



Australian Financial  
Services Limited

# Financial Services and Credit Guide

## PART 1

Adviser Owned Adviser Driven<sup>®</sup>

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This Financial Services and Credit Guide was prepared and approved by Australian Financial Services Limited (AFSL and ACL number 297239) and issued on 31 January 2012 as Version 6.0

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Australian Financial Services Licence Number 297239  
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# ***Financial security is of vital importance...***

Your financial security will play an important role in the quality of life experienced by you and your family in the years to come. Australian Financial Services Limited (AFS) is a national financial advisory group and our objective is to provide the advice, services, products and carefully planned strategies that you need to reach your financial goals and objectives.

## ***The purpose of this document***

This Financial Services Guide (FSG) is intended to inform you about us and our relationship with you before we provide you with financial advice. It is intended that this FSG should assist you in deciding whether to use any of the services provided by our Authorised Representatives.

The term Authorised Representative means a person whom AFS has authorised to provide financial services (that is, provide advice and dealing in financial products) on our behalf under our Australian Financial Services Licence. Throughout this document our Authorised Representatives are described as "Your Adviser" or "Advisers".

This FSG consists of two parts – Part 1 contains information regarding the licensee of your Adviser, and Part 2 contains information specific to your Adviser. It also contains information about remuneration that may be paid to Advisers, AFS and other relevant persons in relation to the services offered. It also contains information on how we handle your personal information and how complaints against Advisers are handled.

## ***Other documents you may receive***

### ***Statement of Advice***

If you have been provided with personal advice, your Adviser will confirm their recommendations in writing so that you can make an informed decision about the suitability of the advice to you. Their recommendations are contained in a written Statement of Advice (SOA) and will be provided to you.

### ***Record of Advice***

A Record of Advice (ROA) will be used to record any personal advice where we are providing you with ongoing or subsequent advice and your personal circumstances have not changed. The ROA will be added to your file and is available to you on request within seven years. If you have not received a ROA from your Adviser, or you require a copy, you may request a copy of the ROA by contacting your Adviser or us on any of the contact details set out on page 1 of this FSG.

### ***Product Disclosure Statement***

If a financial product recommendation has also been made, you will be provided with access to a Product Disclosure Statement (PDS) containing specific and important information about each recommended investment product that will enable you to make an informed decision about the product is appropriate for you. It is imperative that you read and understand any PDS provided by your Adviser before you make any decisions relating to a financial product recommendation.

## *Strength and competence...Adviser owned adviser driven*

AFS is a wholly owned subsidiary of AFS Group Ltd which is 100% owned by its advisers, directors and staff.

We believe that this ownership structure provides clients with the confidence and security that business decisions are made with you the client in mind and are not influenced by Corporate or Institutional ownership.

AFS is the holder of Australian Financial Services licence number 297239. Under the Corporations Act, our primary responsibility, and that of our Advisers, is to you, our client. When providing services authorised by AFS, our Advisers act on our behalf as Authorised Representatives of AFS. You may wish to give your Adviser specific instructions and you should contact them directly using the contact details set out on page 1 of Part 2 of this FSG.

## *Education and knowledge for your security...*

You want to be sure that the advice you receive is up-to-date and accurate. Whilst your Adviser has many years of practical experience, continuing education is a requirement of both AFS and the industry regulator, the Australian Securities and Investments Commission (ASIC). Full details of your Adviser's experience and expertise are set out in Part 2 of this FSG "Authorised Representative Disclosure Statement.

## *Research for your peace-of-mind...*

Advisers are provided with a comprehensive and research driven Approved Product List from which they can choose a product suited to your needs.

The recommended investment products that your Adviser selects from our Approved Product List are subject to an approval process that includes external research and analysis and are sourced from over 50 leading fund managers.

Advisers are not restricted to products or administration platforms associated with any particular institution and the selection of an appropriate product is made on a "client first" principle.

Insurance products are sourced from all the major insurers and are examined not only for their policy wording, product benefits and competitive cost structures but for their long term market presence.

## *Financial services and advice to meet your requirements...*

The kinds of financial products that your Adviser may advise on or deal in on your behalf include:

- a) Deposit and payment products;
- b) Debentures, stocks or bonds issued by a government;
- c) Life products;
- d) Interests in managed investment schemes;
- e) Retirement savings accounts products;
- f) Securities;
- g) Standard margin lending facilities; and
- h) Superannuation.

