

# Combined Financial Services Guide & Product Disclosure Statement

The purpose of the Financial Services Guide (“FSG”) is to provide you with important information about:

- the services we offer you;
- how we and other entities are paid in relation to those services;
- any potential conflicts of interest we may have;
- our internal and external dispute resolution procedures and how you can access them, and
- to assist you in deciding whether to use any of the services we offer.

The purpose of the Product Disclosure Statement (“PDS”) is to provide you with important information about:

- significant benefits and risks associated with our funeral benefit;
- cost of membership of APS Benefits Group;
- privacy information;
- what dispute resolution procedures are available, and
- to assist you to decide whether to become a member of APS Benefits Group.

## Financial Services Guide

The financial services referred to in this guide are offered by the APS Benefits Group Ltd.

Address: 440 William Street, West Melbourne Victoria 3003  
(PO Box 326, North Melbourne, Victoria 3051).

Phone: (03) 9322 2000 or 1300 131 809

Email: [info@apsbenefitsgroup.com.au](mailto:info@apsbenefitsgroup.com.au)

Website: [www.apsbenefitsgroup.com.au](http://www.apsbenefitsgroup.com.au)

ABN 64077 846 809. The Australian Financial Services number is 244115

### **What kinds of financial services are you authorised to provide to me and what kinds of financial products do those services relate to?**

The APS Benefits Group Ltd ("APS Benefits Group") is authorised to provide general advice in relation to and to deal in life risk insurance products. The only life risk insurance product in relation to which we provide these services is a funeral benefit. Please note that we do not provide advice which takes into consideration your personal circumstances.

### **Who are you acting for when you provide your authorised services?**

Any representative of APS Benefits Group is acting on behalf of APS Benefits Group (and not on your behalf) when they provide authorised services, including arranging for membership of APS Benefits Group.

### **How can I give you instructions about my financial products?**

You can let us know how you would like to give us instructions – for example, by telephone, email or other means.

### **Do you have any relationships or associations with financial product issuers?**

We are a product issuer and do not have any relationships or associations with other product issuers that may influence us in providing you with our services.

## Financial Services Guide

### **Will anyone be paid for referring me to you?**

Members of APS Benefits Group may receive \$50.00 for each new member they introduce to APS Benefits Group. For payment to occur, a new member must write the referring member's name on their application form and must have paid the first month's membership fee. Members entitled to this payment may also elect to have it paid directly to their nominated social club, fundraising committee, sporting club, charity etc.

### **How does the APS Benefits Group maintain my privacy?**

At APS Benefits Group, the privacy of your personal information is important to us. We will only collect personal information which is necessary to provide you with our membership, or loans services. Examples of personal information that may be collected by us include your name, address, and date of birth. In the instance of providing funeral benefits and loans, we will also collect information such as employment details and financial reports. APS Benefits Group will not 'on sell' your personal information. Information will only be given to third parties where it is required for us to provide core business services to our members. An example of this is giving your details to our preferred mail house to enable us to mail out your yearly benefit statement or using a credit reference agency to determine your eligibility for a personal loan.

### **What should I do if I have a complaint?**

You can contact us by phone or in writing via the APS Benefits Group address noted at the beginning of this document. It will then be referred to our Complaints Officer. Within 72 hours we will send you a letter to acknowledge the receipt of your complaint and to outline your options. Within seven days we may request further information from you. We always try to resolve your complaint quickly and fairly. If the complaint is not resolved to your satisfaction you may refer it to the Australian Financial Complaints Authority, an alternate dispute resolution scheme of which APS Benefits Group is a member.

If you have any further questions, please contact us on **1300 131 809**.

**Retain this document for your reference and any future dealings with the APS Benefits Group.**

# Combined Financial Services Guide & Product Disclosure Statement

## Product Disclosure Statement

The issuer of the product explained in this statement is the APS Benefits Group Ltd.

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ABN 64 077 846 809. The Australian Financial Services Licence number is 244115.

What financial product do you issue?

