

COMPREHENSIVE EQUIPMENT INSURANCE

FINANCIAL SERVICES GUIDE Issued 22nd September 2010

This Financial Services Guide (FSG) is issued by Protecsure Pty Ltd ABN 26 094 997 163, Australian Financial Services Number 238815.

PURPOSE OF FINANCIAL SERVICES GUIDE (FSG)

This FSG is designed to help *you* decide whether to use the financial services we provide and explains the products and services we can offer *you*, how we and others are remunerated for the services offered to *you*, and our complaint handling procedures.

SERVICES OFFERED

We can provide *you* with factual information and general advice about *equipment* insurance and can arrange an insurance policy that will provide cover for *your equipment*. Alternatively *you* can obtain insurance from an insurance company of *your* choice.

When providing information and general advice about *equipment* insurance, we do not take into account *your* personal circumstances, needs or objectives. *You* should consider the advice in light of *your* personal circumstances and/or seek independent professional advice from a qualified adviser.

HOW WE ARE PAID

Protecsure receives between 20-30% of the total insurance premium to cover product development, marketing materials, compliance requirements, arranging the insurance and managing claims.

IMPORTANT RELATIONSHIPS

Protecsure has a binding authority from the insurer, Chubb Insurance Company of Australia Ltd ("Chubb") to provide *equipment* insurance and manage claims. Under this authority Chubb has appointed Protecsure as its agent, on terms that an insured who deals with Protecsure in relation to this insurance will have the same legal protection as if the insured had dealt directly with Chubb. Any *equipment* insurance arranged for *you* will be provided under a policy issued by Chubb.

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Chubb Insurance Company of Australia Ltd ABN 69 003 710 647 AFSL No 239778

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GENERAL INSURANCE CODE OF PRACTICE

Protecsure abides by the Insurance Council of Australia's General Insurance Code of Practice adopted by Chubb. For more information see www.codeofpractice.com.au.

PRIVACY STATEMENT

We are committed to protecting *your* privacy. Insurance information supplied by *you* will be used only to arrange the insurance and manage claims. We only provide *your* information to the companies involved in providing the insurance or the services related to it. We do not trade, rent or sell *your* information. *You* can check the information we hold about *you* at any time. Further information on our Privacy Policy can be accessed on our website.

COMPLAINTS AND DISPUTES ABOUT OUR SERVICES

Any complaint about our services should be put in writing and sent to Protecsure. If not resolved to *your* satisfaction *you* can refer it to the external disputes resolution scheme (the Financial Ombudsman Service) of which Protecsure is a member. For information please call 1300 780 808.

Protecsure holds professional indemnity insurance in accordance with the requirements of Section 912B of the Corporations Act.

PRODUCT DISCLOSURE STATEMENT Issued 22nd September 2010

This Product Disclosure Statement (PDS) is designed to help *you* understand what *you* need to know about the Comprehensive Insurance Policy so that *you* can make an informed choice about whether to acquire this product. Full details of the insurance cover, the exclusions from cover and the terms and conditions on which the insurance is provided are set out in the policy wording attached to and forming part of this PDS.

WHO ARRANGES AND INSURES THE POLICY?

The policy is arranged by Protecsure Pty Ltd, AFS Licence No 238815, under a binding authority from the insurer Chubb Insurance Company of Australia Ltd ("Chubb" ABN 69 003 710 647 AFSL 239778). Protecsure acts as the agent of the insurer, not as *your* agent. Please contact Protecsure if *you* have any questions about *your* policy.

ABOUT STEADFAST

Steadfast is an unlisted public company comprising over 280 shareholders. Each shareholder is an independent insurance brokerage. This policy is available to *you* through shareholders of Steadfast Group Limited. Steadfast Group Limited does not issue, guarantee or underwrite this policy.

IMPORTANT INFORMATION ABOUT STEADFAST'S ADVICE

Any advice Steadfast gives about this policy does not take into account any of *your* particular objectives, financial situation or needs. For this reason, before *you* act on Steadfast's advice, *you* should consider the appropriateness of the advice taking into account *your* own objectives, financial situation and needs. Before *you* make any decisions about whether to acquire this policy we recommend *you* should read this PDS.

WHAT THE POLICY INSURES

The policy insures against theft of, loss of, or *accidental damage* to the *equipment* (including standard manufacturer-installed operating systems and accessories) that occurs within Australia or its Territories, or on journeys outside that area of not more than 28 consecutive days. Please refer to the terms, conditions and exclusions of the insurance as outlined in the Policy Wording below.

