

Holdfast Insurance Brokers

Financial Services Guide

This Financial Services Guide (FSG) is an important document which we are required to give to you under the requirements of our Australian Financial Services Licence. It provides you with information about Holdfast Insurance Brokers Pty Ltd ACN 007 972 009 trading as Holdfast Insurance Brokers ABN 35 194 842 340 ('Holdfast', 'we', 'our', or 'us') to help you decide whether to use the financial services we provide. This FSG outlines the types of services and products we can offer to you. It also explains how we (and other relevant persons) are remunerated for these services and includes details of our internal and external complaints handling procedures and how you can access them.

This FSG (version 11) is in effect from February 1, 2016 and remains valid unless a further FSG is issued to replace it. We may also, from time to time, provide you with a supplementary FSG. If we do so, it will be to cover services not included in this FSG and should be viewed as an addition to this FSG.

About us

At Holdfast we make sure your business and lifestyle are covered. Established in 1982, we are part of the largest insurance broker network in Australia and that gives us enormous buying power, flexibility, and influence when negotiating with major insurers on your behalf. With Holdfast you get access to multiple insurance companies, a huge range of insurance products, competitive pricing, valuable advice and helpful service that gets the job done.

We are based in Adelaide with business in Alice Springs, Darwin and Melbourne.

Getting your insurance right takes expertise, time, and inside knowledge. Let us do the thinking for you. We'll take the time to understand both you and your business, find the best options to suit your needs, and use our influence to get you the best deal.

We can be contacted at:

62 Greenhill Road, Wayville SA 5034
PO Box 1229, Unley SA 5061
T 08 8273 0900 / F 08 8373 2500
info@holdfast.com.au

Our services

Our general insurance broking services can be summarised as follows:

- Reviewing and advising on your insurance needs
- Arranging and renewing insurance contracts on your behalf
- Arranging premium funding or payments by instalment
- Assisting with insurance claims

We have access to an extensive range of general insurance products which can be arranged to protect your personal or business assets, cash flow and legal liabilities.

Holdfast is responsible for the financial services provided to you by us, or through you to your family members, including the distribution of this FSG. We hold a current Australian Financial Services licence (Number 234526) and you can contact us to give us instruction by post, phone, fax or email.

Material relationships

Holdfast 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 policy arranged by us with those insurers. This is used to operate Steadfast. Depending on the operating costs of Steadfast and the amount of total premium we place with the participating insurers in any financial year, we may receive a proportion of that commission for all products arranged with the participating insurers at the end of each financial year.

As a shareholder of Steadfast we have access to member services including operating and compliance tools, procedures, manuals and training, legal, technical, banking, 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.

Steadfast is also a minority shareholder in Miramar Underwriting Agency Pty Limited (Miramar). As a shareholder, Steadfast may receive dividends from Miramar. These amounts will indirectly contribute towards the benefits we receive from Steadfast.

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. You can obtain a copy of Steadfast's FSG at www.steadfast.com.au.

We are members of The Australian & New Zealand Institute of Insurance & Finance (ANZIIF), & we encourage our staff & directors to participate in these industry bodies and to serve on their committees & boards.

We also participate in a program provided by Zurich under which we may obtain additional benefits by way of business support services. In each year we are entitled to business support services to the value of \$3000 from Zurich.

Greenhill Underwriting Agencies Pty Ltd is a wholly owned subsidiary of Holdfast Insurance Brokers Pty Ltd and has entered into an Agreement with the Hollard Insurance Company Pty Ltd to provide insurance products to clients of Holdfast Insurance Brokers Pty Ltd.

Greenhill Underwriting Agencies Pty Ltd can receive a profit share from the Hollard Insurance Company Pty Ltd but this is variable and not guaranteed.

Binder agreement

Where a Binder facility exists, you will be informed via your Invoice/Statement of Advice. The Binder arrangement means that Holdfast Insurance Brokers will act as an Agent of the Insurance Company not as a Broker. This means that where we recommend their products or services we shall arrange and issue a contract on behalf of the Insurance Company.

As an Authorised Agent under a binder arrangement we may also receive an underwriting bonus calculated after all expenses including administration, claims, underwriting costs and commissions are paid.

