



MGA Insurance Brokers Pty Ltd
Australian Financial Service Licence No: 244601
www.mga.com



MGA Insurance Broking Group CORPORATE PROFILE



INTRODUCTION

MGA Insurance Brokers is one of the top 10 insurance brokerages in Australia with 28 offices and 200 personnel.

Established in Adelaide in 1975, MGA now has offices in every mainland capital city as well as key regional areas, providing professional advice to business through numerous local and international insurance markets.

This corporate profile provides an overview and general introduction to the business. We also acknowledge our network of professional brokers, broker assistants, support and operations personnel along with our clients and supporting insurer partners.



MESSAGE FROM THE CHAIRMAN



**John George -
Group Executive
Chairman**

MGA WHITTLES
GROUP OF COMPANIES

A defining moment for any business is when it reaches the status of being a national player. With the recent opening of new offices in Perth, Melbourne and Canberra, MGA has now achieved this position.

Our growth is based on the commitment of quality individuals who have worked together to develop and enhance the very special culture that MGA enjoys.

Our growth has also been enhanced by the development of new technology and our willingness to embrace new ideas that help us service our clients better. This remains a focus for MGA.

New technology can provide its own set of challenges and we are carefully navigating our way through these to identify and capitalise on the opportunities it presents.

One of the major benefits we look for with new technology is how it can help our clients. More effective communication is one obvious way, while improved security of information and data are other less apparent, but equally important considerations.

"National strength linked with individual commitment" is the mantra of our partners at Austbrokers. MGA can directly relate to this, being part of this successful and long-term partnership. MGA accesses significantly enhanced products and services through AIMS, a joint venture between Austbrokers and Insurance Brokers Network Australia (IBNA), representing about \$2bn in annual premiums and supported by our five largest underwriters.

As a group, we cannot succeed without good people with purpose and dedication. We are fortunate indeed to have such people in our branches and operational areas. We are genuinely excited about the future prospects of our group.

MGA has a bright future ahead of it and we welcome your continued friendship and support as we move forward together.

MGA BOARD AND EXECUTIVE

Name	Date Joined
John Richard GEORGE	1 September 1989
Allan Dalmore AMBER	1 September 1989
Brian Thomas McINERNEY	1 September 1989
Paul Andrew GEORGE	5 September 2002
Steven Jon McINERNEY	1 July 2009
Ronald William BROADBENT	26 August 2009
Heath AMBER	1st July 2012
Pat WARREN (Company Secretary)	1st July 1992



L-R : Paul George
 : Ron Broadbent
 : Allan Amber
 : Pat Warren
 : John George
 : Heath Amber
 : Brian McInerney
 : Steven McInerney

