

Financial Services Guide

RSM Group Pty Ltd

ABN: 40 006 361 226

AFS Licence Number: 239631

incorporating;

RSM Group Tasmania Pty Ltd,

Transport Plus Insurance Brokers Pty Ltd,

RSM Build Pty Ltd and

RSM Wholesale Pty Ltd

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This Financial Services Guide (FSG) sets out the services that we can offer you. It is designed to assist you in deciding whether to use any of those services and contains important information about:

- the services we offer you.
- how we and others are paid.
- any potential conflict of interest we may have.
- our internal and external dispute resolution procedures and how you can access them.
- arrangements we have in place to compensate clients for losses. In this FSG, “RSM”, “we”, “us” and “our” means RSM Group Pty Ltd (RSM Insurance Brokers) and;
- its employees, and
- its Corporate Authorised Representatives: RSM Build Pty Ltd ASIC No. 317872, RSM Tasmania Pty Ltd ASIC No. 301955, Transport Plus Insurance Brokers Pty Ltd ASIC No. 318784 unless stated otherwise.

About Us

RSM Group Pty Ltd holds Australian Financial Services Licence No. 239631 under the Corporations Act 2001 to advise and deal in general insurance products to wholesale and/or retail clients. The RSM Group was established in 1985 to service the demand for customised insurance products for business and personal insurance needs.

RSM is a group of specialist companies including Corporate Authorised Representatives consisting of: RSM Group Tasmania Pty Ltd, Transport Plus Insurance Brokers Pty Ltd, RSM Build Pty Ltd and RSM Wholesale Pty Ltd. The Group is comprised of an enthusiastic professional team with a wide range of expertise and specialised industry knowledge, that ensures you get the best insurance product.

We are a member of the National Insurance Brokers Association (NIBA) and the Steadfast Group Limited. We also subscribe to the General Insurance Brokers’ Code of Practice. If you ask us to provide our services to you we will do so on the terms set out in this Guide. Unless you tell us otherwise in writing, we assume that you agree with these terms.

Our Services

We are committed to providing sound and quality advice based on your needs, and our comprehensive market knowledge. We can advise on and arrange all types of general insurance products for you. When we act for you these can include:

- investigate and analyse your insurance needs,
- provide information or advice about insurance solutions that may be appropriate for you,
- Arranging, varying or renewing general insurance on your behalf,
- Assisting you with your claims,
- Arranging premium funding, if required.

When we arrange, review, advise, vary insurance or handle a claim for you we are acting on your behalf. In some cases we may be acting on our own behalf (eg as a referrer to another service provider).

We will tell you if this is the case. We have a large range of insurance products available however we do not deal with all insurers and products available on the market.

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.

Providing advice to you

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, 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 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.

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 advise 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.

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 will tell you when this is the case.

How you can Contact us

You can contact us in person, by telephone or in writing via email, fax or post. Communicating by e-mail or mobile phone text messages (SMS/MMS) E-mail and SMS/MMS are a convenient tool for communication however it does have some limitations.

We accept no responsibility if information sent by you to us by email or SMS/MMS is incomplete or corrupted. We will also be entitled to act on any instruction from you received by email or SMS/MMS which reasonably appears to have been sent by you. Many contracts of insurance have provisions which require notice in writing in order to ensure compliance. The use of email or SMS/MMS in such circumstances may be inappropriate and hard copies of messages may be requested.

The following sets out what services we provide when acting on your behalf (unless agreed otherwise).

RSM can arrange for the issue, variation and cancellation of general insurance such as your home buildings, contents or motor vehicle insurance. Essentially this means that you can contact us for advice on or assistance with:

New Business

Contact us as soon as possible if you need cover for a risk or property that is not insured. If you need immediate cover, we can usually obtain an interim contract of insurance (which is generally valid for a month or less). To arrange this, we will need details of the property or risk and all other relevant information you are required to disclose to an insurer.

We may send you a proposal form for completion (we will advise you if this is required). You will need to complete and sign this proposal form and return it to us prior to expiry of the interim cover. We will send the original contract documents to you as soon as your insurer issues them correctly. As these are legal documents, you should keep them in a safe place.

Renewals

We will give you at least 14 days notice of expiry of any insurance contract we have arranged or last renewed for you. Unless you tell us otherwise, we will automatically renew your insurance to ensure you continue to be covered.

At that time we will send you an offer to renew the insurance policy and invoice you for the cost of renewal. If there is a change to your circumstances or if you want to change the details of the cover, contact us as soon as you receive the renewal offer. This will allow us to assess whether your insurance is still appropriate for your circumstances.

