

Financial Services Guide

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What is the purpose of this Financial Services Guide (FSG)?

This FSG is an important document. It is designed to assist you in deciding whether to use any of the financial services offered by us. We are required to give you an FSG if we provide certain financial services to you and you are not a wholesale client (that is a wholesale client as defined by the Corporations Act 2001 (e.g. professional investors)).

This FSG contains important information about:

- Who we are
- The financial services we offer
- The financial products to which those services relate
- How we and others are paid in connection with those services
- Your privacy
- How we deal with complaints
- Our professional indemnity arrangements
- How we can be contacted

Who will be providing the Financial Services described in this FSG?

Your Adviser, and their employer, Rate Detective, provide the financial services described in this FSG on behalf of Patronus Risk Specialists Pty Ltd.

This FSG is provided by Patronus who is referred to in this FSG as 'we', 'our' or 'us'. An Adviser Profile which outlines specific information about your Adviser forms part of this FSG. If this FSG does not contain an Adviser Profile please ask your Adviser for a copy, or alternatively contact our Head Office.

Other documents that you may receive

Statement of Advice (SoA)

If your Adviser provides you with personal advice (that is advice that takes into account your objectives, financial situation and needs) you will receive a Statement of Advice unless you are a wholesale client. The SoA will contain the advice given, the basis on which the advice is given and information about the remuneration, fees, commissions, other benefits and any association and relationships that may have influenced the giving of that advice. We will provide you with any additional advice in a Statement of Additional Advice (SoAA), a Record of Advice (RoA) or a further SoA. If you are given general financial product advice (that is, advice that is not personal advice) you will be given a general advice warning (that is that the advice does not take into account your objectives, financial situation or needs).

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Product Disclosure Statement

If your adviser recommends a financial product or arranges for you to be issued with a financial product, you will receive a Product Disclosure Statement (PDS). The PDS is designed to assist you to make an informed decision about the product. The PDS contains information about the product and information about the costs and details of other fees and charges which may apply.

What kinds of financial services are we authorized to provide and what kinds of Financial Product/s do those services relate to?

We are life risk specialists, authorised under our AFS license to provide financial product advice and deal in life insurance products. Life insurance products are: Term Life Insurance, Total and Permanent Disablement Insurance, Income Protection Insurance and Trauma Insurance. We act on your behalf rather than on behalf of any insurers. Rate Detective and your Adviser acts on our behalf to advise on and arrange your insurance, and therefore also on your behalf.

Important relationships with others

Advisers - as we mentioned before, we conduct our business through Advisers who are our authorized representatives.

Shareholders - a number of individuals own shares in Patronus, representing 50% of our issued capital. In addition Macquarie Bank Limited holds 19.9% of our shares and 30.1% is held in a trust called Patronus Risk Specialists Advisors and Affiliates Trust (AAT).

How we and others are paid for the financial services we provide?

Patronus, Rate Detective and your Adviser may be remunerated in the following various ways for the financial services provided to you.

Commission

Patronus receives a commission from the insurer on any life insurance products your Adviser arranges for you. This commission is built in to the cost of the insurance. The rate of commission varies between the different product providers but can be in the range of 100% to 140% of the initial premium and in the range of 10% to 40% of renewal premiums. Based on the 140% and 40% we would receive up to \$1,400 upfront commission on an annual premium of \$1,000 and up to \$400 of each renewal premium. We will pay a commission to our Advisers in the range of 0% - 100% of the commission we receive.

Further information should be provided about remuneration in your Statement of Advice.

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Performance Bonuses

Patronus may be entitled to receive a performance bonus or profit share. These bonuses or commissions are payable by certain life insurers if we achieve certain profitability targets. Achieving these targets depends on the number of policies issued, lapsed and cancelled. The amount of this bonus or commission will vary depending on the extent to which such targets are achieved or passed.

