

# FINANCIAL SERVICES AND CREDIT GUIDE

Version: 5.0

Date prepared: 1 October 2018

Part 1 – Business Profile

PSK FINANCIAL SERVICES GROUP PTY LIMITED



It is important that you read this Financial Services and Credit Guide (FSCG). It contains information that will help you decide whether to use any of the financial services offered by us, as described in this guide, including:

- who we are and how we can be contacted
- the advice and services we provide
- information about our licensee Charter Financial Planning Limited (Charter)
- our fees and how we, your adviser and Charter, are paid in connection with those services
- how we manage your private information
- how you can complain about a matter relating to us or Charter

This FSCG comprises of the following documents, which must be read together:

- Part 1 – Business profile
- Part 2 – Adviser profile and schedule of fees
- Supplementary FSCG (if we had issued any)

## Documents you may receive

We will provide you with a number of documents as you progress through our financial planning process to capture each stage of your advice journey. We may provide these documents to you electronically to your nominated email address, unless otherwise agreed.

When we provide personal advice it will normally be documented and provided to you in a Statement of Advice (SoA), known as a financial plan. The financial plan contains a summary of your goals and the strategies and any financial products we may recommend to achieve your goals. It also provides you with detailed information about product costs and the fees and other benefits we and others will receive, as a result of the advice we have provided.

If we provide further personal advice a financial plan may not be required. We will keep a record of any further personal advice we provide you for seven years. You may request a copy of such records by contacting our office during that period.

If we recommend or arrange a financial product for you we will provide 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 that product.

You should read any warnings contained in your advice document, the PDS or IDPS guide carefully before making any decision relating to a financial strategy or product.

# About our practice

|                                  |                                                                               |
|----------------------------------|-------------------------------------------------------------------------------|
| Name                             | PSK Financial Services Group Pty Limited trading as<br>PSK Financial Services |
| Australian Business Number       | 24 134 987 205                                                                |
| Authorised representative number | 340647                                                                        |

This guide should be read together with an adviser profile, and provides information about the adviser including contact details, qualifications, experience, the services he/she may offer and financial products he/she can provide advice on. Our offices are listed below:

## Sydney (Head office)

|         |                                            |
|---------|--------------------------------------------|
| Address | Level 6, 44 Market Street, SYDNEY NSW 2000 |
| Phone   | 02 9324 8888                               |
| Fax     | 02 9324 8899                               |
| Email   | info@psk.com.au                            |

## Parramatta

|         |                                              |
|---------|----------------------------------------------|
| Address | Level 4, 3 Horwood Place PARRAMATTA NSW 2150 |
| Phone   | 02 9895 8800                                 |
| Fax     | 02 9895 8899                                 |
| Email   | Info@psk.com.au                              |

## Campbelltown

|         |                                                                                      |
|---------|--------------------------------------------------------------------------------------|
| Address | Suites 1-8 Kellicar Lane, Macarthur Square, Gilchrist Drive<br>CAMPBELLTOWN NSW 2560 |
| Phone   | 02 4629 7766                                                                         |
| Fax     | 02 4628 3950                                                                         |
| Email   | info@psk.com.au                                                                      |

## York Street

|         |                                          |
|---------|------------------------------------------|
| Address | Level 8, 65 York Street, SYDNEY NSW 2000 |
| Phone   | 02 9283 9350                             |
| Fax     | 02 9324 8899                             |
| Email   | info@psk.com.au                          |

## Central Coast

|         |                                                                          |
|---------|--------------------------------------------------------------------------|
| Address | Suites 2.06, Level 2, Platinum Building, 4 Ilya Avenue<br>ERINA NSW 2250 |
| Phone   | 02 4367 6630                                                             |
| Fax     | 02 4367 6632                                                             |
| Email   | info@psk.com.au                                                          |

## Our advice and services

We can provide you with personal and general advice about specific services and financial products listed below. We can also arrange for financial products to be issued without advice from us.

Individual advisers within our practice may not be qualified to provide advice in all of the services and products noted below. Their individual profile guides will note any limitations to the advice they are qualified to provide. At all times we will ensure the appropriate adviser is available to you to provide advice consistent with your goals.

