

Financial Services Guide

The financial services referred to in this financial services guide (FSG) are offered by PSC Bloodstock Services Pty Ltd, ACN 630811 602, CAR No: 1273490.

Our contact details are:

- Address: Suite 2, 83 Mill Point Road, South Perth WA 6151
- Telephone: 0411 871 472
- Email: ncarter@reliancepartners.com.au

PSC Bloodstock Services Pty Ltd is a Corporate Authorised Representative of PSC Reliance Franchise Partners Pty Ltd (RFP), ABN 40 087 819 805, AFSL No: 232446. PSC Bloodstock Services Pty Ltd is responsible for the financial services provided to you and for the content and distribution of this FSG.

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.
- arrangements that are in place to compensate clients for losses.

Further information when personal advice is given

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**), unless you already have an up to date PDS from the insurer. The PDS will contain information about the particular policy, which will enable you to make an informed decision about purchasing that policy.

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From when does this FSG apply? This FSG applies from 1 December 2018 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 I instruct you? You can contact us to give us instructions by post, phone or email on the contact number or details mentioned on page 1 of this FSG.

Who is responsible for the financial services provided? PSC BLOODSTOCK SERVICES PTY LTD 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.

PSC BLOODSTOCK SERVICES PTY LTD is an authorised representative of PSC Reliance Franchise Partners Pty Ltd which holds a current Australian Financial Services Licensee no: 232446. The contact details for PSC BLOODSTOCK SERVICES PTY LTD are on the front 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? PSC BLOODSTOCK SERVICES PTY LTD is authorised to advise and deal in general insurance products to wholesale and retail clients (see definition of retail client on page 5). We will do this on your behalf as your broker unless we tell you otherwise.

Sometimes we will act under a binder or agency we have from an insurer. When we act under a binder or agency, we will be acting as the agent of the insurer. This means that we represent and act for the insurer, not for you. We will tell you when we act under a binder or agency to arrange your insurance or advise you about your insurance needs.

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. 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.

What information do you maintain in my file and can I examine my file? PSC BLOODSTOCK SERVICES PTY LTD maintains a record of your personal profile, including details of insurance policies that we arrange or issue 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 ensuring the privacy and security of your personal information. PSC BLOODSTOCK SERVICES PTY LTD is part of the PSC Insurance Group which, has a standard privacy policy that applies to all group entities. This is available on request. A copy is also available on PSC Insurance Group website www.pscinsurance.com.au.

If you wish to look at your file please ask us. We will arrange for you to do so.

How will I pay for the services provided? For each insurance product, the insurer will charge a premium that includes any relevant taxes, charges and levies. PSC BLOODSTOCK SERVICES PTY LTD often receives a payment based on a percentage of this premium (excluding relevant taxes, charges and levies) called commission, which is paid to PSC BLOODSTOCK SERVICES PTY LTD by the insurers. In some cases, you will also be charged a fee. Which will be shown on the invoice that is sent to you.

You can choose to pay for our services by any of the payment methods set out in the invoice. You are required to pay PSC BLOODSTOCK SERVICES PTY LTD within the time set out on the invoice.

When you pay us your premium it will be banked into PSC BLOODSTOCK SERVICES PTY LTD's trust account. We will 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

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earn interest on the premium while it is in our trust account or may invest the premium and earn a return. We will retain any interest or return on investment earned on the premium.

If there is a refund of premium owed to you because of a cancellation or alteration to a policy, we will retain any fee we have charged you. We may also retain our commission from any premium that is refunded to you by an insurer. We will deduct any unpaid fee or retained commission from the refunded premium before sending the difference to you.

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

PSC BLOODSTOCK SERVICES PTY LTD 's commission will be calculated based on the following formula:

$$X = Y\% \times P$$

In this formula:

X = PSC BLOODSTOCK SERVICES PTY LTD 's commission

Y% = the percentage commission paid to PSC BLOODSTOCK SERVICES PTY LTD by the insurer. Our commission varies between 0% and 30%.

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:

- An administration fee in addition to commission when you enter into an insurance policy.
- A flat fee for arranging an insurance policy or a fee based upon the time we spend advising you.
- An annual management fee.

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 25% of our commission or fees.

Our employees that will assist you with your insurance needs will be paid a market salary that may include bonuses based on performance criteria.

If we give you personal advice, we will inform you of any fees, commission or other payments we, our associates or anyone referring you to us (or us to any insurer) will receive in relation to the policies that are the subject of the advice.