Retail & wholesale clients

Under the Corporations Act, clients are categorised as either Retail or Wholesale. Retail Clients are afforded additional protection compared to Wholesale Clients.

Certain information contained in this Financial Services Guide applies to Retail Clients only. Therefore it is important to understand if it applies to you.

A Retail Client is an individual or small business that purchases a prescribed retail insurance product. A small business is one employing less than 20 people or if a manufacturer, less than 100 people. The small business must purchase the insurance for use in connection with the business.

The following are considered to be prescribed retail insurance products:

- Motor vehicle
- Home building
- Home contents
- Sickness & accident
- Consumer credit
- Travel
- Personal & domestic property
- Any other kind of insurance prescribed in the regulations

All other clients are Wholesale Clients. All products which are not prescribed to be retail are wholesale.

Retail client disclosure

The Corporations Act 2001 imposes certain requirements when dealing with retail clients. These are summarised as follows.

Before any advice is provided the retail client must be provided with a Financial Services Guide (FSG) that includes the following:

- Name and contact details of the provider
- What services the provider is authorised to provide
- Who the provider acts for and any significant associations
- How the provider will be remunerated
- The dispute resolution process if the provider acts under a binder, information about what services will be provided under the binder

Where Personal Advice is given to a retail client on consumer credit or sickness and personal accident insurance then a Statement of Advice (SoA) must be issued. This Statement of Advice must detail the following:

- The client's circumstances and objectives
- A note about incomplete and inaccurate information
- The basis of the advice
- The provider's advice
- Details of the provider's charges
- Important relationships
- The provider's contact details

For Personal Advice in respect of any other retail products information must be provided about the remuneration or other benefits and any other associations in the form of a Statement of Advice (SoA) or Record of Advice.

Where General Advice is been provided to a retail client then General Advice Warning must provided to the retail client stating that the advice has not taken into account any personal information when providing the advice.

When a retail client is recommended to acquire a financial product then a Product Disclosure Statement (PDS) must be issued to the retail client. The Product Disclosure Statement (PDS) details information about the particular product being recommended.

Representatives

The individual assistance provided to you will be given either by a salaried Representative or Authorised Representative. A contact name will be on the invoice.

Should you require any further details of our Authorised Representatives/Representatives please contact our office on (08) 8273 0900.

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.

Payment terms

You can choose to pay us by any of the payment methods set out in the invoice. You are required to pay us on receipt of our invoice or by the "pay by date" that we specify.

Personal information

We maintain records of your personal profile, including details of insurance policies that we arrange. We 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.

We have committed to implementing and enforcing a privacy policy, that ensures the privacy and security of your personal information. A copy of our privacy policy is available on request. If you wish to look at your file please ask us. We will make arrangements for you to do so.

Commissions and fees

We charge a broker administration fee for each insurance transaction we arrange and this is shown on the invoice that we send to you.

The administration fee is usually in the range of \$30-\$100 plus GST and will vary depending on the complexity of the advice required.

We usually receive a commission from the relevant insurer or insurance provider for the work we undertake to arrange insurances on your behalf. This amount is based on a percentage of the premium (less any government fees or charges included in that amount) ranging from 0% to 30% depending on the type of general insurance product provided. Commission percentages can vary between insurers who offer a similar product. We may be entitled to receive additional commissions where we use electronic data interface (Sunrise) to process your policy with certain underwriters. Where this is the case, the amount will be disclosed in your Statement of Advice.

In cases where an insurer or insurance provider pays us less than the usual commission we receive from our regular insurers, we adjust our broker administration fee to make up the difference. Should you decide to cancel the policy, not all commissions and fees may be refunded.

We seldom pay any commissions, fees or benefits to others who refer you to us or refer us to an insurer. If we do so, those commissions are paid

directly by us and are not in addition to any other commissions or fees we may receive.

Our invoice will show the Credit Card charge we pass on to you when this is provided as a payment option.

If we hold your money in trust pending payment to the insurer, we will also receive the interest earned. Holdfast Insurance Brokers Pty Ltd employees who assist you with your insurance needs are paid a market salary which may include, for the policies we arrange for you, a small percentage of our commission or fees.

