



# Financial Services Guide

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A guide to the services we provide and how we will work with you to achieve your goals

## Licensee profile

### Financial Services Guide:

Version 16

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### Purpose of this FSG

Before we provide you with financial advice, you should read this Financial Services Guide (FSG). It contains the following important information to help you decide whether to use our services:

- about us
- the financial products and services your adviser can provide to you
- how we, your financial adviser and other related parties are paid
- what associations or relationships we have with others that could influence the advice provided to you
- how we collect and use your personal information
- details of who to contact should you have a complaint

### About us

Futuro Financial Services Pty Ltd (**'Futuro, us or we'**) has been operating since 2002 and is an organisation of choice for highly successful groups of financial planners and those who aspire to be. Futuro Financial Services holds an Australian Financial Service (AFS) Licence for providing personal and general advice. Futuro operates nationally through a network of representatives in most states and offers a range of financial services that are listed within this document.

Futuro is a member of the Association of Financial Advisers (AFA) and as such, Futuro and their network of advisers abide by the AFA's Code of Ethics. Futuro advisers may also be members of other associations, e.g. Financial Planning Association (FPA) or SMSF Professionals' Association of Australia (SPAA) and abide by their respective codes of conduct and/or ethics.

This Financial Services Guide (**'Guide'**) is used by Futuro to inform retail clients of the financial products and services provided by our network of advisers. It is designed to assist you in deciding whether to use these services and to ensure that Futuro complies with our obligations under our Australian Financial Services (AFSL) and Corporations Act (Cth) 2001.

If you decide to utilise any of the services provided by our network of advisers, you will receive this Guide and your adviser's profile. Your adviser's profile must be read in conjunction with this Guide and will outline specific information about your adviser prior to you receiving advice.

### Contact Details

ABN 30 085 870 015 | AFSL No: 238478

Address: 3<sup>rd</sup> Floor, 200 Creek Street, Brisbane QLD 4000

Phone: +61 7 3018 0400

Fax: +61 7 3018 0399

Email: [info@futuro.com.au](mailto:info@futuro.com.au)

Web: [www.futuro.com.au](http://www.futuro.com.au)

Futuro has approved the distribution of this Guide. Please retain this document for your reference and any future dealings with Futuro Financial Services Pty Ltd.

### About our advisers

Advisers are authorised by Futuro to provide financial product advice in relation to, and deal in, certain financial products and services. Futuro will be responsible for any financial services that your adviser is authorised to provide to you.

Your adviser's profile contains important information about your adviser including details of their education and qualifications, what advice they can provide, what relationships and associations they maintain as well as details of the advice fees you may pay and how they get paid for providing you with advice.

### Why you should choose us

We aim to provide personalised and responsible advice suited to your objectives and believe that sound advice and planning is the key to improving your financial position.

We undertake continuous professional development and training programs so that we are up to date with legislative changes to superannuation, investment, social security and tax environments.

We have access to technical, risk and investment research professionals who provide us with additional analysis on strategies and products that become available as a result of these changes.

Our advisers will help you determine your goals and weigh up different investment strategies to achieve them.

Most importantly, we turn your thoughts into action. There are no secret formulas to achieving financial security. We work with you to get the basics right and ensure you have a plan to achieve your goals over time.

## Advice we can provide

To implement our advice, we will only recommend quality products and services that are suitable for you.

Futuro maintains a broad approved product list containing investment and insurance products that have been researched by both internal and external research teams. Our advisers have access to a wide range of financial products and services which have been researched and approved by us. The research team periodically reviews the products on the approved product list to ensure that they remain competitive with similar products which address similar client needs and objectives.

Only those products and services considered worthy of recommendation to our clients have been approved. A copy of the approved list for investment and insurance can be supplied upon request.

