



Information about this financial services guide and what it contains

AIA Financial Services Pty Limited (ABN 68 008 540 252, AFSL 231109) ('**AIAFS**') trading as AIA Financial Wellbeing ('**AIAFW**'), provides you with this financial services guide ('FSG') to assist you to make an informed decision about the financial services and products we offer.

AIAFW ('**we**', '**us**' or '**our**') provides services through its Australian Financial Services Licence (AFSL) No. 231109.

Your AIA financial planner ('**financial planner**') is a representative of AIAFW and they provide services on our behalf. We are responsible for the financial services or product advice provided to you, as well as the content and distribution of this FSG.

This FSG outlines the types of advice and products offered, the advice process and experience you can expect from AIAFW, fees that may apply, benefits we receive and how we are paid, how your financial planner is remunerated, privacy information and how you may make a complaint.

Your financial planner will explain to you the areas of advice and product types that they are authorised to provide advice on.

Not Independent

AIAFW is not independent, impartial or unbiased in relation to the provision of personal advice to retail customers because:

- AIA Financial Wellbeing has associations with related and non-related entities, and it is part of a corporate group that includes product providers, as described in Section 8 of this FSG; and
- Your financial planner is expected to follow an approved product list (**APL**) and off-APL approval process, as explained in Section 9 of the FSG; and
- Your financial planner may receive (as referred to in section 5 of this FSG):
 - Gifts or non-monetary benefits of less than \$300 in value from product providers from time to time.
- AIA Financial Wellbeing may receive (as referred to in section 5 of this FSG):
 - Commissions on life insurance products, including products issued by AIA Australia Limited (**AIA Australia**)
 - Commissions on AIA Health referrals

Purpose of this FSG

The purpose of this FSG is to provide you with information relating to our associations, services, fees, how we are remunerated, your privacy and how you can contact us.

The information within this FSG will help you make an informed decision when dealing with us and your financial planner to help you with your financial affairs.

Healthier, Longer, Better Lives

AIA wants to make a positive difference for our customers and help them lead **Healthier, Longer, Better Lives**. This purpose guides the decisions we make and the actions we take as an organisation – empowering and enabling people to understand and manage their health, while meeting their long-term savings and protection needs.

AIAFW offers customers the opportunity to work with a financial planner to develop a financial plan (known as a '**Statement of Advice**') that will meet your personal goals, needs and objectives.

Part of this is helping you understand the connection between financial wellbeing and physical and mental wellbeing, so you can live your best life.

AIAFW can help you with your financial goals and wellbeing

Financial planning and advice can feel a little overwhelming and complicated. But it doesn't have to be. Our advice is clear, easy to understand and always in your best interest.

We consider your life, health and financial goals, helping you make confident financial decisions – and lead a healthier, longer, better life.

We listen to you first, to understand what you want from all aspects of your life. Then we'll educate and guide you with advice that's tailored to your situation and needs, offering you solutions that consider your whole life picture.

You can seek advice from an AIAFW financial planner at any time and take the first small step towards investing in the life you want.

Information in this FSG

This FSG provides you with information about:

1. The types of advice and products we offer
2. What your advice experience with us would look like
3. The type of documents you will receive from us
4. Fees that may apply
5. Benefits we may receive
6. Benefits we may pay
7. How your financial planner is remunerated
8. Our associations
9. Our Approved Product List
10. Tax Advice
11. Privacy information/consent
12. AML/CTF
13. How you can contact us
14. How you can make a complaint
15. Our Professional Indemnity insurance

1. Types of advice and products we offer

Our financial planners can advise you in the following areas:

- Personal risk insurance;
- Superannuation;
- Retirement planning;
- Investment planning;
- Business insurance; and
- Centrelink and Department of Veterans Affairs income support payments.

Under our AFS License, AIAFW is authorised to advise and recommend the following products to you:

- Life risk insurance, including income protection, total and permanent disability, trauma cover and business expenses;
- Superannuation, for example, employer super and rollovers;
- Retirement savings accounts;
- Deposit and payment products, such as term deposits and savings accounts;
- Government debentures, stocks and bonds;
- Managed investment schemes, for example, managed funds, unit trusts, and investor directed portfolio services (IDPS);
- Investment bonds; and
- Annuities

We are responsible for the services we provide and do not act as the representative of any other licensee.

2. How we engage with you during the advice process

Our goal is to be clear, transparent and there for you throughout your journey – so we have 5 simple steps to your financial wellbeing.