EXCESS

You may be able to nominate the excess in the Application Form or the insurer will decide which excess will apply based on an assessment of the risk. Your excess will be stated on the Tax Invoice and Insurance Certificate and must be paid each time a claim is accepted and before the claim is finalised.

COST OF THE INSURANCE

The cost of the insurance (premium) will be shown in the Tax Invoice and Insurance Certificate. It will depend on various factors including the type of *equipment*, the value of the *equipment*, the age of the *equipment*, the geographic area in which the *equipment* will be used, the amount of the excess, and the term of the insurance. The premium also includes statutory charges such as GST and stamp duty.

BENEFITS OF THE INSURANCE

Benefits of the insurance are contained within the "Insurer's Liability" and the "Insurer's Maximum Liability" sections of the Policy Wording.

COOLING OFF

You may cancel *your* insurance by contacting Protecsure within 21 days of *your* cover commencing and receive a full refund of the premium. *You* will not be eligible for a refund if a claim is paid due to an insured event arising during this cooling off period.

COMPLAINTS AND DISPUTES

Please refer to the Financial Services Guide.

DUTY OF DISCLOSURE

Before *you* enter into a general insurance contract, *you* have a duty under the Insurance Contracts Act 1984 to disclose to the insurer every matter that *you* know, or could reasonably be expected to know, is relevant to the insurer's decision whether to insure *you* and if so, upon what terms.

You have the same duty before *you* extend, vary or reinstate the insurance. This duty does not require disclosure of any matter that:

- Reduces the risk to the insurer;
- Is of common knowledge;
- The insurer knows, or in the ordinary course of its business, ought to know; or
- Where compliance with this duty is waived by the insurer.

If *you* fail to comply with this duty of disclosure, the insurer may be entitled to reduce its liability under the contract in respect of a claim or may cancel the contract. If *your* non-disclosure is fraudulent, the insurer may be entitled to cancel the contract from its beginning.

POLICY WORDING

AGREEMENT TO INSURE

In return for payment of the premium stated in the Tax Invoice and Insurance Certificate, the Insurer will cover *you* for theft of, loss of, or *accidental damage* to the *equipment* as set out in this policy occurring during the period of insurance.

ACCIDENTAL DAMAGE

The Insurer will compensate *you* on the terms and conditions of this policy, for *accidental damage* to the *equipment* occurring by physical means.

ACCIDENTAL LOSS

The Insurer will compensate *you* on the terms and conditions of this policy for accidental loss of the *equipment*.

THEFT

The Insurer will compensate *you* on the terms and conditions of this policy for theft of the *equipment*.

INSURER'S LIABILITY

The insurer may either repair or replace damaged *equipment*. Any replacement will be with an item of similar function, type, capacity and serviceability as the insured *equipment*. The insurer will not pay more than the lower of:

- The cost of such a replacement item;
- The amount for which *you* have insured the *equipment* (which will be shown on *your* Tax Invoice and Insurance Certificate);
- The cost of repairing the damaged *equipment*. If the *equipment* is repaired, the insurer will not pay more for parts and labour than the prices which are agreed from time to time between the original *equipment* manufacturer, Protecsure, and its approved repairers.

INSURER'S MAXIMUM LIABILITY

The most the insurer is liable to pay in meeting all claims under this policy is two times the purchase price of the *equipment* stated on the Tax Invoice and Insurance Certificate less all excess.

AUTO REINSTATEMENT

Insurance will be reinstated without payment of additional premium on one occasion to cover the *replacement product* provided by the insurer in settlement of a claim for *total loss* of the *equipment* described in the Tax Invoice and Insurance Certificate.

PERIOD OF INSURANCE

Insurance cover commences at the time the *equipment* is made available to the *user*, or if there is to be no *user* when purchased by *you*. Cover ceases when a cancellation event first occurs. No invitation to renew will be offered.

EXCESS

You must pay the excess stated on the Tax Invoice and Insurance Certificate each time a claim is accepted and before the claim is finalised.

