

**Johansen
Insurance
Brokers**

**TERMS OF ENGAGEMENT,
FINANCIAL SERVICES GUIDE
& IMPORTANT NOTICES**

JOHANSEN INSURANCE BROKERS PTY LTD - PROFILE

Key points

- Established in 1980
- ASIC – Registered Australian Financial Services Licence No. 226601
- Annual Turnover - \$18 million
(top 10 % by ranking of all insurance brokers within Australia)
- Two Offices – Wangaratta & Bendigo, employing 19 staff members across both branches
- Direct Contact to your Director / Account Manager – all are 'hands on' in the business
- Personalised approach
- Signatory to Australian Financial Complaints Authority (AFCA) (external dispute resolution)

Capability

- Established strong commercial relationships with each of Australia's 10 largest Insurers
- Access to over 100 insurance markets in total including overseas facilities
- Strategic alliance partner with Steadfast Cluster Group
- Member of National Insurance Brokers Association of Australia



CLASSES OF INSURANCE

The following types of insurance are available and may include those which you may have already purchased. The list does not include all types of insurance available in the various insurance markets, and availability of insurance may be subject to prevailing market conditions.

As your business is continually changing, we recommend this list be reviewed regularly to determine whether these risks may be appropriate or not to your circumstances. Please let us know if you require additional information or an explanation.

PROPERTY

- Fire & Perils
- Industrial Special Risks
- Theft
- Glass
- Money
- General Property
- Strata Plan
- Farm & Crop
- Business Interruption

CONSTRUCTION

- Property
- Liability

ENGINEERING

- Boiler & Pressure Vessel Explosion
- Machinery Breakdown
- Business Interruption
- Deterioration of Stock

COMPUTER

- Cyber Liability
- Crime
- Electronic Equipment Breakdown

LIABILITY

- Public Liability
- Products Liability
- Association Liability
- Defamation
- Directors' & Officers' Liability
- Employment Practices Liability
- Errors & Omissions
- Management Liability
- Pollution/Environmental Liability
- Professional Indemnity
- Statutory Liability (Fines & Penalties)
- Superannuation Fund
- Trustees' Liability
- Umbrella Liability
- Warranty Indemnity

WORKERS' COMPENSATION

- Northern Territory
- South Australia
- Tasmania
- Western Australia

MOTOR

- Own Damage
- Third Party Property Damage
- Compulsory Third Party (CTP)

MARINE

- Carriers' Liability
- Transit/Cargo
- Hull
- Inland
- Overseas
- Owner Liabilities
- Non-Owner Liabilities
- Pleasure Craft

AVIATION

- Hull

EMPLOYEE BENEFITS

- Corporate Travel
- Personal Accident & Sickness
- Group Accident

MISCELLANEOUS

- Home Warranty
- Tax Audit
- Trade Credit

IMPORTANT NOTICES & INFORMATION

GENERAL ADVICE WARNING

This advice does not take into account any of your particular objectives, financial situation or needs. For this reason, before you act on this advice, you should consider the appropriateness of the advice taking into account your own objectives, financial situation and needs. Before you make any decision about whether to acquire the policy, you should obtain and read the product disclosure statement for the policy.

DUTY OF DISCLOSURE - (NON-CONSUMER INSURANCE CONTRACTS ONLY)

Before you enter into an insurance contract, you have a duty to tell the insurer anything that you know, or could reasonably be expected to know, that may affect the insurer's decision to insure you and on what terms.

You have this duty until the insurer agrees to insure you.

You have the same duty before you renew, extend, vary, or reinstate an insurance contract. You do not need to tell the insurer anything that:

- reduces the risk they insure you for; or
- is common knowledge; or
- the insurer knows, or should know; or
- the insurer waives your duty to tell them about.

If you do not tell the insurer something

If you do not tell the insurer anything you are required to, they may cancel your contract, or reduce the amount they will pay you if you make a claim, or both.

