

NON DISCLOSURE

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.

MATERIAL CHANGES

You must also notify your insurer of any significant changes which occur during the period of insurance. If you do not, your insurances may be inadequate to fully cover you.

We can assist you to do this and to ensure that your contract of insurance is altered to reflect those changes.

COOLING OFF PERIOD – RETAIL INSURANCE ONLY

If you decide that you do not need a contract of retail insurance which has been arranged on your behalf, you have a minimum of 14 days from the earlier of the date you receive confirmation of the contract and the date it was arranged to change your mind. You must tell the insurer in writing that you wish to return the insurance contract and have the premium repaid.

If you do so, the insurance contract will be terminated from the time you notified the insurer and the premium will be returned. The insurer may retain its reasonable administration and transaction costs and a short term premium.

You cannot return the contract of insurance if it has already expired or if you have made a claim under it.

PRIVACY

We are committed to protecting your privacy. We use the information you provide to advise about and assist with your insurance needs. We only provide your information to the insurance companies with whom you choose to deal (and their representatives). We do not trade, rent or sell your information.

You can check the information we hold about you at any time. For more information about our Privacy Policy, ask us for a copy or visit our website.

SUMS INSURED – AVERAGE & CO-INSURANCE

Some insurance contracts require you to bear a proportion of each loss or claim if the sum insured is inadequate to cover the amount of the loss. These provisions are called 'average' or 'co-insurance' clauses. If you do not want to bear a proportion of any loss, when you arrange or renew your contract of insurance, you must ensure that the amount for which you insure is adequate to cover the full potential of any loss. If you insure on a new for old basis, the sum insured must be sufficient to cover the new replacement cost of the property.

INTERESTS OF OTHER PARTIES

Some insurance contracts do not cover the interest in the insured property or risk of any one other than the person named in the contract. Common examples are where property is jointly owned or subject to finance but the contract only names one owner or does not name the financier.

Please tell us about everyone who has an interest in the property insured so that we can sure that they are noted on the contract of insurance.

WAIVER OF RIGHTS

Some insurance contracts seek to limit or exclude claims where the insured person has limited their rights to recover a loss from the person who was responsible for it, e.g. by signing an agreement which disclaims or limits the liability of the other party. Please tell us about any contracts of this type which you have or propose to enter into.

STANDARD COVERS

The Regulations to the Insurance Contracts Act set out standard terms for the cover which is provided by motor vehicle, home buildings, home contents, sickness and accident, consumer credit and travel insurance (including a minimum amount of insurance). If an insurer wants to alter these terms or offer less than the minimum amount of insurance they must clearly inform you in writing that they have done so. They can do this by providing you with a Product Disclosure Statement or a copy of the insurance contract.

UNUSUAL TERMS

If an insurer wants to rely on a term in a contract of insurance which is not usually included in contracts that provide similar cover, they must clearly inform you in writing of that term. Again, they may do so by providing you with a copy of the insurance contract.

UTMOST GOOD FAITH

Every contract of insurance is based on 'utmost good faith' requiring each party (i.e. 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 any claim.

COMPLAINTS AND DISPUTES

If you are not fully satisfied with our services, please telephone our Manager Insurance Operations. We will acknowledge your complaint in writing and endeavour to resolve your problem within 20 days.

If you are still not satisfied, we subscribe to the Financial Ombudsman Service (FOS) which handles complaints against brokers. You can refer your complaint to FOS who will conciliate with a view to seeking a solution that is acceptable to both parties. This is a free consumer service. FOS are contactable on 1300 780 808.

If the dispute remains unresolved after a further 20 days, it will be referred to the FOS Referee whose decision is binding on us (but not on you). We have a professional indemnity insurance policy (PI policy) in place. The PI policy covers us and our employees for claims made against us and our employees by clients as a result of the conduct of us or our employees 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.

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FINANCIAL SERVICES GUIDE



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This Financial Services Guide contains information about our services and charges, your rights as a client and other things you need to know in relation to insurance matters including how any complaints you may have will be dealt with.

We trust it will assist you in deciding whether to use our services.

If you ask us to act as your general insurance broker, 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.

You might also receive some other documents after or at the time we advise you about your insurance needs including:

- Statement of Advice – these will be summaries of our advice and the basis on which it was provided;
- Product Disclosure Statements – these will contain information about the products we recommend to you; and
- Confirmation notices – these will confirm the details of transactions we have arranged on your behalf.

If you need more information or have any questions, please feel free to telephone us.

ABOUT US

Graham S. Knight & Associates Insurance Brokers holds Australian Financial Services Licence No. 227858 under the Corporations Act 2001 to provide general insurance broking services.

Graham S Knight & Associates Insurance Brokers is a member of the National Insurance Brokers Association. We subscribe to the Insurance Brokers' Code of Practice.

OUR SERVICES

We are authorised to deal in and provide advice in relation to general insurance products.

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, your situation and your 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 use, we will be unable to comprehensively review your circumstances. As this may limit our ability to make appropriate recommendations, you will need to assess the appropriateness of our advice to your needs before acting on it.

FEES FOR OUR SERVICE

You are entitled to know how and what we will charge for our services and what other benefits we receive.

