

Financial Services Guide

This Financial Services Guide (FSG) contains important information and is designed to assist you in deciding whether to use any of our services. It describes the services we offer you, how we and our associates are remunerated, any potential conflict of interest, and our internal and external dispute resolution procedures. This guide applies from 1 January 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 further services not covered by this FSG.

The services we provide

NCA Insurance Services Pty Ltd (NCA) is licensed to operate a financial services business and to provide financial product advice in relation to, and deal in, general insurance products. This allows us to issue, apply for, acquire, vary or dispose of these products. We can deal with and advise both Retail and Wholesale Clients. We will do this on your behalf as your broker, unless we tell you otherwise.

Our services include:

- Reviewing and advising on your general insurance needs;
- Arranging and renewing general insurance on your behalf; and
- Assisting you with general insurance claims

The advice and documents we provide retail clients

A retail client is a person or a small business employing less than 20 people (or less than 100 people if the business includes manufacturing) who seeks to acquire any of the following classes of insurance policies for personal use or use in the business:

- Motor vehicle (up to two tonne carrying capacity)
- Home buildings & Contents
- Sickness & Accident
- Consumer credit
- Travel
- Personal or Domestic property (e.g. moveable items, valuables, pleasure craft, mobile homes, etc)
- Medical Indemnity Insurance products

Personal Advice:

In most cases we will give you personal advice tailored to your needs after we have taken into account your individual objectives, financial situation and/or needs.

General Advice:

General advice is based on our knowledge of the insurance products that we recommend. It does not take into account particular financial circumstances, objectives, and/or needs. In providing general advice we are recommending a particular insurance product as generally suitable.

Statement of Advice:

If you are a retail client purchasing a Personal Accident and Illness policy or consumer credit policy, you will receive a Statement of Advice whenever we provide you with personal advice regarding the product. The Statement of Advice will contain the basis of our advice, and information regarding any remuneration, associations or other interests, which will enable you to make an informed decision about your insurance needs.

Product Disclosure Statement:

If we recommend a particular insurance product to you, or you ask us to arrange insurance, we will also provide you with a Product Disclosure Statement containing information about the policy.

How can you instruct us?

You may instruct us in person, by phone, fax or email. It is important that you provide us with complete and accurate information about the risk to be insured otherwise the advice we give you may not be appropriate for your needs.

If your circumstances change, our recommendations may no longer be appropriate. Please tell us about any changes in your circumstances so that we can confirm that your insurance continues to be suitable for your needs.

Cooling off period:

You are entitled to a minimum 14 day cooling-off period from the date cover commences, during which you may return the policy and receive a premium refund. The cooling off period is subject to legal requirements and terms and conditions of the policy. You should check your PDS/policy and schedule when you receive it, to be sure you have the cover you need.

How we are remunerated

Commission and fees:

We often receive a payment called commission which is paid to us by the insurers. Our commission will be calculated on the following formula:

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

X = our commission

Y% = the percentage commission paid to us by the insurer.

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

The commission rate can range between 0-25% depending on the class of insurance.

This commission is included in the premium quoted to you.

We may also charge you a fee for arranging the insurance. The amount depends upon the type of insurance we arrange. This fee is payable in addition to the premium.

If you are a retail client the commission and fee amounts will be shown on our invoice and, if applicable, 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 commission earned from the insurer prior to the cancellation or adjustment.

Our employees who assist you with your insurance needs will be paid a market salary that may include a small percentage of our commission or fees paid in the form of a performance bonus based on specific service objectives and standards.

On occasion, another person or company may refer clients to us. Sometimes we share our commission with them or pay them an agreed referral fee. If you are a Retail client and we give you personal advice, we will show in our record of advice any fee our associates or anyone referring you to us will receive in relation to the policies that are the subject of the advice.

If you require further details regarding the remuneration we may receive, to assist you with making a decision to deal with NCA Insurance Services, you can contact our office within 7 days of receipt of this FSG and this information will be provided to you in writing. This also applies to any non-monetary remuneration we may receive from insurers such as gifts, entertainment and other incidental benefits where such remuneration could impact in any way on the services we provide you.