The following table sets out the areas of advice we can help you with as well as the products and services we can arrange.

Any additional advice or services we can offer you, or limitations to the list below, will be outlined in **Part 2 – Adviser Profile**

| We can provide advice on                                                        | We can arrange the following products and services                                                                 |
|---------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
| — Investments strategies (strategic asset allocation and goals based investing) | — Superannuation, including retirement savings accounts                                                            |
| — Budget and cash flow management                                               | — Self-managed superannuation funds (SMSF)                                                                         |
| — Debt management (including borrowing for personal and investment purposes)    | — Borrowing within your SMSF                                                                                       |
| — Salary packaging                                                              | — Employer superannuation                                                                                          |
| — Superannuation strategies and retirement planning                             | — Managed investments                                                                                              |
| — Personal insurance                                                            | — Deposit and payment products (for example term deposits, cash management accounts and non-cash payment products) |
| — Estate planning                                                               | — Standard margin loans                                                                                            |
| — Centrelink and other government benefits                                      | — Retirement income streams, including pensions and annuities                                                      |
| — Ongoing advice and services, including regular portfolio reviews              | — Personal and group Insurance (life cover, disability, income protection and trauma)                              |
| — Aged care                                                                     | — Life investment products including whole of life, endowment and bonds                                            |
|                                                                                 | — Securities (including listed securities and debt securities)                                                     |
|                                                                                 | — Exchange traded funds and Listed investment companies                                                            |
|                                                                                 | — Arranging for listed securities, shares and debentures to be bought and sold via a platform and broker.          |
|                                                                                 | — Various structured products, instalment warrants over managed funds and protected equity loans                   |
|                                                                                 | — Investor directed portfolio services                                                                             |
|                                                                                 | — Limited selection of investment guarantees                                                                       |

Charter maintains an approved products and services list, which includes products issued by AMP companies and a diversified selection of approved Australian and International fund managers. These have been researched by external research houses as well as our in-house research team.

Charter periodically reviews these products to ensure that they remain competitive with similar products that address similar client needs and objectives. Generally, we recommend products that are on the approved products and services list. However, if appropriate for your needs, we may, subject to Charter's approval, recommend other products.

A copy of the approved products and services list can be supplied to you upon request.

If we recommend a new platform or portfolio administration service, we use those issued or promoted by the AMP Group or as otherwise approved by Charter and where appropriate to your circumstances.

As at March 2018, the lenders whose products are most commonly recommended by Accredited Mortgage Consultants authorised by Charter are:

- |                     |                           |
|---------------------|---------------------------|
| — ANZ               | — National Australia Bank |
| — Commonwealth Bank | — Bankwest                |
| — AFG Home Loans    | — St George Bank          |
| — Bank of Melbourne | — Liberty Financial       |
| — Suncorp           | — Westpac                 |

## Tax implications of our advice

Under the Tax Agent Services Act 2009, PSK Financial Services Group Pty Limited, trading as PSK Financial Services is authorised by the Tax Practitioners Board 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.

## Transaction services

If you do not require advice, I can also arrange for you to apply for limited types of financial products where I can take your instructions and arrange for the transaction to be completed, without providing personal advice. If you wish to proceed without my advice, I will ask you to confirm your instructions, which I will document in writing. You can ask me for a copy of this documentation at any time.

## Your relationship with us and using our services

You can contact us directly with any instructions relating to your financial products. This includes giving us instructions by telephone, mail or email. We can only accept your instructions via email once you have signed an authority form.

We will work with you to agree what advice and services we will provide and when and how often we will provide them.

Where you agree to ongoing advice and services, the details will be documented and provided to you in a service agreement. This includes the frequency of contact between us, service standards that may apply, any ongoing fee arrangements and how the service can be terminated.

If at any time you wish to terminate your relationship with us, please contact us using the details shown in this guide.

