Financial Services Guide and Statutory Notices

The financial services referred to in this financial services guide (FSG) are offered by:

Business Insurance Specialists Pty Ltd
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This 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.
- arrangements we have in place to compensate clients for losses.

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, Business Insurance Specialists 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 polices 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.

From when does this FSG apply?	This FSG applies from 30 June 2021 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.
How can I instruct you?	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.
Who is responsible for the financial services provided?	Business Insurance Specialists 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. Business Insurance Specialists Pty Ltd holds a current Australian Financial Services Licensee no: 223 627. The contact details for Business Insurance Specialists Pty Ltd are on the front of this FSG.
What kinds of financial services are you authorised to provide to me and what kinds of financial product/s do those services relate to?	Business Insurance Specialists 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. Sometimes we will act under a binder or agency from the insurer. When we act under a binder or agency we will be acting as the agent of the insurer. This means that we represent and act for the insurer, not for you. We will tell you when we act under a binder or agency to arrange your insurance or advise you about your insurance needs.
Will I receive tailored advice?	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, issue insurance policies to you or to give you advice about your insurance needs. We will ask you for the details that we need to know. 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. 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. Where we provide you with advice about your insurance arrangements, that dvice is current at the time that we give it. We will review your insurance arrangements when you inform us about changes in your circumstances.
Contractual Liability and your insurance cover	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.

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 or 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. A copy is also available on our website, www.insurancespecialists.com.au.

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

How will I pay for the services provided?

For each insurance product the insurer will charge a premium that includes any relevant taxes, charges and levies. We 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. We also charge 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.

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.

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.

The advice and documents we give Retail Clients.

A retail client is an individual or small business who receives advice or service in relation to Motor Vehicle; Home Building & Contents; Sickness and Accident; Consumer Credit; Travel; Personal and Domestic Property; or Medical Indemnity Insurance products. These products are also referred to as Prescribed Products.

General Advice
Our advice for Retail Clients is general advice other than where Personal Advice is provided. We will refer you to the relevant Product Disclosure Statement for you to decide if it is right for you. When you ask us to recommend an insurance policy for you we will usually only consider the policies offered by the insurers that we deal with regularly. In giving you advice about the costs and terms of recommended polices we have not compared those policies to other policies available other than those insurers we deal with regularly.

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.

Personal Advice
We will give you personal advice tailored to your needs after we have taken into account your individual objectives, financial situation and/or needs. We will advise you when our advice is Personal Advice.

Product Disclosure Statement
If you are a retail client and we arrange one of the above Prescribed Products for you, or if we recommend you buy a particular prescribed insurance policy, we will give you a PDS, unless you already have an up to date PDS from the insurer. The PDS is prepared by the insurer and is designed to give you important information regarding the insurer and the policy.

Statement of Advice
If you are a Retail client purchasing a Personal Accident and Illness policy you will receive a Statement of Advice (SOA) whenever we provide you with personal advice regarding this product. The SOA will contain 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. The SOA will assist you to make an informed decision about your insurance needs.

Record of Further Details
If you are a Retail client purchasing a Prescribed Product and you have not already been provided with a copy of our advice, you may request a record of details regarding our advice. To do so, please contact our office by telephone, email or fax. We will keep these details on file for 7 years.

Cooling Off Period
If you purchased a Prescribed Product as a Retail Client you may be entitled to a minimum 14 day cooling off period during which time you can return the policy and receive a premium refund. If you choose to return a product within the cooling off period we will return the commission to the Insurer, however we reserve the right to retain our fees. The cooling off period is subject to legal requirements and terms and conditions of the policy. You should check the relevant PDS for full details.

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

We are paid a commission from the Insurer when we arrange a policy on your behalf. This commission is calculated as a percentage of the base premium amount, before GST, Stamp Duty and other Government charges. Our commission will be calculated based on the formula **X=Y% x P**. X=our commission; Y%=the percentage commission paid to us by the insurer and which varies between 5 and 30%; P=the amount you pay for any insurance policy (less any government fees or charges included in that amount).

Any fees that we charge you will be calculated dependent upon factors such as time and costs associated with the particular administration performed and/or service provided. We may also charge you a fee for any special advisory or additional claims-related services.

On occasions, another person or company introduces prospective clients to us. Sometimes we share our commission or fees with them or pay them an agreed referral fee. If we give you personal advice, we will let you know of any fees, commission or other payments we, our associates or anyone referring you to us will receive in relation to the policies that are the subject of the advice.

Our representatives that will assist you with your insurance needs will be paid market renumeration including salary.