Your Adviser can provide a wide range of services from comprehensive financial planning to tailored advice on selected products. The financial product advice and services we provide fall into three broad categories.

1. **Strategic Advice.** One of the most important things we do for you is to match our recommended strategies with your goals and objectives. Whether you require a strategy to protect your family, or save for a specific goal such as children's education, or early retirement we will tailor a strategy to your needs.
2. **Investment Advice.** Where authorised by us (see Part 2 of this FSG your Authorised Representative's Disclosure Statement), your Adviser is able to provide advice on managed funds, shares and debentures as well as superannuation advice.
3. **Insurance.** Advisers are authorised to advise on a wide range of insurance products such as Life, Trauma, Income Protection and Disability insurance.

Some Advisers may also be authorised to operate managed discretionary accounts. If so, further information will be contained in part 2 of this FSG.

Our Advisers may provide general advice or personal advice. Before providing personal advice, your Adviser will want to ensure that the advice is appropriate and suitable for your needs. To do so, he/she will need to find out about your current financial position and your financial goals and objectives.

You have the right not to disclose this information should you not wish to. If you do not disclose this information, the advice may be based on incomplete or inaccurate information relating to your personal circumstances and you should, before acting on the advice, consider the appropriateness of the advice, having regard to your relevant personal circumstances.

In providing personal advice, your Adviser will explain any significant risks relating to any recommended financial products or strategies. If you do not understand these risks you should ask your Adviser to explain them to you.

## *Credit services and advice to meet your requirements...*

If you require advice involving mortgages or other lending products, several Advisers are credit representatives of AFS and are authorised to provide credit advice regarding how to structure debt, suitability of existing loan structures and repayment options.

When providing credit assistance, the 6 credit providers who AFS Advisers conduct the most business with are:

- CBA
- NAB
- Westpac
- ANZ
- ING
- Suncorp

Advisers may also conduct business with a number of other banking, or bank owned, credit providers.

In accordance with the National Consumer Credit Protection Act, your Adviser must not advise you to enter into a credit contract with a particular credit provider, or suggest you increase the credit limit, if the contract is unsuitable for you. The contract will be unsuitable if it is likely that:

- you will be unable to comply with your financial obligations under the contract, or could not comply without substantial hardship; or
- the contract will not meet your requirements or objectives.

Before entering into a contract or increasing your existing credit limit, your Adviser must make a preliminary assessment whether the contract will be suitable.

You can request a copy of your Adviser's preliminary assessment. Your Adviser must give you a copy:

- before suggesting you enter into a credit contract or before the credit limit is increased, if a request is made before then;
- within 7 business days, if your request is made within 2 years of entering into the contract or the credit limit increase;
- otherwise within 21 business days.

Your Adviser will not be required to give you a copy of the preliminary assessment if:

- your request is made more than 7 years after entering into the contract or the credit limit increase; or
- you do not enter into the credit contract recommended or increase the credit limit as recommended.

## *Adviser remuneration*

Advisers may be remunerated in various ways. Advisers who are shareholders of AFS Group Ltd may receive dividends in their capacity as shareholders. Advisers who are employees of AFS or its Authorised Representatives may receive salary only,

or a combination of salary and bonus, dependent upon the amount of client income generated for their employer. Further information regarding remuneration is disclosed in Part 2 of this FSG.

## *Fees and Charges*

Advisers may receive payment for their services in a number of ways.

AFS prefers that clients be asked to pay a fee for service, or pay a charge for the amount of funds that the advice covers. Where appropriate, AFS may receive brokerage or commission which is paid by a financial product issuer. Advisers may also choose to offer a mix of both methods to suit your needs. (See part 2 of this FSG for further details).

Advisers, who are also Authorised Credit Representatives (Credit Advisers), may be remunerated by a fee for service from the client or receive commission or brokerage from the credit provider. Credit Advisers are able to recommend credit products from banks and approved mortgage aggregators, or franchisors who provide support to mortgage brokers. A list of the credit providers that your Credit Adviser is accredited to use and the remuneration to be paid by that credit provider will be disclosed in Part 2 of this FSG.