## Providing information to us

It is important that we understand your circumstances and goals, so that we can provide you with appropriate advice and services. You have the right not to provide us with any personal information. Should you choose to withhold information, or if information you provide is incomplete or inaccurate the advice or services we provide you may not be appropriate for you.

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

## Our fees

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

- A set dollar amount; or
- A percentage based fee.

Our agreed advice and service fees may include charges for:

- Initial advice; and
- Ongoing advice.

Please note that for services in relation to insurance, banking deposit products, 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; and
- Ongoing commission - a percentage of the value of your investment balance, usually calculated at the end of each month in which you hold the investment.

### Payment methods

We offer you the following payment options for payment of our advice fees:

- BPAY, direct debit (savings), credit card or cheque; and
- Deduction from your investment.

All fees and commissions will be paid directly to Charter as the licensee. They retain an amount (a licensee fee) to cover their licensee costs and the balance is passed on to us. The amount is determined annually, based on a number of factors, including our business revenue and the number of advisers in the practice.

For details of our service fees, please refer to the **schedule of fees** outlined in Part 2 – Adviser Profile.

### Other costs

Where other costs are incurred in the process of providing our advice and services to you, you will be liable for these costs. However, we will agree all additional costs with you prior to incurring them.

### Other benefits we may receive

The following is a list of benefits we may receive other than those explained above. These are not additional costs to you. These benefits may be monetary or things like training, events or incentives we are eligible for.

In addition to the payments we may receive for our advice and services, we may receive other support services from the licensee. We may also be eligible to receive financial and training assistance, prizes and awards or events in recognition of financial planning excellence and innovation, and business performance. These benefits are paid at the licensee's discretion and the amounts are set by the licensee from time to time (usually on an annual basis). We may also participate in business lunches or receive corporate promotional merchandise tickets to sporting or cultural events and other similar items.

### Development, management and advice recognition

We may qualify to receive a DMA payment to recognise our growth and professionalism. The DMA is based on a rate, calculated once per year, and determined by our ranking relative to other Charter Financial Planning practices. Up to 50% of all Charter Financial Planning practices may qualify for DMA payments. The relevant rate may range from 0% to 3.25%, depending on our ranking and whether or not we qualify for the certified quality advice program (see the "certified quality advice program" section below). The rate is then applied to our practice revenue of the prior year and paid to us in two instalments a year.

For example, if our DMA is set at 1% and our revenue for the prior year was \$200,000, we would receive a total of \$2,000 for that year, paid over two instalments.

### How our performance is ranked

Ranking of practices is determined yearly by a points system which is a broad measure of the growth and professionalism of our practice as compared to other practices in the Charter Financial Planning network. The points system is based on a combination of factors within a balanced scorecard such as the quality of our services, compliance, our business goals and our engagement with our clients through a measure called Advice Growth Index (AGI). AGI measures the value of our fee for service revenue and the change in our clients' product holdings over the prior measurement period (usually a period of approximately 12 months).

### **Value participation scheme**

AMP will provide us a payment based on the total in force annual premiums on some AMP insurance products and funds under management in some AMP wealth management products. The amount paid is based on the following:

- A tiered rate of up to 3% is applied incrementally to total premiums on some AMP insurance products. For example, if a client takes out a qualifying AMP insurance policy with an annual premium of \$3,000, we may receive an annual payment of up to \$90 in respect of that policy, with the rate applied dependent on the total combined premiums from all qualifying AMP insurance products.
- A tiered rate of up to 0.25% is applied incrementally to the total funds under management in qualifying AMP wealth management products. For example, if an existing client with a qualifying AMP wealth product invests a further \$40,000 into that product, we may receive up to \$100 in respect of that specific investment, with the rate applied dependent on the total qualifying funds under management.

From 1 July 2014, all investments in AMP wealth management products by new clients have been excluded from the scheme.

From 1 January 2018, all premium for new policies from the relevant AMP insurance products have been excluded from the scheme.

### **Certified quality advice program**

On meeting eligibility criteria and gaining access into the program, we may become eligible for discounts on licensee fees, a 10% increase in purchase price under the buyout option and a 10% increase in DMA payment should we qualify. Eligibility is assessed on professional operations and processes, high quality advice standards and education.

