

Financial Services Guide

The Financial Services covered by this Financial Services Guide (FSG) are provided by Cruden & Read Pty Ltd, as a Corporate Authorised Representative (ASIC AR Number 1263090) of Austbrokers Sydney Pty Ltd or by Leigh Cruden (ASIC AR Number 1264239) and/or Jeremy Read (ASIC AR Number 1264240) as Authorised Representatives of Austbrokers Sydney Pty Ltd.

Any reference to We, Us or Our, relates to the Licensee, Austbrokers Sydney Pty Ltd, the Corporate Authorised Representative and Authorised Representatives who act on its behalf in providing the Financial Services set out in this FSG unless stated otherwise.

Austbrokers Sydney Pty Ltd
Level 14, 44 Market Street,
Sydney NSW 2000
PHONE: 02 8567 3110

Our ABN number is 14 061 968 090 and our Australian Financial Service Licence No. is 244244.

This guide is designed to assist you in deciding whether to use the services offered by us. It contains important information about:

- the services we can offer you
- how we and our associates are remunerated
- how we manage conflicts of interest
- 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 give you personal advice, we will provide you with a Statement of Advice or other information required by law. Any Statement of Advice we provide will set out 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, then before we either arrange an insurance policy for you, or we provide personal advice to you recommending that you buy a particular insurance policy, we will give you a Product Disclosure Statement if we are required to do so. It is prepared by the insurer and is designed to give you important information on the features, benefits and risks of the policy to assist you in making an informed decision about whether to buy the product or not. It may be more than one document.

Lack of Independence

We are not independent, impartial or unbiased in accordance with section 923A of the Corporations Act 2001 (Cth) for one or more of these reasons:

1. We or our representatives or associates may receive remuneration or other gifts or benefits from:
 - (a) the issuer of the product you buy (e.g. commission that we retain or volume-based payments we may receive); or
 - (b) other third parties for related services provided in connection with the personal advice service (e.g. premium funding) which may reasonably be expected to influence the personal advice provided to you.
2. We or our representatives or associates may be subject to direct or indirect restrictions relating to the financial products in respect of which personal advice is provided.
3. We or our representatives or associates have associations or relationships with issuers of financial products and others which may reasonably be expected to influence the personal advice provided to you.

A GUIDE TO OUR RELATIONSHIP WITH YOU AND OTHERS

What services can we provide?

Our various roles

Austbrokers Sydney Pty Ltd is an Australian Financial Services Licensee and is licensed under the Corporations Act to advise and deal in relation to all general insurance products. We authorise the representatives to act on our behalf in providing some or all of the above services. See below for any limits that may apply to these services they can provide on our behalf.

We and our representatives can act in a number of roles in providing our services. We usually act on your behalf. However in some cases, we may act on behalf of an insurer or their representative or on our own behalf (e.g. as a referrer to another service provider). We tell you if this is the case as this means we do not act for you when we provide the service.

Distributors

Austbrokers Sydney Pty Ltd may appoint a Distributor under an agreement, to deal in general insurance products through its Corporate Authorised Representative Cruden & Read Pty Ltd. The authority provided by Austbrokers Sydney does not allow the Distributor or its representatives to give financial product advice. Cruden & Read Pty Ltd may pay to the Distributor a share of the commission or fee that it earns in the range of 0% to 100% for arranging or renewing insurance of its behalf.

Our Services

Arranging insurance for you

This is where we arrange for the application, acquisition, variation, renewal or cancellation of an insurance policy for you. The process differs depending on the type of insurance and we explain it to you when you apply for the insurance.

Providing advice to you

There are two types of advice service we provide and it is important to understand the difference:

personal advice – this is advice provided by us to you on the suitability of general insurance 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. For example, in some cases we may only provide personal advice on which of a selected list of products is appropriate for you. Before we provide any personal advice we will need to undertake a needs analysis so we can provide you with appropriate advice.

Where we provide you with personal advice on Sickness and Accident and/or Consumer Credit Insurance products we will give you a Statement of Advice

except in limited circumstances where we are giving you further advice and your relevant personal circumstances or the basis of the advice are not significantly different from those set out in the previous advice.