If an upfront fee is to be charged for the preparation of this advice then it will be disclosed prior to you incurring that fee (refer to Part 2 of this FSG for further information).

In addition to the above, Advisers may receive additional benefits either of hospitality or training and support. Any benefit either monetary or goods valued at greater than \$300 will be recorded in a public register and maintained at AFS' office and any benefits that may be reasonably considered to have an influence on the advice or services provided to you will be disclosed to you.

## *Preferred Business Partners, Alliances and Sponsors...*

AFS maintains preferred business partner arrangements with many leading companies who provide us with access to products on favourable terms. This involves a payment to AFS by the preferred partner of between \$10,000 - \$25,000 and/or a volume bonus payment dependent on funds under management. In exchange, the preferred partner receives the opportunity to provide training at professional development days and at AFS' annual conference for which they make a financial contribution. This relationship is beneficial to both AFS and our clients.

The Salisbury Group, a related entity of AFS and an AFS licensee has the same preferred business partner arrangements as AFS.

Please note that the inclusion of a product or service on our recommended list is not dependent on support from a product supplier.

Your SOA will fully disclose these arrangements and will be presented to you by your Adviser.

The preferred business partners of AFS and The Salisbury Group as at 3 December 2011 were:

- Abacus Property Group
- AIA Australia Limited
- Alpha Structured Investments
- AMP Capital Investors
- Asgard Wealth Solutions
- Asteron Limited
- Australian Unity
- Aviva Investors
- Bendigo and Adelaide Bank Limited
- BT Financial Group
- Colonial First State
- Commlnsure
- INstreet Investment Limited
- IOOF Investment Management
- Macquarie Bank Limited
- Macquarie Life
- MLC/ NAB / Aviva
- Next Financial Limited
- Oasis Asset Management / OnePath
- Russell Investment Group
- Tower Australia Limited
- UBS Global Asset Management (Aust) Ltd
- Zurich Australia Limited

If one of our preferred business partners changes throughout the year, our website will be updated to reflect our most current preferred business partners. Please refer to our website for our most up-to-date list of partners.

## ***Strategy Portfolio Limited***

Strategy Portfolio Limited (SPL) is a marketing entity associated with the Strategy Personal Superannuation and investment platforms and is wholly owned by AFS Group Limited, of which AFS, the licensee of your adviser, is also a subsidiary.

Your Adviser may receive a volume based bonus for recommending that you invest via the Strategy platforms. Your adviser is, or may in the future become, a shareholder in AFS Group Limited, and may therefore indirectly benefit as a result of recommending that you invest via the strategy platforms.

Some AFS advisers were previously shareholders in SPL. In 2007, these shares were sold to AFS Group Limited. The sale price is being paid in three tranches and determined using a formula which includes a reference to the amount of client funds under management (FUM) that the former shareholder retains in the SPL platform.

Your SOA will disclose whether your Adviser or a related entity is, or was, an AFS shareholder and whether any specific remuneration arrangements are received as a result of that shareholding, or as a result of recommending that you invest via the strategy platforms.

## ***UMA Select Pty Ltd***

UMA Select Pty Ltd (UMA Select) is a Corporate Authorised Representative of AFS and acts as the promoter for the SMSF Select service which is an end to end self managed superannuation service. AFS is a substantial shareholder in this entity. UMA Select Pty Ltd will receive a maximum of 0.3% pa of the total administration fee. As shareholder and licensee of UMA Select Pty Ltd, AFS will receive this amount in due course. If your Adviser is a shareholder of AFS, they may then indirectly receive a portion of this amount as a dividend the amount of which cannot be estimated at this time. Your SOA will disclose the actual costs of the services to you.

## ***Personal Choice Private***

AFS Group Limited, the parent company of AFS, is a substantial shareholder in Personal Choice Management Pty Ltd (PCM), the owner of the Personal Choice Private (PCP) product offered in the PCP/Asgard Public Disclosure Document. PCM meets the costs of the services provided by the Administrator and the Trustee and is thereby entitled to receive an administration fee of up to 1% from investors for such services based on a formula which relates to the total funds under management (FUM). PCM Shareholders are entitled to receive a dividend/capital (if any) based on the success of the PCM which is not related to the returns on, or performance of, clients' capital.

