

Financial Services Guide

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Aon Hewitt Limited
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AON
Empower Results®

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Introduction

This Financial Services Guide (FSG) provides you with important information about Aon Hewitt Limited (Aon) and its Authorised Representatives who may provide you with the financial services described in the FSG.

As well as giving you important information that will help you decide if you want to use any of these services, this FSG provides important information about:

- who we (Aon and its representatives) are;
- the financial services we offer to help you evaluate and make an informed decision about whether to use the services described in this FSG;
- the process we follow to provide financial services;
- the remuneration that we and relevant persons receive for the services;
- any arrangements which may influence our advice to you;
- how we protect your privacy; and
- how we handle your complaints if you are not satisfied with the services provided.

The information in this FSG (Part 1) is not complete without the Adviser Profile (Part 2) which provides information on your adviser's skills and qualifications, their fee structure, and the financial services they are authorised to provide on behalf of Aon.

Please take the time to read this FSG (Parts 1 and 2) and keep it safely with your other documents. If there is anything you do not understand, or have questions about, please contact us, or talk to your Aon Representative.

This FSG is issued with the authority of Aon and is also available on our website www.aonhewitt.com.au.

We act for you

When we provide services to you we act for you, on our own authority and under our own licence. In providing services to you we do not act on behalf of any other person or entity (eg an insurer).

Who is responsible for the advice you are given?

Aon is responsible for the advice provided to you by the representatives authorised under its Australian Financial Services Licence.

Your adviser is an Authorised Representative of Aon. Please refer to the accompanying Adviser Profile for details. The Adviser Profile forms part of this FSG for Aon.

What types of advice services are available?

Personal and/or general advisory services may be provided depending on the circumstances. It is important you understand the difference.

Personal advice is a recommendation or opinion given after taking into account your individual objectives, financial situation or needs.

If you receive personal advice from us, you will also receive a Statement of Advice (SoA). The SoA will contain the advice, the basis on which it is given and more specific information about our and other relevant persons' remuneration and any associations that may have influenced the provision of the advice.

Where a review is conducted and personal advice is provided, the advice may be provided via a SoA or a Record of Advice (RoA). Further advice may be in the form of a RoA where the further advice does not significantly differ from the original advice provided.

In the event we recommend you buy a particular financial product (other than securities) or offer to issue or arrange for the issue of a financial product on your behalf, we will also provide you with a Product Disclosure Statement (PDS) when required. The PDS contains information from the product issuer about the product and its features to assist you in making an informed decision about whether or not to buy it.

General advice is a general recommendation or opinion given without taking into account your individual objectives, financial situation or needs.

A person who gives retail clients general advice must warn the client that the advice does not take into account the client's objectives, financial situation or needs. Where we provide you with general advice, we will also provide you with a General Advice Warning. The General Advice Warning will be given in the same manner (that is, in writing or verbally) as the advice is provided.

If you receive general advice, you should not expect to receive a SoA or RoA from us. We will provide you with a PDS if required.

What services are available from Aon?

Australian Financial Services Licence

Aon holds an Australian Financial Services Licence No. 239183, which authorises us to carry on a financial services business and to provide advice and deal in the following classes of financial products:

1. deposit and payment products limited to:
 - basic deposit products; and
 - deposit products other than basic deposit products;
2. general insurance products;
3. debentures, stocks or bonds issued or proposed to be issued by a government;
4. life products including:
 - investment life insurance products, as well as any products issued by a Registered Life Insurance Company that are backed by one or more of its statutory funds; and
 - life risk insurance products, as well as any products issued by a Registered Life Insurance Company that are backed by one or more of its statutory funds;
5. interests in managed investment schemes including investor directed portfolio services;
6. securities; and
7. superannuation,

to retail and wholesale clients.

What services are available from my adviser?

Your adviser may only be authorised to provide some services on our behalf in relation to the authorised financial products listed above. This will be noted in their Adviser Profile.

If an adviser is unable to advise you in an area you request, they will refer you to someone who is permitted to do so.

Please note: Aon is responsible for the services provided by the adviser that it has authorised in the Adviser Profile. Aon is not responsible for any unauthorised services (to the full extent permitted by law) so check that the services provided by the adviser are authorised in the Adviser Profile.

Transaction services

At times you may wish to make an investment transaction where you do not need assistance from us with any decisions in relation to the product or transaction. In these cases, we can take your instructions and arrange for the transaction to be completed, without providing personal advice. If you wish to proceed without advice from us we will ask you to confirm your instructions in writing and sign an acknowledgment form. Any assistance we provide to complete your transaction should not be taken as a recommendation or endorsement of the product or transaction.

How can you instruct us?

You can give instructions to us to provide products and services by telephone, email, or other means agreed to by us.

How can you pay for the services?

There are a range of payment options. We may be paid by one or a combination of the following methods:

- commissions paid to us by the product issuer; and/or
- a fee for service paid by you.