Premium funding:

Premium funding products enable you to pay your premiums over a number of months. If we arrange premium funding for you we may be paid a commission by the premium funder in the range of 0-3%. The commission that we are paid by the premium funder is usually calculated as a percentage of your insurance premium (including government fees or changes). If you instruct us to arrange or issue a product, this is when we become entitled to the commission.

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.

Relationships or associations capable of influencing the provision of our services

We endeavour to avoid any associations or relationships that do not benefit you in some way. In this FSG and at other times, we will tell you about those that are capable of influencing our services so that you can make an informed decision.

NCA 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 the Steadfast Group FSG at www.steadfast.com.au

We may from time to time enter into a Profit Share Agreement (or similarly named arrangement) with one or more Insurers. Under such agreements we may be entitled to receive payment in addition to our commission depending on the profitability of our book of insurance business placed with a particular Insurer and it may also depend on a minimum volume of business being placed with that Insurer.

Insurer security

The security of your insurance is important to us. To ensure your needs are met, we assess the financial soundness of insurers and markets using public information including rating agencies. However, the financial standing or condition of any insurer or market can change after your policy has been arranged. We cannot accept responsibility for the financial standing or performance of any insurer or market and will not be responsible in any circumstances in the event that they are unable to meet their obligations to you. If you have concerns about the security of any insurer, please contact us immediately.

How we treat your information

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, any Statement of Advice or Product Disclosure Statement that we give or pass on to you for the period required by law. If you wish to look at your file, please ask us. We will make arrangements for you to do so.

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 statement and privacy policy are located on our website or available upon request.

What to do if you have a complaint

Occasionally disputes or complaints do occur, and when they do we try and resolve them as quickly and easily as possible.

If you wish to complain about our services, you can either discuss the matter with your adviser or contact our Complaints Officer. If your complaint is not resolved within 24 hours, it will be referred to our internal dispute resolution process. If the matter is not resolved to your satisfaction within 15 working days, you have the right to refer the matter to Financial Ombudsman Service (FOS).

We are a member of FOS which is a free consumer service specific to insurance brokers. You can contact FOS on 1300 780 808 or visit www.fos.org.au.

Our professional indemnity cover

NCA Insurance Services has a professional indemnity policy (PI policy) in place. The PI policy covers us and our representatives for claims made against us and our representatives by clients as a result of the conduct of us, our employees or representatives in the provision of financial services.

Any questions?

If you have any questions about this FSG or the financial services we provide, please contact us. We suggest that you retain this document for your reference and any future dealings with us.

Insurance Products Available

We provide a comprehensive general insurance service and can assist with advice and solutions for all of your insurance needs, encompassing the following insurance classes.

Domestic:

- House Building
- House Contents
- Personal Valuables
- Personal Liability
- Farm
- Workers Compensation
- Motor - Comprehensive
- Motor – TP Fire & Theft
- Motor Third Party Only
- Trailer
- Boat
- Caravan
- On Site Caravan Units
- Travel
- Musical Instruments
- Livestock
- Body Corporate Units
- Landlords Building
- Landlords Contents
- Loss of Rent
- Rent Default & Theft
- Landlords Legal Liability

Commercial:

- Fire & Associated Perils
- Business Interruption
- Loss of Rent
- Burglary/Theft
- Glass
- Money

- Fraud or Dishonesty
- Public Liability
- Products Liability
- Property Owners Liability
- Product Recall
- Commercial Motor
- Fleet Motor
- Trucks
- Earthmoving Equipment
- Professional Indemnity
- Employment Practices Liability
- Directors & Officers Liability
- Associations Liability
- Environmental Impairment
- Statutory Liability
- Corporate Travel
- Portable Computers
- Goods In Transit/Marine
- Marine Hull
- General Property
- Tax Audit Expenses
- Legal Expenses
- Trade Credit
- Machinery Breakdown

Trades:

- Public and Products Liability
- Tools of Trade
- Accident and Sickness
- Motor Vehicle
- Vans
- Trucks
- Earthmoving Equipment
- Commercial Premises
- General Property
- Construction Works

Please ask for other classes.