

Financial Services Guide

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This Financial Services Guide (**FSG**) has been prepared and is provided by Alternative Media Pty Limited (“us”, “we”, “our”, “AM”) ABN 17 149 089 716 as an Australian Financial Services Licensee and has an AFS Licence number 486326. Advizer Pty Ltd (trading as **Life Insurance Comparison**) and Compare Club Australia Pty Ltd (trading as **Compare Club**) are Corporate Authorised Representatives (CARs) of Alternative Media Pty Limited.

The Purpose of this Financial Services Guide

The FSG is intended to inform you about us and the financial services we offer. You should read this FSG carefully before using our services. It is intended to give you sufficient information to decide whether to obtain financial services from Life Insurance Comparison (**LIC**) and its Authorised Representatives (hereafter referred to as **specialists**).

This FSG sets out to explain the following:

- Who we are;
- The types of services and products we offer;
- How we are remunerated;
- How we remunerate our staff;
- What documents you will receive from us;
- Our relationships;
- Our complaints handling processes

The Financial Services we provide

LIC is a financial services business designed to provide clients with a range of life insurance product comparisons. The life products we compare are not inclusive of all products that may be available to you in the market. We can advise on and deal in a range of life risk insurance products including Life Insurance, Total and Permanent Disability, Trauma, Income Protection and Business Expenses Insurance. The products we compare are offered from a panel of insurer partners that LIC has distribution agreements with.

LIC uses and maintains an Approved Product List (**APL**). A full list of the companies we can provide information on is available on our website or to you upon request. We use an external comparative software tool which researches and provides comparisons of the financial products on our APL.

LIC uses a general advice model and its specialists will not consider your relevant needs, objections, financial obligations or whether the products and its features are appropriate having regard to your personal circumstances, unless you request personal advice. As a result, before you decide to act upon our general advice or the information received, you will need to consider the appropriateness of the advice to your circumstances. However, if you wish to receive personal advice, this can be provided from our financial adviser. This is discussed in more detail below.

Should you decide to purchase a policy through our service, we act as an intermediary on behalf of the insurer to arrange that policy for you.

Personal Advice

You can request that we provide personal advice on life insurance products. Alternatively, we may identify that you require personal advice that is tailored to assist your stated financial needs, lifestyle goals and objectives.

Our financial adviser will provide personal advice to you. Our financial adviser will ask a number of questions about your circumstances and needs in order to provide personal advice that is appropriate to you. There may be a fee attached to this type of advice. This will range from \$0-\$11,000 depending on the level of complexity of your situation and the type of advice you are seeking. An ongoing advice fee will also be charged per annum. This fee will be charged for a review of your circumstances annually to ensure that the products originally recommended continue to be relevant to your circumstances. The ongoing advice fee will range from \$0-\$11,000 per annum, again determined by the complexity of the advice received.

All fee amounts charged, including the commission split between the financial adviser and Alternative Media Pty Ltd, will be outlined in a Statement of Advice (**SoA**), discussed in more detail below.

Product Disclosure Statement (PDS)

If a particular product is discussed with you, the specialist must provide you with a PDS for that product. A PDS helps you make an informed decision about acquiring a life insurance

product. It contains key features of the life insurance product, significant risks and benefits, the cooling off period and fees associated with the product. You should read the PDS before making any decision in relation to that product.

Statement of Advice

If we provided you with personal financial advice, you will receive an SoA. Personal advice takes into consideration your objectives, financial situation, lifestyle needs and helps you decide whether to act on the advice provided to you. The SoA will explain the advice you have received, on what basis it has been given, details of the providing entity and outline all remuneration and other benefits associated with the giving of the advice that the specialist or LIC will receive.

A copy of this document will be kept for at least seven years and you may call our financial adviser during this period and request a copy.

If you do not receive personal advice from our adviser, you can request details of any fees, commissions and any other benefits in relation to any other financial service LIC provides by contacting your specialist.

Commission

When life insurance is arranged for you, you are required to pay the premium to the insurer that issued the product. The premium is inclusive of any commissions payable to us and the commission is calculated as a percentage; it is not an additional cost to you. The following is a breakdown of the commissions received by LIC in relation to the premium paid on your policy depending on when the policy became, or becomes, active.

Policies initiated before 1 January 2018:

- **Upfront commission:** is a one-off payment of between 25%-124% (inclusive of GST) of the premium you pay in the first year.
- **Ongoing commission:** for each year the premium is in force, AM receives an ongoing commission of between 5% and 33% (inclusive of GST) from the issuer of the product. For example, if your insurance premiums were \$1,000 per annum, AM may receive up to \$930 (inclusive of GST) commission in the first year and up to \$247.50 (inclusive of GST) per annum, for each year you retain this cover.