1 Initial call (approx. 10 mins)

- Our customer solutions team will ask you questions to understand the type of advice that may be best suited to your needs:
 - General advice
 - Personal advice from an accredited AIAFW financial planner (continue to Step 2)

2 Book a complimentary appointment (approx. 60–90 mins)

- We'll match you with a financial planner and book an appointment at a time that suits you
- Next, we'll ask you to complete an online form via our secure customer portal to help us better understand your situation and goals
- A financial planner will meet with you to discuss your objectives and needs, the options that may be available to you, and how we can help you achieve your goals
- This initial appointment is complimentary as we get to know you with no strings attached

3 Tailored advice and research (approx. 2–4 weeks for research and preparation)

- Now that you've got the lay of the land, if you decide you want to receive tailored advice, we will walk you through our Terms of Engagement detailing the advice fee
- If you accept this, we will conduct research and start to prepare your personalised advice document

4 Advice appointment (approx. 90 mins)

- You will receive straightforward advice, tailored to your objectives and needs
- Your financial planner will walk you through your advice document, the options available, and explain why each recommendation was made in your best interest
- They will then discuss next steps and how the advice may be implemented

5 Move forward with confidence

- Now that you've received and understand your advice document, the next step is up to you
- If you want to proceed with the advice, then we can help you implement it so you can move forward with confidence
- You can come back at any time if you need/want more advice in the future – we'll be here

3. Types of documents you will receive from us

Your personal financial plan

When we provide you with advice that considers your financial wellbeing, personal needs, circumstances, goals and objectives, we will present you with the Statement of Advice (SoA) – your personalised financial plan. The SoA is an important document, as it sets out our recommendations and explains the reasons why the advice is appropriate to your situation, as well as how the advice will place you in a better position and is in your best interests. The SoA is also important, because it provides you with extensive information to make an informed decision about whether you should act on the advice that we provide to you.

What is included in my Statement of Advice?

- Our recommendations and the basis upon which we make those recommendations;
- How much our advice will cost you as well as any fees, commissions, or other benefits that we or your financial planner or any other related party may receive; and
- If there are any relationships or associations that we or your financial planner have with product providers or related parties and information about these relationships.

Supporting information

To help your financial planner prepare your SoA, they may use programs, calculators, or worksheets to illustrate concepts when you meet with them. These tools can help your financial planner discover your personal needs, circumstances, goals, and objectives.

Until we provide you with the final SoA document, you should not rely or act upon any conversations or concepts discussed in your meetings with us as being personal advice.

Further Advice

If you request us to provide further advice (which includes a variation to the SoA we provide you or any advice you may require after implementation of your SoA), then your financial planner is required to undertake new investigations into your financial wellbeing, personal needs, circumstances, goals, and objectives as the basis upon which previous advice was provided may have materially changed.

Once we have made our enquiries, your financial planner will provide you with a new fee estimate (as part of your Terms of Engagement). Once you have accepted your new engagement terms, your financial planner will use the updated data that they have collected to prepare updated recommendations and provide you with a new SoA.

Alternatively, instead of providing a new SoA, your financial planner may provide you with a shorter Record of Advice ('RoA') if there are no significant changes to your personal circumstances or the basis of advice in your SoA.

If further advice is provided to you with an RoA, you may request a copy of the RoA at any time up to 7 years from the date our representative gave the further advice to you. You can request the RoA by contacting your financial planner or us in writing, by email or by telephone.

4. Fees that may apply

At AIAFW, we offer financial advice services where you only pay for what you need. You can pay for the advice up front and then pay as you go when you re-engage with us in future. Where you

would benefit from ongoing support with your financial planner, we may also recommend our Annual Service Agreement offering.

Upfront advice fee

Before providing you with personal financial advice, your financial planner will agree on an advice fee with you, based on the complexity of advice you require. The advice fee, as well as when the fee is due and how you can pay, will be outlined in the Terms of Engagement during the complimentary appointment.

Our advice fees vary depending on the areas of advice and complexity of your personal goals, objectives and circumstances.

Our advice fees typically range from \$600 to \$5,000 + GST. If you direct us to make any amendments to your advice or the implementation of your advice extends over a prolonged period, then an additional fee may be charged.

Other fees and commissions that are relevant to the advice being provided, such as product provider fees or insurance premiums, will also be disclosed in the advice provided to you.

Annual Service Agreement

The Annual Service Agreement is an optional service offering which includes ongoing advice support and an annual review with your financial planner to help ensure that your financial plan remains appropriate and on track to meet your goals.

The Annual Service Agreement will set out the terms and conditions of the service.

Our Annual Service Agreement fee is \$2,182 + GST and is payable in addition to the upfront advice fee.

