

Brad Paton & Associates Pty Ltd

ABN 38 100 933 14

AFS License No. 274161

Financial Services Guide (FSG)

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 services we offer you
- How we and our associates are paid
- Any potential conflict of interest we may have
- What to do in the event of a complaint

RESPONSIBILITY FOR SERVICES PROVIDED

Insurance Broking Group (Holdings) Pty Ltd trades as IBG Insurance Brokers and holds a current Australian Financial Services Licence (No: 323671) and is responsible for the financial services that Brad Paton & Associates Pty Ltd provides to you. Insurance Broking Group (Holdings) Pty Ltd is responsible for the content of this FSG and distribution by Brad Paton & Associates Pty Ltd is authorised by Insurance Broking Group (Holdings) Pty Ltd.

Brad Paton & Associates Pty Ltd is authorized by Insurance Group (Holdings) Pty Ltd to advise and deal in the full spectrum of general insurance products.

Insurance Group (Holdings) Pty Ltd is responsible for the financial services provided to you, or through you to your family members, including the distribution of this FSG.

In this FSG both Insurance Group (Holdings) Pty Ltd and Brad Paton & Associates Pty Ltd are referred to as “we”.

In order to be granted and then retain our licence we are required to meet stringent guidelines in areas such as staff training, organisational competence, management expertise, financial control and compliance disciplines.

We have an ongoing requirement to maintain and enhance our professionalism to ensure that you receive fair and honest advice and Financial Services from us.

WHO DO WE ACT FOR

We usually act on your behalf and in your interests in all matters. In some situations, it may be more appropriate for us to access insurance arrangements or manage claims where we act as the agent of the insurer. If and when this situation arises we will clearly explain and highlight this to you.

PERSONAL INFORMATION

The Federal Privacy Act 2000 sets out the standards for the collection and management of personal information. With your consent, we will only use your personal information in relation to general insurance services. Further information on this is available upon request.

RETAIL CLIENTS

Under the Corporation Act 2001 (The Act) Retail Clients are provided with additional levels of protection from other insurance purchasers. 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 being provided a financial service or product that relates to the following 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 whether you are covered by the additional protection provided.

RETAIL CLIENT ISSUES

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

Typically our Retail Clients are only given General Advice. 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.

When you ask us to recommend an insurance policy to you we will usually only consider the policies offered by insurers or insurance providers that we deal with regularly and in giving you advice about the costs and terms of recommended policies we do not compare those policies to other policies available other than from those insurers we deal with regularly.

If we recommend the purchase of a particular financial product we will give you a Product Disclosure Statement which sets out the details specific to that product and the key benefits and risks in purchasing the product.

WHAT WE EXPECT FROM YOU

To enable us to provide the right advice 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.

This should include information about your situation, needs and objectives. You should also tell us about any relevant changes as they occur so that we can review your insurance needs accordingly.

If we do not have your complete information, we will be unable to properly review your circumstances, limiting our ability to give you the right advice. In such cases you should assess the appropriateness of our advice to your needs before acting on it. Of course we also ask you to pay our invoices on time and complete all proposal forms honestly, accurately and most importantly return them to us by the required date.

You should carefully read the warnings and content of any SOA and any other warnings that we give you before making any decision about an insurance policy.

CLAIMS

We will try and take the pain out of the claims process by assisting and advising you in regard to the scope of cover and explaining how the claims process works. We will promptly forward to you all claims documentation, settlement cheques and other information.

STEADFAST GROUP LIMITED

Insurance Broking Group (Holdings) Pty Ltd is a member of Steadfast Group Limited which is public listed company. Steadfast has exclusive arrangements with some insurers under which Steadfast will receive approximately 1% commission for each product arranged by us with those insurers. This income is used to operate Steadfast. As members of Steadfast, depending upon the operating costs of Steadfast and the amount of business we place with participating insurers, we may receive a proportion of that commission at the end of each financial year.

A significant benefit of our Steadfast membership is access to enhanced or exclusive products to the benefit of our client policyholders.

Members of Steadfast have access to various Member Services including Compliance Tools, Procedures, Manuals and Training, and other Legal, Technical and support services. These Member Services are either funded by Steadfast, subsidized by Steadfast, or made available to members for a fee.

Steadfast Group Limited has its own Financial Services Guide – you can obtain a copy of Steadfast's FSG at www.steadfast.com.au.

OUR SOURCES OF INCOME

When we place insurance for you, we usually receive payment from the insurer. The amount payable generally varies between 0% and 25% of the base premium you pay. This is known as the commission. Full details on commission will be included in any Statement of Advice we send you.

We have a set of Broker Fees that we may 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.

When you pay us your premium it will be banked into a Trust Account. We retain the interest on premiums received from you that are held in our Trust Account prior to paying to your insurer. Premiums are paid to the insurer in line with arrangements we have with the insurer.

If you pay by credit card we may charge you a credit card fee, which is always disclosed on our invoices to you, they are non refundable. This fee reimburses us for the bank interest, extra charges/costs etc. for credit card use.