Policies initiated between 1 January 2019 until 31 December 2019:

- **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 policy is active, AM 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, AM may receive up to \$600 (exclusive of GST) in the first year and up to \$150 (exclusive of GST) per annum, for each year you retain this cover.

Policies from 1 January 2020:

- **Upfront commission:** is a one-off payment payable at the time of purchase of up to 60% of the premium you pay (exclusive of GST).
- **Ongoing commission:** for each year the policy is active, AM receives an ongoing commission of up to 20% per annum (exclusive of GST) from the issuer of the product.

(For more information on these commission structures, please refer to *ASIC Corporations (Life Insurance Commissions) Instrument 2017/510*).

All commissions will be set out in a Policy Schedule you receive. All fees disclosed are inclusive of Goods and Services Tax.

Specialist Remuneration

Our specialists receive a salary, and where a specialist arranges a policy over the telephone for you, that specialist may also receive a commission in addition to their salary. This is not at an additional cost to you.

Third Party Referrals

LIC may pay a benefit to third parties, in exchange for that third party referring clients to LIC. Alternatively, LIC may receive a benefit from referring clients to third parties. The amount of the benefit may be a percentage of the total commission received by one of our partner insurers or a flat fee, with its amount determined by factors that include the number of referrals, and/or the type or value of services LIC provides to those people referred to it. These benefits are not an additional charge to you.

Your specialist may receive other benefits based on the number of policies written and/or maintained from our insurer providers over a specified time frame. Again, these benefits are not an additional charge to you.

Privacy Policy

We collect personal information to ensure we can offer or provide you with products and services as outlined in this FSG. If you do not provide us with the information requested by us, we may not be able to provide you with the services required.

We value your privacy and have adopted the principles set out in the *Privacy Act 1988 (Cth)* and the Australian Privacy Principles as part of our obligations to maintain client confidentiality in the collection, use, disclosure or handling of personal information.

It is important to note that in order to best carry out the services we provide you with, your specialist may need to disclose your personal information to other parties. Typically, these parties may include life insurance companies and if necessary medical groups to carry out any required medical tests as part of your application for a life insurance product.

We may from time to time disclose information about you to other entities or external service providers – please refer to LIC's Privacy statement on our website <https://lifeinsurancecomparison.com.au/privacy-policy/>.

You are entitled to obtain the information in which we hold about you, by contacting LIC's Compliance Manager on 1300 904 624 alternatively email compliance@lifeinsurancecomparison.com.au.

Call Recording

All inbound and outbound calls to LIC are recorded for compliance and training purposes. If you wish to not have your calls recorded please speak with your specialist.

Opt Out

LIC may use your information to promote and market our products to you. If you do not wish to receive such emails or calls on other products or services we can offer, please contact us on 1300 604 924 or email compliance@lifeinsurancecomparison.com.au.

Professional Indemnity Insurance

We have Professional Indemnity Insurance in place to cover us for the financial services our specialists and financial adviser provide as required by Section 912B of the *Corporations Act 2001 (Cth)*. This policy includes coverage for claims in relation to the conduct of specialists who no longer work for us, but who did so at the time of the

relevant conduct.

What should you do if you have a complaint?

We have a complaints process for you to follow in the event you have a complaint about the services you received from us.

Step 1: Contact your Life Insurance Specialist directly on 1300 904 624. Alternatively, you can put your complaint in writing by emailing us at complaints@lifeinsurancecomparison.com.au and tell us about your concerns. We will discuss the issue with you and if possible, will rectify it immediately.

Step 2: If a resolution has not been reached within 5 days of the initial complaint, we will apply our Internal Dispute Resolution (**IDR**) process to manage your complaint. In these circumstances the complaint will be escalated to the Complaints Manager at LIC. We will aim to have your complaint resolved within 45 days.

Step 3: If you are dissatisfied with the outcome, you can contact the Australian Financial Complaints Authority (AFCA). AFCA is an external, independent body offering free and accessible dispute resolutions services to clients who have tried to resolve their complaint with their financial institution and have been dissatisfied with the result.

AFCA contact details

Telephone: 1300 56 55 62

Fax: (03) 9613 6399

Email: info@afca.org.au

In writing: Australian Financial Complaints Authority Limited
GPO Box 3
Melbourne, VIC 3001

Life Insurance Comparison contact details

Telephone: 1300 904 624

Fax: (02) 8078 0185

Email: info@lifeinsurancecomparison.com.au

In writing: Alternative Media Pty Ltd
Level 7, 222 Pitt Street
Sydney NSW, 2000

Website: www.lifeinsurancecomparison.com.au