

Financial Services Guide

What information is in this FSG?

This Financial Services Guide (FSG) sets out our services we offer. It is designed to assist you in deciding whether to use any of those services and contains important information about:

- how we and our associates are paid.
- any potential conflicts of interest we may have.
- our internal and external dispute resolution procedures and how you can access them.
- arrangements we have in place to compensate clients for losses.

Who provides the services described in this Financial Services Guide (FSG)?

Howden Insurance Brokers (Australia) Pty Ltd (Howden) ABN: 79 644 885 389 | Authorised Representative No. 1285559 AND Alternative Risk Management Services Pty Ltd (ARMS) ABN 70 649 963 191 | AFS Licence No. 530893.

Bligh House, Level 3, 4-6 Bligh Street, Sydney NSW 2000

Tel: 1300 904 503

Email: info.aus@howdengroup.com

www.howdeninsurance.com.au

Howden Insurance Brokers (Australia) Pty Ltd is part of Howden Group Holdings Limited. Howden Insurance Brokers (Australia) Pty Ltd is an Authorised Representative of ARMS. ARMS is a related company of Howden Insurance Brokers (Australia) Pty Ltd and is also a part of Howden Group Holdings Limited.

LACK OF INDEPENDENCE

Why we are not independent, impartial, or unbiased in relation to the provision of personal advice and the impact of this on you

Howden and ARMS (collectively "we"), are not independent, impartial, or unbiased pursuant to section 923A of the *Corporations Act* because:

- We may receive remuneration, commission, gifts or other benefits when we provide personal advice to you in relation to insurance products and other financial products; and/or
- We may have associations or relationships with issuers of insurance products and other financial products.

Further information about these benefits and relationships is set out in this Financial Services Guide.

If you have any questions about this information, please ask us.

From when does this FSG apply?

This FSG applies from 17/12/21 and remains valid unless another FSG is issued to replace it.

How can you instruct us?

You can give us your instructions in writing, by telephone or in person at the contact details in this FSG.

Who is responsible for our financial services?

ARMS is responsible for the financial services we provide to you, or through you to your family members, and the distribution and content of this FSG.

Howden Insurance Brokers (Australia) Pty Ltd is an Authorised Representative of ARMS who holds a current Australian Financial Services Licence No: 530893. The contact details for ARMS are set out at the end of this FSG.

Who do we act for?

We usually act on your behalf and in your interests in all matters, however, where we have negotiated facilities such as binding or agency agreements for the benefit of our clients, we may act as an agent of the insurer and not for you. We will tell you when we act under a binder or agency to arrange your insurance, advise you about your insurance needs, or manage claims on behalf of the insurer.

ARMS acts as the appointed Trustee of various Discretionary Trust Arrangements (DTA) and provides financial services in relation to miscellaneous financial risk products in the nature of discretionary Mutual Funds (DMF) or trust arrangements. ARMS manages and administers the various DTAs on behalf of the DTA members and beneficiaries. ARMS may issue a financial product for the benefit of the DTA members and beneficiaries.

What financial services are you authorised to provide to me?

As your insurance broker, Howden is authorised by ARMS to provide financial product advice on, and deal (on your behalf) in, general insurance products and life insurance products to retail and wholesale clients.

ARMS is authorised to provide financial product advice on, and deal in relation to miscellaneous financial risk products such as the DMF schemes.

Howden may provide you with financial product advice relating to a DMF scheme. Where this is done, Howden will recommend that you read the relevant PDS issued by ARMS to ensure the advice suits your needs. Howden may also provide advice to ARMS as the product issuer and trustee of the DMF scheme in relation to excess of loss insurance cover under the scheme.

As an issuer of a DMF scheme, ARMS will charge you a contribution to become a member of the scheme. This contribution may include provision for claims against the scheme, claims management fees, insurance premium and taxes, broking fees (where applicable), risk management service fees and other items as detailed in the applicable scheme Trust Deed and Scheme rules.

What is a retail client and do you provide personal advice?

