

Financial Services Guide

Version 7.2 – 07/02/2018

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Introduction

The financial services referred to in this Financial Services Guide are offered by Direct Advisers Pty Limited. The purpose of providing a Financial Services Guide to you is to enable you to understand our services by giving you important information about them, how we charge for them, how we disclose any potential conflicts of interest and how we manage client complaints.

As part of our ongoing relationship we may provide you with other documents, namely a Statement of Advice, Service Agreements and Product Disclosure Statements.

In the Statement of Advice we will tell you about:

- Our recommendation, ongoing service and the fees we charge to provide them,
- The risks associated with the recommendation made to you.
- Any association that we may have with Financial Product Issuers or any other parties, which may influence the advice we give you.

We may also provide advice to you by way of a Record of Advice (RoA). You have the right to request a copy of the RoA (if you have not previously received a copy) within 7 years of that further advice being given.

The advice provided to you in the Statement of Advice or Record of Advice will be appropriate to your personal needs, objectives and financial situation.

For clients who use our Limited Managed Discretionary Account Service we may in some circumstances not use either a Statement of Advice or a Record of Advice.

If we recommend a particular Financial Product to you, we will give you information about the particular Financial Product, a Product Disclosure Statement, to help you make an informed decision about that Financial Product.

If we provide personal advice to you, we are required under the law to act in your best interest and prioritise your interest ahead of our own.

Business Overview

Direct Advisers Pty Limited is a boutique financial planning practice with its own Australian Financial Service License, providing advice, services and product to its clients. We are owned by Ursula Boorman and Peter Rodgers.

All our advice is prepared by the principals who are supported by our trained administrative staff. Founded in 1986, Direct Advisers Pty Limited provides services to clients throughout Australia from its office in Port Macquarie.

Our typical client is either retired or within ten years of retirement, seeking both strategic and investment advice. These clients appreciate that we are able to provide highly tailored personal advice on fee for service basis. Our client relationships are typically very long term and many of our clients have been receiving advice from us for well over a decade.

Direct Advisers Pty Limited is a member of the Boutique Financial Planners Group.

Your Advisers

Your adviser will be Ursula Boorman; Ursula is a practitioner member of the Financial Planning Association (FPA).

Ursula Boorman holds a Bachelor of Economics degree, a Diploma of Financial Planning and is a Certified Financial Planner. She has been involved in banking and financial services since 1988. Ursula is particularly skilled developing the financial strategies that enable our clients to achieve their goals through her understanding of the way that superannuation, taxation and social security legislation interact with each other.

Ursula Boorman is an Authorised Representative of Direct Advisers Pty Limited; Ursula is a Practitioner Member of the Financial Planning Association of Australia. Ursula Boorman is the principal and sole director of Direct Advisers Pty Limited.



Our Services

Direct Advisers Pty Limited is the holder of an Australian Financial Services License (AFSL) No: 236855, which became effective on January 10, 2004 following legislative changes. Prior to that date we held an Unrestricted Securities Dealer's License.

Our Australian Financial Services License authorises us to carry on a financial services business to retail client by providing financial product advice and allows us to deal in a financial product by applying for, acquiring, varying or disposing of a financial product on behalf of another person.

Financial Planning

- Investment Management
- Retirement Planning
- Super Funds
- Managed Funds
- Discount Stockbroking
- Wealth Accumulation
- Consequences Tax (Financial) Advice
- Financial Coaching
- Financial Strategies
- Portfolio Construction
- Aged Care Advice
- Pensions and Annuities
- Estate planning
- Fixed Interest and Cash
- Ethical Investments
- Life insurance
- Centrelink and Social Security

Direct Advisers Pty Limited is responsible for the financial services provided including the distribution of this Financial Services Guide. Whenever these services are provided by us, we will be acting on your behalf and not on behalf of any product issuer.

Our license allows us to provide advice in respect of the following classes of products:

- Cash and Term Deposits
- Shares and Securities
- Managed Investments
- Superannuation
- Investment Platforms
- Pension and Annuities
- Life Insurance
- Bonds and Debentures
- Margin Lending
- Property Trusts
- Retirement Savings Accounts
- Wrap Accounts and Master Trusts
- Insurance Bonds



Our Fees

We charge fees for the services that we provide. These fees fall into three categories:

Financial strategy advice.

Usually a one off fee for producing a Statement of Advice

Ongoing strategy advice.

Where we provide ongoing advice in relation to your financial strategy, including the structure of your investment portfolio, but no advice on individual investments.

Comprehensive ongoing service.

This covers everything that we do for you, including ongoing strategy advice, full ongoing investment portfolio management, regular meetings and unlimited access to our services.

The actual fee charges will depend upon the type and complexity of the service provided to you and will be as follows:

Initial Basic Strategic Advice Fee	Minimum	\$ 375
	Maximum	\$2,199
Initial Complex Strategic Advice Fee	Minimum	\$2,200
	Maximum	\$11,000
Ongoing Strategy Advice Fees	Minimum	\$130 per month
	Maximum	\$1,100 per month
Comprehensive Ongoing Service Fees	Minimum	\$260 per month
	Maximum	\$2,200 per month

Please note: The fees paid by existing clients may vary from the above.

