

Important Information for Your Clients Regarding Stewart Title and Our Policies

At Stewart Title, we understand that your homebuyer and owner clients want to be fully aware of what title insurance covers along with information on Stewart Title, such as our regulatory status and financial strength. To help you address any client inquiries you receive, we have compiled answers to a number of frequently asked questions we have received from you and seen posted on third-party online forums.

1. Is Stewart Title regulated by the Australian Prudential Regulation Authority (APRA)?

Yes, Stewart Title is and has always been authorised as a general insurer to conduct insurance business in Australia by APRA under the *Insurance Act 1973* (Cth). Stewart Title's regulatory status as an authorised general insurer in Australia can be viewed on the [APRA list of authorised insurers in Australia](#). Should you have a client concerned about Stewart Title having a parent company with a corporate head office outside of Australia, you can assure them that this does not mean that Stewart Title is an 'unauthorised foreign insurer' or 'direct offshore foreign insurer'.

2. Is Stewart Title a company registered with, and subject to, regulatory oversight by the Australian Securities and Investments Commission (ASIC)?

Yes, Stewart Title is registered with ASIC as a foreign company under Chapter 5B.2 of the *Corporations Act 2001* (Cth) (Corporations Act). This is a legitimate and widely used corporate structure for branches of businesses incorporated in a foreign jurisdiction.

Stewart Title is also subject to regulatory oversight by ASIC because the title insurance policies issued by Stewart Title are "financial products" as defined under the *Australian Securities and Investments Commission Act 2001* and are also subject to the *Insurance Contracts Act 1984*. ASIC is responsible for regulatory oversight and supervision of the consumer protection measures under these Acts.

3. Does Stewart Title require an Australian Financial Services License (AFSL)?

No, only general insurers who provide certain 'retail' services to customers are required to hold an AFSL. Examples of 'retail' insurance products include: travel insurance, motor vehicle insurance, home contents insurance and sickness and accident insurance.

As title insurance is not a 'retail' insurance product, Stewart Title does not require an AFSL. Stewart Title is an APRA regulated general insurance business. Despite this exemption, Stewart Title has voluntarily adopted robust consumer protection and dispute resolution measures to ensure it maintains effective consumer protection in line with community, regulatory and industry expectations.

4. What policies and procedures does Stewart Title have in place for Consumer Protection and Dispute Resolution?

Consumer protection and ensuring that customer complaints are dealt with appropriately is a high priority for Stewart Title. Accordingly, we have implemented the following:

- an [internal dispute resolution system](#) which is consistent with the requirements imposed on an AFSL holder under the Corporations Act;
- membership with the [Financial Ombudsman Service](#) which offers our clients an alternative recourse in the event that a dispute cannot be resolved through our internal dispute resolution process;
- policy documents meeting the key content requirements prescribed by Part 7.9 of the Corporations Act for regulated Product Disclosure Statements;
- the provision of cooling-off periods and transaction confirmations in relation to our insurance policies;

- issuance of a [key facts sheet](#) in relation to our residential purchaser policy issued as part of our sales process, which was modelled on one prescribed for home building and home contents policies under the *Insurance Contracts Act 1984* (Cth);
- publication of [consumer guides](#) in relation to coverage, exclusions and claims which are designed to promote a better understanding of our policies; and
- employing Australian Legal Practitioners as key underwriting and claims staff which maintains organisational competency and ensures the compliance of our representatives, that they are adequately trained and are competent to provide financial services.

5. Does Stewart Title provide 'kick-backs' or commissions to lawyers and conveyancers?

No, Stewart Title does not pay 'kick-backs' or commissions to lawyers or conveyancers who recommend Stewart Title policies to their clients. Lawyers and conveyancers who are members of our [StewartCONNECT™](#) program may elect to receive a processing or administration fee of \$50.00 plus GST on each policy issued by Stewart Title in recognition of the time and resources spent by the lawyer or conveyancer in arranging a policy on their client's behalf.

6. Does Stewart Title have the financial strength to pay claims?

Yes, as an APRA-authorized general insurer, Stewart Title is required to meet minimum financial requirements to ensure that it has the financial strength to pay claims. Our financial strength is also affirmed by the independent financial analysis firm A.M. Best which gave Stewart Title Limited a rating of A-, recognising our financial strength and ability to pay claims.

The Stewart group of companies globally is renowned for its comprehensive protection and financial strength. Founded in 1893, Stewart Title stands proudly as one of the largest title insurance companies in the world. Our parent company has one of the largest policyholders' surpluses in the industry, and on a consolidated company basis, the lowest debt-to-equity ratio of the four major title insurance companies. This means that we have the capacity to grow our business and remain financially strong.

7. What material do you have to explain title insurance coverage to clients?

In addition to our [consumers guides](#) mentioned above, Stewart Title provides other educational material to help explain title insurance to buyers and owners such as [sample policies](#), [brochures](#), [examples of claims](#), [key facts sheet](#) and [website content](#).

For more Information

Should you have any questions regarding this notice, please contact us on **1800 300 440**. As mentioned, [sample policies](#), [consumer guides](#) and our [dispute resolution policy](#) are available for view, download or print on our website: www.stewartau.com.

As always, we value your business and thank you for your support!

17 Aug 2017 - NTL

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