

Financial Services Guide

Newcastle (Head Office)

Suite 16a, Level 1, 50 Glebe Road
The Junction NSW 2291
✉ afrm@afrm.com.au

Sydney CBD

Level 12, 25 Martin Place
Sydney NSW 2000
✉ adminsyd@afrm.com.au

Melbourne

Level 37, 140 William Street
Melbourne VIC 3000
✉ adminmelb@afrm.com.au

Port Macquarie

10 Short Street
Port Macquarie NSW 2444
✉ adminpm@afrm.com.au

Brisbane

Level 7, 295 Ann Street
Brisbane QLD 4000
✉ adminbris@afrm.com.au

Phone & Mail for all office locations

☎ 1300 364 341

PO Box 866
The Junction NSW 2291

Version 4.9
FSG prepared and issued 1 November 2023
By authority of Australian Financial Risk Management Pty Limited
www.afrm.com.au
www.afrm.com.au/legal/financial-services-guide-fsg

What is a 'Financial Services Guide'?

Our 'Financial Services Guide' or 'FSG' has been prepared to heighten client awareness of their basic rights in the financial services market. We want you to know what type of financial services we provide so that you may make an informed decision about whether to use our service.

This guide contains important information about:

- The financial services we can offer you
- How we and our associates are paid
- Any potential conflict of interest we may have that may influence our advice
- Our internal and external complaints handling procedures and how you can access them

When we give you financial advice it will be in the form of a *Statement of Advice* which will consider your objectives, financial situation and needs. This statement will also describe our fees, commissions and any associations which may have influenced the provision of the advice. We may also provide you with a Record of Advice, subsequent to a Statement of Advice, if there have been no significant changes in your personal circumstances or the basis of the advice has not significantly changed since your last Statement of Advice. This will outline any changes in strategy and may include revised information on fees or commissions.

If we recommend a particular financial product to you we will also give you information about that product in the *Product Disclosure Statement (PDS)*. To purchase products, you will be required to complete an application form online or 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.

Please retain this document for your reference and any future dealings with Australian Financial Risk Management

Not Independent

Australian Financial Risk Management may be remunerated by commission from insurance providers (see pages 5 and 6 for further detail). This payment may be received for the duration of time you hold an insurance policy under our management. For this reason, we are unable to refer to ourselves as independent.

Who is responsible for the financial services provided?

Australian Financial Risk Management Pty Limited (AFRM) is responsible for the financial services provided including the distribution of this FSG.

Australian Financial Risk Management Pty Limited
ABN 21 001 696 868
Australian Financial Services Licence No.237186

What financial services and products is AFRM authorized to provide?

Your adviser is authorised by AFRM to provide financial services advice on Risk Management, Business Succession and Insurance Planning. The products this authority relates to are specifically risk products e.g. Income protection, business expenses, life insurance, disablement and critical illness/trauma insurance products.

Tax implications of our advice

Under the Tax Agent Services Act 2009, AFRM is authorised to provide tax (financial) advice services on matters that are directly related to the nature of the financial planning advice provided to you. We will not consider any other tax matters in our advice to you. Where tax implications are discussed they are incidental to our recommendations and only included as an illustration to help you decide whether to implement our advice.

What information should I provide to receive personalised advice?

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

You have the right not to disclose this information. If you do not provide full personal information the advice you receive may not be appropriate to your needs, objectives and financial situation.

You should read any warnings contained in the *Statement of Advice* very carefully before deciding on acquiring a financial product.

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

Your privacy is important to AFRM. To learn more about our collection and handling of your personal information and for details on how to access our Privacy Policy please refer to the *Appendix: Privacy Collection Statement* of this Financial Services Guide.

How can I give you instructions about my Financial Products?

You may provide instructions to us by e-mail, telephone, or other means such as letter.

Do you have associations with any other Financial Service Providers?

PSK Financial Services Group Pty Ltd is a 50% shareholder in Australian Financial Risk Management Pty Limited.

PSK Financial Services Group Pty Ltd is associated with PSK Private Wealth, a financial planning advice and service provider.

How will I pay for the services provided?

We may receive a payment called commission, which is paid to us by the Financial Product issuer for placing new financial products. We may agree to rebate any financial risk advice fees to you by amounts we receive in this manner.

These commission payments are not an additional cost to you but are paid to AFRM by the Financial Product issuer. All commission payments are shown exclusive of any GST (unless otherwise indicated) and disclosed to you at the time you consider our financial product recommendations.

