

## AFFILIATE PROGRAMS

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### 1. INTRODUCTION

Protecsure Pty Ltd operates two types of program for introducers of business – the **Referral Program** and the **Corporate Authorised Representative (CAR) Program**.

The structure of the programs is governed largely by the compliance regulations in place for the general insurance industry. The Financial Services Reform Act requires that businesses providing financial services are required to either hold an Australian Financial Services Licence or be authorised by someone who does hold such a licence. Protecsure holds the required ASIC license and is empowered to appoint corporate authorised representatives.

These programs are explained in more detail below.

### 2. REFERRAL PROGRAM

This is the entry level program due to its simplicity and ease of implementation. Under this program the referring entity is not able to sell or otherwise deal in Protecsure's insurance products. Instead customers are directed to Protecsure via the referring entity's website or staff, and Protecsure transacts the sale.

There is no need to become an Authorised Representative of Protecsure, as you will not be "dealing in insurance" ie selling the insurance, giving quotes, and collecting premiums. You are however able to give factual information to the customer.

There are two main methods of introducing a customer to Protecsure:-

- **Automated** via click through from your website
- **Manual** ie phone call, fax or email informing Protecsure of the customer's details

#### 2.1 Automated

Under this method customers to your website can view basic details of the insurance offering. Customers are invited to click through to the Protecsure website at [www.protecsure.com.au](http://www.protecsure.com.au). A tag from your website enables Protecsure to identify the visitor as a referral and to track resultant sales and referral fees.

On the Protecsure website the customer can:

- View details of the insurance cover
- Obtain a quote based on a variety of excess and term options
- Make a manual or web-based application
- In the case of web based applications, pay on-line

A **referral fee** will be paid for introduced customers that purchase an Protecsure insurance policy. The referral fee is calculated as the premium x 10% (inc GST).

Protecsure logs all visits and generates a monthly report if any sales have eventuated. On receipt of a tax invoice, Protecsure pays any referral fees due. Customer cancellations will result in a credit of referral fee to Protecsure.

#### 2.2 Manual

Customers interested in the insurance are referred by phone or email to Protecsure. Protecsure customer service staff sell the insurance and collect the premium. You inform Protecsure via a referral form (fax or email) of relevant customer details. Protecsure includes details in the monthly report which forms the basis of an invoice for the referral fee.

The referrer model is very simple for introducers and can be a good way to offer a value added product while earning additional income. For referrers that sell equipment to customers, an added benefit is that, in the event of a claim, all replacements and repairs are directed back to the original place of purchase.

### 3. CORPORATE AUTHORISED REPRESENTATIVE PROGRAM

This CAR program offers more control over the sales process for those introducers that expect to generate reasonable volumes of business. In addition the CAR is able to determine the amount of margin on each deal.

Protecsure registers your company as a CAR with ASIC and conducts product and compliance training for all staff that will be discussing insurance with customers. On successful completion of a brief on-line questionnaire, staff are appointed as Authorised Representatives of Protecsure, which enables them to:

- Give factual information and general advice on the product
- Access the secure area of the Protecsure website to access lower pricing
- Issue quotes including margins
- Collect premiums

As a CAR you are authorised to “bind cover” for customers, so that they will be insured from the time they have paid the premium. This can be done without reference to Protecsure as long as the items insured fall within the required dollar limits (\$20k per asset, \$250k per schedule) and general underwriting guidelines.

At the end of each month, CAR's send a standard “Declaration Spreadsheet” to Protecsure, itemising all assets insured. Protecsure uses this information to issue a tax invoice for the premium, which is paid net of any margin added by the CAR.

This program offers more control and flexibility, as well as the benefit of being able to effect a sale of the insurance at the time the underlying asset is being purchased.

Some introducers commence dealing with Protecsure as a referrer and progress to CAR status once they have a good idea of likely volumes.

**To find out more about Protecsure's programs for introducers please  
call 1300 COVERIT**