

This Financial Services Guide (**FSG**) contains important information to help you decide whether to use the services we offer. It includes details about who we are, the services we can provide, the remuneration we and our representatives receive and our complaints process.

You should read this FSG in its entirety and retain it for your future reference. By engaging, or continuing to engage us you are, in the absence of any formal written agreement with us, agreeing to the delivery of our services and remuneration as described in this FSG.

If this document was provided to you by one of our Authorised Representatives, this document is only part of the FSG and should be read with the relevant Authorised Representative Schedule. Together, these documents make up the FSG.

Statements of Advice and Product Disclosure Statements

If we provide you with personal advice or recommend an insurance policy, we will, where required, give you a Product Disclosure Statement (**PDS**) and we may also give you a Statement of Advice (**SOA**). You should read these important documents before acting on any advice we have given you.

A PDS is produced by the insurer and contains information that will help you decide whether or not to purchase a product, including information about its features and its terms and conditions.

A SOA will explain our advice, including the basis for our advice and the information we have relied on. It also includes further details about how we are paid and any relevant relationships or associations we may have which may have influenced the advice we have given.

Electronic delivery

If you have supplied your email address to us, we will send insurance documents including this FSG, SOAs and PDS' (if required) to that address unless you tell us you would like to receive those documents in a different form (e.g. hard copy by post).

We may be able to communicate with you in limited circumstances by means of mobile phone text message (SMS). Any messages of information sent by SMS will not be acted upon until such time as they have been confirmed by alternative means.

Who we are

We are a group of Australian companies that provide general insurance broking services. Our services may be provided to you by Arthur J. Gallagher & Co (Aus) Limited (**Gallagher**) or by an Authorised Representative of Gallagher. Both Gallagher and your Authorised Representative are referred to in this FSG as 'we', 'us' or 'our'.

Our contact details are at the end of this FSG. If an Authorised Representative is your broker, their details will appear in the Authorised Representative Schedule appended to this document.

We are part of a group of Australian and international companies owned by Arthur J. Gallagher & Co (**Gallagher Group**). The Gallagher Group is one of the world's leading providers of insurance broking and risk management services. The parent company, Arthur J. Gallagher & Co., was founded in the United States in 1927 and is listed on the New York Stock Exchange.

In Australia, the Gallagher Group also includes related service providers such as:

- Arthur J. Gallagher (Life Solutions) Limited ABN 67 074 697 537, AFSL 238318 (**Gallagher Life Solutions**), which provides life insurance and financial advisory services.

- Elantis Premium Funding Limited trading as Monument Premium Funding ABN 20 002 543 606 (**Monument**), which provides premium funding and other credit services.

- Pen Underwriting Pty Ltd ABN 89 113 929 516, AFSL 290518 and Pen Underwriting Group Pty Ltd ABN 80 082 459 372, AFSL 238170 (**Pen**), Australian underwriting agencies providing access to both the Lloyd's market and local insurers.

For further information about our related entities please visit: www.ajg.com.au/arthur-j-gallagher-co.

About Us

We have an extensive national broking network in metropolitan and regional Australian locations providing broking solutions to a wide range of clients from small to medium enterprises through to large multi-national corporations, as well as affinity partners and associations.

We aim to deliver on our aspiration 'to position you to financially survive any insurable event' through:

- maintaining local relationships with our clients;
- leveraging our national and trans-Tasman influence with insurance companies to negotiate better deals and more coverage options;
- providing you with 24/7 support and the experience of our dedicated national claims team; and
- making the most of our global capability of industry-specific experts and offshore markets for your benefit.

We are a member of the National Insurance Brokers Association (**NIBA**) and subscribe to the General Insurance Brokers' Code of Practice. A copy of the code can be obtained from the NIBA website: www.niba.com.au.

Waiver of rights and disclaimers

Some insurance policies limit or exclude claims where the insured has limited or waived their right to recover a loss from the person who was responsible for causing the loss. You should not sign any agreement that modifies or limits your rights of recovery from another party. You should always seek professional advice before signing such a disclaimer. Whenever you are asked to sign such a disclaimer you should seek advice first.

