

# financial services guide



Qudos Mutual Limited trading as Qudos Bank ABN 53 087 650 557 AFSL/ACL 238305

Information in this brochure is current October 2018.

## Your Qudos Bank Financial Services Guide.

This Financial Services Guide ("FSG") is designed to help you decide whether to use the financial services of Qudos Bank.

This FSG explains the services we offer, how we (and our associates) are remunerated and details of our internal and external dispute resolution procedures and how these can be accessed.

### This FSG contains information on:

- > Product details and advice
- > Our products and services
- > Our business partners
- > Our fees and commissions
- > What to do if you have a complaint
- > How to contact us

## Product details and advice.

We may give you a Product Disclosure Statement (PDS) when you apply for certain products (such as our Retirement Savings Account) to comply with our legal obligations.

A PDS includes information about the product, including terms and conditions, costs, benefits and features, and is designed to give you the information you need to make decisions about our products.

We are authorised to provide you with advice on savings accounts, term deposits, retirement savings accounts, payment services, superannuation, managed investment schemes (including investor directed portfolio services) and insurance products.

We suggest that you consider all of your objectives, financial situation and needs before taking out any products.

Terms and conditions will also be provided to you before taking out other Qudos Bank products that are not covered by a PDS.

## About us.

Qudos Bank (previously Qantas Credit Union) is a customer owned bank and was established in 1959. Qudos Bank has over 100,000 Members and an A2 investment grade rating and offers a full range of retail banking products.

### Membership is available to:

- > Current and former employees of companies within the Qantas Group of Companies, other eligible organisations or the travel and hospitality industry; and
- > Their immediate families
- > People nominated by Members for membership

## Our financial products and services.

We are licensed by the Australian Securities and Investments Commission to advise on and deal in a range of products including:

- > Deposit accounts - for example, at call variable interest rate savings accounts, loan offset accounts and fixed interest rate term deposits.
- > Payment services - for example, direct debit, auto transfer (periodical payment), debit card, BPAY, telephone banking, internet banking and chequing facilities.
- > Retirement savings accounts - variable interest rate superannuation accounts.
- > General insurance - home and contents, motor vehicle, landlord's, travel, marine, caravan and CTP insurance.
- > Consumer credit insurance - for loans and cover, includes death, unemployment and disability.
- > Superannuation - including rollovers, allocated pensions, transition to retirement and life insurances.
- > Managed Investment Schemes - including investor directed portfolio services (IDPS). Also known as wrap accounts.
- > Life insurance - Life Cover, Permanently Unable to Work or critical illness covers.

We are the product issuer for deposit accounts, payment services and Retirement Savings Accounts.

## Credit products.

We also provide credit products, including:

- > Home loans;
- > Personal loans;
- > Credit cards; and
- > Overdrafts.

## Our business partners and commissions.

Our business partners and the commissions that we receive from them are outlined below. In addition to the specific commissions outlined, we may receive other benefits such as financial, marketing and training assistance from our business partners.

Our staff may also be entitled to incentives from our business partners, including allowances and bonuses based on volume, discounted services, prizes and awards.

Commissions are paid to us or incentives given to our staff after you take out or use any product or service.

When we provide advice on, issue or deal in deposit, payment, insurance, managed investment, superannuation and RSA products, we are acting on behalf of our business partners and/or ourselves and not as your agent.

Other than as disclosed in this FSG, we have no relationships with third parties which might influence the circumstances in which financial services are provided.

As a mutual organisation, we are bound to act in the interests of our Members. Our customers are our owners. We choose our business partners carefully to ensure that we provide good value products and services to Members. We usually have only one provider of each product as set out in this FSG.

## Insurance.

We have entered into an Agreement with Allianz Australia Insurance Ltd ABN 15 000 122 850 AFSL 234 708 (“Allianz”) under which we advise on, provide quotes for and process applications and renewals for selected general insurance and consumer credit insurance products.

We receive commission from Allianz, which is paid to us for each premium you pay. The rates of commission for each type of insurance product are as follows:

Home and Contents	18%
Landlords	18%
Motor Vehicle	10%
Caravan	10%
Compulsory Third Party (CTP)	7%
Travel	30%
Consumer Credit Insurance	20%

We make referrals only to Allianz Australia Life Insurance Limited ABN 27 076 033 782 AFSL 296559 (“Allianz Life”) for life insurance. We receive commission from Allianz of 20% of the premium you pay.