Product provider fees

Investment and Superannuation products that we recommend may have associated fees, including administration fees, investment costs, switching fees and buy/sell spreads. These fees are collected by and payable to the product issuer. AIAFW and your financial planner will not receive these fees, however, some of these product issuers may be associated with AIAFW (see section 8 of this FSG for more information).

Insurance premiums

Insurance products that we recommend have insurance premiums payable by you. These premiums are collected by and payable to the insurer. AIAFW and your financial planner will not receive these premiums directly, however, we may receive commissions in relation to these premiums (see section 5 of this FSG for more information), and some of these insurers may be associated with AIAFW (see section 8 of this FSG for more information).

Discounts

From time to time, we may offer discounts. Any discounts will be explained by your financial planner and outlined in the Terms of Engagement.

5. Benefits we may receive

Life Insurance commission payments

When you commence an insurance policy that we have recommended, AIAFW may receive initial or on-going commission payments from product providers.

An initial commission is a one-off payment made upon entry to an insurance policy and an ongoing commission is paid each year for which an insurance policy is maintained.

These commissions are a percentage of the insurance premiums you pay and are described below. They are not an additional cost paid directly by you and are deducted from the insurance premium by the product provider.

AIAFW may receive commissions on life insurance products in accordance with the table below. This includes commissions on life insurance products when AIAFW refers you to AIA Australia:

| Year | Initial Commission | Ongoing Commission |
|---|---|------------------------------------|
| New products issued on or after 1 January 2020 | Up to 66% of the premium in the year of issue | Up to 33% per annum of the premium |
| Additional cover added on or after 1 January 2020 to an existing product issued after 1 January 2018 | Up to 66% of the increase in premium | Up to 33% per annum of the premium |
| Additional cover added on or after 1 January 2018 to an existing product issued before 1 January 2018 | Up to 124% of the increase in premium | Up to 33% per annum of the premium |

Details of any commissions that AIAFW may receive will be disclosed in your advice document.

Other Benefits

AIAFW may receive referral fees on health products when AIAFW refers you to AIA Health Insurance Pty Limited (AIA Health). AIAFW may receive 20% of first year premium (as a referral fee) from AIA Health for these referrals.

AIAFW will receive a \$500 payment when a new AIA Priority Protection Insured activates their AIA Vitality membership and reaches Silver Status within 6 months of the policy commencing. This one-off reward payment is payable by AIA Australia and is not an additional expense to you.

Your financial planner may receive non-monetary benefits in addition to their remuneration. These include other non-financial benefits, such as invitations to participate in educational or training conferences that we organise.

From time to time, AIAFW and your financial planner may also receive other benefits, such as business lunches, tickets to sporting or cultural events, promotional merchandise, or other minor benefits from product providers. If these benefits are received, then they must be valued at less than \$300 in value from product providers from time to time. If benefits over this amount are received, they will be declined or if already delivered, they will be disposed of. In the instance that the benefit received needs to be disposed of, that benefit will be passed on to charity or disposed of by other means.

AIAFW and your financial planner maintain a public register of all other benefits we receive, regardless of whether they have been accepted or declined.

We also maintain a Conflicts of Interest register. Conflicts of Interest are circumstances where some or all of your interests are inconsistent with, or diverge from, some or all of our interests or those of your financial planner.

If you would like to see a copy of these registers, you can speak with your financial planner or contact us.

6. Benefits we may pay

Referral Partners

We have referral arrangements. When a customer is referred to us, we may pay a referral fee to the referral partner. This fee is calculated as a flat dollar amount, plus (in some circumstances) a percentage of the life risk insurance product commission and/or the health insurance remuneration we receive from the product issuer.

Referral payments are not an additional cost to you. You may request details of these arrangements at any time. These will also be provided (if applicable) in your advice document.

Third Party Referrals

Where we refer you to a third party, we do not receive payment for that referral.

We also do not approve or endorse their advice and you should consider the appropriateness of their advice in light of your own circumstances.

7. How your financial planner is remunerated

As an employee, your financial planner is paid a salary and superannuation.

In addition, they are eligible for discretionary short term incentives based on their performance against KPIs, values and risk goals. This generally does not exceed 40% of their salary.

8. Our associations

It's important that you are aware of the relationships we have with other service providers so you can decide on the services you wish to use. AIAFS, trading as AIAFW, is part of the AIA Group. The AIA Group provides a range of products and services, which include health insurance, life insurance, wellbeing programs and financial advice.

