

Schedule 4 – Commercial Management Framework

Attachment A – Relationship Values Charter

1 INTRODUCTION

- 1.1 **(About this charter)** This charter identifies the values that the parties intend to exhibit during the Term.
- 1.2 **(Glossary)** For the meaning of defined terms used in this charter, refer to Schedule 14 (Glossary).
- 1.3 **(Obligations)** Sub-clause 6.4 of the Deed applies to the Relationship Values Charter.
- 1.4 **(Purpose)** The parties have agreed that if this Deed is to operate effectively, both parties must drive towards a cooperative relationship.

The parties agree that their legal relationship must always be governed by the Deed, however interaction between the parties will be conducted in a manner that fosters the achievement of Scheme Outcomes and Scheme Objectives.

To achieve this, a set of relationship values have been developed that are to operate during the Term, and will be used for the relationship review and improvements.

2 PRINCIPLES OF THE RELATIONSHIP

- 2.1 The parties seek a productive, harmonious, and mutually beneficial relationship in which both parties benefit from the achievement of Scheme Outcomes and, through this, contribute to the achievement of Scheme Objectives.
- 2.2 The parties agree to maintain a culture of collaboration, mutual respect and integrity in a relationship built around the commitment to achieve Scheme Outcomes. Achievement of Scheme Outcomes is to be approached in the spirit of commitment to solve issues and arrive at solutions in an efficient and equitable manner.
- 2.3 The parties acknowledge that, the relationship will need to provide an environment where:
- (a) **(Mutual respect)** There is a relationship, supported by openness and information sharing;
 - (b) **(Commitment)** The Scheme Agent Key Personnel delivering the Services and the Nominal Insurer representatives act in a manner which demonstrates their commitment to quality toward these relationship principles; and

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- (c) **(Consultation)** The Scheme Agent ensures that its industry knowledge and expertise is harnessed within the context of the Deed for the benefit of the Nominal Insurer through ongoing consultation and dialogue.

And as a result, the Quarterly Performance Fee Targets and Incentive Fee Targets are defined, understood and aligned with the Scheme Outcomes.

In supporting these relationship principles, the Scheme Agent will, and will ensure that its Personnel, co-operate with other parties to make certain that the Nominal Insurer is able to operate efficiently to achieve Scheme Objectives and Scheme Outcomes.

3 RELATIONSHIP VALUES TO BE DEMONSTRATED BY THE PARTIES

- 3.1 The table below identifies the values that the parties have committed to exhibit during the Term.

Values	Description
Fostering the achievement of Scheme interests	The parties will both hold Scheme Outcomes and Scheme Objectives as the highest priority, superseding any individual party interest.
Industry leadership	The parties will exhibit a leadership style and commercial relationship that will demonstrate industry leadership.
Work together as a team	The parties shall work proactively together as a team, and show mutual respect for each other. Issues shall be resolved at the lowest level appropriate to a rapid and durable solution.
Communication	The parties shall communicate with each other frequently, openly and honestly and with integrity at all times.
Continuous improvement	The parties will constantly work towards and be committed to continuous improvement in all aspects of the working relationship, the Services, and in achieving Scheme Outcomes and Scheme Objectives.
Adopt a strategic approach	The parties shall share a mutual commitment to adopt a strategic approach to facilitate an understanding of the future course.

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4 SURVEY AND ANALYSIS

- 4.1 **(Survey)** The Nominal Insurer will issue a standard survey to be used by both parties in completing the annual survey.
- 4.2 **(Changes)** Any changes to the standard annual survey document provided under Section 4.1 must be approved by the Nominal Insurer.
- 4.3 **(Annual survey)** Annually in August^{1 2 3}, each party will conduct an annual survey of its Key Personnel and staff to ascertain the parties' perception of each other. A common scoring methodology will be agreed to evaluate the survey responses and the results will be reviewed at the next Account Management Group Meeting following the evaluation of the survey responses.
- 4.4 **(Analysis)** Having conducted the survey, each party will provide the other with results of the survey, highlighting areas requiring improvement and proposed solutions for those areas.
- 4.5 **(Report)** The Nominal Insurer Account Manager and the Scheme Agent Account Manager will prepare a combined report for the Scheme Agent Annual Review. Subsequent to each assessment, the Nominal Insurer Account Manager shall provide the relationship values trend analysis and report.
- 4.6 **(Own expense)** Each party will conduct the survey at its own expense.

¹ Refer letter to all scheme agents dated 25 August 2006 re Annual Requirements under the Deed (Note date changed for 2006 only)

² Refer letter to all scheme agents dated 26 October 2006 re Annual Requirements under the Deed

³ Refer letter to all scheme agents dated 13 September 2007 re Annual Requirements under the Deed advising Amended date of March 2008