

Media Release

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ClearView restates its support for life insurance commissions

Diversified financial services company ClearView Wealth Limited has restated its support for life insurance commissions as a legitimate remuneration model and urged the government to make financial advice fees tax deductible, during two-days of public hearings on the insurance sector before the House of Representatives Standing Committee on Economics (**HOR**) on 28-29 April, 2020.

Representing ClearView at the HOR Standing Committee's Review of the Four Major Banks and Other Financial Institutions, ClearView Managing Director Simon Swanson reiterated the group's public policy position that the most pressing matters for the industry, aside from managing the impact of COVID-19, remained:

- Stable life insurance commission rates with no further changes;
- Tax deductibility of advice fees; and
- Unrestricted choice of life insurance provider for financial advisers and their clients.

In response to research cited by committee member Dr Anne Aly MP that 78% of consumers who obtained life insurance through an adviser preferred to pay an upfront fee for advice with lower insurance premiums over the lifetime of the policy, Mr Swanson said that advisers and their clients should continue choosing the most appropriate payment method, based on a client's unique circumstances and needs.

ClearView does not promote one remuneration model over another for life insurance advice.

With the group's flagship LifeSolutions product series, advisers can opt to receive commissions or reduce the commission to zero and charge a fee. They can also rebate commissions to the client and charge a fee, or accept a combination of fees and commissions.

Mr Swanson also updated the Committee on how ClearView was responding to the COVID-19 pandemic and its impact on staff, policyholders and customers.

The main ways ClearView is supporting policyholders and customers at this time include:

1. No specific exclusions for claims arising from a pandemic event.
2. Worldwide coverage, meaning all customers are covered should something happen to them while outside Australia.
3. Healthcare workers are not prevented from accessing life insurance.
4. LifeSolutions premiums may be waived for up to three months, due to financial hardship caused by involuntary unemployment.
5. Policyholders can place their cover on hold for up to 12 months, without having to go through the underwriting process again to reinstate cover.

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About ClearView

ClearView Wealth Limited is an ASX-listed diversified financial services company that specialises in life insurance, wealth management and financial advice solutions. The group partners with financial advisers to help more Australians grow and protect their wealth and achieve their financial goals. As at 31 December 2018, the group had \$240.7 million in inforce premium, \$2.62 billion in funds under management and 242 financial advisers. ClearView has been independently rated No. 1 in claims customer satisfaction. In the six months ending December 31, the group paid approximately \$40 million in claim entitlements.

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