Premium funding products enable you to pay your premiums by installments. Premium funders do charge interest. We can arrange premium funding if you require it. We may receive a commission based on a percentage of the premium from the premium funder for doing so. We will tell you the basis and amount of any such payment if you ask us.

As noted elsewhere Insurance Group (Holdings) Pty Ltd is a member of Steadfast Group Limited (Steadfast). Steadfast has a shareholding in Macquarie Premium Funding (MPF). When we arrange premium funding with MPF Steadfast will receive 0.5% of your total premium. As a shareholder of MPF, Steadfast may also receive dividends from operations of MPF. The payments from MPF to Steadfast are used to operate Steadfast. Depending upon the operating costs of Steadfast, and the amount of business we place with MPF, we may receive a portion of these amounts at the end of each financial year.

Steadfast is also a shareholder of Miramar Underwriting Pty Ltd. As a shareholder Steadfast may receive dividends from Miramar. These dividends will indirectly contribute to the benefits that Insurance Group (Holdings) Pty Ltd receive from Steadfast.

HOW OUR REPRESENTATIVES ARE PAID

Brad Paton & Associates Pty Ltd and our other Authorized Representatives are paid on a similar basis to IBG Insurance Brokers. Salaried Staff generally do not receive any benefit directly from the sale of a product to you. Our focus is on ensuring that our staff members concentrate on your needs first in all dealings with you.

Our representatives and staff may receive bonuses payable based on the overall performance of our business. Any such bonuses are not directly linked to the sale of Financial Services.

If a person has referred you to us, we may pay them a part of any fees or commission received. This will be disclosed to you at the time.

COOLING OFF PROVISIONS

All retail products are subject to a 14 day 'cooling off period'. This means that if you are not happy with the product, you have 14 days to withdraw from the contract at no cost to you.

CONTACT AGREEMENT

To ensure that we provide you with appropriate products and services, you agree to us calling you to discuss any products and services. If you do not wish to receive such calls please advise us to place you on our Do Not Call register.

You can contact us by post, phone, fax or Email :

Brad Paton & Associates Pty Ltd

Suite 23, Waterman Business Centre

66 Victor Crescent, Narre Warren, Vic 3805

Phone: 03 87695649

Mobile: 0411 622113

www.bpaton.com

COMPLAINTS

Clients who are not fully satisfied with our services should contact Insurance Group (Holdings) Pty Ltd. IBG will do its best to resolve the problem quickly.

Insurance Group (Holdings) Pty Ltd is a member of Financial Ombudsman Service Limited. If your complaint cannot be resolved with us to your satisfaction, you have the right to refer the matter to FOS. You can contact IBD directly on 1300 780 808 or visit www.fos.org.au

CONFLICTS OF INTEREST

As a business we have relationships with and receive income from various third parties as detailed in this FSG. To ensure that any conflicts arising from such relationships or income do not impair the level of advice and service that we provide to you we have implemented a Conflict of Interest Policy.

Our formal documented approach to receiving income and other benefits from third parties is that we will ensure that you receive the most appropriate product or service that we have access to, whilst being mindful that as a business we must receive an adequate income to provide the services and facilities that you would expect from a professional insurance broker.

We will separately and specifically disclose any conflict situations where we believe that the conflict is potentially impairing our advice or service to you. As a specific disclosure, we have advised elsewhere in this document of our relationship with Macquarie Premium Funding.

COMPENSATION

Insurance Group (Holdings) Pty Ltd holds a Professional Indemnity Policy. This policy is designed to pay claims by Third Parties (including our clients) arising out of our Professional Negligence. The policy extends to cover work done by Brad Paton & Associates Pty Ltd and Representatives and Employees after they ceased to work for us and satisfies the requirements for compensation arrangements under Section 912B of The Act.

OUR SERVICES

We offer a range of services to assist you to protect your assets and guard against unexpected liabilities including:

- Reviewing and advising on your insurance needs
- Identifying risk factors to avoid claims
- Seeking competitive premium quotations

OUR PRODUCTS

We can advise and arrange a broad range of insurances on your behalf including:

- Home Building and Contents
- Private and Commercial Motor
- Farm Packages
- Business Packages
- Construction and Warranty
- Liability and Professional Indemnity
- Industrial Risks
- Cargo and Freight

ELECTRONIC DELIVERY OF DISCLOSURE NOTICES

Note that we will often provide correspondence and disclosure notices (including FSG and Product Disclosure Statements) to you electronically, via Email or links to websites etc. If you have provided your Email address to us we will typically use that Email address for that correspondence and Disclosure notices. Should you not wish to receive such correspondence and notices electronically please advise us accordingly and we will update our records to that effect.

This FSG was prepared on the 22 January, 2018 (FSG NO 3). It remains valid until a further FSG is issued to replace it.

Insurance Broking Group (Holdings) Pty Ltd

Unit 20, 96 Camberwell Road

Hawthorn East VIC 3124

Phone 9813 3633 Fax 9813 1611