

Financial Services Guide

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The financial services referred to in this Financial Services Guide (FSG) are provided by:

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This guide contains important information about:

- The services 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.

LACK OF INDEPENDENCE

Why we are not independent, impartial, or unbiased in relation to the provision of personal advice and the impact of this on you

We, Austcover Pty Ltd, are not independent, impartial, or unbiased pursuant to section 923A of the *Corporations Act* because:

- We may receive remuneration, commission, gifts or other benefits when we provide personal advice to you in relation to insurance products and other financial products;
- We may be subject to direct or indirect restrictions relating to the financial products in respect of which personal advice is provided; and/or
- We may have associations or relationships with issuers of insurance products and other financial products.

Further information about these benefits and relationships is set out in this Financial Services Guide.

If you have any questions about this information, please ask us.

Further information when personal advice is given

We will provide you with further information whenever we provide you with advice which takes into account your objectives, financial situation and needs. This information may include the advice that we have given you, the basis of the advice and other information on our remuneration and any relevant associations or interests. This information may be contained in a statement of advice (SOA).

When you ask us to recommend an insurance policy for you, we will usually only consider the policies offered by the insurers or insurance providers that we deal with regularly. In giving you advice about the costs and terms of recommended policies we have not compared those policies to other policies available, other than from those insurers we deal with regularly.

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), unless you already have an up to date PDS. The PDS will contain information about the particular policy which will enable you to make an informed decision about purchasing that policy.

A guide to our relationship with you and others

<i>From when does this FSG apply?</i>	This FSG applies from 15 March 2023 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.
<i>How can I instruct you?</i>	You can contact us to give us instructions by post, phone, fax or email on the contact number or details mentioned on page 1 of this FSG.
<i>Who is responsible for the financial services provided?</i>	<p>Austcover 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.</p> <p>Austcover Pty Ltd holds a current Australian Financial Services Licensee no: 241799. The contact details for Austcover Pty Ltd are on the front of this FSG.</p>
<i>What kinds of financial services are you authorised to provide to me and what kinds of financial product/s do those services relate to?</i>	Austcover Pty Ltd is authorised to advise and deal in general insurance products to wholesale and/or retail clients. We will do this for you as your broker unless we tell you otherwise.
<i>Will I receive tailored advice?</i>	<p>Maybe not in all cases. However, we may need information about your personal objectives, details of your current financial situation and any relevant information, so that we can arrange insurance policies for you or to give you advice about your insurance needs. We will ask you for the details that we need to know.</p> <p>In some cases we will not ask for any of this information. If we do not ask, or if you do not give us all of the information we ask for, any advice you receive may not be appropriate to your needs, objectives and financial situation.</p> <p>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.</p> <p>Where we provide you with advice about your insurance arrangements, that advice is current at the time that we give it. We will review your insurance arrangements when you inform us about changes in your circumstances, at the time of any scheduled status review or upon renewal of your insurances.</p>
<i>Contractual liability and your insurance cover</i>	Many commercial or business contracts contain clauses dealing with your liability (including indemnities or hold harmless clauses). Such clauses may entitle your insurers to reduce cover, or in some cases, refuse to indemnify you at all. You should seek legal advice before signing and accepting contracts. You should inform us of any clauses of this nature before you enter into them.
<i>Who do we act for?</i>	<p>We can act in a number of roles in providing our services. As an insurance broker we normally act on your behalf, however this may vary in some circumstances.</p> <p>Acting for insurers</p> <p>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 settle claims on their behalf. In this instance, we act in the interest of the insurer in providing the service, not yours. We will inform you when we act for the insurer and not for you.</p>

A guide to our relationship with you and others

<i>Who do we act for? (cont.)</i>	<p>Premium funding</p> <p>We have arrangements with a number of premium funding providers. We may offer you premium funding and in this instance we act on behalf of the premium funder, not you.</p>
<i>What information do we maintain in your file and how can you access it?</i>	<p>We maintain a record of your profile. This record includes information about insurance policies that we have arranged for you and 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.</p> <p>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 located on our website www.austcover.com.au</p> <p>If you wish to examine your file or have a copy of our privacy policy mailed to you, please ask us.</p>
<i>Does a cooling-off period apply?</i>	<p>A cooling-off period may apply to an insurance policy issued to you as a retail client. Check the relevant Product Disclosure Statement for details.</p>
<i>How can you give us instructions?</i>	<p>You need to give us instructions in writing (i.e. letter, email or fax) or by another agreed method. We will tell you what is possible when you contact us.</p>
<i>How will I pay for the services provided?</i>	<p>For each insurance product the insurer will charge a premium that includes any relevant taxes, charges and levies. We often receive a payment based on a percentage of this premium (excluding relevant taxes, charges and levies) called commission, which is paid to us by the insurers. However, in some cases we will also charge you a fee. These will all be shown on the invoice that we send you. You can choose to pay by any of the payment methods set out in the invoice. You are required to pay us within the time set out on the invoice.</p> <p>If there is a refund or reduction of your premium as a result of a cancellation or alteration to a policy, or based on a term of your policy (such as a premium adjustment provision), we will retain any fee we have charged you. We will also retain commission depending on our arrangements with the insurer, or charge you a cancellation fee equal to the reduction in our commission.</p> <p>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.</p>

A guide to our relationship with you and others

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

Our commission will be calculated based on the following formula:

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

In this formula:

X = our commission

Y% = the percentage commission paid to us by the insurer. Our commission varies between 0 and 27.5%.

