

STEWART INSURANCE GROUP

General insurance solutions for your business

Authorised Representative No. 321281 | ACN 128 786 747

An Authorised Representative of PSC Connect Pty Ltd ABN 23 141 547 914 | AFS License No 344648

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FINANCIAL SERVICES GUIDE

THE PURPOSE OF THIS GUIDE

This Financial Services Guide (FSG) (effective as at 1st October 2010) is designed to assist you in deciding whether to use any of our services and contains important information about:

- The services we offer you
- Any potential conflicts of interest we may have
- How we and our associates are paid
- What to do in the event of a complaint

RESPONSIBILITY FOR SERVICES PROVIDED

We are an Authorised Representative (AR) of PSC Connect P/L (PSC), who hold an Australian Financial Services Licence (AFSL) 344648 ABN 23 141 574 914 and we are authorised by them to advise and deal in the full spectrum of general insurance products. PSC are responsible for the financial services provided to you, or through you to your family members, including the distribution of this FSG.

WHO DO WE ACT FOR

We usually act on your behalf and in your interests in all matters. Sometimes, it may be more appropriate for us to access insurance or manage claims where we act as an agent of the insurer. If and when this situation arises we will explain and highlight this to you.

OUR SERVICES AND PRODUCTS

We offer a range of services to assist you to protect your assets and guard against unexpected liabilities including: reviewing and advising on your insurance needs, identifying risk factors to avoid claims and seeking competitive premium quotations. We can advise and arrange a broad range of insurances including: Home Building and Contents, Private and Commercial Motor, Farm, Business Packages, Construction, Liability, Industrial and Professional covers.

RETAIL CLIENTS

Under the Corporations Act 2001 (The Act) Retail Clients are provided with additional protection from other clients. The Act defines Retail Clients as: Individuals or a manufacturing business employing less than 100 people or any other business employing less than 20 people And that are purchasing the following types of insurance covers: Motor vehicle, home building, contents, personal and domestic, sickness/accident/travel, consumer credit and other classes as prescribed by regulations. Some of the information in this FSG only applies to Retail Clients and it is important that you understand if you are covered by the additional protection provided.

RETAIL CLIENT ISSUES

Typically we only provide General Advice to our Retail Clients. General Advice does not take into account your particular needs and requirements and you should consider the appropriateness of this advice to your circumstances prior to acting upon it. We will provide you with a General Advice Warning in such cases.

If you are a new Retail Client purchasing Personal Accident or Sickness insurance and obtain Personal Advice, that is, advice that takes into account your particular circumstances, we will give you a **Statement of Advice (SOA)**, that sets out the advice provided and the basis on which the advice is made and our remuneration should you purchase the product.

For existing Retail Clients we may not provide an SOA but rather provide the advice to you orally. In such cases you may request us to provide you with a Record of Advice (via phone or in writing) which we will provide to you within 28 days of such request.

When you ask us to recommend an insurance policy for you, we will usually only consider the policies offered by the insurers or insurance providers that we deal with regularly. In giving you advice about the costs and terms of recommended policies we have not compared those policies to other policies available, other than from those insurers we deal with regularly. If we recommend the purchase of a particular financial product, we will also give you a **Product Disclosure Statement** at that time, which sets out details specific to that product and the key benefits and risks in purchasing the product.

WHAT WE EXPECT FROM YOU

To enable us to provide the right advice we need you to provide us with complete information about the risk(s) that you face and those that you want to be insured for. You should also tell us about any relevant changes so we may review your insurance accordingly.

PERSONAL INFORMATION

The Federal Privacy Act 2000 sets out standards for the collection and management of personal information. With your consent, we will only use your personal information for general insurance services.

COMPLAINTS

Clients not satisfied with our services should contact PSC's Complaints Officer. They are members of the Financial Ombudsman Service (FOS), a free consumer service. Further information is available from our office, or contact FOS directly on 1300 780 808 or visit www.fos.org.au. They also adopt the Insurance Brokers Code of Practice.

COMPENSATION

PSC hold a Professional Indemnity Policy which also provides coverage for Us.. This policy is designed to pay claims by Third Parties (including our clients) arising out of our Professional Negligence. The policy extends to cover PSC for work done by Us after We cease to work for PSC and satisfies the requirements for compensation arrangements under Section 912B of The Act.

