



HOSTSURE
UNDERWRITING AGENCY

FINANCIAL SERVICES GUIDE

Dated 5 June 2015

FINANCIAL SERVICES GUIDE (FSG)

The purpose of this guide is to assist you in making an informed decision about whether to use the financial services we can provide to you.

It covers who will provide those services; 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; and arrangements that are in place to compensate clients for losses.

This guide is an important document. Please read it carefully and keep it in a safe place for your reference and for any future dealings with us.

References in this FSG to 'we', 'us' or 'our' are references to Hostsure Underwriting Agency Pty Ltd (ABN: 44 108 154 829) ('Hostsure'). Hostsure is an underwriting agency and we also hold an Australian Financial Services Licence (No.: 268726) issued by the Australian Securities and Investments Commission ('ASIC') under the *Corporations Act 2001* (Cth).

If you have any further questions about the financial services we provide, please contact us.

We have given authority to our Authorised Representative to release this FSG on our behalf.

This FSG applies from 5 June 2015 and remains valid unless a further FSG is issued to replace it.

Who is responsible for the financial services provided?

Hostsure is responsible for the financial services provided and is responsible for the financial services that our Authorised Representative provides to you.

How do you contact us?

Address: Hostsure Underwriting Agency Pty Ltd
Level 5, 97-99 Bathurst Street, Sydney NSW 2000

Postal Address: PO Box A2016,
Sydney South NSW 1235

Phone: 02 9307 6600

Fax: 02 9307 6699

Website: www.hostsure.com.au

Email: info@hostsure.com.au

What services can we provide?

We, and our Authorised Representative, are authorised to deal in and provide financial advice in relation to general insurance products for retail and wholesale clients. To assist in your decision making, we will give you information about the insurance product by providing you in particular with a Product Disclosure Statement ('PDS'). The PDS is an important document. You should carefully read the PDS to decide if the product features suit your objectives, financial situation and needs before making a decision about the insurance product. Please keep the PDS in a safe place for your reference and for any future dealings with us.

In some cases, we may make a general recommendation or give an opinion about the insurance products. We do this without consideration of your specific individual objectives, financial situation or needs. This is a general advice service. We do not provide any advice on whether other products may be more appropriate for your needs or which of the product options may be best for you.

You need to consider the appropriateness of any information or advice we give you, having regard to your specific individual objectives, financial situation or needs before acting on it.

Product Disclosure Statement

If either we or our Authorised Representative offer to arrange the issue of an insurance policy to you, we will also provide you with, or pass on to you, a 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.

Who do we act for?

When we provide financial services to you, we will not be acting on your behalf. This is because Hostsure is an underwriting agent. When we distribute insurance products, we are acting under an authority given to us by the insurer who underwrites the insurance cover. This binder allows us to accept your application for insurance as if we were the insurer. This means that we represent and act for the insurer and not for you.

All Authorised Representatives who issue this FSG are acting on our behalf in all matters related to the sale of this insurance product.

How can you instruct us?

You can contact us to give instructions by post, phone, fax or email on the contact number or details mentioned on page 1 of this FSG.

General Insurance Code of Practice

We support the General Insurance Code of Practice. The Code is designed to raise the standard of practice and service in the general insurance industry.

You can obtain a copy of the Code by contacting us or our Authorised Representative, or visit www.codeofpractice.com.au

What information do we maintain in your file and how can you access it?

If you apply for one of our insurance products, we will collect information from you for the purpose of Hostsure deciding whether to arrange insurance for you, and if so, on what terms. If we agree to issue the relevant insurance, we will use the information to manage rights and obligations under the insurance product.

We are committed to a privacy policy which deals with the privacy and security of your personal information. If you wish to examine your file or have a copy of this privacy policy sent to you, please ask us.

How we are remunerated

We receive income from the following sources:

How will you pay for the services provided?

When we issue you with an insurance product, we charge a premium, on behalf of the insurer, based on the risk profile you offer us. The total amount you pay is the premium plus any government charges (which may include GST and stamp duty) and fees. We will collect the premium from you (via our Authorised Representative) and remit it to the insurer.

We may receive a commission for providing insurance on behalf of the insurer, which will be up to 28%.

Any commission is calculated as a percentage of the base premium, excluding government charges, and is paid by the insurer.

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

Our commission will be calculated based on the following formula:

$$X = 28\% \times P$$

In this formula:

X = our commission

28% = the percentage commission paid to us by the insurer

P = the amount you pay for any insurance policy (excluding government charges)

Other fees include:

Administration Fee

In some circumstances, we, or our Authorised Representative, may charge you an administration fee. The administration fee is noted on your insurance schedule. We can tell you the exact fee at the time you contact us. Such fees include meeting our costs of preparation and distribution of documentation.

The commission and administration fee apply to each policy issued or renewed through us.

The administration fee is not refundable in the event of cancellation unless either the insurance policy is cancelled within the cooling-off period or is a full term cancellation.

Amendments to the Policy

If you make an amendment to your insurance policy during the year, we, or our Authorised Representative, will charge you an endorsement fee. This fee will be \$20 plus GST each time you make an amendment to your policy during the year. This fee is not refundable in the event of cancellation.

