

Financial Services Guide

Capricorn Mutual Limited (CML) ABN 24 104 601 194 is an Australian Financial Services Licensee No 230038. This licence authorises CML to deal in and provide general advice about CML's risk products.

Capricorn Mutual Management Pty Ltd (CMM) ABN 26 129 143 479 has been appointed as a Corporate Authorised Representative No 324456 under CML's licence.

Capricorn Risk Services Pty Ltd (CRS) ABN 93 111 632 789 has been appointed as a Corporate Authorised Representative No 460893 under CML's licence.

Each of CMM and CRS are referred to in this Financial Services Guide (FSG) as the Authorised Representative. If CMM is providing financial services to you as the authorised representative of CML, this FSG is provided by CMM, and the Authorised Representative referred to in this FSG is CMM. If CRS is providing financial services to you as the authorised representative of CML, this FSG is provided by CRS, and the Authorised Representative referred to in this FSG is CRS.

This FSG was prepared on 9 August 2016.

Capricorn Mutual Ltd has authorised CMM and CRS to distribute this FSG on its behalf.

What is this FSG?

This FSG has been prepared to inform you of the financial services offered by CMM and CRS, how CMM and CRS operate, how CMM and CRS are paid, how CMM and CRS deal with member complaints and any interests, associations or relationships that could influence CMM or CRS.

This FSG is designed to assist you in deciding whether to use any of the services of CMM or CRS (as applicable) and contains important information about the financial services offered by CMM and CRS.

Depending on the scope of services requested by you, when appropriate, the Authorised Representative may

be required to provide you with a Product Disclosure Statement which will include full and detailed information about the protection being offered to you, including features, benefits, risks and fees associated with the protection

What advice is provided by CMM and CRS?

When the Authorised Representative provides you with advice about membership of CML and the protections available to members of CML, it will be providing you with general advice only, which means that the advice will not take into account your objectives, financial situation or needs. You should thus consider the appropriateness of CML membership or protection in light of your own circumstances. Before making a decision you should review the Product Disclosure Statement (PDS) (and any Supplementary PDS). The PDS can be obtained from CML's website www.capricornmutual.com or by calling 1800 007 022.

When the Authorised Representative provides you with general advice about membership or about CML's protections, it will only consider the cost and terms of the protections offered by CML. In giving you advice about the costs and terms of the protections, the Authorised Representative will not have compared the protections to other financial products available in the market place.

What kinds of financial services are CMM and CRS authorised to provide and what kinds of financial product/s do those services relate to?

CMM and CRS are authorised to advise on and deal in miscellaneous mutual risk products on CML's behalf. CMM and CRS will do this as an agent for CML. This means that CMM and CRS represent and act for CML and not for you.

When will I get a Product Disclosure Statement?

If the Authorised Representative offers to provide a quotation for CML Membership and/or protection(s), a PDS and FSG will be provided at that time to enable an informed decision to be made. If there are any current

Supplementary Product Disclosure Statements (SPDS), they will accompany the PDS.

Who is responsible for the financial services provided?

CML is responsible for the financial services that will be provided to you on its behalf by the Authorised Representative. CML is authorised by its licence to provide financial product advice and to deal in miscellaneous mutual risk products.

Who will be providing the financial services?

The individual Representative assisting you is a salaried employee of the Authorised Representative.

What will I pay CMM or CRS for providing the financial services?

There is no fee payable by you for the financial services provided to you by CMM or CRS or their employees.

What is the relationship between CMM, CRS, CML and the Capricorn Group?

CMM and CRS are both wholly-owned subsidiaries of Capricorn Society Limited (ACN 008 347 313) (CSL).

CML is also a subsidiary of CSL because CSL is able to appoint the majority of CML's directors. A majority of the directors of CML are also directors of CSL. These directors are listed below under 'Other relevant relationships'.

Only CSL and its subsidiaries, CSL shareholders and trading account holders, and persons associated with these are eligible for membership of CML.

What is the relationship between CMM, CRS and CML?

CMM and CRS are both authorised representatives of CML. In addition:

- CMM provides (among other things) underwriting services, claims support services, portfolio management services and compliance services to CML; and
- CRS provides (among other things) protection sales promotion and distribution services to CML

As noted above, CMM, CRS and CML are also all subsidiaries of CSL.

Other relevant relationships

The individuals and the companies listed below might reasonably be expected to be capable of influencing CMM or CRS in the provision of the financial services they are authorised to provide.

Russell Becker, Bruce Rathie and Mark Cooper are directors of both CSL and CML.

Greg Wall, Jim Glossat and Bradley Gannon are the directors of both CMM and CRS.

How are any commissions, fees or other benefits calculated?

CML pays CMM and CRS a fixed monthly management fee. The amount of the fee may be changed annually by agreement between the parties.

CMM also receives a fee from CRS for providing certain outsourced services to CRS. This fee is not attributable to any specific financial services provided.

CMM's and CRS's employees receive an annual salary and, in some cases, may receive bonuses linked to general overall performance, for a range of indicators including performance of the portfolio, compliance measures, ongoing training and development, and budget targets.

What information do you maintain in my file and can I examine my file?

The Authorised Representative, acting on behalf of CML, will maintain a record of your personal profile, including details of membership and protections issued or arranged for you.

CMM and CRS have a privacy policy aimed at protecting the privacy and security of your personal information. A copy of CMM and CRS's privacy policy is available to you on request. CML's privacy policy is set out in its PDS.

How will I pay for the financial product provided?

You will receive a tax invoice for your membership and for any protections that the Authorised Representative arranges for you. The tax invoice will show the cost of your membership subscription and your contributions for

the protections. The cost of the membership subscription is outlined in the PDS.

0800 555 403 (New Zealand)

You can pay by using the Capricorn Society Periodic Payment Authority.

By email: info@capricornrisk.com

By mail: 28 Troode Street, West Perth, WA, 6005
Locked Bag 3003 West Perth WA 6872

What should I do if I have a complaint?

To register a complaint, please refer to the Authorised Representative's contact details noted at the end of this FSG. CML will try to resolve your complaint quickly and fairly. Alternatively, you can also email your complaint to complaints@capricornmutual.com.

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

You can further ask for the matter to be referred to a Manager, where they will review your complaint and respond to you within 5 business days of receiving your complaint.

CML is a member of the Financial Ombudsman Service (FOS) Australia. If your complaint about the financial services provided by the Authorised Representative on behalf of CML cannot be resolved to your satisfaction you have the right to refer the matter to FOS at no cost to you. FOS can be contacted on 1800 367 287 or www.fos.org.au.

Compensation Claims

Where you make a claim against CML for breach of one of the obligations under CML's AFSL, CML will rely, to the extent possible, on CML's professional indemnity insurance policy.

This policy enables CML to satisfy the requirement to have compensation arrangements in place for the benefit of CML's customers under section 912B of the Corporations Act.

How can you make contact?

If you have any further questions about the financial services CMM or CRS provide, please contact CML by phone, fax or email.

CML contact details are:

By telephone: 1800 007 022 (Australia)
0800 555 303 (New Zealand)
By fax: 1800 833 790 (Australia)