

FINANCIAL SERVICES GUIDE (FSG)

The financial services referred to in this Financial Services Guide ('FSG') are offered by HMIA Pty Ltd (ABN 11 169 198 323) ('HMIA').

All references to 'we', 'us' or 'our' in this FSG are references to HMIA unless specified otherwise.

Listed below are the contact details for HMIA:

Street Address: Suite 1, Level 10, 1 Castlereagh Street, Sydney NSW 2000

Postal Address: PO Box H320 Australia Square, Sydney NSW 1215

Phone: +61 2 9227 8400

Fax: +61 2 9221 5663

Website: www.hmia.com.au

Email: enquiries@hmia.com.au

HMIA is an Authorised Representative of SGUAS Pty Ltd (ABN 15 096 726 895) ('SGUAS'). Listed below are the contact details for SGUAS:

Street Address: Level 5, 99 Bathurst Street, Sydney NSW 2000

Postal Address: PO Box A2016, Sydney South NSW 1235

Phone: +61 2 9307 6600

Fax: +61 2 9307 6699

Website: www.steadfastagencies.com.au

SGUAS holds a current Australian Financial Services Licence No.: 234437 and is responsible for the financial services that HMIA provides to you. HMIA's Authorised Representative No. is 462126. SGUAS is also responsible for the content and distribution of this FSG. The distribution of this FSG by HMIA is authorised by SGUAS.

Purpose and content of the 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; 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; and arrangements that are in place to compensate clients for losses.

Any financial services provided in accordance with this FSG will only relate to products arranged by HMIA pursuant to SGUAS' AFSL.

This guide is an important document. Please read it carefully and keep it in a safe place for your reference and for any future dealings with us.

From when does this FSG apply?

This FSG applies from 22 October 2019 and remains valid unless a further FSG is issued to replace it.

Who is responsible for the financial services provided?

SGUAS holds a current Australian Financial Services Licence No.: 234437 and is responsible for the financial services that HMIA provides to you.

What kinds of financial services are we authorised to provide and what kinds of financial products do those services relate to?

HMIA is authorised pursuant to SGUAS' AFSL to deal in and provide financial advice in relation to general insurance products for retail and wholesale clients.

To assist in your decision making, we will give you information about the insurance product by providing you with a Product Disclosure Statement ('PDS'). The PDS is an important document. You should carefully read the PDS to decide if the product features suit your objectives, financial situation and needs before making a decision about the insurance product. Please keep the PDS in a safe place for your reference and for any future dealings with us.

In some cases, we may make a general recommendation or give an opinion about the insurance products ('General Advice'). We do this without consideration of your specific individual objectives, financial situation or needs. This is a General Advice service. We do not provide any advice on whether other products may be more appropriate for your needs or which of the product options may be best for you.

You need to consider the appropriateness of any information or General Advice we give you, having regard to your specific individual objectives, financial situation or needs before acting on it.

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

Who do we act for?

When we provide financial services to you, we will not be acting on your behalf. This is because we are underwriting agents. When we distribute insurance products, we are acting under a binding authority given to HMIA by the insurer who underwrites the insurance cover. This binding authority allows us to accept your application for insurance as if we were the insurer. This means that we represent and act for the insurer and not for you.

How we are paid for our services

We receive income from the following sources:

Premium

When we issue you with an insurance policy, you will pay a premium based on our assessment of the risk profile you have provided. The total amount you pay is the premium plus any relevant taxes, charges and levies.

When you pay your premium to us, it will be banked into our trust account prior to being remitted to the insurer's trust account, net of any commission (see below) payable to us. 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 may earn interest on the premium while it is in our trust account. We will retain any interest earned on the premium.

All collected premium, applicable fees and statutory charges are held in our trust account in accordance with statutory provisions.

You can choose to pay the premium by any of the payment methods set out in your insurance schedule and tax invoice. You are required to pay us within the timeframe set out in the insurance schedule/tax invoice.

Commission

We receive a commission which is calculated as percentage of the premium less any relevant taxes, charges and levies.

The percentage of commission we receive is paid at a rate of 20.5%. At the end of the calendar year, we may receive additional commission from the insurer, depending on the overall performance and profitability of the portfolio with such additional commission being limited to 7% of premium received by the insurer during that calendar year.

The commission is included in the total amount you pay for the insurance policy and is not in addition to the insurance policy.

The commission applies to each insurance policy issued or renewed through us. The commission may not be refundable in the event of cancellation unless the insurance policy is cancelled either within the cooling-off period or is a full term cancellation.

See below for information on our association with Steadfast Group Ltd.

Administration Fee

In some circumstances, we may charge you an Administration Fee of up to \$2,500 exclusive of GST. We can tell you the exact Administration Fee at the time you (or your broker) contact us. The Administration Fee, if applicable, is stated in your insurance schedule/tax invoice.

The Administration Fee applies to each policy issued or renewed through us.

The Administration Fee is not refundable in the event of cancellation unless the insurance policy is cancelled either within the cooling-off period or is a full term cancellation.

Endorsement Fee

Any change to your insurance policy throughout the period of insurance may incur an Endorsement Fee of \$50 exclusive of GST and will be shown on your insurance schedule/tax invoice. The Endorsement Fee is not refundable in the event of cancellation.

