Financial Services Guide

a brighter future.

Date of issue: 3 August 2020

Financial Services Partners Pty Ltd
Level 3, 30 Hickson Road, Millers Point NSW 2000
AFSL No. 237590 ABN 15 089 512 587
T 1800 006 216
W www.financialservicespartners.com.au

arco ADVISORY

Contents

Who we are – our relationships	1
A partnership for a brighter future	2
How we work	3
Our Approved Product List	6
How we are paid	6
A long-term partnership	7
How you can provide instructions	7
Important relationships and other payments	7
What to do if you have a complaint	8
Protecting your privacy	8
Contact details	12

a brighter future.

About this guide

This Financial Services Guide (FSG) is provided to you to outline the financial services provided by Financial Services Partners Pty Ltd and your adviser (who is authorised through Financial Services Partners).

It is designed to ensure you can make a fully-informed decision about whether you want to use our services.

Please take the time to read this guide carefully. Sound financial advice is based on open communication. Understanding our services and our fees is the cornerstone of this communication. It's also important that you know who authorises your adviser, the nature of their associations and relationships and what to do if you have a complaint.

If you have further questions, or if there is anything that isn't clear please contact us on 1800 006 216 or talk to your adviser.

Welcome

Financial Services Partners advisers offer professional financial advice strategies to prepare for life's financial ups and downs and help achieve future security.

Who we are – our relationships

Your adviser is part of Financial Services Partners. Founded in 1999, Financial Services Partners is a network of approximately 150 professionally qualified financial advisers across 100 practices Australia wide.

Each Financial Services Partners practice is locally owned, employing qualified and authorised financial advisers who have an ethical duty to act with integrity and in the best interests of their clients. Your adviser is either a self-employed practice owner or employed by the practice as an adviser.

Financial Services Partners is a wholly owned subsidiary of IOOF Holdings Limited (IOOF). IOOF is listed on the Australian Securities Exchange (ASX: IFL) in the top 200 listed ASX companies.

What does this mean for you?

While operating in your local community your adviser does not act alone.

- Strong institutional ownership means you can expect expert advice and service delivered with a professional but personal touch.
- You can be confident that your adviser is well qualified and well supported by a team of highly qualified specialists including research, compliance, technical and learning and development teams.

If you have any questions about us, or how our business relationships may impact the advice you receive, talk to your adviser or call us on 1800 006 216 or visit *www.financialservicespartners.com.au*

We have a fundamental obligation
to act in your best interests.

It is critical that your adviser gets to know you to **ensure that any recommendations made are appropriate** for your individual needs and circumstances.

A partnership for a brighter future

As our name implies, your adviser is interested in partnering with you.

It is critical that your adviser gets to know you to ensure that any recommendations made are appropriate for your individual needs and circumstances.

We encourage you to be open and honest with our questions. We understand that personal, family and business issues can be quite private and stand by our promise to maintain your privacy. You can access more information about privacy under the heading 'Protecting your privacy'.

If incomplete or inaccurate information is provided to us this may result in inappropriate advice being provided, or we may not be able to provide advice to you.

If it is established that you have needs outside of the expertise of your adviser, or your adviser cannot access products which are in your best interests, they may first leverage the Financial Services Partners network to try and obtain suitable support.

If your adviser is unable to access suitable professional connections that can provide appropriate support then you will be informed that advice cannot be provided.

Once we agree with you on the scope of the advice you require, and the costs involved for this advice, we will ask for your agreement to proceed. We may charge a fee for preparing your advice, even if you decide not to implement our recommendations.

We are required by law to undertake certain checks which are very similar to those used when opening a bank account. This ensures we comply with the Anti-Money Laundering and Counter Terrorism Financing Act.

How we work

A strong partnership with your adviser is based on a number of key meetings and deliverables designed to understand your needs, identify your priorities and provide quality financial strategies and education to help deliver you a brighter future.

It's clear – it's in writing

When your adviser provides personal financial advice for the first time you will be provided with a Statement of Advice (SoA). The SoA details your personal advice, along with the basis for the advice.

