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ASIC

Australian Securities &
Investments Commission

DON'T BE A BUNNY THIS EASTER!

More than 300 people may be masquerading as registered insurance brokers, putting consumers at risk, according to Australian Securities and Investments Commission (ASIC) research.

Research by ASIC across Australia has found at least 300 people advertising as insurance brokers in the yellow pages who are unregistered.

An unregistered person carrying on the business of an insurance broker is breaking the law.

ASIC has written to these "brokers" giving them to 19 April 1999 to register. All insurance brokers in Australia must be licensed and registered by ASIC.

Peter Kell, Director of ASIC's Office of Consumer Protection, said that the registration of brokers is currently the most effective way for ASIC to ensure proper standards throughout the insurance broker industry.

"The benefit for consumers of dealing with a registered broker is that they are dealing with someone who has professional indemnity insurance and belongs to an approved complaints resolution scheme."

Mr Kell said consumers who are unsure if their broker is registered should:

1. check with ASIC to see if their broker is registered;
2. if the broker is unregistered contact the company that is providing the policy to make sure you have a valid policy; and
3. if the broker is registered contact ASIC."

"People who deal with an unregistered broker run a higher risk of not being insured because premiums may not have been passed on to the insurance company," Mr Kell said.

"ASIC has dealt with cases where consumers thought they were insured, but when an expensive accident occurred found that no policy was in place."

"Coming up to the Easter holiday long weekend consumers should take extra care to make sure they are fully insured and protected. A few minutes spent checking now could save a lot of time and heartache in the future."

A register of licensed and registered brokers is available from ASIC's **Infoline** on **1300 300 630**.

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