

RACT Offices

Hobart

Cnr Murray & Patrick Sts
Phone: 6232 6300
1/110 Collins St
Phone: 6223 7466

Launceston

Cnr York & George Sts
Phone: 6335 5655

Devonport

119 Rooke St Mall
Phone: 6424 5677

Ulverstone

38 Reibey St
Phone: 6425 2099

Burnie

24 North Terrace
Phone: 6434 2955

Rosny Park

Rosny Mall, 2 Bayfield Street
Phone: 6232 6577

Glenorchy

Cnr Main Rd & Terry St
Phone: 6232 6587

Kingston

Shop 20 Channel Court
Phone: 6232 6511

www.ract.com.au

Financial Services Guide



Help when you need it most.



Help when you need it most.

The purpose of this Financial Services Guide (“FSG”) is to help you make an informed decision about whether to use the financial services the Royal Automobile Club of Tasmania Limited (“**the Club**”) can provide to you as a retail client on behalf of the Australian Financial Services Licence Holders (“**AFSL Holders**”) listed in this FSG.

Each of the AFSL Holders has authorised the distribution of this FSG, which is made up of the following two parts:

- Part 1 – Information specifically about the Club and the services we can provide; and
- Part 2 – Specific information about the AFSL Holders on whose behalf we act when providing you with financial services.

This FSG is designed to help you make an informed decision about whether to acquire any of the authorised financial services and products that we can provide to you as a retail client.

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; and
- how complaints are dealt with.

Where required, you will also be given a Product Disclosure Statement (“**PDS**”) before or at the time you acquire any product as a retail client. The PDS contains information about the particular product, including its relevant risks, benefits and significant features and is designed to assist you in making an informed decision about whether to buy it or not. The PDS may be more than one document.

In this FSG, “we”, “our” and “us” means the Royal Automobile Club of Tasmania Limited.

Preparation Date: 8 March 2007.

PART ONE: THE ROYAL AUTOMOBILE CLUB OF TASMANIA

- 1. Information about the Royal Automobile Club of Tasmania.. 4**
 - 1.1 The Club's Authorisation..... 4
 - 1.2 Contacting the Club..... 4
- 2. How does the Club get paid for the services it provides?.. 5**
- 3. How is my personal information dealt with? 6**
- 4. If you have a complaint or concern..... 6**

PART TWO: INFORMATION ABOUT THE AFSL HOLDERS ON WHOSE BEHALF WE ACT

- 1. RACT Insurance 7**
 - 1.1 The Club is an Authorised Representative of RACT Insurance Pty Ltd (“RACT Insurance”)..... 7
 - 1.2 Authorised Financial Services and Financial Products..... 7
 - 1.3 How we are paid..... 8
 - 1.4 If you have a complaint or concern 9
- 2. Travellex..... 9**
 - 2.1 The Club is an Authorised Representative of Travellex..... 9
 - 2.2 Authorised Financial Services and Financial Products..... 10
 - 2.3 How we are paid..... 10
 - 2.4 If you have a complaint or concern 10
- 3. Mondial Assistance and Travellers Assistance 12**
 - 3.1 The Club is an Authorised Representative of Mondial Assistance 12
 - 3.2 Authorised Financial Services and Financial Products..... 12
 - 3.3 How we are paid..... 13
 - 3.4 If you have a complaint or concern 13
- 4. Compure Pty Ltd 14**
 - 4.1 The Club is an Authorised Representative of Compure Pty Ltd..... 14
 - 4.2 Authorised Financial Services and Financial Products..... 15
 - 4.3 How we are paid..... 15
 - 4.4 If you have a complaint or concern 16
- 5. Cover-More Insurance Services Pty Ltd 17**
 - 5.1 The Club is an Authorised Representative of Cover-More Insurance Services Pty Ltd..... 17
 - 5.2 Authorised Financial Services and Financial Products..... 17
 - 5.3 How we are paid..... 18
 - 5.4 If you have a complaint or concern 18