Further details are provided below on each of the above remuneration options. Any remuneration rate specified and the dollar examples of the amounts we can receive are inclusive of GST.

Your adviser can explain these options to you and will agree with you on what option(s) will apply.

Specific remuneration details will be disclosed in any SoA given to you where personal advice is provided.

If we do not provide a personal advice service you will not receive a SoA. Your adviser will however agree with you on the applicable remuneration option(s) before you buy any product. You need to ask your adviser if you need further details.

How are we paid?

If we charge you a fixed fee we will agree it with you in advance. If we charge you an hourly fee we will advise you in advance the range of hourly rates that will be likely to apply. In both cases we will advise you of the fees in our SoA.

If we charge your employer, we will agree with the employer a fixed fee or an hourly fee in advance or in accordance with our prevailing rates.

If we charge you commissions, we will disclose the method of calculation or, where we are reasonably able to do so, the actual amounts. We will do this in our SoA.

The table below sets out general information about the types of fees we are likely to charge.

Service	Commission	Fixed fees	Percentage based fees	Hourly fee	Combination of commission and/or fee
Retirement and superannuation:					
– personal advice	x	✓	x	✓	x
– advice to employers and trustees	x	✓	x	✓	x
– intra-fund advice	x	x	x	x	x
General insurance:					
– advice to employers and trustees	✓	✓	x	✓	✓
– placement of group insurances	✓	✓	✓	✓	✓
– advice and placement of other (general) insurances	✓	✓	✓	✓	✓
Life insurance:					
– advice to employers and trustees about a group life policy for members of a superannuation fund	x	✓	x	✓	x
– advice on an individual life insurance policy for the benefit of a member of a default superannuation fund	x	✓	✓	✓	x
– placement of group insurances	✓	✓	✓	✓	✓
– advice and placement of other (life) insurances	✓	✓	✓	✓	✓
Investment consulting:					
– advice to employers, trustees and/or fund managers	x	✓	x	✓	x

Upfront and ongoing remuneration paid by product issuers

All remuneration received will be paid direct to Aon after the relevant entry into an investment fund or renewal of a general or life risk insurance policy.

Purchase of units in a chosen fund

If you decide to buy units in a chosen fund, we may receive an upfront remuneration from product providers. We may receive up to 5% of the amount you invest. This means that if you decide to invest \$10,000, and we have recommended that you do this, we may receive an upfront payment of \$500. We may also receive an ongoing remuneration payment from the fund manager of up to 1% per annum of the value of your holding in that fund for as long as you hold the product.

Purchase of general and life insurance products

If you buy general and life insurance products the product provider may pay us:

- an upfront commission when you first purchase or you increase the level of cover; and
- ongoing commission (when you renew),

except when the advice relates to:

- a group life policy inside superannuation whether it is for a default or another type of superannuation fund; or
- an individual life insurance policy for the benefit of a member of a default superannuation fund.

The commission is calculated as a percentage of the premium that is paid and the rate may vary depending on the product provider.

From 1 January 2019 the amount of upfront and ongoing commission that may be received on new insurance policies has been reduced as set out in the following table:

Date new insurance put in place	Maximum upfront commission	Maximum ongoing commission
Between 1 January 2019 and 31 December 2019	77%	22%
From 1 January 2020	66%	22%

However, in circumstances where the adviser chooses a level commission, the upfront commission payable may be up to 32% and ongoing commission of 32%. For example, if the premium that is paid by you is \$1,000 we may receive an upfront commission of \$320 (32%) and an ongoing commission of \$320 (32%) of the annual premium.

In circumstances where the adviser chooses a hybrid commission, the upfront commission payable may be up to 77% and ongoing commission of 22%. For example, if the premium that is paid by you is \$1,000 we may receive an upfront commission of \$770 (77%) and an ongoing commission of \$220 (22%) of the annual premium.

Fee for service paid by you

Your adviser is able to charge you a fee depending on the time they spend developing your plan and advice, or depending on the value of the funds you invest. You may also pay an advice fee for overall strategic advice provided in a SoA.

The fees charged vary for each adviser, so please ensure that you review the specific fees charged by your adviser. This will be detailed in their Adviser Profile which forms part of this FSG and should be read together.

If you receive personal advice from us, your adviser will explain to you in writing, details of all fees and charges that apply and the method by which you will pay.

Payments for referrals

We may receive payments to refer you to other service providers. These amounts do not involve additional costs to you and will be disclosed in your SoA. Where you have been referred to us by someone else we may pay them a fee, commission or some other benefit in relation to that referral.

Other ways we may receive remuneration

Our employees and directors are remunerated by way of wages/salary and bonus.

Aon and its staff may also receive non-monetary benefits from insurers such as sponsorships of Aon conferences, client functions, meals and entertainment. Aon has, and monitors compliance with, a policy that ensures that these do not create a conflict with your interests.

What important associations should you be aware of?