We can provide advice on:	We can arrange the following products and services:
<ul style="list-style-type: none"><li>• guidance on budgeting and cashflow management</li><li>• savings and wealth creation strategies</li><li>• salary packaging advice</li><li>• debt management</li><li>• investment planning</li><li>• gearing and margin lending</li><li>• superannuation and pre-retirement planning</li><li>• retirement planning</li><li>• Centrelink and other government benefits</li><li>• aged care</li><li>• personal and business insurance</li><li>• business succession planning</li><li>• estate planning</li></ul>	<ul style="list-style-type: none"><li>• deposit and payment products (e.g. term deposits and cash management accounts)</li><li>• insurance (life, disability, trauma and income protection)</li><li>• debentures, stocks or bonds</li><li>• managed investments</li><li>• managed discretionary account services</li><li>• securities</li><li>• direct equities</li><li>• standard margin loans</li><li>• superannuation, including retirement savings accounts</li><li>• employer superannuation</li><li>• retirement incomes streams, including pensions and annuities</li><li>• self managed superannuation funds (including limited recourse borrowing arrangements)</li></ul>

Your adviser may only be authorised to provide advice to you in some but not all of the above products and services. Please refer to your adviser's profile for a list of strategies and products they can recommend.

## How you can give us instructions about your financial products

To develop a successful financial strategy, including recommending suitable products to meet your needs, we need to consider your personal circumstances and financial goals. We will ask you for information about your personal circumstances when we meet with you.

You have the right not to provide us with personal information. However, without this information, or if it is inaccurate, the advice you receive may not be appropriate for your personal circumstances. If the information is incomplete and/or inaccurate, your adviser may provide you with a warning that the advice may not wholly represent your needs, objectives or financial situation.

It is also important that you keep us up to date by informing us of any changes in your circumstances so we are able to determine if our advice continues to be appropriate.

## Transaction services

If you do not require advice from us, but you would like us to help you complete a particular transaction, we can also arrange for you to apply for the kinds of products referred to in this Guide. In these cases, we can take your instructions and arrange for the transaction to be completed, without providing personal advice.

It is important to understand that in these circumstances, we will generally ask you to confirm your instructions in writing and sign a letter that acknowledges you have declined our offer of advice as well as understand the risks of a transaction service. You will be provided with a copy of the letter for your own records.

You can also contact us directly with any instructions relating to your existing financial products. We will accept instructions from our existing clients via telephone, mail or email. Product transactions can only be completed on those financial products your adviser is authorised in.

### Documents you may receive

Our initial advice will be provided to you in a financial plan, known as a Statement of Advice (SOA). The SOA contains a summary of your goals and the strategies and financial products we will recommend to achieve your goals. It also provides you with detailed information about the fees, costs and other benefits we will receive as a result of the advice we have provided. We will maintain a Record of Advice (ROA) for any further advice we provide to you.

You have the right to request a copy of these documents up to seven years after the advice was provided by contacting your adviser.

If we recommend or arrange a financial product for you, we will make available a product disclosure statement (PDS) or investor directed portfolio service (IDPS) guide where relevant. These documents contain the key features of the recommended product, such as its benefits, and risks as well as the costs you will pay the product provider to professionally manage your investment or insurance. You should read any warnings contained in your SOA, the PDS or IDPS guide carefully before making any decision relating to our advice.

If you hold an ongoing service arrangement with us for a period of more than twelve months, we will provide you with a Fee Disclosure Statement (FDS). The FDS outlines the amount of fees you paid in the period, what services were offered and what services were provided to you.

### Your privacy and access to your information

We maintain a record of your personal information. You have the right to withhold personal information, but this may compromise the effectiveness of the advice you receive.

As part of our continuing commitment to client service and maintenance of our client confidentiality, we are bound by the Australian Privacy Principles (APPs) established under the Privacy Amendment (Enhancing Privacy Protection) Act 2012. Futuro has a Privacy Policy, which ensures the privacy and security of your personal information can be viewed on our website [www.futuro.com.au](http://www.futuro.com.au) or you can request a copy of the policy from us at any time.

If you wish to examine your file, we ask that you make a request in writing and allow up to fourteen working days for the information to be provided. We may charge a fee to cover the cost of verifying the application and locating, retrieving and/or copying any material requested. If the information sought is extensive, we will advise you of the likely cost in advance and can help you to refine your request if required.

Another adviser may be appointed to you if your adviser leaves Futuro or is unable to attend to your needs due to an extended absence from the business. In these circumstances, Futuro will write to you advising you of the change. Your personal information will be passed on to the new adviser.