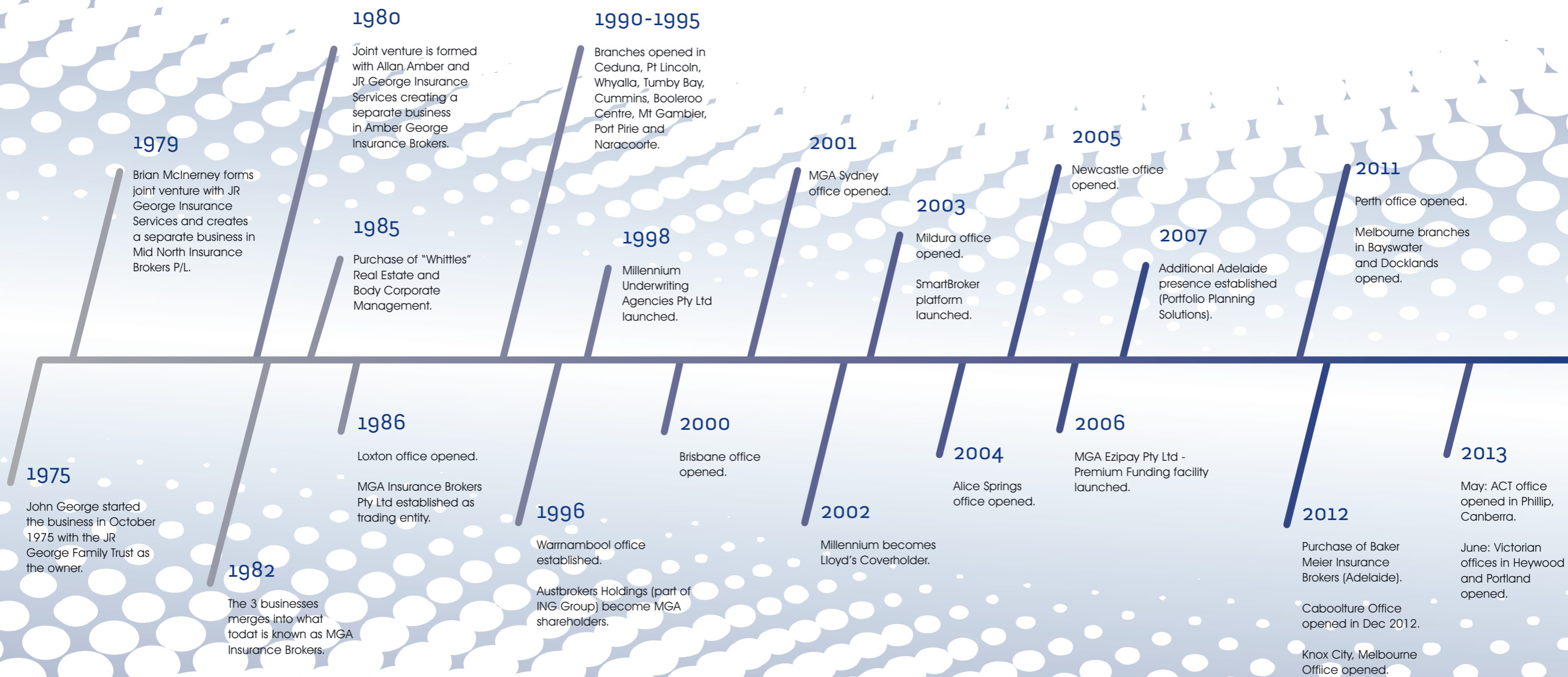
COMPANY HISTORY

OVER THREE DECADES OF WORKING TOGETHER FOR GROWTH



September 2012

MGA are delighted to announce being awarded number 1 in the Top 10 Broker of the Year Awards. This is a national award put on by Insurance Business Editor. A national magazine and industry news provider.



MGA BRANCH NETWORK

MGA has maintained steady growth since its formation in 1975. In 2011/12, new offices were opened in Perth and Melbourne and 2012/13 Caboolture, Canberra, Portland and Heywood. MGA now has a truly national presence with offices in every mainland capital and a total of 28 offices in metropolitan and regional Australia.

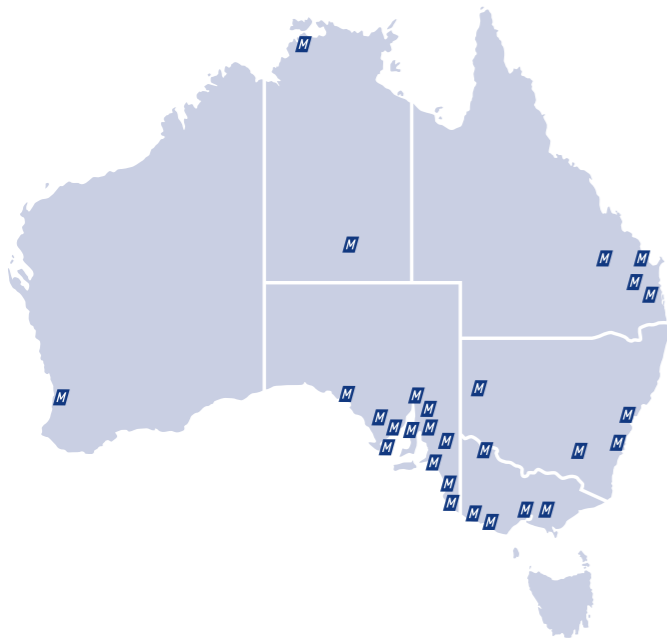
MGA branches are not franchised. However, a principal broker (portfolio manager) is responsible for the region they represent. The portfolio managers employ their own staff and represents MGA in the various communities in which they operate.

Behind each branch is a significant central support base which provides best practices in areas such as compliance, training, IT and market access.

Branches and branch personnel support their local communities and insurance markets whilst having access to broader national and international markets such as Lloyd's of London.