CANCELLATION EVENTS

The following are cancellation events:

- 4pm on the last day of the period of insurance stated in the Tax Invoice and Insurance Certificate;
- Theft, *loss* of, or *accidental damage* to the *equipment* has occurred resulting in the Insurer becoming liable to pay the aggregate maximum claims payments. No refund of premium for any unexpired period of insurance is payable;
- You giving Protecsure written notice of cancellation; or
- The insurer cancels this insurance by exercising a right it may have under this policy or by law and gives at least 14 days written notice of cancellation posted to *your* last known address;

If you give notice of cancellation after a claim has been paid on this policy, there will be no refund of premium. If you give notice of cancellation and no claim has been paid, Protecsure may charge an administration fee.

Third party interest : If the Insurer has notice that a third party, such as a financier, has an interest in all or any item of the *equipment*, the Insurer may refuse to recognise and act on a notice of cancellation given by the insured unless the third party has consented in writing to the cancellation.

CLAIMS REQUIREMENTS

To be entitled to claim for theft of, *loss* of or *accidental damage* to the *equipment*:

- **Payment of premium:** Full payment of the premium must have been received by Us.
- **Ownership:** You must be able to prove you are the owner of the *equipment*.
- **Geographical Area:** The theft, *loss* or *accidental damage* must occur either within Australia and its Territories or, for mobile *equipment* only, for return trips to other countries of not more than 28 consecutive days. Please contact Protecsure if you wish to extend this period beyond 28 days by payment of additional premium.
- **Notification:** You must notify Protecsure as soon as practicable following the occurrence of the theft, *loss* or *accidental damage*. Theft or malicious damage to the *equipment* must also be promptly reported to the police and the report number given to Protecsure.
- **Co-operation:** You must provide Protecsure with all documents, information and assistance it requires to be able to process the claim. You must also take reasonable action to minimise the damage. Damaged *equipment* and parts must be kept and made available to Protecsure on request.
- **Effect of Cancellation notice:** A claim may not be made for theft, *loss* or *accidental damage* to the *equipment* that occurs after you give notice of cancellation of this insurance.
- **Delivery to Repairer:** Damaged *equipment* must be promptly delivered to a reputable repairer.
- **Exclusions:** An exclusion under this policy must not apply, and you must not have breached a term of this policy.

EXCLUSIONS

Cover will not be available if the theft, *loss* or *accidental damage* to the *equipment* occurs:

- After the period of insurance;
- Due to mysterious disappearance or shortage disclosed by taking inventory, or other unexplained disappearance;
- When the *equipment* is located in an unlocked vehicle;
- When the *equipment* is being delivered to a repairer not authorised by Protecsure, or when someone is returning the *equipment* to you or the *user* from a repairer not authorised by Protecsure;
- While the *equipment* is hired to a third party, unless *equipment* hire has been noted on the Tax Invoice and Insurance Certificate;
- On an aircraft, unless the *equipment* accompanies you or the *user* as cabin baggage, except where airport authorities or an airline as a condition of travel require the *equipment* to be placed in the hold of an aircraft; and is recoverable from an airline.

Cover will not be available:

- In the case of theft, if the theft is caused by the *user*, a member of your family or your employee or if you or the *user* have assisted in or condoned the theft in any way;
- For replacement of batteries or parts worn by use or gradual deterioration;
- For wear, tear, fading, scratching, marring, gradual deterioration or developing flaws, normal upkeep or making good;
- For theft of, *loss* of, or *accidental damage* to the *equipment* or any cost or expense of whatsoever nature directly or indirectly caused by, resulting from, or in connection with any act of *terrorism*, or from nuclear fallout, regardless, of any other cause or event contributing concurrently or in any other sequence to the *loss*;
- For loss of data, or loss of software that is not a standard manufacturer installed operating system, or for loss of extended warranty or other optional extras not included on the Tax Invoice and Insurance Certificate;
- For theft of, *loss* of, or *accidental damage* to the *equipment* or any cost or expense of whatsoever nature directly or indirectly caused by war, invasion, act of foreign enemy, hostilities, (whether war be declared or not) civil war, rebellion, revolution, insurrection, military or usurped power, or requisition or destruction of, or damage to property by, or under, the order of any Government or Public or Local Authority in preventing, or attempting to prevent, any such act, or in minimising the consequences or any such act or confiscation or nationalisation;

- For damage caused by excessive exposure to sunlight, heat, corrosion, contamination, pollution, vermin, insects, undomesticated animal, or temperature variations;
- For *loss* of, or *accidental damage* to the *equipment* or any cost or expense of whatsoever nature directly or indirectly caused by fire. Note that fire, as a peril, is covered under a separate Master Policy;
- For *loss* of, or *accidental damage* to the *equipment* or any cost or expense of whatsoever nature directly or indirectly caused by inappropriate storage, screen bruising by hand, servicing, breakdown, malfunction, design fault or electrical supply other than a power surge;
- For damage caused by data processing, media failure, inherent defects, natural causes such as rust, environmental and climatic conditions;
- For consequential loss of any kind.