If you choose to appoint a new adviser, your new adviser will be provided access to your policy information. They will be responsible for providing you with ongoing advice relating to those policies and all future advice fees deducted from the policy/(ies) will be paid to your new adviser.

### Advice fees

The fees charged for our advice and services may be based on:

- A set dollar amount that is agreed between you and us and invoiced directly to you.
- A percentage-based fee that is agreed between you and us and paid via your product (if possible).

Our advice fees may include charges for the following advice services:

**Initial advice** - The initial advice fee covers the cost of researching and preparing your financial plan and is based on a set dollar amount.

Before providing you with initial advice we will prepare an Initial Advice Agreement. The Initial Advice Agreement sets out what our initial advice will cover and how much it will cost you. In addition, the initial advice fee will be disclosed in your SOA.

**Advice implementation** – The advice implementation fee covers the administrative time spent implementing the recommended strategies and products and is based on a set dollar amount. The advice implementation fee will be disclosed in your Initial Advice Agreement or in your SOA.

**Ongoing advice** – The ongoing advice fee covers the cost to review the strategies and the products recommended in your SOA. An ongoing review helps you take advantage of opportunities as they become available.

The ongoing advice fee is calculated as either a set dollar amount or a percentage of your investments. Ongoing advice fees may increase each year in line with the Consumer Price Index (CPI) or by a fixed amount or fixed percentage each year. We will advise you if this fee will increase as a result of CPI.

Before providing you with ongoing advice your adviser will prepare an Ongoing Advice Agreement. This agreement sets out our ongoing advice offer, which includes the advice and services we will provide, as well as frequency these will be delivered, how much it will cost, your payment method and how the service can be terminated. In addition, the ongoing advice fee will be disclosed in your SOA.

**Additional advice** – For all other advice, an additional advice fee may be charged based on a set dollar amount. Any additional advice fee will be disclosed in your SOA.

**Commission** - Please note that for services in relation to insurance, banking deposit products, margin lending, some loan products and older investment products, commissions may be paid by the product provider as follows:

- Initial commission - a percentage of the value of your investment contributions, loan balance or insurance premiums, and
- Ongoing commission - a percentage of the value of your investment balance, outstanding loan amount or premiums, usually calculated at the end of each month in which you hold the investment or loan, or on renewal of insurance products.

Your advice fees will be calculated at the time we provide you with personal advice. Your SOA will outline the advice fees and any commission inclusive of GST.

#### **Payment Method & Frequency**

We offer you the following payment terms:

- Bpay, direct debit (credit card or savings), cheque
- Deduction from your investment
- Ongoing advice fees may be deducted as an annual instalment or in monthly or quarterly instalments.
- Ongoing advice fees may increase each year in line with the Consumer Price Index (CPI) or by a fixed amount or percentage each year. The specific amount will be agreed to by you and outlined in our ongoing advice agreement.

Futuro will typically retain 3% (may be scaled down to 0%) of the gross revenue received for the recommended financial services and/or products. Futuro will pay me the remaining 97% of the gross revenue received (unless otherwise stated). Please refer to your adviser's profile and SOA for detailed information on the types of fees charged.

#### **Relationships and associations**

It is important for you to understand the relationships that exist between us and other service providers, as they may be considered to influence our recommendations to you.

The Highfield Group Pty Ltd (Highfield) is the entity which owns Futuro. Highfield's shareholders include the directors of Futuro, Futuro staff and advisers.

AMP Limited owns 10% of the shares in Highfield. AMP provides Futuro with administration, funding and support services on an arm's length terms and shares in the profits of Futuro's business. AMP Limited's equity ownership in Highfield will increase in three stages, with the final stage, being a 100% equity ownership expected to occur by February 2017, subject to certain conditions being met.

Sterling Managed Investments Pty Ltd (“**Sterling**”) is an entity owned by Highfield which in turn is the owner of Futuro. Sterling holds an Australian Financial Services (AFS) License (No.340744). The shareholders of Highfield, which include the directors of Futuro, its staff and advisers, share in dividends that Sterling generates. The share price of Highfield may be affected favourably by the sale of products issued by Sterling.

