

INTRODUCTION

The financial services referred to in this Financial Services Guide (FSG) are offered by IBL Limited. IBL Limited trades as:

- Architects Professional Risk Services
- Architects Professional Risks Underwriting Agency
- Planned Professional Risk Services
- Planned Professional Risks Underwriting Agency

The services provided to you will be provided via one or more of these trading divisions. IBL Limited is a wholly owned subsidiary of the Australian Institute of Architects and is an unlisted public company. IBL Limited holds a current Australian Financial Services Licence no: 231203 and is authorised to provide financial product advice for general insurance products and to deal in and apply for these products for retail and wholesale clients. We do this as your broker unless we advise you otherwise. At times we will act under a binder or agency agreement from an insurer. In these cases we are acting for the insurer, not for you. We will advise you when we act in this capacity. We are a member of the National Insurance Brokers Association and subscribe to their code of conduct. We also subscribe to the Insurance Brokers Code of Practice. IBL Limited authorises the distribution of this FSG.

This FSG applies from 15th June, 2010 and remains valid unless a further FSG is issued to replace it. It is designed to assist you in deciding whether to use any of those services and contains important information about:

- how we and our associates are paid;
- any potential conflict of interest we may have;
- our internal and external dispute resolution procedures and how you can access them;
- arrangements we have in place to compensate clients for losses; and
- your obligations

PROVIDING YOUR INSTRUCTIONS

You can give us instructions by post, phone, fax or email. We usually require instructions relating to changes to your insurance policies to be confirmed in writing. Our contact details are provided at the end of this FSG.

OBLIGATIONS

DUTY OF DISCLOSURE

Before you enter into a contract of general insurance with an insurer, you have a duty under the Insurance Contracts Act 1984 to disclose to the 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 of insurance, and if so on what terms. You have the same duty to disclose those matters to the insurer before you renew, extend, vary or reinstate a contract of general insurance. Your duty however does not require disclosure of matter:

- that diminishes the risk to be undertaken by the insurer;
- that is common knowledge;
- that your insurer knows or, in the ordinary course of business, ought to know;
- where compliance with your duty is waived by the insurer.

Non-disclosure - If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce the liability under the contract in respect of a claim or may cancel the contract. If your non-disclosure is fraudulent, the insurer may also have the option of avoiding the contract from its beginning.

UTMOST GOOD FAITH

All insurance contracts are subject to the doctrine of utmost good faith. This doctrine requires that all parties to the contract should act with utmost good faith in their dealings with each other. Failure to do so on your part may prejudice the continuation of the contract or any claim made against it.

CHANGE OF RISK OR CIRCUMSTANCES

It is important that you advise us of any changes to your business names and/or circumstances. Your insurers are covering the insured names and business description and details listed in your insurance schedule. Any business names not listed or activities outside this description may not be covered. To ensure full protection it is vital that you advise all business names and any activities your business is involved in that would not be considered part of your normal business activities. This is also applicable if you are a property owner and the policy is covering a commercial building. You must advise details of any changes in tenancy that occur.

AVERAGE/CO-INSURANCE

Most property insurance policies include an average/co-insurance clause, which means you must insure for the full value of the property you are insuring. If you under insure, the insurer may reduce any claim payments in proportion to the amount you are under insured.

For example:-

The replacement value of your property is \$500,000. The sum insured under your insurance policy is \$300,000. You are therefore insuring 60% and self insuring 40% of your property. If you make a claim for \$100,000 your insurer could apply this clause and pay only \$60,000 (60%) and you would have to bear \$40,000 (40%) yourself.

STATEMENT OF ADVICE

If we provide you with any personal advice for either a consumer credit or sickness and accident insurance product we will provide you with a statement of advice (SOA). The SOA will contain the advice that we have provided to you, details of our remuneration and any relevant associations or interested parties.

For other general insurance products that are determined to be retail products, we will advise you of this information in our correspondence with you at the time you are considering these products. For all other wholesale general insurance products this information is provided within this FSG.

