

Financial Services Guide

The **Financial Services Guide ('FSG')** provides information on key matters governing the relationship between you and Kalin Insurance Services Pty Ltd (Kalin) prior to you receiving financial services and advice from us.

This FSG explains the services we can offer to you and the types of products we offer as authorised by our Australian Financial Services Licensee, Quantum Insurance Holdings Pty Ltd. It also explains how we (and other related persons) are remunerated for these services and includes details of our internal and external complaints handling procedures and how you can access them. Key information is set out in answer to the questions below. Should you require additional information or clarification, please ask us. (refer page 5 for contact details)

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. The PDS will contain information about the particular policy which will enable you to make an informed decision about purchasing that policy.

Who is my Adviser?

Your adviser is:

Kalin Insurance Services Pty Ltd (Kalin) ABN 65 630 810 669

Kalin is a Corporate Authorised Representative no: 1274720 of

Quantum Insurance Holdings Pty Ltd, Australian Financial Services Licence no: 451134.

From when does this FSG apply?

This FSG applies from 14th May 2019 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.

Who is responsible for the financial services provided?

Quantum Insurance Holdings Pty Ltd holds a current Australian Financial Services Licence (AFSL no: 451134) and is responsible for the advice provided by its Representatives. Quantum Insurance Holdings Pty Ltd authorises the distribution of this FSG.

How can I instruct you?

You can contact us to give us instructions by post, phone, or email on the contact numbers or details mentioned on page 6 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?

Kalin is authorised by the Licensee, to deal in general insurance products to wholesale and / or retail clients and to provide you with advice as to the suitability of general insurance policies to meet your particular needs.

Dealing services: This is the service of arranging insurance policies on your behalf. In doing so we may provide factual information about insurance policies such as:

- the nature of insurance policies
- the coverage of an insurance policy
- options available under an insurance policy and
- the premium payable and payment options

Will you give me advice that is suitable to my needs and financial circumstances?

Yes, we can provide you with advice as to the suitability of general insurance policies to meet your particular needs.

We also provide general advice, meaning that when we provide general advice, we have not considered your objectives, financial situation or needs. General advice is not personal advice. And we will only ask for and take into account relevant information when assessing your application for insurance cover. In some cases, we will not ask for any of this information. We will tell you when we are providing general advice and not personal advice.

Who do we act for?

As an insurance broker we act for you.

How do we treat the information that you provide to us?

We maintain a record of your personal profile. That record contains information about insurance policies that we have arranged for you. The record may also contain details of your objectives, financial situation and needs collected for the purpose of giving you advice. We will maintain records of any recommendations made to you. 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.

We are committed to implementing and promoting a Privacy policy, which will ensure the privacy and security of your personal information. A copy of our Privacy policy is available on request.

If you wish to look at your file, please ask us. (refer page 5 for contact details). We will make arrangements 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. 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. The rate for retail products generally ranges between 0 and 30%. The brokerage we earn contributes to the cost of performing the distribution functions of the Insurer such as data entry, marketing, annual renewal marketing and underwriting. It is not a reflection of our profit.

In some cases, we may also charge you a fee including GST such as:

- i. a broker fee in addition to brokerage (if any) allowed by the Insurer when you enter into an insurance policy
- ii. a flat fee for arranging an insurance policy or a fee based upon the time we spend advising you
- iii. an annual management 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 invoice. You are required to pay us within the time set out on the invoice. Should you require any information regarding the nature and amount of any fee involved please contact us.

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

Our commission 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 30%.

P = the amount you pay for any insurance policy (excluding relevant taxes, charges and levies).

Any fees that we charge you will be based upon a flat fee no greater than 20% of the total premium.

Where a third party has referred you to us, we may share part of our remuneration with them or pay them an agreed referral fee.

Our staff receive an annual salary that may include bonuses based on performance criteria and achievement of company goals.

If we give you personal advice, we will inform you of any fees, commission or other payments we 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 we earn any other commissions or fees?

If we arrange premium funding for you, we may be paid a commission by the premium funder. 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 a product, this is when we become entitled to the commission.

Our commission rates for premium funding are in the range of 0% to 2% 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. The amount of our commission and any fee that we charge will be set out in the premium funding contract.

If there is a refund of premium as a result of the cancellation or adjustment of a policy, this will be provided net of any remuneration that we have received in relation to the placement of the insurances on your behalf.

When you pay us your premium it will be banked into our trust account. 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.

Kalin has a Referral Agreement with Steadfast Life whereby Kalin refers people who may be interested in life insurance products and services to Steadfast Life. During the term of this Agreement, Steadfast Life will pay Kalin 25% of all upfront and trail commission received by Steadfast Life for life insurance products arranged for persons referred to Steadfast Life by Kalin and any variation, extension, renewal or replacement of those products.

If you need further explanation, please ask us.

