

FINANCIAL SERVICES GUIDE

The financial services referred to in this Financial Services Guide (FSG) are offered by:

Coversafe Insurance Brokers Pty Ltd AFS Licence No: 246618

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KOGARAH NSW 2217

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Email: info@coversafe.com.au

Website: www.coversafe.com.au

This FSG sets out the services that we can offer you. It is designed to assist you in deciding whether to use any of those services and contains important information about:

- The services we offer you;
- How we and others are paid;
- Any potential conflict of interest we may have;
- Our internal and external dispute resolution procedures and how you can access them;
- Arrangements we have in place to compensate clients for losses.

About Coversafe

Coversafe Insurance Brokers holds an Australian Financial Services Licence No: 246618 and is licensed as a General Insurance Broker. We are a Steadfast Network Broker, members of the National Insurance Brokers Association (NIBA), the Australian and New Zealand Insurance Institute (ANZII) and we subscribe to the Insurance Brokers' Code of Practice.

Coversafe Insurance Brokers is committed to provide sound advice based upon your needs and our comprehensive market knowledge. In accordance with our AFS Licence, we offer a range of services to assist you to protect your assets. These include:

- Reviewing and advising on your insurance needs;
- Arranging and renewing insurance contracts on your behalf;
- Assisting you with insurance claims and negotiating settlement;
- Regular servicing of your account.

Further information when personal advice is given

We will provide you with further information whenever we provide you with advice which considers your objectives, financial situation and needs. This information may include the advice that we have given you, the basis of the advice and other information on our remuneration and any relevant associations or interests. This information may be contained in a Statement of Advice (SoA).

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.

Product Disclosure Statement

If we offer to arrange the issue of an insurance policy to you, we will also provide you with, or pass on to you, a Product Disclosure Statement (PDS), unless you already have an up to date PDS. The PDS will contain information about the policy which will enable you to make an informed decision about purchasing that policy.

From when does this FSG apply?

This FSG applies from 24 August 2017 and remains valid unless a further FSG is issued to replace it. We may give you a supplementary FSG. It will not replace this FSG but will cover services not covered by this FSG.

How can I instruct you?

You can contact our company to give us instructions by post, phone, fax or email on the contact numbers or details mentioned at the beginning of this FSG.

Who is responsible for the financial services provided?

Coversafe Insurance Brokers is responsible for the financial services that will be provided to you or through you to your family members, including the distribution of this FSG.

What kinds of financial services are you authorised to provide to me and what kinds of financial product/s do those services relate to?

Coversafe Insurance Brokers are authorised to advise and deal in general insurance products to wholesale and/or retail clients. We will do this for you as your broker unless we tell you otherwise.

Will I receive tailored advice?

Maybe, but not in all cases. However, we may need information about your personal objectives, details of your current financial situation and any relevant information, so that we can arrange insurance policies for you or to give you advice about your insurance needs. We will ask you for the details that we need to know.

In some cases, we will not ask for any of this information. If we do not ask, or if you do not give us all the information we ask for, any advice you receive may not be appropriate to your needs, objectives and financial situation.

You should read the warnings contained in any SoA, or any other warnings that we give you, carefully before making any decision about an insurance policy.

Where we provide you with advice about your insurance arrangements, that advice is current at the time that we give it. We will review your insurance arrangements when you inform us about changes in your circumstances, at the time of any scheduled status review or upon renewal of your insurances.

Contractual Liability and your insurance cover

Many commercial or business contracts contain clauses dealing with your liability (including indemnities or hold harmless clauses). Such clauses may entitle your insurers to reduce cover, or in some cases, refuse to indemnify you at all. You should seek legal advice before signing and accepting contracts. You should inform us of any clauses of this nature before you enter them.

What information do you maintain in my file and can I examine my file?

We maintain a record of your personal profile, including details of insurance policies that we arrange for you. We may also maintain records of any recommendations or advice given to you. We will retain this FSG and any other FSG given to you as well as any SoA or PDS that we give or pass on to you for the period required by law.

We are committed to implementing and promoting a privacy policy, which will ensure the privacy and security of your personal information. A copy of our privacy policy is available upon request. A copy is also available on our website www.coversafe.com.au. If you wish to look at your file, please ask us and we will make arrangements for you to do so.

How will I pay for the services provided?

For each insurance product, the insurer will charge a premium plus any relevant taxes, charges and levies. We often receive a payment based on a percentage of this premium (excluding relevant taxes, charges and levies) called commission, which is paid to us by the insurers. However, in some cases we will also charge you a fee. These will all be shown on the invoice that we send you for the premium, government charges and any fees we charge for arranging your insurance. You are required to pay us within 14 days of the inception/due date shown on the invoice and you can choose to pay by any of the payment methods set out on the invoice.

