

## Financial Services Guide (FSG)

February 2010 - Version 1

### **Who Are We?**

Aurum Planning Pty Ltd is a boutique financial planning business that is 100% owned by Directors and staff. The head office is based in Subiaco and we have a branch office in Albany. Aurum Planning Pty Ltd provides comprehensive advice and products to a wide range of clients including individuals, companies, partnerships and trustees of Self Managed Superannuation Funds.

### **Why Are We Different?**

Aurum Planning Pty Ltd takes a global view to investing. We have developed our own internal research department to specialise in risk-based asset allocation incorporating the selection of appropriate investments and specialist managers. We seek to stay away from the inflexible, stale investments so favoured by many in the Financial Advising community due to cross ownership and lack of internal infrastructure, restricting the ability to make wholesale changes to client's portfolios.

### **Who is your Adviser?**

Authorised Representatives of Aurum Planning Pty Ltd are:

- |                         |            |                                  |            |
|-------------------------|------------|----------------------------------|------------|
| • Simon Phillips SA Fin | No: 239470 | • David Phillips                 | No: 239469 |
| • Brendan Downes B.Comm | No: 239381 | • Graham Wroth B.Comm AFPA (Snr) | No: 231354 |

### **What Are our Authorisations?**

We are authorised to provide advice and deal in the following:

- |   |   |
|---|---|
| • Basic Deposit Products                          | • Managed Investment Schemes including IDPS |
| • Non-Basic Deposit Products                      | • Retirement Savings account                |
| • Debentures, stocks and bonds issued by the govt | • Superannuation                            |
| • Life and Risk products                          | • Securities                                |

To the extent that we authorise an Aurum Planning Pty Ltd representative to do so, the representative can help you to apply for all the financial products referred to in this FSG and can also give you financial product advice in relation to them.

### **What Will We Not Do?**

We will not provide advice on products that are not on our Approved Products List. Your adviser does not have authority to advise on products that are not Aurum Planning Pty Ltd approved. We will not provide advice on classes of financial products other than those identified in Aurum Planning Pty Ltd's AFS Licence or detailed above.

### **What Do We Expect From You?**

We expect that you will provide us with accurate information that we request so that we have a reasonable basis on which to provide you with advice. We expect that you will use our advice to enable you to make informed financial decisions. We expect that where appropriate you inform your adviser of any changes that may influence your future objectives. As a financial service provider, we have an obligation under the Anti Money Laundering and Counter Terrorism Finance Act to verify your identity and the source of any funds. This means that we will ask you to present identification documents such as passports and driver's licence. We will also retain copies of this information. We assure you that this information will be held securely. We cannot provide you with services if you are unwilling to provide this information.

### **Do any relationships exist which might influence the service or advice I receive?**

Your adviser may hold an interest in a financial product. Any significant interest and/or ownership will be recorded in a register of financial product holding and where appropriate, this holding will be disclosed to you in the SOA, or ROA.

### **What information do you maintain in my file and can I examine my file?**

We are committed to implementing and promoting a privacy policy which will ensure the privacy and security of your personal information. A copy of our privacy policy will be provided upon your request.

### **Will you give me advice that is suitable to my investment needs and financial circumstances?**

Yes. However, to do so we need to find out your individual investment objectives, financial situation and needs before we recommend any investment or risk products to you. You have the right not to divulge this information to us, if you do not wish to do so. In that case, we are required to warn you about the possible consequences of us not having your full personal information. You should read the warnings carefully.

### **Can I tell you how I wish to instruct you to buy or sell my investment?**

Yes. You may specify how you would like to give us instructions. For example, by telephone, fax or other means.

### **How Are We Paid for the Services We Provide?**

**Initial Consultation** - Our initial consultation is provided to all new clients without cost or obligation. After this first consultation, your adviser will discuss the fees and charges that will be applicable to your individual circumstances.

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**Our Advice and Implementation** - Our fee will be charged in two stages. The first stage is a standard Statement of Advice (SOA) preparation fee of \$1,100 (GST Inclusive). This fee is payable by invoice prior to the commencement of any work OR upon presentation of our invoice. The second or implementation stage will be based upon a scale applied to the actual amount of the portfolio invested. If you do not accept our advice you do not have to pay the remainder of our fee. This is Aurum Planning Pty Ltd's commitment to quality.

Our Scale is as follows:	\$0 - \$50,000	3.30%
	\$50,001 - \$200,000	2.20%
	\$200,001 - \$300,000	1.65%
	\$300,001 +	1.10%

If you proceed to the second (implementation) stage, the initial SOA preparation fee may be rebated to you. However the minimum total fee for SOA preparation and implementation will be \$1,100.