1. INFORMATION ABOUT THE ROYAL AUTOMOBILE CLUB OF TASMANIA

1.1 The Club's Authorisation

The Royal Automobile Club of Tasmania Limited ABN 62 009 475 861 ("**the Club**") is an Authorised Representative ("**AR**") of the following Australian Financial Services Licence Holders ("**AFSL Holders**");

- (a) RACT Insurance Pty Ltd ABN 96 068 167 804 ("**RACT Insurance**");
- (b) Travelex Limited ABN 36 004 179 953 ("**Travelex**");
- (c) ETI Australia Pty Ltd ABN 52 097 227 177 trading as Mondial Assistance ("**Mondial Assistance**"), who appoints Jetset Travelworld Insurance Pty Ltd ABN 59 105 702 136 trading as Travellers Assistance ("**Travellers Assistance**") as its intermediary manager;
- (d) Compusure Pty Ltd ABN 18 003 162 810 ("**Compusure**"); and
- (e) Cover-More Insurance Services Pty Ltd ABN 95 003 114 145 ("**Cover-More**").

Further information about the above AFSL Holders is contained in Part 2 of this FSG. We are authorised to provide a range of financial services under the Australian Financial Services Licence of each of the AFSL Holders identified in Part 2 of this FSG.

We will be acting on the behalf of the relevant AFSL Holder at all times in relation to the provision of authorised financial services and related financial products. We and the AFSL Holders do not act on your behalf.

Our employees providing you with this FSG act on our behalf, under our authority.

1.2 Contacting the Club

Our contact details are as follows:

The Royal Automobile Club of Tasmania Limited

Authorised Representative Number: 228578

ABN: 62 009 475 861

Head office:

Cnr Murray and Patrick Streets, Hobart, Tasmania 7000

Postal address:

GPO Box 1292, Hobart, Tasmania 7001

Telephone: (03) 6232 6300

Customer service (toll-free within Tasmania): 13 27 22

Facsimile: (03) 6234 8784

E-mail: info@ract.com.au

Internet address: www.ract.com.au

2. HOW DOES THE CLUB GET PAID FOR THE SERVICES IT PROVIDES?

As an AR of the AFSL Holders, we will receive various remuneration from the AFSL Holders. Details are set out in Part 2 for each AFSL Holder.

All our employees who provide a financial service to you are remunerated by salary and do not directly receive any commission or fees. Senior managers can earn a performance bonus depending on whether they achieve or exceed their business objectives and operating profit targets and meet customer service standards. The annual bonus a senior manager can earn ranges from approximately 1% to 20% of his or her before-tax salary. All bonuses are discretionary and are paid annually.

Customer service officers (CSOs) can earn performance incentives and sales bonus payments depending on the financial products they sell. The performance incentive that a CSO can earn ranges from approximately 1% to 10% of their base salary and is set against various performance objectives and customer service standards. The sales bonus is an opportunity to earn 18% of the amount achieved over the sales target as set.

Travel consultants (TCs) are eligible for sales bonus payments only. The sales bonus is an opportunity to earn 20% of the amount achieved over the sales target as set.

All bonuses are discretionary and are paid quarterly.

None of our employees receives any non-monetary gifts or benefits in respect of the provision of a financial service.

3. HOW IS MY PERSONAL INFORMATION DEALT WITH?

The privacy of your information is important to us. We collect your personal information to ensure that we are able to provide you with the relevant products and services.

The Club is subject to the *Privacy Act 1988* (Cth). For further details, please refer to our Privacy Charter at www.ract.com.au or ask us for a copy.

4. IF YOU HAVE A COMPLAINT OR CONCERN

If you have a complaint or concern, we want to give you every opportunity to find a satisfactory resolution. Each AFSL Holder has their own dispute resolution process you can access, which is outlined in Part 2 of this FSG.

