



Forsyths

Financial Services Guide (FSG)

A GUIDE TO OUR RELATIONSHIP
WITH YOU AND OTHERS.

planners@forsyths.com.au
www.forsyths.com.au



The purpose of this guide

This Financial Services Guide (FSG) describes the financial planning and advisory services we provide. It is designed to provide you with clear and concise information to assist you in making an informed decision regarding using Forsyths Financial Services Pty Limited (Forsyths Financial Services). It is a legislative requirement to provide you this FSG.

THIS GUIDE CONTAINS IMPORTANT INFORMATION ABOUT:

- What professional financial services we are authorised to provide and the products they relate to;
- The remuneration and other benefits received by Forsyths Financial Services as a financial services licensee;
- The fee schedule for services provided to you;
- Details of our Privacy Policy;
- Details of our internal and external dispute resolution procedures, and how you can access them;
- Client compensation arrangements;
- Next steps should you proceed to utilise Forsyths Financial Services; and
- The process for accessing your client records.

Who we are and what we do

WHO ARE WE?

Forsyths is a privately owned business services and financial advisory firm. As the financial services licensee of a regional accounting firm, Forsyths Financial Services provides more than the usual services you would expect. We aim to build meaningful relationships with you, your family and your business.

WHO WILL BE RESPONSIBLE FOR THE ADVICE GIVEN TO ME?

Forsyths Financial Services is the licensee and is responsible for the provision of any financial services to you. Our Advisers are authorised as representatives of Forsyths Financial Services Pty Ltd, Australian Financial Services Licence number 259938. Our Advisers are all employees of Forsyths Business Services Pty Ltd, a related entity within the Forsyths group of companies.

OUR AUSTRALIAN FINANCIAL SERVICES LICENCE (AFSL)

Our AFSL authorises us to provide financial services in relation to the following financial products;

- Basic deposit products;
- Non-basic deposit products;
- Government issued debentures, stocks or bonds;
- Life risk insurance;
- Interests in managed investment schemes, including investor directed portfolio services;
- Securities;
- Standard margin lending;
- Retirement savings accounts; and
- Superannuation.

WHAT DO WE DO?

Forsyths Financial Services provide high quality financial planning and advisory services across a broad range of financial areas, including:

- Financial advisory services;
- Portfolio management services and advice;
- Securities advice and trading services;
- Superannuation and rollover advice (including self-managed superannuation);
- Retirement planning;
- Personal risk insurances;
- Investment advice and investment products; and
- Margin lending.

WHAT TYPE OF ADVICE IS PROVIDED?

Depending on the circumstances, our advice in relation to financial services and/or products may be;

- **General Advice:** this is advice which does not take into account your objectives, financial situation and needs. Documents will be issued with a warning that they contain only general advice. Before making an investment decision on the basis of general advice, you need to consider, with or without the assistance of your adviser, whether the advice is appropriate given your particular personal investment objectives, current financial situation and needs; and/or
- **Personal Advice:** this is advice which takes into account your objectives, financial situation and needs.

When you receive our advice

WHAT DOCUMENTS WILL I RECEIVE?

If you decide to utilise our advisory services we will develop a tailored Statement of Advice (SoA). This SoA is provided to retail clients when personal advice is given and is designed to enable you to make an informed decision about whether to act on the personal advice received.

It will include (but is not limited to) statements and information in relation to:

- the advice;
- the identity of the person or persons advising you;
- the basis on which the advice was given;
- why the advice is considered to be in your best interests;
- any remuneration, commissions, other benefits and conflicts of interest related to the provision of the advice.

On an ongoing basis, a Record of Advice (RoA) may be prepared for further advice instead of an SoA if there have been no significant changes in your personal circumstances, and/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 any RoA at any time.

When we recommend a particular financial product (except for listed managed funds and securities), we are generally required to provide you with a Product Disclosure Statement (PDS) for that financial product. A PDS is an important document that sets out the significant features of a financial product, including its risks, benefits and costs (including any applicable fees). A PDS is designed to help you compare and make informed choices about financial products.

WILL YOU GIVE ME ADVICE THAT IS SUITABLE TO MY NEEDS AND FINANCIAL SERVICES?

To ensure our advice is appropriate to your circumstances, we need to understand your individual financial objectives, circumstances, needs and requirements.

You do have the right not to divulge this information. In this case we are required to warn you about the possible consequences of Forsyths acquiring limited personal information. In some cases, we may not be able to give you the advice you are seeking.

WHAT SHOULD I KNOW ABOUT ANY RISKS OF THE INVESTMENTS OR INVESTMENT STRATEGIES YOU RECOMMEND TO ME?

We will explain to you the relevant risks of any financial investments, products and strategies that we recommend to you. If you feel you need further clarification, please ask your Adviser.

HOW CAN I GIVE YOU INSTRUCTIONS?

You may specify instructions by telephone, fax, email, or in person. We may need to contact you in person or by phone to verify those instructions.

HOW DO I PROCEED WITH THE ADVICE?