They may also receive an incentive bonus based on performance criteria e.g. level of quality service, client retention, or new business. Our representative's maximum incentive bonus is 60% of income. For example, if renumeration was 10% of the premium of $ 1,200 (ie $ 120), and incentive was 10%, our representative would receive $ 12.00 from that transaction.

	If we give you personal advice, we will inform you of 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. See below for information on the Steadfast association and commission.
Do you have any relationships or associations with the insurers who issue the insurance policies or any other material relationships?	Business Insurance Specialists Pty Ltd 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 - 2% commission for each product arranged by us with those Partners. Steadfast is also a shareholder of some Partners. 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 in any financial year, we may receive a proportion of that commission at the end of each financial year. 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 member 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 Steadfast's FSG at www.steadfast.com.au If we arrange premium funding for you we may be paid a commission by the premium funder. 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. The commission that is paid by the premium funder is usually calculated as a percentage of your insurance premium (including government fees or charges). Our commission rates for premium funding are in the range of 0 to 3%. Please contact us if you would like more information. Steadfast has a shareholding in Macquarie Premium Funding. If we arrange premium funding with Macquarie Premium Funding for you, we will be paid a commission by Macquarie Premium Funding. Under the 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 of Macquarie Premium Funding, Steadfast may also receive dividends from 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. Steadfast is also a shareholder in Miramar Underwriting Agency Pty Ltd (**Miramar**). As a shareholder, Steadfast may receive dividends from Miramar. These amounts will indirectly contribute towards the benefits we receive from Steadfast.
What should I do if I have a complaint?	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 working days, please contact Business Insurance Specialists Pty Ltd on (07) 3139 3900 or put your complaint in writing and send it to GPO Box 2217, Brisbane QLD 4001

	at the address noted at the beginning of this FSG. We will try and resolve your complaint quickly and fairly. Business Insurance Specialists Pty Ltd is a member of the Australian Financial Complaints Authority (**AFCA**). If your complaint cannot be resolved to your satisfaction by us, you have the right to refer the matter to the AFCA. AFCA provides fair and independent financial services complaint resolution that is free to customers. The AFCA can be contacted at: Company: Australian Financial Complaints Authority Postal: GPO Box 3, Melbourne, VIC 3001 Phone: 1800 931 678 Email: info@afca.org.au Website: www.afca.org.au
What arrangements do you have in place to compensate clients for losses?	Business Insurance Specialists Pty Ltd has a professional indemnity insurance policy in place. The professional indemnity insurance policy covers us and our representatives for claims made against us and our representatives by clients as a result of the conduct of us or our representatives in the provision of financial services.
Authorised Representatives of Business Insurance Specialists Pty Ltd are:	Michael Benjamin Taylor — Authorised Representative No. 1262580 Glenn Anderson — Authorised Representative No. 1262643
Any questions?	If you have any further questions about the financial services Business Insurance Specialists Pty Ltd provides, please contact us. Please retain this document for your reference and any future dealings with Business Insurance Specialists Pty Ltd.

Statutory and Other Notices

The Statutory Notices section provides your Statutory Notices and other important information.

Privacy Notice

BIS has always valued the privacy of personal information. If you would like a copy of our Privacy Policy, you can contact us or access it from our website at www.insurancespecialists.com.au.

Duty of Disclosure

In accordance with the provisions of the Insurance Contracts Act 1984 (Cth), you and everyone who is an insured under your policy and/or everyone who arranges insurance on behalf of a business entity and/or body corporate, must comply with the Duty of Disclosure. Make sure that you explain the duty to any other insureds you apply on behalf of and/or to others involved in arranging insurance.

The duty requires you to tell an insurer certain matters which will help it decide whether to offer insurance and, if so, on what terms.

The duty applies at the first application for a policy and on any renewal, variation, extension or replacement of the policy.

The type of duty that applies can vary according to the type of policy.

To assist BIS in protecting your interests, it is important that you tell us every matter that:

- You know, or
- A reasonable person in the circumstances could be expected to know,
- Is relevant to the insurer's decision whether to offer insurance and, if so, on what terms.

BIS will then assist you in determining what needs to be disclosed to the insurer in order to meet your duty.

Examples of matters that should be disclosed are:

- Any claims made in recent years for the particular type of insurance;
- Refusal by an insurer to renew a policy;
- Any unusual feature of the insured risk that may increase the likelihood of a claim.

Failure to comply with the duty may give the insurer the right to cancel the policy or reduce the amount it pays in the event of a claim. If the failure to comply with the duty is fraudulent, the insurer may treat the policy as if it never existed and pay nothing.