In some circumstances we may be able to arrange for the insurer to cover you temporarily before payment is received, but we cannot guarantee this. We will also advise you in advance of expiry of any insurance contract should an insurer not wish to offer renewal. If you arranged or renewed directly with an insurer or through another broker, we will not be responsible for notifying you of expiry or arranging renewal.

Variations/Endorsements

You should carefully monitor and review that your insurance policy is adequate to cover your assets or business activities. If you want to vary any cover, eg: by increasing your sum insured or adding other property, please provide us with details of the changes you require and any other information you need to disclose to the insurer.

We will arrange the variation with the insurer and provide written confirmation when the insurer has accepted the variation to cover.

Any adjustment to premium will be advised to you in the form of an invoice.

Claims

When you need to make a claim, we can advise if it is covered under your policy and assist you to prepare and submit the claim to the insurer.

If there is uncertainty about whether a claim is covered under your policy we will advise you.

If a loss adjustor is appointed, we will, with your permission, pass on your contact details and co-ordinate meetings. For major losses, we can attend the initial meeting with the loss adjustor if you wish us to.

We will promptly forward all claims documentation, insurer settlement cheques and other information to the relevant party.

If any claims are outstanding when you terminate our appointment as your insurance broker, we will:

- Assist you to negotiate settlement on your behalf but we will charge a claim service fee (fee to be negotiated). Or:
- Provide details of the claim(s) to your new insurance broker so that they may continue to negotiate settlement on your behalf.

Cancellation

We cannot cancel a contract of insurance without written instructions from a person authorised to represent each of the parties who are named as insured's.

If a contract of insurance is cancelled before expiry of the period of insurance we will refund the gross return premium we receive from the insurer. We will not refund any part of the brokerage we receive for arranging the cover and at our discretion we may charge a cancellation fee.

Please note that in the event of a cancellation of a policy before the expiry date some insurers make refunds of premiums based on monthly or quarterly apportionments and there may also be a minimum charge. You may be obliged to pay this firm's commission and other broker's fees.

If premium funding has been arranged, you may also be obliged to pay the interest component for the full year and other charges by the premium funder. Before making any decision to cancel this policy you should consult us concerning the charges involved and commission and fees which may be retained by us.

Our Responsibilities

We have numerous responsibilities imposed upon us under our Financial Services License. These responsibilities are designed to ensure that the service we provide to you is professional and meets minimum industry standards and legislative requirements. These responsibilities include but are not limited to:

- Management of premium money received from clients within an approved trust account.
- Management of our business procedures at a professional level to comply with our Australian Financial Service License requirements.
- Management of our employees and representatives including ongoing training and accreditation of each individual.

- Maintenance of current Professional Indemnity Insurance in a form acceptable to ASIC that provides cover against negligent acts, errors or omissions.
- Issuance of a Financial Services Guide (FSG) to all clients detailing the way we do business with our clients.
- Issuance of Product Disclosure Statements (PDS) for retail products detailing the significant features of the products that we have arranged on behalf of our clients.
- Issuance of a Statement of Advice (SOA) to retail clients detailing our advice given in relation to the retail products that we have arranged on their behalf. Our SOA will indicate whether we have provided general or personal advice in relation to each product that we have arranged together with a range of other information.

Your Responsibilities

You are responsible for providing us with all details and information we request from you in order that we can effectively arrange the cover you request. We will not be responsible for any consequences that arise due to any delays or failures by you to provide information.

You have a duty under the relevant insurance legislation to disclose all information that is material to the risks that you seek cover for. You must comply with your duty of disclosure at the time of taking out, varying or renewing your insurance policies. Failure to comply with your duty of disclosure may allow an insurer to avoid all or part of its obligations to pay claims under the policies.

You are required to complete and return certain documents and declarations in relation to arranging or varying cover and lodging claims. We will usually stipulate the time frame required for completion and return of such documents. Failure to comply with such timelines may jeopardise your cover or rights under your policies. We will not take responsibility for the consequences of your failure to comply with such necessary deadlines.

You are required to review your insurance policies, schedules, certificates and invoices in order to ascertain the accuracy of the details documented and to ensure that the coverage, terms and conditions suit your requirements and that you understand any limitations or mutual obligations imposed under the policies.

You are required to promptly inform us of any changes to your business, personal, property or activity details in order that we can maintain coverage to suit your changing circumstances.