Support services to the branches represent the best in disaster recovery management and back-up. Should a catastrophe or significant event occur in or across regions, MGA can re-direct services to ensure customers continue to receive the highest levels of service.

All branches have instant access to comprehensive support, compliance, training and systems. This allows MGA personnel to focus on the front line of the business at all times.



PRODUCTS AND AREAS OF SPECIALTY

Helping our customers minimise financial risk through the provision of appropriate insurance covers remains MGA's key focus.

Whether it be an aircraft, multi-million dollar strata property or a private motor car, MGA has access to appropriate insurance markets, whether they be local or international.

MGA has access to all licensed insurer products in the local markets in which we operate or through the national AIMS group.

One of MGA's most valuable partnerships is with Millennium Underwriting Agencies. Millennium recently joined forces with Austagencies P/L and now provides MGA with access to additional products, some exclusive.

These include:

- » Farm and crop
- » Strata – domestic and commercial
- » Personal package (package of home, motor, caravan, boat, landlords)
- » Personal accident and illness
- » Home and landlords
- » Professional indemnity
- » Commercial property

MGA has developed a number of in-house products catering for trade and specialist organisations. Areas covered by these products include wineries, farming, fishing and aquaculture in the primary sector, manufacturing, hospitality, caravan parks, motor trades and sporting clubs.

Products available include:

- » Accident and health
- » Aviation
- » Builders warranty
- » Commercial motor
- » Commercial property
- » Construction/engineering
- » Contractors all risks
- » Engineering
- » Fidelity
- » Fleet and heavy motor
- » Home and contents
- » Industrial special risks
- » Marine
- » Commercial/retail/office
- » Strata – residential and commercial
- » Farm
- » Trades
- » Private motor
- » Professional indemnity
- » Directors and officers liability
- » Public and products liability
- » Trade credit
- » Workers compensation (selected states)
- » Boat and pleasure craft
- » Caravan and trailer
- » CTP (selected states)
- » Motorcycle
- » Travel (business and leisure)
- » Personal package



BUSINESS & STRATEGIC PARTNERSHIPS

MGA places significant importance on all underwriting and business partnerships. We have strong relationships with Australian Licensed Insurers across all geographic areas which has allowed us to develop and grow our business nationally.



Millennium Underwriting Agencies

MGA experienced strong growth in its early years in regional areas. During this period it identified specific areas of need for general insurance in regional areas, particularly in the areas of farm and crop covers. In response to these needs, Commercial Farmers Insurance (CFI) was set up and sourced security from a number of Australian insurers. In 1998, a new Underwriting Agency was formed, known as Millennium General Insurance. A subsidiary of MGA, it remains a conduit to a number of specialist markets.

Millennium is a cover holder at Lloyd's of London, providing MGA with a number of new products to add to our current range.

Today, Millennium employs 14 dedicated claims and underwriting staff and maintains significant farm insurance and crop insurance businesses. Other products distributed by Millennium to the MGA network include combined business, strata, house and contents (including flood cover), landlords, professional indemnity, personal accident and trade packages.

MGA has access to all Millennium products which provides additional choices for the placement of risks, especially in contracted Australia markets such as farm insurance. Millennium also has some unique products such as its Personal Package, which incorporates home, motor, caravan and landlord insurance covers. Many of these products can be paid by instalments, at no additional cost, providing cash flow benefits to our customers.

Heath Amber

Millennium Managing Director



Natalie Zeni

MGA EziPay Manager



Austbrokers and AIMS

MGA is a member of the publicly-listed Austbrokers Network, which has a 49% stake in MGA. This arrangement provides MGA with the benefits of being part of one of Australia's largest insurance broking groups. The Austbrokers network has a total turnover of more than \$ 1.2bn in general insurance premiums. In 2007, Austbrokers and the Insurance Brokers Network of Australia commenced a joint marketing initiative which culminated in the development of a suite of products with the select AIMS Underwriters, including Allianz, CGU, Zurich and Vero. Across Australia, 120 AIMS Insurance Brokers place \$2bn of insurance premiums on behalf of their clients.



MGA EZIPAY

MGA Ezipay is a wholly owned subsidiary of MGA. It was created in 2006 to provide monthly payment options at very competitive rates. In 2009, Millennium engaged MGA Ezipay to administer its domestic insurance instalment plan, which provides 12-month instalments at no extra cost to our clients.