The financial product issued by the APS Benefits Group is a funeral benefit.

What benefits am I entitled to if I acquire the funeral fund benefit and how and when are they paid?

If you become a member of APS Benefits Group, you are entitled to have the benefit paid to your nominated beneficiary in the event of your death. This benefit is payable any time from the date you become a member. The amount payable upon your death will vary depending on your age on entry to APS Benefits Group as per the following table (refer to page 8 for benefit details in relation to dependant Children's Funeral Benefits). The cover stated in the Adult Cover Table is based on membership fees of \$6 per fortnight (\$156 p.a.), payable to age 70.

Dependant child cover table

Age Next Birthday At Entry	Total Funeral Benefit (\$)
2-25	7000

Adult cover table

Age next birthday at entry	Total funeral benefit (\$)	Age next birthday at entry	Total funeral benefit (\$)
17-25	15000	46	5900
26	14500	47	5600
27	13900	48	5300
28	13400	49	5000
29	12900	50	4700
30	12400	51	4400
31	11900	52	4100
32	11400	53	3800
33	10900	54	3500
34	10500	55	3300
35	10000	56	3000
36	9600	57	2800
37	9200	58	2500
38	8800	59	2300
39	8400	60	2100
40	8000	61	1800
41	7600	62	1600
42	7300	63	1400
43	6900	64	1200
44	6600	65	1000
45	6200	66-100	Lump sum on application

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If you will be over 65 years old at your next birthday and you have not yet joined APS Benefits Group, you may become a member and obtain a funeral benefit by paying a lump sum. The minimum funeral benefit that may be obtained is \$1,000 and the maximum is \$15,000.

From time to time, APS Benefits Group may, at its own discretion, declare an annual bonus. This bonus is usually declared as a percentage of your total benefit and added to your existing funeral benefit. For example, if you are entitled to a benefit of \$3,400 and a bonus of 1% is declared; the value of your benefit will increase to \$3,434.

Bonuses carry into future years so that your benefit continues to grow over time. For example, if in the following year, an annual bonus of 1% is declared, the value of your benefit will increase from \$3,434 to \$3,468.34.

Your funeral benefit is payable in the form of a lump sum. It is usually paid within 24 hours of acceptance of the claim. APS Benefits Group does not impose restrictions on the way your beneficiary may use the benefit.

As APS Benefits Group does not require any health evidence before becoming a member, or when you request an increase in the amount of your benefit, for the first 24 months, your full benefit is only payable in relation to accidental death.

If your death is due to non-accidental reasons within the first 24 months, your funeral benefit will be limited to a refund of your membership premiums received.

If you have held more than five years' continuous membership, a "mature policy" is available whereby there are no further membership fees to pay, but the amount payable on your death will be reduced accordingly.

The value of the benefit attached to the mature policy is determined as follows:

M = value of benefit attaching to mature policy

E = ex gratia benefits if any attached to policy

S = initial sum insured at commencement for age 'A'

T = years membership fees have been paid

A = age at commencement of policy used to determine 'S'

$$M = (E \times T / (70 - A) + S) \times T / (70 - A)$$

For example, if you became a member at age 20, the initial sum insured would be \$15,000. If you ceased paying membership fees after five years and no bonuses had been declared during that time, your benefit would be worth \$1,500.

Alternatively, if you cease paying membership fees after ten years and total bonuses of \$1,300 had been declared during that time, your benefit would be worth \$3,052. If any bonus is declared to members and you hold a mature policy, you will still receive any bonus that might be declared at the same percentage rate as other members.

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## What are the risks related to holding the funeral benefit?

APS Benefits Group is not aware of any risks associated with holding the funeral benefit.

## What are the initial and ongoing costs to me for the funeral benefit?

The cost of the funeral benefit is automatically included in your membership of APS Benefits Group. The cost of membership is \$6.00 per fortnight (\$156.00 p.a.) and includes the funeral benefit as well as other entitlements. You may cease paying membership fees at any time and not incur costs. Once you reach the age of 70, membership fees are no longer payable and full membership privileges are retained.