PRODUCT DISCLOSURE STATEMENT/POLICY WORDING

If we offer to arrange the issue of an insurance policy to you, we will provide you with or make available to you a product disclosure statement (PDS) or a policy wording, unless you already have an up to date PDS or policy wording from the insurer. The PDS or policy wording will contain information about the particular policy which will enable you to make an informed decision about purchasing that policy.

OUR ADVICE

In order for us to provide tailored advice we may need to obtain information about your personal circumstances, objectives and any other relevant information. In many cases this information is received and we in turn provide you with tailored advice.

If sufficient information is not obtained, either because you have not provided it or we have not asked for it, then our advice will not be tailored to your specific needs. In any case you should always read all the information and documentation we provide you with carefully before making any decisions about an insurance policy.

IMPORTANT RELATIONSHIPS

IBL Limited is a shareholder of Steadfast Group Limited (Steadfast). Steadfast has exclusive arrangements with some insurers under which Steadfast will receive between 0.5 – 1% commission for each product arranged by us with those insurers. These payments are used to operate Steadfast.

Depending on the operating costs of Steadfast (including the costs of member services provided by Steadfast to us and other Steadfast shareholders) and the amount of total business we place with the participating insurers in any financial year, we may receive a proportion of that commission at the end of each financial year.

Steadfast is also a shareholder of Miramar Underwriting Agency Pty Ltd (Miramar). As a shareholder Steadfast may receive dividends from Miramar. These dividends are used to operate Steadfast. We do not receive any portion of any dividends Steadfast may earn from Miramar.

As a shareholder of Steadfast we have access to member services including model operating and compliance tools, procedures, manuals and training, legal, technical, banking and recruitment advice and assistance, group insurance arrangements, product comparison and placement support, claims support and group purchasing arrangements. These member services are either funded by Steadfast,

subsidised by Steadfast or available exclusively to shareholders for a fee. You can obtain a copy of Steadfast's FSG at www.steadfast.com.au.

If we arrange premium funding for you we may be paid a commission by the premium funder. We may also charge you a fee (or both). The commission that we are paid by the premium funder is usually calculated as a percentage of your insurance premium (including government fees or changes). If you instruct us to arrange a premium funding contract, this is when we become entitled to the commission.

Our commission rates for premium funding are in the range of 0 to 3% of funded premium. When we arrange premium funding for you, you can ask us what commission rates we are paid for that funding arrangement.

As we have many clients that operate in the construction industry we have developed specialised products to suit the needs of these clients. These products provide comprehensive cover from rated insurers and are competitively priced. When we believe these products suit your risks and requirements we will only offer you these products unless you request otherwise. When we design specific products we often act under a binder or agency agreement with the insurer. When we act in this capacity we are acting as an agent of the insurer and we will tell you when we are acting for an insurer in this way.

CONFLICTS OF INTEREST

All conflicts of interest are raised in a committee format. We discuss them and where possible avoid them. Some conflicts of interest are unavoidable. If this is the case then we manage them. We disclose them in a register along with the method of managing the conflict. Our employees and authorised representatives are trained in how to manage these conflicts.

PRIVACY

We maintain a record of your personal profile, including details of insurance policies that we arrange for you. We also maintain records of any recommendations or advice given to you. We will retain this FSG and any other FSG given to you as well as any other documents we provide or pass on to you.

We are committed to implementing and promoting a privacy policy, which will ensure the privacy and security of your personal information. A copy of our privacy policy is available on request. A copy is also available on our website, www.professionallriskservices.com.au.

Although IBL Limited is a wholly owned subsidiary of the Australian Institute of Architects, it is managed as a separate entity. In fulfilling its reporting obligations to the Australian Institute of Architects, IBL Limited provides general information about insurance premiums, profits and claims trends, but never discloses information that is particular to any client or any claim. Neither the Australian Institute of Architects nor any other industry body has access to the information that IBL Limited collects from its clients.

If you wish to look at your file please ask us. We will make arrangements for you to do so.