MGA Ezipay is utilised extensively through the MGA Network. According to MGA Ezipay General Manager Natalie Zeni, this provides an ideal way to assist with cashflow in a cost effective way. "We work closely with both MGA and Millennium to assist in providing services to these customers," she said.



Whittles Body Corporate Management

Whittles was established in 1968 to coincide with strata titles being introduced to South Australia. It was purchased by the current directors and shareholders in 1985 and has undergone significant expansion into new markets including the Northern Territory and Queensland. Whittles' South Australian head office employs more than 40 staff, including body corporate managers and provides services to eight locations across Australia. MGA and Whittles have a close working business relationship through synergies in the quotation and placement of body corporate insurance.



OPERATIONS TEAM

MGA's operations department is made up of specialists in the fields of compliance, accounts, administration and IT. Within this department is the central processing unit, which services our growing network.

The operations department has extensive experience headed by enthusiastic veterans of the industry.

Cathy Piper is at the heart of this department. A former long-term employee of MGA, Cathy formed IB Solution Centre (IBSC) in 2007. IBSC now contracts compliance and training services to MGA Insurance Brokers, as well as Millennium and MGA Ezipay.

IT Manager Murray Seymour joined MGA in 2011 after a long career at Austbrokers in Sydney. Murray runs See More IT Pty Ltd, which contracts IT services to MGA, Whittles, Millennium, MGA Ezipay and also provides hardware services to the Australia Cambodia Foundation.

- Paul George – MGA Managing Director (Joined MGA in 1997)
- Pat Warren – Company Secretary and CPU Manager (Joined MGA in 1988)
- Cathy Piper – Compliance & Training Officer (Joined MGA in 1988)
- Paul Daly – Insurance Systems Manager (Joined MGA in 1999)
- Murray Seymour – IT Manager (Joined MGA in 2011)



“The MGA operations area brings together a number of critical divisions of our business and ensures all the necessary services are available to our branches and personnel. Operations is charged with ensuring ongoing best practice in compliance, governance and efficiency.”

Paul George – MGA Managing Director



**L–R : Murray Seymour
: Cathy Piper
: Paul George
: Pat Warren
: Paul Daly**

TECHNOLOGY DEVELOPMENTS, SYSTEMS AND SMARTBROKER

Technology developments in recent years have allowed us to develop not only a stable network providing leading edge systems but more flexibility to develop tools to improve communications and efficiency.

Disaster recovery and business continuity are imperative to ensure that MGA can maintain operations in a region should it experience significant losses or a catastrophe. At the end of 2009, MGA deployed a networked phone system with Voice Over Internet Protocol (VOIP) technology which not only allows calls to be transferred seamlessly interstate from office to office, but provides significant benefits in relation to instant access and diversions. MGA representatives have several options available to better access telecommunications and service our customers.

IT Department

The IT department runs our entire IT Network, including data and managed router services. Today, this includes BDSL lines to branches which is required for VOIP usage and ADSL for data.

The MGA Whittles Group maintains all critical data within a professional offsite facility and data back up returns to our head office where additional disaster recovery measures are in place, including UPS and diesel generators.

The philosophy with our IT equipment and personnel is to have the very best available, no matter what.

As well as the hardware and data, the IT department runs a fully functional help desk and continually keeps abreast of all and any developments on the horizon. IT Manager Murray Seymour also works very closely with our systems development and Smartbroker areas.

The IT team:

Murray Seymour – IT Manager (See More IT Pty Ltd)

Ben Landberg – IT Assistant

Alex Kok – IT Assistant



Smartbroker is the heart of MGA's operational systems. Not only does it serve as MGA's access point to the Central Processing Unit, it also maintains a number of tools that assist in group communications and includes a customised Task and Client Management System (CMS).

More than 10-years in the making, MGA's Smartbroker system today represents an industry leading model to streamline management and work processes throughout the MGA network. The Central Processing Unit undertakes more than 100,000 transactions per annum. The system is designed to streamline everything from providing batch management to ensuring work is out on time as well as providing important analysis tools to monitor performance.