Important relationships and conflicts of interest

In some cases we may refer or advise you to use the services of other companies in the Gallagher Group both in Australia and overseas. All negotiations with other companies in the Gallagher Group are carried out at an arm's length as if we were conducting business with an unrelated third party.

We have a preferred panel of insurers with which we place business and we work closely with these insurers to ensure our clients receive high quality product benefits, competitive pricing and appropriate service levels.

Where there are potential conflicts of interest in our remuneration arrangements or in our dealings with related parties, they are managed in accordance with our conflicts of interest policy which all staff and representatives must comply with.

Our services

Gallagher holds an Australian Financial Services Licence which authorises us to deal in (including to issue and arrange for others to deal in), and provide personal and general advice concerning general insurance products.

We are committed to providing sound advice based on our market knowledge. We can;

- investigate and analyse your insurance needs;
- provide information or advice about insurance solutions that may be appropriate for you;
- arrange, vary and renew your insurance policies;
- help you deal with your insurer in the event of a claim; and
- provide other risk management services.

Our relationship with you

As general insurance brokers, we normally act as your agent when dealing with insurers. In some circumstances we may act as an agent of the insurer and this may be under a binder arrangement which allows us to offer, vary or cancel policies and manage claims as if we were the insurer. When this occurs we will clearly notify you. In these cases, we are not acting on your behalf and you will need to determine the appropriateness of the insurance cover to your needs.

When you do business with us, you will usually deal with our employees, however you may also deal with one of our Authorised Representatives.

Our advice

When we provide you with advice this may be general advice or personal advice.

If we provide you with general advice we will give a general recommendation or opinion about a product which is not based on a detailed consideration of your individual needs, objectives or financial situation. When giving general advice, we will give a warning that you should read the relevant PDS and policy wording in full and consider whether the insurance product in question is appropriate for your circumstances.

If we provide you with personal advice, we will review and consider your individual circumstances before providing our advice. We may also provide you with a PDS and/or a SOA (if required). You should read these documents carefully before acting on our advice.

If we provide you with personal advice and we do not provide you with a SOA, you may request a Record Of Advice (ROA) at any time up to 7 years after the advice was provided by calling your broker, your nearest branch or our Toll Free Client Inquiry Line, **1800 240 432**.

Our relationship with insurers

We work closely with a range of insurers and underwriting agencies to arrange high quality benefits, competitive pricing and superior service levels for our clients. Wherever possible we will recommend you deal with insurers that are authorised under the Insurance Act 1973 (Cth) to carry on insurance business in Australia. Such insurers are subject to oversight by the Australian Prudential Regulation Authority. We will warn you when we recommend an unauthorised foreign insurer.

Please note that we cannot guarantee the availability of cover for your particular risks or the solvency of any insurer.

How we can receive your instructions

In order for us to act on your behalf you must provide us with instructions and other information about the services you require. You can give us instructions using the contact details at the end of this FSG or to your broker described in the relevant Authorised Representative Schedule. In some circumstances it may be necessary for you to give us instructions in writing. We will tell you when this is the case.

Cooling off period

Retail insurance policies can be terminated within the first 14 days without penalty. If you choose to take advantage of this option, the insurance contract will be terminated from inception and the premium will be returned to you in full. You cannot withdraw from the contract if you have made a claim under it.

Our remuneration, including how we and our representatives are paid

Commissions and professional broking fees

Typically, we will charge you a professional broking fee and/or obtain a commission from the insurer based on the service we provide. Our professional fees will vary depending on the level of service we provide and whether we also receive a commission.

The amount of commission varies depending on the market and the risk, but is generally calculated at a rate that is between 5% and 30% of the insurer's base premium (i.e. excluding government charges, taxes, fees or levies). Often an insurer will agree to pay us by allowing us to deduct the value of the commission from the premium paid by you before we pass the balance of the premium on to the insurer.

We may also charge separate professional broking fees to cover any related administration and processing costs. Our fees vary depending on the costs associated with providing the services you require. Where applicable, our professional fees will be detailed on your invoice, and provided to you at the time you receive advice or as soon as practical after that time.