If you are given additional advice at a later time, you may be given a further SoA or Record of Advice (RoA).

An RoA can only be used to provide advice if there has been no material change to your circumstances or strategy since your previous SoA. Your adviser may provide you with a RoA document or the advice may be provided verbally. If you are given verbal advice, your adviser will document the discussion and a copy of this record can be made available to you on request. Copies of any previously supplied advice documents are available from your adviser.

If your adviser recommends the purchase of a financial product (other than ASX-listed securities) you will be given a Product Disclosure Statement (PDS) for each product containing information about that product. We encourage you to read it and ask your adviser any questions you may have about the product.

Your adviser's goal is to be your mentor and guide so you are well informed and empowered to make sound decisions about your financial future.

When to work with us

We offer a range of advice services to cater to the broad needs of individuals and business owners in various stages, as well as strategies that focus on the important single life events that impact your financial well-being or that of your business.

This may mean your adviser can provide you with advice on an immediate need like finding an appropriate investment for a lump sum inheritance or redundancy payment, or arranging new or additional insurance on the birth of a child, to more long-term strategies such as rethinking your overall position in relation to your future retirement plans or business considerations.

Ask your adviser

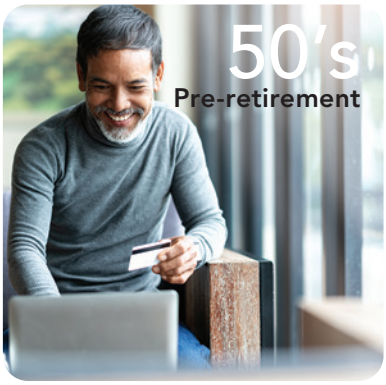
Your adviser may be a specialist in one area of advice, such as personal insurance, or provide service across a broad range of advice needs. To find out more about your adviser's areas of specialisation refer to their Adviser Profile attached.

TYPICAL NEEDS

- How do I build assets?
- How do I budget?
- How can I pay off HELP/credit card or personal debts?
- How do I buy my first home?
- How do I juggle current costs with future savings goals?
- How do I find time to get my finances on track?
- What would I do if I couldn't work due to accident or illness?
- How do I get my super sorted?
- How do I make more headway with my mortgage?
- How do I fund my children's further education?
- How do I start to maximise super contributions?
- Are my investments on track?

HOW FINANCIAL SERVICES PARTNERS CAN HELP

- Budget and savings plans
- Bad debt and cash flow management
- Enter investment markets
- Superanuation choice and investment strategies
- Tax benefit strategies
- Earnings protection
- Budgeting and cashflow
- Debt management investment strategies
- Super contributions strategies and asset allocation
- Family, income and lifestyle protection
- Savings bonds and strategies
- Investment strategies
- Borrowing to invest
- Super contributions strategies and asset allocation
- Super vs mortgage
- Debt management and recycling
- Asset selection and portfolio construction
- Estate planning
- Family, income, lifestyle protection



TYPICAL NEEDS

- Is my investment strategy appropriate?
- Are my assets appropriately diversified?
- Potential business investments
- When should I start to consider retirement planning?
- What should I do with my lump sum inheritance?
- Will I have enough to retire?
- How do I start to make the most of government entitlements?
- How can I ease into retirement?
- How do I manage succession in my business?
- How do I fund retirement?
- What if my partner goes before me?
- What are my entitlements?
- Will I have enough?
- How do I pay for rising healthcare costs?
- Do I consider selling the family home?
- How do I protect what I am leaving behind?

HOW FINANCIAL SERVICES PARTNERS CAN HELP

- Review position and investment risk appetite
- Investment stategies
- Borrowing to invest
- Bolster super contributions
- Asset allocation and portfolio construction
- Accessing super, aged 55
- Super vs mortgage
- Debt management and recycling
- Transition to retirement strategies
- Family, income, lifestyle protection
- Manage capital reserves
- Continue investments
- Address estate planning
- Access super while you work
- Advantages of retiring after 60
- Centrelink advice and assistance
- Map out retirement plan
- Maximise income streams
- Centrelink assistance
- Estate planning
- Aged care options

Our Approved Product List

Only products that have been examined by IOOF's experienced research team are placed on our Approved Products List (APL).