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

DUTY TO NOT MAKE A MISREPRESENTATION - (CONSUMER INSURANCE CONTRACTS ONLY)

(Note: if you are applying for a new consumer insurance contract, or varying an existing consumer insurance contract, which is an insurance policy obtained wholly or predominately in relation to personal, domestic or household insurance purposes, you must answer the specific questions asked by the insurer truthfully and accurately. In answering those questions, you must tell the insurer all information that's known to you and that a reasonable person would be expected to provide in answer to the questions).

You have a duty under the Insurance Contracts Act 1984 (ICA) to take reasonable care not to make a misrepresentation to the insurer (your duty).

Your duty applies only in respect of a policy that is a consumer insurance contract, which is a term defined in the ICA.

Your duty applies before you enter into the policy, and also before you renew, extend, vary, or reinstate the policy.

Before you do any of these things, you may be required to answer questions and the insurer will use the answers you provide in deciding whether to insure you, and anyone else to be insured under the policy, and on what terms. To ensure you meet your duty, your answers to the questions must be truthful, accurate and complete.

If you fail to meet your duty, the insurer may be able to cancel your contract, or reduce the amount it will pay if you make a claim, or both.

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

ESSENTIAL READING OF POLICY WORDING

The policy wordings for your insurances are essential reading to understand what is protected by each policy. Read them carefully as soon as possible and contact us if you have any concerns about the extent of your cover.

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 can 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 or Co-insurance 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.

Some business interruption policies contain an Average/Co-Insurance clause which has a different application. Check your policy and contact us with any questions.

CONTRACTS AND LEASES YOU SIGN

If you sign a contract with an indemnity, "hold harmless" or release, it can invalidate your insurance – unless you obtain the Insurer's consent in advance.

These clauses are often found in leases and other contracts you sign from time to time relating to your business. Do not sign a contract or lease without contacting us and/or taking legal advice as to whether the contract terms will prejudice your policy.

CANCELLATION

If a cover is cancelled before the expiry of the period of insurance, we will refund to you only the net return premium which we receive from the insurer. We will not refund any part of the brokerage we received for arranging the cover.

If there is any part of the above that you do not understand or you require further explanation, please contact us immediately.

CHANGE OF RISK OR CIRCUMSTANCES

It is vital that you advise the insurer of any changes to your company's usual business. For example, insurers must be advised of any

- mergers or acquisitions,
- changes in occupation or location
- new products or services, or
- new overseas activities

Please contact us if you are in doubt as to whether to notify your insurer of a change in business operations. Your duty to disclose applies also when you amend, alter, vary or endorse a policy.

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.

Industrial Special Risks policies automatically cover property which you are responsible to insure, subject to the policy excess. Public liability insurance may assist you meet claims relating to property damage to property which you lease or hire. A sub-limit usually applies to the amount you can claim for damage to property in your care, custody or control.

ADDITIONAL INSUREDS AND NOTING INTERESTS

If a person is to be named on your policy or insured as a co-insured or joint insured, notify us immediately so we can request this in advance from the insurer. Your property and liability policies will not provide automatic cover for the insurable interest of other parties (e.g., mortgagees, lessors).

Check with us whether the insurer will include someone else as an insured or note their interests before you agree to this in a contract or lease. We cannot guarantee that an insurer will agree to include someone as an insured under your policy or to note their interests on your policy.

CLAIMS OCCURRING POLICIES

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 policy period.

CLAIMS MADE POLICIES

Some policies (e.g. professional indemnity insurance) provide cover on a "claims made" basis. This means that claims first advised to you (or made against you) and reported to your insurer during the policy period are insured under that policy, irrespective of when the incident causing the claim occurred. If you become aware of circumstances which could give rise to a claim, notify the insurer during the policy period.

Report all incidents that may give rise to a claim against you to the insurers immediately after they come to your attention and before the policy expires.