Our remuneration is payable on the terms of our invoice and is considered fully earned at the time that we issue the invoice. If your insurance contract is cancelled or varied before the expiry of the period of insurance, you will be paid any refunded pro-rata premium received from the insurer. We will retain all of our commission, fees and other remuneration in full in the event of any early cancellation or variation of your insurance contract or adjustment of premium. We may charge an additional fee for processing your request to cancel or vary your insurance contract and you agree that this fee may be offset against any premium pro-rata refund you are entitled to.

How we remunerate our employees

Our remuneration arrangements provide incentives to our employed brokers to ensure our clients receive practical and effective advice and service. Our employees receive a salary and may also receive a performance bonus based on both the value and quality of the work they do for our clients. In limited circumstances, some employees may also receive additional payments related to clients they have referred to a third party.

From time to time, our employees may also be invited to an annual conference, receive sponsorship for conferences, functions, meals or other non-monetary benefits from external parties such as insurers, underwriting agencies or reinsurers. You do not bear the cost of sending our employees to these events and such relationships are managed under our conflicts of interest policy.

How we remunerate our Authorised Representatives

If your broker is an Authorised Representative, he or she is generally paid a retainer fee that may also be supplemented by an additional payment based on performance. Any additional payment will be calculated on the level of the retainer and will be between 5% and 50% of the commission we receive in respect of business arranged or serviced by the Authorised Representative. Alternatively, the Authorised Representative may be paid a flat recurring fee.

If an Authorised Representative provides you with personal advice, additional information explaining how they are remunerated will be included in the Authorised Representative Schedule.

Remuneration arrangements within the Gallagher Group

If we recommend a product or service of a company in the Gallagher Group or refer you to another company within the Gallagher Group, we may receive benefits as a result of the referral or the business you subsequently do with that company. The benefits include:

- If we refer you to Gallagher Life Solutions, we may receive a share of any commission generated by the referral and a share of Gallagher Life Solutions's overall profits. For further details, please refer to the Gallagher Life Solutions Financial Services Guide, a copy of which can be accessed via our website www.ajg.com.au.

- If we refer you to Monument, we may receive a commission of up to a maximum of 5% of any funding provided by Monument. We may also be entitled to a bonus paid as a percentage of the premiums funded and a share of Monument's profit.
- If we recommend a product offered by Pen or any other company within the Gallagher Group, the company may pay us an annual bonus based on premium growth and/or a payment based on the profitability of the products we recommend to you. These payments will be in addition to any commissions the company may pay us and any service or other fees we may charge you.

Remuneration from other relationships

We sometimes enter into specific arrangements with a limited number of insurers where we receive fees or other remuneration for the development of insurance solutions or the growth of various insurance portfolios.

The remuneration we receive from these arrangements:

- may be variable and determined by a percentage of the premiums applying to a portfolio or the profitability of the recommended insurance products; or
- the remuneration may be fixed and based on the delivery of agreed objectives, including for administration and other services which are aimed at enhancing the development and provision of products and services for your benefit.

We will only recommend these products and services where they meet your needs and are in your best interests.

We may also earn remuneration where we act as an agent for an insurer under a binder authority. The remuneration we receive from these arrangements is generally a mixture of a flat processing fee and variable performance fees and commissions. The performance fees and commissions are determined by the nature of the arrangement and, in the case of the performance fees, may be influenced by the profitability of the relevant portfolio.

Some insurers give other benefits such as sponsorship of annual conferences, training and invitations to social business functions. These benefits may change from year to year. Occasionally, your broker may also receive small gifts and gratuities. It is our policy that gifts or gratuities may be accepted only if they are of an incidental nature.

Referral fees paid to third parties

If you were referred to us by a third party, we may pay the referrer a referral fee. This fee is calculated as a percentage of the commission earned from the referral and can be up to 50% of the commissions we receive. This is a separate payment that we make to the referrer and does not increase the amount you pay for your insurance cover.

How detailed information about remuneration will be provided to you if personal advice is provided.

If your broker provides you with personal advice, they will give you documents explaining what fees, commissions, benefits, bonuses, payments to third parties or other remuneration will be paid or received in relation to their advice, if you accept it. This information will be provided at the time the advice is provided or as soon as practical after that time.

