

FINANCIAL SERVICES GUIDE

The Financial Services covered by this Financial Services Guide are provided by:
Aughtersons Insurance Brokers Pty Ltd of
9/2 Nelson St, Ringwood VIC... 3134
Ph: 03) 9879 7699 Fax: 03) 9879 7155

Our ABN is 90 007 367 535; and

Our Australian Financial Service Licence (AFSL) is 227200

This guide contains important information about:

The service we offer you

How we and our associates are paid

Any potential conflict of interest we may have

Our internal and external dispute resolution procedures and how you can access them.

It is an important document. Please read it carefully and keep it in a safe place.

If you are a retail client and we agree to give you personal advice we will provide you with a Statement of Advice (SoA). This will contain our advice, the basis of our advice, and information on any remuneration, associations or other interests which might reasonably have influenced us in giving our advice.

If you are a retail client and we arrange an insurance policy for you, or if we recommend you buy a particular insurance policy, we will give you a Product Disclosure Statement when required. It is prepared by the insurer and is designed to give you important information on the policy.

A GUIDE TO OUR RELATIONSHIP WITH YOU AND OTHERS

What kinds of financial services are we authorised to provide and what kinds of Financial Product/s do those services relate to?

We are able to provide financial product advice (personal and general) and deal in general insurance.

There are a wide range of insurance policies we can arrange.

These include but are not limited to, the following insurance policies for retail clients:

Motor vehicle insurance;

Home contents insurance;

Sickness and accident insurance;

Consumer credit insurance;

Travel insurance

We are authorised to provide you with personal advice as to the suitability of general policies to meet your particular needs.

We will agree with you when this service is to be provided and what the scope of our personal advice will be. Before we provide any personal advice we will need to undertake a needs analysis so we can provide you with appropriate advice. We will also provide you with a Statement of Advice confirming our advice along with other relevant information on it.

The other services we can provide are:

General advice services - this is where we provide advice on an insurance product which is not based on our consideration of your personal needs. We will tell you when this is the case; and

Dealing services – this is the service of arranging insurance policies, whether on your behalf or the insurer's. In doing so we can provide factual information about insurance policies such as:

- * The nature of insurance policies;
 - * The coverage of an insurance policy;
 - * Options available under an insurance policy; and
- * The premium payable and payment options.

Who do we act for?

As an insurance broker we normally act for you. We may enter into an agreement with an insurer to arrange insurance policies on their behalf and not on your behalf. If we are given a binding authority from the insurer, this means we can enter into insurance policies and/or handle or settle claims on their behalf. We will inform you when we act for the insurer and not for you.

Do we have any relationships or associations with product issuers which might reasonably influence us?

Other than the agency relationships noted above, we do not have any association or relationship with a product issuer which might reasonably influence us in providing our services.

Aughtersons Insurance Brokers Pty Ltd is a shareholder of Steadfast Group Limited (Steadfast). Steadfast has exclusive arrangements with some insurers under which Steadfast will receive between 0.5 - 1% commission for each product arranged 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 by Steadfast to us and other Steadfast shareholders) and the amount of total business we place with the participating insurers in any financial year, we may receive a proportion of that commission at the end of each financial year.

As a shareholder of Steadfast 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 shareholders for a fee.'

What information do we maintain about you and how can you access it?

We maintain a record of your personal profile. That record contains information about insurance policies that we have arranged for you. The record may also contain details of your objectives, financial situation and needs collected for the purpose of giving you advice. We also maintain records of any recommendations made to you.

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 your request]. If you wish to access your file, please ask.

How can you give us instructions?

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

How will you pay for the services provided?

We may be paid in a number of ways which vary according to the service you require and our arrangements with the relevant insurer.

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.

Our commission rates for premium funding are in the range of 0 to 2% 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 were available to you.

Payment by the Insurer

Unless we tell you otherwise, we are remunerated by commission from the relevant insurer whenever you enter into an insurance policy arranged by us (including renewal and some variations).

The commission is a percentage of the insurer's base premium (i.e. premium excluding stamp duty, fire services levy, GST or any other government charges, taxes, fees or levies). The rate ranges between 0 and 25%. The commission rate does not represent our profit margin as it also reimburses us for administrative and other expenses we incur in providing our services. It also covers the cost of performing the distribution functions of the insurer such as data entry, marketing, annual renewal marketing and underwriting.

Fees Paid by You

We may charge you:

- An administration fee in addition to commission when you enter into an insurance policy.

- A flat fee for arranging an insurance policy or a fee based upon the time we spend advising you.

- An annual management fee.

- When you pay us your premium it will be banked into our trust account. We will retain any interest earned on the premium while in our trust account

You will be informed of the nature and amount of any fee involved prior to us performing the service for you.

Other remuneration information

Our staff receive an annual salary that may include bonuses based on performance criteria. Where a third party has referred you to us, we may share part of our commission or fees with them or pay them an agreed referral fee.

Where we provide personal advice to you as a retail client, we will tell you the remuneration that we and our associates are to be paid for providing the advice in the Statement of Advice.

If there is a refund of premium as a result of the cancellation or adjustment of the policy, we reserve the right to retain our remuneration earned prior to the cancellation or adjustment.

We may receive a rebate as part of our association as members of the Steadfast Group.

Where we provide premium funding services we may receive commission of 0% - 2% from the Premium Funding Provisions.

If you need further explanation please ask us.

Cooling off Period

A cooling off period may apply to an insurance policy issued to you as a retail client. During the period you may return the policy. Details of your cooling off rights will be included in the relevant Product Disclosure Document.

What should I do if I have a complaint?

If you have any complaints about the service provided to you, you should take the following steps.

1. Contact us and tell us your complaint.
2. If your complaint is not satisfactorily resolved within 24 hours, please contact the Compliance Officer on telephone number 9879 7699 or put your complaint in writing and send it to us at:
Compliance Officer
Aughtersons Insurance Brokers
9/2 Nelson Street
Ringwood, VIC 3134

Please mark the envelope "Notice of Complaint". We will try and resolve your complaint quickly and fairly.

3. If the complaint can't be resolved to your satisfaction within 21 days, you have the right to refer the matter to Insurance Brokers Disputes Limited (IBD). They can be contacted on 1300 780 808 or you can write to them at:
Level 10
99 William Street
Melbourne, Vic 3000

If you have any further questions about the financial services please contact the manager on phone number 9879 7699.

Retain this document for your reference and any future dealings with Aughtersons Insurance Brokers.

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