When you pay us your premium it will be banked into our trust account. We retain the commission from the premium you pay us and remit the balance to the insurer in accordance with our arrangements with the insurer. We will earn interest on the premium while it is in our trust account or we may invest the premium and earn a return. We will retain any interest or return on investment earned on the premium.

Cancellation of a Contract of Insurance

If you cancel your policy prior to the expiry date, we will refund only the net premium received from your Insurer. We will not refund any part of our commission or broker fee we received for arranging the policy. There may also be a cancellation fee applied which usually ranges between \$50.00 and \$100.00. If a Certificate of Currency has been issued, a minimum period of 6 months' premium will be retained in addition to the aforementioned charges.

Credit Card Fees

If you pay by credit card, we may charge you a non-refundable credit card fee. This fee will be shown on your invoice and reimburses us for the bank interest, extra charges/costs and internal time generated for credit card use.

How are any commissions, fees or other benefits calculated for providing the financial services?

Our commission will be calculated based on the following formula:

$$X = Y\% \times P$$

In this formula:

X = our commission

Y% = the percentage commission paid to us by the insurer. Our commission varies between 5% and 27%

P = the amount you pay for any insurance policy (less any government fees or charges included in that amount).

Any fees that we charge you will be from \$50 to \$1000.

Our employees, that will assist you with your insurance needs, will be paid a market salary.

If we give you personal advice, we will inform you of any fees, commission or other payments we will receive in relation to the policies that are the subject of the advice.

See below for information on the Steadfast association and commission.

Do you have any relationships or associations with the insurers who issue the insurance policies or any other material relationships?

Coversafe Insurance Brokers is a Steadfast Group Limited (Steadfast) Network Broker. Steadfast has exclusive arrangements with some insurers and premium funders (Partners) under which Steadfast will receive between 0.5 – 1.5% commission for each product arranged by us with those Partners. Steadfast is also a shareholder of some Partners. We may also receive a proportion of that commission from Steadfast at the end of each financial year (or another agreed period).

As a Steadfast Network Broker, we have access to member services including model operating and compliance tools, procedures, manuals and training, legal, technical, banking and recruitment advice and assistance, group insurance arrangements, product comparison and placement support, claims support and group purchasing arrangements. These member services are either funded by Steadfast, subsidised by Steadfast or available exclusively to Steadfast Network Brokers for a fee. You can obtain a copy of Steadfast's FSG at www.steadfast.com.au.

We also participate in a program provided by Zurich under which we may obtain additional benefits by way of profit share where we achieve above target growth in respect of Nominated Products. The amount of profit share (if any) is determined by Zurich in April of each year by reference to the combined results of the total motor and property portfolios placed by us with Zurich in the preceding calendar year. However, this is subject to the satisfaction by us of specified planned objectives in respect of our business, which we agree with Zurich prior to the commencement of each year. The maximum Reward for Growth is 1.75% of Net Written Premium.

Premium Funding

If we arrange premium funding for you, we may be paid a commission by the premium funder. We may also charge you a fee (or both). The commission that we are paid by the premium funder is usually calculated as a percentage of your insurance premium (including government fees or charges). If you instruct us to arrange or issue a product, this is when we become entitled to the commission. You may of course arrange premium funding on your own behalf.

Our commission rates for premium funding are in the range of 0% and 3% of funded premium. When we arrange premium funding for you, you can ask us what commission rates we are paid for that funding arrangement compared to the other arrangements that may be available to you. The amount of our commission and any fee that we charge will be set out in the premium funding contract.

What should I do if I have a complaint?

1. Contact us and tell us about your complaint. We will do our best to resolve it quickly.
2. If your complaint is not satisfactorily resolved within 10 business days, please contact our Complaints Officer on 02 9553 0833 or put your complaint in writing and send it to the address noted at the beginning of this FSG. We will try and resolve your complaint quickly and fairly.
3. Coversafe Insurance Brokers is a member of the Financial Ombudsman Service (FOS). If your complaint cannot be resolved to your satisfaction by us, you have the right to refer the matter to the FOS. The FOS can be contacted at:

Street Address: Financial Ombudsman Service, Level 12, 717 Bourke Street, Docklands VIC 3008

Mailing address: Financial Ombudsman Service, GPO Box 3, Melbourne VIC 3001

Phone -1800 367 287

Fax - 03 9613 6399

Email - info@fos.org.au

Website - www.fos.org.au

What arrangements do you have in place to compensate clients for losses?

Coversafe Insurance Brokers has a professional indemnity insurance policy (PI policy) in place.

Our PI policy covers us and our employees for claims made against us and our employees by clients because of the conduct of us or our employees in the provision of financial services. Our PI policy will cover us for claims relating to the conduct of representatives who no longer work for us.

Any questions?

If you have any further questions about the financial services Coversafe Insurance Brokers provides, please contact us.

Please retain this document for your reference and any future dealings with Coversafe Insurance Brokers Pty Ltd.