

# Supplementary Financial Services Guide

## Personal Solutions

This document, dated 1 August 2005, is a Supplementary Financial Services Guide (SFSG). It supplements the Financial Services Guide - Personal Solutions (FSG), dated 19 July 2004, issued by Bank of Queensland Limited ABN 32 009 656 740. The SFSG must be read in conjunction with the FSG.

## 1. INTRODUCTION

### 1.1 What changes are we making?

When you read the FSG you will see that there is a section titled “Who we act for?” This section details products and services provided by third parties, whom the bank acts for. The provider of the travellers’ cheque product has changed from American Express International Inc. to Interpayment Services Limited for Visa branded travellers’ cheques and Travelex Global & Financial Services Limited for Mastercard branded travellers’ cheques.

You will also note that there are details on how the Bank gets paid. The commission structure for some third party products has changed as set out below.

## 2. COMMISSION CHANGES

### 2.1 Travellers’ Cheques

The bank no longer receives commissions from the third party providers on the sale of travellers’ cheques.

### 2.2 Consumer Credit Insurance

Changes to the commission rates stated on page 3 of the Financial Services Guide are outlined below:

Third party product	Commission	How the commission is paid
Consumer credit insurance products	We receive commission of 20% of the amount of your GWP*. For example, if you take out consumer credit insurance with a GWP of \$1,000 we will receive a commission of \$200. If you pay your premium by monthly direct debit we will receive a commission of 20% of your monthly GWP.	Our commission is insured each month on policies issued in the previous month.
Autosure product	We receive commission of 46.5% of the amount of your initial GWP*. For example, if you take out Autosure insurance with a GWP of \$500 we will receive a commission of \$232.50.	

\* Gross Written Premium (GWP) means your initial or ongoing insurance premium less stamp duty and GST.

# Financial Services Guide

## Personal Solutions

## **This Financial Services Guide (FSG) is an important document.**

- It is designed to assist you in deciding whether to use any of the services we offer.
- It contains information about how we and our staff are paid in relation to the services we offer.
- It contains information on how complaints against the Bank are dealt with.

You should read it carefully and make sure you understand it. If there is anything in this FSG that you do not understand, please contact us.

You may also receive a Product Disclosure Statement (PDS) from us. Generally we must give you a PDS if we are offering, or recommending that you acquire, a financial product. The PDS contains information that helps you make an informed decision about that product, such as details of the features, costs, risks and benefits of the product.

## **What financial services do we provide?**

Our Australian Financial Services Licence authorises us to deal in, and provide advice in relation to, the following types of products:

- transaction accounts;
- savings and investment accounts;
- travellers' cheques;
- funds transfers and electronic payment methods;
- general insurance;
- consumer credit insurance.

## **Who do we act for?**

We generally provide the services described in this FSG on our own behalf. However, we also provide services in relation to products issued by third parties. When we provide such services, we act for the issuer of those products.

The table below sets out the third party products in relation to which we provide services, and the issuers that we act for in providing those services.

<b>Third party product</b>	<b>Who we act for</b>
General insurance	Vero Insurance Limited
Consumer credit insurance	St Andrew's Insurance (Australia) Pty Ltd
Travellers' cheques	American Express International Inc.

## How do we get paid?

We may charge fees for the products and services that we provide to you. Details of the fees that relate to a product are set out in the PDS for that product.

We also receive commission on sales of products issued by third parties. The commission rates are set out below:

Third party product	Commission	How the commission is paid
General insurance products	<p>The commission we receive will vary depending on the type of policy.</p> <p>Home Building Insurance: We will receive a commission of between 0% to 15% of the total annual premium payable excluding stamp duty, fire service levy (if applicable) and GST, for each home building and contents insurance policy issued or renewed.</p> <p>Motor Insurance: We will receive a commission of between 0% to 10% of the total annual premium payable excluding stamp duty and GST, for each motor vehicle policy issued or renewed.</p> <p>Travel Insurance: We will receive a commission of between 0% to 20% of the total annual premium excluding stamp duty and GST, for each travel insurance policy issued.</p> <p>Profit Share: We may also receive a profit share from Vero Insurance Limited if the business we write on behalf of Vero Insurance Limited over a 3 year rolling period achieves a certain level of profitability.</p>	Our commission is paid each month on policies issued in the previous month.

Third party product	Commission	How the commission is paid
General insurance products	<p>Our eligibility for a profit share is calculated, and if appropriate paid, on an annual basis and does not involve extra costs to you.</p> <p>For example, if you take out home and contents insurance with a premium of \$1,000 per annum, we will receive a commission of up to \$150.</p>	
Consumer credit insurance products	<p>We receive commission of 20% of the amount of your initial and ongoing insurance premiums, excluding stamp duty and GST. For example, if you take out consumer credit insurance with a premium of \$1,000 we will receive a commission of \$200. If you pay your premium by monthly direct debit we will receive a commission of 20% of each monthly premium.</p>	Our commission is paid each month on policies issued in the previous month.
Travellers' cheques	<p>The commissions we receive vary depending on the currency of the travellers' cheques.</p> <p>United States Dollars (USD): Between 0.15% to 0.50% of the amount of USD travellers' cheques sold in a contract year.</p> <p>Australian Dollars (AUD): Between 0.10% to 0.40% of the amount of AUD travellers' cheques sold in a contract year.</p> <p>Great British Pounds (GBP): 0.25% of the amount of GBP travellers' cheques sold in a contract year.</p> <p>We may also receive a bonus of USD5,000 if we sell more than USD6,000,000 worth of travellers' cheques collectively over a three year period.</p>	Our commission is paid to us every 6 months on sales accumulated in that 6 month period.

