



FINANCIAL SERVICES GUIDE

THE PURPOSE OF THIS GUIDE

This Financial Services Guide (FSG) is designed to assist you in deciding whether to use any of our services and contains important information about:

- The products and services we offer you
- How we and our associates are paid
- Who we act for
- Our terms of payment
- What we do in the event of a complaint
- Any potential conflicts of interest we may have

RESPONSIBILITY FOR SERVICES PROVIDED

Archer Insurance Corp. Pty Ltd holds a current Australian Financial Service License No. 485736 under the Corporations Act 2001, and we are authorised to advise and deal in the full spectrum of general insurance broking services. We are responsible for the financial services provided to you, or through you to your family members, including the distribution of this FSG.

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 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.

WHO WE ACT FOR

As your insurance broker, we normally act for you, in your interests in all matters. In certain cases, if we are not acting for you in providing any part of our service, we explain and inform you accordingly. For example, an insurer may give us 'binding authority' to arrange or enter into insurance products on their behalf. We could also agree to handle or settle claims on an insurer's behalf. You will always be advised when this is the case.

OUR PRODUCTS AND SERVICES

Archer Insurance Corp. is committed to providing sound advice on your general insurance requirements which is based upon your needs and our comprehensive market knowledge. We offer a range of insurance and risk management services to assist you to protect your assets and liabilities. We commit to undertake the following activities:

- Conducting an analysis of your risk/needs and advise our recommendations on the correct covers required
- Recommend the appropriate financially secure and stable insurers to match the risk
- Seek competitive premium quotations
- Provide alternatives on your risk retention through various excess options
- Provide alternatives to pay premiums in monthly installments
- Prompt and timely servicing of your account to ensure you are adequately informed of issues that may effect you
- Assisting with insurance claims to ensure you receive your full entitlements.

Archer Insurance Corp. is able to provide financial product advice and deal in a wide range of general insurance policies, which include, but are not limited to:

- Home Building/Contents
- Professional /Trades / Farm Package
- Private and Commercial Motor Vehicle
- Public & Products Liability
- Directors & Officers Liability
- Professional Indemnity
- Business Packages
- Property Damage
- Personal Accident & Illness
- Travel
- Burglary/Money
- Strata

To enable us to provide advice which is appropriate to your circumstances, we will need you to provide us with complete information about the risk(s) to be insured on our Risk Analysis document to ensure we correctly evaluate your situation, needs and objectives. You should also tell us about any relevant changes as they occur.

If you are unable, or choose not to provide some information to us, our review will be incomplete and may not take into account all of your needs. We may still give you advice, but in some cases we may also decide that it is not appropriate to give you advice without further information. You will need to assess the appropriateness of our advice, if given, to your needs before acting on it.

RETAIL CLIENTS

Under the Corporations Act 2001 (The Act) Retail Clients are provided with additional protection from other clients. The Act defines Retail Clients as: Individuals or a manufacturing business employing less than 100 people or any other business employing less than 20 people And that are purchasing the following types of insurance covers:

Motor vehicle, home building, contents, personal and domestic, sickness/accident/travel, consumer credit and other classes as prescribed by regulations. Some of the information in this FSG only applies to Retail Clients and it is important that you understand if you are covered by the additional protection provided.

RETAIL CLIENT ISSUES

Typically we only provide General Advice to our Retail Clients. General Advice does not take into account your particular needs and requirements and you should consider the appropriateness of this advice to your circumstances prior to acting upon it. We will provide you with a General Advice Warning in such cases.

If you are a new Retail Client purchasing Personal Accident or Sickness and obtain Personal Advice, that is, advice that takes into account your particular circumstances, we will give you a Statement of Advice (SOA), that sets out the advice provided and the basis for the advice and our remuneration should you purchase the product.

For existing Retail Clients we may not provide an SOA but give the advice to you orally. In such cases you may request a Record of Advice (via phone or in writing) which we will provide to you within 28 days of such request. When you ask us to recommend a policy for you, we will only consider the policies offered by the underwriters 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 underwriters we deal with.

If we recommend the purchase of a particular policy, we will also give you a Product Disclosure Statement (PDS) at that time, which sets out details specific to that product and the key benefits and risks in purchasing the product.

PERSONAL INFORMATION

We maintain a record of your personal profile, including details of insurance policies that we arrange 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. We only provide your information to the insurance companies with whom you choose to deal. We do not trade, rent

or sell your information. A copy of our privacy policy is available on request and is also available on our website, at www.archerinsurance.com.au.

FEES AND COMMISSIONS

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. The amount varies between 0%- 25%, 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. If you pay by credit card, we may charge you a non-refundable credit card fee, which is disclosed and shown separately on our invoices. The fees cover the cost of the bank charges etc. associated with such facilities. 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.

We may receive additional remuneration from insurers with whom we have profit share or volume bonus arrangements. This remuneration is payable if we meet certain agreed sales and/or profitability targets set by the insurer. If we have profit share arrangements with an insurer that apply to a product we recommend to you, we will advise you of this at the time of making any such recommendation.