In such cases you can ask us to give you a record of the further advice for up to 7 years after the advice is provided by contacting us using any method set out in this FSG.

For all other general insurance products, we will provide you with a document setting out our advice, the details of our remuneration (including commission) and information on any associations or other interests which might reasonably have influenced us in giving our advice.

general advice – this is where we provide a general recommendation or opinion to you on a general insurance policy which is not based on our consideration of your personal needs. We tell you when this is the case because if general advice is given you need to consider if the general advice and any relevant product is right for your circumstances as we have not done this for you.

In some cases where we arrange more than one policy for you we may provide personal advice for one policy and general advice for another. We tell you when this is the case.

Acting for insurers

In some circumstances we may have an agreement with an insurer or their representative to arrange insurance policies on their behalf and not on your behalf. This means that we act for and in the interest of the insurer as our principal in providing the services, not yours.

If we are given a "binding authority" from an insurer, this means we can enter into insurance policies and/or handle or settle claims on their behalf without reference to them, provided it is within the authority they have given us. We will tell you when we act for an Insurer and not for you.

Claims Assistance

We can also assist you when you need to make a claim. If a claim occurs contact us and we can help you decide what to do. We do not do anything without your consent. We provide this assistance as part of our overall service for no separate charge unless we tell you otherwise. We don't provide this service if we no longer act for you.

Any claims documentation, insurance company settlement cheques and other information received by us on your behalf will be provided to you as soon as reasonably practicable.

Premium Funding

In some cases insurers require the full premium payment up front. Premium funding is one way of not having to pay your premium in one lump sum. You will, however, have to pay interest to the premium funder on the amount borrowed.

The Authorising Licensee and AUB Group Limited (ABN 60 000 000 715), have a preferred supplier arrangement with Hunter

Premium Funding Pty Limited (HPF) for the arrangement of premium funding. In arranging premium funding with HPF, or any other premium funder, we do not provide personal advice or represent that any of the funder's products and services are right for you or that they are the most appropriate. You need to make your own decision based on the information provided.

We may provide a variety of services and act in different roles.

It is important to note that given the wide variety of general insurance products available and the need to remain competitive we may provide a variety of the above services to you and act in a variety of roles.

For example, where you require a number of different covers we may provide personal advice for some products you need and act on your behalf in relation to them. For others we may only provide you with general advice and for others only act as agent of the insurer not you. We can provide a further explanation of why this is the case and we make sure we tell you what the service is and our role before or at the time we provide the service.

Ask us if you need more detailed information or do not understand our explanation.

Authority of Corporate Authorised Representative

The Corporate Authorised Representative is authorised to provide all of the above services we can offer.

Please note: We are responsible for the services provided by the Corporate Authorised Representative that is authorised for in this document. We are not responsible for any unauthorised services (to the full extent permitted by law) so check the services provided are authorised.

We have authorised the distribution of this FSG by the Corporate Authorised Representative.

How can you give us instructions?

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

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

We are committed to protecting your privacy in accordance with the Privacy Act 1988 (Cth) (Privacy Act) and the Australian Privacy Principles (APPs).

We maintain a record of your personal profile. That record contains information about insurance policies 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 personal

advice. We also maintain records of any recommendations made to you.

The Privacy Collection Notice at the rear of this FSG outlines how we collect, disclose and handle your personal information.

You can also refer to our Privacy Policy available on our website or by contacting us for more information about our privacy practices including how we collect, use or disclose information or how to complain in relation to a breach of the Australian Privacy Principles and how such a complaint will be handled. If you would prefer to have a copy of our Privacy Policy mailed to you, please ask us.

If you wish to access your file, please ask us.

How are we remunerated for our services?

When we act for you in advising on and/or arranging insurance

When we act on your behalf in advising on or arranging insurance we can be remunerated in a number of ways. They can vary according to the service you require and/or our arrangements with the relevant insurer or their representative.

