

Financial Services Guide

Freeman McMurrick Pty Ltd

The people who provide our services

We usually provide our services using Freeman McMurrick employees.

However in some cases we use 'Authorised Representatives'. We have authorised these third parties to provide financial services on our behalf. When you are dealing with one of our Authorised Representatives in what we call an 'FSR Retail Product', that representative will provide you with an 'Authorised Representative Profile' document. This document will set out their company details, information about their industry experience and the services that we authorise them to provide to you. In these cases, the Authorised Representative Profile will form part of this FSG.

In some cases we will offer to sell you an insurance product using one of our 'Distributors'. Distributors are other third parties whom we have authorised to deal in specific insurance products on our behalf. They are not authorised to provide any advice.

Our Authorised Representatives and Distributors are not employees and do not receive a salary. Instead they may be paid a commission which is a percentage of the premium or percentage of our commission and/or other part of our remuneration, for the financial services they provide. This remuneration may range between 0 and 40 percent of the total insurance premium or of Freeman McMurrick's remuneration.

Our Authorised Representative will advise you if they are providing you with what we call an FSR Retail Product on our behalf. In these cases the Authorised Representative Profile will form part of this FSG.

Our remuneration

Unless we have agreed in writing otherwise, our remuneration will comprise the following:

- For arranging your insurances we usually receive a commission paid by the insurer. This type of remuneration is standard for insurance brokers and our rates of commission typically range between 0 and 40 percent of the premium (before taxes and statutory charges) depending on the type of insurance. Different insurers may pay different rates of commission. The insurer pays us out of its premium and the commission is not specifically disclosed on your invoice;
- A broker service charge for policy invoicing, premium collection and remittance and for issuing policies and other insurance administration work. This charge will appear on your invoice and will vary depending on the work involved and the commission we receive;
- In some cases you may need specific risk advice (such as a business interruption analysis or a valuation). Where we refer you for such advice to our related companies or any other provider, they will charge a separate fee for these services, which will be

agreed with you beforehand and we may receive remuneration for the referral which would be no more than 30 percent of the total cost of those services;

- In some cases an insurer may quote its premium net of our commission. Where this happens we may increase the broker service charge by the amount of commission that would normally apply to this type of insurance or agree a specific fee with you;
- Where we provide you with personal advice in relation to what we call an FSR Retail Product, we will advise you of the full amount of our remuneration in relation to that FSR Retail Product;
- We may charge an additional administration fee for any change to the policy that necessitates us producing a further statement or invoice or a certificate of currency. We may retain this fee from any premium refund arising in connection with the policy change.

Please note that we treat our remuneration as fully earned when we issue you with a tax invoice, unless we have a written agreement with you that varies this statement. You agree that we may retain all our commission, fees and other remuneration in full in the event of any mid-term cancellation of a policy or future downward adjustment of premium. You also agree that the insurer and Freeman McMurrick may offset such remuneration from any premium refund you are entitled to.

A surcharge may apply to all credit card payments. The nominated surcharge will be displayed on your invoice.

We want to be entirely transparent about our remuneration. So please ask us if you want more information or have any questions. Below we have anticipated a couple of questions that you may have.

Does Freeman McMurrick receive any other remuneration for its service?

The law requires us to pay your premiums (and certain monies paid to us by insurers for your account) into a trust account pending payment to the insurer. We are entitled to earn and retain interest on these monies. Our standard credit terms for premium payments are 14 days. We pay insurers within the period dictated by the law or earlier if the insurer requires.

Freeman McMurrick Pty Ltd is part of a large financial and professional services group of companies (Aon Group). There are other parts of the Aon Group that may earn remuneration in connection with insurance we place for you. However, these are kept separate and distinct from the services we provide to you so that they do not influence us to act contrary to your interests.

The following are frequent examples:

The Aon Group has separate reinsurance broking companies that arrange insurance for insurers (called reinsurance). In some cases an insurer may ask one of our

reinsurance broking companies to arrange reinsurance in respect of insurance purchased by you, in which case that company may also earn commission or other remuneration.

Occasionally we may need to access an overseas market to meet your insurance needs. We use Aon Group offices overseas where this is necessary. They may earn commission at standard rates in the overseas market.