### **Buyout option**

If we leave the financial services industry, we are eligible to sell the register rights of our client base to Charter Financial Planning Limited. The valuation of these rights is based on a multiple of the annual financial planning revenue generated by our practice.

### **Personal and professional development**

Charter provides personal and professional development opportunities in the form of education and professional development programs, offered annually to qualifying practices.

### **Summit**

The Summit is a national convention available to advisers from all Charter practices. Charter subsidises the expenses of those who attend the convention up to a maximum value of \$1,200 per annum per practice.

### **Charter Leaders program**

Each year, practices that meet particular criteria may be awarded entry into the Charter Leaders program. The criteria is based on a combination of factors including the quality of services, business goals and rankings against other practices in Charter. The Charter Leaders program provides access to personal and professional development courses organised by Charter. Charter may subsidise the cost of these courses up to amounts as determined by Charter from time to time.

### **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.

### **Placement fees**

From time to time Charter will receive fees from brokers or product issuers (including AMP group companies) for arranging client participation in Initial Public Offerings (IPOs) of financial products. The fee, which is generally a percentage of the fee paid to the broker, varies from offer to offer and by the level of participation by Charter. We may share in this fee based on the level of participation by our clients.

### **Aggregated CAR arrangements**

PSK Financial Services Group Pty Limited owns a percentage of the equity interests in PSK Financial Services 23 Pty Limited and PSK Financial Services 24 Pty Limited. PSK Financial Services 23 Pty Limited and PSK Financial Services 24 Pty Limited are also authorised by Charter to provide financial advice. Our revenue results may be aggregated with PSK Financial Services 23 Pty Limited and PSK Financial Services 24 Pty Limited's revenue results for the purpose of determining or the recognition payments (as outlined under other benefits) that we and PSK Financial Services 23 Pty Limited and PSK Financial Services 24 Pty Limited may receive.

These benefits include Benefits of alignment with CQAP firm



# Relationships and associations

It is important that you are aware of the relationships that Charter has with providers of financial services and products as they could be seen to influence the advice you receive.

## About our licensee

Charter Financial Planning Limited

ABN 35 002 976 294

Australian Financial Services Licensee and Australian Credit Licensee No: 234665

Charter is a member of the AMP Group and has:

- Approved the distribution of this guide
- Authorised us to provide advice and other services as described in this guide
- Authorised us to provide credit assistance services to you

Charter's registered office is located at 33 Alfred Street, Sydney, NSW 2000.

## About the AMP Group

Charter is a member of the AMP group of companies. We can provide advice on products from a wide range of financial product providers, some of which are part of the AMP Group and as such Charter is affiliated with:

- |                                            |                                                       |
|--------------------------------------------|-------------------------------------------------------|
| — National Mutual Funds Management Limited | — AMP Capital Funds Management Limited                |
| — NMMT Limited                             | — AMP Capital Investors Limited                       |
| — N.M. Superannuation Pty Limited          | — AMP Superannuation Limited                          |
| — Multiport Pty Limited                    | — AMP Life Limited                                    |
| — ipac asset management limited            | — Cavendish Superannuation Pty Ltd                    |
| — AMP Bank Limited                         | — Australian Securities Administration Limited (ASAL) |
| — SMSF Administration Solutions Pty Ltd    | — SuperConcepts Pty Ltd                               |

If we recommend a product issued by the AMP Group or a third party product issuer, they will benefit from our recommendation by receiving product, administration and investment fees, as well as fees paid by fund managers to distribute their product. These fees are all disclosed in the relevant PDS or IDPS guide.

Authorised representatives and/or staff employed in our business may hold shares in AMP Limited, whose share price may be favourably affected by the sale of products issued by AMP Group companies.

## Our referral arrangements

Your adviser may have individual referral arrangements. These will be outlined in their Adviser profile in Part 2 of this FSCG and/or in any supplementary FSCGs (where relevant).

# Confidence in the quality of our advice

If at any time you feel like you are not satisfied with our services, the following will help you understand your options and find a resolution.