Even if BIS is handling claims for you, you must disclose these matters on your proposal. BIS cannot complete or add to your proposal in any way. If you are uncertain about whether or not a particular matter should be disclosed, please contact BIS.

The Duty of Disclosure must be taken seriously as it may affect your right to claim.

The history of losses suffered and claims made by the party seeking insurance, or any person, firm or company closely associated with that party, is one of the principal matters to be disclosed. It is therefore imperative that you maintain an up-to-date record of all such losses and claims.

Whilst BIS will maintain records of all losses reported to us during the term of our appointment as your Broker, we do not accept responsibility for obtaining details of prior losses or for checking in any particular instance that you have made proper and complete disclosure.

We recommend you:

- Supply all management and senior staff with a copy of this Duty of Disclosure Notices within this document;

- Emphasise to them that the Duty of Disclosure applies not only at inception of the insurance, but also when policies are altered or renewed;
- Point out to them that disclosure is most important in matters touching upon past claims, cancellation of insurance covers, premium penalties and any other
- Matters which may influence an underwriter's acceptance of the risk such as criminal convictions or insolvency of previous companies; and
- Have a system in place which ensures that all relevant matters come to their attention.

Waiver of rights

Some policies contain a clause that limits or excludes claims where the insured has limited its rights to recover a loss from another party in circumstances where that other party is responsible for the loss. For example, this may happen where the insured has entered into a contract limiting the liability that the other contracting party would have been under in the absence of the contract.

If you have entered into, or propose to enter into a contract which might limit rights against another contracting party, please let BIS know, so that we can advise you about how the agreement affects, or will affect, your cover.

Subrogation

You are warned that should you become a party to any agreement that has the effect of excluding or limiting your insurer's ability to recover from a third party, your insurers may have the right to refuse to indemnity you for such loss where it is shown that your insurer's rights of recovery have been prejudiced by your action.

Claims Made Policies

Directors' and officers' liability, management liability, comprehensive crime, professional indemnity and superannuation trustees' liability policies, cyber, and some other liability policies are written on a "claims made" basis.

This means that they cover only those claims made against you during the period of insurance.

In some cases, you must also notify the insurer of the claim during the period of insurance.

- A claims-made policy does not provide cover in relation to:
- Claims made after the expiry of the period of insurance even though the event giving rise to the claim may have occurred during the period of insurance;
- Claims notified or arising out of circumstances notified under any previous policy;
- Claims made against you prior to the commencement of the period of insurance;
- Claims arising out of circumstances noted on the proposal form for the current period of insurance or on any previous proposal form; and
- Events that occurred prior to the retroactive date of the policy (if such a date is specified).

However, where you give notice in writing to the insurer of any facts that might give rise to a claim against you as soon as reasonably practicable after you become aware of those facts, but before the expiry of the period of insurance, the policy will, subject to its terms and conditions, provide cover even if that claim is made after the expiry of the period of insurance. For this reason, you must send us written notice during the policy period of any facts or events that might give rise to a future claim.

If you do not, you may not have cover if a claim arises later.

Upon expiry of the policy no further claims can be made there under and the need to maintain insurance or the arrangement of run-off cover is essential.

Occurrence Basis Policies

Combined general liability, industrial special risks, travel, aviation, contract works, marine policies and some other policies are written on an occurrence basis.

This means when there is an incident / occurrence giving rise to a claim, the policy that responds is the policy that was in force at the time of the incident/occurrence.

Interests of Other Parties

Many policies exclude cover for an interest in the insured property held by someone other than the named insured, unless that interest is specifically noted on the policy. For example, if property is jointly owned, or subject to finance, the interest of the joint owner or financier may be excluded if it is not specifically noted on the policy.

Generally, the safest course is to have all interests in all property insured noted on each policy.

Utmost Good Faith

Every contract of insurance is based on the principle of utmost good faith, requiring each party (which means both you and the insurer) to act towards the other party in respect of any matter arising under the contract, with the utmost good faith. If you fail to do so you may prejudice your rights under the policy and in particular, any claim.

Change of Risk or Circumstances

It is important that you advise BIS of any material alterations to your business or products or indeed of any development which may have a bearing on the adequacy of your Insurance Program.

Your insurers have assessed and accepted your risks at an agreed premium on the basis of information provided during the placement and/or subsequent renewals of your insurance policies.

Any variation of those details, if not advised to them, could prejudice the insurance cover.

