

# DEPORTE MUTUAL LIMITED

## PRODUCT DISCLOSURE STATEMENT – FIREARMS STATEMENT OF PROTECTION

This is Part 1 of the PDS prepared on 15 October 2024 and is issued by:

**Deporte Mutual Limited**

ABN 85 666 791 877

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Ph: 0448 862 919

## **ABOUT THIS PRODUCT DISCLOSURE STATEMENT**

### **Product issuer**

Deporte Mutual Limited ACN 666 791 877 (**Deporte Mutual**) is the product issuer of the product referred to in this Product Disclosure Statement (**PDS**). The product (that is, membership of Deporte Mutual and the protections it offers) is a discretionary mutual risk product (**Protections**).

Claims on Deporte Mutual may only be made by members of Deporte Mutual (**Members**).

References to 'you' or 'your' in this PDS mean the relevant person either considering membership of Deporte Mutual or seeking to renew membership.

### **What is a Product Disclosure Statement?**

This PDS is an important document that contains details about the Protections available to Members.

This PDS is designed to help you understand what you need to know about Deporte Mutual and the Protections it offers so that you can make an informed choice about whether or not to join Deporte Mutual and apply for the Protections available to Members.

Before you make a decision to join Deporte Mutual and apply for the Protections, please read this PDS carefully. Each part of this document when combined together forms the PDS so it is important that you read each part.

You should keep it in a safe place for future reference.

## **INTRODUCING DEPORTE MUTUAL**

### **What is Deporte Mutual?**

Deporte Mutual is a public company limited by guarantee that was formed to meet the needs of its Members and to assist them to spread the costs relating to protecting their firearms and fixed firearm accessories against property loss or damage. The Members use their combined resources to meet the agreed financial risks of each Member which may arise as a result of their activities.

Deporte Mutual offers its Members access to discretionary cover if they pay their annual membership subscription and make contributions to Deporte Mutual for the Protection Deporte Mutual agrees to provide to them.

Deporte Mutual has the absolute discretion whether or not to accept a Member's application for Protection.

Members have the right to have a claim for Protection considered by the board of Deporte Mutual (**Board**) and the Board has the absolute discretion to either accept or refuse a Member's claim for Protection.

## Agent of Deporte Mutual

Sporting Shooters Association of Australia (QLD) Inc (**Agent**) is an authorised representative of Steadfast ART Pty Ltd ACN 118 261 608 (**Steadfast ART**) which holds an Australian Financial Services Licence authorising it to advise on and deal in mutual risk products. The Agent holds ASIC authorised representative number 1311941.

Deporte Mutual has entered into an arrangement with the Agent under which the Agent:

- provides certain services to Deporte Mutual in relation to the Deporte Mutual; and
- will issue, vary and dispose of the Protections on behalf of Deporte Mutual.

All applications for membership and Protections should be directed to the Agent. You should also contact the Agent to make a claim under any of the Protections.

Contact details for the Agent are:

**By telephone: 07 3281 3447**

**By email: [firearmsprotection@saaqld.org.au](mailto:firearmsprotection@saaqld.org.au)**

**By mail: PO Box 2443, North Ipswich QLD 4305**

References to 'us' in this PDS means the Agent on behalf of Deporte Mutual.

## Regulation of Deporte Mutual

### No AFS Licence

Deporte Mutual does not hold an Australian Financial Services Licence because the Agent has been appointed to issue, vary and dispose of the Protections on behalf of Deporte Mutual.

### Deporte Mutual's Protection is not insurance

The Agent informs a person applying for Protection that:

- (i) Deporte Mutual is not authorised under the Insurance Act 1973 to conduct insurance business in Australia;
- (ii) Deporte Mutual and its products, the Protections:
  - (a) are not subject to the provisions of the Insurance Act 1973 or the Insurance Contracts Act 1984, which establish a system of financial and product regulation for general insurers; and
  - (b) are not regulated by the Australian Prudential Regulation Authority (**APRA**);
- (iii) Deporte Mutual will:
  - (a) estimate its future liabilities or its future payments to holders of a Protection by:
    - (i) applying conservative case estimates for claims upon which the Board has exercised its absolute discretion to pay; and
    - (ii) by applying annual projections for outstanding claims liabilities and contribution liabilities (if any); and

- (b) use its best endeavours to ensure that it has adequate financial resources to discharge future liabilities, or make future payments, to holders of a Protection by:
- (i) calculating Member contributions in each period of membership of twelve (12) months ending on the date and time shown in the Schedule of Protection (**Period of Protection**) with the intention of recovering the budgeted cost projections (including claim costs) plus a budgeted surplus;
  - (ii) projecting the Period of Protection claims costs;
  - (iii) transferring from time to time (at the discretion of the Board) an agreed percentage of any surpluses to a general reserve;
  - (iv) maintaining a conservative investment strategy; and
  - (v) preparing cash flow budgets on a monthly basis and monitoring actual against budget.