We are remunerated by:

- commission from the insurer;
- fees we charge you;
- in limited cases only, remuneration from an insurer based on the profitability or volume of the business we place with them; or
- a combination of the above.

Details are provided below on each.

Commission paid by the insurer to us

Unless we tell you in writing that we will provide our service on a "Fee Only - no commission" basis, we are remunerated by commission from the relevant insurer whenever you enter into an insurance policy arranged by us (including renewal and some variations which increase the premium payable).

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). Different insurers can agree to pay us different commission rates for the same type of products. The rates also vary for each product type.

The commission does not represent our profit margin as it also reimburses us for administrative and other expenses we incur in providing our services.

The commission is included in the premium amount set out in your invoice and we receive it when you pay the premium or at a later time agreed with the insurer.

We share this with the Authorised Representative.

If we act on your behalf and you cancel a policy and obtain a refund of premium, you agree that we can keep our commission. If we didn't do this we would not be properly paid for the services we provide to you.

Other remuneration arrangements we have with insurers

We are also a member of the Austbrokers network of insurance brokers.

AUB Group Limited (ABN 60 000 000 715) (AUB) is the sole shareholder of Austbrokers Member Services Pty Ltd ACN 123 717 653 (AMS), a company that provides marketing, distribution and training services to members of Austbrokers. Some insurers pay a commission to AMS on selected products arranged by members of Austbrokers. Some insurers pay a commission to AMS on selected products arranged by members of Austbrokers, being an agreed percentage of the base premium (before government fees or charges). Different insurers may pay different commission rates to AMS.

This money funds the provision of AMS services to Austbrokers members. We and other Austbrokers members benefit from this support and it helps ensure we can continue to provide you with our extensive range of services. Austbrokers members may also be entitled to share in any excess of the commission received by AMS in any one annual period (if any) after deduction of all relevant AMS costs and expenses in providing its services in that period.

The Commission referred to above comprises an amount paid to us for our services based on a percentage of the insurer's base premium. It also includes a commission of up to 1.5% of the base premium paid to AMS. AMS provides marketing, distribution and training services to members of Austbrokers and we may be entitled to share in any excess of its commission each year after deductions of its relevant costs and expenses in that period.

See below for soft dollar benefits we may receive from insurers and our policy on this.

Fees paid by you

Unless we specifically agree in writing before providing our services to charge on a "Fee Only – no commission" basis, the Fees will be paid in addition to any commission we receive.

We may charge you:

- a Broker Fee – this is an administration fee payable when you enter into an insurance policy;
- a pre agreed set amount for specific services;

- an amount based on a pre agreed rate for the time we spend providing the service; or
- on some other basis agreed with you before we provide the service.

All fees are payable after we have provided the service or at such earlier time we agree with you in writing and will be noted in the invoice that we send you. The fees are not refundable.

Where we act for the insurer

Where we act for an insurer, not you, we receive commission from the insurer as our principal and may also charge you an administration fee. The amount of the fee will vary depending on the complexity and type of services that we provide you with. We will tell you how much the fee is before we provide you with the service.

The fee is payable when you buy the policy or at such earlier time as we agree with you in writing. It is noted in the invoice we send you and is not refundable.

Where there is a referral

Where a third party has referred you to us, we may pay them an agreed percentage of our remuneration or an agreed amount for the referral as a commission or fee. This amount will be paid after we have arranged insurance for you. A commission or an agreed fee may also be paid on renewal and in some cases on variation.

If we refer you to another service provider we will be remunerated by them by way of a commission or fee for doing this unless we tell you we are not. The amount is generally a percentage of their remuneration the amount of which may depend on the circumstances. A commission or an agreed fee may also be paid on renewal and in some cases on variation.

In making any referral we do not advise or represent that their products and services are right for you and take no responsibility for the products and services they may provide to you. You need to make your own decision based on the information they provide.

Our staff's remuneration

Our staff receive an annual salary that may include bonuses based on performance criteria (including sales performance) and achievement of company goals. They may also receive certain soft dollar benefits described further below.

