimum of 30 days' notice.

This document was updated on 18/01/2025

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[i] https://www.mfi.co.nz/app/uploads/2026/09/Terms-of-Business-MFI-2026.pdf
[ii] https://www.mfi.co.nz/app/uploads/2026/10/Commissions-Table-MFI-10-2026.pdf
[iii] https://www.mfi.co.nz/privacy-policy/
[iv] https://mfi.co.nz/disclosure-information/compliments-and-complaints/
[v] https://fscl.org.nz/make-a-complaint/