WILLIS EMPLOYEE BENEFITS PTY LIMITED
FINANCIAL SERVICES GUIDE
Issued May 2007

ABN 68 059 019 911
AFS Licence No: 233764
Date of Issue: 30 April 2007

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Introduction

This Financial Services Guide (FSG) contains important information about our relationship with you. This document is required under the Corporations Act and provides you with information to decide whether to use the financial services available through Willis. The details set out in the next few pages explain a number of matters including:

- The services we offer and our standard terms of business
- Our remuneration
- Any potential conflict of interest we may have
- Our internal and external dispute resolution procedures
- Your responsibilities
- Our privacy policy

This document is set out in two sections. Section 1 covers the specific information required under the Corporations Act, in relation to our Australian Financial Services (AFS) Licence. The second section covers other important information about our relationship with you.

We may need to provide you with personal advice that takes into account your personal financial situation. This would be provided in the form of a Statement of Advice (SoA). We may also recommend one or more financial products to you. A Product Disclosure Statement (PDS) covering each product recommended will be provided. These documents will help you make a more informed decision.

You should contact us if there is anything in this document which you do not understand or with which you disagree. Our office details are as follows:

Office	Phone	Fax
Adelaide	+61 3 8681 9800	+61 3 8681 9899
Brisbane	+61 2 9285 4000	+61 2 9283 5269
Hobart	+61 3 8681 9800	+61 3 8681 9899
Melbourne	+61 3 8681 9800	+61 3 8681 9899
Perth	+61 3 8681 9800	+61 3 8681 9899
Sydney	+61 2 9285 4000	+61 2 9283 5268

This Guide is also available on our website: www.willis.com.au

SECTION 1 - INFORMATION WE MUST TELL YOU AS AN AFS LICENSEE

Who is Willis?

Willis Employee Benefits Pty Ltd (Willis EB), a subsidiary of Willis Australia Ltd, is a member of the Willis Group of Companies, a leading global independent consultancy. Our ultimate parent company, Willis Group Holdings Limited, is listed on the New York Stock Exchange.

As an independent company we are not controlled by any individual financial institution such as an insurer or bank. We are not required to use the products of any particular organisation.

Who is responsible for the services provided?

Willis EB is licensed to provide financial services under the Corporations Act (Cth) 2001. Our AFS Licence number is 233764.

All advice provided to you will be provided by a representative, such as an employee, acting on behalf of Willis.

What are our Services?

Our licence allows us to provide advice on and deal in Investment Life Insurance Products, Life Risk Insurance Products and Superannuation.

Our discussions with you will help us identify your financial requirements. We will then provide advice, based on your instructions, whether written or oral, and endeavour to satisfy your requirements.

If we provide you with personal advice, taking into account your personal needs, objectives or financial situation, we will do so in the form of a SoA, which will explain the basis of our advice and inform you about our fees and commissions, as well as any association we have with product issuers such as superannuation trustees, insurance companies or other parties which may have influenced the advice provided in the SoA.

We may also recommend one or more financial products to you. A PDS covering each product recommended will be provided. The PDS is prepared by the product issuer, such as an insurance company or the trustee of a superannuation fund, and contains information about the product recommended. This will help you make a more informed decision about that product.

We will answer any questions you may have about the advice and products recommended.

How can you instruct us about your financial product requirements?

You may instruct us about your financial product requirements by telephone or in person, by fax or email, or by other means as we agree with you. Please be aware that there may be a range of forms which you may be required to complete and sign.

What if there is a change in your circumstances?

You must advise us as soon as reasonably practicable of any changes in your circumstances that may affect the services to be provided by us.

How you pay for our services?

Generally the payment we receive will be based on an agreed fee for a service and / or a commission from a product issuer. Payments may vary materially depending on the extent of the service requested and the range of areas products need to cover. Details of the payments we may receive from product issuers are generally contained in the PDS you will receive.

Some commissions earned by us on a policy may be refunded if the policy in question is cancelled within twelve months of inception.

If you receive personal advice from us, we will tell you about any commissions, fees and any other benefits, where possible in actual dollar amounts, in the SoA. We will give you this SoA, before we proceed to act on your instructions.