Aon is a member of the worldwide Aon Group of companies. We are a related body corporate of Aon Risk Services Australia Limited (ABN 17 000 434 720; AFSL No 241141), and other Aon Group companies.

We may refer you to other Aon Group companies, especially for services we think might be valuable to you and which Aon does not provide. In these cases, the providing entity will charge you a separate fee to be agreed with you in writing.

We may refer you to, or recommend to you, smartMonday, if we think it is appropriate. smartMonday is the business name of the superannuation fund, Aon Master Trust (ABN 68 964 712 340 (the Fund)). The trustee of the Fund is Equity Trustees Superannuation Limited (ABN 50 055 641 757; AFSL 229757; RSE Licence L0001458), a specialist trustee services provider and an entity independent of the Aon Group companies.

Aon is sponsor and administrator of the Fund. Whilst this relationship and our relationship with other Aon Group companies might reasonably be expected to influence us, Aon monitors these activities to ensure they do not create a conflict with your interests.

Additionally, if we make a referral or recommendation to another Aon Group company we will advise you of this. See below for further information on how we manage conflicts of interest.

Conflicts of interest

Conflicts of interest may arise in circumstances where some or all of your interests as our client are, or may be, inconsistent with some or all of our interests.

We have a conflicts of interest policy and procedure, including training and monitoring, to ensure we are aware of and manage any conflicts of interest. Our company, staff and our representatives must comply with this policy and procedure.

Where a conflict is unavoidable, we will consult with you and manage the conflict in such a way as to avoid prejudice to any party.

Service issues and complaints

We are committed to providing quality services to our clients. This commitment extends to providing easy access to people and processes that can resolve a service issue or complaint.

If you have a complaint about the service we have provided to you, you should take the following steps:

- Contact your adviser and tell your adviser about your complaint.
- If your complaint is not satisfactorily resolved within five days, contact The Complaints Officer, Aon Hewitt Limited as follows:
 - Phone: (02) 9253 7000.
 - Email: au.compliance@aon.com
 - Mail: GPO Box 4189, Sydney NSW 2001.

If you are dissatisfied with Aon's final response to your complaint, you may be able to refer your complaint to the Australian Financial Complaints Authority (AFCA) or the Australian Securities and Investment Commission (ASIC) as detailed below.

Australian Financial Complaints Authority

AFCA is an independent external dispute resolution scheme approved by ASIC and its services are free to you. We are a member of this scheme and we agree to be bound by its determinations about a dispute.

Please note that before AFCA can investigate your complaint, they do require you to have first provided us with the opportunity to address the complaint.

Further details regarding AFCA can be obtained from their website (www.afca.org.au), or alternatively you can contact AFCA as follows:

Phone: 1800 931 678 (free call)

Email: info@afca.org.au

Mail: Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001

Australian Securities and Investment Commission

ASIC has a free call Infoline on 1300 300 630, which you may use to make a complaint or obtain information about your rights.

Professional Indemnity Insurance

In accordance with the requirements of the Corporations Act 2001 (Cth) Aon maintains adequate Professional Indemnity insurance. This insurance cover extends to claims in relation to our conduct as an Australian Financial Services Licence holder, and our employees and representatives both past and present, to compensate clients or their beneficiaries for loss or damage suffered if we provide negligent advice.

Privacy

We value the privacy of personal information and are bound by the Privacy Act 1988 (Cth) when we collect, use, disclose or handle personal information to offer, provide, manage and administer the many financial services and products we and our group of companies are involved in (including those outlined in this FSG).

Further information about our privacy practices can be found in our Privacy Policy that can be viewed on the Aon website at www.aon.com.au or alternatively, a copy can be sent to you on request. Please contact your local Aon office or visit our website if you wish to seek access to, or to correct, the personal information we collect or disclose about you.

Collection and use of corporate client information

Aon gathers data containing information about its clients and their insurance placements, including, but not limited to: names, industry codes, policy types, and policy expiration dates, as well as information about the insurance companies that provide coverage to its clients or compete for its clients' insurance placements. This information is maintained in one or more databases. Aon may use or disclose information about its clients, if it is required to do so by foreign or Australian law, Aon policy, pursuant to legal process or in response to a request from foreign or Australian law enforcement authorities or other government officials. In addition to being used for the benefit of Aon's clients, these databases also may be accessed by other Aon affiliates for other purposes, including providing consulting and other services to insurers for which the Aon Group may earn compensation.

Due to the global nature of services provided by the Aon Group, the information you provide may be transmitted, used, stored and otherwise processed outside the country where you submitted that information. If you have questions about Aon Group data processing or related compensation, please contact your Aon advisor.

About Aon

Aon plc (NYSE:AON) is a leading global professional services firm providing a broad range of risk, retirement and health solutions. Our 50,000 colleagues in 120 countries empower results for clients by using proprietary data and analytics to deliver insights that reduce volatility and improve performance.

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