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

PSC Insurance Group

PSC BLOODSTOCK SERVICES PTY LTD is a member of the PSC Insurance Group, which is a group of related financial services businesses. The businesses operated in the group include insurance broking, underwriting agencies (on behalf of local and overseas insurers), workers compensation consulting and claims administration.

These businesses operate separately from the PSC broking business although they are related companies. We will inform you if your insurances are placed through one of these entities or we recommend or engage any of these entities to provide services to you.

We refer you to the PSC Group website for further details on all related companies at www.pscinsurancegroup.com.au.

Steadfast

PSC BLOODSTOCK SERVICES 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 1 - 4% commissions for each product arranged by PSC BLOODSTOCK SERVICES PTY LTD with those Partners. Steadfast is also a

shareholder of some Partners.

PSC BLOODSTOCK SERVICES PTY LTD 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

Premium funders

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 changes). 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 4% 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.

Profit share arrangements

We may, from some insurers, receive profit share payments at the end of a financial year based upon the overall performance of the portfolio of business placed with them. We do not pass on any profit share received by us to employees as a bonus/profit share.

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 24 hours, please contact our Complaints Manager on 1300 949834 or put your complaint in writing and send it to the Complaints Manager PO Box 577 East Melbourne, Vic 8002. We will try to resolve your complaint quickly and fairly.
3. PSC Reliance Franchise Partners Pty Ltd is a member of the Australian Financial Complaints Authority (AFCA). If your complaint cannot be resolved to your satisfaction by us, you have the right to refer the matter to AFCA who can be contacted on 1800 931 678.

What arrangements are in place to compensate clients for losses?

PSC Insurance Group has professional indemnity insurance policy (**PI policy**) in place.

This PI policy covers PSC BLOODSTOCK SERVICES PTY LTD and its representatives (including authorised representatives) for claims made against them by clients as a result of their conduct in the provision of financial services. The PI policy will cover us for claims relating to the conduct of former representatives who no longer work for PSC BLOODSTOCK SERVICES PTY LTD and satisfies the requirements for compensation arrangements under Section 912B of The Act.

Who is a retail client

A retail client is:

- An individual, a manufacturing business employing less than 100 people or any other business employing less than 20 people,
- FOR ANY Motor vehicle, home building, home contents, personal and domestic property, sickness/accident/travel, consumer credit or medical indemnity policy

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acquired by the client.

Some of the information in this FSG only applies to retail clients.

Any questions?

If you have any further questions about the financial services we provide, please contact us. Please retain this document for your reference and any future dealings with PSC BLOODSTOCK SERVICES PTY LTD.

IMPORTANT INFORMATION

We have prepared this document to assist you to understand important issues relating to your insurances. We recommend that you read it carefully. Please contact your Authorised Representative if there is anything you do not understand, or if you have any questions.

Your Duty of Disclosure

Before you enter into a contract of general insurance with an Insurer, you must disclose to the Insurer every matter that you know, or could reasonably be expected to know, that is relevant to the Insurer’s decision whether to accept the risk of the insurance, and if so on what terms. You must provide accurate information and not misrepresent the nature of the risk to be insured.

The duty of disclosure applies when you seek to renew, extend, alter or reinstate a policy. It applies up to the time the policy is used, renewed, altered or reinstated.

Your duty, however, does not require you to disclose matters:

- that diminish the risk to be undertaken by the Insurer,
- that are of common knowledge,
- that your Insurer knows or ought to know in the ordinary course of their business,
- as to which compliance with your duty is waived by the Insurer.

If you do not tell us everything you are required to, the insurer may cancel your contract or reduce the amount to be paid if you make a claim, or both.

If your failure to tell us is fraudulent, the insurer may refuse to pay a claim and treat the contract as if it never existed.

For insurances required by statute, such as CTP motor vehicle insurance and workers compensation, the Insurer may be able to recover against the Insured in the event of misrepresentation, misstatement or non-disclosure.

If you are uncertain as to whether particular information is relevant to the insurer’s decision to insure, please contact your Authorised Representative who will help you identify whether the information should be disclosed to the insurer on the application or upon renewal or variation of the insurance.

Duty of Good Faith

Both parties to an insurance contract, the insurer and the insured, must act towards each other with the utmost good faith. If you fail to do so, the insurer may be able to cancel your insurance. If the Insurer fails to do so, you may be able to sue the Insurer.

Average Or Co-Insurance

Some policies contain an Average clause. This means that if you insure for less than the full value of the property, your claim may be reduced in proportion to the amount of the under-insurance. These clauses are also called “Co-Insurance” clauses.