## **Constitution and Rules of Deporte Mutual**

The Constitution sets out the objectives of Deporte Mutual, its powers as a public company limited by guarantee (in the event of winding up) together with the rules governing eligibility of Members, election of directors and conduct of general and extraordinary meetings of Members.

Under the Constitution, the Board is empowered to publish rules governing the day-to-day operation of Deporte Mutual.

## **Membership**

Membership of Deporte Mutual is subject to the Constitution and rules of Deporte Mutual.

## **Protections Terms**

The Protections terms are set out in Part 2 of this PDS.

Protections are subject to the deductible, exclusions, conditions and the limit of indemnity set out in the Protection.

## **Schedule of Protection**

Once the Board accepts an application, the Protection will be granted and Deporte Mutual will issue a Schedule of Protection setting out:

- the Protections;
- the limit of indemnity for the Protections;
- the deductible that applies;
- other important matters about the Protections such as the dates on which the Protection begins and ends;
- any endorsements that apply to your Protections; and
- the contributions payable to Deporte Mutual.

Please check the Schedule of Protection carefully and tell the Agent immediately if any changes are required.

### **How Contributions are assessed**

If your application for these Protections is successful, you will be required to pay an annual fee.

The total amount of your fee plus any taxes, duties and charges is referred to as your contribution in this PDS (**Contribution**). Your Contribution payments become due and payable at the time the Protection commences.

Details of your Contribution for each Protection will be shown on your Schedule of Protection. The Schedule will also show any government taxes such as GST, duties and charges payable by you as well as the upper limit the Board is likely to consider when exercising its absolute discretion to pay a claim.

### **Changes to your membership details**

You must tell us if your membership details, such as mailing address, telephone number or other contact details change during the membership year.

### **Not meeting your responsibilities**

If you do not tell us everything that is relevant, or if you mislead us, or if you fail to meet your responsibilities under the Protections, we may refuse to pay a claim or reduce the amount we pay. If you have any doubt about the relevance of any information you might give us, please tell us in order to avoid any prejudice to your Protection.

## **FINANCIAL INFORMATION**

### **Paying for your Protections**

Your tax invoice will tell you how much you have to pay for your Contributions and the due date.

If you pay after the due date, the Board may, at its discretion, direct that interest be charged on the amount outstanding. Alternatively, the Board may reject your payment and elect not to grant Protection for that Period of Protection.

### **Costs, fees and government charges**

Your Contributions to Deporte Mutual attract GST. Your Contributions do not attract fire services levies or stamp duty.

### **Our financial resources to meet future payments**

Deporte Mutual will calculate Contributions of Members with Protection on the basis that it will have adequate financial resources to discharge future liabilities and make future payments to Members with Protection, based on a mathematical model.

## **Additional Contributions may occasionally be required**

We may levy an Additional Contribution from Members.

The ability to call for Additional Contributions exists to provide comfort to Members that there will be the capacity to pay claims approved by the Board.

This means that there is a risk that Additional Contributions will be required.

Deporte Mutual has never made a call for an Additional Contribution.

## **RISK AND BENEFITS**

### **Summary of Significant Benefits**

#### **Owned by Members**

Deporte Mutual operates solely for the benefit of its Members. Deporte Mutual has no third-party shareholders and does not pay dividends, meaning any retained profits will be used to further the objectives of Deporte Mutual. This includes supporting Deporte Mutual's financial capacity to pay claims, which the Board will decide in its absolute discretion.

#### **Claims determined by Board**

Members have the right to refer any claim to the Board, which will determine whether Deporte Mutual will exercise its absolute discretion to pay the claim.

#### **Protections as a benefit of Membership**

Membership in Deporte Mutual entitles a Member to apply for the issue of a Protection and if issued, to request that the Board exercises its absolute discretion to indemnify the Member in respect of damage or loss subject to the terms of the Protection.