We will arrange a suitable time to meet, present the SoA, and obtain authority to proceed if you so choose.

WHAT IF I DON'T WISH TO RECEIVE ADVICE BUT WOULD LIKE TO BUY OR SELL A SPECIFIC FINANCIAL PRODUCT?

If you decide not to receive our advice we could deal on your behalf by carrying out your instructions as an 'Execution Only' service. If you do not obtain advice, there is a risk that the security or financial product(s) you select will not fully take into account your particular needs, objectives, and financial situation. Forsyths is not responsible for these investment decisions.

An 'Execution Only' service involves a transaction or transactions where you instruct us to transact in a particular financial security, product or products. When you instruct us to place business on your behalf, you will receive an 'Execution Only' letter that outlines the terms and conditions for that service.

Our Relationships

FORSYTHS FINANCIAL SERVICES IS A PRIVATELY OWNED FINANCIAL ADVISORY BUSINESS.

Our aim is to provide you with transparent, clear financial services. Where we have relationships or arrangements with persons or organisations which may impact on the services we provide you, or provide a benefit to us, (other than those set out in this FSG) we will notify you in writing.

We have engaged Lonsdale Financial Group Limited (part of the IOOF Group) to provide certain services to back-office operations and software platforms. As part of this arrangement, we purchase access to product research and have access to platform/service offerings through various parties in their corporate group or network. We do not operate our business on volume targets with these service providers. Any recommendations we make to you regarding platform and service offerings from IOOF or a related body will be made on the basis of best available fit within your personal circumstances.

The Macquarie Virtual Advisor Network provides financial advisory support services including consulting services to the Forsyths Group on a contractual basis. Macquarie (Manager and Consolidator) Wrap Accounts placed via Forsyths Financial Services will see clients entitled to reduced administration fees. This reduction in costs is passed on entirely to clients via a reduction to any administration costs incurred.

How we are paid

OUR TEAM OF ADVISERS ARE REMUNERATED AND REWARDED UNDER THEIR EMPLOYMENT CONTRACT AND ARE PAID IN THE FORM OF SALARY.

They may also receive bonuses or benefits based on employment and internal performance criteria linked to compliance, training and business targets. Where our Advisers are also our firm Principals, their remuneration package includes distributions and dividends paid by Forsyths, linking their income to the overall profitability of the firm. Where the firm receives commissions or other benefits from product providers as a result of the advice given to you, these are allocated to the firm and not any particular Adviser.

Forsyths Financial Services is primarily a fee-for-service oriented business. Where possible, your Adviser will provide you with a fee amount (in either dollar or percentage terms) for the services to be provided to you. Where this fee amount includes commission payable on investment products, and personal and business risk insurances, these will be fully disclosed to you in an SoA. Our fee-for-service arrangements may include rebates on certain product commissions. Where commissions are not rebated on investment products and personal and business risk insurances arranged on your behalf, these will be retained by Forsyths Financial Services.

Sometimes we may receive remuneration that is not a direct money transaction. This is called Alternative Remuneration, and includes things like sponsorship to attend conferences, gifts and entertainment. Forsyths Financial Services maintains an Alternative Remuneration Register which contains details of all material alternative remuneration in accordance with the requirements of the Financial Planning Association of Australia (FPA) and Regulations. You may request a copy of this Register at any time.

Some arrangements entered into with product providers before 1 July 2013 may provide for commission payments to Forsyths Financial Services. Where permitted by law, we will continue to accept these payments.

Fees

INITIAL MEETING

Your initial meeting is free of charge. We will go through this FSG, discuss your circumstances and the advice you are seeking.

ADVICE

Advice costs are determined by your adviser, tailored to your circumstances and the advice you are seeking. Your Adviser will discuss this with you before work commences, and will detail this in your SoA.

ONGOING SERVICES

Services offered by Forsyths may provide you with ongoing strategic advice and comprehensive portfolio administration in relation to your financial plan. Like advice and associated costs, this is tailored to your circumstances and ongoing costs will be set out in your SoA.

Portfolio management services may be included in ongoing service arrangements and fees for these services is set at 1.1% including GST of funds under advice and administration.

Eg. *On a portfolio of \$500,000 the annual fee would be \$5,500 payable in monthly instalments of \$458.33*

TRANSACTION COSTS

Other transaction costs such as brokerage (cost of trading listed securities) are fixed. Brokerage is set at a maximum 1.1% of transaction value (minimum \$88) including GST.

Eg. *If you Buy shares valued at \$3,000 you will pay a total of \$3,088 (\$3,000 + \$88)*

If you Sell shares valued at \$10,000 you will receive \$9,890 (\$10,000 - \$110)

IMPLEMENTATIONS AND EXECUTION

Certain services may attract fees in addition to advice preparation fees or ongoing service fees. For example, the establishment of a self-managed superannuation fund, preparation and lodgement of forms to transfer assets or the preparation of minutes for retirement income streams. Services such as these will be detailed in a separate invoice to you, and your agreement will be obtained prior to proceeding.