Freeman McMurrick and its staff may also receive non-monetary benefits from insurers such as sponsorships of Freeman McMurrick conferences, client functions, meals and/or entertainment. Freeman McMurrick has and monitors its compliance with a policy that ensures that these do not create a conflict with your interests.

How does Freeman McMurrick avoid conflicts of interest when earning commission?

Remuneration by way of a commission is commonplace in the financial services sector. We have taken a number of measures to ensure that our service to you is not affected as a result of receiving commission from insurers based on the amount of premium. These include:

- A conflict of interest policy and guide that our staff is required to comply with;
- Specific rules and controls in place to prevent conflicts affecting our services;
- Training our staff to understand the potential for conflicts and prevent such conflicts from affecting the service we provide to our clients;
- Promoting our values, which include openness, trust, and integrity;
- Having staff dedicated to monitoring compliance, including compliance with our conflicts of interest policy.

This helps ensure that our service to clients is not affected by any apparent conflict arising from our remuneration or anything else. However, please contact the Freeman McMurrick's Compliance Officer if you have any concerns freemcm@freemanmcmurrick.com.au.

What does Freeman McMurrick do with its remuneration?

We are one of Australia's leading insurance broking companies so a large part of the remuneration we receive pays the salaries and wages of our staff, and remuneration we may pay to our Authorised Representative and Distributors. Our remuneration also funds normal business expenses such as rent and technology as well as the profit that our shareholders expect.

We often work closely with trade or industry associations in developing and distributing certain insurance products. Sometimes these associations endorse the insurance product we offer to their members. We may pay part of

our remuneration to an association for their assistance or endorsement.

We also have relationships with other businesses which, when they consider it appropriate, will recommend Freeman McMurrick and our services to their clients. We may pay part of our remuneration to these referrers in recognition of this introduction.

Other important information

Professional Indemnity Insurance

In accordance with the requirements of the Corporations Act, Freeman McMurrick Pty Ltd maintains adequate Professional Indemnity Insurance. This insurance cover extends to claims in relation to our conduct as an Australian Financial Services licence holder and our employees and representatives both past and present, to compensate clients or their beneficiaries for loss or damage suffered if we provide negligent advice.

Premium and invoice calculations

We adopt industry practice in calculating local statutory charges as gazetted or advised by the Insurance Council of Australia.

All amounts referred to in our invoices, unless stated otherwise, are to be treated as exclusive of GST. Where the invoice is for a foreign currency amount, any applicable GST is converted to Australian dollars at the exchange rate published by the Reserve Bank of Australia at 4pm on the business day prior to the date of the invoice.

We make every effort to correctly determine the premium and statutory charges that apply to your insurance. However, occasionally errors can occur. We may correct any such error and (except to the extent prohibited by law) we will not be responsible for any loss you suffer as a result of the error and its correction.

Privacy

We value the privacy of personal information and are bound by the Privacy Act 1988 when we collect, use, disclose or handle personal information. We collect personal information to offer, provide, manage and administer the services outlined in this FSG.

Please contact us or visit our website at www.freemanmcmurrick.com.au if you would like a copy of our Privacy Policy or wish to seek access to, or to correct, the personal information we collect or disclose about you.

Freeman McMurrick's file retention policy

We hold paper work and correspondence regarding your risk and insurance matters for at least seven years, or longer if you instruct us to do so in writing. After this period we will arrange for the file to be destroyed (except where it relates to personal injury and liability policies, in which case we retain the records for 99 years). Please

note that we will not consult you before destroying this information.

Please tell us in writing before the end of the seven year period if you want to us to keep our files for longer. We will extend the time as requested but may charge you a reasonable storage and administration fee.

Insurance Brokers Code of Practice

Freeman McMurrick Pty Ltd is a member of the National Insurance Brokers Association and is bound by their Code of Practice (the Code).

The Code sets out standards for brokers to follow when dealing with clients, including requirements to inform clients of remuneration arrangements and any conflict of interest.

The Code is available from the National Insurance Brokers Association website - www.niba.com.au.

Service issues and complaints

Please contact your Freeman McMurrick Client Relationship Manager or your local Freeman McMurrick office if you have a concern about our services or any product we have provided. If your complaint is not satisfactorily and promptly resolved, please contact Freeman McMurrick's National Complaints Manager who will attempt to resolve it in accordance with our Complaints and Disputes Handling Policy. You may obtain a copy of this policy from the National Complaints Manager.

