

Financial Services Guide

RAC Life Insurance Products



Life Insurance
For the better



What is the purpose of this Financial Services Guide (FSG)?

This FSG is issued by, and provides information about, two key organisations involved in providing you with financial services in relation to the RAC Life Insurance suite of products. They are:

RAC Distribution Pty Ltd (RACD)

ABN 71 092 581 470,

Authorised Representative Number 238025

AIA Financial Services Limited (AIAFS)

ABN 68 008 540 252, AFSL 231109

The purpose of this FSG is to help you to make an informed decision about whether to use the financial services we can provide to you. It contains information on:

- » who we are and how we can be contacted;
- » the services we offer to you;
- » how we and other relevant persons are remunerated;
- » how complaints are dealt with; and
- » other disclosure documents you may receive.



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Other disclosure documents you may receive

If a recommendation is made to you to acquire an insurance product, or an offer to arrange the issue of an insurance product is made to you, you will be provided with a Product Disclosure Statement (PDS). The PDS contains information about the particular product, including any relevant risks, benefits and significant characteristics of the product.

It contains important information about the product that will assist you in making an informed decision. You should read the PDS carefully. You will need to decide if the product offered is appropriate to your needs and objectives. The PDS contains important information about the product that will assist you in making an informed decision. If you are not sure if the product meets your needs, you should obtain independent advice before making a decision whether to purchase the product.

In some cases, you may receive a short-form Product Disclosure Statement (short-form PDS) related to an insurance product. The short-form PDS contains a summary of the PDS.

If you are seeking financial advice that takes into account your personal financial situation, you should contact a licensed financial adviser. Any adviser providing you with personal financial product advice should provide you with a Statement of Advice (SOA) where required by law. The SOA will usually include (among other things) the following information:

- » the nature of the advice given and the basis of the recommendations;
- » fees and commissions that may be received for the advice;
- » any associations, relationships or interests that may influence the advice provided.

About RACD

RACD is part of the RAC and is an authorised representative (Authorised Representative No. 238025) of AIAFS.

Authorised financial services provided by RACD

RACD is authorised under an agreement with AIAFS to provide general advice and to arrange various life risk insurance products, including the RAC Life Insurance suite of products.

RACD does not act on your behalf. RACD provides general advice through information on the RAC Life Insurance website (**rac.com.au/lifeinsurance**) and when RACD distributes promotional material in relation to the RAC Life Insurance suite of products.

RACD provides these services on behalf of AIAFS, who acts in its own right and remains responsible for the financial services RACD provides.

AIAFS has agreed to this sub-authorisation and has authorised the distribution of this FSG by RACD.

How RAC entities are paid

RACD is also a distributor of the RAC Life Insurance suite of products. RACD is a distributor only and does not sell, issue or guarantee these products.

Commission of up to 60% (+ GST) of the premium received for each RAC Life insurance policy issued (net of agreed expenses) in the first year of cover* and up to 15% (+ GST) of all premium received after the first year will be paid to Royal Automobile Club of WA and/or its related bodies corporate by AIA Australia for the services provided by RACD in relation to the RAC Life Insurance suite of products.

The commission and allowances are not additional charges to you and are not in addition to the total premium you pay.

Employees of RACD receive a salary and operate under a performance based incentive scheme. On average the benefits available in this scheme are unlikely to exceed 2% of the employees' annual salary.

Please also see the "Remuneration arrangements may change" section below.

RACD has professional indemnity insurance in compliance with the requirements of the Corporations Act 2001 and for the financial services outlined in this FSG. The professional indemnity cover extends to financial services provided by representatives who are no longer employed by RACD in that capacity but who provided such financial services at the time of the loss, damages or breach of an obligation occurred.

*first year of cover means the amount of premiums payable for the policy's first 12 month period.

About AIAFS, Licensee

AIAFS is the holder of a financial services licence (AFSL 231109) and is authorised to deal in and provide advice in relation to life insurance products. AIAFS is a wholly-owned subsidiary of AIA Australia Limited ABN 79 004 837 861 AFSL 230043 (**AIA Australia**).

The only life insurance products AIAFS distributes are those issued by AIA Australia.

AIAFS has a guarantee from AIA Australia in relation to compensation arrangements for clients (including as a result of a dispute or complaint). This guarantee is approved by ASIC and exempts AIAFS from a requirement to have professional indemnity insurance.

Authorised financial services offered by AIAFS

AIAFS is authorised to provide advice and to deal in the RAC Life Insurance suite of products issued by AIA Australia, referred to as the RAC Life Insurance suite of products. AIAFS does not act on your behalf.