Shareholding

A number of individuals own shares in Patronus, representing 50% of our issued capital. In addition Macquarie Bank Limited holds 19.9% of our shares, Macquarie Bank and Macquarie Life are both part of the Macquarie Group. We may recommend life insurance products offered by Macquarie Life where we consider that product to be reasonably appropriate for your needs and objectives, and 30.1% is held in a trust called Patronus Risk Specialists Advisors and Affiliates Trust (AAT).

Alternative Benefits

We maintain an Alternative Benefits Register which contains information about any alternative forms of payment or benefits (e.g. lunches, gifts, tickets to events and conferences) that may be received. Please let your Adviser know if you have questions about or want to inspect this register.

We may receive sponsorships from product providers which helps us offset the running costs of any seminars we run as a training tool for our Authorized Representatives.

Professional Indemnity Insurance

Patronus has professional indemnity insurance in place which covers us, our employees and our authorised representatives for any errors or mistakes relating to our insurance services. This insurance meets the requirements of the Corporations Act and meets claims relating to an employee or an authorised representative even after they cease to be an employee or authorised representative, provided that the insurer is notified of the claim when it arises and this is done within the relevant policy period.

How we deal with complaints

We would like to hear from you if you are not satisfied with the advice you receive from Patronus or one of our representatives, or any other aspect of our service. So we can resolve your complaint as quickly and as fairly as possible, you should take the following steps:

I. Contact the Complaints Resolution Officer at Patronus to discuss your complaint as soon as possible.

Phone: 1300 437 653
Email: complaints@patronus.com.au
Online: www.patronus.com.au
Fax: 02 9012 0958
Mail: Complaints Resolution Officer
Patronus Risk Specialists Pty Ltd
GPO Box 3443
SYDNEY NSW 2001

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2. Provide us with full details of the complaint, including:

- Your full name and contact details
- Adviser's name
- Nature of complaint
- Supporting documentation (if applicable)
- Proposed resolution you are seeking

Once your complaint is received, we will:

1. Acknowledge receipt of your complaint within two working days
2. Conduct a full investigation into all matters raised in your complaint
3. Provide a full response as quickly and as fairly as possible, but no later than 45 working days from the date the complaint was received

If you are not happy with the resolution we have provided, or we are not able to provide a resolution, or we have not responded to your complaint within 45 working days, you may contact the Financial Ombudsman Service (FOS) of which Patronus is a member. This service is free of charge. The FOS contact details are:

Phone: 1300 780 808
Email: info@fos.org.au
Fax: 03 9613 6399
Mail: Financial Ombudsman Service
GPO Box 3, Melbourne VIC 3001

Information about your rights is also available from the Australian Securities and Investments Commission on 1300 300 630.

You can view the full Patronus Complaints Handling Policy on our website www.patronus.com.au

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Privacy

At Patronus, we recognize that your personal information and privacy is important to you.

Any personal information we (including our representatives) hold, will be kept confidential, safe and in a secure file. If you wish to view your file, you can do so by making arrangements with your Adviser.

To aid your Adviser in providing appropriate advice tailored to your individual needs, it is important that you provide accurate information about your personal situation and needs. We understand that personal information can be confronting and uncomfortable at times.

If you wish not to disclose certain personal information, your Adviser will warn you of any possible consequences and of any limitations on the advice which can be provided.

We are bound by, and committed to, the National Privacy Principles (NPP) set out in the Privacy Amendment (Private Sector) Act 2001.

To learn more about the collection and use of your personal information, a copy of the Patronus Privacy Policy is available from your Adviser. Alternatively, you can obtain a copy through our office or online at www.patronus.com.au

Contact Details

Patronus Risk Specialists Pty Ltd

Address: Suite 1/ Level 7, 92 Pitt Street
Sydney NSW 2000
GPO Box 3443, Sydney NSW 2001

E-mail: Info@patronus.com.au

Phone: 1300 437 653

AFSL: 336982

Rate Detective Pty Ltd
Level 12, 499 St Kilda Rd
Melbourne VIC 3004
AR: 329946

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