NEW CLAIMS / UNREPORTED LOSSES

Any quotation we have obtained on your behalf is based on the understanding that there will be no deterioration in the claims experience between the date insurers quoted their terms and the inception date of the cover. If claims do occur during this period, insurers have the right to revise the terms quoted or even withdraw their quotation. Please let us know whether there are any losses which have occurred that have not been reported to us/insurers, whether you intend making a claim or not.

FINANCIAL SERVICES GUIDE (FSG)

The attached Johansen Insurance Brokers Financial Services Guide contains important information about us and the services we provide. You should read it carefully and make sure you understand it. If there is anything in the FSG that you do not understand, please contact us.

INSURER SOLVENCY

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.

UNAUTHORISED FOREIGN INSURERS

In limited cases, 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 system of financial supervision of general insurers in Australia that is monitored by the Australian Prudential Regulation Authority.

If the insurer becomes insolvent, you will not be protected by the Federal Government's Financial Claims Scheme provided under Part VC of that Act.

SEVERAL LIABILITY

Where your policy cover is provided by more than one insurer it is important to note that each insurer is only responsible to the extent of their individual subscription and there is no obligation for that insurer to make up the shortfall of any other subscribing insurer in a claim or return premium payment.

SHORTFORM PRIVACY STATEMENT – AUGUST 2017

We are committed to protecting your privacy. We use the information you provide to advise about and assist with your insurance needs. We provide your information to insurance companies and agents that provide insurance quotes and offer insurance terms to you or the companies that deal with your insurance claim (such as loss assessors and claims administrators). Your information may be given to an overseas insurer (like Lloyd's of London) if we are seeking insurance terms from an overseas insurer, or to reinsurers who are located overseas. We will try to tell you where those companies are located at the time of advising you. We

also provide your information to the providers of our policy administration and broking systems that help us to provide our products and services to you. We do not trade, rent or sell your information.

If you don't provide us with full information, we can't properly advise you, seek insurance terms for you, or assist with claims and you could breach your duty of disclosure.

For more information about how to access the personal information we hold about you and how to have the information corrected and how to complain if you think we have breached the privacy laws, ask us for a copy of our Privacy Policy or visit our website.

TARGET MARKET DETERMINATION (TMD)

If you are interested in the Target Market Determination for your policy(s), please contact our office

NOTICE TO INTENDING INSURED

The Insurance Contracts Act 1984 came into operation on the 1st January, 1986. The provisions of the Act are very important to all parties to any contract of insurance or proposed contract of insurance ("the contract"). Some of them require insurers to provide certain notices, documents and information to the Insureds. After reading this, if any matters relating to the policy wording or proposal is unclear to you or you have any questions at all in relation to the insurance, please contact us for an answer or explanation as soon as possible.

AFCA MEMBERSHIP

Johansen Insurance Brokers Pty Ltd is a member of the Australian Financial Complaints Authority (AFCA). If you have a complaint which we cannot resolve to your satisfaction you have the right to refer the matter to the AFCA.

TERMS OF ENGAGEMENT

We outline below how and on what terms we will manage your insurance needs.

You appointed us as your insurance broker to perform the broking services as set out below and unless you inform us in writing to the contrary, we will assume that you have read, understood and fully accepted the following Terms of Engagement.

Your continued instructions to us will constitute further acceptance of our Terms of Engagement.

This Engagement may only be amended or modified by written agreement duly signed by each party.

Our Services

We agree to perform these Services in a professional manner and will exercise the degree of reasonable skill and care to be expected of a competent insurance broker.

We shall be authorised to represent and assist you in all discussions and transactions with insurers relating to the insurances and services listed in the Services provided that we shall not place any insurance on your behalf unless so authorised by you in advance.

ALL correspondence including invoices, policy schedules, policy wordings and PDS', will be sent via email. Unless advised by you, either verbally or in writing, we will assume that you agree with this method of communication. Should you opt out, we will provide manual copies of all documents free of charge.