Commissions will vary as stated above. An indication of the fees and commissions payable is:

- On Non-Superannuation Life Risk Insurance products the average amount of commission received is 30% of the insurer premium in the first year and 20% thereafter. We may receive in the range of 0% to 130% of the first year's insurer premium and in the range of 0% to 20% in the second and subsequent years. Fees unrelated to the insurer premium may also be payable for the provision of our advice. Where this is the case they will be separately agreed with you.
- On Superannuation Life Risk Insurance products the average amount of commission received is 20% of the insurer premium in each year. We may receive in the range of 0% to 30% of each year's insurer premium.
- On Superannuation Investment products we may receive commission in the range of 0% to 1% pa of the assets underlying the product.

We may agree a fee for service for certain business such as either evaluating existing superannuation arrangements for a company or tendering such business between different superannuation providers.

All the Commissions referred to above are paid to Willis either monthly, quarterly, semi-annually or annually depending on the date that our clients pay their premiums to us.

Our representatives may also receive non-monetary benefits from insurers. These benefits may include entertainment at sporting events, hospitality including lunches and attendance at insurer sponsored functions. It is not possible to determine in advance what, if any, non-monetary benefit a representative may receive and these benefits are not generally attributed to any particular product. If these non-monetary benefits exceed $300 in value then we will disclose them to you.

Other revenue

Our employees receive an annual salary that may include discretionary annual bonuses based on pre-determined business performance criteria such as client service standards and business profitability. In addition, employees may be eligible to participate in any Willis Group share plan that may be offered on a discretionary basis from time to time. Individual sales outcomes may also affect the remuneration of our employees.

Where you have been referred to us by someone else, we may pay them a fee or commission in relation to that referral in the range of 0% to 50% of what we receive in the first year. Please note that this fee or commission is not an additional charge to you but is paid to us from the income that is normally received from the insurer for placing the policy, as outlined above.

Other Relationships

Willis has no relationships or associations with any product issuer that could be expected to influence us in the provision of the financial services.

What should I do if I have a complaint?

Willis has a formal complaints procedure. Should you have any cause for complaint about our service please raise the matter, in the first instance, with your Willis representative. Alternatively, you may contact our Complaints Officer on (03) 8681 9800.

We will acknowledge your complaint within one business day of receipt and will advise you of the person dealing with it.

We are members of The Financial Industry Complaints Service (FICS), an external dispute resolution facility. Should you not be happy with the way your complaint is handled or with its resolution you have the right to take your complaint to the FICS, who can be contacted on 1300 780 808.

As stated in the Willis Client Bill of Rights (refer below), you can also call Willis to comment upon our service. The toll free number can be found on our Group website at www.willis.com.

SECTION 2 - OTHER INFORMATION ABOUT OUR RELATIONSHIP

What other services do we provide?

Market Security

We will not in any circumstances act as an insurer nor will we guarantee or otherwise warrant the solvency of any insurer or market used for your requirements. As a consequence the decision regarding the suitability of any insurer or market rests with you. If you have any concerns regarding any insurers chosen for your insurance requirements you must advise us as soon as possible and we will discuss them with you.

Insurance Documentation and Claims

Unless otherwise agreed the Financial Product Provider will send you documentation confirming the basis of the cover secured on your behalf, including details of the insurers, with a premium invoice, showing separately all the amounts payable. The dates that the money is due together with any potential penalties for late payment will be clearly stated to you.

Insurance policy documents and any amendments or endorsements to your policy will be sent to you as soon as reasonably practicable.

Except where we agree otherwise with you, we will provide our claims handling services for the period of our appointment. Our claims handling services include, upon receiving the required information from you, the notification of the claim or circumstances to insurers; representing you in the resolution of the claim and arranging the collection and/or settlement of the claim in accordance with market practice and your policy terms and conditions. Where claims are to be dealt with by you directly with insurers, we will provide advice and support as requested. These services can be continued beyond our appointment by mutual agreement and may be subject to a separate fee.
Further, our claims handling services will cease where we are satisfied that you have instructed another entity to assume the claims servicing obligations for your insurance.

Electronic and Facsimile Communications

We may communicate with each other by electronic mail (email) or facsimile, sometimes attaching in the email further electronic data, where we have each expressed a wish for that to happen.

