

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 0.5% 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 payment (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

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 charges). 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.

Professional Indemnity

We hold Professional Indemnity Insurance cover for the activities conducted under our AFS license. The limit of the indemnity is \$50,000,000 for any one claim and \$50,000,000 in the aggregate for all claims arising out of our AFS license activities. The insurance will cover claims made in relation to the conduct of Authorised Representatives, Representatives and employees of the licensee who no longer work for the licensee (but who did at the time of the relevant conduct). We believe that our professional indemnity insurance cover satisfied the requirements of S.912B of the Corporations Act.

What should I do if I 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 satisfactorily resolved within 14 days, please contact Cathrine Baker on (02) 8268 2900 or put your complaint in writing and send it to her at the IAS address noted on the back of this FSG. We will try and resolve your complaint quickly and fairly.
3. IAS is a member of the Financial Ombudsman Service (FOS). If your complaint cannot be resolved to your satisfaction by us you have the right to refer the matter to FOS on 1300 780 808. The FOS address is GPO Box 3, Melbourne VIC 3001.

Any questions?

If you have any further questions about the financial services IAS provides, please contact us. Please retain this document for your reference and any future dealings with IAS.

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

IAS (Insurance Advisory Service (NSW) Pty Ltd)

Head Office:

Level 5, 65 Walker Street, North Sydney, NSW 2060

Postal Address:

PO Box 1703, North Sydney, NSW 2059

T: (02) 8268-2900

F: (02) 8268-2901

E: info@iasonline.com.au

W: www.iasonline.com.au



AFS License Number: 234624

ABN: 61 847 604 155

ACN: 001 499 734



FINANCIAL SERVICES GUIDE



Valid from August 18, 2009

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.

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 policies 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) or short-form PDS, unless you already have an up to date PDS or short-form PDS from the insurer. The PDS or short-form 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 18 August 2009 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 you instruct us?

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

Who is responsible for the financial services provided?

IAS 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.

IAS holds a current Australian Financial Services Licensee no: 234624.

The contact details for IAS are on the rear 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?

IAS is authorised to provide:

- A. Advice
- Provide Financial Product Advice
 - General Insurance Products
 - Life Products
 - Managed Investments
 - Retirement Savings Accounts
 - Superannuation
- B. Deal
- Deal in a Financial Product
 - Apply for, acquire or dispose of financial products on behalf of another
 - General Insurance Products

Life Products
Managed Investments
Retirement Savings Accounts
Superannuation

For Retail and Wholesale Clients.

We will do this for you as your broker unless we tell you otherwise.

Will I receive tailored advice?

Maybe 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.

Risks relating to the advice given to you will be explained to you. The advice will be suitable to your needs, objectives and financial situation.

Should we utilise a Record of Advice, then you can request a copy of the Record of Advice within 7 years of that advice being given.

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 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, PDS or short-form 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 is also available on our website, www.iasonline.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 general 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. 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 documentation provided. You are required to pay us within the time set out on the invoice.

If there is a refund of premium owed to you as a result of a cancellation or alteration to a policy, we will retain any fee we have charged you. We will also retain commission depending on our arrangements with the insurer. (See our terms and conditions).

When you pay us your premium it will be banked into our trust account (in respect to general products only – in respect to premiums paid to us for life products, this is paid direct to the insurer). 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 for general products 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% and 20% (for general products).

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 dependent upon time incurred; travel, and other expenses incurred.

The upfront commission for risk insurance financial products can range between 20% and 120% depending on the product provider, while ongoing commission may range between 10% and 25%. For example, on an insurance premium of \$1,000 paying 120% initial commission and 25% ongoing commission, the upfront commission would be \$1,200 and the ongoing commission \$250 per year.

The upfront or initial commission payable for an investment product may range from 0% to 3% and the ongoing or trail commission from 0% to 1%. For example, on an investment amount of \$10,000, 3% initial commission would equate to \$300 and ongoing commission would equate to \$100.

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 30% of our commission or fees.

Our employee that will assist you with your insurance needs will be paid a market salary.

Do we have any relationships or associations with the insurers who issue the insurance policies or any other material relationships?

IAS is a shareholder of Steadfast Group Limited (Steadfast). Steadfast has exclusive arrangements with some insurers under which Steadfast will receive between 0.5 - 1% commissions 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.