We will provide you with the following services:

- Review your insurance needs with you
- Advise and make recommendations as to your insurance requirements
- Meet with you to discuss our recommendations
- Prepare underwriting submissions
- Negotiate terms with any existing insurers and with alternative insurers, in some cases we will only access a limited number of insurers or even a single insurer
- Provide recommendations on insurances you require, we will only place the insurances agreed upon
- Confirm placement and renewal of the insurances to you (and any other interested party)
- Calculate, invoice and collect the premiums
- Prepare policy wordings and obtain signed policies from insurers
- Adjust premiums on prior year policies
- Review your insurance arrangements:
 - when you inform us about material changes to your circumstances;
 - at the time of any scheduled Status Reviews as agreed with you;
 - upon renewal of your insurances.
- Provide prompt and effective claims handling services including:-
 - Make contact as soon as Practical
 - Ensure Immediate Attention
 - Communicate with Loss Adjusters
 - Supervise Lodgement of Documentation
 - Monitor Progress
 - Negotiate with Insurers to obtain Prompt and Equitable Settlement
 - Provide access to various methods of premium payment to suit your cash flow or payment preference
- Provide ongoing day-to-day service including periodic meetings to ensure all parties are kept up to date with developments.

- We may communicate with you by electronic means, including sending renewal notices and policy documentation, unless you specifically request that this is not done.

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 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 that 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.

We will notify you when renewal has been effected.

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.

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

Our Payment Terms

Invoices

We will invoice you for the premium, statutory charges (e.g. stamp duty, fire services levy, etc) and any fees we charge for arranging your insurances. You must pay us within 30 days of the date of the invoice or, in the case of a renewal, before the expiry date of the contract of insurance.

If you do not pay the premium on time, the insurer may cancel the contract of insurance and you will not be insured. The insurer may also charge a short term penalty premium for the time on risk.

Premium funding

Premium funding products enable you to pay your premiums by installments. Premium funders do charge interest and they take a power of attorney over your insurance policy.

We can arrange premium funding on your behalf 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 before or at the time the premium funding is arranged.

Credit card fees

If you pay by credit card we may charge you a non refundable credit card fee. This fee will be shown on your invoice and reimburses us for the bank interest, extra charges/costs and internal time generated for credit card use.

Remuneration

Unless we tell you otherwise, we will be remunerated by commission from the insurer when you enter into an insurance contract that we arrange (this includes renewal and some variations). We may also charge you a fee.

The commission is a percentage of the premium (excluding government charges, levies and taxes). Some insurers may pay us more than others. The rate of commission can vary as listed in the attached Financial Services Guide according to the type of insurance and cover provided and the way the transaction is arranged. The commission does not represent our profit as it also reimburses the administrative and other expenses involved in providing our services.

If we arrange premium funding for you, we may earn a commission from the premium funder. This is usually calculated as a percentage of the premium (excluding government charges, levies and taxes) between 0% to 4%.

If you cancel your insurance mid-term, we will refund the net premium we receive from your insurer. We shall be considered to have earned all remuneration in full at the time the policy is placed. We reserve the right to retain in full all remuneration so earned even where an insurance policy is amended, terminated or otherwise cancelled. This does not affect any statutory cancellation rights. Save for our transaction fees and brokerage, our remuneration is not conditional on the placement of an insurance policy being made, and we reserve the right to be remunerated for the work it has undertaken.

We sometimes pay money to others who refer you to us. These payments are made from the commission and fees you pay us.

Please ask us if you would like further information about our remuneration.

Your Disclosure Obligations

It is important that you provide us with complete and accurate information about the risk to be insured otherwise the advice we give you may not be appropriate for your needs. Before you enter into an insurance contract, you have a duty to tell us anything that you know, or could reasonably be expected to know, may affect the insurer's decision to insure you and on what terms.

