

Financial Services Guide



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Financial Services Guide

The purpose of this Financial Services Guide ('FSG') is:

- to assist you in deciding whether to use any of our services described in this FSG;
- to provide information about the remuneration that may be paid to your adviser, ARA and any other persons in relation to the services offered; and
- to explain how complaints against your adviser are dealt with.

This FSG is designed to inform you and allow you to compare ARA's financial services and products with those of other financial services providers and product issuers.

When you receive personal advice, you will be given a *Statement of Advice*, by your adviser which will take into account your investment objectives, financial situation, and needs. A *Statement of Advice* will tell you about all the fees and commissions and any associations with financial product issuers or other parties which may have influenced the advice that your adviser gives to you.

When your adviser recommends to you a particular financial product, your adviser will give you information about that financial product by providing you with a *Product Disclosure Statement* to help you make an informed decision.

Not Independent

ARA Consultants is not independent, impartial or unbiased because we:

- May recommend investment product(s) in which ARA has a financial interest; and
- Receive fees from these investment products for our role as investment manager for the ARA Investment Fund.

ARA is the investment manager of the ARA Investment Fund. ARA Super invests all its assets in The ARA Investment Fund. ARA believes there is benefit to investors to have their funds invested by a manager who has first-hand knowledge and understanding of their own circumstances, who can assist the investor directly in their investment option choices, and where there are direct lines of communication between the investor and the manager. These ARA funds were established to reflect ARA's investment philosophy.

For these reasons, if after discussions with you we think an ARA fund would be appropriate for you and your circumstances, it is highly likely that ARA advisers will use the ARA investment products as their usual investment recommendations. They are tailor-made for that purpose. On the other hand, if we think an ARA fund is not appropriate for you, we will not recommend one.

Who is my Adviser?

Your adviser could be any of the following Authorised Representatives and Financial Advisers who are authorised to provide personal financial advice on behalf of ARA Consultants Ltd (ARA).

Adviser	Authorised Representative Number	Qualifications
Rob Jaskiewicz	225301	Bachelor of Commerce Graduate Diploma in Financial Planning (equivalent of Advanced Diploma under the Financial Adviser Standards and Ethics Authority (FASEA) regime) FASEA Ethics and Professionalism in Financial Advice Course FASEA Exam
Duncan Essery	301098	Bachelor of Business Certified Practising Accountant Diploma of Financial Planning Certified Financial Planner FASEA Ethics and Professionalism in Financial Advice Course FASEA Exam
Ellyn Rimmer	1246617	Bachelor of Applied Science Graduate Diploma of Psychology Master of Financial Planning FASEA Ethics and Professionalism in Financial Advice Course FASEA Exam Graduate of the Australian Institute of Company Directors (GAICD)
Stephanie King	324079	Diploma of Financial Services Bachelor of Business (Business Administration) Advanced Diploma Financial Planning FASEA Ethics and Professionalism in Financial Advice Course FASEA Exam

The contact details for your adviser are the same as for ARA and are set out on the front cover of this FSG. If you do not wish to receive advice, your adviser may deal on your behalf by carrying out your instructions.

If you do not obtain advice, you face the risk that any financial products you select will not fully take into account your investment objectives, financial situation, and needs.

Who is responsible for the financial services provided to me?

ARA, the holder of Australian Financial Services Licence No. 224150, is responsible for the financial services provided to you, including the distribution of this FSG.

Do any relationships or associations exist which might influence you in providing me with the financial services?

ARA is an unlisted public company owned entirely by staff and associates. It has no ownership affiliation with any bank or life insurance company.

ARA sponsors a managed investment scheme known as 'The ARA Investment Fund' ('the ARAIF') of which ARA is the Promoter and Investment Manager, and in which ARA has a legal and beneficial interest. Fundhost Limited (Fundhost) was appointed as the Responsible Entity for the ARAIF in December 2019, after ARA retired from this role in favour of Fundhost.

The portfolio options of the ARAIF are also available to investors in ARA Super, which is housed within the HUB24 Super Fund. HTFS Nominees Pty. Ltd., (RSE Licence No. L0003216), a subsidiary of EQT Holdings Ltd ('EQT'), is the independent trustee of HUB24 Super Fund and is responsible for issuing interests in the fund.

ARA does not have any other relationship or association with any financial product issuers, other than the operational execution arrangements in place with financial product issuers in respect of selected financial products included on the authorised product list of ARA (e.g. life insurance products, annuities, etc.). Any commissions received by ARA in respect of these products will be passed on to you, as detailed in section 6.

Your adviser will only recommend ARA's products if they are appropriate to your investment objectives, financial situation, and needs. As a result of the limited range of products included on our approved product list, this may mean that we need to decline to provide advice to you.