The CPU assists our representatives in a number of ways, namely:

1. Avoids the need for a broker to spend time on complex computer processing tasks.
2. Maximises the time available to concentrate on providing quality advice to our clients.
3. Streamlines all processes within the group and adds flexibility to branch managers.
4. Collaborate and share tasks and processes between our brokers, their assistants, Insurers and CPU staff.

5. Allows us to train on one system rather than within a number of Insurer EDI platforms, especially in the cases where Insurers change their systems. The impact on our personnel has far less impact.

The Smartbroker system and Central Processing Department is a significant point of difference we have with our competitors. The personnel designing and administering these systems have generally been with MGA for between 10 – 20 years and continue to strive to maintain best practice and ongoing developments within this leading edge system.

Paul Daly – Insurance Systems Manager

Julian Cochran – Programmer



L–R : Alex Kok
: Ben Landberg
: Murray Seymour



L–R : Paul Daly
: Julian Cochran

COMPLIANCE AND TRAINING

Compliance

Since the collapse of HIH Insurance on March 16, 2001, the Australian insurance industry has changed significantly. This collapse was the catalyst for sweeping reforms to the way insurers and brokers act.

Financial Services Reform Act on March 11, 2004 introduced a new disclosure regime for most financial services and established a standard of conduct for financial services providers.

The aim of these reforms was to increase the level of compliance and competency within the financial services industry.

MGA's Compliance regime continues under the capable management of Cathy Piper and her team at IBSC. IBSC now take care of all compliance from new legislation requirements to compliance audits with MGA personnel, which take place on a regular basis.

IB Solutions Centre

Cathy Piper	- Director (2007, prior to that with MGA since 1987)
Dayna Bache	- Office Admin (2007, prior to that with MGA since 1997)
Carli Warmington	- Training Assistant (MGA - 2004)
Emma Young	- Assistant (2010)
Annabelle Freeman	- Training Manager (2012)



Training

In late 2010, MGA introduced specialised training for all personnel.

The training program is a response to requests from our personnel, especially those in regional areas, and covers everything from basic induction through to more technical Continuing Professional Development (CPD) training. Eventually, all training will be conducted under our own roof.

Training is being conducted in close association with the National Insurance Brokers Association (NIBA), the Insurance Institute and other professional organisations such as the LMI Group.

IBSC continues to monitor all CPD training, but is now directly involved in undertaking and managing ongoing system and product training.

Annabelle Freeman joined IBSC in 2012 as Training Manager, working closely with Dayna Bache and Carli Warmington. Weekly training is undertaken through "Go To Training" software and covers systems, product and industry issues.



L-R : Emma Young
: Carli Warmington
: Cathy Piper
: Dayna Bache
: Annabelle Freeman



"A good compliance framework for any business requires a good balance of training with a sound audit and follow up process. Having worked for MGA for over 21-years and experiencing several years in a regional branch, together with my team, we look forward to growing with the Group and delivering excellence in compliance and training for the future."

Cathy Piper

CENTRAL PROCESSING UNIT

The MGA Central Processing Unit is accessed by all personnel through our Smartbroker portal.

Work is continually monitored and supervised by Sam Hemer and Debbie Paltridge. In all, there are 19 processors in the CPU area and this number will increase as time goes on.

The CPU has central access. However personnel within the CPU are based remotely, many of them MGA broker assistants who have had families and are working from home. All work is printed directly to branches. The CPU process and Smartbroker systems have evolved considerably and now look after more than 100,000 transactions each year.

As Smartbroker and CPU processes have evolved, any questions of double handling have disappeared and the benefits are being seen throughout the MGA branch network. Our processors are specialists and there is continual communication to achieve better outcomes amongst them which has led to an impressively low (average) error rate of only 1%.

Chris Noonan, MGA Port Pirie Manager, located in the mid-north of South Australia says, "Our office was the first branch to commence working with the MGA Centralised Processing Unit (CPU), utilising the SmartBroker platform, in early 2000. Today, it provides our office with a standard operating environment, removing the need for additional staff training."

"The SmartBroker system is very flexible and provides easy access to many innovative solutions for our daily routines."

"CPU has worked very well for us and we have no intention of going back to the old method of on-site processing. This is the heart of our system in the office and it gives us the flexibility and time to maintain and grow our business."