If your circumstances change, our recommendations may no longer be appropriate. Please tell us about any changes in your circumstances so that we can confirm that your insurance continues to be suitable for your needs.

More information about your duty to disclose information is provided in the attached "Important Notices & Information".

Continuity of Cover

It is important that you maintain continuity of cover. Accordingly, if a contract of insurance falls due and we are unable to contact you, we will automatically arrange for the policy to be held covered (or renewed if necessary). If you do not require the cover, we do ask that you tell us as soon as possible. A short-term premium may apply. Please tell us if you do not wish us to provide this service.

Making a Claim

Most insurance policies have strict requirements about what the insured should do if they have a claim or if they know about something that might lead to a claim in the future. It is your responsibility to understand these requirements and any relevant limitation period for commencing legal proceedings or other forms of dispute resolution against insurers should the need occur.

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, with your permission, 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, your new insurance broker will have to continue to negotiate settlement on your behalf with your respective insurers.

Cancellations

We can only cancel a contract of insurance on the written instructions of a person authorised to represent each of the parties who are named as insureds. We cannot cancel any contract of insurance which is subject to the Marine Insurance Act 1909.

OUR FINANCIAL SERVICES GUIDE

Edition 26 effective 1st December 2023

The financial services referred to in this financial services guide (**FSG**) are offered by:

Johansen Insurance Brokers Pty Ltd
ABN 28 005 714 803, AFSL No. 226601

2 & 3, Rear 49 Reid Street
Wangaratta VIC 3677
(03) 5721 7655
mail@johansen.com.au
(Licensee)

58 Myrtle Street
Bendigo VIC 3550
(03) 5443 6533
mail@johansen.com.au

The Licensee holds a current Australian Financial Services Licence No: 226601 and is responsible for the financial services that the Licensee or Authorised Representative provides to you and is also responsible for the content and distribution of this FSG.

When used in this FSG **"we", "us" or "our"** means the Licensee who is offering to provide you, or providing you, with financial services, as applicable.

This FSG sets out the services that I/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 I/we offer you.
- how I/we and others are paid.
- any potential conflict of interest I/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.

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

We, Johansen Insurance Brokers, 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;
- 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.

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 me/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 product.

From when does this FSG apply?	This FSG applies from 1 st December 2023 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, fax or email on the contact number or details mentioned on page 1 of this FSG.
Who is responsible for the financial services provided?	Johansen Insurance Brokers 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. Johansen Insurance Brokers holds a current Australian Financial Services Licensee no: 226601. The contact details for Johansen Insurance Brokers 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?	Johansen Insurance Brokers is authorised to provide financial product advice for general insurance products to retail and wholesale clients. We will do this for you as your broker unless we tell you otherwise.
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 or to give you advice about your insurance needs. 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. Where we provide you with advice about your insurance arrangements, that advice is current at the time that we give it. We will review your insurance arrangements when you inform us about changes in your circumstances.
Contractual Liability and your insurance cover	Many commercial or business contracts contain clauses dealing with your liability (including indemnities or hold harmless clauses). Such clauses may entitle your insurers to reduce cover, or in some cases, refuse to indemnify you at all. You should seek legal advice before signing and accepting contracts. You should inform us of any clauses of this nature before you enter into them
What information do you maintain in my file and can I examine my file?	We maintain a record of your personal profile, including details of insurance policies that we arrange 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 implementing and promoting a privacy policy, which will ensure the privacy and security of your personal information. A copy of The Licensee's privacy policy is available on request. A copy is also available on The Licensee's website, www.johansen.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. 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. However, in some cases we will also charge you a 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. You can choose to pay for our services by any of the payment methods set out in the invoice. You are required to pay the Licensee within the time set out on the invoice.

If there is a refund or reduction of your premium as a result of a cancellation or alteration to a policy, or based on a term of your policy (such as a premium adjustment provision), we will retain any fee we have charged you. We will also retain commission depending on our arrangements with the insurer, or charge you a cancellation fee equal to the reduction in commission.