By consenting to these methods of communication we and you accept the inherent risks (including the security risk of interception of or unauthorised access to such communications, the risks of corruption of such communications, and the risks of viruses or other harmful devices).

You should be aware that the integrity of attachments in emails can be questionable from a legal standpoint. Accordingly we ask that whenever and wherever possible attachments are encrypted or sent in a Portable Document File (PDF) format. We will also submit attachments to you in this format.

For the purpose of establishing the time of sending and receipt of emails and facsimiles the following rules will apply;

- An email or facsimile will be deemed to have been sent at the time it leaves the sender's Information System.
- An email or facsimile will be deemed to have been received when it has arrived at the addressee's Information System

Notwithstanding that we have reasonable virus checking procedures on our systems, you will be responsible for virus checking all electronic communications sent to you. You will also be responsible for checking that messages received are complete.

In the event of a dispute neither of us will challenge the legal evidential standing of an electronic document and our systems shall be deemed the definitive record of electronic communications and documentation.

Willis Group companies and other entities

At times it may be appropriate and for your benefit, for us to use other parties such as wholesale brokers, excess and surplus lines brokers, underwriting managers or managing general agents. These parties may also earn and retain commission for their role in providing products and services to you. If any such parties are part of the Willis Group, we will disclose the basis of remuneration they will earn before insurance is purchased.

Willis Reinsurance, another member of the Willis Group of companies, may act for Insurers with whom your risks are insured, in the placement of their risks. These placements are separate contracts subject to their own terms and conditions, including those relating to remuneration.

What are your responsibilities?

Proposal forms

For certain financial products you may be required to complete a proposal form, questionnaire or similar documents. We can provide guidance but we are not able to complete the document/s for you.

Disclosure of information

You are responsible for providing us with a list of your personal objectives, details of your current financial situation and any relevant information, so that we can offer you the most appropriate advice possible. We will not be responsible for any consequences which may arise from any delay or failure by you to do so. You remain responsible for any decision you make.

Quotations

You are responsible for reviewing information on the insurance coverage or superannuation products recommended to you. If the indication of coverage and terms does not match your instructions you should advise us immediately. If you need any information in respect of other quotes which we may have obtained on your behalf but have not recommended to you, please contact your account manager.

Your policy

Although we will check the policy documents that we send to you, you are responsible for reviewing the evidence of insurance cover to confirm that it accurately reflects cover, conditions, limits and other terms that you require. Particular attention should be paid to any policy conditions and warranties, as failure to comply may invalidate your cover, and the claims notification provisions. If there are any discrepancies you should contact us immediately.

Claims

You are responsible for notifying claims or potential circumstances that may give rise to a claim, in accordance with your insurance policy. In presenting a claim it is your responsibility to disclose all facts which are material to the claim. Therefore, to ensure full protection under your policy or similar documentation provided, you should immediately familiarise yourself with the coverage conditions or other procedures relating to claims and to the notification of those claims. Please also carefully consider any claims reporting instructions we provide to you. Failure to adhere to the notification requirements and to report a claim in a proper and timely manner, as set out in the policy or other coverage document, may jeopardise coverage of the claim or entitle insurers to deny your claim.

Depending on the terms of your insurance policy, claims may be made against a policy long after its termination or expiry date. It is important therefore, that you keep your insurance policies, coverage documents as well as claims reporting instructions in a safe place.

Provision of information

All activities undertaken by us as outlined in this document are provided by us for your exclusive use and all data, recommendations, proposals, reports and other information provided by us in connection with our services are for your sole use.

You agree not to permit access by any third party to this information without our express written permission. We reserve our right to take action to protect proprietary information.

What about privacy?

We are covered by the Federal Privacy Act and its National Privacy Principles, which set out standards for the collection, use, disclosure and handling of personal information. We respect your privacy and are committed to protecting your personal information.

We collect personal information in order to provide our various services. These include insurance broking, claims management, risk management consultancy, underwriting management, superannuation, and reinsurance broking. Other purposes include helping to develop and identify products and services that may interest clients, conduct customer satisfaction surveys, establish and administer alliances and other arrangements with other organisations in relation to the promotion, administration and use of our respective products and services. For further information regarding our services please contact your Willis representative.