Cancellation Fee

You may cancel your policy at any time. If you choose to cancel your policy, we will retain portion of premium that relates to the period for which you have been insured. We will refund the residual for the unexpired period less the Cancellation Fee which is calculated at 10% of that pro rata premium and any other non refundable fees provided that no event has occurred where liability arises under the policy.

The Cancellation Fee will not be charged if the insurance policy is cancelled either within the cooling-off period or is a full term cancellation.

Claims Handling Fee

A Claims Handling Fee is charged on aggregate excess policies only up to 8% of the aggregate excess amount. The Claims Handling Fee will be shown on your insurance schedule/tax invoice. The Claims Handling Fee is not refundable in the event of cancellation.

Remuneration of employees

HMIA and SGUAS employees assisting you with your insurance needs will be paid a market salary and may earn a cash bonus or other incentives based on achievement of a broad range of goals, including financial targets. Some employees and officers of HMIA who hold a shareholding or ownership interest in HMIA may receive company dividends.

Further information

You may request particulars of our remuneration (including commission) or other benefits, including, to the extent relevant, a statement of the range of amounts or rates within a reasonable time following receipt of this FSG and before we provide any financial service to you.

Association with Steadfast

HMIA and SGUAS are subsidiaries of Steadfast Group Ltd (ABN 98 073 659 677) ('SGL').

HMIA and SGUAS have access to shared services from SGL, including compliance tools, manuals and training as well as legal, banking and group purchasing arrangements. These services are funded by SGL, subsidised by SGL or SGL receives a fee for them.

SGL has exclusive arrangements with some insurers under which SGL may receive between 0.5% – 1.5% commission of the base premium paid (excluding government charges) for some products arranged by HMIA and SGUAS with the insurer of those products. SGL may share part of that commission with SGUAS or HMIA. SGL's FSG is available at www.steadfast.com.au or on request by telephoning SGL's Company Secretary on +61 2 9495 6500.

What is your duty of disclosure obligation?

In accordance with the *Insurance Contracts Act 1984* (Cth) you have a duty of disclosure. For the full wording of your duty of disclosure, please refer to the PDS.

Conflicts of interest

We take any potential and actual conflicts of interest seriously and have a conflict of interest policy. Conflicts of interest are circumstances where some or all of your interests are or may be inconsistent with or diverge from some or all of our interests. We manage conflicts of interest through adequate controls, disclosure and avoidance. We also provide training to our employees to identify conflicts of interest and encourage the early reporting of potential conflicts of interest.

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

HMIA and SGUAS both have a professional indemnity insurance policy ('PI policy') in place which satisfies the requirements for compensation arrangements under Section 912B of the *Corporations Act 2001* (Cth).

The PI policy covers SGUAS and HMIA for claims made against SGUAS and HMIA as a result of the conduct of SGUAS and HMIA or conduct by employees (or former employees) in the provision of financial services.

What should you do if you have a complaint?

If you make a complaint regarding our services, we will do everything we can to try to resolve it as quickly and fairly as possible.

Stage 1

You can make a complaint by contacting us on +61 2 9227 8400 or writing to us at:

Postal Address: PO Box H320, Australia Square, Sydney NSW 1215

Fax: +61 2 9221 5663

Email: enquiries@hmia.com.au

We will provide a response in writing within fifteen (15) business days unless further time is required (e.g. insufficient information), in which case we will provide a response as soon as possible.

Stage 2

If we do not resolve your complaint to your satisfaction, the complaint will be handled by our or the insurer's internal panel. If it is to be handled by us, we will respond in writing within fifteen (15) business days of the date you advise that you wish to proceed to Stage 2, provided all the necessary information has been provided and any investigation required has been completed.

Stage 3

If we are unable to resolve your complaint within forty-five (45) business days of the date we first received your complaint or if your complaint has not been resolved to your satisfaction, you can lodge your complaint with the Australian Financial Complaints Authority ('AFCA') depending on eligibility related to your policy. AFCA provides fair and independent financial services complaint resolution that is free to consumers. You can contact AFCA by:

Post: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

Phone: 1800 931 678 (free call)

Website: www.afca.org.au

Email: info@afca.org.au

For our full complaints process please go to our website www.hmia.com.au or request a hard copy.

How can you instruct us?

You can contact us to give instructions by post, phone, fax or email on the contact number or details mentioned on page 1 of this FSG.

What information do we maintain in your file and how can you access it?

We are committed to implementing and promoting a privacy policy, which will ensure the privacy and security of your personal information.

If you apply for one of HMIA's insurance products, we will collect information from you for the purpose of us deciding whether to arrange insurance for you, and if so, on what terms. If we agree to issue the relevant insurance, we will use the information to manage rights and obligations under the insurance product. We do not trade, rent or sell your information.

You can request details of the information we hold about you at any time.

Our privacy officer can be contacted on +61 2 9227 8400 or by writing to the privacy officer at:

Postal Address: PO Box H320, Australia Square, Sydney NSW 1215

Fax: +61 2 9221 5663

Email: enquiries@hmia.com.au

For a full privacy collection statement, please refer to the PDS. To access our privacy policy, please go to www.hmia.com.au

If you wish to examine your file or have a copy of this privacy policy sent to you, please ask us. We will arrange for this to occur.

We will retain this FSG and any other FSG given to you as well as any PDS that we give or pass on to you for the period required by law.

More information

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 us.

This FSG was prepared on 22 October 2019.

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