If you are a Retail Client and we give you Personal Advice, full commission details (including the dollar amounts) will be provided in any SOA or (where an SOA is not required to be provided) included on any relevant invoices. When we give you General Advice, full commission information (including dollar amounts) will be provided on request.

We have a set of standard non-refundable Broker Fees that we charge you for the cost of services such as:

- Market research on products available.
- Assessing the claims paying ability of insurers.
- Sourcing alternative quotations and coverage.
- Risk analysis and portfolio co-ordination.

All fees payable for our services will be advised to you at the time of providing the advice or service.

PREMIUM FUNDING

Premium funding products enable you to pay your premiums by instalments. Premium funders do charge interest. If we arrange premium funding for you, we may be paid a commission by the premium funder, which is calculated as a percentage of your insurance premium. Our commission rates for premium funding are in the range of 0% - 2% of the funded premium. You can ask us what the 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 fees that we charge you will be set out in the premium funding contract.

STEADFAST AND ASSOCIATIONS

Archer Insurance Corp. 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 – 2.0% commission for each product arranged by us with those Partners. Steadfast is also a shareholder of some Partners.

We may receive a proportion of that commission from Steadfast at the end of each financial year (or other agreed period). 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.

Our representatives do not receive any benefit directly from the sale of a product to you. Our representatives may receive bonuses payable based on the overall performance of their individual targets or the business growth. If a person has referred you to us, we may pay them a part of any fees or commission received. If you are a Retail Client and receive Personal Advice full remuneration details will be disclosed in the SOA or invoices related to the advice.

PROFESSIONAL INDEMNITY INSURANCE

Archer Insurance Corp. Pty Ltd has a professional indemnity insurance policy (PI policy) that complies with the requirements of section 912B of the Corporations Act. The insurance (subject to its terms and conditions) will cover errors and omissions arising from advice provided by our representatives and will continue to cover claims in relation to our representatives and employees who no longer work for us (but who did at the time of the relevant conduct).

WHAT WE EXPECT FROM YOU

We need you to provide us with complete information about the risk(s) that you face and those that you want to be insured for, in order to enable us to provide you the right advice. For this reason, before you enter into a contract of insurance, you have a duty under the Insurance Contracts Act 1984 to disclose to your insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk and, if so, on what terms. The duty also applies when you renew, extend, vary or reinstate a contract of insurance. You should also keep us informed about any relevant changes as they occur so that we can review your insurance needs accordingly. If you do not, your insurances may be inadequate to fully cover you. We can assist you to do this for the purpose of ensuring that your contract of insurance is altered to reflect those changes.

If you do not comply with your duty of disclosure, your insurer may be entitled to reduce its liability in respect of a claim or may cancel your contract of insurance. If the non-disclosure was fraudulent, the insurer may be able to avoid (or cancel) the contract of insurance from its beginning. This would have the effect that you were never insured.

One important matter to be disclosed is the history of losses suffered by the person seeking insurance or any closely associated person or entity. As you are responsible for checking that you have made complete

disclosure, we suggest that you keep an up to date record of all such losses and claims. If you have any questions about whether information needs to be disclosed, please contact us.

OUR TERMS OF PAYMENT

Invoices

We will invoice you for the premium, statutory charges (eg stamp duty, fire services levy, etc) and any fees we charge for arranging your insurances. You must pay us within the date specified on the invoice or, in the case of a renewal, before the expiry date of the contract of insurance. If you do not pay the premium on time, the insurer may cancel the contract of insurance and you will not be insured. The insurer may also charge a short term penalty premium for the time on risk.

Cancellation

We cannot cancel a contract of insurance without written instructions from a person(s) who is authorised to represent each of the parties who are named as insureds in the contract of insurance. If a contract of insurance is cancelled before expiry of the period of insurance, we will pass on to you the net refund of premium (if any) we receive from your insurer. We will not refund our fees or commission for arranging the insurance.

Premium Funding and cancellation

Whilst this is an associated service, the agreement/contract for Premium Funding is between you and the Premium Funding Company (for the purpose of funding insurance premiums). In the event that you fund insurance policies that have a minimum deposit premium, a percentage cancellation fee or penalty, or a non cancellation clause there may be a shortfall in the amount refunded to you by the insurers and the residual amount payable to the premium funder in respect of the contract.

CONFLICT OF INTEREST

As a business we have relationships with and receive income from various third parties as detailed in this FSG. For Retail Clients receiving Personal Advice, details of relationships that impact the advice will be included in any SOA or invoice documentation we send you. All material conflicts that impact our advice, that are not mentioned in this FSG, will be advised to you on the invoices related to that advice.

HOW TO CONTACT AND INSTRUCT US

You are able to contact us by phone, in writing, email or in person. You can give us instructions by any of these listed methods. If you have any further questions about the Financial Services Archer Insurance Corp. Pty Ltd provides, please contact us. Please retain a copy of this FSG which was prepared on the 1st June 2016, for future reference and any future dealings.

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