1. RACT INSURANCE

1.1 The Club is an Authorised Representative of RACT Insurance Pty Ltd (“RACT Insurance”)

RACT Insurance’s contact details are:

RACT Insurance Pty Ltd

Australian Financial Services Licence Number: 229076
ABN: 96 068 167 804

Head office:

Ground Floor, Construction House
89 Brisbane Street, Hobart, Tasmania 7000

Postal address:

GPO Box 1292, Hobart, Tasmania 7001

Telephone: (03) 6232 6300

Facsimile: (03) 6232 6400

E-mail: info@ract.com.au

Internet address: www.ract.com.au

1.2 Authorised Financial Services and Financial Products

In our capacity as a Corporate Authorised Representative (“CAR”) of RACT Insurance, we are authorised to act on behalf of RACT Insurance for the purpose of dealing in RACT Insurance’s general insurance products. We can issue, vary and cancel the products listed below. However, whilst we can provide you with information about the features of RACT Insurance’s policies, we are not authorised to provide advice. You need to carefully consider the information we give you, including any PDS, before deciding to acquire any RACT Insurance general insurance product.

The following general insurance products are currently available:

- (a) Home Insurance
- (b) Contents Insurance
- (c) Personal Effects Insurance
- (d) Comprehensive Motor Vehicle Insurance
- (e) Third Party Property Damage Insurance
- (f) Caravan and Trailer Insurance
- (g) Boat Insurance
- (h) Collector’s Car Insurance
- (i) Tasmanian Strata Protection Insurance

1.3 How we are paid

a) Sales Commission

We receive a commission from RACT Insurance for each policy we issue or renew. The rates are set out below. They are calculated based on the insurance premium exclusive of government charges and any refunded premium. The commission is deducted from the premium and is not an additional charge to you. Renewal commission is paid every year you renew the policy.

| Product | New Business Commission | Renewal Commission |
|--|-------------------------|--------------------|
| Comprehensive Motor Insurance; Third Party Property Damage Insurance; Collector's Car Insurance; Caravan and Trailer Insurance | 8% | 6% |
| All other insurance | 16% | 12% |

b) Incentive Payment

If we exceed certain annual targets for sales of new business set by RACT Insurance, we also receive an incentive payment which is calculated based on the profit made by RACT Insurance from our sales of new business during a particular financial year (the Underwriting Profit). This calculation depends on how much Underwriting Profit exceeds "Net Premium", which is the annual premium received by RACT Insurance from our sales of new business and renewals less government charges and any refunds paid to customers.

We receive 20% of the Underwriting Profit, if the Underwriting Profit is between 5% and 10% of the Net Premium, plus 40% of the amount by which the Underwriting Profit exceeds 10% of the Net Premium.

c) Brand Fee

In addition, RACT Insurance pays us a brand fee of up to 2% of the Net Premium.

1.4 If you have a complaint or concern

Step 1: Talk to us or RACT Insurance first

If you have a complaint, please give us or RACT Insurance every reasonable opportunity to try to resolve it by first discussing it with us.

Step 2: Contact RACT Insurance Compliance Manager

If you are not satisfied with our initial response you can contact the RACT Insurance Compliance Manager. Please ask a customer service officer to connect you. Or you can write to:

Compliance Manager
RACT Insurance Pty Ltd
GPO Box 1292
Hobart, Tasmania 7001

Step 3: Seek an external review of the decision

If you are still not satisfied with the outcome, you can seek an external review of the decision by contacting:

Insurance Ombudsman Service
PO Box 561
Collins St West
Melbourne, Victoria 8007
Telephone: 1300 780 808
Facsimile: (03) 9621 2060

The Insurance Ombudsman will advise you if you are eligible to have RACT Insurance's decision reviewed by their Independent Review Panel or by one of their referees.

2. TRAVELEX

2.1 The Club is an Authorised Representative of Travelex

Travelex's contact details are:

Travelex Limited
Australian Financial Services Licence Number: 222444
ABN: 36 004 179 953

Head office:
Level 12, 1 Margaret Street, Sydney, New South Wales 2000

Head office telephone: (02) 8585 7000
General enquiries and customer service: 1300 727 113
E-mail: customerservices@travelex.com.au
Internet address: www.travelex.com.au

2.2 Authorised Financial Services and Financial Products

In our capacity as a CAR of Travelex, we are authorised on behalf of Travelex for purpose of issuing, varying and disposing of Travelex's non-cash payment facilities listed below.

