

# Financial Services Guide



**This Financial Services Guide (FSG) explains the financial services provided by  
Financial Planning Services Australia Pty Ltd**

ABN: 55 010 521 810

Australian Financial Services Licence No. 225982

Level 5, 52 Collins St, Melbourne, Victoria 3000

Phone: 03 9657 1400

Fax: 03 9655 1333

[www.fpsa.com.au](http://www.fpsa.com.au)

## Why is this document important?

This *Financial Services Guide (FSG)* contains important information for you about:

- *Financial Planning Services Australia Pty Ltd (FPSA)*, and the services we offer you as your financial adviser
- How *FPSA* and our associates are paid
- Any potential conflicts of interest we may have in the provision of services to you
- Our complaints handling procedures and how you can access them

You should read this *FSG* along with your financial adviser's Adviser Profile. *FPSA* has authorised the distribution of this *FSG* by your financial adviser.

You will have noticed already that we use some abbreviated terms in this *FSG*. This is to make this *FSG* a bit shorter to read and, where we use the terms, we put them in *italics* so that you can easily identify them.

## Who is FPSA?

*FPSA* holds an Australian Financial Services Licence no. 225982, issued by the *Australian Securities and Investments Commission (ASIC)*, and is a Principal Member of the *Financial Planning Association of Australia Ltd (FPA)*. *FPSA* is committed to upholding the *FPA's Code of Ethics and Rules of Professional Conduct* in the provision of services to you.

*FPSA* is wholly owned by *netwealth Investments Limited (netwealth)*. *netwealth* is an independent, unlisted public company that provides a wide range of financial products to Australian investors and the financial planning industry. *FPSA* provides financial planning services through its authorised representatives and affiliated financial planning practices located across Australia.

## What financial services does FPSA offer?

*FPSA* offers the following financial planning services:

- Financial planning
- Investment advice on financial products and securities (including managed funds and shares)
- Superannuation advice
- Insurance advice
- Advice on retirement strategies
- Advice on gearing strategies (these are strategies using borrowing to invest)
- Savings and wealth creation advice
- Estate planning advice
- Social Security advice
- Ongoing review services

*FPSA* is licensed to advise and deal in financial products associated with this range of services. Your financial adviser is an authorised representative of *FPSA* and will provide these financial planning services to you on our behalf.

## Providing financial services to you

In providing financial services to you, your financial adviser may give you personal financial advice. This personal advice will be provided to you in writing in a document called a *Statement of Advice (SoA)*. Its purpose is to place you in a position to make informed decisions about your financial future.

If your financial adviser recommends that you invest in a specific financial product, they will give you a *Product Disclosure Statement (PDS)* or similar disclosure document that provides important information to help you make an informed decision about whether to invest in that product.

You should read the *SoA* and *PDS(s)* very carefully before making any decision relating to recommended strategies or financial products. Some documents, particularly *PDSs* contain technical terms that you may not understand. If there is anything you don't understand, please feel free to ask your adviser to explain it to you.

Where further advice is provided to you in situations where there has not been a significant change in your circumstances, the further advice may be recorded in a *Record of Advice (RoA)* which is kept on file for seven years. If you wish, you may request a copy of your *RoAs* from your adviser by phone, fax, email or post.

If you do not want comprehensive personal financial advice but only want advice on a limited area or only require a specific service, you may request your adviser to provide this advice or service. You can provide these instructions orally or in writing. However, if you do not obtain personal advice, you face the risk that the financial products you select will not be appropriate to your needs and objectives.

## Why do you need to provide us with information?

We have an obligation under the *Corporations Act 2001 (Corporations Act)* to seek information from you for the purposes of providing personal financial advice. It is up to you to specify how you wish to provide us with this information and instruct us accordingly. Information and instructions can be provided to us by telephone, fax, post or email. It is very important that you provide us with all relevant information about your personal and financial circumstances so that we can properly assess your situation and make suitable recommendations to you.

## Remuneration for our financial services

*FP&A* may be remunerated in a variety of ways for the services you receive. However, the amount, method and source of payment will be negotiated with you prior to the provision of advice and outlined in our *Terms of Engagement* which is our formal contract with you. Detailed information about the fees associated with personal advice will be disclosed to you in your *SoA*.

The remuneration that we and our advisers receive can be in a wide variety of forms. For example, it could include one or more of the following:

- **A direct fee** agreed before implementing any recommendations and usually based on one or more of a percentage of funds invested, a set yearly fee or an hourly rate.
- **An adviser service fee** agreed before implementing any recommendations and paid by the issuer of the financial product; this is usually an extra fixed dollar fee added to the cost of the financial product.
- **Upfront commission** paid by the issuer of the financial product and included in the cost of an insurance product or forms part of the entry fee of an investment.
- **Ongoing (or trail) commission** paid by the issuer of the financial product and usually included in the cost of an insurance product or forms part of the ongoing fees of the investment.

Your adviser may agree with you to charge in one or more of the following ways:

- An hourly rate, invoiced to you directly
- A fee for the preparation of the *SoA*
- A flat periodic fee payable per annum based on the amount you invest and invoiced monthly
- A fee or commission for investments in financial products or other investments
- A fee for reviewing your investments on a periodic basis

The fees may be paid directly by you, taken as a percentage of funds under management or be paid by a product issuer or funds manager in the form of a commission.

Commissions received from other issuers of financial products are generally calculated based on the amount of your funds invested in particular products. If your adviser is eligible for any additional commission, it will be disclosed to you in the SoA.

Your adviser may be paid commission by a financial product issuer at the time you invest or begin a contract and/or during the life of your investment or contract.

