



E-QUINE INSURANCE SERVICES PTY LTD

FINANCIAL SERVICES GUIDE

Australian Financial Services (AFS) No. 315794
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This Financial Services Guide (FSG) contains information about our services and charges, your rights as a client, how we deal with conflicts of interest and any complaints that you may have.

This FSG is designed to assist you in deciding whether to use our services.

ABOUT US

E-Quine Insurance Services Pty Ltd (E-Quine) holds Australian Financial Services Licence No. 315794 under the Corporations Act 2001 to provide general insurance broking services to wholesale and retail clients.

E-Quine is a newly formed specialist business, modeled on conventional broking lines that have all but disappeared from bloodstock insurance. We have access to a network of selected, specialist and leading bloodstock and livestock underwriting agents, with whom our Directors have established strong associations over many years of being active participants in the industry.

E-Quine is a member of the National Insurance Brokers Association (NIBA) and subscribes to the General Insurance Brokers' Code of Practice. It is also a member of Financial Ombudsman Service Limited (FOS), Insurance Broking Division; its membership number being 14252.

For more information About Us, refer to our website www.e-quine.com.au.

OUR SERVICES

E-Quine is committed to providing sound advice based upon your needs and our comprehensive market knowledge.

We offer a range of specialist services to assist you to protect your assets. These include:

- Reviewing and advising on your insurance needs;
- Obtaining a wide range of insurance quotes for you;
- Arranging and renewing insurance contracts on your behalf;
- Arranging premium funding on most policies, if required;
- Assisting you with insurance claims.

We can advise about and arrange the following insurances on your behalf:

- Bloodstock
- Livestock

To enable us to provide advice which is appropriate to your circumstances, we will need you to provide us with complete information about the risk(s) to be insured, your situation and your needs and objectives. You should also tell us about any relevant changes as they occur.

If you are unable or choose not to provide some information to us, we will be unable to comprehensively review your circumstances. As this may limit our ability to make appropriate recommendations, before acting on it, you will need to assess the appropriateness of our advice to your needs.

You can contact us via our website, by email, fax, phone or in writing or in person.

IMPORTANT RELATIONSHIPS

E-Quine Insurance Services Pty Ltd is an independent, proudly Australian owned and operated insurance broking service company, modeled along conventional lines. We specialise in bloodstock and livestock insurance. Our clients own bloodstock interests throughout the world.

Unlike underwriting agents involved in bloodstock and livestock insurance, we have no ties with and are not contractually obligated to any insurer or influenced or compelled to support or to sell any one specific insurance policy.

By not having a binding authority with any insurer, we act strictly for the client. By definition, those underwriting agents who arrange insurances under a binding authority given to them by an insurer, act as an agent for their insurer and not the client.

We work closely with our established network of selected underwriting agents, who represent the interests of all major insurers. While underwriting agents are in opposition to one another, we are an independent intermediary not in competition with them. On the contrary, if you accept one of the quotes we source for you, we become a producer of new and/or renewal business to insurers and underwriting agents.

HOW WE WILL LOOK AFTER YOUR INSURANCE NEEDS

Bloodstock and livestock are specialised classes of insurance. These are our fields of expertise. Our personnel have virtually a lifetime of experience in the bloodstock industry and are suitably qualified to assist and advise you regarding your related needs.

- E-Quine makes insuring bloodstock and livestock easy and gives you the tools to make an informed choice, potentially saving you money and obtaining the right cover;
- It is hassle free “shopping” around for the deal or policy that suits you best. It definitely saves you time and money by not having to contact many different underwriting agents for a quote ;
- E-Quine’s service model is based on a fully interactive, user friendly and secure web based and internet driven system. It allows you to enter your personal and risk details in “made easy” mode and to submit your request for a quote by simply pressing a button;
- For those not familiar with computers or the internet, we offer an alternative delivery method, using fax, mail or telephone.

FEES FOR OUR SERVICES

You are entitled to know how and what we will charge for our services and what other benefits we receive.

Our remuneration

We do not charge you for our services unless you engage us to undertake a special and detailed professional assignment for you. In that case, any fee that we charge will be negotiated with you and agreed in advance. Depending on your tax status, our charges may be tax deductible.