However, whilst we can provide you with information about the features of Travelex's products, we are not authorised to provide general or personal financial product advice. You need to carefully consider the information we give you, including any Product Disclosure Statement, before deciding to acquire any Travelex financial product.

The following non-cash payment facility is available:

- Travellers cheques.

2.3 How we are paid

We receive the following commissions from Travelex for the non-cash payment facilities we arrange to sell to you:

| Travelex product | Relevant commission paid to the club |
|--------------------|--|
| Travellers Cheques | 2.2% of the total value of travellers cheques issued |

2.4 If you have a complaint or concern

Step 1: Try to resolve your complaint with Travelex General Enquiries first

If you have a complaint in relation to any Travelex travel money product, you should address your complaint to the Club or your nearest Travelex Foreign Exchange branch. Alternatively, you may contact Travelex directly by telephoning Travelex General Enquiries on 1300 727 113.

Step 2: Discuss your complaint with the relevant Travelex Business Unit Manager

In the event that Travelex General Enquiries is unable to resolve your complaint, the matter will automatically be escalated to the relevant Travelex Business Unit Manager.

Step 3: Discuss your complaint with the Travelex Compliance Manager

If Travelex is unable to resolve your complaint satisfactorily, or within a reasonable time, the matter will be referred to the Travelex Compliance Manager. The Compliance Manager will refer your matter to senior management for resolution.

Step 4: Seek an external review of the decision

If you are still not satisfied with Travelex's handling of your complaint or concern, you may lodge a complaint with the Financial Industry Complaints Service ("FICS"). FICS operates nationally to provide free advice and assistance to consumers to help them in resolving complaints relating to members of the financial services industry. FICS is an independent dispute resolution service and is approved by the Australian Securities and Investments Commission as an external dispute resolution scheme. You may contact FICS as follows:

Financial Industry Complaints Service
PO Box 579
Collins Street West
Melbourne, Victoria 8007
Telephone: 1300 780 808
Facsimile: (03) 9621 2291

3. MONDIAL ASSISTANCE AND TRAVELLERS ASSISTANCE

3.1 The Club is an Authorised Representative of Mondial Assistance

Mondial Assistance's contact details are:

ETI Australia Pty Ltd,
a company of the Mondial Assistance Group
Australian Financial Services Licence Number: 245631
ABN: 52 097 227 177

Head office:
74 High Street, Toowong, Queensland 4066

Telephone: (07) 3305 7000
Facsimile: (07) 3305 7701
Customer service: 1300 663 443
E-mail: Travel_assistance@worldcare.com.au

3.2 Authorised Financial Services and Financial Products

In our capacity as a Corporate Authorised Representative (“**CAR**”) of Mondial Assistance, we are authorised to act on behalf of Mondial Assistance (not on your behalf) for the purpose of providing general advice and dealing in Mondial Assistance's travel insurance products offered by Mondial Assistance. Mondial Assistance has a binding authority from Allianz Australia Insurance Limited (“**Allianz**”) to arrange, enter into, vary and dispose of travel insurance products and handle and settle claims in relation to it on behalf of Allianz, as if it were Allianz. Mondial Assistance makes decisions for Allianz as the insurer of Mondial Assistance's travel insurance products. ETI Australia Pty Ltd does not act on behalf of you. If we act under a binder, we can issue, vary and cancel Mondial Assistance's travel insurance products as their agent, in accordance with the underwriting guidelines issued by Mondial Assistance. In some cases, we may need to arrange for Mondial Assistance to do this if we are not able to act under our authority.

However, whilst we can provide you with information and general advice about the features of any Mondial Assistance travel insurance policy, we are not authorised to provide personal financial product advice. You need to carefully consider the information we give you, including any PDS, before deciding to acquire any Mondial Assistance travel insurance product.