OUR REMUNERATION

We often receive a payment called commission, which is paid to us by the insurers. In most cases we will also charge you a fee. The fee will be shown on the invoice that we send you. When you pay us your premium it will be banked into our trust account. We retain the commission from the premium you pay us and remit the balance to the insurer in accordance with our arrangements with the insurer. We will earn interest on the premium while it is in our trust account or we may invest the premium and earn a return. We will retain any interest or return on investment earned on the premium.

Our commission will be calculated based on the following formula:

$X = Y\% \times P$ In this formula: X = our commission, Y% = the percentage commission paid to us by the insurer. Our commission percentages range from 0% - 25% depending on the class of insurance. P = the amount you pay for any insurance policy (less any government fees or charges included in that amount). Eg. Premium \$1000 X 15% commission = \$150 commission.

Any fees that we charge you will be calculated based on the amount of work required to provide you with our services.

We rarely pay commissions, fees or benefits to others who refer you to us or refer us to an insurer. If we do we will pay those referral fees out of our commission or fees (not in addition to those amounts). These referral fees may be a set dollar amount or a percentage of our commission ranging from 0 - 25%.

FINANCIAL SERVICES GUIDE

If there is a refund of premium owed to you as a result of a cancellation or amendment to a policy, we will retain any fees we have charged you. We may also charge you a fee for the service we provide relating to the cancellation or amendment.

Our employee or authorised representative that will assist you with your insurance needs will be paid a market salary which may include a bonus based on performance. From time to time they may also be eligible to receive incentives or bonuses based on service, retention and increasing the portfolio size.

IBL Limited may from time to time receive a benefit from product providers by way of sponsorship of educational seminars, conferences or training days, meals or entertainment. Details of benefits over \$300 will be maintained on a register.

You have a right to request further information in relation to the remuneration, the range of amounts or rates of remuneration, and soft dollar benefits received by IBL Limited and/or any authorised representative.

COMPLAINTS

IBL Limited is committed to the efficient resolution of complaints received in relation to the services that are offered by our organisation, and its authorised representatives and staff.

If you have a complaint

- Contact us and tell us about your complaint. We will do our best to resolve it quickly.
- If your complaint is not satisfactorily resolved within 5 working days, please contact our Complaints Manager on 03 8508 5400 or put your complaint in writing and send it marked 'Private and Confidential' to the head office address noted at the end of this FSG. We will try and resolve your complaint quickly and fairly.

IBL Limited is a member of the Financial Ombudsman Service (FOS). If your complaint cannot be resolved to your satisfaction by us you have the right to refer the matter to FOS. FOS can be contacted on 1300 780 808.

COMPENSATION ARRANGEMENTS

IBL Limited confirms that it has arrangements in place to ensure it continues to maintain Professional Indemnity insurance in accordance with s912B of the Corporations Act 2001 (as amended). In particular our Professional Indemnity insurance, subject to its terms and conditions, provides indemnity up to the sum insured for IBL Limited and our authorised representatives, representatives and employees in respect of our authorisations and obligations under our Australian Financial Services Licence. This insurance will continue to provide such coverage for any authorised representative, representative or employee who has ceased work with IBL Limited for work done whilst engaged by us.

ANY QUESTIONS?

If you have any further questions about the financial services IBL Limited provides, please contact us as at:

Head Office/Victoria

236 Balaclava Road North Caulfield 3161
P.O Box 2257 Caulfield Junction, North Caulfield 3161
Phone 03) 8508 5400
Fax 03) 9500 2274

Queensland/Northern Territory

231 – 235 Boundary Street, West End 4101
P.O Box 5801 West End 4101
Phone 07) 3846 4956
Fax 07) 3846 2874

New South Wales/Australian Capital Territory

15 Blue Street, North Sydney 2060
P.O Box 1983 North Sydney 2059
Phone 02) 9957 5700
Fax 02) 9957 5722

Western Australia

Suite 6, 123a Colin Street
West Perth 6005
Phone 08) 9261 1200
Fax 08) 9226 0927

South Australia/Tasmania

8 George Street, Stepney 5069
P.O Box 229 Stepney 5070
Phone 08) 8363 7366
Fax) 8363 7399

Please retain this document for your reference and any future dealings with IBL Limited.