

FINANCIAL SERVICES GUIDE

This Financial Services Guide (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.

Statement of advice “retail clients”.

Retail clients are entitled to receive a Statement of Advice (SOA) whenever we provide you with any personal advice, that takes into account your objectives, financial situation and needs. The SOA will contain information about remuneration and/or other benefits we may receive and any interests or associations we may have that may influence us in providing this advice.

General advice.

General advice is provided where we have not considered your personal circumstances, objectives or financial situation in recommending a retail product. Where general advice has been given, we will provide you with a general advice warning at the time of giving this information, which you will need to consider when deciding whether it fits your individual needs and circumstances.

Where general advice is provided we are not required to provide you with a “Statement of Advice” outlining information about the (\$) amount and/or description of fees or commissions. You may however request this information from our office within a reasonable time after receiving your Tax Invoice.

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) or short-form PDS, unless you already have an up-to-date PDS or short-form PDS from the insurer.

The PDS or short-form PDS will contain information about the particular policy which will enable you to make an informed decision about purchasing that policy.

Insurance providers.

When you ask us to recommend an insurance policy for you, we usually only consider the policies offered by the insurance providers that we deal with regularly. In giving advice in relation to costs and terms of the recommended product, we have only compared those costs and terms against the panel of insurance providers we regularly use. This panel is reviewed annually to ensure the best available terms are offered. When we consider your renewal, we will generally only seek alternate terms if your premium has increased greater than 15% or there have been changes in policy coverage that may affect your circumstances.

From when does this FSG apply?

This FSG applies from 9th of September 2009 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.

Who is responsible for the financial services?

Savill Hicks Corp Pty Ltd 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. Savill Hicks Corp Pty (the licensee) holds a current Australian Financial Services Licensee no: 240867.

Who will be providing the financial service to you?

The financial services are to be provided by an adviser/representative of Savill Hicks Corp. Pty Ltd, who is licensed under the Corporations Act 2001 to provide advice and deal in general insurance products to wholesale and retail clients. The following table lists some of the products our representatives are authorised to provide advice on and deal in:

Retail

Motor Vehicle
Personal Accident & Sickness
Home Building & Home Contents
Property & Liability Risks
Personal & Domestic
Property Insurance Products

Wholesale

Construction Risk
Home Warranty
Property & Liability Risks
Professional Indemnity
Workers Compensation

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

At the time of issuing this FSG we are unable to provide you with the exact dollar amount of remuneration and/or benefits we may receive in relation to your policies, we will however, either when the advice is given, or as soon as practicable after, provide retail clients, who have been provided with personal advice, with information disclosing the exact dollar amount of any remunerations and/or benefits we will receive. This information will be included in a separate Statement of Advice (SoA)

We may be remunerated in the following ways, or by combination of them:

An administration fee when we finalise your cover which is declared separately on your Tax Invoice, this is based upon the time spent providing you with the services we offer.

Commission paid by the insurer for arranging the policy. The commission is included in the premium charged and is based on a percentage of the base premium prior to the addition of various taxes and stamp duties. This covers our expenses for arranging the insurance and includes a profit component.

The initial and renewal commission are calculated as a percentage of the annual cost of the insurance policy and will be based on the following formula: $X = Y\% \times P$

In this formula: X = the commission, Y% = the percentage commission paid to us by the insurer, P = the amount you pay for any insurance policy (less any government fees or charges in that amount).

The range of commission paid by the insurer is illustrated below and is dependant upon the product type and the insurer and ranges from 0% - 22.5%. Travel Insurance however pays commission of up to 30%.

In the event of a refund or cancellation or adjustment of a policy, we reserve our right to retain our remuneration.

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 may earn interest on the premium while it is in our trust account or we may invest the premium and earn a return. Any interest or return on investment earned on the premium will be for the sole benefit of the licensee.

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.

FINANCIAL SERVICES GUIDE cont.

Premium Funding cont.

Our commission rates for Premium Funding are in the range of 0 to 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 were available to you.

In addition to this commission payment, we may be entitled to receive an over rider of between 0% - 1.5% of your premium, depending upon the total amount of premium we fund with providers. These over rider payments made be paid directly from the Premium Funding company or via a profit share split with Steadfast.

Sunrise.

We may be entitled to receive additional commissions where we use electronic data interface (Sunrise) to process your policy with certain underwriters ranging from 0 – 2.5%. Where this is the case, for retail clients, where personal advice has been provided, the amount will be included in the commission declared in your Statement of Advice (SoA).

Profit share.

We may also receive a profit share commission from insurers in the future if a particular portfolio of business reaches a certain level of profitability.

Referrers.

We do not often pay any commissions, fees or benefits to others who refer you to us or refer us to an insurer. If we do, we will pay commissions to those people out of our commission or fees (not in addition to those amounts), in the range of 0% - 40% of our commission or fees.

Representative's payments.

Our representatives are usually paid in a salary, and/or a bonus or incentives which are based on a number of factors including achievement of company goals.

What are Savill Hicks Corp's terms of payments?

We will invoice you for the premium, statutory charges (stamp duty, fire services levy and GST where applicable) and any fees charged for arranging your insurances. You must pay us within 30 days of the policy inception date or, in the case of a renewal, before the expiry date of the contract of insurance. If you do not pay the premium in time, the Insurer may cancel the contract of insurance and you will not be insured. The insurer may also charge a short term penalty premium for the time on risk if they agree to it.

Material changes.

You must also notify your insurer of any significant changes which occur during the period of insurance. If you do not, your insurances may be inadequate to fully cover you. We can assist you to do this and to ensure that your contract of insurance is altered to reflect those changes.

Do we have relationships or associations which might influence our financial services?

Savill Hicks Corp 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.

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

From time to time our advisers may receive certain, hospitality benefits (such as tickets to sporting events, movies, meals, bottles of wine, hampers).

The receipt of these benefits is not based upon the volume of business placed with the provider but is more of an ad hoc reward. The maximum value of these during the year is unable to be determined. However, the details of such benefits so far received are able to be viewed on a specially maintained register. Please ask your adviser if you wish to view our register.

How can you provide us with instructions and tell us your requirements and insurance needs?

You may give us instructions in writing, electronically or by telephone.

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 or issue 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, PDS or short-form 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 on request.

If you wish to look at your file please ask us. We will make arrangements for you to do so.

If you have any complaints.

We are committed to providing quality advice to our clients. This commitment extends to providing accessible complaint resolution mechanisms for our clients. If you have any complaint about the service provided to you, you should take the following steps:

Contact your adviser/account manager and tell them about your complaint.

If your complaint is not satisfactorily resolved within 7 days please contact the Complaints Officer at Savill Hicks Corp Pty Ltd, or put your complaint in writing and send it to us at, the address listed on the front of your Tax Invoice. We will try and resolve your complaint quickly and fairly.

If we cannot reach a satisfactory resolution within 20 days, you have the right to refer the matter to the Financial Ombudsman Service (FOS) which is an ASIC approved dispute resolution facility of which Savill Hicks Corp Pty Ltd is a member. You can contact FOS on 1300 780 808 or via email at info@FOS.org.au. The address for FOS is GPO Box 3, Melbourne 3001.

Alternatively, you can contact the Australian Securities & Investment Commission at their freecall infoline on 1300 780 885.

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

Savill Hicks Corp Pty Ltd has a Professional Indemnity (PI) policy in place. The PI policy covers us and our employees for claims made against us and our employees by clients as a result of the conduct of us or our employees in the provision of financial services .