

BROKER AGREEMENT, PRIVACY STATEMENT & DISCLOSURES

Our Panel of Lenders	
<p>We have entered into an agreement with CHOICE AGGREGATION SERVICES, who acts as an intermediary between lenders and brokers. Such intermediation is known as an “aggregation service”. Under the agreement we are paid various upfront and trailing commissions in respect of each Lender. The AGGREGATOR IS PAID the amount specified in Annexure A and BROKERS RECEIVE A PORTION of that amount, which is the same proportion irrespective of which Lender is selected. The AGGREGATOR generally retains up to 20% of lender commission and charges the broker ongoing fees for administration and other support services from time to time.</p> <p>Subject to meeting the respective lenders’ credit criteria, we are able to obtain credit for you from the Lenders listed in the table below. These Lenders do not necessarily represent all the Lenders that offer credit of the nature you seek, but they constitute a comprehensive range.</p>	
Fees & Commissions	
<p>INDICATIVE NET COMMISSION RATES</p> <p>This is only a rough approximation of the average. The rates and conditions vary widely between aggregators, lenders, loan products and loan features.</p> <p>For a precise value you must apply the rate schedule below and deduct fees paid by us.</p>	<p>While it is difficult to precisely determine the amount due to the complex series of commissions, apportionments and fees, a rough estimate of average commission payable to your broker is:</p> <p>0.5% up-front commission on the loan amount drawn at settlement; and</p> <p>0.2% of the annual loan balance as a trailing commission.</p> <p>That percentage value estimate is the lender’s commissions, net of the:</p> <ul style="list-style-type: none"> • Aggregator’s split (normally around 20%), • Periodic administration fees (monthly/annual), • Per loan administration fees, • Product specific commission reductions, and • Goods & Services Tax.
<p>NO Fees payable by you to us:</p>	<p>Whether you proceed with the loan or not, no fee is payable by you to us unless you have specifically requested additional services (such as an ad hoc credit check, or title search).</p>
<p>Fees payable by you to the Lender:</p>	<p>Application Fees: Some lenders charge application fees, while others charge fees for settlement, legal expenses, title searches, valuations or sundry items.</p> <p>Your broker will estimate those fees in the form of a quote prior to you submitting an application.</p> <p>Valuation Fees: Your loan quote will identify any such fee for your consideration prior to your application submission.</p>
<p>Fees to be received by us other than from you:</p>	<p>See attached schedule A setting out the various upfront commissions and trailing commissions to be paid by each lender. We are entitled to receive a gross portion of at least 80% of the upfront and ongoing trail commission paid to the aggregation service provider. Out of that portion the aggregator deducts its periodic administration fees and any fee charged on a per loan basis.</p> <p>For the purposes of this Agreement, “up front commission” is commission calculated as a percentage of the loan amount paid after settlement of the loan.</p> <p>For the purposes of this Agreement, “trailing commission” is commission calculated on the outstanding loan balance paid regularly in arrears (i.e. monthly, quarterly etc).</p>
<p>Referral Fee:</p>	<p>If you were referred by an affiliated service provider or agent, then a portion of the our commission may be shared with them for that referral. The duty to</p>

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	disclose those fees depends upon the regulations applying to the referrer.
Broker Declaration:	<p>We confirm that:</p> <ul style="list-style-type: none"> • We do not determine or recommend the conditions of the credit contract (such as interest rates, fees or the term of the loan); • We and nobody else will receive any financial or other benefit or have any other interest or relationship which could reasonably be expected to influence our recommendation other than as disclosed in this agreement; and • We undertake to inform you if, after recommending a particular product and prior to you entering into a contract for that product, the commission payments differ from those described in this agreement.
General	
Variation of Agreement:	These conditions may be varied at any time before the expiry date by agreement of the parties in writing. The lenders, or aggregator can vary the commission rates at any time and the access to ongoing trailing commissions is in no way guaranteed.
Aggregator Variations	The rate of commission paid to aggregators can vary between aggregators, as may the commission splits passed on to the broker.
Claw-back Provisions	With some lenders, if a borrower pays out, or re-finances their loan, the lender may re-claim the up-front commissions from the originating broker.

Privacy Disclosure Statement & Consent

We collect personal information about you to provide our brokering services. The information is required to allow us to assist you in preparing the loan application and locate an appropriate lender. If your information is not provided we may not be able to find an appropriate loan for you.

We may use your information to provide you with offers or information of other goods or services we are able to provide you with, unless you tell us not to.

We may disclose your information to other organisations to fulfil the purposes identified (or purposes related to those purposes). The types of organisations we may disclose your information include:

- Lenders, Mortgage insurers and mortgage intermediaries;
- Valuers; and
- Other organisations that assist the process (such as lawyers, debt collectors and accountants).

In addition, we may disclose your personal information to any other organisation that may wish to, or has acquired, an interest in your loan or in our business. In some circumstances we may need to obtain a copy of your credit report. If we do so, then you are entitled to a copy of the report and we will gladly provide it.

Please refer to our Services Guide and Privacy Policy for further details.

This document constitutes an annex to our standard Letter of Engagement/Finance Broker Agreement and is referred to within that agreement.