We disclose personal information to third parties who are involved in the provision of our services. For example, in arranging and managing your insurance needs we may need to provide information to insurers, reinsurers, other insurance intermediaries, our advisors such as loss adjustors, lawyers and accountants, and other parties involved in the claims handling process. We also may provide it to purchases of our business and related Willis Group companies.

When you provide us with personal information about other individuals, we rely on you to have made them aware that; you will or may provide their information to us, the purposes we use it for, the types of third parties we disclose it

to, and how they can access it. If it is sensitive or health information, we rely on you to have obtained their consent to the above. If you have not done either of these things you must notify us before you provide the relevant information.

You agree that we and related Willis Group companies may hold and process by computer or otherwise any information we hold about you in order to provide our services to you. For purposes of providing our services to you or for systems administration you may agree that it may be necessary to transfer any information about you to any country.

If you would like a copy of the Willis Privacy Statement or would like to access your personal information, please contact the Willis Privacy Officer on (03) 8681 9800 or refer to our website.

Unless you notify us in writing otherwise, by proceeding to deal with us, you confirm on your behalf and/or on behalf of those you represent, agreement to the above principles.

What if we have a conflict of interest ?

Circumstances can arise where we may find we have a conflict of interest in, or otherwise have a material interest in or related to, a matter in which we are acting. For example, we may find that the interests of two of the clients for whom we act, conflict.

We have conflict management procedures and we seek to avoid conflicts of interest but where a conflict is unavoidable we will explain the position fully and manage the situation in such a way as to avoid prejudice to any party.

The insurance and superannuation markets are complex and there could be other relationships not described here which might create conflicts of interest. Whatever the circumstances, we will act in your best interests and, if a conflict arises for which there is no practicable solution, we will withdraw unless you wish us to continue to act for you and provide us with your written consent to that effect.

How can you terminate our relationship ?

Our services may be terminated either by us or you upon the giving of one month's notice in writing to the other or as otherwise agreed.

What about third party rights ?

Unless otherwise agreed between us in writing, our standard terms of business are not enforceable by any third party except a related Willis Group company.

Are all of our standard terms of business included within this document ?

Our standard terms of business contained in this document constitute the entire terms upon which we will provide our services to you and supercede any previous terms which we may have sent you. However, this document does not cover other services, if any, which we are providing under the terms of a separate agreement with you.

What about governing laws ?

This FSG, which sets out the terms of our relationship with you, will be governed by and construed in accordance with the applicable Australian Federal or State Law and any dispute arising under it shall be subject to the exclusive jurisdiction of the applicable Australian Federal or State Court.

SECTION 3

Our Client Bill of Rights is our commitment to upholding the highest standards of integrity in our industry and how we deliver the Willis Value Experience.

At Willis, our culture and our actions are guided by the Following principles:

1. Willis represents the client's best interests through our client advocacy model. Willis' global resources and services are committed to understanding the client's company, its industry and its individual needs. Willis' customized recommendations and solutions will be driven by what is in the client's best interest. This is the centrepiece of the value Willis provides its clients.

2. At the commencement of every engagement and at renewal thereafter Willis will describe the service and value it provides and how it is compensated for it – in plain and simple language as part of our Terms of Business Agreement and our Willis Client Service Model.

3. Willis will listen before it acts. Its partnerships with clients will be typified by clear, complete and candid communication.

4. Clients will have a toll-free number to give Willis feedback on the quality of its services. Clients can comment, Critique and suggest Areas of improvement. Willis values client input.

5. Willis will require that the training its Associates receive includes enhanced emphasis on their duty of care and full disclosure to clients.

6. Willis Associates are prohibited from accepting any gifts, entertainment or trips from insurers that could create the appearance of a conflict of interest with its clients.

7. Willis will not accept contingency compensation from insurers.

8. Willis will conduct its business in accordance with its "best practices" guidelines, which are Incorporated in our Willis Excellence Model.

9. Willis clients will receive the benefits of our global approach to service: our global resources delivered locally to help clients realize their highest risk management and business objectives regardless of geography.

10. Adherence to these principles will be enforced by a series of enhanced internal controls, including regular compliance reviews, audits and reviewed by the Audit Committee of the Willis Board of Directors.