In addition, any fees will only be outlined in the form of a "Letter of Engagement" for your acceptance prior to any financial risk advice or claims management services commencing.

In our Letter of Engagement, we may outline a fee payable for provision of our advice. The circumstances under which the fee will, and will not be charged, will be outlined in the Letter of Engagement.

AFRM may charge you (in the manner described above) between \$550 and \$5,500 (including GST) for the provision of financial risk advice.

Alternatively, we may charge a fee between \$550 and \$33,000 (including GST) for other agreed services such as the management of complex insurance claims.

These amounts should be used as a guide only. Fees (if applicable to you) will be considered in light of the complexity and extent of services we agree to provide you. A fee will only apply if we have obtained written agreement in a Letter of Engagement prior to provision of our advice or services.

How are commissions, fees or other benefits received by AFRM?

Upfront payments

Where a risk/life insurance product has been recommended the issuer of the product will pay AFRM commission.

The commission rates will range between 0% and a legislated maximum 60% of your first year's premium, varying from one product issuer to another. For example, assume you pay an insurance premium of \$1,000, AFRM may receive a one-off payment of up to \$600 in upfront commission.

Ongoing payments

Where a risk / life insurance product has been recommended the issuer of the product will pay AFRM ongoing commission. This commission can vary, depending on the product, and may range between 0% and 34.1% of your premium. For example, assume you pay an insurance premium of \$1,000, AFRM may potentially receive up to \$341 pa ongoing commission for as long as you hold the product.

How does your adviser get paid?

Your adviser is an employee and receives a salary from AFRM, and may also receive a bonus, a profit share, or rewards of less than \$300 value. Bonus payments are not linked to the quantity or volume of products advised. Bonus payments are determined by considering qualitative factors such as the caliber of the adviser's advice and client service provision.

Your adviser may also receive non-monetary forms of benefits from product providers. They may include conferences, with respect to training and education, (excluding travel and accommodation for the conference), or token gifts, invitations to sporting or cultural events and dinners with less than a \$300 value.

We maintain a register that records any forms of alternative remuneration. This is available to you upon request.

Will anyone be paid for referring me to you?

Where you have been referred to us by someone else we may pay them a fee or commission in relation to that referral. We will inform you in the *Statement of Advice* who will receive that fee or commission and the amount we expect they will receive.

Does AFRM have Compensation Arrangements?

Australian Financial Risk Management Pty Limited has appropriate Professional Indemnity Insurance arrangements in place as required by the Corporations Act. This insurance will cover claims in relation to the conduct of current representatives / employees and those who may now no longer work for AFRM.

What should I do if I have a complaint?

1. Contact your adviser, or the 'Complaints Manager' at AFRM, and tell us your concerns.
2. You can phone, email or write a letter to:

Managing Director
Australian Financial Risk Management Pty Limited
PO Box 866
The Junction NSW 2291
Email: afm@afm.com.au
Ph: 1300 364 341

We recommend that you provide as much detail as possible in your correspondence. We will then seek to resolve your complaint quickly and fairly.

3. If your complaint is not satisfactorily resolved within 30 days you have the right to refer the matter to:

Australian Financial Complaints Authority (AFCA)
GPO Box 3, Melbourne VIC 3001
Telephone 1800 931 678 (free call)
Email info@afca.org.au or website www.afca.org.au

This service is provided free of charge and Australian Financial Risk Management Pty Limited is a member of this service.

The Australian Securities and Investment Commission (ASIC) also has an infoline 1300 300 630 where you can raise a complaint. If the complaint is in relation to the handling of your personal information, the Office of the Australian Information Commissioner's infoline is 1300 363 992.

Appendix: Privacy & Information Collection Statement

As part of the risk management advice 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 financial planner 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 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 AFRM may have access to this information when providing financial advice or services to you;
- Your adviser may, in the future, disclose information to other advisers and those who are authorised by Australian Financial Risk Management Pty Ltd (AFRM) to review customers' needs and circumstances from time to time, including other companies within the group;
- 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 the group in providing financial advice and services to you. A list of countries where these service providers are located can be accessed via our 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 our Privacy Policy);
- Your information may be disclosed as required or authorised by law and to anyone authorised by you.

Your adviser and AFRM 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 AFRM holds about you at any time to correct or update it as set out in our Privacy Policy.

Our Privacy Policy also contains information about how to make a complaint about a breach of the *Australian Privacy Principles*. For a copy of our Privacy Policy visit www.afrm.com.au or you can contact us.