

RUNACRES INSURANCE DISCLOSURE STATEMENT

Who are we?

Name of Financial Adviser Provider: Runacres Insurance Limited
Trading names:
Telephone Number: 03 379 1001
Address: Level 3, 351 Lincoln Road, Addington, Christchurch 8024
Website: <https://runacres.co.nz/>

It is important that you read this information

It will help you (**the Client**) make an informed decision whether we (**Runacres Insurance**) and our adviser's financial advice and products are suitable for your needs and whether to seek, follow or accept the Financial Advice. This Disclosure Statement is required under the Financial Markets Conduct (Regulated Financial Advice Disclosure) Amendment Regulations 2020.

What sort of Advisers are we?

We are a licensed Financial Adviser Provider and Authorised Body by the [Financial Market Authority of New Zealand](#) (FMA). Financial Services Legislation Amendment Act 2019 requires us to hold a current license for our Advisers to provide Financial Advice Services to our Clients.

To view our license go to the Financial Service Providers Register <https://fsp-register.companiesoffice.govt.nz/> and search our Financial Service Provider (FSP) number **FSP38761**, or click on the link to go directly to our registration [Click here](#)

As a Licensed Financial Adviser Provider 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.

What Financial Advice can we provide to you?

Runacres Insurance and our advisers give Financial Advice on fire and general insurance products for Retail and Wholesale Clients.

Our Insurance product providers are Insurance businesses in New Zealand that are licensed by the Reserve Bank under section 19 of the Insurance (Prudential Supervisor) Act 2010. The Insurers have a financial strength rating from an approved rating agency. To view the Insurer ratings click on the link <https://www.rbnz.govt.nz/regulation-and-supervision/insurers/licensing/reg>

Runacres Insurance's Insurance product providers are required to have financial strength ratings with a minimum of **B++** and above. When you receive a quote from us you will be supplied the current strength ratings for the product providers that we have quoted for. If you accept the financial advice, we will supply a current rating for the product provider that you have selected.

Limitations and restrictions

Runacres Insurance is committed to providing our clients with good financial advice that is suitable for our client's needs. We only provide financial advice on fire and general Insurance Products. As a Brokerage we do not give advice or offer products from Direct Insurers (eg: AMI, State, Tower).

Lloyds Coverholder

Runacres Insurance is a Lloyds Coverholder, representing various Lloyds Syndicates. Lloyds is a member of the Insurance Council of NZ and its NZ Coverholders adhere to the Fair Insurance Code, which provides you with assurance that we have high standards of service to our customers.



How do we get paid for the Financial Advice and Products that we provide to you?

Runacres Insurance and our General Insurance Advisers **do not receive** any commission or other incentives for giving Financial Advice. Runacres Insurance **does receive** commission when the client accepts our financial advice and purchases an insurance policy. The commission is paid by the **Insurer** (product provider's) for the insurance business on each insurance policy that the Client purchases. **The commission is paid to us and can be between the range of 0-24.5% of the insurer portion (total premium of the Insurance Policy less government levies and taxes).**

NZbrokers Management Limited

We are a member of NZbrokers Management Limited, NZbrokers Management Limited provides services such as IT, education, training, technical insurance product and claims support and group member benefits to us. When a client accepts our financial advice as your adviser and purchases a policy NZbrokers may receive a service fee or technology fee from the Product Provider.

Profit Share

We have an underwriting binder arrangement with Lloyds of London and may receive a profit commission of up to 22.5% of the net profit for business placed for all clients for a particular year into the Lloyds of London Binding Authority Agreement for that year. Net Profit is calculated as Premium less commissions, taxes, claims, claims, and underwriting expenses including losses carried forward for up to 3 years.

Insurance Premium Funds

We also earn investment income from the handling of insurance premium funds.

Premium Funding

Where applicable we may offer to arrange premium funding through a funding company to help spread the cost of your insurance over the year, including premiums, taxes, administration fees and levies.

If we arrange premium funding for you, we will be remunerated by the funding company, usually as a percentage of the cost of the insurance being funded between 1-5%.

If you choose to use this premium funding facility, interest and administrative costs will apply. Please note that where we offer and arrange premium funding, it does not act as your credit provider or finance broker, but we act as an agent for the funding company who is your premium funder.

What fees do we charge?

We may charge clients fees for financial advice. We will tell you what the fee is before you accept any advice from us or our Advisers. We will charge fees that are payable by you the client when our advice is followed, accepted and the insurance policy is purchased. The fees we charge are for our service, placement, implementation, and administration of the insurance policies that you choose to accept and purchase. The total fees payable may increase with the number of insurance policies that you choose to purchase.

The fees are payable by you and are due by the effective date of the policy which is on the invoice.

Our Payment terms are also clearly itemised and is on our website under Terms of Trade [Runacres Insurance Limited Terms of Trade](#).

How do we act with Integrity?

To ensure that we and our advisers prioritise your interests above our own, we follow an advice process that ensures recommendations are made based on your individual goals and circumstances. Our advisers complete annual and ongoing training about how to manage conflict of interests and a register of interests is maintained. We monitor these registers and provides additional training where necessary. We perform an annual review of our compliance programme.

You should be aware there may be potential conflicts of interest that you the Client may need to take into consideration when you decide to seek and accept financial advice from us or our advisers, we will make you aware of any conflicts when giving advice.