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 their 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.

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

The Licensee's 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 27%

P = the amount you pay for any insurance policy (less any government fees or charges included in that amount).

Any fees that Johansen Insurance Brokers charge you will be based on a reasonable fee for the cost of our services which includes but is not limited to; market research on products available, sourcing alternative quotations, cover & risk analysis, portfolio co-ordination and claims handling.

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 its commission or fees (not in addition to those amounts), in the range of 0% to 80% of its commission or fees.

Our employees that will assist you with your insurance needs will be paid a market salary. They may receive bonuses payable based on the percentage of commission and fees earned. This percentage varies between 0% and 50%.

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. See below for information on the Steadfast association and commission.

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

Johansen Insurance Brokers is a Steadfast Group Limited (**Steadfast**) Network Broker and brokerage company and/or principals/directors may hold shares in Steadfast. Steadfast has exclusive arrangements with some insurers and premium funders (**Partners**) under which Steadfast will receive between 0.5 – 1.5% service fee for each product arranged by the Licensee with those Partners. Steadfast is also a shareholder of some Partners.

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.

Steadfast has arrangements with some insurers and premium funders (Partners) under which the Partners may pay Steadfast a service of between 0.5 – 1.5% for each product arranged by us with those Partners, or alternatively a fee to access strategic and technological support and the Steadfast Broker Network. Steadfast is also a shareholder of some Partners.

You can obtain a copy of Steadfast's FSG at www.steadfast.com.au

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 the Licensee 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.

We may refer you to Steadfast Life and/or Steadfast Life Express (Steadfast Life is 50% owned by Steadfast Group Limited) for life insurance related products. We have a referral agreement in place between us and Steadfast Life. We may receive commission on a referral to Steadfast Life and/or Steadfast Life Express in the range of 1% to 33% of the revenue generated by the policy.

We may participate in competitions conducted by underwriters. Any participation in competitions will fall within the guidelines as set out in our Code of Conduct.

What should I do if I have a complaint?

1. Contact us and tell the Licensee about your complaint. We will do its best to resolve it quickly.
 2. If your complaint is not satisfactorily resolved within 20 days, please contact our Compliance Manager, Amanda Dettmann on 03 5443 6533 or put your complaint in writing and send it to the address noted at the beginning of this FSG. We will try to resolve your complaint quickly and fairly.
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3. Johansen Insurance Brokers 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. AFCA provides fair and independent financial services complaint resolution that is free to customers. The AFCA can be contacted at:
Mailing address - 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 are in place to compensate clients for losses?

Johansen Insurance Brokers has a professional indemnity insurance policy (**PI policy**) in place.

The PI policy covers us and its representatives (including authorised representatives) for claims made against us or its representatives by clients as a result of the conduct of its employees or representatives in the provision of financial services. Our PI policy will cover us for claims relating to the conduct of former representatives who no longer work for us.

This policy satisfies the requirements for compensation arrangements under section 912B of the Corporations Act.

Any questions?

If you have any further questions about the financial services Johansen Insurance Brokers provides, please contact us.

Please retain this document for your reference and any future dealings with Johansen Insurance Brokers.

CONTACT US

Email:

mail@johansen.com.au

Wangaratta Office:

Shop 2&3, Rear of 49 Reid St
Wangaratta Victoria 3677

PO Box 631
Wangaratta Victoria 3677

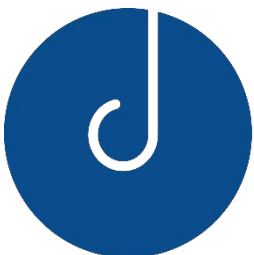
T (03) 5721 7655

Bendigo Office:

58 Myrtle Street
Bendigo Victoria 3550

PO Box 232
Golden Square Victoria 3555

T (03) 5443 6533



Johansen Insurance Brokers