Receipt of Soft dollar benefits policy

From time to time we and our representatives may also receive what are commonly referred to as "soft dollar benefits" from product issuers and other financial service providers we deal with.

These can include entertainment (e.g. lunches, sporting events, movies etc), conferences (e.g. attendance at a product issuer conference or sponsorship of our Austbrokers Group Annual conference by a product issuer), accommodation and travel, business tools (e.g. software), gifts (e.g. product issuer or service provider branded promotional items and other occasional small gifts such as bottles of wine or hampers on special occasions etc).

These benefits are provided by a wide range of product issuers and service providers. In most cases they relate to our development of an understanding of the product issuer and/or service provider and their product ranges and practices etc. Ultimately, this assists us in better servicing and representing you.

Our policy is that any of the above received by us or our representatives that exceed \$300 per item or transaction in estimated value are potentially material.

This means they must be disclosed to our Conflicts Manager in writing. The Manager determines if appropriate procedures are in place to manage or avoid any potential conflict of interest which might arise. They only approve benefits where this is the case and retain a record of this which you can access on request.

The above restriction does not apply to conferences or functions, the principal purpose of which is professional development and where the right to attend is not based on sales volumes.

If we provide you with personal advice we may provide you with more details about the soft dollar benefits that we receive in the documentation we will provide you with.

If we do not provide you with personal advice, we will provide you with further details at your request.

Premium Funding

If we refer you to a premium funder and you enter into premium funding arrangements with them, we may receive commission from the premium funder which is a percentage of the amount funded excluding GST. The amount of commission varies depending on our arrangement with the premium funder we refer you to. In some cases we have a profit share arrangement with the premium funder where we receive a percentage of any profit the premium funder makes on the funds loaned by persons we refer to them. We may receive soft dollar benefits from them too.

If you use Hunter Premium Funding Ltd (Hunter), we receive:

- a) a payment based on the interest earned on the premium funding by Hunter each month;

- b) a commission which is a percentage of the amount of funding provided to you;
- c) a payment based on a percentage of all outstanding loans less any cancelled or terminated loans; and
- d) a payment based on a percentage on certain general insurance business placed by Austbrokers Network with certain division of Allianz Insurance Limited.

AUB Group Limited receives certain upfront payments from Hunter for entering into (or renewing) a preferred premium funding distribution arrangement with Hunter. We are owned partly by AUB Group Limited and benefit from any profit made by this entity due to this arrangement.

If you need more information or explanation of the above, please ask us.

Further information about our remuneration

If we provide you with personal advice, then at the time the advice is provided to you or as soon as practicable afterwards, we will tell you either:

- the amount of any remuneration we receive (including commission) for each financial product to which the personal advice relates; or
- if the amount is not known the manner of calculation

This detail will also be advised to you in the personal advice documentation that we will provide you with.

If we do not provide you with personal advice, you can ask us to provide you with more detailed particulars of the remuneration we or other persons may receive including details of the range of amounts or rates of remuneration (including commission) that we, or they, may receive.

You must request this information within a reasonable time after this FSG is provided to you and before we provide you with any financial services to which this FSG relates.

Money Handling Arrangements

We handle all money received from you or the insurer in relation to insurance in accordance with the requirements set out by the Corporations Act 2001 (Cth). We keep any interest earned on any amounts held by us on your behalf or on behalf of the insurer. The length of time we hold any money can vary according to the type of insurance and the different arrangements we have in place with insurers.

Do we have any relationships or associations with issuers or related bodies corporate that might influence our service or advice?

We are a member of the Austbrokers group of insurance brokers.

In some cases we may refer you to or advise you to use the services of one of our related

bodies corporate. They may act as an agent of the insurer and you will be told when this is the case. As a member of the same corporate group we may indirectly benefit from any such referral or advice if it improves the group performance. Please refer to our remuneration section for normal benefits we can receive under such arrangements.

We will tell you when we are referring you to a related body corporate.

How do we manage conflicts of interest?

We take any potential conflicts of interest seriously and have a Conflicts of Interest Policy which we and our representatives must comply with and you can access by contacting us. Compliance is audited on a regular basis.