We may also make insurance policy referrals only for commercial and farm insurance. We receive commission from Allianz of 10% of the premium you pay for such insurance.

We have entered into an Agreement with Club Marine Limited ABN 2 007 588 347 AFSL 236 916 (“Club Marine”) under which we make referrals only for pleasure craft boat insurance. We receive commission from Club Marine of 10% of the premium you pay for such insurance.

## Financial Planning Services.

We have an arrangement to refer Members who would like financial advice to ClearView Financial Advice Pty Ltd ABN 89 133 593 012 AFSL 331 367 (“ClearView”). When we refer Members to ClearView, they pay us a commission of up to 30% of their up-front and ongoing fees and commissions.

ClearView may also appoint selected Qudos Bank staff as their authorised representatives to provide financial planning advice to Members. When a Qudos Bank staff member is acting as an authorised representative of ClearView we retain 92% of their upfront and ongoing fees and commissions. ClearView may share the fees it retains with its authorised representative.

ClearView will let you know the amount of any fee you will pay, and the amount of any commission we or ClearView will receive, when the financial advice is provided to you, by way of Statement of Advice.

## Superannuation.

We have an arrangement with Oasis Fund Management Limited ABN 38 106 045 050 AFSL 274 331 (“Oasis”) to provide a superannuation product called the Qwealth Superannuation Master Trust. We will receive 92% of initial and ongoing adviser fees which you pay for investing in this product if our staff provide you with advice about the product. The amount reduces to a maximum of 30% if we refer you to ClearView for that advice.

We receive up to 54% of the Ongoing Administration Fee which you will pay for your investment in this product. If a wholesale fund manager provides a fee rebate, that rebate will be shared equally between us and Oasis.

If you opt to take out life insurance as part of your superannuation investment, we may receive commission of up to 27.5% of the premium.

You should refer to the Qwealth Superannuation Master Trust PDS dated 1 July 2014 for further information about the fees you will pay for superannuation and life insurance. You will also be informed in the Statement of Advice of the amount of the fees which you will pay (including any commission which we receive) when you receive advice about this product from ClearView.

## Managed Investment Schemes.

We have an arrangement with Oasis Funds Management Limited ABN 38 106 045 050 AFSL 274 331 ("Oasis") to provide an IDPS called the Qwealth Investment Service. We will receive 92% of initial and ongoing adviser fees which you pay for using the service if our staff provide you with advice on the service.

The amount reduces to a maximum of 30% if we refer you to ClearView for that advice. We receive up to 55.02% of the Ongoing Administration Fee which you will pay for your investment with the service. If a wholesale fund manager provides a fee rebate, that rebate will be shared equally between us and Oasis. You should refer to the Qwealth Investment Service 'Information and Financial Services Guide' dated 1 July 2014 for further information about the fees you will pay for this product. You will also be informed in the Statement of Advice of the amount of the fees which you will pay (including any commission which we receive) when you receive advice about the service from ClearView.

## Payment services.

We provide payment services to Members as the product issuer under our AFS licence. To facilitate these services we have arrangements with Indue Limited ABN 97 087 822 464 ("Indue").

Indue pass on some or all fees received from merchants or other third parties for certain transactions to us. For BPAY payments, we receive a fee of 41 cents if made from a transactional account or 37 cents plus 0.27% of the transaction value if made by credit card.

## Foreign payments.

We have an arrangement with Western Union Business Solutions (Australia) Pty Ltd ABN 24 150 129 749 AFSL 40409, trading as Western Union Business Solutions ("WUBS") to provide international payment services, such as telegraphic transfers, notes and drafts, to Members. We receive a rebate from WUBS equal to 50% of the difference between the price paid by WUBS for the foreign currency exchange to its trading partners and the price charged by WUBS for the foreign currency exchange to us.

We also have an arrangement with Travelex Limited ABN 36 004 170 053 ("Travelex") to provide foreign currency to Members. We receive an agent commission fee of \$5 or 1% of the Australian Dollar value of foreign currency purchases, whichever is greater.

We have an arrangement with Access Prepaid Cards Pty Ltd ABN 47 145 452 044 ("Access Prepaid") who distributes the Cash Passport pre-paid foreign currency debit card product. The debit card for the Cash Passport product is issued by Heritage Building Society Limited ABN 32 087 652 024 AFSL 240 984.