Products on the APL include those offered by our related companies, including Australian Executor Trustees Limited, IOOF Investment Management Limited, IOOF Investment Services Ltd, IOOF Ltd and Managed Portfolio Services Limited.

Our related companies also include OnePath Funds Management Limited, OnePath Custodians Pty Limited and Oasis Funds Management Limited which IOOF purchased from ANZ in 2020. As part of the acquisition, our APL includes certain ANZ banking products and life insurance products issued by OnePath Life Limited provided those products are suitable for our clients' needs and providing they comply with our legal obligations.

Our related companies are the registrable superannuation entity licensee, responsible entity, operator or investment manager of financial products or services we may recommend. They will receive fees and benefits as disclosed in the relevant disclosure document if you purchase the product or use the service.

Your adviser will first source from the APL before providing any recommendations. This means any product your adviser recommends has been thoroughly researched. They will only recommend a product after considering its appropriateness in relation to your individual objectives, financial situation and needs. Where your strategy requires products other than those on the APL to act in your best interests, the research team will be consulted and an alternative solution will be recommended.

How we are paid

The licensee (Financial Services Partners) collects all advice fees and product revenue and pays these onto the practice.

Your fees may be paid directly to Financial Services Partners or they may be deducted from products used. Your adviser will fully disclose all fees, product revenue and payments and will not implement their advice until these are agreed with you.

Financial Services Partners has arrangements with investment, superannuation and insurance providers and, until 31 December 2021, rebates may be paid based on the amount invested as a group or sum of premiums paid or payable on insurance policies entered into prior to 1 January 2018. Your adviser may be entitled to a share of the rebate and this will, or would have been, disclosed at the time he or she provides you with advice. This is not an additional cost to you.

We are committed to an open and honest fee structure for the advice and services we provide. The cost of your advice will therefore depend on the nature and complexity of your circumstances and the service provided.

The Adviser Profile in this document explains in full how your adviser is paid.

Commissions

Financial Services Partners may be paid upfront and ongoing commissions for some products we recommend to you. Commissions are paid to us by the relevant product provider and will be disclosed in our written advice to you.

For insurance products, commissions are based on a percentage of your premium. On all commission arrangements where the commission in the first year is greater than that payable in later years, the maximum upfront (year 1) commission is 66% and the maximum ongoing (years 2+) commission is 22% (inclusive of GST).

Where upfront and ongoing commission are the same, there is no legislated maximum however product providers generally pay up to 33%.

For insurance products purchased prior to 1 January 2018, we may continue to be paid commissions in the same manner as what would have previously been advised to you at the time of obtaining the product(s).

From 1 July 2013, commissions were banned on new investment and superannuation products. In certain cases, for products purchased before 1 July 2013, we may continue to be paid initial commissions of up to 5.12% of amounts invested and ongoing commissions of up to 1.1% of the account balance.

From 1 January 2021, these grandfathering provisions cease so that commissions on investment and superannuation products are no longer payable.

A long-term partnership

As your circumstances change over time, it is important that your adviser regularly reviews both your strategy and your situation to ensure recommendations remain current and appropriate to your changing circumstances.

Our review service includes varying levels of advice, review, contact and information and your adviser will discuss and agree on your specific service requirements as part of the provision of your initial advice.

How you can provide instructions

You may provide instructions to Financial Services Partners or your adviser by email, fax, letter, or telephone. In some instances we can only accept instructions in writing; if this is the case we'll let you know.

Important relationships and other payments

The following payments that we may receive are not an additional cost to you. Any other arrangements you need to be aware of will be set out in the Adviser Profile attached to this document. Arrangements that are relevant to the advice being provided to you will also be disclosed in your written advice.

- Product and service provider benefits
  Financial Services Partners may receive sponsorship payments from product and service providers to fund technical and professional development training for our advisers.

  Our practice owners or advisers may apply for and may qualify to receive commercial terms on a range of banking products and services such as interest rates and limited recourse terms.