### **Summary of Significant Risks**

#### **Protections are not insurance**

Deporte Mutual only issues discretionary mutual risk products. These are not insurance products as there is no promise of indemnity. Instead, in the event of property loss or damage, the Member asks Deporte Mutual to exercise its absolute discretion to pay the claim and if the Board agrees to grant indemnity, Deporte Mutual will indemnify the Member for the property loss or damage subject to the terms of the Protections and any additional terms notified by the Board.

Given Deporte Mutual is not an insurer, Members are unable to participate in statutory schemes which support insureds in cases of financial failure.

#### **Membership required at all times**

You must be a Member in order to apply for and continue to hold Protections. To apply for and maintain membership, you must meet the eligibility requirements detailed in the Constitution and rules.

Acceptance of membership applications is at the absolute discretion of the Board.

Members can be removed from the Register of Members in accordance with the Constitution.

### **Indemnity at discretion of Board**

The Board has the absolute discretion to either accept or refuse a Member's claim for Protection.

Your continuing rights under a Protection may be negatively impacted if you cease to be a Member.

There is also no guarantee that your Protection will be renewed as this is at the absolute discretion of the Board.

### **Catastrophic events**

If a catastrophic event results in an extremely high number of requests for indemnity by Members, there is a risk that the Board will be less likely to exercise its absolute discretion to pay claims.

### **Economic conditions**

Deporte Mutual's capacity to pay claims may be negatively impacted by economic conditions beyond Deporte Mutual's control, such as fluctuations in securities markets, employment, consumer spending and the performance of the general economy.

## **CLAIMS UNDER THE PROTECTIONS**

### **Payment of Claims**

As a Member, you will have a right to have your claim for Protection considered by the Board.

The payment of all claims under the selected Protections is at the absolute discretion of the Board.

The Agent will manage claims on behalf of Deporte Mutual and will make recommendations to the Board on whether or not to accept a claim and the amount to be paid.

The Board's discretion to refuse or reduce a claim is absolute. The Board has the power to pay claims that do not fall within the Protections.

You will be advised of all claim decisions by the Agent.

## **OTHER IMPORTANT INFORMATION**

### **Disputes**

Deporte Mutual is committed to resolving any complaints you may have in regards to your Protections.

If you are unhappy with a claim decision or any other aspect of Deporte Mutual's products or the services of the Agent, you should follow the complaints process as set out below:

### **1. Making a Complaint**

In the first instance, you should contact the Agent and advise them of the nature of your complaint. The Agent may be able to resolve the issue immediately or review the complaint and respond within a reasonable timeframe.

Contact details for the Agent are on page 2 of this PDS.

### **2. Referral to Deporte Mutual Board**

If the Agent does not resolve the complaint to your satisfaction, you may refer your complaint to the Board. You will need to provide a letter detailing the nature of your complaint and the resolution you seek.

The Board will use reasonable endeavours to review your complaint at the next board meeting. The Board at its discretion may consult with an independent expert to assist in the review of your complaint.

The Agent will advise you of the outcome of the review as soon as reasonably practicable.

### **3. AFCA**

Steadfast ART is a member of the Australian Financial Complaints Authority (**AFCA**). If your complaint is not satisfactorily resolved within 30 calendar days of the date on which the Agent first received your complaint, you can contact AFCA referring to the Steadfast ART membership. AFCA is an external complaints resolution scheme which provides its service free of charge to complainants. Information about AFCA and the types of disputes it can consider is available on its website.

Phone: 1800 931 678

Website: [www.afca.org.au](http://www.afca.org.au)

Email: [info@afca.org.au](mailto:info@afca.org.au)

Post: GPO Box 3, Melbourne VIC 3001

### **Privacy**

The Agent has a privacy policy.

If you provide personal information about another person to Deporte Mutual or one of the organisations assisting it, you must have that person's authorisation to provide their information and you must inform that person of Deporte Mutual's identity, how it will use and disclose the information and that person's rights to access that information.

The information collected will be provided to organisations that will assist in deciding whether to protect you, or to assess a claim.

These organisations include:

- the Agent and its employees;
- lawyers;



- assessors;
- repairers;
- advisers;
- loss adjustors;
- insurance brokers;
- medical practitioners; and
- insurers.

Our internal complaints procedure is designed so that we may formally attend to any complaint where you believe your personal information may have been incorrectly used or disclosed.

If you would like to obtain further information about either our privacy policy or complaints procedure, you can contact the Agent on the details listed in this PDS.