Conflicts of interest are circumstances where some or all of your interests as our client, are or may be inconsistent with, or diverge from, some or all of our interests. Our procedures and training are all designed to properly manage any conflict of interest and it is important to note that we have legal duties we owe you when we act as your professional adviser. We treat these very seriously.

A key conflict faced when we act on your behalf is where we receive benefits from someone other than you – this can potentially influence us to act in our interests rather than yours. Where we arrange a policy an insurer can pay us commission (see above for details). It is the major form of insurance broker remuneration and can create a potential conflict of interest because it may be in our interest to recommend the product issuer or service provider that pays us the most because it increases our remuneration. This may not be in your interest in certain circumstances.

We have a number of procedures in place to manage this potential conflict of interest. For example, we tell you about this remuneration arrangement in this Guide and you can ask for more detailed information if you need it before you proceed. If we provide you with personal advice we have a legal duty as a professional to put your interests ahead of our own and can only provide you with advice that is appropriate for you. If we can't provide such advice we will tell you. The documentation that we will give you if we provide you with personal advice also confirms the remuneration received. We and our representatives are trained in this important duty and compliance with it is monitored regularly.

If you have any questions make sure you 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 are included in the relevant Product Disclosure Statement document.

In some cases an insurer can deduct certain amounts from any refund. Ask us if you do not understand the right.

Other terms of our Service

Important Information about your insurance

You must read the Important Information about your insurance document we give you (tell us if you have not received it) and ask us if you have any questions or do not understand anything we have set out in that document. It will help you understand some important matters about your insurance.

Misstatement of Premium

We try to tell you the correct amounts of premium and statutory and other charges that apply to your insurance. In the event that we misstate that amount (either because we have made an unintentional error or because a third party has misstated the amount), we reserve the right to correct the amount. Where permitted by law, you shall not hold us responsible for any loss that you may suffer as a result of any such misstatement.

Professional indemnity insurance arrangements

We and our representatives are covered under professional indemnity insurance that complies with the requirements of section 912B of the Corporations Act.

The insurance (subject to its terms and conditions) will continue to cover claims in relation to the representatives and employees who no longer work for us (but who did at the time of the relevant conduct).

Code of Conduct and Code of Practice

Our authorising licensee is a proud member of the National Insurance Brokers Association (NIBA) and is bound by their Code of Conduct.

We also subscribe to the Insurance Brokers Code of Practice (the Code). The Code sets out standards for Brokers to follow when dealing with clients including requirements to inform clients of remuneration arrangements and any conflict of interest.

A copy of The Code is available from www.niba.com.au or by contacting our office.

Complaints and Disputes

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

1. Contact us and tell us about your complaint
2. If your complaint is not satisfactorily resolved within 24 hours, please contact our Complaints Manager, on telephone number (02) 8567 3110 or put your complaint in writing and send it to the Complaints Officer at:

Austbrokers Sydney Pty Ltd ,
Level 14, 444 Market Street,
Sydney, NSW 2000

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

If the complaint can't be resolved to your satisfaction within 30 days, then you may lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers:

Online: www.afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678

Mail: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001. Keep this document for your reference and any future dealings with us.

Privacy Collection Notice

At Cruden & Read Pty Ltd, ABN 63 625 146 714, we are committed to protecting your privacy in accordance with the Privacy Act 1988 (Cth) (Privacy Act) and the Australian Privacy Principles (APPs). This Privacy Notice outlines how we collect, disclose and handle your personal information (including sensitive information) as defined in the Act.

Why we collect your personal information

We collect your personal information (including sensitive information) so we can:

- identify you and conduct necessary checks (including where required by the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 and other legislation);
- determine what service or products we can provide to you e.g. our insurance broking services, insurance intermediary services, funding services, claims management services, risk management and other consulting services;
- issue, manage and administer services and products provided to you or others, including claims investigation, handling and settlement;
- improve our services and products e.g. training and development of our representatives, product and service research and data analysis and business strategy development; and
- provide you with information and to tell you about our products, services or events or any other direct

marketing activity (including third party products, services and events which we consider may be of interest to you).