- Distribution fees
  Related companies of Financial Services Partners may receive fees for acting as the distributor of financial products which your adviser may recommend. Any fee is paid by the product issuer or administrator of the product out of its own funds. Neither your adviser nor Financial Services Partners receive any of these fees.

- Advisory fees
  Product providers may pay advisory fees to Financial Services Partners or an investment management entity associated with Financial Services Partners. This fee is for the provision of portfolio management advisory services where Financial Services Partners model portfolios are utilised via managed accounts or separately managed accounts. In the event of this occurring, the fee is calculated as a percentage, likely to be up to 0.15% of the managed account or separately managed account portfolio balance. Your adviser will not receive any of this fee.

- Referral partners
  Your adviser may have referral relationships with third parties. These third parties may include accountants, mortgage brokers, general insurance brokers, solicitors, real estate agents and other third parties who specialise in a specific field.

  If you are referred to your adviser by one of these third parties, that third party may receive a referral fee, commission or non-monetary benefit. These referral fees can vary and may be up to 40% of revenue received or an equivalent or lesser value non-monetary benefit. Advisers can change their referral relationships over time and, as such, the referral fee ranges may also vary over time.

  Where you are referred to a third party (including to other financial advisers) by your adviser, your adviser does not receive any payment for that referral.

- Associated businesses
  Your adviser may have associations with other related businesses, such as an accountancy firm.

- Other payments
  We keep a full register of any benefits received by advisers of between $100 to $300. By law, your adviser is not permitted to receive other benefits in excess of $300 per year.

  In addition, Financial Services Partners keeps a register of any other non-monetary benefits your adviser may receive in relation to education, training, technology support or software that is relevant to the provision of financial advice. If you would like a copy of either register, please ask your adviser and one will be made available to you.

We can support your friends and family

We are passionate about quality advice and much of our new business comes through referrals from our existing clients. It's great that our clients are happy enough with our services to recommend us. If you know someone who can benefit please do not hesitate to put them in touch with us.

What to do if you have a complaint

At Financial Services Partners we take complaints seriously. In the first instance you should contact your adviser and detail your complaint.

If your complaint is not satisfactorily resolved with your adviser within three working days we encourage you to specify your complaint in writing, along with a suggested resolution, and send it to the Financial Services Partners Complaints Manager at our business address. Financial Services Partners will seek to resolve your complaint within 45 days and may seek your consent to an extension of time if required.

If your complaint has not been resolved to your satisfaction within 45 days, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA is an external dispute resolution scheme which provides free, independent complaint resolution for financial services and products.

AFCA's contact details are:

Website:	*www.afca.org.au*
Email:	*info@afca.org.au*
Telephone:	1800 931 678 (free call)
In writing to:	Australian Financial Complaints Authority GPO Box 3, Melbourne VIC 3001

The Australian Securities and Investments Commission (ASIC) also has a Freecall Infoline on 1300 300 630 which you may use to obtain information about your rights, and to make a complaint. For more information, please visit their website *www.asic.gov.au*

The law requires Financial Services Partners to maintain a level of Professional Indemnity Insurance appropriate for our size and the scale and complexity of our operations. Financial Services Partners' insurance covers claims made against FSP and both its current authorised representative and former authorised representatives. Our policy is reviewed annually for currency and suitability and is a key element of Financial Services Partners' license obligations.

Protecting your privacy

Financial Services Partners collects your personal information in order for one of its authorised representatives (that is, your adviser and/or the practice where he/she works) to provide you with financial products and services. In order to undertake the management and administration of products and services, it may be necessary for us to disclose your personal information to certain third parties.

We and your adviser will collect and use information about you during the course of your relationship with each of us.

It is important that the information we hold about you is up to date. You must let your adviser know when information you have provided has changed.

