

NEOS Life communication 5 February 2019

Royal Commission – the verdict is in

The last 12 months have certainly not been easy for our industry. The Royal Commission identified a number of areas where the behaviours of some financial services businesses fell below community expectations. This was both confronting and upsetting.

Monday saw the release of the final report of the Royal Commission. This is an important and welcome milestone. While we may not agree with all of the recommendations, we now have a clear picture of what the operating landscape is likely to look like for our industry over the next few years.

Probably the most pleasing aspect of the report was the recognition that sufficient time needs to be given to observe the effects of the LIF regulations before any further changes are made to commission regulations. At NEOS, we believe that commissions are a reasonable and appropriate option for remunerating advisers for their efforts in assisting clients. We now have at least another 2-3 years to demonstrate that the LIF changes are sufficient to address any lingering concerns in this regard. This removes a key item of worry and uncertainty for our industry and provides us the opportunity to demonstrate once and for all that this model doesn't disadvantage customers.

Our industry provides an amazing and noble service to society. By striving to ensure as many Australians as possible are adequately protected, we provide a valuable social good. As each of you know, we positively impact thousands of families each year by having insurance in place at their time of need.

As an industry, we need to do more to lobby government, regulators, media and consumers with education on these benefits to the community. We have amazing stories of care, compassion and support to share. More importantly than ever, we all need to work together to share these messages and take the industry forward. At NEOS Life, we will be talking with advisers and licensees on how best we can work together to ensure our message is heard and understood by ASIC and our Members of Parliament.

The Royal Commission was upsetting and a reminder that we all need to be vigilant and continually strive for improvement. We now have the opportunity to move forward with clarity and strength. There will no doubt be further challenges on the journey, but the opportunities for our industry to continue to meet an important societal need are immense. I'm personally glad to have the clarity that yesterday's report provides and look forward to joining you on the next stage of the journey.



neoslife.com.au

Level 33, Australia Square, 264 George St, Sydney NSW 2000 | GPO Box 239, Sydney NSW 2001

e: info@neoslife.com.au t: +61 2 9048 7788

About NEOS

NEOS Life is an independent, Australian life insurance business which offers a comprehensive suite of retail insurance products available through financial advisers.

NEOS was established, and is supported by, a team of industry-leading experts who passionately believe that advisers, and their clients, deserve better. The NEOS business has therefore been built from the ground up to significantly improve the way life insurance is delivered in Australia today. With fairer, more stable pricing, faster decisions and a commitment to a whole new level of customer service.

That's why NEOS is different. NEOS isn't here to simply chase market share and deliver a mediocre experience to everyone. NEOS is here to provide an outstanding NEOS Experience which is always easy, friendly, fast and reliable.

Since launching in June 2018, adviser feedback on the NEOS Experience has been overwhelmingly positive. Whether it's how simple, intuitive and fast NEOS' application process is, the certainty offered by their market-leading three-year rate guarantee or their contemporary, common-sense underwriting decisions, advisers are appreciating how easy and efficient working with NEOS is.

To find out more about NEOS Life, visit their website at www.neoslife.com.au/adviser