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

We may charge you a broker fee plus GST when you enter into, renew or vary an insurance policy. This fee is charged in addition to the premium for the insurance.

In some cases we may specifically agree in writing before providing certain services, to charge on a fee only (no commission) basis. The fee will either be an agreed set amount for specific services or an amount based on an agreed rate for the time we spend providing the service.

In some cases another party may introduce you to us. We may in return share a proportion of our remuneration, or pay them a referral fee. Where applicable, we will provide you with details of any remuneration or referral fee which is paid.

If we refer to you to another service provider we may be remunerated by them for doing this. We will inform you when this is the case.

Our employees that will assist you with your insurance needs will be paid a market salary. Subject to meeting minimum performance standards, employees may receive a percentage share of income generated over budget which ranges from 2.5% to 20%. This amount is measured and paid on a quarterly basis.

If we provide you with claims handling and settling services, we will inform you of any fees, commission or other payments that we, or our associates will receive in relation to the claims and settling services that are provided.

How are we remunerated for the services provided?

Other remuneration arrangements

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.

Referral arrangements

In some cases another party may introduce you to us. We may in return share a proportion of our remuneration, or pay them a referral fee. Where applicable, we will provide you with details of any remuneration or referral fee which is paid.

If we refer to you to another service provider we may be remunerated by them for doing this. We will inform you when this is the case.

A guide to our relationship with you and others

How are we remunerated for the services provided?

Premium funding

If we arrange premium funding for you we may be paid a commission by the premium funder. The commission that we are paid 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 range between 0% and 4% of the 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 other arrangements that are available to you.

Austcover have agreements with Attvest Finance Pty Ltd, Hunter Premium Funding Ltd and IQumulate Premium Funding Pty Ltd whereby we will receive an override commission of up to 1%. In some situations we may also receive sponsorship of company conferences.

"Soft dollar" benefits

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 service providers we deal with. These can include entertainment (i.e. meals, sporting events and movies), conferences (i.e. attendance at a product issuer conference or sponsorship of conferences by product issuers and other service providers), accommodation and travel, business tools (i.e. software), gifts (i.e. product issuer or service provider branded promotional material and other occasional small gifts such as bottles of wine or hampers).

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

Staff remuneration

Our staff receive an annual salary that may include bonuses based on performance criteria and achievement of company goals. Where applicable, remuneration arrangements for your adviser are described in this document.

Do we have any associations with financial product issuers or any other material relationships?

We have included details in relation to associations and other material relationships in this section. These relationships have no bearing or influence on us in providing our services.

Austcover Financial Services Pty Ltd (AFS)

In some cases we may refer you to or recommend you use the services of AFS, our life division. As a member of the same corporate group we will benefit from this recommendation as it improves the profit of the group.

Steadfast Group Ltd

Austcover is a Steadfast Group Limited (Steadfast) Network Broker. Steadfast has exclusive arrangements with some insurers and premium funders (Partners) under which Steadfast will receive between 0.5%-1.5% commission for each product arranged by us with those Partners. Steadfast is also a shareholder of some Partners.

A guide to our relationship with you and others

Do we have any associations with financial product issuers or any other material relationships? (continued)

As a Steadfast Network Broker 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 broker services are either funded by Steadfast, subsidised by Steadfast or available exclusively to Steadfast Network Brokers for a fee.

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

Council of Queensland Insurance Brokers Inc. (CQIB)

Austcover are a member of the CQIB and may receive indirect benefits from this membership. CQIB may receive royalties and/or sponsorship from financial product issuers and service providers, depending on the continued support of the products by members. Sponsorship allows these product issuers and service providers the opportunity to promote their product range to CQIB members.

Funds received from royalties and sponsorship help meet the cost of the annual convention and member meetings, for running the CQIB secretariat and to provide education programs. These education programs offer opportunities to enhance the skills and knowledge of members so that they can provide informed advice to clients.

How do we manage conflicts of interest?

Conflicts of interest are circumstances where some or all of your interests, are inconsistent with or diverge from some or all of our interests.

We take any potential conflict seriously and have a conflicts of interest policy with which we comply. Our procedures and training are designed to properly manage any conflict that may arise. If you require any further explanation please ask us.

What should you do if you have a complaint?

If you have any complaints about the service provided 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 07 3237 8666 or put your complaint in writing and send it to Austcover Pty Ltd, PO Box 2780, Brisbane QLD 4001. Please mark the envelope "Notice of Complaint". We will try and resolve your complaint quickly and fairly.
3. Austcover is a member of the Australian Financial Complaints Authority (AFCA). If your complaint is not resolved to your satisfaction you have the right to refer the matter to the AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers. The AFCA can be contacted on 1800 931 678, in writing at GPO Box 3, Melbourne VIC 3001, by email info@afca.org.au or via their website at www.afca.org.au

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

Austcover has a professional indemnity insurance policy (PI policy) in place.

The PI policy covers us and our representatives (including our authorised 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.

Our PI policy will cover us for claims relating to the conduct of representatives who no longer work for us.

This policy satisfies the requirements for compensation arrangements under section 912B of the Corporations Act.