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ANNEXURE A

LENDER COMMISSION SCHEDULE as at 15/06/2006		
LENDER	UPFRONT FEE INCOME (expressed as a % of the loan amount) (GST included)	TRAILER INCOME (expressed as a % of the outstanding loan amount) (GST included)
Adelaide Bank (SA Only)	0.77 except LOC, which is 0.77 of the drawn down amount at settlement or 0.825 of the approved amount, whichever is greater.	0.275
AMP	0.77 except LOC, which is 0.55 of the drawn down amount on settlement or 0.55 on 75% of the approved limit, whichever the greater.	0.22
ANZ	0.748	0.275
ANZ Commercial	0.60	0.25
Austmortgage Commercial	0.275	0.11
Easy Commercial	0.275	0.275
Bank SA – Residential		
*Standard Loans	0.77	0.33
*Portfolio Loans	0.77 of 80% of Approved Limit	0.33
Bank SA – Commercial	0.715	Nil
BankWest	0.77	0.3163
BankWest Commercial	0.66	0.275
Bluestone	1.43 up to \$1m 1.87 above \$1m	Nil
Bluestone Equity	2.475	Nil
WA Only	2.2	0.275
BMC Mortgages	0.77	0.275
Interstar Loans	0.8	0.275
Citibank	0.77	0.275
Citibank Commercial	0.66 (\$1 million or less) 0.66 + 0.22 above \$1m to \$2m 0.66 + 0.22 above \$1m to \$2m + 0.165 \$2m to \$3m 0.66 + 0.22 above \$1m to \$2m + 0.165 \$2m to \$3m + 50% of additional app fee charged to the customer above the standard 0.25% of the loan amount. The loan app fee can't exceed 0.50% of the loan amount.	0.215
CBA/Colonial From 1/7/05	0.715 + Submission quality allowance 0.275 + Conversion allowance <u>0.275</u> Max Upfront 0.77	< 12 months 0.22 > 12 months 0.275 1. Honeymoon products with a term up to 12 months will not receive trail for term of honeymoon period, then 0.22 to 12 months, then 0.275 2. 3 year special rate saver will receive trail of 0.22 for 3 years then 0.275
CBA/Colonial – Commercial Commercial Broking Program		
<\$250K	Nil	Nil
\$250K - \$3m	50% of approval facility limit	0.25
>\$3m - \$10m	50% of establishment fee (min \$15K)	0.25
>\$10m	Up to 50% of establishment fee	0.25
Referral Partner Program		

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LENDER	UPFRONT FEE INCOME (expressed as a % of the loan amount) (GST included)	TRAILER INCOME (expressed as a % of the outstanding loan amount) (GST included)
<\$150K	Nil	Nil
>\$150K - \$3m	50% flat of approved facility limit (max \$15K)	Nil
>\$3m	Up to 50% of establishment fee (min \$15K, max \$25K)	Nil
Credit Union Australia Ltd	0.66	0.275
Deposit Power	<6 months 13.75% net of guarantee fee >6 months 13.75% net of guarantee fee	Nil
Finance Now	0.968 of net amount financed	Nil
G.E.	2.5	0.275
Heritage Building Society	0.715	0.275
Homeloans Limited	0.77	0.275
*All Purpose Saver	0.66	0.275
Homeside Lending	0.715	0.275
*Peak Performance Equity Mortgage Facility	Loan Amount x 0.75 x 0.715	0.275
Howard Group (Commercial deals only)	No upfront payable	Contact your state manager for payments relating to trail
HSBC	0.77	0.275
HSBC Commercial	0.55	0.275
ING	0.77	0.275
IMB Ltd	0.66	0.275
Keystart	0.66	0.22
On-line Lodgement	0.77	0.22
Increased loan	\$200 Flat Fee	
Liberty	1.1	0.55
Macquarie Mortgages	0.77 of the settlement drawdown or 70% of the approved credit limit, whichever is the greater.	0.33
Maxis Loans	0.715	0.275
NAB	0.66	Nil
North West Commercial Finance Pty Ltd		
Minimal broker involvement	0.33	0.33
Equal broker involvement	0.55	0.55
Complete broker involvement	0.88	0.88
<i>*See Lender Commission Guide for definitions</i>		
Paramount		
• 95%, 5% no genuine savings	0.55	Nil
• Jigsaw Lo Doc Commercial Loans	0.55	0.275
• Paramount Private Residential Funding	0.55	0.275
• Paramount Lo Doc Rural	0.55	Nil
• Co-Operative Funding	0.55	Nil
• Achievable 100% Loan Funding - Residential	0.66	0.275
Pepper Home Loans	1.43 or 1.65 depending upon group settled volumes, excluding the following products which are paid on a stand along basis:	Nil

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Equity Direct	1.1	Nil
Police and Nurses Credit Society Ltd (WA only)	0.77	0.275
• Reverse Mortgage	\$100 Referral Fee	Nil
• Bridging Loan	\$300 Flat Fee	Nil
RAMS	0.77	0.275
*Easy Start	0.88	0.275
* Basic Line of Credit	Loan Amount x 0.75 x 0.77	0.275
St George		
*Standard Loans	0.77	0.33
*Portfolio Loans	0.77 of 80% of approved limit	0.33
Suncorp Metway	0.715 (after 01/12/03 otherwise 0.66) excluding business loans which are paid at 0.66	0.33
The Home Loan Centre (ING & Origin)	0.77	0.275
The Rock	0.66	0.275
The Vision Home Loan Company		
* Traditional Products	0.715	0.275
* Low Doc Loans Interstar & Adelaide Bank	0.77	0.275
* Liberty & Interstar Non-Conforming	0.77	0.33
* Bluestone	1.0	0.11
* Equity Tap	1.95	N/A
Westpac / Challenge / BOM	0.77	0.275
Wide Bay Australia Ltd (NSW/QLD)	0.66	0.22
Wide Bay Australia Ltd (VIC)	\$660	N/A