

Financial Services Guide

Grange Insurance Solutions Pty Ltd ("Grange") is an Australian financial services ("AFS") licensee (AFS Licence No. 292523). Grange trades as Grange Insurance Solutions and Grange Education Risk Solutions. This document sets out the services that Grange 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 we offer you
- how we and our associates are remunerated
- any potential conflict of interest we may have
- our internal and external dispute resolution procedure
- arrangements we have in place to compensate clients for losses

You should also be aware that you are entitled to receive a "Disclosure Statement" outlining information about remuneration and/or other benefits we may receive and any interests or associations we may have that may influence us in providing this advice. This information is disclosed on your Tax Invoice.

If we arrange personal sickness and accident insurance for you, you will also receive a Statement of Advice (SOA). This SOA will contain the advice, the basis on which it is given and information about fees, commissions and any associations which may have influenced the advice.

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 all other policies available. Grange reviews all insurers it deals with regularly.

Product Disclosure Statement

If we offer to arrange a **retail insurance policy** for 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 policy.

From when does this FSG apply?	This FSG applies from 03 October 2016 and remains valid until a further FSG is issued to replace it.		
How do I instruct Grange?	You can give us instructions by phone, fax or e-mail or in person. However, we do recommend that you confirm instructions in writing.		
Who is responsible for the financial services provided?	Grange 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. Grange holds a current Australian Financial Services Licensee no: 292523.		
Does Grange have any relationships or associations with the insurers who issue the insurance policies or any other material relationships?	<p>Grange and its representatives are not members of any financial group nor associated with a financial group, and as such are free from any ownership links that may tend to create a position in favour of an associated insurer.</p> <p>Grange is a shareholder and member of Insurance Brokers Network Australia Limited (IBNA) and has access to services including operating and compliance tools, advice and assistance from professional bodies, group insurance arrangements, product comparison and placement support, claims support and purchasing arrangements. These shareholder services are either funded or subsidised by IBNA or available exclusively to shareholders for a fee.</p> <p>IBNA has exclusive arrangements with some insurers under which IBNA will receive remuneration of between 0.5% - 2% of premiums for each product arranged with those insurers. Depending on the total business with insurers in any financial year, Grange may receive a proportion of that remuneration at the end of each financial year.</p> <p>Grange may receive a performance based remuneration incentive of up to 3% of premiums from some insurers. This remuneration is payable if we meet certain agreed sales and/or profitability targets set by the insurer. Grange may also receive financial, marketing and training assistance from the insurers, which its representatives may indirectly benefit from.</p>		
What kinds of financial services are you authorised to provide to me and what kinds of financial product/s do those services relate to?	<p>Grange is authorised to provide advice and deal in general insurance products to wholesale and retail clients. We will do this for you as your broker unless we tell you otherwise.</p> <p>In particular we offer these services for the following products but not limited to:</p> <table border="0"> <tr> <td> Retail Products Motor Vehicle Insurance Householders Insurance Personal & Domestic Property Insurance Travel Insurance Personal Accident & Illness Insurance </td> <td> Wholesale Products Business Pack Insurance Workers Compensation Insurance Broadform Liability Insurance Trades Pack Insurance Industrial Special Risks Insurance All Liability Classes </td> </tr> </table>	Retail Products Motor Vehicle Insurance Householders Insurance Personal & Domestic Property Insurance Travel Insurance Personal Accident & Illness Insurance	Wholesale Products Business Pack Insurance Workers Compensation Insurance Broadform Liability Insurance Trades Pack Insurance Industrial Special Risks Insurance All Liability Classes
Retail Products Motor Vehicle Insurance Householders Insurance Personal & Domestic Property Insurance Travel Insurance Personal Accident & Illness Insurance	Wholesale Products Business Pack Insurance Workers Compensation Insurance Broadform Liability Insurance Trades Pack Insurance Industrial Special Risks Insurance All Liability Classes		
Will I receive tailored advice?	<p>It will depend upon the specific circumstances. Where we provides tailored advice, we may need information about your personal objectives, details of your current financial situation and any other relevant information, so that we can arrange insurance policies for you or give you advice about your insurance needs.</p> <p>You have a 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 circumstances, needs or objectives.</p> <p>You should read any warnings contained in your Tax Invoice or any other warnings that we give you carefully before making any decision about an insurance policy.</p>		
Material changes	You must also notify us of any significant changes which occur during the period of insurance. If you do not, your insurances may be inadequate to fully cover you.		