COMMISSION PAYMENTS

Risk insurance arranged on your behalf (including life, disability, and salary continuance) may be subject to upfront and/or ongoing commissions from the insurance company. These are set by the insurer and may range from 0% to a maximum 80% of initial premiums payable by you, and between 0% to 22% of premiums payable in subsequent years.

These commissions are paid by the insurance company to Forsyths Financial Services. All commission payments will be detailed in your SoA. Recent changes to legislation are capping the amount of commission an insurer may pay. Please ask your Adviser for more details.

Privacy

HOW DO I PROTECT MY PRIVACY?

Forsyths Financial Services is committed to ensuring the confidentiality and security of your personal information and to comply with the *Privacy Act 1988 (Cth)*. Our Privacy Policy details how we manage personal information. A copy of the Forsyths Privacy Policy can be obtained from our website www.forsyths.com.au or upon request from the Forsyths Compliance Officer who can be contacted on:

PHONE 02 6763 0100

EMAIL compliance@forsyths.com.au

COLLECTING AND USING YOUR PERSONAL INFORMATION

We need to collect and use your personal information (which may include your sensitive information, such as health information) for a variety of purposes, including to provide you with the financial services you have requested (including answering your requests and complaints, varying products and services and managing your relevant products or portfolios). We may also need to contact you about other products and services that may be relevant to you. It is also necessary for us to collect personal information in order to prevent or investigate any fraud or crime, or any suspected fraud or crime.

We will collect your personal information from you directly whenever we can. Sometimes we collect your personal information from other sources or third parties such as your Accountant. We do this only if it is necessary to do so, for example where;

- we cannot contact you and we rely on publicly available information to update your contact details;
- we need information from an insurer about an insurance application you make through us;
- at your request, we exchange information with your legal or tax advisers or other representatives.

You may not be aware that we have done so. If we collect information that can be used to identify you, we will take reasonable steps to notify you of that collection.

We may collect information about you because we are required or authorised by law to collect it. There are laws that affect financial institutions, including company and tax law, which require us to collect personal information. For example, we require personal information to verify your identity under the *Anti-Money Laundering and Counter-Terrorism Finance Act 2006 (Cth)*.

ANTI-MONEY LAUNDERING REQUIREMENTS

As a financial services provider, we have an obligation under the *Anti-Money Laundering and Counter-Terrorism Finance Act 2006 (Cth)* to verify your identity and the source of any funds. This means that we will ask you to present identification documents such as your passport and driver 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.

WHAT INFORMATION DO YOU MAINTAIN IN MY FILE AND CAN I EXAMINE MY FILE?

We maintain a record of your personal information which includes details of your financial objectives, financial circumstances, needs and requirements, records of any Statements of Advice we may provide to you and copies of identification we seek from you in order to satisfy our obligations under various legislation. We maintain these records for the time periods set down in the relevant legislation. We are committed to implementing and promoting a privacy policy, which will ensure the privacy and security of your personal information. If you wish to examine your file, you should contact your adviser who will make arrangements for you to do so.

Complaints

WHAT SHOULD I DO IF I HAVE A COMPLAINT ABOUT THE FINANCIAL SERVICE PROVIDED?

If you have a complaint about the service provided to you, please take the following course of action:

1. Contact your Adviser to explain the nature of your complaint.
2. If your advisor cannot satisfactorily resolve your complaint within 3 business working days, you should contact the Forsyths Compliance Officer on (02) 6763 0100.

Alternatively you can send details of the complaint to:

EMAIL compliance@forsyths.com.au
POST Compliance Officer
Forsyths Financial Services
PO Box 758, Tamworth NSW 2340

The Compliance Officer will acknowledge receipt of a complaint within 3 business working days and try to resolve your complaint quickly and fairly. If the Compliance Officer can resolve the complaint within four weeks of initial receipt, a letter will be issued to you confirming that the complaint has been resolved. All complaints should be resolved within 45 business days.

3. If you are not satisfied with the manner in which we resolve your complaint, you may be entitled to refer your complaint to an external dispute resolution scheme. Forsyths is a member of the Australian Financial Complaints Authority (AFCA). Our AFCA membership number is: 11837. AFCA can be contacted on:

PHONE 1800 931 678
EMAIL info@afca.org.au
POST GPO Box 3, Melbourne VIC 3001
www.afca.org.au

Compensation Arrangements

Forsyths makes all reasonable steps to maintain professional indemnity and fraud insurance that meets the requirements for compensation arrangements under section 912B of the *Corporations Act 2001 (Cth)*.

Contact Us

If you would like to make an appointment to discuss your financial needs and objectives in more detail, please contact us.

TAMWORTH / 02 6763 0100

Level 3, 201 Marius Street, Tamworth NSW 2340
PO Box 758, Tamworth NSW 2340

ARMIDALE / 02 6773 8400

92 Rusden Street, Armidale NSW 2350
PO Box 114, Armidale NSW 2350

planners@forsyths.com.au
www.forsyths.com.au