Qudos Bank receives a commission for the Cash Passport product from Access Prepaid at the time of purchase as follows:

- > \$15 or 1% (whichever is greater) of the value of Australian dollars loaded onto the Cash Passport
- > 1% of the Australian dollar value for Cash Passport reloads

## Other services.

We have an arrangement with a subsidiary company of Allianz Australia Insurance Limited (Allianz) to provide marketing, administration and support services relating to Allianz insurance products in return for a share of aggregate profits from general insurance and Consumer Credit Insurance policies issued by Allianz that we arrange.

## Debit card transactions.

We receive fees for certain transactions made using Visa Debit card and CueCards. Please refer to the Fees and Charges brochure for more information. For ePAL transactions over \$15 made using a Visa Debit card or CueCard we may receive 5 cents.

For certain transactions made using a Visa Debit card, we receive a fee based on a percentage of the transaction. Details of the domestic Visa Debit card interchange fees are:

Charity	0.0%
Strategic merchant program	2 - 8 cents
Segment specific rate	
> Government	6 cents
> Transit	6 cents
> Utility	6 cents
> Supermarket	6 cents
> Service Station	6 cents
> Education	6 cents
> Insurance	6 cents
Recurring payments	6 cents
Electronic	8 cents
Standard, card not present and paper	0.42%
Cash out	24 cents

## Our fees and other rewards.

We charge the service fees applicable to our products and services from time to time including:

- > Excess debit transaction fees;
- > Dishonour fees;
- > Fees for provision of additional statements and copies of documents;
- > Dormant account fees;
- > Telegraphic transfer, international bank draft and bank cheque fees;
- > Fees for overseas emergency Visa Debit card replacement and/or cash advances;
- > Fees for Visa Debit card foreign currency transactions; and
- > Fees for overseas CueCard EFTPOS transactions.

Further details of our fees and charges are set out in our Fees and Charges brochure (which forms part of our Terms and Conditions for Savings Accounts and Payment Services). Our staff are salaried employees who do not receive payments based on the number of products and services issued nor advice given, other than as set out in this document.

Staff may participate in a bonus or other reward scheme including targets for non-interest income, growth in product income, sales targets and funds under management. We may reward or provide benefits to our staff for their success in arranging the issue of products issued by our Business Partners. Incentives vary but are usually a small proportion of overall staff remuneration – a monthly bonus or cash rewards. For example, staff may receive up to \$20 for the sale of a consumer credit insurance policy.

Staff who are most successful each month at cross-selling products may also receive a reward. The amount is not likely to exceed \$2,000. Otherwise, no payments are received by our staff which would influence the advice they provide Members on financial products.

## What to do if you have a complaint.

### Our products and services

First, contact a Customer Service Specialist on 1300 747 747. If you need further assistance, you can use our internal dispute resolution service, which has been set up to deal with complaints according to established guidelines and to ensure fairness to all of our Members. See our Dispute Resolution Brochure for details.

If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority, or AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

> Website: [www.afca.org.au](http://www.afca.org.au)

> Email: [info@afca.org.au](mailto:info@afca.org.au)

> Telephone: 1800 931 678 (free call)

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

### Insurance products

If you have a concern about an Allianz insurance policy, a decision on your claim or the service of Allianz, loss adjusters or investigators please contact Allianz on 132 664. For Allianz Life please call 1300 362 108.

### Financial Planning services

If you have a concern about Financial Planning advice please contact ClearView on 02 9224 0700. Otherwise, please contact us to discuss your concerns.

### Managed Investment Schemes

If you have a concern about Managed Investment Schemes please contact Oasis on 1300 380 380. Otherwise, please contact us to discuss your concerns.

### Compensation and insurance arrangements

As we are regulated by Australian Prudential Regulation Authority we are exempt from the requirements under the Corporations Act to have in place customer compensation arrangements.

### Further information

More information is available on the financial services outlined in this FSG from us. If you require another copy or further information on any aspect of the financial services, then please contact us. We will update this FSG if required and post new versions on our website.

### How to contact us

Please contact us or give instructions in relation to any of your accounts by:

Mail: Locked Bag 5020 Mascot NSW 1460

Phone: 1300 747 747

Website: [quodosbank.com.au](http://quodosbank.com.au)

For more information contact us:

 Call us on 1300 747 747

 Visit [quodosbank.com.au](http://quodosbank.com.au)

 Drop into your nearest branch

**1300 747 747 | [quodosbank.com.au](http://quodosbank.com.au)**