Credit Card Surcharge

We, or our Authorised Representative, reserve the right to apply a surcharge to all payments made by credit card. If we, or our Authorised Representative, apply a surcharge, it will be in the range of 0% to 3% of the total cash amount depending on the type of credit card used. This surcharge is passed onto the financial institution providing the merchant facility. This fee is not refundable in the event of cancellation.

Cancellation Fee

If there is a premium refund due for either cancellation or adjustment, we or our Authorised Representative, will refund you our commission on the refunded premium but we or our Authorised Representative will charge a fee for the cancellation or adjustment. This fee is \$20 plus GST.

Remuneration of employees and Authorised Representatives

Our employees that will assist you with your insurance needs will be paid a market salary and may earn a cash bonus or other incentives based on achievement of a broad range of Hostsure's goals, including financial targets.

Our Authorised Representative receives a commission for placing business on our behalf. The commission is a percentage of the premium you pay and is exclusive of GST and other government charges. The Authorised Representative Annexure to this FSG will specify the commission percentage applicable and your insurance schedule will specify the amount payable in dollar terms.

In some instances, they may also receive a profit share or other incentives. Where this is the case, the annexure to this FSG will specify those arrangements.

Associations

We are a wholly owned subsidiary of Steadfast Group Ltd (ABN: 98 073 659 677) ('SGL').

We have access to shared services from SGL, including compliance tools, manuals and training as well as legal, banking and group purchasing arrangements. These services are funded by SGL, subsidised by SGL or SGL receives a fee for them.

SGL has arrangements with the insurer of this product, as with some other insurers, under which SGL may receive between 0.5% – 1.5% commission of the base premium paid (excluding government charges) for each product arranged by us and our Authorised Representatives with those insurers. SGL may share part of that commission with us.

SGL's FSG is available at www.steadfast.com.au or on request by telephoning SGL's Company Secretary on 02 9495 6500.

What is your duty of disclosure obligation?

You have a duty of disclosure.

What you must tell us

When answering our questions, you must be honest and you have a duty under law to tell us anything known to you, and which a reasonable person in the circumstances would include in answer to the question. We will use the answers in deciding whether to insure you and anyone else to be insured under the insurance policy, and on what terms.

Who needs to tell us

It is important that you understand you are answering our questions in this way for yourself and anyone else whom you want to be covered by the policy.

If you do not tell us

If you do not answer our questions in this way, we may reduce or refuse to pay a claim, or cancel the policy. If you answer our questions fraudulently, we may refuse to pay a claim and treat the policy as never having worked.

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

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

The PI policy covers us for claims made against us and our agents (including our Authorised Representatives) by clients as a result of our conduct or conduct by our employees or agents in the provision of financial services.

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

What should you do if you have a complaint?

We want to provide a quality service to you. However, we recognise that occasionally there may be some aspect of our service or a decision we have made that you wish to query.

If you have any complaints, you should take the following steps:

1. Contact us and tell us about your complaint.
2. If your complaint is not satisfactorily resolved within one business day, please contact our Complaints Manager on telephone number 02 9307 6600 or put your complaint in writing and send it to Hostsure Underwriting Agency Pty Ltd, PO Box A2016, Sydney South NSW 1235. Please mark the envelope "Notice of Complaint". We will try to resolve your complaint quickly and fairly.
3. If the complaint is not resolved to your satisfaction, you have the right to refer the matter to the Financial Ombudsman Service ('FOS'). They can be contacted on 1300 780 808, in writing to GPO Box 3, Melbourne VIC 3001 or via their website at www.fos.org.au

More information

If you would like more information about us or our Authorised Representative, please contact us by phone, in writing by email or in person.

This FSG was prepared on 5 June 2015.

Authorised Representative Annexure

This annexure forms part of the FSG from Hostsure and must be read together with it in order to fully understand the financial services provided to you.

Name of the Parties

Licence Holder: Hostsure Underwriting Agency Pty Ltd

ABN: 44 108 154 829

AFSL: 268726

Authorised Representative: Dawes Underwriting Australia Pty Ltd t/as Dawes Motor Insurance

ABN: 18 050 289 506

Authorised Rep. No.: 342982

Contact Details

Listed below are the contact details for the Authorised Representative:

Phone: 1300 188 299

Fax: 1300 662 215

Postal Address: Level 7, 100 Arthur Street, North Sydney NSW 2060

Postal: PO Box 348, Milsons Point NSW 1565

Email: insure@dawes.com.au

Website: www.dawes.com.au

How the Authorised Representative is remunerated

Commission

Hostsure will pay the Authorised Representative the full commission it receives from the insurer for all new and renewal policies sourced through Hostsure. The commission is up to 28%. The applicable percentage will vary according to the type of insurance policy you purchase. The exact amount charged will appear on your insurance schedule. All commissions are applied to the premium prior to charging GST and other applicable taxes and levies.

Associations

Hostsure and the Authorised Representative are wholly owned subsidiaries of Steadfast Group Ltd (ABN: 98 073 659 677).

Prepared on 5 June 2015.