What if you do not provide some personal information to us?

If the required personal information is not provided, we or any involved third parties may not be able to provide appropriate services or products. If you do not provide the required personal information we will explain what the impact will be.

How we collect your personal information

Collection can take place by telephone email, or in writing and through websites (from data you input directly or through cookies and other web analytic tools).

Unless it is unreasonable or impracticable for us to do so, or as provided otherwise under this Privacy Notice or our Privacy Policy, we will collect your information directly from you or your agents.

We may obtain personal information indirectly and who it is from can depend on the circumstances. We will usually obtain it from another insured if they arrange a policy which also covers you, related bodies corporate, referrals, your previous insurers or insurance intermediaries, witnesses in relation to claims, health care workers, publicly available sources, premium funders and persons who we enter into business alliances with.

We attempt to limit the collection and use of sensitive information from you unless we are required to do so in order to carry out the services provided to you. However, we do not collect sensitive information without your consent.

If you provide us with personal information about another person you must only do so with their consent and agree to make them aware of this privacy notice.

Who we disclose your personal information to

We share your personal information with third parties for the collection purposes noted above where it is reasonably necessary for, or directly related to, one or more of our functions or activities.

We do not use or disclose personal information for any purpose that is unrelated to our services and that you would not reasonably expect (except with your consent). We will only use your personal information for the primary purposes for which it was collected or as consented to.

We usually disclose personal information to third parties who assist us or are

involved in the provision of our services and your personal information is disclosed to them only in connection with the services we provide to you or with your consent. We may also disclose it for direct marketing purposes.

These third parties can include our related companies, our agents or contractors, insurers, their agents and others they rely on to provide their services and products (e.g. reinsurers), premium funders, other insurance intermediaries, insurance reference bureaus, loss adjusters or assessors, medical service providers, credit agencies, lawyers and accountants, prospective purchasers of our business and our alliance and other business partners.

These parties are prohibited from using your personal information except for the specific purpose for which we supply it to them and we take such steps as are reasonable to ensure that they are aware of the provisions of our Privacy Policy in relation to your personal information.

We also use personal information to develop, identify and offer products and services that may interest you, conduct market or customer satisfaction research. From time to time we may seek to develop arrangements with other organisations that may be of benefit to you in relation to promotion, administration and use of our respective products and services. We do not use sensitive information to send you direct marketing communications without your express consent.

Any personal information provided to us may be transferred to, and stored at, a destination outside Australia, including but not limited to New Zealand, Sri Lanka, Singapore, United Kingdom and the United States of America. Details of the countries we disclose to may change from time to time. You can contact us for details. Personal information may also be processed by staff or by other third parties operating outside Australia who work for us or for one of our suppliers, agents, partners or related companies.

When we send information overseas, in some cases we may not be able to take reasonable steps to ensure that overseas providers do not breach the Privacy Act and they may not be subject to the same level of protection or obligations that are offered by the Act. By proceeding to acquire our services and products you agree that you cannot seek redress under the Act or against us (to the extent permitted by law) and may not be able to seek redress overseas. If you do not agree to the transfer of your personal information outside Australia, please contact us.

More information, access, correction or complaints

For more information about our privacy practices including how we collect, use or disclose information, how to access or seek correction to your information or how to complain in relation to a breach of the Australian Privacy Principles and how such a complaint will be handled, please refer to our Privacy Policy available at our website www.crudenread.com.au or by contacting us (our contact details are below).

Your consent to the above, contacting us and opting out

By providing us with personal information you and any other person you provide personal information for, consent to this use and these disclosures unless you tell us otherwise. If you wish to withdraw your consent, including for things such as receiving information on products and offers by us or persons we have an association with, please contact us.

By phone: 02 8567 3110

By email enquiries@absyd.com.au

In writing: Austbrokers Sydney Pty Ltd
PO Box Q1402 QVB, NSW 1230

Effective date of this Privacy Collection Notice: 27 May 2020