

Life Insurance Financial Services Guide

Doctors Financial Services Pty Limited (DFS) trading as Avant Life Insurance (ALI) ABN 56 610 510 328, AFSL No. 487758
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This is an important document called a Financial Services Guide (FSG). The purpose of this document is to ensure that you have sufficient information to evaluate the services provided by Doctors Financial Services Pty Limited ABN 56 610 510 328 (DFS) trading as Avant Life Insurance (ALI) and understand who we are. It contains information on ALI, the services we can provide to you, how we are remunerated and how your complaints will be dealt with.

ALI hold its own Australian Financial Services License (AFSL) and is not owned by a bank or a large financial institution. DFS trade as ALI. Our focus is ensuring we can deliver value to our clients while assisting them to achieve their goals and objectives.

In this document, ALI is referred to as "us", "our" or "we".

You may have some questions about who ALI is and the services we provide. This document will also assist you in determining whether or not the services offered by ALI are appropriate for your needs and objectives. If you have any other questions, please do not hesitate to contact a member of our team. Our contact details are below under the heading "How can you contact us?"

Product Disclosure Statement

Before deciding to apply for a financial product, a Product Disclosure Statement (PDS) will be provided to you that has been prepared by the financial product issuer.

The PDS includes important information about the financial product which you should consider before acquiring the product. This information will include information the benefits of the financial product, its risk, the cost of the product and details of the issuer of the financial product.

Any advice that is provided to you is general in nature and does not take into account your individual objectives, financial circumstances or needs. Before you make any decisions about the product, you should consider the PDS and any relevant Target Market Determinations to ensure that the product is suitable for you.

At the time you receive the PDS for a financial product you will also be given the Target Market Determination (TMD) for that financial product. The TMD is required under the *Corporations Act 2001* (Cth) and sets out the target market for the product as well as triggers to review the target market for the product and certain other information. The TMD forms a part of an insurer's design and distribution framework for the product. The TMD is not a PDS and is not a summary of the product features or terms of the product. The TMD does not take into account any person's individual objectives, financial situation or needs.

Persons interested in acquiring a life insurance product should carefully read the PDS and corresponding Target Market Determination before making a decision whether to buy the product.

Who are Avant Life Insurance (ALI)?

ALI is a registered business name of DFS. DFS is a financial services group which is a wholly owned subsidiary of Avant Mutual Group Limited ABN 58 123 154 898 (Avant), Australia's leading medical defence organisation. Avant is a mutual, not-for-profit organisation, owned by its 76,000+ members – from medical students through to mature doctors approaching retirement. Avant issues medical indemnity insurance products and provides complementary member services such as 24 hour medico-legal hotline and counselling support, private health insurance, travel insurance and life insurance advice.

Clients of ALI don't have to be members of Avant.

Not Independent

ALL is not independent, impartial or unbiased because we:

- a) receive commission for the advice we provide on life and risk insurance products; and
- b) are owned by Avant Mutual, who administer and distribute life and risk insurance products that we may recommend to our clients.

Fees and Charges

ALL may charge fees or receive commission for the advice that is provided. Details of these are found on page 3 of this Financial Services Guide.

Who is responsible for the advice I receive?

ALL is responsible for the general advice provided to you by any of our team and authorises the distribution of this FSG to you by members of our team.

What Financial Services will we be providing to you?

We will be providing you with general advice in relation to Life insurance products.

What is general advice?

General advice is general or factual information about a product which does not have regard to the recipient's personal circumstances such as their objectives, financial situation and needs. We can also provide you with general advice in relation to life and/or general insurance and life insurance arranged through superannuation (see section titled Life insurance through superannuation).

When we provide you with general advice, we will provide you with factual information about a product however, you will have to assess whether the product is appropriate for your circumstances.

How can you contact us?

ALL has offices across Australia, however our main office is located at:

Address: Level 6, Darling Park 3, 201 Sussex Street Sydney NSW 2000

Email: lifeadmin@avant.org.au

Phone: 1800 128 268

Website: avant.org.au/life

The addresses of our other offices can be found on our website.

What type of documents may I receive?

You may receive any of the following documents:

- Product Disclosure Statement (PDS)
- General Advice (GA) transaction statement.

We are required to keep copies of all documents for a period of seven (7) years. If you require another copy of a document up to seven years after it was given, please contact our head office. Our contact details are under the heading, "How can you contact us?"

What sort of services and products can we provide to you?

We are authorised to provide general advice in relation to the following products:

- Life insurance products, including life insurance and total and permanent disability, trauma insurance, income protection, children's cover and practice expenses cover
- Superannuation products including self-managed superannuation funds

When we act on your instruction to facilitate the purchase of a product for you, we will be taking instructions from you and not the product provider.

NobleOak Life Limited ABN 85 087 648 708, AFS Licence #247302 (NobleOak) is an issuer of life insurance and NobleOak issues the Avant Life Insurance products. The Avant Life Insurance products are available under General Advice.

In addition, we also provide customers with a comparison service (Life Insurance Selection Tool – LIST). Further details with respect to this service are provided below.