You are responsible for notifying us of incidents, circumstances and claims in order that we can lodge all necessary reports with insurers and protect your interests under the policy terms.

You are required to provide all necessary documents and details in an honest and efficient manner in order to have your claim presented to and fully considered by your insurer.

You are required to observe the confidentiality of the documents, advice and services that we provide to you. By using our service you agree not to disclose this information to any third party without our written express permission.

You are required to pay your premiums in accordance with invoices, statements and notifications we send to you. Failure to make payments within the time frame stipulated may cause your cover to

lapse or be cancelled by the insurer. We will not be responsible for any consequences that may arise from your failure to pay premiums within the time frame stipulated by us.

Remuneration for our Services

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. We will also charge you a broker fee for arranging your insurance. 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.

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% - 30%

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

Any fees that we charge you will be based upon the type of insurance we arrange. This fee is payable in addition to the premium.

We do not often pay any commissions, fees or benefits to others who refer you to us or refer us to an insurer. If we do, we will pay commissions to those people out of our commission or fees (not in addition to those amounts), in the range of 0% to 50% of our commission or fees.

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.

Other material relationships/associations.

RSM Group 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.

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

Premium Funding

Premium funding products enable you to pay your premiums by instalments. Premium funders do charge interest. We can arrange premium funding if you require it.

If we arrange premium funding for you we may be paid a commission by the premium funder. We may also charge you a fee (or both). The commission that we are paid by the premium funder is usually calculated as a percentage of your insurance premium (including government fees or changes). 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 are in the range of 0% to 3% of funded premium. When we arrange premium funding for you, you can ask us what commission rates we are paid for that funding arrangement compared to the other arrangements that were available to you. The amount of our commission and any fee that we charge will be set out in the premium funding contract

Other benefits

Some of the Insurers that we do business with give us other benefits such as training and social business functions. These benefits change from year to year.

Our advisers may from time to time receive small gifts and gratuities. It is our company policy that advisers may not accept gifts or gratuities where the value is greater than \$100 over a six month period from a single supplier. These benefits do not increase the amount you are required to pay for your insurance.

How our Employees/Advisers are remunerated

Our employees or advisers are paid as follows:

- annual salary
- performance bonus

The amounts of these payments are determined at the discretion of our managing director where the adviser's performance has been exceptional in enhancing our business by providing excellent service to you.

Referrers

If a person (including our employees or advisers) or entity has referred you to us, we may pay them a percentage of our commission for the first insurance policy placed on your behalf. This will not increase the amount you are required to pay for 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.

What to do if you have a complaint

1. Contact us and tell us about your complaint. We will do our best to resolve it quickly.
2. If your complaint is not resolved in 20 days please contact our Complaints Officer on 03 9276 0900 or put your complaint in writing and send to the address noted at the beginning of this FSG. We will try to resolve your complaint quickly and fairly.
3. We are a member of the Australian Financial Complaints Authority (AFCA). If your complaint cannot be resolved to your satisfaction by us you have right to refer the matter to (AFCA).

(AFCA) contact details are:

GPO Box 3, Melbourne 3000

ph 1300 931 678,

email: info@afca.org.au or website www.afca.org.au

NIBA Code of Conduct / Code of Practice

RSM Group Pty Ltd is a proud member of the National Insurance Brokers Association (NIBA) and are 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 conflicts of interest.

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

Privacy

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 have 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.rsmgroup.com.au. If you wish to look at your file, please ask us. We will make arrangements for you to do so.

Conflicts of Interest

We take any potential conflicts of interest seriously and have a Conflict of Interest Policy, which 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 their or our interests rather than yours. Where we arrange a policy an insurer can pay us commission. 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. Where we provide 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 Statement of Advice we give you containing personal advice also confirms the remuneration received. Our representatives are trained in this important duty and compliance with it is monitored regularly.

Professional Indemnity Insurance

RSM Group Pty Ltd has Professional Indemnity Insurance Policies (PI Policies) in place which comply with the requirements of Section 912B of the Corporations Act 2001. The PI Policies cover us, our employees, our representatives and distributors for claims made against us and our employees in the provision of financial services.

Our PI Policy covers us for claims relating to the conduct of employees who no longer work for us.

Important Notice

Please retain this document for your reference. It will apply to other retail products you may elect to purchase in the future. If this document is at any time superseded, we will supply you with a replacement document.

If you have any questions about the financial services we provide, please do not hesitate to contact us.

Please retain this document for your reference and any future dealings with RSM Group.