3.3 How we are paid

We receive a commission from Mondial Assistance, which is part of the total premium payable by you for a policy.

The commission is a percentage of Mondial Assistance's base premium (i.e. premium excluding stamp duty, GST and any other government charges, taxes, fees or levies). The rate of commission payable ranges up to 45%. The commission does not represent our profit margin as it contributes towards administrative and other expenses we incur in providing our services. It also covers the cost of performing the distribution functions of Mondial Assistance, such as data entry, marketing and underwriting.

We receive a commission each time you buy or renew a policy and in some cases when you vary a policy.

3.4 If you have a complaint or concern

If you have a complaint about our services for Mondial Assistance or those of Mondial Assistance, we want to give you every opportunity to find a satisfactory resolution.

Step 1: Talk to us or Mondial Assistance first

If you have a complaint, talk to us or it can be reviewed by Mondial Assistance by contacting Mondial Assistance on (07) 3305 7000.

Step 2: Contact the Internal Disputes Resolution Manager

If you are not satisfied with the outcome of any review by a supervisor or manager of your concern, you may ask for your concern to be reviewed by Mondial Assistance's Internal Disputes Resolution Manager. Mondial Assistance's Internal Disputes Resolution Manager has independent decision-making authority and will normally consider any complaint made within 15 business days.

Step 3: Seek an external review of the decision

If you are still not satisfied with Mondial Assistance's handling of your complaint or concern, you may lodge a written complaint with the Insurance Ombudsman Service (IOS).

The Insurance Ombudsman may be contacted at:

Insurance Ombudsman Service
PO Box 561
Collins Street West
Melbourne, Victoria 8007

Telephone: 1300 780 808
Facsimile: (03) 9621 2060

The Insurance Ombudsman will advise you if you are eligible to have Mondial Assistance's decision reviewed by their Independent Review Panel or by one of their referees. Again, this is without cost to you and the decision of the Insurance Ombudsman is binding on Mondial Assistance.

4. COMPUSURE PTY LTD

4.1 The Club is an Authorised Representative of Compusure Pty Ltd

Compusure's contact details are:

Compusure Pty Ltd (Compusure)

Australian Financial Services Licence Number: 239587
ABN: 18 003 162 810

Head office:
21 Condor Street, Burwood, NSW 2134

Telephone: (02) 9701 6500

Email: admin@compusure.com.au

4.2 Authorised Financial Services and Financial Products

In our capacity as a Corporate Authorised Representative ("CAR") of Compusure, we are authorised to act on behalf of Compusure (not on your behalf) for the purpose of providing Toursafe travel insurance products. Compusure has a binding authority from American Home Assurance Company ("AHAC") trading as AIG Australia ("AIG") to arrange, enter into, vary and dispose of travel insurance products and handle and settle claims in relation to it on behalf of AIG. Compusure makes decisions for AIG as the insurer of Toursafe travel insurance products.

RACT Travelworld does not act on behalf of you. As we act under a binder, we can issue, vary and cancel Toursafe travel insurance products as their agent, in accordance with the underwriting guidelines issued by Compusure.

In some cases, we may need to arrange for Compusure to do this if we are not able to act under our authority.

However, whilst we can provide you with information and general advice about the features of any Toursafe travel insurance policy, we are not authorised to provide personal financial product advice. You need to carefully consider the information we give you, including any PDS, before deciding to acquire any Toursafe travel insurance product.

4.3 How we are paid

We receive commission from Compusure, which is part of the total amount payable by you to them for the product. The rate ranges up to 50% of the base premium (i.e. premium excluding stamp duty, GST and any other government charges, taxes, fees or levies).

The commission does not represent our profit margin as it contributes towards administrative and other expenses we incur in providing our services.

4.4 If you have a complaint or concern

If you have a complaint about our services for Toursafe travel insurance, we want to give you every opportunity to find a satisfactory resolution.