If you will be over 65 at your next birthday and you have not yet joined APS Benefits Group, you cannot join by paying fortnightly membership fees, but you may become a member by paying a lump sum. The amount of the lump sum payable varies according to a combination of your age and the amount of the funeral benefit which you wish to obtain. For example, if you are turning 66 at next birthday, the lump sum payable varies between \$607 (for a benefit of \$1,000) and \$9,105 (for a benefit of \$15,000).

If you require more information, please contact APS Benefits Group or refer to our website at [www.apsbenefitsgroup.com.au](http://www.apsbenefitsgroup.com.au)

## Are there other significant rights, terms, conditions or obligations attached to the product?

Acquisition of the benefit is automatic upon becoming a member of APS Benefits Group. If you cease paying membership fees to APS Benefits Group before age 70, your membership and therefore your funeral benefit may be cancelled. If your membership commenced prior to 1 July 2010 you can take a cash refund of part or all of your membership fees.

No refund is available to members who joined by paying a lump sum, or those who joined APS Benefits Group after 1 July 2010.

## Option to Elect to Split Funeral Benefits

A member and either their spouse/partner or sibling may elect to combine their funeral benefits and then split the total funeral benefit equally – conditions apply. The resulting funeral benefits are payable at the time and in the way described in the PDS. APS Benefits Group does not require any health evidence before making the election. Increases in funeral benefits are subject to the same conditions described in the PDS.

## What are the initial and ongoing costs to me of the funeral benefit?

Selecting this option is at no additional cost to the usual membership fees or lump sums payable as described in the Combined FSG and PDS.

## Are there other significant rights, terms, conditions or obligations attached to the product?

- Once the benefit is split, it is non-reversible.
- Non-member applicants under the age of 65 must become members of APS Benefits Group and pay a membership fee of \$6.00 per fortnight.
- Members have the option of buying additional funeral benefits with a single lump sum payment.
- If the age of either the member or non-member is younger, or no more than 5 years older than the member with the greater benefit, a 50/50 split of the combined total benefit will be applied.

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- If the age of either the member or non-member is between 5 and 20 years older than the member with the greater benefit, a 47/47 split will be applied. Note, that this reduced split accounts for the increased likelihood of the benefit being paid earlier than if it remained with the current member.
- The new benefit entitlements remain eligible for bonuses.
- For new members there is NO mature policy option available after 5 years membership.
- New member funeral benefits cannot exceed \$20,000.

Here are some examples of how Benefit Splitting works:

Example 1: Both applicants are members and are currently paying the normal fortnightly membership fees.

One member (aged 60) has a funeral benefit of \$2,690 and the other member (aged 58) a funeral benefit of \$1,620. If the members elect to combine and then split their funeral benefits, each will be entitled to a funeral benefit of \$2,155. This is calculated by adding  $2,690 + \$1,620$  and then dividing by two. The current membership fees for each member continue to be payable to age 70.

Example 2: A member paying fortnightly fees with a non-member spouse/partner/sibling over the age of 65.

The member (aged 67) has a funeral benefit of \$8,500. The non-member spouse (aged 69) being over 65 is unable to become a member by paying fortnightly fees. The member can still elect to split the funeral benefit with the non-member spouse who would otherwise have no entitlements to a funeral benefit. If this option is elected, member and the non-member spouse will each be entitled to a funeral benefit of \$4,250 which is calculated by dividing \$8,500 by two. The current membership fees for the member continue to be payable to age 70.

Example 3: Both are members and are currently paying fortnightly membership fees.

One member (aged 55) has a funeral benefit of \$5,000 and the other member (aged 65) a funeral benefit of \$3,000. If the members elect to combine and then split their funeral benefits, then each will be entitled to a funeral benefit of \$3,760. This is because \$3,760 is 47% of \$8,000 ( $\$5,000 + \$3,000$ ). The 47/47 benefit applies as the age of the member with the smaller funeral benefit is between 5 and 20 years older than the member with the greater benefit. The current membership fees for each member continue to be payable to age 70.