AIAFS provides financial services in relation to the RAC Life Insurance suite of products, including providing general advice when distributing promotional material and dealing in a financial product when AIAFS arranges the issue of the RAC Life Insurance suite of products. Employees of AIA Australia also provide financial services on behalf of AIAFS through the call centre. These services may include providing general advice to you in relation to the RAC Life Insurance suite of products and assisting you in applying for the RAC Life Insurance suite of products. Advice provided by or on behalf of AIAFS has been prepared without taking into account your objectives, financial situation or needs. You should consider the appropriateness of the advice in light of such factors and consider the PDS before deciding to acquire or continuing to hold any of these products.

AIAFS also provides general advice through information on the RAC Life Insurance website **rac.com.au**

How AIAFS is paid for its services

If you purchase a product from the RAC Life Insurance suite of products, AIA Australia will receive the premiums you pay and also returns from investing those premiums. This is the only amount you pay.

AIAFS does not receive any commissions in relation to the authorised services AIAFS provides in relation to the RAC Life Insurance suite of products. However, AIA Australia pays AIAFS a distribution fee calculated by reference to the gross operating expenses of AIAFS.

AIA Australia employees, including those involved in the provision of financial services on behalf of AIAFS, receive a salary including superannuation benefits and access to other general employment benefits. The amount of salary varies depending on external market data and the employee's experience, skills, knowledge, development and performance in their role. These employees may also have the opportunity to receive a performance bonus based on achievement of business sales targets and their performance against other individual accountabilities and behavioural elements. These amounts vary depending on their role and level of seniority. General employment benefits can include performance recognition through a points-based rewards program, discounted or complimentary access to AIA Australia's products and ad hoc rewards for achieving pre-determined performance targets.

Payments and other benefits provided to AIA Australia employees are not additional charges to you and are not in addition to the total premium you pay.

Please also see the "Remuneration arrangements may change" section below.

Remuneration arrangements may change

The remuneration arrangements described in this FSG are subject to applicable law and regulatory guidance. Where the legislative and regulatory guidance covering these remuneration arrangements is changed, despite anything to the contrary in this FSG, AIAFS and AIA Australia may change the remuneration arrangements so that they will not pay any remuneration on terms that conflicts with that legislative and regulatory guidance.

If you want more information on the remuneration arrangements please call us.

Instructions about RAC Life Insurance

If you want us to provide information and instructions in relation to the RAC Life Insurance suite of products you can do so by contacting AIAFS or RAC. See our contact details in the "Our contact details" section.

Who can you talk to if you have any concerns?

If you have any questions or concerns, you can contact AIAFS on **1800 333 613**. Alternative ways to contact these organisations are listed in the contact details section below.

You can also request more information about remuneration or other distributor benefits within a reasonable time after you receive the Financial Services Guide by calling the number above.

We have an internal dispute resolution system which seeks to resolve any complaints or disputes that may arise in relation to these financial services. Please contact AIAFS by calling the number above.

If you are not satisfied with the response given, you may take the matter up with an external dispute resolution body.

- **If lodged before 1 November 2018**, you can contact the Financial Ombudsman Service Australia (FOS).

You can contact FOS at:

Telephone: **1300 780 808**

Website: **fos.org.au**

Email: info@fos.org.au

Postal address: GPO Box 3, Melbourne, Victoria 3001; or

- **If lodged on or after 1 November 2018**, you can contact the Australian Financial Complaints Authority (AFCA).

You can contact AFCA at:

Telephone: **1800 931 678**

Website: **afca.org.au**

Email: info@afca.org.au

Postal address: GPO Box 3, Melbourne, Victoria 3001

Our contact details

AIAFS, Licensee

(for enquiries in relation to RAC Life Insurance).

Telephone: **1800 333 613**

Website: **lifeinsurance.rac.com.au**

Postal address: PO Box 6143, Melbourne VIC 3004

RAC Distribution Pty Ltd

Telephone: **13 17 03**

Website: **rac.com.au**

Postal address: GPO Box C140, Perth WA, 6839

**Contact
US**

General enquiries **1800 069 922**

 **facebook.com/RACWA**

 **@racwa**

 **rac.com.au**

For deaf, hearing or speech impaired members:

General enquiries **relayservice.gov.au**

Metropolitan Member Service Centres

Carousel	Shop 1098, Westfield Carousel Shopping Centre, Albany Highway
Mandurah	Shop SP037, Halls Head Central 14 Guava Way, Halls Head
Morley	Shop 1, Morley Market Shopping Centre, Bishop Street
West Perth	832 Wellington Street

Regional Member Service Centres

Albany	110 Albany Highway
Bunbury	Shop 32, Stirling Centre 22-28 Stephen Street
Geraldton	Shop 8, Stirlings Central Shopping Centre, 54 Sanford Street
Kalgoorlie	51-53 Hannan Street

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