## ***Managed Discretionary Account - MDA Private Pty Ltd***

AFS Group Limited, the parent company of AFS, is a substantial shareholder in MDA Private Pty Ltd, the owner of a managed discretionary account offering to retail clients, and is entitled to charge administration fees of up to 1%. As a shareholder, AFS will receive this amount in due course. If your Adviser is a shareholder of AFS they may then indirectly receive a portion of this amount as a dividend, the amount of which cannot be ascertained at this time.

## ***Volume Bonuses***

AFS may receive volume bonuses from mastertrust and wrap platform suppliers if the total of all AFS client funds invested reach a pre-determined dollar amount.

## How is my personal information dealt with?

Your personal information that we have collected is contained in your file. This includes information about your financial objectives and also contains the recommendations made to you. If you wish to examine your file you should ask your Adviser, who will make arrangements for you to do so.

We are committed to ensuring the privacy and security of the information provided. Information on this is included in our privacy policy.

## AFS Privacy Policy

In order to comply with the requirements of the Privacy Act, we are required to advise you that AFS holds personal information about you. The information has been and will continue to be collected by us for the purpose of providing you with financial services including:

- a) the preparation of your financial plan;
- b) the provision of financial planning advice to you;
- c) making securities and investment recommendations;
- d) reviewing your financial plan;
- e) reviewing securities and investment recommendations; and
- f) for other related matters.

We are required, pursuant to the Corporations Act, certain regulations issued by the Australian Securities and Investment Commission and the Rules of Professional Conduct of the Financial Planning Association, of which this organisation is a principal member, to collect information about you for the purpose of providing you with the services referred to above.

We will from time to time disclose information about you to Advisers of AFS and to other professionals, insurance providers, superannuation trustees and product issuers in connection with the purposes detailed above. We may also be required by law to disclose your personal information to government agencies, including the Australian Taxation Office, the Australian Transaction Reports and Analysis Centre (Austrac) or a court of law. In the event we consider it necessary to use or disclose information about you for purposes other than those detailed above, or related purposes, we will seek your consent.

If you choose not to provide your personal information to your Adviser, your Adviser may decline to provide personal advice to you, or the advice you receive may not be appropriate to your circumstances, needs and objectives.

If your Adviser leaves AFS, AFS will continue to hold your personal information in accordance with our Privacy Policy.

You are entitled to obtain access to the information which we hold about you by contacting the AFS Head of Compliance on 03 8320 1517 or by writing to PO Box 630, Collins Street West P.O Melbourne, Vic 8007.

## What happens if I have a complaint?

AFS is serious about providing a quality service and resolving any complaints in regard to that service internally however in the event that complaint needs to be referred to an External Dispute Resolution service AFS is a member of the Credit Ombudsmen Service Limited (COSL). COSL is an independent body which has been approved by the Australian Securities and Investments Commission (ASIC) to deal with complaints against its members.

If you have any complaint about the service provided to you, you should take the following steps.

1. Contact your Adviser and tell them about your complaint. The Adviser will advise the Head of Compliance of AFS about the details of your complaint.

Alternatively, you may contact the Head of Compliance at AFS directly in writing at PO Box 630 Collins St West, Melbourne, VIC 8007, or fax 03 8320 1599, or by email [compliance@afs.au.com](mailto:compliance@afs.au.com). AFS will try and resolve your complaint quickly and fairly.

2. If we have not resolved your complaint within 45 days of making your complaint, we may ask you for an extension of time from you to resolve your complaint. However, if you have not received a satisfactory outcome within 45 days of making the complaint to us, you can make a complaint to our external dispute resolution scheme as follows:

**Send your complaint to the:**

**Credit Ombudsman Service Limited (COSL)**

**Address: PO Box A252 Sydney South NSW 1235**

**Phone: 1800 138 422 (Free call)**

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

**Please note that the complaints service is free of charge to you.**

**Prior to 30 November 2011 AFS utilized the Financial Ombudsmen Service (FOS) as its External Dispute Resolution Service before switching our membership to COSL. Should you have a complaint that was lodged with FOS prior to that date the matter will continue to be handled by FOS.**

**FOS's contact details are:**

**Address: GPO Box 3 Melbourne VIC 3001**

**Phone: 1300 78 08 08**

**9am - 5pm Melbourne time weekdays**

**Fax: (03) 9613 6399**

**Website: [www.fos.org.au](http://www.fos.org.au)**

**ASIC also has a free call Infoline on 1300 300 630 which you may use to make a complaint and obtain information about your rights.**

In the event it is ever necessary, AFS holds a professional indemnity insurance policy. The policy includes coverage for the advice given by your adviser whilst an AFS Authorised Representative even if they are no longer authorised by AFS or have left the industry.