A simple example is as follows:

Full (Replacement) Value	\$1,000,000
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Sum Insured	\$ 500,000
Therefore you would be self insured for 50% of the Full Value.	
Amount of Claim, say	\$ 100,000
Amount payable by Insurers as a result of the application of Average/Co-Insurance, i.e. 50%,	\$ 50,000

Some Business Interruption policies contain an Average/Co-Insurance clause, but the calculation is different. Generally, the Rate of Gross Profit, Revenue or Rentals (as applicable) is applied to the Annual Turnover, Revenue or Rentals (as applicable) (after adjustment for business trends or other circumstances).

If you are in any doubt about whether and how Average/Co-Insurance clauses apply to your insurances, please contact your Authorised Representative for assistance.

Subrogation and/or Hold Harmless Agreements

You can prejudice your rights to claim under your insurance if you make any agreement with a third party that will prevent or limit the Insurer from recovering the loss from that party (or another party who would otherwise be liable). This can occur when you sign a contract containing an indemnity clause, “hold harmless” clause or a release – unless you obtain the Insurer’s consent in advance.

This is because some policies contain ‘contractual liability exclusions’ that mean the Insurer can refuse to pay or reduce the amount it is liable to pay by the extent to which it is unable to recover from the third party. These exclusions are often found in Public and Products Liability, Broadform Liability and Professional Indemnity Policies.

Examples of such agreements are the “hold harmless” clauses, which are often found in leases, in property management contracts, in maintenance or supply contracts from burglar alarm or fire protection installers and in repair contracts. Other contracts you sign from time to time relating to your business operations (e.g. supply agreements, equipment hire contracts, event hire contracts, labour hire contracts, subcontracts, design and construct contracts, consultancy agreements etc.) may contain indemnity clauses and releases which may trigger the operation of policy exclusions or breach the conditions of your insurance.

Do not sign a contract or lease without contacting your broker and/or taking legal advice as to whether the contract terms will prejudice your insurance protection under your policies. If you are in doubt or require further assistance, please consult your Authorised Representative.

Leasing, Hiring and Borrowing Property

When you lease, hire or borrow property, make sure that the contract clearly identifies who is responsible for insuring the property. This will help avoid arguments after a loss and ensure that any claims are efficiently processed.

Industrial Special Risks policies automatically cover property that you are responsible to insure, subject to the policy excess. The decision as to who should insure the property is not left to your discretion. You may have other insurance (for example, public liability) which may assist you to meet claims relating to property damage or personal injury caused to or by property, which you lease or hire. Please note, there is usually a sub-limit on the amount of claims that can be made for damage to property in your temporary care, custody or control.

If the responsibility to insure lies with the owner, we recommend you try to ensure the lease or hire conditions waive any rights of recovery against you, even when the damage is due to your negligence. This will prevent the owner’s Insurer making a recovery against you.

If there are no conditions relating to responsibility to insure in the hire or lease contract, you should write to the owner asking who is required to insure the property.

Unnamed Parties

If you require a person to be named as a co-insured, a joint insured, an insured person or if you require the interest of a third party to be covered by your policy, you **must** request this in advance. Most policy conditions will not provide

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indemnity to other parties (e.g. mortgagees, lessors, principals etc.) unless their interest is properly noted on the policy. Please note, while we can ask, we cannot guarantee that an insurer will accommodate a request to include a further party as an insured under your policy or to note the interests of another party on your policy.

If this is required under a contract or agreement, do not sign the contract without checking with us whether the insurer is prepared to include the other party as an insured or note that party's interests. You should also be aware that it may not be in your best interests to make arrangements to have someone else insured under the terms of your policy.

If you would like assistance or guidance with the insurance requirements under a contract, please consult your Authorised Representative.

Insurance Placed With Unauthorised Foreign Insurers

If your risk is atypical or the insurance cannot reasonably be placed with an Australian authorised insurer, we may recommend that you insure with an unauthorised foreign insurer.

An unauthorised foreign insurer is an insurer that is not authorised under the Insurance Act 1973 (**Act**) to conduct insurance business in Australia and is not subject to the provisions of that Act, which establishes a system of financial supervision of general Insurers in Australia that is monitored by the Australian Prudential Regulation Authority (**APRA**).

The Insurer cannot be a declared general insurer for the purpose of Part VC of the Insurance Act 1973, and, if the insurer becomes insolvent, you will not be covered by the Federal Government's Financial Claims Scheme provided under Part VC of that Act.

If we do recommend that you insure, vary or renew your insurance with an unauthorised foreign insurer, we will tell you about that insurer and which policies we have placed with them.

