

# Financial Services Guide

## JLT Discretionary Trust (JDT) Arrangement



JULY 2009



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## What You Will Find Inside

This FSG tells you about the services JLT and JGS can provide to you in relation to JDT Arrangements. JLT has authorised distribution of this FSG by its Authorised Representative, JGS. We encourage you to read everything here to better understand important aspects about your relationship with JLT and JGS, such as:

- who we are
- the services we can offer you
- how to communicate with us most effectively
- how we work for you
- how we are paid for the services we provide to you
- how to contact us to ensure any problems or complaints are addressed quickly and efficiently

**JLT** will act on your behalf when providing services to you.

**JGS**, in its capacity as Trustee of the JDT Arrangements, will also act on your behalf, but in addition, JGS cannot be influenced by any person and is legally bound to conduct its duties and obligations in accordance with trust law. JGS must always act in the best interests of the Trust and all of its beneficiaries; which includes you.

### About JLT and JGS

JLT is a subsidiary of one of the largest international insurance broking groups, Jardine Lloyd Thompson Group plc, its ultimate parent which is listed on the United Kingdom stock exchange.

- Under the Corporations Act 2001 (Cth), JLT is licensed to provide advice as an insurance broker on general insurance products, life insurance products and managed investment schemes including JDT Arrangements and to deal in these products and interests. JLT is also authorised to operate some custodial and depository services.

JGS is a wholly owned subsidiary of JLT. JGS is the Trustee of the JDT Arrangements under the Trust Deed and manages the JDT Arrangements.

JLT may provide the following financial services in relation to JDT Arrangements:

- arrange for JGS to issue the JDT Arrangement to you; and
- provide you with financial product advice. Where we do so, we will recommend that you read the relevant Product Disclosure Statement to ensure the advice suits your needs; and
- JLT is also authorised to operate custodial and depository services other than investor directed portfolio services.

In some cases JGS may provide the above financial services to

you in their capacity as JLT's Authorised Representative.

JLT may also provide advice and dealing services to JGS as the product issuer and trustee of the JDT Arrangements in relation to the insurance cover under the JDT Arrangement.

When you are buying an interest in a JDT Arrangement, we will make available a Product Disclosure Statement (PDS). This will help you make an informed decision about the product.

**General Advice Warning:-** In most instances our advice is general. To help you decide if it suits you, please read the PDS. We are also happy to provide you with further information.

Sometimes it will be appropriate to provide you with personal advice which takes into account your individual objectives, financial situation or needs. Where required, the first time we provide this advice it will be accompanied by a Statement of Advice (SOA). Any subsequent advice will be recorded by us and you can request a copy of that written record. We will also tell you about our remuneration and any conflict of interest.

**FOR DETAILS OF OTHER SERVICES PROVIDED BY JLT PLEASE SEE THE JLT FSG ONLINE AT [www.jlta.com.au](http://www.jlta.com.au) OR ASK JLT FOR A COPY**

## **How are we paid for the services we provide?**

### **JGS**

As issuer of the JDT Arrangements, JGS will charge you a contribution to become a member of a JDT Arrangement. This contribution:

1. provides for claims against the Trust, claims management fees, insurance premium and taxes, JLT broking fees where applicable, risk management service fees, external service providers costs (legal, audit, tax, actuarial) and JGS scheme management fee;
2. is based on a number of factors including the risk profile, chosen self-retention / individual member deductible levels and the type and amount of cover provided (plus relevant taxes), which we calculate and tell you before you decide whether to become a member of a JDT Arrangement; and
3. must be paid before you can become a member.

### **JLT**

As an insurance broker, there are several ways we can be paid. In general, our main remuneration for arranging insurance for the JDT Arrangement is calculated as:

Commission paid to us by the insurer.

This is a percentage of the insurance cover premium before stamp duty, fire services levy, GST and any other government charges, taxes, fees or levies. It will vary depending on the insurer and the policy and we will tell you the range of commission upon request.

In some cases we may also charge an Administration Fee when we finalise cover, which will appear separately on our tax invoice.

## **AND/OR**

- a broking fee

Where we charge a broking fee in addition to receiving any commission we will tell you.

Commission and fees are earned for the policy period. We are entitled to retain all commission and fees covering the full policy period for policies placed by us.

We may also charge you (with your agreement) a fee for any special advisory or additional claims-related services.

Claims under the JDT Arrangements are managed by Echelon Australia Pty Ltd (Echelon), a related body corporate of JLT, for which they receive a fee.