## **How do our staff get paid?**

We pay our staff a salary. We may also offer monetary or non-monetary incentives to our staff for achieving performance targets. These targets relate to business initiatives aimed at attracting and retaining customers or providing banking products and services. These benefits are not linked to individual transactions or customers. These incentives are discretionary, and are based on achievement of individual Key Performance Indicators (KPIs). KPIs may include:

- customer service orientation;
- coaching;
- teamwork;
- sales ability;
- initiative;
- compliance.

Staff may receive monetary or non-monetary benefits for achieving specific targets in respect of certain business initiatives (for example, opening a certain number of transaction accounts in a month). The value of these incentives will not exceed \$5,000 per staff member for each business initiative.

Staff may also be eligible to:

- receive a free grant of Bank of Queensland shares under our Employee Share Plan; and
- participate in our long-term incentive program, which offers shares and options that vest in the future, provided that Bank of Queensland attains certain performance hurdles. Eligibility for participation in the long-term incentive program is entirely discretionary.

Staff are required to recommend to our customers the most suitable Bank products and services to meet their stated needs.

## **Do we pay for referrals?**

We do not pay commissions or provide other benefits to any person for referring customers to us in connection with the financial services to which this FSG relates. Our products and services are distributed through a network of agents, known as Owner Managers. The benefits that we give our Owner Managers do not affect the cost of the banking services we provide. If you are dealing with an Owner Manager, you will receive an FSG that details any remuneration (including commission) or other benefits that the Owner Manager, and the Owner Manager's staff, will receive.

## **How you can provide us with instructions**

You can contact us by using the contact details set out in this document. Instructions can be provided to us in person at one of our branches. In some cases, instructions may also be provided to us by telephone or through our Internet Banking Service. However, some of our products and services have their own rules around how you are to provide us with instructions. You should refer to the Product Disclosure Statement for the relevant product for these details.

### **If you have a problem or dispute**

#### **(a) Our Service Commitment**

At Bank of Queensland we are committed to providing our customers with innovative banking solutions and the best customer service experience.

Resolution of problems is a priority to us. If at any time our service does not meet your expectations we would like you to let us know.

#### **(b) How to contact us**

There are a number of ways to contact us:

- Contact your local branch manager. Our managers are always willing to listen to your suggestions about our products and services and they will do their best to address any concerns immediately.
- Our Customer Contact Centre can be contacted on 1300 55 72 72 from 7.00 a.m. to 7.00 p.m. (AEST), Monday to Saturday.
- Contact our Customer Relations Department via:

E-mail	customer.relations@boq.com.au
Telephone:	(07) 3212 3206
Fax:	(07) 3212 3405
Mail:	Customer Relations Reply Paid 2258 Brisbane QLD 4001

#### **(c) How will your complaint be handled?**

If we cannot solve your problem on the spot, we will let you know within 48 hours who is handling your complaint and how long it is likely to take for it to be resolved. We aim to resolve all complaints within 5 working days. If this is not possible we will keep you informed on our progress.



Please note we comply with the EFT Code of Conduct complaint investigation and resolution procedures in connection with electronic transactions to which the Code applies.

If your complaint cannot be resolved promptly, Bank of Queensland Customer Relations Department will take responsibility and work with you to resolve the matter.

**(d) What to do if you feel your complaint has not been resolved**

If your complaint is not resolved to your satisfaction, you can ask to have a further review by our Customer Advocate. The Advocate's role is to represent your interests within the Bank and to help ensure you have the best possible experience. Our Customer Advocate can be contacted on (07) 3212 3206.

If you remain dissatisfied with the outcome and you would like an independent review of the complaint and the result, you can refer your complaint to:

Banking and Financial Services Ombudsman Limited (BFSO)  
GPO Box 3A  
Melbourne VIC 3001  
Telephone: 1300 780 808  
Fax: (03) 9613 7345  
Internet: [www.bfso.org.au](http://www.bfso.org.au)

The Australian Securities and Investments Commission (ASIC) also has an information line: 1300 300 630. You can use this number to make a complaint and obtain further information about your rights.

For further information on solving problems and disputes please ask at any branch for our "We would like to know" brochure.

**How can you contact us?**

You can contact us by:

- calling our Customer Contact Centre on 1300 55 72 72;
- visiting our website at [www.boq.com.au](http://www.boq.com.au);
- e-mailing us via the 'contact us' page on our website;
- writing to us at GPO Box 898, Brisbane QLD 4001; or
- visiting your local branch.

1300 55 72 72  
boq.com.au

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