If your adviser is an employee of their financial planning practice, they will receive a salary and may also receive a performance bonus, which may be based on the funds invested by their clients. Otherwise your adviser will receive a portion of the direct fee, commission or adviser fee paid to FPSA. Specific details of this will be in the SoA.

FPSA's financial advisers also receive a rebate of 0.1% on total *funds under management* (FUM) held on your behalf by *netwealth*. For example, if an adviser has \$1,000,000 FUM with *netwealth*, they would receive an annual rebate of \$1,000.

If you receive personal financial advice from us, we will tell you about any commissions, fees and any other benefits we may receive from the issuer of a financial product and, where possible, in actual dollar amounts, in the SoA.

For managed fund investments, the upfront commission usually varies from 0% - 5% of the total amount invested and the ongoing commission usually varies from 0% to 1.1% of the total FUM. Commission on agricultural products can be as much as 15% of the amount invested.

For insurance, the upfront commission varies from 30% - 120% of the base premium with ongoing commissions from 0% to 36% of the base premium.

## Relevant associations and relationships of your adviser and FPSA

Your adviser will usually be the principal or an employee of a financial planning company or partnership that is authorised to provide financial services on behalf of FPSA. In most cases that company or partnership will be independent of FPSA. However, in some cases the company may be part of the *netwealth* group in which case it will be an associate of FPSA. In addition, *netwealth* is an unlisted public company and some financial planning companies or their principals hold shares in *netwealth*. Any associations between your financial adviser and *netwealth* will be disclosed to you.

FPSA has relationships with different organisations that help FPSA and our advisers in different ways. This support may include subsidising training events and conferences by way of sponsorship. These sponsors may change from time to time and the current FPSA sponsors may include: MLC, Willmott Forests, Australian Unity, AIA Australia, Premium China Funds Management, Rewards Group, Aberdeen Asset Management, INVESCO Australia, Century Funds Management, Russell Investments, Royal Bank of Scotland, Aspen Group, OC Funds Management, Bennelong Funds Management, and ColCap Funds Management.

## How do we protect your privacy?

Your privacy is very important to us. We have systems and processes in place to keep the personal information you give us confidential. However, sometimes it is necessary to provide some of the information you give us to other parties so that we can provide you with appropriate products and services. For example, we may provide information to fund managers, platform operators, etc. Unless you tell us you do not want us to send you information on products and services, we may use your personal details to send you information on our products and services. We will not "sell" your information to third parties. For detailed information on how we handle your personal information and to whom this information will be provided to, please read our Privacy Policy online at [www.fpsa.com.au](http://www.fpsa.com.au) or request a copy from us on 03 9657 1400.

## If You Have a Complaint

We aim to provide 100% right service 100% of the time but we know we occasionally make mistakes. If you think we have made a mistake, we want you to tell us as soon as you can and we will endeavour to correct it. If at any time you have any complaint about the services provide to you, you should take the following steps:

1. Please first contact your adviser and discuss your concern.
2. Hopefully, your adviser will be able to rectify the problem. If for any reason your concern is not resolved to your satisfaction within 5 business days, you should write to the Compliance Manager at Compliance Manager, Financial Planning Services Australia Pty Ltd, Level 5, 52 Collins St, Melbourne, Victoria 3000 setting out the problem.
3. *FPSA* will investigate you complaint and seek to resolve it within 45 days from when you notify *FPSA* of it.
4. If, after 45 days, we have been unable to resolve your complaint to your satisfaction, you may address your complaint to:

Financial Ombudsman Service Limited  
GPO Box 3  
Melbourne Vic 3001

If you are still dissatisfied, you may wish to seek independent legal advice to consider your options.

## Professional indemnity Insurance

The *Corporations Act* requires Australian Financial Services Licensees, such as *FPSA*, to have adequate arrangements in place to compensate retail clients in the case of loss caused by *FPSA* or an *FPSA* authorised representative. *FPSA* maintains professional indemnity insurance that complies with these *Corporations Act* requirements.

## Adviser Profile

This Adviser Profile forms part of the *FSG* and must be read in conjunction with the *FSG*.

**Bridgeport Financial Services Pty Ltd**  
PO Box 18177  
Collins St East 8003

## Who is my Adviser?

Your financial adviser is an employee of Bridgeport Financial Services (Bridgeport), a Corporate Authorised Representative of *FPSA*. Bridgeport's *ASIC* number is 343723.

## Who is responsible for the financial services provided?

*FPSA* is responsible for the financial services provided by Bridgeport, including the distribution of this *FSG*.

## What kinds of financial services are you authorised to provide me and what kinds of financial products do these services relate to?

Bridgeport is authorised by *FPSA* to provide financial services in the following areas:

- Debentures, stocks and bonds issued by a government
- Deposit products
- Derivatives
- Life insurance products
- Managed investments
- Securities
- Superannuation and retirement savings accounts

## How is my Adviser paid?

This *FSG* has previously outlined the source, method and receipt of remuneration and other benefits payable to Bridgeport for the services provided to you.

As an employee of Bridgeport, your adviser receives a salary. They may also receive a performance bonus which is based on the funds invested by their clients.

## Does my Adviser receive any other forms of remuneration?

Your Adviser may receive alternative forms of remuneration for placing a level of business with specific issuers of financial products. These benefits may include corporate entertainment and/or small gifts. Should such a benefit be paid and be equal to or exceed \$300 in value, it will be recorded in a public register kept by your Adviser each quarter. This register is available to you for inspection within 7 days of your request.

## Further questions?

If you have any further questions about the services *FPSA* provides, please contact Bridgeport on 1800 045 166. Retain this document for your reference and any future dealings with *FPSA*.