What Other Benefits Are Received?

Kalin's employees may from time to time receive non-cash benefits with a cash value less than \$300. Details of benefits between \$100 and \$300 will be maintained on a register. These benefits will normally be one off and will not be received from an insurer on a regular basis.

Some of Kalin's employees are shareholders of Kalin Insurance Services Pty Ltd and will receive a share of any profit distributed to shareholders by Kalin.

You have a right to request for further information in relation to the remuneration, the range of amounts or rates of remuneration, and soft dollar benefits received by the licensee and/or Kalin.

Do any relationships exist which might influence the service or advice I receive?

Quantum Insurance Holdings Pty Ltd is a Steadfast Group Limited Network Broker. Steadfast has exclusive arrangements with some insurers and premium funders (partners) under which Steadfast will receive between 0.5 – 1.5% commission for each product arranged by us with those Partners. Steadfast is also a shareholder of some Partners. We 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 Quantum Insurance Holdings Pty Ltd has 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

The shareholding of Kalin Insurance Services Pty Ltd include shares held by certain entities, controlled by the individual Directors of Quantum Insurance Holdings Pty Ltd. These entities will receive a share of any profit distributed to shareholders by Kalin.

Quantum Underwriting Agencies Pty Ltd (QUA) is a Corporate Authorised Representative (CAR no: 328372) of Quantum Insurance Holdings Pty Ltd. QUA is authorised to quote, bind and issue Certificates of Insurance under a Binding Authority Agreement (Binder) granted by Certain Underwriters at Lloyd's. QUA specialises in specie related business in Australia, Asia and New Zealand. QUA is an insurance provider that we deal with regularly.

Cooling off period

A cooling off period may apply to an insurance policy issued to you as a Retail Client. During the period you may return the policy. Details of your cooling off rights will be included in the relevant Product Disclosure Document.

Material changes

You must notify your insurer of any significant changes which occur during the period of insurance. If you do not, your insurances may be inadequate to fully cover you, or you may void your insurance cover by breaching your duty of disclosure.

Electronic Delivery of Disclosure Notices.

Please note that where possible we prefer to provide all correspondence and disclosure notices (including Financial Services Guides 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 all correspondence and disclosure notices. Should you not wish to be sent disclosure documents electronically please advise us and we will update our records accordingly.

What should I do if I have a complaint?

We take any and all complaints seriously and have established internal dispute resolution procedures to ensure all complaints are handled fairly, honestly and in a timely manner.

If you have any complaints about the service provided to you, you should take the following steps.

1. Contact us and tell us about your complaint.
2. If your complaint is not satisfactorily resolved within 24 hours, please contact
The Complaints Officer
Quantum Insurance Holdings Pty Ltd
PO Box 7163, Eaton, WA 6232
Phone: (08) 9724 1555
Email: complaints@qua.net.au

We will respond to your Complaint within 15 business days of the date of receipt of your Complaint, provided we have all necessary information and have completed any investigation required.

If we cannot respond within 15 business days because we do not have all necessary information, or we have not completed our investigation:

- a) We will let you know as soon as reasonably practicable within the 15-business-day timeframe and agree a reasonable alternative timetable with you. If we cannot reach an agreement with you on an alternative timetable, we will advise you of your right to take your Complaint to the Australian Financial Complaints Authority (AFCA); and
- b) We will keep you informed about the progress of our response at least every ten business days, unless you agree otherwise.

External Dispute Resolution

If your Complaint is not resolved in a manner satisfactory to you or we do not resolve your complaint within 45 calendar days of receiving your complaint, you may refer the matter to AFCA.

AFCA can be contacted by post GPO Box 3, Melbourne VIC 3001, phone 1800 931 678 or email info@afca.org.au. More information can be found on their website www.afca.org.au.

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

Quantum Insurance Holdings Pty Ltd confirms that it holds Professional Indemnity Insurance in accordance with s.912B of the *Corporations Act 2001* (as amended). The Professional Indemnity Insurance extends to indemnify Quantum Insurance Holdings, Kalin and its employees (past, present and former employees), subject to its terms and conditions, up to the Limit of Indemnity in respect of the authorisations and obligations under its Australian Financial Services Licence.

This PI policy will cover Quantum Insurance Holdings Pty Ltd for claims relating to the conduct of Representatives who no longer work for us.

Conflicts of Interest

For Retail Clients receiving personal advice, details of relationships that impact the advice will be included in any SOA or invoice documentation we send you. All material conflicts that impact our advice, that are not mentioned in this FSG, will be advised to you on the invoices related to that advice.

Any questions?

If you have any further questions about this financial services guide please contact us on phone number 02 8350 9999. Retain this document for your reference and any future dealings with Kalin Insurance Services Pty Ltd. FSG Version 2.0 as at 14 May 2019.

Contact Details:

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