

Lifebroker Financial Services Guide

Preparation date: 6 December 2019

Preparation and currency of this document

This Financial Services Guide (“**FSG**”) has been prepared and is provided by Lifebroker Pty Ltd ACN 115 153 243, Australian Financial Services Licence (“**AFSL**”) number 400209 (“**Lifebroker, we, us**”) on 6 December 2019.

It remains valid until another FSG is issued to replace it, and may be modified by a supplementary FSG. You can find the current version of our FSG on our website, www.lifebroker.com.au.

Purpose of this document

This FSG is intended to inform you about us and our relationship with you before we provide you with financial services. It contains information about the financial services we provide, the remuneration that may be received by us and any other relevant persons in respect of those services, and how complaints you may have will be dealt with.

It is intended that this FSG should assist you in deciding whether to use any of the financial services provided by us and our representatives.

Product Disclosure Statement

If you intend to make an application for a financial product, you will also be provided with a Product Disclosure Statement (“**PDS**”) that has been prepared by the financial product issuer.

The PDS contains information about key features of the financial product, significant risks and benefits, the cooling off period, and fees associated with the financial product, and will assist you to make an informed decision about whether the product is appropriate for you.

You should read the PDS before you decide to purchase a financial product.

The financial services we provide

Lifebroker is authorised, under its AFSL, to deal in and provide financial product advice on life insurance and superannuation products to retail clients.

- “Financial product advice” means a recommendation or a statement of opinion, or a report of either of those things, that is intended to influence a person or persons in making a decision in relation to a particular financial product or class of financial products, or an interest in a particular financial product or class of financial products, or could reasonably be regarded as being intended to have such an influence. Lifebroker only provides general financial product advice. This means that the advice is general in nature only and does not consider whether the advice or the products are appropriate for your personal circumstances, financial situation or needs. As a result, you need to consider the appropriateness of the general advice for you, having regard to these matters, before acting on the advice or acquiring a life insurance product.
- “Dealing in a financial product” includes the following conduct (including when engaged as an agent): applying for or acquiring a financial product; issuing a financial product; varying a financial product; and disposing of a financial product.

Should you decide to purchase a policy, Lifebroker will be the arranger of your insurance and the relevant insurer will be the product issuer.

In providing the financial services listed above, we act on your behalf. We do not act on behalf of the product issuers.

The financial products we compare

Lifebroker provides customers with comparisons on a range of life insurance products, including life, total and permanent disablement, trauma or critical illness, and income protection insurance. Life insurance products are financial products.

The life insurance products compared are not representative of all life insurance products available in the market, and some of the products compared are issued by insurers that are related bodies corporate of Lifebroker: please see the section titled *Relationships and Associations* below for more information about these related entities.

A full list of insurers that we compare is available on our website, www.lifebroker.com.au (“**Lifebroker Website**”) or on request (“**Lifebroker Products**”). Please see the “Our Participating Providers” page at www.lifebroker.com.au/legal/participating-insurers or call or email us for this information using the contact details listed below.

You can obtain quotes and information about the Lifebroker Products through the Lifebroker Website or over the telephone from a Lifebroker call centre representative.

Life insurance through superannuation

While Lifebroker is authorised under its AFSL to provide financial services in relation to superannuation products, we currently do not provide advice on any retirement-type corporate or personal superannuation products and we are not the trustee of any superannuation fund. As of the date of this FSG being prepared, we only provide financial product advice on, and deal in, life insurance products.

There may be instances where a life insurance product is able to be arranged through superannuation. Under this arrangement, the life insurance policy is owned by the trustee of the relevant superannuation fund. The premium may be paid by making a contribution to the fund for the amount of the premium, and the option may exist for a member to choose to pay the premium from another superannuation fund by rollover. Where you have a life insurance policy structured through superannuation, you can expect to receive an annual statement each year from the superannuation fund outlining the contributions which have been made.

Lifebroker has a separate approved panel of insurers that offer life insurance products that can be purchased through superannuation. The providers who are on this panel can be found at any time by visiting the “Our Participating Providers” page of the Lifebroker Website (details above).

Relationships and associations

Lifebroker is wholly-owned by National Financial Solutions Pty Ltd (“**NFS**”) ABN 92 083 177 011, AFSL number 284182. The relevant insurers have appointed NFS, the parent company of Lifebroker, to distribute the Lifebroker Products and NFS authorises their distribution through Lifebroker.