# Financial Services and Credit Guide

## PART 2

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## Authorised Representative Disclosure Statement for:

**John Weall Dip FP CFP**  
**Authorised Representative No 263541**

127 Cambridge Street West Leederville WA 6007  
P.O. Box 1118 West Leederville WA 6901  
Tel: 0893815188 Fax: 0893815133  
Email: jweall@inet.net.au

John is a representative of Australian Financial Services Limited (AFS) the holder of Australian Financial Services licence number 259586. AFS is responsible for the advice provided to clients.

He is authorised to provide both general and specific advice in the following product and advice areas.

### Services

- *Full Financial Planning*
- *Investment advice*
- *Pre & Post Retirement Planning*
- *Social Security Planning*
- *Salary Packaging*
- *Wealth protection*
- *Portfolio reviews\**

### Products

- *Managed Funds*
- *Personal Superannuation*
- *Corporate superannuation*
- *Direct Shares*
- *Tax Effective products*
- *Life, disability & trauma Insurance*

John has been providing advice since 1980. He is a Certified Financial Planner and holds the Diploma of Financial Planning.

To assist him, he has a full time professional staff of 2 people. John's main role is as a financial strategist, assisting clients to reach their financial goals. John is a member of the Financial Planning Association.

*\*We do not normally offer a Portfolio Monitoring service.*

## Fees and Charges

Our practice can be remunerated by fees, commission or both. Details of remuneration will be discussed with you on an individual basis and be fully disclosed in the Statement of Advice provided to you. In most cases, you will be offered the alternative of a fee or payment of commission by the product provider.

### Fees and Commissions

Please refer to our attached Schedule of Fees, which explains the nature of all fees and charges paid to us by clients.

### Disclosure

John advises that he, or entities which are associated with him, hold shares in Australian Financial Services, which may at some time pay a dividend.

John also advises that he or entities associated with him also hold a share in Strategy Portfolio Services Limited, an associated company of Australian Financial Services Limited and as such may be entitled, from time to time, to receive allowances or other payments from that company including profit distributions. The value of the benefit attaching to the shareholding is unable to be quantified at this point in time, however any dividends paid from Strategy Portfolio Ltd to shareholders will be made from company funds and will not be at any further cost to the client.

From time to time various product suppliers, including Strategic Business Partners may provide incentives, or gifts of a minor nature.

AFS is committed to making full disclosure and where these are known and capable of being disclosed they will be included in the SOA.

## Scale of Fees

April 2011

	Insurance Reviews	Other Advice
Initial interview and data collection (with no advice)	No charge	No charge
General report with supportive material	\$220	N/A
Financial planning report, wealth creation & debt reduction strategies, retirement, and estate planning concepts.	N/A	\$330-\$1,500 (Depending on complexity)
Initial Salary Packaging Advice & Preparation	\$200 (payable on setting up of package)	
Salary Packaging review fee.	\$200 (Normally included in package)	

*These rates may be reviewed and any changes will be communicated to you. All fees are GST exclusive.*

**Client services may include:**

### Professional Service - \$200.00 per hour

- Limited telephone queries during the year
- Financial Needs Analysis, Data Collection,
- Portfolio or Insurance design, proposal preparation,
- Implementing and processing of the financial plan or insurances,
- Research time for products recommended,
- Strategic planning, annual or half yearly reviews.

### Non Professional Service - \$55.00 per hour

- Support staff: data entries, typing, mail outs, reception work, follow up of outstanding requirements, client telephone queries, and all other office related matters.

Brokerage and or fees for the placement, research of recommended products will be disclosed in your Statement of Advice.