The following list may be used as a guide to activities that should be notified to BIS when they are being proposed or when they occur so that action can be taken to ensure your interests are adequately protected. It is by no means a complete list so, when in doubt, contact BIS for guidance:

- Acquisition of new companies and/or mergers and/or joint ventures (including sale or disposal of subsidiary companies).
- Purchase, construction or occupancy of new premises, alteration, vacation, temporary unoccupancy, extension or demolition of existing premises. Details of any new building or alteration work should be advised during the planning stage.
- Proposed installation of significant items of plant, machinery or equipment.
- Increase in value in excess of insured limits for buildings, plant and stock.
- Substantial removal of stock or equipment to other locations.
- Contractual liabilities (i.e. leases, hiring agreements), particularly any contracts which impose greater than usual liabilities. Please supply agreement to us for review and advice prior to accepting with a third party.
- Granting of indemnities or hold harmless agreements e.g. lease agreements, contracts for supply or maintenance of fire protection and/or burglary protection equipment.
- Changes in processes, property occupancy, products or extension of business operations, including new products or processes.
- Alteration, amendment to or disconnection of fire or burglary protection systems.
- Charter or operation of aircraft or waterborne craft, other than ordinary commercial passenger travel.
- Developments involving establishment or extension of overseas operations or export of products.
- If Employee Theft is insured, any alteration to the system of checks, supervision, audits and the like.
- Issuance of a prospectus or Information Memorandum; listing on a stock exchange; issuance of public or private offerings.
- Advice of other activities which could affect the nature of the risk originally accepted by insurers.
- Any speeding fines or offences in past five (5) years up to the current date when either obtaining, amending, or renewing motor vehicle insurance.
- Details of any drivers you believe may drive your vehicle in order to ensure they meet insurer guidelines. Note that some polices do not insure drivers aged less than 30.

- Any vehicle registered for Dealer Use and/or any vehicle advertised for sale through a Dealership

Average (Co-Insurance)

Many policies, principally Industrial Special Risks (Material Damage and Business Interruption), Fire and Perils, General Property, Computer and Machinery Breakdown, contain an "average" (otherwise called "co-insurance") clause. This type of clause requires you to bear a proportion of each loss or claim if the sum insured is inadequate to cover the full potential loss. In effect, you are treated as if you self-insured a proportion of the risk because you did not insure the full value of the risk.

In order to avoid the application of average to a claim it is essential to ensure that the level of insurance is adequate whenever you arrange a new policy or renew an existing one. If insurance is on a "reinstatement and replacement" basis (i.e. "new for old"), the sum insured must be for the full cost of replacing the insured property with new property.

BIS does not calculate or approve the sums insured that you notify to us. BIS has external consultants that can assist in valuation services for our clients. If you would like to know more about this service, please contact.

Note: Insurance valuations typically represent reinstatement / replacement costs and estimates of related professional fees exclusive of GST, on the assumption that most commercial property owners will be entitled to a 100% Input Tax Credit on outlays incurred in the event of a loss.

It is customary for insurers to establish an insured's GST status upon receiving a claim and to arrange settlement on a GST neutral basis.

Insureds who may not be entitled to a 100% Input Tax Credit are advised to ensure that their property insurance valuations – and their sums insured – correctly reflect their GST status.

Essential Reading of Policy Wording

Your policy wordings have been issued or will be issued to you as soon as they are received from the insurers. It is absolutely essential that you read these documents and advise BIS in writing of any aspects which are not clear or where the cover does not meet with your requirements.

Terrorism Insurance Act 2003

The Terrorism Insurance Act 2003 (the Act) deems terrorism cover into certain commercial insurance policies – eligible insurance contracts – covering eligible property in Australia.

In broad terms, the Act applies to non-residential buildings, structures, other works and their contents. Business Interruption covers which relate to the ownership or occupation of such property, and liability policies, to the extent that the liability arises from the ownership or occupation of such property, are also embraced by the legislation.

To qualify as an eligible insurance contract, a policy must be subject to a terrorism-exclusion. Upon an event being deemed a declared terrorism incident by the Government, the Act renders terrorism exclusions inoperative and insureds may lodge claims with their insurers for losses caused by the terrorist incident. Apart from the terrorism exclusion, all other terms and conditions of policies deemed to be eligible insurance contracts remain the same.

Policies which contain an Act of Terrorism exclusion and which are designated an eligible insurance contract in terms of the Terrorism Insurance Act, are generally identified accordingly. Subject to all other terms and conditions of policies so designated, coverage is amended to the extent provided by the Terrorism Insurance Act 2003.