In the event of you accepting an insurance quote that we have negotiated for you with an underwriting agent or broker, we may be paid a percentage of the commission that the underwriting agent or broker receives

from the insurer, as is customary practice in the insurance industry. Generally the percentage we are paid varies from 0% to 10% of the gross premium levied by the insurer, depending on the final product that you select. The commission percentage is not our profit margin, but is applied towards a recovery of expenses incurred by us in providing our professional services.

If there is a refund of premium as a result of the cancellation of or adjustment to an insurance policy, we reserve the right to retain our remuneration.

Any premiums paid to us are held in trust pending payment to the underwriting agent. We retain any interest that may be earned.

Other than the relationships noted above, we have no ties to any insurer that may influence us in the performance of our duties and in providing a service to you. Accordingly, we act in your interests and never for an insurer.

How our advisers are paid

Our representatives and staff are paid a salary and do not receive any benefit directly from any quotation that we may negotiate for you.

If a third person or entity has referred you to us, we may pay the referral party a share of our remuneration or an agreed referral fee. This arrangement will not increase the premium that you are required to pay.

Premium Funding

Premium funding products enable you to pay your premiums by instalments. Although they do not usually require any security, premium funders do charge interest. The interest component may be tax deductible.

You may decide to arrange premium funding yourself alternatively, if required, we can arrange premium funding on your behalf in respect of eligible insurances, by accessing a network of major premium funders. We may receive a commission based on a percentage of the premium from the premium funder for doing so. We will inform you of the basis and amount of any such commission before or at the time the premium funding is arranged.

IMPORTANT INFORMATION

Duty of Disclosure

In order to make an informed assessment of the risk and calculate the appropriate premium, your insurer needs information about the risk you are asking it to insure.

For this reason, before you enter into a contract of insurance, you have a duty under the Insurance Contracts Act 1984 to disclose to your insurer every matter that you know, or could reasonably be expected to know, is relevant to the insurer's decision whether to accept the risk and, if so, on what terms. The duty also applies when you renew, extend, vary or reinstate a contract of insurance.

You do not have to disclose that which:

- Reduces the risk to be undertaken by the insurer;
- Is common knowledge;
- Your insurer knows, or in the ordinary course of its business, ought to know; or
- Your insurer has specifically agreed to waive relative to your obligation to disclose.

Your duty of disclosure extends to not only answering the questions contained in a proposal or application form, but to all matters that are relevant to the risk for which insurance is being sought. You must notify the insurer of changes in and to the risk between the time that you answered the questions and the date that the contract of insurance was entered into.

If you do not comply with your duty of disclosure, your insurer may be entitled to reduce its liability in respect of a claim or may cancel your contract of insurance. If the non-disclosure was fraudulent, the insurer may be able to avoid (or cancel) the contract of insurance from its beginning. This would have the effect that you were never insured.

One important matter to be disclosed is the history of losses, whether insured or uninsured, suffered by the person seeking insurance or any closely associated person or entity. As you are responsible for checking that you have made complete disclosure, we suggest that you keep an up to date record of all such losses and claims.

If you have any questions about whether information needs to be disclosed, please contact us.

Material Changes

You must also 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.

We can assist you to do this and to ensure that your contract of insurance is altered to reflect those changes.

Retail & Wholesale Clients

Under the Corporations Act, clients are categorised as either Retail or Wholesale. Retail Clients are afforded additional protection compared to Wholesale Clients.

Certain information contained in this Financial Services Guide applies to Retail Clients only. Therefore it is important to understand if it applies to you.

A Retail Client is an individual or small business that purchases a prescribed retail insurance product. A small business is one employing less than 20 people or if a manufacturer, less than 100 people. The small business must purchase the insurance for use in connection with the business.

The following are considered to be prescribed retail insurance products:

- Motor vehicle;
- Home building;
- Home contents;
- Sickness & accident;
- Consumer credit;
- Travel;
- Personal & domestic property;
- Any other kind of insurance prescribed in the regulations.