Collection, use and disclosure of information

We may use and disclose your personal information (including health and other sensitive information) for the following purposes:

- to assist in providing you with products and services;
- to consider your request for a product or service;
- to enable Financial Services Partners or another member of the IOOF Group to provide you with a product or service that was recommended to you by your adviser;
- to tell you about other products or services that may be of interest to you;
- to assist in arrangements with other organisations (for example product issuers) in relation to the promotion or provision of a product or service;
- to manage the relationship between you and your adviser and any accounts or policies which you hold, and perform other administrative and operational tasks (including but not limited to risk management, systems development and testing, staff training and market, customer satisfaction, investment research and to undertake analytics activities);
- to consider any concerns or complaints you raise against Financial Services Partners and/or your adviser and to manage any legal action involving Financial Services Partners;
- to identify, prevent or investigate any fraud, unlawful activity or misconduct (or suspected fraud, unlawful activity or misconduct);
- to identify you or establish your tax status under any Australian or foreign legislation, regulation or treaty or pursuant to an agreement with any tax authority; or
- as required by relevant laws, regulations and codes of practice.

We may disclose your personal information (including health and other sensitive information) to another licensee in order to enable you to continue to receive financial products and services in the following circumstances:

- where your adviser dies or their arrangements with us terminate;
- where our authorised representative becomes an authorised representative of another licensee; or
- where our authorised representative sells all or part of its business to another licensee.

Absence of relevant information

If you do not provide some or all of the information requested, Financial Services Partners may be unable to provide you with products or services.

Information required by law

We may be required by relevant laws to collect certain information from you. Details of laws that require us to collect information about individuals (personal information) and why these laws require us to collect personal information are contained in the Privacy Policy which can be found at *www.financialservicespartners.com.au/privacy-policy*

Providing your information to others

We may provide your personal information (including health and other sensitive information) to:

- an authorised representative of ours (including your adviser) for the purposes outlined in this document;
- IOOF and any related entity of IOOF which may use the information to carry out IOOF's functions and activities;
- any agent, contractor or service provider of Financial Services Partners or its authorised representative, engaged to carry out or assist with its functions and activities (for example, office support or paraplanning services, IT support providers, data analytics and mailing houses);
- an organisation that assists Financial Services Partners to identify, prevent or investigate fraud, unlawful activity or misconduct;
- regulatory bodies, government agencies, law enforcement bodies and courts;
- other parties Financial Services Partners is authorised or required by law or court/tribunal order to disclose information to;
- any person who introduces you to Financial Services Partners;
- your referee(s);
- your employer;
- your partner or spouse where they have sought advice jointly with you; or
- your authorised agents; your executor, administrator or trustee in bankruptcy; your legal representative; your attorney; or anyone else acting for you.

Where your adviser discloses your personal information to recipients which are (1) located outside Australia and/or (2) either not established in or do not carry on business in Australia, he/she will inform you of those countries in the Adviser Profile of our FSG.

Marketing and Privacy

We and other members of the IOOF Group may use your personal information to send you information about our financial products and services from time to time.

We and IOOF may also disclose your personal information to our related companies or organisations in an arrangement or alliance with us and/or IOOF to share information for marketing purposes. This is to enable them or IOOF to tell you about a product or service offered by them or a third party with whom they have an arrangement.

If you do not want us or IOOF to use and disclose your information as set out above, phone Customer Services on 1800 006 216 to withdraw your consent.

Privacy Policy

The Privacy Policy is available at *www.financialservicespartners.com.au/privacy-policy* and contains information about:

- the circumstances in which we or one of our related entities may collect personal information from other sources (including from a third party);
- how to access personal information and seek correction of personal information; and
- how you can raise concerns that we or one of our related entities has breached the Privacy Act or an applicable code and how we or our related entity will deal with those matters.

Personal information you provide about someone else

If you give us personal information (including health and other sensitive information) about someone else, please show them a copy of this notice and direct them to the Privacy Policy available at *www.financialservicespartners.com.au/privacy-policy* so that they may understand the manner in which their personal information may be used or disclosed in connection with your dealings with us.

If you have further questions, or if there is anything that isn't clear please **contact us on 1800 006 216 or talk to your adviser.**

Financial Services Partners
Level 3, 30 Hickson Road, Millers Point NSW 2000
AFSL No. 237590 ABN 15 089 512 587
T 1800 006 216
W www.financialservicespartners.com.au

arco
ADVISORY