Step 1: Talk to us or Compusure first

If a complaint arises during your dealings with us, you should first discuss the matter with an RACT Travelworld adviser or a Compusure representative.

Step 2: Contact the Compusure Internal Disputes Handling Manager

Where your complaint is not resolved to your satisfaction you should request that the matter be dealt with by the Compusure Internal Complaints Handling Process. We can assist you to lodge your complaint or our Customer Service Centre can take the details for you. You will be provided with a copy of the Compusure brochure detailing our complaints handling process.

Your complaint will be handled by a person with authority to resolve the matter. Your complaint should be dealt with within 15 business days unless we notify you of the reasons why it cannot be dealt with within that time.

Step 3: Seek an external review of the decision

If the complaint remains unresolved to your satisfaction, you can request that it be reviewed by the Insurance Ombudsman Service (“IOS”), or the Insurance Brokers Dispute Facility (“IBDF”). These bodies resolve certain insurance disputes between consumers and insurers and will provide an independent review at no cost to you.

Compusure and AIG are bound by the determination of these services, but the determination is not binding on you.

Contact details are available in the Compusure Financial Services Guide.

5. COVER-MORE INSURANCE SERVICES PTY LTD

5.1 The Club is an Authorised Representative of Cover-More Insurance Services Pty Ltd

Cover-More’s contact details are:

Cover-More Insurance Services Pty Ltd (Cover-More)

Australian Financial Services Licence Number: 241713

ABN: 95 003 114 145

Head Office:

Level 3, 60 Miller Street, North Sydney, NSW 2060

Telephone: 1300 72 88 22

Email: enquiries@covermore.com.au

5.2 Authorised Financial Services and Financial Products

In our capacity as a Corporate Authorised Representative (“CAR”) of Cover-More, we are authorised to act on behalf of Cover-More (not on your behalf) for the purpose of providing Vero travel insurance products.

Cover-More has a binding authority from Vero Insurance Ltd (Vero) to arrange, enter into, vary and dispose of travel insurance products and handle and settle claims in relation to it on behalf of Vero. Cover-More makes decisions for Vero as the insurer of Vero travel insurance products.

RACT Travelworld does not act on behalf of you. As we act under a binder, we can issue, vary and cancel Vero travel insurance products as their agent, in accordance with the underwriting guidelines issued by Cover-More.

In some cases, we may need to arrange for Cover-More to do this if we are not able to act under our authority.

However, whilst we can provide you with information and general advice about the features of any Vero travel insurance policy, we are not authorised to provide personal financial product advice. You need to carefully consider the information we give you, including any PDS, before deciding to acquire any Vero travel insurance product.

5.3 How we are paid

We receive commission from Cover-More, which is part of the total amount payable by you to them for the product. The rate ranges up to 45% of the base premium (i.e. premium excluding stamp duty, GST and any other government charges, taxes, fees or levies).

The commission does not represent our profit margin as it contributes towards administrative and other expenses we incur in providing our services.

5.4 If you have a complaint or concern

If you have a complaint about our services for Cover-More travel insurance, we want to give you every opportunity to find a satisfactory resolution.

Step1: Talk to us or Cover-More first

If a complaint arises during your dealings with us, you should first discuss the matter with the RACT Travelworld adviser or a Cover-More representative.

Step 2: Contact the Cover-More Customer Service Team

Where your complaint is not resolved to your satisfaction you should request that the matter be dealt with by the Cover-More Customer Relationship Officer. We can assist you to lodge your complaint or our Customer Service Centre can take the details for you. You will be provided with a copy of the Cover-More brochure detailing our complaints handling process.

Step 3: Seek an external review of the decision

If the complaint remains unresolved to your satisfaction, you can request that it be reviewed by the Insurance Ombudsman Service (“IOS”). The IOS resolves certain insurance disputes between consumers and insurers and will provide an independent review at no cost to you.

Cover-More and Vero are bound by the determination of the IOS, but the determination is not binding on you.

Contact details are available in the Cover-More Financial Services Guide.