All other clients are Wholesale Clients. All products which are not prescribed to be retail are wholesale.

In summary, an owner of an insured horse is considered to be a Retail Client if an individual or small business AND the horse is wholly or predominately used for personal, domestic or household purposes.

As a rule of thumb, if the activity for which the horse is used is registered for tax, it is wholesale. If not registered for tax, it is retail.

Retail Client Issues

We are authorised to provide you with general and personal advice regarding suitability of bloodstock and livestock insurance policies, our specialisation, to meet your particular needs.

Typically we only provide General Advice to our Retail Clients. General Advice is financial product advice and does not take into account the client's personal circumstances. A general advice warning will be provided by us in these instances. You should consider the appropriateness of this advice to your circumstances before acting upon it.

Personal Advice is financial product advice where we have considered one or more of the client's objectives, financial situation or needs. We hold Personal advice in a Record of Advice (RoA) that sets out the advice we offered, the basis thereof and any remuneration that we may earn.

Cooling Off Period – Retail insurance only

If you decide that you do not need a contract of retail insurance which has been arranged on your behalf, you have a minimum of 14 days (or longer if your Insurer allows it) from the earlier of the date you receive confirmation of the contract and the date it was arranged to change your mind. You must tell the insurer in writing that you wish to return the insurance contract and have the premium repaid.

We will let you know when you are effecting a retail insurance policy so that you are aware that the cooling off period applies.

If you do so, the insurance contract will be terminated from the time you notified the insurer and the premium will be returned.

You cannot return the contract of insurance if it has already expired or if you have made a claim under it.

Privacy

We are committed to protecting your privacy. We use the information you provide to advise about and assist with your insurance needs. To properly provide you with our expertise and services, we collect this type of information when you provide it to us, but we do not rent, sell or trade your personal information to others without your consent.

We disclose personal information to third parties for the specific purposes of providing our services to you, in sourcing insurance products for you and in the performance of our business. Typical third party recipients include underwriting agencies, brokers, intermediaries, insurers, reinsurers, loss adjusters, consultants and service providers, certain of who may be based overseas.

You can check the information we hold about you at any time. For more information about our Privacy Policy, ask us for a copy or visit our website.

Interests of other Parties

Some insurance contracts do not cover the interest in the insured property or risk of any one other than the person named in the policy. Common examples are where property is jointly owned or subject to finance but the contract only names one owner or does not name the financier.

Please disclose to the placing broker or insurer about everyone who has an interest in the property insured so that it can ensure that they are noted or endorsed on the contract of insurance.

CONFLICTS OF INTEREST

As a business we have relationships and we receive income from various third parties as detailed in this Financial Services Guide. We will use our best endeavours to ensure that the quality of our service is not compromised by conflicts of interest and that our actions are transparent at all times. Generally we will control, disclose or avoid conflicts of interest that occur. We will make disclosures to our clients as part of managing our approach to any conflict situations that may arise, including details of our relationships and remuneration that may be perceived to impact any general advice that we offer.

COMPLAINTS AND DISPUTES

If you are not fully satisfied with our services, in the first instance please contact our Complaint's Officer. We will acknowledge your complaint in writing and endeavour to resolve your concern or problem within 20 business days.

If you are still not satisfied, we subscribe to Financial Ombudsman Service Limited (FOS) which handles complaints against brokers involving amounts up to \$100,000 and relating to a variety of small business and domestic matters. You can refer your complaint to the FOS General Manager who will conciliate with a view to seeking a solution that is acceptable to both parties. FOS provides a consumer free service. The FOS website is www.fos.org.au

If the dispute still remains unresolved, it will be referred to the FOS Referee whose decision is binding on us (but not on you).

Further information about the FOS is available from our office.

We also adopt the Insurance Brokers Code of Practice.

All disputes or claims are subject to Australian law.

PROFESSIONAL INDEMNITY INSURANCE ARRANGEMENTS

We are covered under professional indemnity insurance that we believe meets the requirements of section 912B of the Corporations Act.

The insurance (subject to its terms and conditions) does not cover claims in relation to our representatives/employees who no longer work for us (but who did at the time of the relevant conduct).