If you have any further questions, please contact us on 1300 131 809 or email [info@apsbenefitsgroup.com.au](mailto:info@apsbenefitsgroup.com.au).

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## Children's funeral benefit

The children's funeral benefit is a lump sum amount payable on the death of the child. All dependant children from age 2 next birthday and under the age of 25 can be covered. No medical assessment of the child is required. The amount of the benefit is fixed at \$7,000 per dependant child. The cost of the cover is \$1.50 per fortnight, or \$39 per annum per child.

### Exclusions

APS Benefits Group does not require any health evidence before insuring the child. For the first 24 months the full benefit of \$7000 is only payable in relation to accidental death. If the child's death is due to non-accidental reasons within the first 24 months, the funeral benefit will be limited to a refund of the premiums received.

No mature policy values or refund values are provided under the benefit. No bonuses will be added to the benefit. The insured child is not considered a 'member' in terms of the definition of 'member' in the constitution but is eligible to upgrade the level of their cover and become a member from age 16 in accordance with the table on page 4 and the other information contained in the FSG/PDS.

## What should I do if I have a complaint?

See page 3 of the FSG/PDS for information on what to do if you have a complaint.

## Are there any tax implications for financial products of this kind?

There are no tax implications for holding financial products of this kind.

## What is the cooling off period for this product?

If you wish to cancel your membership (and therefore give up your funeral benefit), you have 30 days from the date we confirm your membership to advise us in writing of the cancellation. We will refund any premiums you have paid.

## How can I access other information APS Benefits Group makes available?

You may access other information about the funeral benefit and other entitlements of APS Benefits Group members by visiting our website; [www.apsbenefitsgroup.com.au](http://www.apsbenefitsgroup.com.au). Up to date versions of this Combined FSG and PDS may be found on the website. We have a newsletter which is sent to members by email or mail. Bulk copies are also sent to social club representatives on request.

## Who is providing financial services in relation to this product?

As well as issuing the funeral benefit, APS Benefits Group is authorised to provide general advice and to deal in relation to the product. See the FSG at the beginning of this document for details. If you have any further questions, please contact us on 1300 131 809. Retain this document for your reference and any future dealings with APS Benefits Group.

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# Membership Application

## Applicant Details

Title..... Given Name(s)..... Surname.....

Preferred Name .....Date of Birth ..... Phone.....

Address.....Suburb.....

State.....Postcode.....Email address.....

## Employment Details

Employer:.....Occupation:.....AGS:.....

## Funeral Benefit Details

Is this Funeral Benefit application for Dependant Child Cover? Yes No

I want Standard Cover

I want more than standard cover  
Amount Required:\$.....

## Nomination of Beneficiary

Name of beneficiary.....Relationship.....

Address:.....Phone.....

Email:.....

## Identification details (not required for dependant cover)

You may provide any combination of 2 documents as follows:

Driver Licence Number:..... State Issued:.....

Australian Passport Number:.....

Medicare Card Number:.....Expiry:...../.....

I agree to have my identity verified with the issuer or Official Record Holder

## Where did you hear about us?

Family

Friends

Work Colleague

Other

Referring Members Name:..... Member Number :.....

## Please read and sign the declaration below

I wish to apply for membership of the APS Benefits Group Funeral Benefit Fund. I confirm that the information completed is true and correct. I understand that the APS Benefits Group has not considered my financial situation, needs and objectives and my decision to apply for this cover is based on my understanding of the information I have received and read, including the APS Benefits Group FSG/PDS. I understand that in the first 24 months, cover will only be provided if death is accidental. I agree that any personal information can be collected, used and disclosed as prescribed in the FSG/PDS.

Your signature:.....Date:

440 William Street

PO Box 326

**Phone** 1300 131 809

APS Benefits Group Ltd

West Melbourne

North Melbourne

info@apsbenefitsgroup.com.au

ACN 077 846 809

VIC 3003

VIC 3051

www.apsbenefitsgroup.com.au

AFSL 244115