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.

If a contract of insurance is cancelled before expiry of the period of insurance, we will refund the net premium we receive from your insurer, however we will not refund our fees or commission for arranging the insurance. We may also charge an additional administration fee to process the cancellation.

When you pay us your premium it will be banked into our trust account. We deduct and 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 these deposited premiums 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.

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 total 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 included in that amount).

Any fees that we charge you will be included in the total shown, which is based upon the time and complexity involved in arranging your insurance. Our representatives that will assist you with your insurance needs will be paid a market salary and may from time to time receive a bonus. Directors are also shareholders of Grange and will be entitled to profit share arrangements. The Directors are Ken Cook, Don Leadbetter, Steve Guy, Ray Thompson and Dean Cook.

The range of commission paid by the insurer is illustrated below and is dependant upon the product type and the insurer. This will typically be as follows:

Retail Products		Wholesale Products	
Motor Vehicle	0 – 12.5%	Workers Compensation	0 – 5.0%
Home & Contents	0 – 23.5%	All other wholesale products	0 – 25.0%
Personal Accident	0 – 22.5%		
Pleasure Craft	0 – 20.0%		
Travel	0 – 30.0%		

The range of commissions include any additional commissions we may receive when we use Sunrise, an electronic data interface, to process your policy with certain underwriters. It also includes any extra commissions above the insurer's standard commission when we place your insurance with an IBNA preferred insurer. The payment we receive from insurers is not an additional charge to you.

Where you have been referred to us by a third party, we may share a percentage of our commission of up to 20% with them. This will not affect the amount paid by you to us. When we refer you to a third party we may receive up to 20% of their commission. Where applicable, we will disclose this to you when we make or receive a referral.

What additional Benefits we may receive?**Premium Funding**

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).

Our commission rates for premium funding are in the range of 0% - 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 other arrangements that were available to you. In addition to this commission payment, we may be entitled to receive an override of between 0% - 1% of your premium, depending upon the total amount of premium we fund with providers.

In the event of cancellation of a premium funded policy, the premium funder will determine if there are any outstanding payments payable by you. Otherwise, the returned premium from the insurer will be forwarded to you (less any fees or charges resulting from cancellation of policy). Commissions received as a result of premium funding will not be returned to you when a policy is cancelled.

Other Benefits

From time to time our representatives may receive certain training allowances and 'hospitality benefits' (such as tickets to sporting events, movies, meals, bottles of wine, hampers). The receipt of these benefits is not based upon the volume of business placed with the provider but is more of an ad hoc reward. The maximum value of these during the year is unable to be determined. However, the details of such benefits so far received are able to be viewed on a specially maintained Register. Please ask us if you wish to view our register.

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

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 also maintain records of any recommendations or advice given to you. We will retain copies of the FSG, SOA and/or Disclosure document that we give to you.

We collect and use the personal information you provide to advise about and assist with your insurance needs. We provide your information to insurance companies, underwriting agencies and wholesale insurance brokers that provide insurance terms to you or the companies that deal with your insurance claim. 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 or from our website at www.grangeinsurance.com.au.

What should I do if I have a complaint?

Contact Ken Cook at Grange on (08) 9201 8000 or put your complaint in writing and send it to Grange at the address noted at the beginning of this FSG. Grange will try and resolve your complaint quickly and fairly.

Grange subscribes to the Insurance Brokers Code of Practice and is a member of the Financial Ombudsman Service (FOS). As part of the Code obligations, we are committed to the fair and transparent resolution of disputes. If your complaint cannot be resolved to your satisfaction by Grange after 45 days, or such longer period as permitted by FOS, you have the right to refer the matter to FOS. You can contact FOS on 1800 367 287, fax 03 9613 6399 or via email at info@fos.org.au. The postal address for FOS is GPO Box 3 Melbourne VIC 3001 and website www.fos.org.au.

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

Grange has a professional indemnity insurance policy (PI policy) in place which is consistent with its regulatory obligations under section 912B of the Corporations Act. The PI policy covers us and our representatives (including our authorised representatives) for claims made against us and our representatives by clients as a result of the conduct of us or our representatives in the provision of financial services. Our PI policy covers us for claims relating to the conduct of representatives who no longer work for us.