Futuro has relationships with a number of financial product providers where we receive a payment based on the total volume of funds invested or placed through the relevant product provider’s administration platforms/services (Platforms). Futuro has arrangements with the following product providers:

- Netwealth
- IOOF
- AMP
- OnePath
- MLC Navigator
- MLC Select Margin Lending
- DKN Portfolio Administrator
- Portfolio Administrator
- Colonial First State
- Russell Investments

Product issuers may also make payments to us as follows:

- For investment products and loan products, up to 0.33%\* pa of funds under administration, the balance of the cash account or the total loan value outstanding.
- For insurance products, up to 10%\* of the total premium paid.

\* includes GST

The payments are usually made quarterly and are generally less any fixed fee that has been paid. Since this amount is calculated in the future, we cannot provide an exact figure at this point. However as an example, if:

- total funds under administration for a particular investment product is \$10 million with a nil fixed fee component, the issuer would pay Futuro \$33,000 annually.
- total premiums for insurance products are \$1 million; the insurer would pay Futuro up to \$100,000 annually.

Issuers of products do not pay to be included on our approved product list, however once on the list, product issuers or service providers may pay Futuro a fixed annual fee of up to \$30,000 (including GST). This fee assists with the costs of distribution support provided by us.

These amounts are paid to Futuro by product providers from the amounts we are entitled to receive, and is not an extra charge to you if you elect to invest in these products.

#### **Other benefits we may receive**

We may be offered or receive non-commission benefits such as entertainment or sponsorship from some product providers at no extra cost to you. Both our advisers and Futuro maintain a register to document benefits received. A copy of this register will be made available within seven days of a request.

- **Value Participation Scheme:** AMP may provide us with a cash payment based on the total value of in-force annual premiums on insurance products and funds under management in AMP products. AMP will pay us up to 0.25% of total funds under management in AMP wealth management products and up to 3% of total premiums on some AMP insurance products. For example:
  - If our clients have invested \$11 million of funds into Summit, we will receive \$27,500.
  - If our clients pay a combined annual premium of \$150,000 for insurance with AMP, we may receive \$4,500.
- **Buy out option:** We are eligible to sell our client base to Charter Financial Planning. The value of the sale is based on a multiple of the ongoing revenue generated from financial products as well as other non-revenue generating activities.

- **Business support:** We might receive financial assistance including subsidies or reimbursements for accounting, legal and bank fees, marketing or other once-off transitional support costs, to help us grow our business or implement appropriate succession planning options. The eligibility criteria are dependent on the value of sales into products from Futuro's approved product list.
- **Business loans:** We are eligible to receive finance for approved business cost at subsidised rates through AMP Bank.
- **Non-monetary:** From time to time, product issuers have access to our advisers to advertise or give training on their products. Any payments made by fund managers for educational purposes at conferences, professional development days or training days are shown in a non-monetary benefits register, which is available for inspection on request.

In certain circumstances, Futuro and/or your adviser may receive benefits in the form of subsidies for conferences including payments for travel and accommodation or other indirect benefits stemming from the advice provided to you. Any benefits we receive that may reasonably be considered to influence our advice and services to you will be disclosed in our written advice.

We keep a non-monetary benefit register of indirect benefits received from product issuers that are greater than \$300. Indirect benefits include such things as lunches, tickets to sporting or cultural events, corporate promotional merchandise and so on. You can see a copy of this register by asking us.

- **Payments to and from other professionals**

In some cases, your business may have been referred to us by non-regulated third parties such as real estate agents, accountants, mortgage brokers etc. Where this is the case:

- We may pay a referral fee when clients are referred to us from other professionals. This will be disclosed in your SOA if applicable.
- We may receive a referral fee from other professionals when we refer you to their services. This will be disclosed in your SOA if applicable.
- You may be referred to AMP Bank for home and business lending services. We received up to 0.40% initial commission and up to 0.12%p.a. ongoing commission on the loan amount. For example, for a loan of \$100,000, we would receive up to \$400 initial commission and up to \$120 per year ongoing commission.

Alternatively, you can ask us about the fees and we will tell you how much was paid and how it was calculated.

