

Financial Services Guide (FSG)

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

Knightcorp Holdings Pty Ltd T/As Knightcorp Insurance Brokers (Knightcorp, we, us or our)

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This Financial Services Guide (FSG) describes the services we offer and is designed to assist you in deciding on whether to use our services. It contains important information about 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 we have in place to compensate clients for losses.

We may also provide you with other documents, including:

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 product.

Statement of Advice (SOA) - We will only provide you with an SOA when we provide you with advice on sickness and accident insurance product. Personal advice is advice where we have considered one or more of your objectives, financial situation and needs. An SOA contains 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 FSG Version 1.6 was prepared on 8 April 2019 and remains valid unless a further FSG is issued to replace it.

About Us

Knightcorp 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. Knightcorp holds a current Australian Financial Services Licensee no: 342692.

Our Services

Knightcorp is authorised to advise and deal in general insurance products to wholesale and retail clients. This includes but is not limited to:

Home Building and Contents, Private and Commercial Motor, Motor Cycle, Farm, Pleasure Craft, Travel, Sickness & Accident, Business Packages, Construction, Workers Compensation, Cyber, Professional Indemnity, Tax Audit, Marine Hull, Marine Transit, Marine Cargo, Liability Covers and Management Liability. When providing advice and dealing services in general insurance products, we will do this for you as your broker; i.e. we act on your behalf when providing financial services to you.

We act under a binder from the insurer when we arrange travel insurance via Bali Cover for you. When we act under a binder from the insurer, we will be acting on behalf of the insurer, not you.

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We offer a range of services to assist you including:

- Reviewing and advising of your insurance needs
- Arranging and renewing insurance contracts on your behalf
- Assisting with claims
- Arranging premium funding

How to Contact Us

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. 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.

Advice

When you ask us to recommend an insurance policy for you, we will usually only consider the policies offered by the insurers that we deal with regularly. In giving you advice about the costs and terms of recommended policies we will not necessarily compare those policies to other policies available, other than from those insurers we have chosen to deal with regularly. We regularly undertake a review of all insurers with which we deal with. When considering the renewal of your insurance policy, we will only seek additional quotes where the premium quoted by your current insurer is greater than 10% of the prior year premium.

When we provide personal advice to you, we may need information about your objectives, financial situation and needs. You have the right not to divulge this information to us, if you do not wish to do so. In that case, we are required by law to warn you about the possible consequences of us not having your full personal information. For example, you risk obtaining advice or acquiring insurance policies that may not be appropriate for your circumstance, needs or objectives. You should read the warnings contained in your tax invoice or other documents provided to 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.

Privacy Policy

We maintain 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 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. A copy is also available on our website, www.knightcorp.net.au.

Remuneration for our Services

When placing your insurance, we usually receive a commission from the insurer. 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. P = the amount you pay for any insurance policy (less any government fees or charges in that amount). The commission amount varies between 0% and 30% of the base premium you pay depending on the insurer and type of insurance placed.

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We may also charge a broker fee which is calculated based on the time, complexity involved in arranging your insurance policy or insurance program. All fees charged will be disclosed to you in your tax invoice. You have a right to request further particulars in relation to remuneration received by us and our representatives.

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 our commission. In some cases, we will also charge a broker service fee, which varies according to the level of services rendered in addition to the commission we receive. This ranges between 0 and 3% of premium paid.

If a person has referred you to us or where we refer you to a third party, we may pay them or be paid a part of any fees or commission received. This ranges between 0 and 50% of any fees or commissions payable. We will disclose the amount to you when relevant. Our employees that will assist you with your insurance needs will be paid a market salary.

Wayde Knight is a director of Knightcorp and Knightcorp Financial Services. Knightcorp Financial Services Pty Ltd is an authorised representative (authorised representative number: 418807) of Clearview Financial Advice Pty Ltd (AFSL number: 331367) and may assist you with your life insurance and superannuation needs. As a director of Knightcorp and Knightcorp Financial Services Pty Ltd, he is entitled to director's fees and dividend distribution.

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 and the interest will be retained by us.

Knightcorp may receive a performance-based incentive of up to 3% of your annual premium from some insurers. The remuneration is payable if we meet certain sales and profitability targets set by the insurers. Further information will be provided when we provide you with personal advice.

From time to time we may receive certain 'hospitality benefits', such as training subsidies, tickets to sporting events, movies, bottles of wine, etc. The receipt of these benefits may be based upon the volume of business placed with the provider but may also be more of an ad hoc reward. The details of such benefits so far received are able to be viewed on a specially maintained register upon your request.

Further details on remuneration and benefits relating to financial services

Where we are unable to ascertain the remuneration at the time we give you the FSG, we will:

- if the remuneration or other benefits are calculable at the time personal advice is given, we will disclose the remuneration or other benefits (if calculable) we receive at the time the personal advice is given; or
- If the remuneration or other benefits are not calculable at the time personal advice is given, we will explain the manner in which the remuneration or other benefits are calculated at the time the personal advice is given or as soon as practicable after that time.

Relationships or Associations

Knightcorp 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 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).

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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.

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 up to 3% 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.

In addition to the commission payment, we may be entitled to a profit share of up to 1% depending on whether a predetermined level of funding is met with the particular provider.

Complaints & Disputes

If you have a complaint about our services, you can contact our Complaints Manager on 1300 656 001, who will try and resolve your complaint quickly and fairly.

Knightcorp is a member of the Australian Financial Complaints Authority (**AFCA**). Should the dispute remain unresolved, or is not resolved within 45 days or such longer period as permitted by AFCA, you have the right to refer the matter to the AFCA. 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

You may also contact the Australian Securities and Investment Commission (ASIC) on 1300 300 630 to obtain information about your rights.

Compensation Arrangements

Knightcorp has a professional indemnity insurance policy (PI policy) in place in accordance with section 912B of the Corporations Act 2001. The PI policy covers us for claims made against us as a result of our conduct in the provision of financial services. It includes conduct of employees who no longer work for us but who did at the time of the relevant conduct, subject to the terms of the PI policy in relation to providing indemnity.

Knightcorp as proud members of:

