

CONTACT AGREEMENT

To ensure that we provide you with appropriate products and services, you agree to us calling you to discuss any new products and services. If you do not wish to receive such calls please advise us and we will place you on our Do Not Call Register.

OUR SOURCES OF INCOME

When placing your insurance we usually receive a commission from the insurer. The amount varies between 0% and 25% 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.

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

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

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

We may receive additional remuneration from insurers with whom we have profit share or volume bonus arrangements. This remuneration is payable if we meet certain agreed sales and/or profitability targets set by the insurer. If we 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.

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

We are a shareholder of Steadfast Group Ltd. 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 Group Ltd. Depending on the operating costs of Steadfast Group Ltd (including the costs of shareholder services provided to us and other shareholders) and the amount of total business we place with the participating insurers in any financial year, we may receive some of that commission at the end of each financial year.

As a Steadfast Group Ltd shareholder, we 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 shareholder services are either funded or subsidised by Steadfast Group Ltd or available exclusively to shareholders for a fee. A copy of the Steadfast Group Ltd FSG is available 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 OUR REPRESENTATIVES ARE PAID

Our representatives do not receive any benefit directly from the sale of a product to you. Our representatives may receive bonuses payable based on the overall performance of our business.

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 full remuneration details will be disclosed in the SOA or invoices related to the advice.



PSB Insurance Brokers Pty Ltd

ABN. 74 053 015 311
AFSL. 241402

Financial Services Guide

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THIS FSG APPLIES FROM 17/6/2010 V7

THE PURPOSE OF THIS GUIDE

This Financial Services Guide (FSG) is designed to assist you in deciding whether to use any of our services and contains important information about:

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

RESPONSIBILITY FOR SERVICES PROVIDED

We hold an Australian Financial Services Licence and are authorised to advise and deal in the full spectrum of general insurance products.

We are responsible for the financial services provided to you, or through you to your family members, including the distribution of this FSG.

We are required to meet high standards for staff training, organisational competence, management expertise, financial control and compliance disciplines.

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

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
- Seeking competitive premium quotations

HOW TO CONTACT US

You are able to contact us by phone, in writing, by fax, email or in person.

OUR PRODUCTS

We can advise and arrange a broad range of insurances on your behalf 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 as they occur so that we can review your insurance needs 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 our Complaints Officer. We 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. We also follow The Insurance Brokers Code of Practice.

COMPENSATION

We hold a Professional Indemnity Policy. This policy is designed to pay claims by Third Parties (including our clients) arising out of our Professional Negligence. The policy extends to covers us for work done for us by representatives/employees after they cease to work for us and satisfies the requirements for compensation arrangements under Section 912B of The Act.

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.

DUTY OF DISCLOSURE

Before you enter into a contract of General Insurance with any insurer, you have a duty under the Insurance Contracts Act 1984 to disclose to the insurer every matter that you know or could reasonably be expected to know that is relevant to the insurer's decision whether to accept the risk of the insurance and, if so, on what terms. You have the same duty to disclose matters to the insurer before you renew, extend, vary or reinstate your insurance.

Your duty however does not require disclosure of matters:-

- that diminish the risk to be undertaken by the insurer
- that are of common knowledge
- that the insurer knows, or, in the ordinary course of their business ought to know
- as to which compliance with your duty is waived by the insurer

NON-DISCLOSURE

If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce their liability under the contract in respect of a claim or may cancel the contract. If your non-disclosure is fraudulent, they may also have the option of avoiding the contract from its beginning.

AVERAGE / CO-INSURANCE

Remember that in the event of a claim, if your insurance is inadequate to cover the loss, you may be required to bear a proportion of the loss or claim.

INSURABLE INTEREST

You should also ensure that the insurer is aware of everyone who has an insurable interest in the property or asset to be insured so that their interests are protected.

You need to give us instructions in writing by letter or fax, email or by another method agreed by us. We will tell you what is possible when you contact us.

OUR BROKING TERMS

We only act on information provided and do not offer other products where no or incomplete information has been made available.

We will arrange insurance on your behalf of the following terms:

Our retainer is limited to arranging the insurance requested by you in writing and any associated alterations, amendments and claims assistance. We (PSB) will not provide any advice or assistance in relation to any other insurance risks unless expressly requested by you in writing.

In the event that we cause any loss or damage to you, your staff, agents or licensees, we will only be liable to the extent that our conduct caused that loss or damage, our liability will be reduced to the extent (which may be nil) which takes into account your share in causing or contributing to the loss or damage. (including but not limited to the provision of lack of information).

We will not be liable for any indirect loss or damage howsoever caused.

If you communicate with us via email, any message from you, which constitutes as an instruction to us, can only be enforced when the instruction has been read by us. A message is read when it is opened by the person to whom it is addressed. If our electronic mail system does not automatically confirm delivery and receipt to you, we must acknowledge receipt of your message.

Either of us may terminate this retainer by giving the other party fourteen (14) days written notice. On receipt of your notice of termination, we will immediately stop acting as your insurance broker. Because we earn our remuneration for arranging insurance, we both agree no refund will be due to you on termination.



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