The financial products we compare

Under our LIST service, we provide customers with comparisons on a range of life insurance products, including life, total and permanent disablement, trauma or critical illness, income protection and practice expense insurance. Life insurance products are financial products.

The life insurance products compared under our LIST service (LIST Service Products) are not representative of all life insurance products available in the market and does not include the Avant Life Insurance products.

A full list of insurers that we compare is available on our website, avant.org.au/life-tmd ("Avant Website") or on request ("LIST Service Insurers").

Please see avant.org.au/life or call or email us for this information using the contact details provided under the "How can you contact us?" section.

You can obtain non-binding quotes and information about the LIST Service Products through the Avant Website or over the telephone from an ALL call centre representative. Quotes provided are intended to be indicative only and are not an offer of insurance.

Life insurance through superannuation

While ALL 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.

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.

The providers who offer life insurance through superannuation can be found at any time by reviewing the relevant PDS on the Avant Website (avant.org.au/life).

How can you instruct us?

In all cases, we require written instructions from you before we can action any request. We prefer a wet signature where possible however, we will accept soft copy signatures (for example instructions via email or voice recording) when it is not practical to obtain a wet signature. We are required to keep a copy of your instructions for our records for at least seven (7) years. We will not accept instructions via SMS or text message.

How we are paid?

All of our staff work for a salary. All commissions and fees are paid to us as the holder of the AFSL.

When you purchase an insurance product, we will be remunerated by way of a commission payment. This payment is made by the product provider to us for each year you continue to hold the policy. The amount provided varies depending on the life insurance product provider.

Avant Life Insurance products

For the Avant Life Insurance products, we will receive level commission of up to 22% of the annual premium each year (including GST). For example, for an insurance product with an annual premium of \$2,000, where NobleOak pays us an upfront commission of 22%, we will receive \$440. NobleOak, as product issuer, will pay us 22% of the ongoing annual premium for as long as you hold the product. The payment is taken out of your premiums and is not an additional amount that you have to pay.

For Avant Life Insurance products NobleOak will pay us 11% of all premiums (including GST) to cover the cost of administration of the products. This is not an additional cost to clients, rather it is an arrangement between NobleOak and DFS.

LIST Service products

Where a life insurance product is arranged for you, DFS, 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.

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 60% of the premium you pay (exclusive of GST).
- **Ongoing Commission:** for each year the premium is in force, DFS 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 \$1,000 per annum, DFS may receive from the insurer up to \$600 (exclusive of GST) in the first year and up to \$200 (exclusive of GST) per annum, for each year that you retain the policy.

An Upfront Commission may also be receivable by DFS 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 DFS 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.

If you would like further information regarding how we are remunerated please do not hesitate to contact a member of our team. Our contact details are under the heading "How can you contact us?"

Do you receive any other form of remuneration?

No, we do not receive any other forms of alternative remuneration such as volume bonus payments and we do not receive any referral fees.

Do you have a privacy policy?

Please go to the Avant website to access a copy of our privacy policy; (avant.org.au/Privacy-Policy). We treat your privacy and your personal information very seriously. We are legally bound to protect your privacy and ensure that any information we hold about you is protected.

If you phone us to discuss your circumstances, we will ask you a series of questions to verify that we are speaking with the correct person.

Some of our third party product providers may store your personal information overseas; this is known as cross border disclosure. We have taken steps to satisfy ourselves that our third party providers have systems in place to protect your personal information and to ensure we comply with the provisions of the *Privacy Act 1988*.

What are anti-money laundering and counter terrorism funding requirements?

In addition to our requirements to comply with privacy laws, we are also required to verify your identity as part of our obligations under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* to ensure we are dealing with the correct person.

What if I have a complaint?

We take complaints very seriously and are committed to resolving any complaints we receive from you. In the event you have a complaint, please address your complaint to the Complaints Manager at Avant Life Insurance. Your complaint can be sent via email or mail.

Our email address is:
lifeadmin@avant.org.au

Our postal address is:
Complaints Manager, Avant Mutual
PO Box 746, Queen Victoria Building
SYDNEY NSW 1230

Upon receipt, we will acknowledge and investigate your complaint.

We aim to resolve most complaints within 5 business days and endeavour to finalise all complaint within 30 calendar days of our receipt of your complaint.

If we are unable to resolve your complaint, you may lodge your complaint with the Australian Financial Complaints Authority (AFCA).

AFCA is an external dispute resolution service established to resolve complaints of which Doctors Financial Services is a member of. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

AFCA can be contacted at:

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

Online: afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678 (free call)

Please note that the complaint procedures set out in this Financial Services Guide do not apply to complaints you wish to lodge or make against the issuer of the product in which you purchase (e.g. the life insurance product issuer). For details of how to make such complaints, please refer to the Product Disclosure Statement for the relevant product.

Do you have professional indemnity cover?

We hold professional indemnity insurance cover for the activities conducted under our AFSL which satisfies the requirements of section 912B of the *Corporations Act 2001* for compensation arrangements.