In addition to the fees above the JLT Group may also receive other types of income from insurers, including:

- interest earned on insurance monies passing through our bank accounts other than the JDT Arrangement trust bank accounts
- expense allowances or commissions from insurers for managing facilities (including any claims which may arise under such arrangements)
- profit commissions or profit shares paid by insurers on certain classes of business
- Administrative Service Fees or expense reimbursements for some services we provide to insurers as part of providing them business or through the claims process.

When requested, we will endeavour to calculate and disclose the amount or a reasonable estimate of any additional income which we may receive from the above and any other sources. This also applies to any non monetary remuneration we may receive from insurers such as gifts, entertainment and other incidental benefits where such remuneration could impact in any way on the services we provide.

## **JLT's salaries, commissions and fees**

We sometimes pay bonuses to our staff but other than that, our staff receive an annual salary and generally do not receive a commission on any advice offered to you. Our staff may be eligible to participate in JLT Group share plans offered (on a discretionary basis) from time to time.

In some cases another person or company may introduce you to us. In return, we sometimes share our commission or fees with them, or pay them an agreed fee.

If you would like more information about our remuneration, please ask.

## **Does JLT or JGS have any relationships or associations which might influence the provision of our financial services?**

The JDT Arrangement is a financial product that is exclusively available to you through JLT. We endeavour to avoid any associations or relationships that are capable of influencing our advice to you, other than those from which we may receive remuneration or benefits already declared to you and / or where coverage terms benefit you.

JLT and JGS have a relationship with the Promoter of each JDT Arrangement which may involve the provision of sponsorship, financial or other benefits to that Promoter including the Fee paid by JGS for reimbursement for monies expended in the setting up or assisting in the administration of the JDT Arrangement.

## **How can you provide JLT or JGS with instructions?**

You may give us instructions by telephone, fax or any other way that we agree with you except SMS text messages.

## **Ensuring your satisfaction: What to do if you have a complaint**

We have dispute resolution procedures in place to help you. If you have a complaint, you can communicate it to your JLT adviser in the first instance. Alternatively you can refer it directly to JLT's Complaints Manager in writing, by telephone, or via email – whatever is most convenient to you.

We will need you to provide us with comprehensive details to help us investigate your complaint further. All information will be treated in the strictest confidence.

We also belong to an approved external dispute resolution scheme designed to provide independent assistance to you as follows:

The Financial Ombudsman Service Limited (Ph: 1300 780 808) – a free service for consumers with complaints concerning the financial services industry.

They will then refer the matter to the JLT Complaints Manager for further investigation.

## Contact Details

### JLT Group Services

Adelaide 16 Hutt Street Adelaide SA 5000 Tel: (08) 8235 6444 Fax: (08) 8235 6448
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### Jardine Lloyd Thompson Pty Ltd

#### Corporate Risks and Affinity

Adelaide Level 3, 70 Hindmarsh Square Adelaide SA 5000 Tel: (08) 8418 0288 Fax: (08) 8223 6903	Brisbane Level 3, 12 Creek Street Brisbane QLD 4000 Tel: (07) 3246 7555 Fax: (07) 3246 7590
Melbourne Level 15, 500 Collins Street Melbourne VIC 3000 Tel: (03) 9613 1415 Fax: (03) 9614 3600	Perth Level 6, 256 St Georges Terrace Perth WA 6000 Tel: (08) 9426 0444 Fax: (08) 9426 0999
Sydney Level 11, 66 Clarence Street Sydney NSW 2000 Tel: (02) 9290 8000 Fax: (02) 9299 7280	Albury Suite 1, Cnr Olive & Wilson Streets Albury NSW 2640 Tel: (02) 6021 5133 Fax: (02) 6021 5581
Cairns Suites 9 & 10, Glencorp House 78 Mulgrave Road Cairns QLD 4870 Tel: (07) 4031 5299 Fax: (07) 4031 5062	Newcastle 16 Heddon Road BROADMEADOW NSW 2292 Tel: (02) 4956 1377 Fax: (02) 4956 1441
Townsville Level 1, 19 Stanley Street Townsville QLD 4810 Tel: (07) 4772 4099 Fax: (07) 4721 2362	Australian Insurance Brokers (Adelaide) Level 3, 70 Hindmarsh Square Adelaide SA 5000 Tel: (08) 8418 0260 Fax: (08) 8418 0278

### Echelon Australia Pty Ltd

Adelaide 16 Hutt Street Adelaide SA 5000 Tel: (08) 8235 6444 Fax: (08) 8235 6448
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