Notes on fees and services:

- Our services are fee based. If commissions, rebates or similar benefits are paid to us in respect of these services, they will be rebated to you.
- Other fees may apply for providing consultancy or other services (such as portfolio reviews, second opinions, etc.)

Your adviser will tell you in writing in your Statement of Advice what fees we will charge you, when you have to pay, and what payments we may receive from Financial Product issuers.

Aged Pension Assist (APA) and Term Deposit Assist (TDA)

We also provide a no advice Aged Pension Assist and/or Term Deposit service.

Standard fees are as follows:

	APA	TDA	TDAPA
Initial Consult and Implementation	\$330.00	\$550.00	\$770.00
Ongoing annual membership fee	\$220.00	\$330.00	\$550.00

Stockbroking Service

We also provide a no advice stockbroking transaction service in conjunction with CMC Markets Stockbroking Limited.

Fees including brokerage paid to CMC Markets Stockbroking Limited are as follows:

	Total Fee	Brokerage Paid to CMC – Balance paid to us
First \$5,500	\$69.90	\$33.00
\$5,501– \$24,000	1.20%	\$33.00
Over \$24,000	0.60%	\$33.00 up to \$25,000 0.12% over \$25,000

Clients using our comprehensive ongoing service may pay a different fee to that in the above table.



Investment Management

Portfolio construction is based upon the allocation of investment across the asset classes of cash, fixed interest, shares and property according to the client's risk tolerance and investment time frame and is relatively conservative, with a typical "Balanced Portfolio" being approximately 50% invested in cash and interest producing investments.

We will not hold any monies on your behalf nor ask you to sign blank documents. Unless you choose to utilize our Managed Discretionary Account (MDA) Service we will not seek discretion to operate your accounts, implement new investments, nor make changes to existing investments, without your authority. In practice this means that unless we are operating an MDA for you, all investment recommendations will be given to you in writing and we will require your written authority in person, by mail, facsimile transmission or email prior to any implementation or change to your investments. We will not seek, nor hold powers of attorney for you, unless you choose to utilize our MDA Service.

We will only recommend an investment to you after considering its suitability for your individual objectives, financial situation and needs. We will also explain the risks associated with any investment recommendation.

We have researched and maintain an Approved Product's List (APL), which includes all financial products that we recommend, monitor and manage for our clients. We will not recommend, monitor nor manage a financial product that is not on our APL. You may choose to invest in or retain a financial product that is not on our APL, however we will require a release confirming that we have not recommended that financial product and have not provided advice in regard to it, nor will we provide ongoing advice in regard to that product.

What we require from you

You need to provide us with details of your personal objectives, your current financial situation and any relevant information, so that we can offer you the most appropriate advice possible.

You have the right not to tell us, if you do not wish to. However, if you do not, the advice you receive may not be appropriate to your needs, objectives and financial situation.

You should read the warnings contained in the Statement of Advice carefully before making any decision relating to a Financial Product.

Your Personal Records and Privacy

In providing our services to clients we collect personal information about them, including sensitive information (e.g. about a client's state of health for insurance purposes). Please note we treat all information you provide to us in confidence and will take all reasonable steps to ensure non-disclosure to anyone other than for the purpose of providing services to you or meeting our legal obligations. We treat all client information in accordance with the provisions of the Privacy Act 1988.

We will need to find out your individual objectives, financial situation and needs before we recommend any financial product 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.

We keep a record of the personal information, which may include details of your investment objectives, financial situation and particular needs, you provide to us. On your request, we can provide you with a copy of your personal information and advice documents, which we keep on record for no less than 7 years. Please note that a fee for this service may apply.

We are committed to implementing and promoting a Privacy Policy which will ensure the privacy and security of your personal information. You can obtain a copy of our Privacy Policy from us at any time.



Our Limited Managed Discretionary Account Service

This is an optional service that is available to our clients to enable us to manage investment portfolios in a more timely and efficient manner. We offer a Limited Managed Discretionary Account service (LMDA) where you allow us to manage your investments for you, using our discretion and without obtaining your instructions before each transaction we undertake on your behalf. These services are limited to the Limited Power of Attorney and Authority to Operate facilities within the investment platforms as per your agreement. Please note, these facilities do not authorise us to open new account, withdraw funds, or contribute new funds to your investment.

The Significant Risks Associated with using an MDA Service

By authorising us to make changes to your investments without seeking your prior authority, you cannot claim we were not acting on your behalf. Provided we act within that authorisation, our acts become binding on you. Therefore it is important you understand what we are authorised to do and carefully read and understand the activities that you are authorising us to perform on your behalf.

LMDA Services Contract

As of 11 December 2004, to receive a LMDA service you must first enter into an LMDA Contract. This contract will set out the terms and conditions of the authority and also the investment program, which sets out how your money will be invested.

Preparation of the Investment Program

We will prepare the investment program for you based on your relevant personal circumstances, financial objectives and needs.