NFS is owned by TAL Distribution Holdings Limited ABN 26 095 839 179 and is part of the TAL Dai-ichi Life Australia Pty Limited ABN 97 150 070 483 group of companies (“**TAL**”), which includes the insurers TAL Life Limited ABN 70 050 109 450, AFSL number 237848 (“**TAL Life**”), TAL Superannuation Limited ABN 69 003 059 407, AFSL number 237851, and Asteron Life & Superannuation Limited ABN 87 073 979 530, AFSL number 229880 (“**Asteron**”). TAL Life and Asteron issue life insurance policies including TAL Accelerated Protection and Asteron Life Complete that we may compare from time to time.

Lifebroker personnel are employed by TAL Services Limited ABN 60 076 105 130 (a services company in the TAL group).

If we provide financial services to you in relation to a product issued by a TAL group company (TAL

Life or Asteron) and that product is issued by that TAL group company to you or varied while you hold it, the product issuer may benefit from the financial services we provide by receiving the fees they charge. The amount and calculation of those fees are shown in the relevant PDS and/or offer document for the product. We will provide you with details of the fees before you apply for a TAL group product.

Companies in the TAL group may provide services, and obtain fees and charges or other benefits from the product issuer or service provider if you obtain a product or service from a company in the TAL group. These relationships will be detailed in the relevant disclosure documents.

Where we enter into transactions with related parties, we operate in accordance with the related party protocols and TAL policies and procedures which require that TAL group companies transact on terms that would be reasonable if the parties were dealing at arm's length.

Disclosure of remuneration and benefits

When insurance is arranged for you, you will be required to pay a premium to the insurer of the product. The premium includes any commission payable by the insurer to us for distributing the product. You may also be charged stamp duty and a policy fee.

Remuneration payable to NFS

Where a life insurance product is arranged for you, the parent company of Lifebroker, NFS, receives a commission from the insurer. The commission is calculated as a percentage of the insurance premium paid by you and is not an additional cost to you.

Policies applied for from 1 January 2019 to 31 December 2019 (inclusive):

In general, we receive commission on the following basis:

- **Upfront Commission:** is a one off payment payable at the time of purchase of up to 70% of the premium you pay (exclusive of GST).
- **Ongoing Commission:** for each year the premium is in force, NFS receives an ongoing commission of up to 20% per annum (exclusive of GST) from the issuer of the product.

For example, if your insurance premiums were \$750 per annum, NFS may receive from the insurer up to \$525 (exclusive of GST) in the first year and up to \$150 (exclusive of GST) per annum, for each year that you retain the policy.

An Upfront Commission may also be receivable by NFS if you increase or upgrade your policy, and this results in an increase to the premium. Ongoing Commission is then calculated by reference to the new premium amount.

In limited circumstances commission may be paid by the insurer to NFS on a "Level" basis, where the Upfront and Ongoing Commission are the same proportion of the premium each year. Level commission is up to 30% of the premium you pay each year (exclusive of GST). You can ask us which commission structure applies to your policy.

Policies applied for from 1 January 2020:

From 1 January 2020, the maximum Upfront Commission will reduce to 60% of the premium you pay (exclusive of GST). The maximum Ongoing Commission will remain as described above, except in the case of a Level Commission arrangement.

Existing policies:

In addition to the commission paid per policy, an additional bonus may be paid by product providers based on the value of policies that Lifebroker placed with that provider prior to 1 January 2018 (or where an application for insurance was submitted before 1 January 2018 and put into force before 31 March 2018) and that currently remain in force. This in force bonus is paid annually. Any such bonus is paid to NFS. These are not at an additional cost to you.

Remuneration payable to representatives

Where a representative arranges a policy for you, that representative may receive remuneration from Lifebroker in addition to their salary. The amount of additional remuneration is dependent on a number of factors including the value and number of policies arranged over a certain time period, and their compliance.

There may also be circumstances where other benefits are given to representatives from time to time by us or by product issuers - please refer to the '*Other benefits*' section below for a description of some of the types of these benefits. These are not at an additional cost to you.

Fees for making referrals to Lifebroker

NFS may pay a monetary benefit to third parties, in exchange for that third party referring clients to Lifebroker. The amount of the benefit may be a percentage or flat fee, with its calculation determined by factors that may include number of referrals, and/or the type or value of services Lifebroker provides to those people referred to it. In some cases, the amount of the benefit may be payable and calculated by reference to a percentage of the Upfront Commission and Ongoing Commission received by Lifebroker. These Referral Fees are not an additional cost to you.

The specific value of the benefit that was paid to a third party who referred you to Lifebroker can be requested by contacting us; however, this request must be made within a reasonable time after this FSG was provided to you and before any financial service identified in this FSG is provided to you.