HOW WE ARE REMUNERATED

Unless we tell you otherwise, we will be remunerated by commission from the insurer when you enter into an insurance contract that we arrange (this includes renewal and some variations).

The commission is a percentage of the premium (excluding government charges, levies and taxes). The rate of commission can vary between 0% and 35% according to the type of insurance and cover provided and the way the transaction is arranged. Some insurers may pay us more than others. If we receive a higher commission for the insurance we have recommended to you than is paid by the other insurers we considered we have recommended this on the basis that it is appropriate for your needs, objectives and financial situation.

The commission does not represent our profit as it also reimburses the administrative and other expenses involved in providing our services.

Where applicable, we will tell you if we charge you an administration fee. The fee will be specified in our invoice.

On some occasions, we may rebate all brokerage to you and charge you a fee based upon the nature of the service we provide. On these occasions you will be advised of the amount prior to us performing the service to you.

If we arrange premium funding for you, we may earn a commission from the premium funder. This is usually calculated as a percentage of the premium (excluding government charges, levies and taxes) and may be between 0% and 3%. We do not earn commission for premium funding arranged with West Premium Funding however the directors of this company are the same as Graham S. Knight & Associates Insurance Brokers. (See Related Companies below).

Your insurance adviser will be paid a salary and may receive a bonus of up to 15% of salary depending on the adviser's level of sales and meeting our staff performance criteria. We sometimes pay money to others who refer you to us. These payments are made from the commission and fees you pay us.

If we hold your money in trust pending payment to the insurer, we also receive the interest earned. Money held in trust is, at law, deemed already paid to insurers. We charge GST on our services. Some of our charges may be tax deductible. In some cases we may also be remunerated under a profit share arrangement with some insurers if a particular portfolio of business achieves a certain level of profitability. We are a shareholder of Steadfast Group Limited (Steadfast). Steadfast has exclusive arrangements with some insurers under which Steadfast will receive between 0.5 -1% commission for each product arranged by us with those insurers. These payments are used to operate Steadfast.

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 with the participating insurers in any financial year, we may receive a proportion of that commission at the end of each financial year.

As a shareholder of Steadfast 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 shareholders for a fee.

Steadfast is also a shareholder of Miramar Underwriting Agency Pty Limited (Miramar). As a shareholder, Steadfast may receive dividends from Miramar. These amounts will indirectly contribute towards the benefits we receive from Steadfast. We may also qualify for reward points under the Miramar rewards program for insurance we arrange with Miramar. The number of points we earn will depend on the premium paid to Miramar for the insurance products we arrange with them, subject to a minimum threshold. The points may be redeemed for certain goods or flights.

Steadfast has a shareholding in Macquarie Premium Funding. If we arrange premium funding with Macquarie Premium Funding for you, under its agreement with Macquarie Premium Funding, Steadfast will receive 5% of your insurance premium (including government fees or charges). 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. The payments (commission and dividends) that Steadfast receives from Macquarie Premium Funding are used to operate Steadfast. Depending on the operating costs of Steadfast and the amount of total business we place with Macquarie Premium Funding in any financial year, we may receive a portion of those amounts at the end of each financial year. You can obtain a copy of Steadfast's FSG at www.steadfast.com.au Please ask us if you would like further information about your remuneration.

IMPORTANT RELATIONSHIPS

We are a privately owned insurance advisory firm.

RELATED COMPANIES

1. West Premium Funding
Should you arrange premium funding through West Premium Funding you should be aware that the company has the same directors as Graham S. Knight & Associates Insurance Brokers. We do not earn commission from funding arranged through West Premium Funding.
2. Graham S. Knight & Associates Financial Services
Should you arrange any Life, Superannuation, Financial Planning or similar financial services through Graham S. Knight & Associates Financial Services you should be aware that the company has the same directors as Graham S. Knight & Associates Insurance Brokers. We do not earn Commission from any services provided to you by that company.
3. Shareholding Graham S. Knight & Associates Insurance Brokers, its affiliates, directors, officers and employees may have or have had interests, investments and shareholdings in financial products which you may have received advice and may make purchase or sales in them as principal or agent.

TERMS OF PAYMENT

Invoices

We will invoice you for the premium, statutory charges (e.g. stamp duty, fire services levy, etc) and any fees we charge for arranging your insurances. You must pay us immediately 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. We cannot cancel any contract of insurance which is subject to the Marine Insurance Act 1909.

If there is a refund of premium owed to you as a result of an alteration to a policy or if a contract of insurance is cancelled before expiry of the period of insurance, we will refund the net premium we receive from your insurer. We will not refund our administration fees or brokerage for arranging the insurance. We will also charge an administration fee for processing the cancellation or alteration.

IMPORTANT INFORMATION

DUTY OF DISCLOSURE

In order to make an informed assessment of the risk and calculate the appropriate premium, your insurer needs information about the risk you are asking it to insure. 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 be reasonably 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 do not have to disclose anything that:

- Reduces the risk to be undertaken by the insurer;
- Is common knowledge;
- Your insurer knows, or in the ordinary course of its business ought to know, or
- If the insurer has waived your obligation to disclose.