- Contact your adviser and tell them about your complaint.
- If your complaint is not satisfactorily resolved within three days, please contact AMP Advice Complaints on [advicecomplaints@amp.com.au](mailto:advicecomplaints@amp.com.au), or put your complaint in writing and send it to:

**Attention: National Manager, Advice Complaints**

33 Alfred Street  
Sydney NSW 2000

- AMP Advice Complaints will try to resolve your complaint quickly and fairly.
- Until 31 October 2018, if your complaint has not been resolved satisfactorily, you may escalate your complaint to one of the following External Dispute Resolution Schemes listed below.

|                                                                                           |                                                                                                                                                                                                               |
|-------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Any issues relating to financial advice, investments, superannuation or insurance matters | <b>Financial Ombudsman Service (FOS)</b><br>GPO Box 3<br>Melbourne VIC 3001<br><br>1800 367 287<br><a href="http://www.fos.org.au">www.fos.org.au</a><br><a href="mailto:info@fos.org.au">info@fos.org.au</a> |
| Issues relating to credit matters                                                         | <b>Credit and Investment Ombudsman (CIO)</b><br>Reply Paid 252<br>South Sydney NSW 1234<br><br>1800 138 422<br><a href="http://www.cio.org.au">www.cio.org.au</a>                                             |
| Any issue relating to your personal information                                           | <b>The Privacy Commissioner</b><br>GPO Box 5218<br>Sydney NSW 2001<br><br>1300 363 992<br><a href="mailto:privacy@privacy.gov.au">privacy@privacy.gov.au</a>                                                  |

The above external dispute handling bodies are current as at August 2018.

From 1 November 2018, you can contact the following external dispute handling bodies in relation to your complaint:

|                                                                                                            |                                                                                                                                                                                                                                  |
|------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Any issues relating to financial advice, investments, superannuation, insurance matters, or credit matters | <b>Australian Financial Complaints Authority (AFCA)</b><br>GPO Box 3<br>Melbourne VIC 3001<br><br>1800 931 678<br><a href="http://www.afca.org.au">www.afca.org.au</a><br><a href="mailto:info@afca.org.au">info@afca.org.au</a> |
| Any issue relating to your personal information                                                            | <b>The Privacy Commissioner</b><br>GPO Box 5218<br>Sydney NSW 2001<br><br>1300 363 992<br><a href="mailto:privacy@privacy.gov.au">privacy@privacy.gov.au</a>                                                                     |

You may also contact the **Australian Securities & Investments Commission (ASIC)** on 1300 300 630 (free call info line) to make a complaint and obtain information about your rights.

You can also contact the **Financial Planning Association (FPA)** at <http://www.fpa.asn.au> to make a complaint (please note that the FPA cannot award compensation).

## Professional indemnity insurance

We maintain professional indemnity insurance to cover our advice and the recommendations provided by your adviser. Charter is also covered by professional indemnity insurance and this satisfies the requirements imposed by the Corporations Act 2001 and National Consumer Credit Protection Act. The insurance covers claims arising from the actions of former employees or representatives of Charter, even where subsequent to these actions they have ceased to be employed by or act for Charter.

## Your Privacy

We are committed to protecting your privacy. Below we outline how we maintain the privacy of the information we collect about you.

### 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 Charter 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 Charter to review customers' needs and circumstances from time to time, including other companies within the AMP 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 AMP group in providing financial advice and services to you. A list of countries where these service providers are located can be found in the AMP 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 AMP Privacy Policy); and
- Your information may be disclosed as required or authorised by law and to anyone authorised by you.

Your adviser and Charter will continue to take reasonable steps to protect your information from misuse, loss, unauthorised access, modification or improper disclosure. You can request access to the information your adviser or Charter holds about you at any time to correct or update it as set out in the AMP Privacy Policy. The AMP Privacy Policy also contains information about how to make a complaint about a breach of the Australian Privacy Principles.

For a copy of AMP's Privacy Policy visit <http://www.amp.com.au/privacy> or you can contact us.