Our Authorised Representatives are provided with business equipment and support services such as computers, rent, software and administrative support. The cost of this business equipment and support services can be up to 35% of commission earned, plus a Broker Fee.

Holdfast Insurance Brokers Pty Ltd employees who will assist you with your insurance needs are also paid a market salary which may include, for the policies we arrange for you, a small percentage of our commission or fees.

Premium funding

If we arrange for you to pay for your insurance by instalments through a premium funding facility offered by a Finance Company they will charge you interest and fees. Holdfast Insurance Brokers may receive a commission from the premium funder which is usually calculated as a percentage of the insurance premium being funded.

The Directors of Holdfast Insurance Brokers also have a financial interest in Advance Finance Pty Ltd, which is one of the premium funding companies with whom we deal.

If we arrange premium funding for you with Macquarie Premium Funding, we will be paid a commission by Macquarie Premium Funding. We may also charge you a fee.

The commission is calculated as a percentage of the funded premium. If you instruct us to arrange for your premium to be funded, we will become entitled to the commission. The amount of our commission and any fee that we charge will set out in the premium funding contract.

We are a shareholder of Steadfast Group Limited (Steadfast). Steadfast has a shareholding in Macquarie Funding. Under its agreement with Macquarie Premium Funding, Steadfast will receive 0.5% of your insurance premium (including government fees or charges (funded premium)).

Also, as an equity shareholder in Macquarie Premium Funding, Steadfast may receive dividends from the profits of Macquarie Premium Funding. 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 Macquarie Premium Funding are used to operate Steadfast. Depending on the operating costs of Steadfast and the amount of total business we place with Macquarie Premium Funding in any financial year, we may receive a portion of those amounts at the end of each financial year.

Other revenue

We provide services to insurers that are not directly related to the service provided to you and we receive remuneration in recognition for those services. This remuneration may be a management or administration fee received from an Insurer, or revenue based upon the volume or profitability of insurance business placed across an entire portfolio with a given Insurer over a specific period. These payments recognise the

services we provide to the Insurer over that given period. When a SoA is provided, we will list in that document any fees, commission or other payments we, our associates, or anyone referring you to us (or us to any insurer), will receive in relation to the policies that are the subject of the advice.

Other benefits

The management of Holdfast Insurance Brokers understands that staff may receive hospitality, gifts, and the like from Insurers, but have a procedure in place to ensure these do not influence us in any of our recommendations. As part of our commitment to ongoing training & development, we encourage our staff to attend industry events and undergo product training, some of which may be provided by insurers.

Complaints

Contact us and tell us about your complaint. We will do our best to resolve it quickly.

If your complaint is not satisfactorily resolved within 10 days, please contact our Customer Relations Manager by phone or by putting your complaint in writing and sending it to us at the address on the front of this FSG. We will try and resolve your complaint quickly and fairly.

Holdfast Insurance Brokers Pty Ltd 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.

Their contact details are:

Financial Ombudsman Service
GPO Box 3, Melbourne VIC 3001
Call 1800 367 287 / Fax 03 9613 6399
info@fos.org.au

Compliance statement

Holdfast Insurance Brokers Pty Ltd makes a firm commitment to each and every client to provide quality client service, research and advice. All of our Advice Providers have an ongoing commitment to professionalism and integrity.

It is a clear objective of Holdfast Insurance Brokers Pty Ltd to ensure that the company, as an Australian Financial Services Licensee, and its Advice Providers, comply with all relevant aspects of the Corporations Act 2001, the Trade Practices Act, and Common Law.

Strict adherence to the procedures set down in our Operations and Compliance Manual is expected and is monitored to ensure that clients are receiving accurate, thorough, and compliant advice.

Further questions

If you have any further questions about the financial services Holdfast Insurance Brokers Pty Ltd provides, please contact us. Please retain this document for your reference and any future dealings with us.

Insurance. Job done.

CONTACT OUR OFFICE ON 1800 465 332

ADELAIDE / ALICE SPRINGS / DARWIN / MELBOURNE
www.holdfast.com.au

HOLDFAST
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