A retail client is an individual, a manufacturing business employing less than 100 people or any other business employing less than 20 people and when purchasing the following types of insurance covers: motor vehicle, home building, home contents, personal and domestic property, 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 if you are covered by the additional protection provided.

We only provide General Advice to our Retail Clients. General Advice does not take into account your particular needs and requirements and you should consider the appropriateness of any advice to your circumstances prior to acting upon it. We will provide you with a General Advice Warning in such cases.

If we offer to arrange the issue of an insurance policy to you, we will also provide you with a Product Disclosure Statement (PDS) which will contain information about the particular policy to enable you to make an informed decision about purchasing that policy.

What information do you maintain in my file and can I examine my file?

We may maintain a record of your profile, including:

- details of insurance policies and services that we arrange for you;
- any recommendations or advice provided to you;
- all applicable versions of our FSG or PDS that we have provided to you for the period required by law.

For details on how you can access the file as well as details of the management of your personal information, please refer to our privacy policy located at www.howdengroup.com/au-en/privacy-policy.

How will I pay for the services provided?

Payment for services we provide to you are payable directly to us. For an insurance product, the Insurer will charge a premium which includes any relevant taxes, charges and levies and we will also charge you a fee. If you are paying by credit card there may be an additional cost.

All of this as well as other payment methods and timeframes to pay are shown on the invoice we will provide to you.

When you pay us your premium it will be banked into our trust account. We will retain the commission from the premiums you pay us and remit the balance to the Insurer in accordance with our arrangements.

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

We earn between 0% and 30% of the base premium you pay. We also charge you a fee for our services.

We receive 100% of the income generated by our clients. If there is a refund of premium owed to you because of an alteration or cancellation to a policy we will retain any fee or commission previously earned.

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).

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

If you are a Retail client and 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.

If we arrange premium funding for you, we may receive a commission from the premium funder between 0% - 4% of the funded premium, we may also charge a fee.

Do we have any associations or relationships which might reasonably be expected to influence us?

Howden is a Steadfast Network Broker. As a Steadfast Network Broker we have access to services including model operating and compliance tools, procedures, manuals and training, legal, technical, HR, contractual liability advice and assistance, group insurance arrangements, product comparison and placement support, claims support, group purchasing arrangements and broker support services. These services are either funded by Steadfast, subsidised by Steadfast or available exclusively to Steadfast Network Brokers for a fee.

Referrers

In cases where you were referred to us by someone else, we will tell you if we pay them a fee or commission in relation to that referral.

Insurers & Premium Funders

Howden Group Holdings Limited own Dual International Limited who own Dual Australia Pty Limited (Dual Australia), which is therefore a related company to Howden and ARMS.

We may place your insurance with DUAL Australia. Any placement will be at arm's-length terms.

We have an obligation to act in our clients' best interests. Dual Australia act for insurers.

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 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.

Discretionary Mutual Fund Schemes

ARMS have a relationship with the advocate of each DMF scheme which may involve the provision of sponsorship, financial or other benefits to that advocate that may include a fee paid for the reimbursement of monies expended in the setting up or assisting in the administration of the scheme.

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 15 days, please contact the Complaints Officer for ARMS at the contact details noted at the end of this FSG. We will try and resolve your complaint quickly and fairly and no later than 30 days from when you lodged your complaint.
3. ARMS 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 the AFCA. The AFCA can be contacted at:

Australian Financial Complaints Authority
GPO Box 3, Melbourne, VIC 3001
Ph - 1800 931 678

Email - info@afca.org.au

Website - www.afca.org.au

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

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 covers us for claims relating to the conduct of employees who no longer work for us. This policy satisfies the requirements for compensation arrangements under section 912B of the Corporations Act.

Any questions?

For more information, please see our website - www.howdeninsurance.com.au

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

ARMS contact details

Bligh House, Level 3, 4-6 Bligh Street, Sydney NSW 2000

Tel: 1300 904 503

Email: complaints.pacific@howdengroup.com

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