In particular, we have a relationship with the following associated entities:

- AIA Australia: AIA Australia is the parent company of AIAFW and is also the issuer of life insurance products which are currently included on AIAFW's Approved Product List, as well as acting as the insurer for, and administration of, various superannuation funds.
- AIA Health Insurance Pty Limited (ABN 32 611 323 034): AIA Health Insurance is a related body corporate of AIAFW and is also the issuer of health insurance products to which AIAFW may refer customers.

Commonwealth Bank of Australia (ABN 48 123 123 124) ('CBA'): CBA, as well as various affiliates of CBA, have entered into a long-term strategic partnership with AIA Australia and other AIA Group entities, to work together to provide quality products, support and services to customers. AIAFS entered into an advice referral arrangement with CBA, as part of CBA's partial transfer of Commonwealth Financial Planning to AIAFS.

Whether or not AIAFS and other entities under the AIA Group enter into strategic partnerships with external parties, we will always provide you with personal advice which is in your best interest.

9. Our Approved Product List

Your financial planner is only able to recommend products that are listed on AIAFW's Approved Product List (**APL**). The APL contains both AIA products and financial products that are issued by external providers. We choose the products that form the APL by conducting research and update our APL based on markets, updated research, and customer requirements. Any product that your financial planner selects for you must meet your individual circumstances, goals, needs and objectives and be in your best interests.

If your financial planner believes that a product that is not listed on our APL is more suitable to your personal circumstances, goals, needs and objectives, then that product will need to meet our selection criteria and approval process.

10. Tax Advice

AIAFW and its financial planners are authorised to provide tax advice where it is:

- provided in the context of financial advice which we provide to you under our AFSL; and
- part of financial advice which interprets and applies the tax laws (including tax, superannuation and SMSF laws) to your personal circumstances.

We are not Registered Tax Agents and cannot provide tax agent services (i.e. those services in relation to the preparation and filing of tax returns and liaison with the Australian Tax Office, or an assessment of your overall tax position). As such, we strongly recommend you review this advice with a Registered Tax Agent.

11. Privacy

We are committed to ensuring the privacy and security of your personal information. As part of our continuing commitment to customer service and maintenance of customer confidentiality we have adopted the principles set out in the *Privacy Act 1988*.

For us to provide you with personal financial advice, we need to understand your current circumstances and any relevant information to ensure that the advice is tailored to your situation and goals. We will ask for your consent to allow us to collect, use and disclose your personal information in accordance with the AIA Australia Group's Privacy Policy. Our Privacy Policy will provide further information on our personal information handling practices and is available at aia.com.au/en/privacy-policy

12. AML/CTF

AIAFW is required under the *Anti-Money Laundering and Counter Terrorism Financing Act 2006* (Cth) (AML/CTF Act) to verify your identity and the source of any funds. This means we will ask you to present identification documents such as passports and driver's licences and we will retain copies of this information.

Additionally, we have certain obligations to provide information that we obtain about you to external third parties and regulators or law enforcement agencies, such as the Australian Transaction Reports and Analysis Centre, in accordance with legal requirements imposed on us.

13. How you can contact us

You may write to us at: PO BOX 6051, MELBOURNE VIC 3004

You may call us on: 1800 434 044
(if calling from within Australia)
+61 3 9009 4135
(if calling from overseas)

By email on: enquiriesAFW@aia.com

Via our website: aia.com.au/financialwellbeing

14. How you can make a complaint

If you are unhappy with the advice or services that we provide to you, then we encourage you to contact your financial planner.

If you prefer not to discuss your complaint with your financial planner or your complaint is not resolved to your satisfaction, then you can contact our Customer Relations team:

Email: complaintsAFW@aia.com

Phone: 1800 434 044

We will do our best to resolve your complaint quickly and fairly and will communicate our proposed solutions to the issue with you, in writing, within 30 days of receipt of your complaint.

If, after contacting the AIA Group Customer Relationship team, you are still not satisfied with the outcome of your complaint, then you can refer the matter to the Australian Financial Complaints Authority (AFCA). AFCA offers a free independent dispute resolution service for consumer and small business complaints. You can contact AFCA by:

Writing: Australian Financial Complaints Authority
GPO Box 3, MELBOURNE VIC 3001

Telephone: 1800 931 678 between 9 a.m. and 5 p.m.
(Sydney time), Monday to Friday from
anywhere in Australia.

Online: www.afca.org.au

Email: info@afca.org.au

You can also make a complaint and obtain information about your rights on the Australian Securities and Investments Commissions free call information line: 1300 300 630 or online at moneysmart.gov.au

15. Professional Indemnity Insurance

We have Professional Indemnity Insurance in place that satisfies the compensation arrangements required under Australian law, being section 912B of the Corporations Act. We are also covered for claims against former representatives whilst they acted on our behalf.