Other benefits

NFS may receive other monetary and non-monetary benefits from product providers from time to time. Examples include contributions to certain of Lifebroker's operating costs (such as the costs of making the insurer's policy application available to you online through the Lifebroker Website), information technology software and support, professional development or training for Lifebroker representatives and employees, and occasional entertainment benefits valued at under \$300 per person. Lifebroker may also provide non-monetary benefits to representatives, such as occasional entertainment. These benefits are not an additional charge to you.

We maintain records of material forms of alternative remuneration and benefits NFS and Lifebroker pay and receive, and you can request this information by contacting us.

Addressing any Concerns or Complaints

Our reputation is built on going to great lengths to ensure satisfaction with the services we provide. However, there may be instances from time to time where customers may have concerns or be dissatisfied with the services we deliver. If you have a concern or complaint about the service that we provide, the following steps or avenues for resolution are available to you.

- **Step 1:** It is our experience that many concerns or complaints arise from miscommunication and can usually be resolved quickly. So please, if you have a concern, contact one of our

representatives on 13 54 33 or email us at info@lifebroker.com.au so that we can attempt to resolve it.

- **Step 2:** If the matter is not satisfactorily resolved by talking with our representative within 7 days of you contacting us with your concern, we will apply our internal complaints process to the issue. In these circumstances the complaint will be escalated to our Complaints Officer. You can also make a complaint or raise a concern directly with them on 13 54 33, info@lifebroker.com.au or in writing at PO Box 5054, South Melbourne VIC 3205 and sent to the attention of the Complaints Officer, Lifebroker.

We will aim to resolve your complaint quickly and fairly and will aim to communicate our proposed solution of the issue to you in writing within 45 days of your complaint being received by the Complaints Officer. If we are unable to resolve your complaint within that period, we will inform you of the reasons for the delay and let you know when we expect to provide a response to your complaint.

- **Step 3:** If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority (“**AFCA**”). AFCA provides fair and independent financial services complaint resolution that is free to consumers. Different terms of reference are applied by AFCA depending on whether your complaint relates to a life insurance product or a general insurance product – please refer to the AFCA website for details. Time limits may apply to complain to AFCA and so you should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expires.

The AFCA website and contact details are:

AFCA

Online: www.afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678 (free call)

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

Our Compensation Arrangements

As a part of TAL, we and our employees and representatives are indemnified under Professional Indemnity Insurance arrangements secured by TAL. These arrangements satisfy the compensation requirements for an Australian Financial Services licensee under section 912B of the *Corporations Act 2001* (Cth). This insurance provides cover for claims made against us and our representatives including claims in relation to the conduct of representatives who no longer work for us, but who did so at the time of the relevant conduct.

Your Privacy

In order to comply with the requirements of the *Privacy Act 1988* (Cth), we are required to advise you that this firm holds personal information about you. The information has been and will continue to be collected by us for the purpose of providing you with financial services including:

- the preparation of your quotes;
- the provision of financial product advice to you; and
- to assist you to apply for, acquire, vary and dispose of insurance products.

If you do not provide us with the information requested by us, we may not be able to provide you with the services required. The accuracy of the information you provide is important. If you need to update

or correct any of your personal information, please let us know as soon as possible.

We will from time to time disclose information about you to other organisations and parties, such as insurance providers and product issuers in connection with the purposes detailed above. In certain circumstances, we may also disclose information about you to other entities or external service providers - please refer to the Lifebroker Privacy Policy for more information.

You are entitled to obtain access to the information which we hold about you, subject to limited exceptions. To access the information which we hold about you, or if you have any questions about the privacy of your personal information or our information handling practices, please contact the firm's Professional Standards Manager on 13 54 33 or by writing to PO Box 5054, South Melbourne VIC 3205.

Our Privacy Policy is available free of charge on the Lifebroker Website, at www.lifebroker.com.au/legal/privacy-policy, or by calling or writing to us using the contact details listed on the final page of this FSG.

Call recording

All inbound and outbound calls to or from the Lifebroker call centre are recorded for compliance and training purposes.

Direct marketing and opting out

From time to time Lifebroker may use your information to promote and market our products and services to you.

If you do not want to receive these emails or calls, or would prefer to receive calls at certain times or days, please let us know. If you do not want to receive any information on other products or services offered by Lifebroker or the insurers, please contact us.

Our contact details

Our team is ready to help on:

Telephone 13 54 33

Fax 1300 20 40 30

Email info@lifebroker.com.au

Post PO Box 5054, South Melbourne VIC 3205

Our business hours are 9am - 8pm Monday to Thursday, and 9am – 5:30pm on Fridays. Telephone appointments are also available on Saturday for applications.