### What should you do if you have a complaint?

If you have a complaint about the advice or services we provided to you, you should take the following steps.

- Contact your adviser and tell them about your complaint;
- If your complaint is not satisfactorily resolved within three working days by your adviser, you can telephone Futuro on +61 7 3018 0400, email us at [info@futuro.com.au](mailto:info@futuro.com.au) or put your complaint in writing to:

**Complaints Officer**

Futuro Financial Services  
GPO Box 942,  
Brisbane QLD 4001

Futuro places great importance on resolving complaints quickly and amicably. For all complaints we will follow the following steps:

- We will acknowledge your complaint and try to resolve your complaint as quickly as possible.
- We will conduct a thorough investigation of your situation and the issues that you raise;
- We will provide you with a formal written response usually within a 45-day period. If circumstances do not allow us to respond within this timeframe, we will write to you explaining the reasons for the delay and specify a date when we will provide you with this response.

If your complaint has not been resolved satisfactory, you have the right to complain to one of the following External Dispute Resolution Schemes listed in the following table:

Type of complaint	External complaints service
Financial advice, investments, superannuation or insurance matters	Financial Ombudsman Service (FOS) on 1300 780 808  GPO Box 3 Melbourne VIC 3001 Phone: 1300 780 808 Fax: 03 9613 6399 Email: <a href="mailto:info@fos.org.au">info@fos.org.au</a> Website: <a href="http://www.fos.org.au">www.fos.org.au</a>  NB: There are some limits on the size of claims that can be handled by FOS. For details of the current limits, please go to the FOS website.
Personal information held	The Privacy Commissioner on 1300 363 992

The Australian Securities & Investments Commission (ASIC) may also be contacted on 1300 300 630 to find out which body may best assist you in settling your complaint.

### Professional indemnity insurance

Futuro is covered by professional indemnity insurance satisfying the requirements under the Corporations Act for compensation arrangements.

The insurance covers claims arising from the advice, actions and recommendations of current or former employees or representatives of ours, even where subsequent to these actions they have ceased to be employed by or act for us.

You do not have a direct right to claim under this insurance, which is taken out to ensure sufficient resources will be available to meet claims against us.



## Appendix: Privacy Collection Statement

As part of the financial planning process, we need to collect information about you. Where possible we will obtain that information directly from you, but if authorised by you we may also obtain it from other sources such as your employer or accountant. If that information is incomplete or inaccurate, this could affect our ability to fully or properly analyse your needs, objectives and financial situation, so our recommendations may not be completely appropriate or suitable for you.

We are also required under the *Anti-Money-Laundering and Counter-Terrorism Financing Act (AML/CTF) 2006* to implement client identification processes. We will need you to present identification documents such as passports and driver's licences in order to meet our obligations.

We keep your personal information confidential, and only use it in accordance with our Privacy Policy. Some of the ways we may use this information are set out below:

- Your adviser and Futuro may have access to this information when providing financial advice or services to you;
- Your adviser may, in the future, disclose information to other financial advisers, brokers and those who are authorised by Futuro to review customers' needs and circumstances from time to time, including other companies within Futuro;
- Your information may be disclosed to external service suppliers both here and overseas who supply administrative, financial or other services to assist your adviser and Futuro in providing financial advice and services to you. A list of countries where these service providers are located can be accessed via the Futuro Privacy Policy;
- Your information may be used to provide ongoing information about opportunities that may be useful or relevant to your financial needs through direct marketing (subject to your ability to opt-out as set out in the Futuro Privacy Policy);
- Your information may be disclosed as required or authorised by law and to anyone authorised by you.

Your adviser and Futuro will continue to take reasonable steps to protect your information from misuse, loss, and unauthorised access, modification or improper disclosure. You can request access to the information your adviser or Futuro holds about you at any time to correct or update it as set out in the Futuro Privacy Policy. The Futuro Privacy Policy also contains information about how to make a complaint about a breach of the *Australian Privacy Principles*. For a copy of Futuro's Privacy Policy visit [www.futuro.com.au/privacy](http://www.futuro.com.au/privacy) or you can contact us.

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