**Risk Insurance Commissions** - If you purchase or retain a risk insurance policy on our recommendation, we may receive brokerage payments from the Insurer who issues the policy. There are a number of ways these payments can be structured. Insurers currently offer brokerage payments up to 143% of the first year's premium and up to 32% for subsequent years over the life of the policy.

**Portfolio Review Service Fee Scale** - Our portfolio review service fee is 1.1% p.a. (GST inclusive) of your total funds under our advice. This fee will be inclusive of any previously disclosed ongoing brokerage that may be paid by any of the product providers that we have selected for you.

**Portfolio Administration and Self Managed Superannuation Funds** - We can facilitate an administration service of your portfolio and/or Self Managed Superannuation Fund utilising the electronic services of Praemium.

**Direct Equities** - We use Core Equity Services and E\*Trade Australia. Our brokerage fee is 1.1% (min \$110) per trade.

**Referrals** - We have a number of relationships with other professional advisers that refer clients to us. We may pay up to 30% of the total remuneration received by us in conjunction with the referral.

Full disclosure of all fees will be contained in the Statement of Advice that we prepare for you.

### **What Commissions, Fees or Other Benefits are Received?**

All Aurum Planning Pty Ltd Authorised Representatives are salaried employees. Directors and Officers may be entitled to receive Dividends, Bonuses or Profit Share arrangements. Aurum Planning Pty Ltd may from time to time receive a benefit from product providers by way of sponsorship of educational seminars, conferences or training days. Details of benefits above \$300 will be maintained on a Register. You have a right to request for further information in relation to the remuneration, the range of amounts or rates of remuneration, and soft dollar benefits received by Aurum Planning Pty Ltd and our Authorised Representatives.

### **What kind of compensation arrangements are in place and are these arrangements complying?**

Aurum Planning Pty Ltd confirms that it has arrangements in place to ensure it continues to maintain Professional Indemnity insurance in accordance with s.912B of the Corporations Act 2001 (as amended). In particular our Professional Indemnity insurance, subject to its terms and conditions, provides indemnity up to the Sum Insured for Aurum Planning Pty Ltd and our authorised representatives/representatives/employees in respect of our authorisations and obligations under our Australian Financial Services Licence. This insurance will continue to provide such coverage for any authorised representative/ representative/employee who has ceased work with Aurum Planning Pty Ltd for work done whilst engaged with us.

### **What should I do if I have a complaint?**

We are committed to providing quality advice to our clients. This commitment extends to providing accessible complaint resolution mechanisms for our clients. If you have any complaint about the service provided to you, you should take the following steps:

Contact your adviser and tell your adviser about your complaint.

1. If your complaint is not satisfactorily resolved within 7 days please contact Aurum Planning Pty Ltd on (08) 9381 1162 or put your complaint in writing and send it to us at, Aurum Planning Pty Ltd PO Box 358 Subiaco WA 6904, or email [complaints@aurumplanning.com.au](mailto:complaints@aurumplanning.com.au). We will try and resolve your complaint quickly and fairly.
2. If we cannot reach a satisfactory resolution, you can raise your concerns with the Financial Ombudsman Service on 1300 780 808. Aurum Planning Pty Ltd is a member of this complaints resolution service. The Australian Securities & Investments Commission (ASIC) also has a freecall Infoline on 1300 300 630 which you may use to make a complaint or obtain information about your rights.

### **In Conclusion**

This Financial Services Guide (FSG) is an important document which we are required to give you under the requirements of our Australian Financial Services Licence. It provides you with information about Aurum Planning Pty Ltd to help you decide whether to use the financial services we provide.

This FSG explains the services we can offer to you and the types of products we offer. It also explains how we (and other related persons) are remunerated for these services, and includes details of our internal and external complaints handling procedures and how you can access them.

Aurum Planning Pty Ltd authorises the distribution of this FSG.

If you choose to use our services you may also receive from us a Product Disclosure Statement (PDS), Statement of Advice (SOA) or Record of Advice (ROA).

To invest in any of our recommended financial products you must complete the application form attached to the relevant PDS. The PDS contains information about the particular product and will assist you in making an informed decision about that product.

If we provide you with personal financial product advice rather than general financial product advice we will initially provide you with an SOA. Personal financial product advice is advice that takes into account one or more of your objectives, financial situation and needs. The SOA will contain the advice, the basis on which it is given and information about fees, commissions and any associations which may have influenced the advice.

On an ongoing basis, an ROA will be provided instead of an SOA if there have been no significant changes in your personal circumstances or the basis of the advice has not significantly changed since your last SOA was provided. You have the right to request a copy of your ROA at any time. We will not provide advice on classes of financial products other than those identified in Aurum Planning Pty Ltd AFS Licence.

**Aurum Planning Pty Ltd is responsible for the advice provided and services offered to clients by their Authorised Representatives.**