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ACE Insurance Limited FINANCIAL SERVICES GUIDE ("FSG")

A guide to our relationship with you

Prepared: 23 December 2003
Effective: 19 January 2004

ABOUT THIS FINANCIAL SERVICES GUIDE

The purpose of this Financial Services Guide is to help you to make an informed decision about whether to use the financial services we can provide to you. It contains information on:

- *other disclosure documents you may also receive;*
- *who we are and how we can be contacted;*
- *the services we offer to you;*
- *how we and other relevant persons are remunerated; and*
- *how complaints are dealt with.*

Other Disclosure Documents You May Also Receive

Where required, you will also be given a Product Disclosure Statement (PDS) before or at the time you acquire any product as a retail client. The PDS contains information on the relevant risks, benefits and significant characteristics of the product and is designed to assist you in making an informed decision about whether to buy the product or not. It may be more than one document.

ABOUT ACE INSURANCE (ACE)

ACE Insurance Limited

ABN: 23 001 642 020
AFS Licence Number: 239687
Head Office: 28-34 O'Connell Street SYDNEY NSW 2000
Postal address: GPO Box 4907 SYDNEY NSW 2001
Telephone: 1800 815 675
Facsimile: 02 9233 7864
E-mail: customer.relations@ace-ina.com

ACE is an Australian financial services licensee authorised to deal in and provide advice in relation to general insurance and life risk products.

HOW WE PROVIDE OUR SERVICES

We may provide a dealing service, with or without general advice, in relation to the general insurance products that we distribute.

When we issue our own general insurance products, we act on our own behalf, not yours.

We are not the insurer of all products distributed by us. We may act on behalf of other product issuers in distributing their products (e.g life risk products).

If we are acting on behalf of another issuer, this will be stated in the PDS for that product. We do not act on your behalf. If we have a binding authority from them this means we act on their behalf as if we were them and can bind them by our actions.



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In dealing with the relevant product, we will collect information from you to be able to issue it and manage your and our rights and obligations under it. We will also give you factual information about the product to help you decide whether to buy it.

In some cases we may also make a general recommendation or give an opinion about the product which is not based on our consideration of your individual objectives, financial situation or needs. In providing a general advice service we cannot tell you whether the insurance or an option within it, is appropriate for you specifically. As a result, you need to consider the appropriateness of any information or general advice we give you, having regard to your objectives, financial situation and needs, before acting on it. You need to read the relevant policy documentation (including any PDS) to determine if it is suitable for you.

HOW WE ARE PAID FOR OUR SERVICES

Payment for the services we provide

As the issuer of any insurance policy, we will charge you an agreed premium for that product based on a number of factors including your risk profile and circumstances (plus relevant taxes and charges) which we will calculate and provide you with before you buy the product. The premium may be paid annually or in monthly instalments in certain cases.

Remuneration of our staff

All ACE employees are paid an annual salary which can be based on performance against sales targets and/or include an annual bonus payment based on a number of factors including sales targets and other performance criteria.

ACE representatives may also receive other non-monetary benefits such as attendance at business related conferences, study trips, other functions or gift vouchers.

Referral to ACE by third parties

In certain cases, we may have a relationship with a third party who we may pay for referring you to us. We may pay them between 0% and 45% commission and/or an agreed referral fee which is incorporated into the premium payable by you and can vary, depending on the referrer and the insurance product you purchase. Typically, these parties will themselves bear certain costs, such as marketing, postage, telephone, printing, call centre costs and claims.

The referral fees are normally payable to referrers on a monthly or quarterly basis, in arrears.

If you need further explanation please ask us.

YOUR PRIVACY

We are committed to safeguarding your privacy and the confidentiality of your personal information. We will only collect personal information from or about you, which is relevant to your insurance policy, including claims made by you and use it in a way that you would reasonably expect. Without this personal information, we may not be able to issue insurance cover or process your claim. We limit the release of personal information. We will not sell customer information to telemarketing companies. We will share information only when necessary to market and administer our own insurance products and services and when required by law.

We maintain strong security controls to ensure that the personal information in our files and computers is protected.

You have the right to correct your personal information, or obtain access to it. If you would like a copy of our Privacy Statement or further information in relation to privacy issues, contact the Privacy Officer, ACE Insurance Limited, GPO Box 4907 SYDNEY NSW 2001.



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WHAT TO DO IF YOU HAVE A COMPLAINT

If you have a complaint please contact us on 1800 815 675 or by e-mail at customer.relations@ace-ina.com. We will attempt to resolve your complaint in a timely manner and refer the matter to our internal dispute resolution process if it is unresolved.

If you are not satisfied with our internal review of your complaint, you may be able to access an independent external dispute resolution body called Insurance Enquiries and Complaints Limited ("IEC") in relation to general insurance products or the Financial Industry Complaints Service ("FICS") in relation to life risk products, both of whom you may contact on 1300 78 08 08. Further information about our dispute resolution process, the IEC or FICS is available from us on request.

HOW TO CONTACT US

If you would like to obtain further information, provide us with instructions, or if you have any queries about the financial products and services we are authorised to provide, please contact us on 1800 815 675 or by e-mail at customer.relations@ace-ina.com.

Please retain this document along with your current policy documentation in a safe place for your future reference.

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