FIRE

Loss by fire is covered separately for no additional charge under a Master Policy underwritten by Chubb Insurance Company of Australia Limited and can be viewed at www.protecsre.com.au

SETTLEMENT OF CLAIMS

The following conditions apply to settlement of a claim, or series of claims, from any one event:

Settlement for loss: The Insurer will pay for a *replacement product* where a claim is accepted for *total loss* of the *equipment* and you pay the excess, unless Protecsure determines to settle the claim by a cash payment.

Settlement for damage: The Insurer will pay for repair of the *equipment* by a repairer approved by Protecsure where a claim for *accidental damage* to the *equipment* is accepted and you pay the excess.

Damage treated as loss: Protecsure may determine to treat damage to the *equipment* as a *total loss* in which event the Insurer will pay for a *replacement product* unless Protecsure determines to settle the claim by a cash payment.

Repairs: Repair of the *equipment* will include reasonable freight costs to and from the nominated repairer, but will not include work authorised by you.

Cash payments: A cash payment in settlement of a claim will only be paid where further repair or replacement of *equipment* would exceed the purchase price of the *equipment* stated on the Tax Invoice and Insurance Certificate less the excess, or if Protecsure determines to settle the claim in this way. The cash payment will be the lower of the sum insured or the cost of a *replacement product*.

Claims Contracting: In settling a claim, the Insurer, or Protecsure as its agent, will contract with the supplier for repair or replacement of the *equipment*, entitling the Insurer to the input tax credit on the supply.

GST: If you are registered or required to be registered for GST, a claim will be reduced by the amount of any input tax entitlement you would have received if you paid for the repair or replacement of the *equipment*.

Salvage: The Insurer has all salvage rights to replaced *equipment* or parts.

GENERAL CONDITIONS

Jurisdiction: New South Wales law governs this contract and all proceedings must be commenced in that State.

Assignment: Your interest in this policy cannot be assigned. The Insurer may assign its interest.

Subrogation: You must do all things reasonably required by the Insurer or Protecsure so that the Insurer will have the benefit of all rights of subrogation such as enforcing any right in your name. If the Insurer makes any recovery as a result of such action, you may only recover from the Insurer any amount by which the amount recovered by the Insurer exceeds the amount paid to you or on your behalf in relation to the *loss*.

Notices: All notices to be given to the Insurer may be given to Protecsure. Notices given by the Insurer may be given by Protecsure. You should promptly notify Protecsure of a change of your address.

Responsibility for user: Unless you are an educational institution you are responsible for all acts and conduct of the *User*.

Reasonable care: You must take reasonable care to protect the *equipment* from *accidental damage* or *loss*.

Headings: Headings are not to be considered in interpretation of this contract.

DEFINITIONS

In this contract:

Accidental damage means physical damage which occurs as a result of a sudden, unforeseen and unexpected event. The event must arise from a single identifiable incident.

Equipment means the *equipment* described in the Tax Invoice and Insurance Certificate, and includes standard manufacturer installed operating systems and identified accessories.

GST means Goods and Services Tax imposed under A New Tax System (Goods and Services Tax) Act 1999.

Loss means the accidental or inadvertent misplacing, mislaying or dispossession of the *equipment* by you or the *user*.

Replacement product means a product, which may be a new or remanufactured item, having similar capability, functionality and appearance as the item of *equipment* being replaced prior to its damage or *loss*.

Terrorism has its generally accepted meaning, and includes, but is not limited to, war, hostilities, invasion, the use of force or violence on, or the threat of force or violence to, a person or group or class of persons, or to property, by one or more persons claiming to be connected with any group, organisation or government, or to be committed to a cause whether political, religious, ideological or similar purposes, including an intention to influence a government, or invoke fear.

Total Loss means the *equipment* has been damaged beyond economical repair or has been stolen.

User means a person or persons who with your approval will be a primary *user* of the *equipment*.

You or your refers to the insured named in the Tax Invoice and Insurance Certificate.