- Pat Warren - CPU Manager
- Debbie Paltridge - CPU Coordinator
- Samantha Hemer - CPU Coordinator



**L-R : Debbie Paltridge
: Pat Warren
: Samantha Hemer**

MARKETING AND ADVERTISING



Marketing

Steve McInerney, MGA's Marketing Manager, says that the MGA tagline "We work for you" was one that came very naturally.

"Most commercial clients see their insurance broker as a part of their business, similar to their accountant," he said. "Managing day to day insurance affairs is what MGA is all about. We work for you to review and maintain your insurance program."

"The second aspect of the "we work for you" tagline focuses on our relationship with the client and the insurer. We are not an agent of the insurer, so we represent our clients."

Advertising – Print and Media

MGA has had a formal print and media advertising schedule since early 2000. MGA is also a regular advertiser in the Stock Journal and have had sole sponsorship of the "Top Draft Awards" since its inception, some 10-years ago. In addition to this, MGA has been a long-time TV advertising partner through Imparja TV which is available throughout the centre of Australia. In print media, MGA has advertised in the Regional Express (REX) Magazine regularly since 2007.

MGA sponsorships have varied over the years and included sections of the Tour Down Under (SA), Cadell Giant Pumpkin Competition (SA), The Newcastle Races (NSW), Brighter Future 4 Kids (QLD) along with the majority of sporting and community clubs in which MGA are represented.

The MGA Advertising initiatives will continue to maintain our strong regional presence and as well as increasing our profile in targeted industries within the metropolitan areas.

"MGA has been a household name for several years in regional areas. Much of our marketing and brand maintenance is focussed in these areas; as we grow, we are embarking on wider campaigns and specific marketing in the Capitals".

Steve McInerney



CONFERENCES

MGA's Operations area arranges two main conferences per annum, the MGA Brokers Conference and the MGA Broker Assistants Conference.

These conferences have become more relevant and important as the group has grown. Supported and sponsored by all of our major Insurers, these are the major events in our calendar and allow our people to catch up with technical and training issues and also network amongst the attending Insurers and each other.

All conferences provide "CPD" or Continuing Professional Development points which are all important for maintaining qualifications as Qualified Practising Insurance Brokers and the two day program provides the necessary content to satisfy a significant amount of the required development points.

Not only are these conferences important for training and technical information, the connection is equally important where everyone can catch up with colleagues along with those providing services in accounts, IT, Compliance and CPU.

For the past 3-years, Ed Ordynski has assisted on the MGA Conference Committee and undertaken MC duties. With Ed's varied experience as a school teacher, Australian Rally Champion and Racing Team Manager, we are in good hands when it comes to ensuring things are on time and running smoothly.



"I have been on the Organising Committee and MC of MGA Conferences since 2008. These events have been clearly rewarding for both delegates and sponsors and continue to improve".

Ed Ordynski – MC

Below: 2012 Brokers Assistants Conference, Pt Lincoln



Below: 2010 Brokers Conference, Christchurch, NZ



COMMUNITY

The most important communities in the world are the communities in which we live. MGA is represented throughout many regional and rural areas. We are very much part of these communities and are proud to support a large number of local, national and international pursuits.

Since 2008, the MGA Whittles group has allocated a percentage of profit to be invested into community and charitable pursuits, as part of our "Triple Bottom Line" initiative.



Australia Cambodia Foundation

MGA is passionate about supporting local communities. This ranges from support for local charities to community and sporting organisations. In many areas, MGA staff personally assist the charities we support as a group.

Group Chairman, John George, has had a long-term involvement with the Australia Cambodia Foundation. The Group provides much of the back-office support for the Foundation and sponsors a number of young orphaned Cambodian children in the care of Sunrise.



Royal Flying Doctor Service
CENTRAL OPERATIONS

The Royal Flying Doctor Service

During 2010, The Royal Flying Doctor Service took delivery of 5 new Pilatus PC-12 aircraft each at a cost of \$ 6 Million. It is the most comprehensive Aero Medical organisation in the world, and an incredibly important service for our vast regional areas in Australia. The RFDS operate 53 aircraft, 21 bases and 963 staff, providing assistance to up to 270,000 people per year. MGA and Whittles Group are pleased to be a major sponsor to the RFDS.

Variety – The Children's Charity

MGA Whittles has been a long time supporter of Variety, the Children's Charity. Putting much needed funding into regional areas for care and education, Variety has a significant impact on many lives as we support their continued excellent work in Australia.