Invoices

We will invoice you for the premium (which may include our commission), relevant statutory charges (including GST) and any fee we charge you for arranging your insurance cover. You must pay us by the due date shown on the invoice.

Your payment of the invoice issued is treated as acceptance of all of the terms and conditions of the associated insurance policy.

Once you have paid an invoice, we hold the premium you pay on trust for you until we pass it on to the insurer. If there is any delay between you paying an invoice and us passing your premium on to the insurer, we may retain any interest earned on the premium during that period. Where a premium remains unpaid, an insurer may have the right to cancel the policy and you may not be insured. The insurer may also charge a premium for the time on risk.

If the premium remains unpaid, your broker may contact the insurer and the insurer may cancel your policy.

Billing

Check your invoice for payment options. Please note that a surcharge may be applied to payments made by credit card. The surcharge applied passes on the charges that are incurred by Gallagher. The surcharge may change from time to time to reflect changes in the charges that we incur.

Your broker may be able to arrange for you to pay your premium in instalments. Instalment billing is not always available and there is usually a charge for this service. To discuss this option please contact your broker for details.

Questions about invoices, fees, commissions and other remuneration

If you have any questions, or if you want more information about how we or our Authorised Representatives are paid, please ask your broker or call your local branch.

Automatic renewals

In some circumstances we may automatically renew your existing policy with your current insurer as per expiring policy details. You will be notified in our renewal invitation or quotation offer if this is relevant to the financial service offered or provided to you. Where this arrangement is in place you can contact us at any time in order to instruct us to stop automatic renewals.

Complaints and dispute resolution procedures

Complaints and disputes

If you are concerned about the services provided by us, any product we have arranged or how we have handled your Personal Information, please contact your broker or the branch manager of your local branch. We will acknowledge your complaint immediately in writing or by telephone.

If, within 14 days, your broker or the relevant branch manager is unable to resolve your complaint to your satisfaction, you may ask that the matter be referred to the Gallagher Risk & Compliance Team (**Risk & Compliance Team**) who can be contacted directly on: **1800 068 000** or by emailing: privacy@ajg.com.au (for privacy related complaints) or complaints@ajg.com.au (for other complaints).

If your complaint is referred to the Risk & Compliance Team, we will acknowledge receipt of your complaint in writing within 3 business days. We will then investigate the matter and attempt to resolve your complaint in accordance with our disputes and complaints management policy. We will advise you of the outcome of our review of your complaint within 45 days of when you first made your complaint.

If you are not satisfied with the response of the Risk & Compliance Team to your complaint about services and products, you may refer your complaint to the Financial Ombudsman Service (**FOS**).

FOS is an independent external dispute resolution body approved by the Australia Securities and Investment Commission. FOS resolves disputes at no charge to you and has the authority to deal with certain financial services disputes within its Terms of Reference. FOS can be contacted at:

Financial Ombudsman Service	Telephone: 1300 780 808
GPO Box 3,	Website: www.fos.org.au
Melbourne VIC 3001	Email: info@fos.org.au

For further information about how we handle complaints or disputes please contact your broker, our Authorised Representative or visit our website www.ajg.com.au.

Professional indemnity insurance cover

We maintain appropriate professional indemnity insurance (PI Insurance) which meets the requirements of section 912B of the Corporations Act 2001 (Cth). Our PI Insurance extends to claims in relation to negligent advice provided by our current and former employees and Authorised Representatives. It is important to understand that our PI Insurance is subject to the terms and conditions of the relevant PI Insurance policies.

Additional Important Information

Privacy

We are committed to protecting your personal and sensitive information (together referred to as Personal Information). When we collect, hold, use, disclose, or otherwise handle your Personal Information we must comply with the Privacy Act 1988 (Cth), which includes the Australian Privacy Principles.

We collect, hold, use and handle your Personal Information to perform our functions of providing, managing and administering the insurance broking and risk management services outlined in this FSG. If you do not supply the Personal Information we request, we may not be able to provide our services to you. For example, we may not be able to arrange insurance cover or manage your claim.

We provide your Personal Information to insurers or insurance intermediaries to allow them to determine whether to insure you and if so on what terms.