Legal Compliance of the Investment Program in the LMDA Contract

Where this is relevant, the investment program set out in the LMDA Contract will comply with the law. The relevant law is Division 3 of Part 7.7 of the Corporations Act.

The contract will also contain:

- Statements about the nature and scope of the discretions we will be authorised and required to exercise under the LMDA Contract
- Any investment strategy that is to be applied in exercising those discretions
- Information about any significant risks associated with the LMDA Contract
- The basis on which we consider the LMDA Contract to be suitable for you, and
- Warnings that the LMDA Contract may not be suitable to you if you have provided us with limited or inaccurate information relating to your relevant personal circumstances and specify that the LMDA service may cease to be suitable for you if your relevant personal circumstances change.

Responsibility for Reviewing the Investment Program

We are responsible for reviewing your investment program. We will review your investment program at least every 13 months.

No Custodial or Depository Services are Provided

We do not provide custodial or depository services. Either you will hold the investments in the portfolio, or the custodian nominated for the investment platforms specified on the previous page will hold them for you.

No Extra Cost for the LMDA Contract of the LMDA

LMDA services are available at no extra cost to our clients



Provision of instructions on how to exercise rights relating to the financial products in your portfolio

Generally, the financial products which we invest in on your behalf do not have any additional rights or entitlements attached to them. However, if there are, we will let you know and you can provide us with instructions at the time as to how you wish for us to proceed. You can instruct us in writing, by facsimile transmission or by email. Our postal, facsimile and email contact details are contained at the end of this Financial Services Guide.

Third party Referral Payments

Where you have been referred to us by someone else, if we pay them a fee in relation to that referral, we will tell you in the Statement of Advice who will receive that fee and the amount they will receive. If we receive a fee from a third party who we have referred you to, we will disclose that fee to you.

Conflicts of interest and alternative remuneration

Direct Advisers Pty Limited is a shareholder in Personal Choice Portfolio Services Pty Limited, which receives rebates from the Asgard (eWrap and Elements only) platforms. This means that we are entitled to receive payments, including rebates and dividends, when you invest in Asgard.

Worked Example:

+ \$300,000 Account balance
+ Estimated rebate approximately = 0.27% per year
+ Approximate value of rebate received by us
= \$800 per year

Please note that because we return these rebates to you, they will not result in you paying additional fees when Asgard is used, and in some cases your Asgard fees will be lower as a result of us being a shareholder in Personal Choice Portfolio Services Pty Limited.

As a result of past recommendations in certain financial products, entities and associates of Ursula Boorman have obtained shareholdings in Centrepoint Alliance Limited, a service company that provides, compliance training and business development support to Direct Advisers Pty Limited.

This shareholding will entitle entities and associates of Ursula Boorman to receive a share of the distribution of any profits via dividends. The amount of the dividend receivable is solely at the discretion of the Centrepoint Board of Directors. Further recommendations in the product(s) below may result in Direct Advisers Pty Limited or its staff being eligible for additional shareholding in Centrepoint:

- Asgard
- NetWealth
- Colonial First Choice

Statement by Direct Advisers Pty Limited

Direct Advisers Pty Limited states unequivocally that the above arrangements have no influence whatsoever on investment product choices for our client's portfolios. At all times, portfolios are constructed solely according to our professional judgement of what are the best available investments and life products to meet the client's needs and objectives.

Direct Advisers Pty Limited maintains conflicts of interest and alternative remuneration registers, which are available for inspection by clients and prospective clients.

Complaint Handling Procedure

If you have any complaints about the service provided to you, you should take the following steps:

1. Contact us and tell us about your complaint.
2. If your complaint is not satisfactorily resolved within 45 days, please contact Ursula Boorman on 02 6583 7588 or put your complaint in writing and send it to us at PO Box 269, Port Macquarie NSW 2444. We will try and resolve your complaint quickly and fairly.
3. If the complaint can't be resolved to your satisfaction you have the right to refer the matter to the Credit and Investments Ombudsman. They can be contacted on 1800 138 422, <http://www.cio.org.au/complaint-resolution/making-a-complaint/> or you can write to them at PO Box A252, Sydney South NSW 1235.



Professional Indemnity Insurance

We maintain Professional Indemnity insurance in accordance with s.912B of the Corporations Act 2001 (as amended). Subject to its terms and conditions, that insurance provides indemnity up to the Sum Insured for Direct Advisers Pty Ltd. Our representatives or employees are also included in respect of our authorisations and obligations under our Australian Financial Services Licence. This insurance will continue to provide coverage for any representative or employee who has ceased work with us for any work done whilst they were engaged with us.

Other Matters

In the event we make a recommendation to acquire a particular financial product (other than securities) or offer to issue or arrange the issue of a financial product, we must also provide you with a Product Disclosure Statement containing information about the particular product which will enable you to make an informed decision in relation to the acquisition of that product.

If you have any further questions about the financial services we provide, please contact Ursula Boorman on 02 6583 7588.

Please retain this document for your reference and any future dealing with Direct Advisers Pty Limited.

This FSG complies with the Australian Securities and Investment Commission Class Order 04/194.