PSC'S SOURCES OF INCOME

When placing your insurance PSC usually receive a commission from the insurer. The amount varies between 0% and 30% of the base premium you pay. Where a policy is cancelled before the period of insurance has ended we will usually retain the commission on any return premium involved.

If you are a Retail Client and we give you Personal Advice, commission amounts will be provided in any SOA or (where an SOA is not required to be provided) included on any relevant invoices. When we give you General Advice, full commission information (including dollar amounts) will be provided on request.

PSC have a set of standard non refundable Broker Fees that they charge you for services such as:

- Market research on products available.
- Sourcing alternative quotations and coverage.
- Assessing the claims paying ability of insurers.
- Risk analysis and portfolio co-ordination.

All fees payable for services will be advised to you at or before the time of providing the advice or service.

PSC may receive additional remuneration from insurers with whom they have profit share or volume bonus arrangements. This remuneration is payable if they meet certain agreed sales and/or profitability targets set by the insurer. If they have profit share arrangements with an insurer that apply to a product we recommend to you, we will advise you of this at the time of making any such recommendation if the amount involved is material.

PSC retain the interest on premiums paid by you that are held in their trust account before paying the insurer.

PSC are a shareholder of Steadfast Group Limited (STEADFAST). They have exclusive arrangements with some insurers where they receive between 0.5 – 1.5% commission on the premium placed by us with those insurers. These payments are used to operate STEADFAST.

Depending on the operating costs of STEADFAST (including the costs of member services provided to us and other shareholders) and the amount of total business PSC place with the participating insurers in any financial year, they may receive some of that commission at the end of each financial year. As a STEADFAST shareholder, they can access services including operating and compliance tools, advice and assistance from professional bodies, group insurance arrangements, product comparison and placement support, claims support and purchasing arrangements. These member services are either funded or subsidised by STEADFAST or available exclusively to shareholders for a fee.

STEADFAST has a shareholding in Macquarie Premium Funding (MPF). If we arrange premium funding with MPF for you, under its agreement with MPF, STEADFAST will receive 0.5% of your insurance premium (including government fees or charges). As an equity shareholder of MPF, STEADFAST may also receive dividends from profits of MPF. The amount of the STEADFAST dividend is based on the share of profit attributable to funding arranged by STEADFAST shareholders. The payments (commission and dividends) that STEADFAST receives from MPF are used to operate Steadfast. Depending on the operating costs of STEADFAST and the amount of total business PSC place with MPF in any financial year, PSC may receive a portion of those amounts at the end of each financial year. You can obtain a copy of Steadfast's FSG at www.steadfast.com.au

If you pay by credit card we may charge you a credit card (incl. arrangement & handling) fee, which is disclosed and shown separately on our invoices, they are non refundable. This fee covers the cost of bank charges etc. associated with such facilities. Premium funding products enable you to pay your premiums by installments. Premium funders do charge interest. We can arrange premium funding if you require it. We may receive a commission based on a percentage of the premium from the premium funder for doing so. We will tell you the basis and amount of any such payment if you ask us.

HOW WE ARE PAID

We receive 80% of PSC's income that is generated by our clients. If a person has referred you to us, we may pay them a part of any fees or commission received. If you are a Retail Client and receive Personal Advice remuneration details will be disclosed in the SOA or invoices related to the advice.

CONFLICTS OF INTEREST

As a business we have relationships with and receive income from various third parties as detailed in this FSG. For Retail Clients receiving Personal Advice, details of relationships that impact the advice will be included in any SOA or invoice documentation we send you. All material conflicts that impact our advice, that are not mentioned in this FSG, will be advised to you on the invoices related to that advice.

CONTACT DETAILS

You are able to contact us by phone, in writing, by fax, email or in person using the information at the front of the FSG. PSC's contact details are as follows – PSC Connect P/L, Level 1 390 St Kilda Rd, Melbourne Vic 3004, PO Box 7675 St Kilda Rd, Vic 8004, Ph. No. 03 9862 6528, Fax No. 03 9867 6771.