In facilitating the services outlined in this FSG, we may also need to provide your Personal Information to our outsourced providers. Occasionally this may involve providing your Personal Information to overseas recipients located in the United States of America, the United Kingdom, New Zealand, Singapore or India. Prior to disclosing your information to overseas recipients, we will, where required by law, take steps to ensure that the recipient does not breach the Privacy Act 1988 (Cth).

From time to time and where we are permitted by law to do so, we may also use or disclose your Personal Information for the purpose of marketing our services, or the products and services of related entities and third parties, to you. Please tell us if you do not want us to use or disclose your Personal Information for marketing purposes. To nominate preferred days and times for receiving marketing calls or to opt-out of receiving marketing information altogether, please email us at privacy@ajg.com.au or telephone your broker, your nearest branch or our Toll Free Client Inquiry Line, **1800 240 432**.

For detailed information about how we handle your Personal Information, please see our Privacy Policy which is available on our website, www.ajg.com.au or by calling your local branch. Our Privacy Policy also contains information about how you may access, update and correct the Personal Information you have provided to us or how you may make complaints in relation to the handling of your Personal Information and how we will deal with your complaint.

Your Duty of Disclosure and when we rely on you

We rely on you

It is important you understand that we will rely on the accuracy and completeness of the information you provide to us. We do not independently verify the information you provide before sending it to the insurer.

Keeping your information up to date

Once your insurance cover has commenced, you should tell your broker about any changes to your circumstances when they occur. This will allow us to ensure your cover remains appropriate.

Thank you for taking the time to read and understand this important document. This guide helps form the basis of what we hope will be a long and satisfying relationship. We look forward to providing you with exceptional service both now and in the future.

Your duty of disclosure

Before you enter into an insurance contract with an insurer, you have a duty under the Insurance Contracts Act 1984 to disclose information to the insurer. The Duty of Disclosure applies until the insurer agrees to insure you or renew your insurance. The Duty of Disclosure also applies before you extend, vary or reinstate your insurance.

If you are applying for or renewing insurance in relation to your motor vehicle, home building and/or contents, residential strata, travel, personal accident or sickness and/or consumer credit products, you must answer the specific questions asked by the insurer truthfully and accurately. In answering those questions, you must tell the insurer all information that's known to you and that a reasonable person would be expected to provide in answer to the questions.

At renewal, the insurer may ask you to advise it of any changes to something you have previously disclosed, or may give you a copy of the information you previously disclosed and ask you to advise the insurer if there has been a change. If you do not tell the insurer about a change, you will be taken to have told the insurer there is no change.

If you are applying for or renewing any other insurance, you must tell the insurer all information that is known to you, that a reasonable person could be expected to know or that is relevant to the insurer's decision to insure you and on what terms. You do not need to tell the insurer anything:

- that reduces the risk it insures you for;
- is common knowledge;
- that the insurer knows or should know; or
- which the insurer waived your duty to tell it about.

Non-disclosure

If you fail to comply with your Duty of Disclosure, the insurer may cancel your contract or reduce the amount it will pay you if you make a claim, or both. If your failure to comply with the Duty of Disclosure is fraudulent, the insurer may refuse to pay a claim and treat the contract as if it never existed.

People you represent

You must make sure you explain the Duty of Disclosure to any person you represent when we arrange any insurance cover for you. Alternatively, you may ask any person you represent to contact us and we will explain their Duty of Disclosure to them directly.

Contact your broker

If you are unclear about your Duty of Disclosure or require more information about how to comply with your Duty of Disclosure, please refer to the information provided by the relevant insurer in relation to your Duty of Disclosure in the relevant PDS or policy wording. Alternatively, you can call your broker, your nearest branch or our Toll Free Client Inquiry Line, **1800 240 432**.

Contact details

This FSG was prepared on 1 December 2017 and is issued by:

- **Arthur J. Gallagher & Co (Aus) Limited**, ABN 34 005 543 920, AFSL No. 238312 of L12, 80 Pacific Highway, North Sydney NSW 2060.

Changes to this FSG

Information in this document may change from time to time. We may make such changes by amending the FSG and publishing an updated version on our website. You may also obtain a printed copy of the updated information by calling your broker, your nearest branch or our Toll Free Client Inquiry Line, **1800 240 432**.