You should consider whether you require further information regarding:

- The country in which the insurer is incorporated, and what scheme of financial supervision of insurers applies;
- The paid up capital of the insurer;
- The insurer's rating by credit rating agencies;
- The insurer's financial reports; and
- Which country's laws will determine disputes in relation to the policy.

As your insurance broker, we do not warrant or guarantee the current or ongoing solvency or financial viability of the Insurer because we have no control over the insurer's performance and this can be affected by many complex commercial and economic factors. The solvency of an insurer can change significantly between the time an insurance contract is entered into and the time a claim may be made. If you have concerns about the Insurer's solvency, you should review the insurer's credit rating from time to time.

Claims Occurring Prior To Commencement

Your attention is drawn to the fact that most of your policies do not provide indemnity in respect of events that occurred before the insurance commenced. They cover events that occur during the time the policy is current.

Claims Made During The Period Of Insurance

Some policies (for example, professional indemnity insurance) provide cover on a "claims made" basis.

This means that claims that are first advised to you (or made against you) and reported to your insurer during the period that the policy is current are insured under that policy, irrespective of when the incident causing the claim occurred (unless there is a date beyond which the policy does not cover – this is called a "retroactive date").

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If you become aware of circumstances which could give rise to a claim and notify the insurer during the period that the policy is current, a claim later arising out of those circumstances should also be covered by the policy that is current at the time of the notification, regardless of when the claim is actually made or when the incident causing the claim occurred.

In order to ensure that your entitlement to claim under the policy is protected, you must report all incidents that may give rise to a claim against you to the Insurers without delay after they come to your attention and before the policy expires.

Non Renewable Insurance

Cover under your policies terminates as indicated in our tax invoice or adjustment note.

While insurers will send renewal offers for most insurance policies, there are some which are not “renewable”. For these, if you wish to effect similar insurance for a subsequent period, you will need to complete a further proposal before the current policy expires so that we can seek terms of insurance and quotations on your behalf.

Essential Reading Of Policy Wording

The policy wordings for your insurances have either been provided to you or will be sent to you as soon as they are received from your Insurers. We recommend that you read these documents carefully as soon as possible and advise us in writing of any aspects which are not clear to you or if any aspect of the cover does not meet with your requirements.

Cooling off Period – Retail insurance

Please refer to the Product Disclosure Statement for information relating to the cooling off period.

HOW WE LOOK AFTER YOUR INSURANCE NEEDS

New Business - Contact us as soon as possible if you need cover for a risk or property that is not insured. If you need immediate cover, we can usually obtain an interim contract of insurance (which is generally valid for a month or less). To arrange this, we will need details of the property or risk and all other information which you need to disclose to the insurer.

We will then send you a proposal for completion. You will need to complete and sign this and return it to us as soon as possible and before the interim cover expires.

We will send the original insurance policy documents/product disclosure statement (PDS) as soon as they are issued correctly by your insurer. As these are legal documents, you should keep them in a safe place.

Renewals - We will give you at least 14 days’ notice of expiry of any insurance policy which we arranged or last renewed for you.

- Unless you tell us otherwise, we will automatically renew your insurance to ensure you continue to be covered. At the time we will send you an offer to renew the insurance policy and invoice you for the cost of renewal. If there is a change to your circumstances or if you want to change the details of the cover, contact us as soon as you receive the renewal offer. This will allow us to assess whether your insurance is appropriate for your circumstances.

If you arrange or renew your insurance directly with an insurer or through another broker, we will not be responsible for notifying you of expiry or arranging further renewals unless you ask us to do so.

Variations - You should carefully monitor and review that your insurance policy is adequate to cover your assets or business activities.

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If you want to vary any cover, e.g. by increasing the sum insured or adding other property, please provide us with details of the changes you require and any other information you need to disclose to the insurer.

We will arrange the variation with the insurer and notify you when it is arranged.

Claims - When you need to make a claim, we can advise if it is covered under that policy and assist you to prepare and submit the claim and any necessary documents to the insurer. If there is uncertainty about whether a claim is covered under your policy we will advise you.

If the insurer appoints a loss adjustor, lawyer or other consultant, we shall let you know and in accordance with the Privacy Act, pass on your contact details and co-ordinate meetings. For major losses, we can attend the initial meeting with the loss adjustor if you wish us to.

We will promptly forward to you all claims documentation, insurance company settlement cheques and other information. We will assist you to negotiate settlement and obtain payment of claims and can assist you to seek recovery from third parties if required.

If any claims are outstanding when you terminate our appointment as your insurance broker, we will provide details of the claim(s) to your new insurance broker so that they may continue to negotiate settlement on your behalf.