National Complaints Manager

Freeman McMurrick Pty Ltd

Level 50, 80 Collins Street

Melbourne Vic 3000

Email

freemcm@freemanmcmurrick.com.au

or from our website

www.freemanmcmurrick.com.au

If you are still not satisfied with the outcome determined, you may contact the Insurance Broking Division of the Financial Ombudsman Service on 1300 780 808. Alternatively, if your concern is with the insurer, you may contact the General Insurance Division of the Financial Ombudsman Service on 1300 780 808.

About us

Freeman McMurrick Pty Ltd is one of Australia's leading providers of insurance and risk services and is part of the Aon Group – a global leader in risk management services, insurance and reinsurance broking, financial planning and employee benefit and risk solutions.

Freeman McMurrick Pty Ltd

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Australian Financial Services

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www.freemanmcmurrick.com.au

Financial Services Guide

This FSG explains:

- our products and services;
- our remuneration;
- other important information.

Please take the time to read it and keep it safely with your policy documents.

Introduction

We aim to provide you with insurance products and services that protect and enhance your business. To help us achieve this, it's important that you understand what we do as your insurance broker.

Our **Financial Services Guide (FSG)** contains important information about the products and services Freeman McMurrick Pty Ltd (Freeman McMurrick) offers. It also explains how we, and our representatives, may be remunerated and contains details of our internal and external complaints handling procedures.

By continuing to engage Freeman McMurrick to provide insurance services, you are, in the absence of a formal written retainer agreement, agreeing to the delivery of our services and our remuneration as described in this FSG.

Please take the time to read this FSG carefully as it contains important information.

If you are buying what we call an 'FSR Retail Product', we will, if and when required, also give you a Product Disclosure Statement. This contains information on the product and its features to assist you make an informed decision about whether or not to buy it. If we give you personal advice about an 'FSR Retail Product' we will, if required, also give you a Statement of Advice. This contains the advice we have given, the basis of that advice and other information about our remuneration and any relevant associations or interests. You may request from us a record of further advice if you have not already been provided with it.

Please tell us if you think we can improve in any way and do not hesitate to raise any questions that you have.

This FSG is also available on our website www.freemanmcmurrick.com.au

How you can instruct us

You can provide instructions by using the contact details set out in this FSG.

Our products and services

As your insurance broker we are licensed to deal in and provide advice in relation to general insurance products. Under our licence, amongst other things, we are able to:

1. Arrange general insurance and life insurance products to help you protect against insurable risks;
2. Collect information that insurers require from you;
3. Where needed, provide you with information and advice about general insurance and life insurance products;
4. Where needed, assist you to make insurance claims.

We will endeavour to arrange insurance that meets your insurable risks and needs. However, it is you who best understands your risks and needs. So, always consider the appropriateness of any advice we provide or any insurance we propose before acting on it.

We also rely on you for the accuracy and completeness of information you provide to us.

Finally, please note that we cannot guarantee the availability of insurance for your particular risks. We do not guarantee the solvency of insurers.

Arranging your insurances

While cost is always important, the quality of insurance cover offered by a policy is equally important. Insurance that does not match your needs is worthless, however cheap the premium.

As one of Australia's leading insurance brokers, we have many clients in similar businesses and situations with similar risks and needs. We design and develop Freeman McMurrick products specifically for these groups (Freeman McMurrick Products), which combine good pricing and quality cover from reputable insurers with a good claims paying record. Where we believe it suits your risks and needs, we will only recommend a Freeman McMurrick Product (rather than alternative insurance products).

Where we do not have a Freeman McMurrick Product suitable to your risks and needs we will, unless you agree otherwise, seek quotes from appropriate insurers and help you identify an alternative insurance product.

As your insurance broker, we normally act for you in providing our insurance services. We will tell you before or at the time if we are not acting for you in providing any part of our service. For example, an insurer may give us 'binding authority' to arrange or enter into insurance products on their behalf. We could also agree to handle or settle claims on an insurer's behalf. We will inform you if we act for an insurer in this way in relation to your insurances and this will be noted on your invoice.

Freeman McMurrick Pty Ltd.

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