How can you depend on the Advice you receive?

We have not been subject to any other reliability events that would influence you the Client in deciding whether to seek or obtain advice from us or our Adviser's.

How to make a Complaint?

If you have a problem, concerns 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. To make a complaint please follow this link <https://runacres.co.nz/compliments-complaints/> which will give details on our Complaints Process and how to make a complaint.

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 will be made 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.

Lloyds Underwriter complaints process

Runacres Insurance; in its capacity as a Lloyds Coverholder has a separate complaints process and can be lodged by clicking on the following: [Lloyd's NZ Complaint Process](#).

What to do if you are not satisfied after making a Complaint?

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 who we are a member of. This service **will cost you nothing** and is 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 <http://www.fscl.org.nz/complaints/how-make-complaint>

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/>

What are our Advisers duties?

Our Advisers give financial advice to clients on Runacres Insurance's behalf. When giving advice all our Advisers must:

- Hold a Level 5 New Zealand Certificate in Financial Services.
- Maintain competence, knowledge, and skills for giving financial advice by completing continuing professional development.
- Abide by the [Code of Professional Conduct for Financial Services](#) and have Ethical behaviour, good conduct and provide Client Care.
- Listen to the client carefully to discover their needs.
- Recommend products or services that meet the client needs and explain why.
- Give clear and concise communication.
- Protect client information.
- Give priority to the client's interests when giving financial advice.
- Please see below a link to our Client Service Standards Statement found on our website. [Client-Service-Standards-Statement](#)

Who licenses and regulates us?

The Financial Markets Authority. You can report information about us to the Financial Markets Authority at: <https://www.fma.govt.nz/contact/> or email questions@fma.govt.nz but if you want to complain you should use our dispute resolution procedures described under **How to make a Complaint?** And **What to do if you are not satisfied after making a complaint?**

This disclosure statement was prepared on 29th November 2024.

RUNACRES INSURANCE LIMITED TERMS OF TRADE

1.0 Definitions

- 1.1 Company means Runacres Insurance Limited Insurer means the provider of the insurance policy or product;
- 1.2 Client means the person, Company obtaining advice on insurance products and services;
- 1.3 Premium is the charge of the policy;
- 1.4 Insurance Policy is the Insurance product provided to the client and combines the policy document, insurance schedule and application form;
- 1.5 Contract is the agreement by the client to pay the premium in exchange for advice from the Company and for the insurer to provide cover as set out in the Insurer policy document;
- 1.6 Period means the dates the policy applies to;

2.0 Client Responsibilities

- 2.1 The Client must pay the Premium as set out below;
- 2.2 The client must provide all relevant information to the Company
- 2.3 The client must inform the Company of any material change during the period of this contract;
- 2.4 If the client fails to follow these responsibilities it may invalidate the policy;

3.0 Company Responsibilities

- 3.1 The Company will provide insurance broking 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;
- 3.2 The Company will forward premium payments received to the Insurer as per the Insurance intermediaries Act 1994;
- 3.3 The Company and Insurer will keep all Client information confidential and will use it for the sole purpose of which it was disclosed in line with the Privacy Act ;
- 3.4 The Company 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;

4.0 Commissions and Fees

- 4.1 The company will receive commission from Insurers;
- 4.2 We may alternatively or in addition charge a fee for our services;
- 4.3 Unless mandated by law, commissions and any fee earned on policies are deemed to be earned at the inception of the policy;

5.0 Payment, Late Payment, Default of Payment and Consequences of Default of Payment

- 5.1 INCLUDED PAYMENT TERMS
- 5.2 The method of payment will be made by direct credit, credit card or as arranged through Bexhill and/or Hunters Premium Funding Limited;
- 5.3 Payment in full of outstanding amounts shall be received no later than 30 days from the effective/inception date of the cover, unless specific written agreement to the contrary;
- 5.4 If the payment remains outstanding further to the above, then your policy may be cancelled and be null and void. Any claim on the Insurer could be invalid;
- 5.5 Credit Card payments are subject to a 1.25% surcharge;

6.0 Premium Funding Limited

- 6.1 The client has the option to pay premiums via a third party Premium Funding provider (Hunters Premium Funding Limited or Bexhill Premium Funding Ltd) subject to their terms and conditions;
- 6.2 Any invoices that are billed outside of the Premium funding arrangement are subject to be paid as stated above in Clause 5.2;
- 6.3 We may also earn investment income from the handling of premium funding. Should we arrange Premium Funding for you, we may receive commission from the Premium Funding Company.

7.0 Cancellation

- 7.1 The Client is able to cancel policy(ies) with the Insurer at any time by providing written notice to the Company;
- 7.2 If the Company and/or Insurer are unable to continue to offer the policy and/or services to the Client we will provide written notice subject to the Insurer policy;
- 7.3 Commission earned and/or fee charged for the Companies services are considered to be earned at the time the insurance cover is placed and are not refundable in the event the cover is terminated early;
- 7.4 Any new domestic policy cancelled within the first 12 months of inception, will incur a minimum fee of 50% of the premium payable.
- 7.5 Any refunds created by the cancellation of a policy either by the Client or the Company or the Insurer will only be paid back to the client once any premiums or outstanding premiums have been received from the Insurer.