What financial services are available to me and what kinds of financial products do they relate to?

Your adviser is authorised to provide the following kinds of financial services:

- retirement planning;
- advice on life insurance, income protection, trauma and TPD insurance;
- superannuation, pensions, annuities, and rollovers;
- social security strategies;
- financial planning and wealth creation strategies;
- credit strategies;
- aged care advice; and
- estate planning*.

*ARA Consultants has access to an estate planning lawyer through EJS Law Pty Ltd. Services are provided by way of referral to EJS Law Pty Ltd, rather than under any sub-contracting arrangements of ARA.

Your adviser is also authorised to provide the following financial product advice and deal in relation to the following classes of products:

- basic deposit products;
- debentures, stocks or bonds issued or proposed to be issued by a government;
- life products including investment life insurance products and life risk insurance products;
- interests in managed investment schemes, excluding investor directed portfolio services;
- securities; and
- superannuation.

What information should I provide to receive personalised advice?

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

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

You should read the warnings contained in the *Statement of Advice* carefully before making any decision relating to any financial products.

What should I know about any risks of the financial products or strategies you recommend to me?

Your adviser will explain to you any significant risks of the financial products and strategies which your adviser recommends to you. If your adviser does not do so, you should ask your adviser to explain those risks to you.

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

ARA will maintain a record of your personal profile which will also include details of your investment objectives, financial situation, and needs. ARA will also keep a record of the advice provided and any recommendations made to you.

ARA is committed to promoting a privacy policy, which will ensure the privacy and security of your personal information. If you have not received a copy of ARA’s privacy statement, please ask your adviser for a copy. If you wish to examine your file, you should ask your adviser who will make arrangements for you to do so.

How can I give you instructions about my financial products?

If you wish to provide ARA with any instructions, you may contact ARA or your adviser by whatever means of communication you wish. However, if your instructions are conveyed verbally, neither ARA nor your adviser will be able to carry them out until your confirmation is received in writing. This may be provided by letter or email.

Do you receive remuneration, commission, fees, and other benefits in relation to providing the financial services to me and how are they calculated?

Your adviser’s remuneration

Your adviser’s employment status is shown in the table below and your adviser receives an annual salary. Your adviser’s remuneration is not linked in any way to any specific business your adviser may arrange on your behalf, but employees may benefit from modest bonus arrangements based on the overall financial performance of ARA and the employee’s contribution to ARA across a range of considerations.

Adviser	Employment Status	ARA Director	Shareholder
Rob Jaskiewicz	Employee	No	Yes
Duncan Essery	Employee	No	No
Ellyn Rimmer	Employee	Yes	Yes
Stephanie King	Employee	No	No

The table also shows if your adviser is a shareholder or director of the licensee. If your adviser is also a shareholder of ARA, he or she may become entitled to take up additional shares and options in ARA from time to time and may receive dividends, subject to ARA’s profit performance and financial position.

Please note that the law requires your adviser to take all the necessary steps to ensure that the quality of the financial services provided to you is not compromised because of any association with ARA.

ARA’s remuneration

If you decide to use ARA’s services and receive personal advice, the fees, commissions, and other benefits that may be received by ARA or any other persons arising out of any financial services are as follows (Note – all fees quoted are inclusive of GST):

1. Initial service fees - Statement of Advice

You may be charged a fee for the *Statement of Advice* that your adviser prepares for you. The fee charged will depend upon the scope of the advice and the amount of time and investigation involved and is generally between \$1,595 and \$2,200.

Prior to the commencement of any services, your adviser will provide you with a quotation for the preparation of the *Statement of Advice*. If you decide to use those services, you will be invoiced for the quoted fee at the same time as you receive the *Statement of Advice*.

Remuneration will be derived by ARA in respect of the management of your investments, as detailed under section 5 below '*Remuneration from ARA's financial products*'.

2. Ongoing advice and services - Personal Advice Package

As a client of ARA, you can choose to take up our Personal Advice Package to help you stay on track to meet your goals.

The service is available to individuals and couples whose primary need is annual reviews of their file and circumstances to ensure their portfolio of investments and strategies continues to meet their goals and aspirations. The cost of this service is:

- Monthly fee of \$165; or
- \$1,880 per annum if paid in advance.

The previously offered Centrelink Assistance Package is now closed to new members.

3. Fees for specific services

In addition to the Personal Advice Package, additional fees will apply if you request any of the specific services set out in the table below:

Service	Fees
Centrelink application assistance for: <ul style="list-style-type: none"> • Age Pension • Carer Payments • Disability Support Pension • Low Income Health Card • Annual renewal of Low Income Health Card • Commonwealth Seniors Health Card • Carer Allowance • Overpayments/Appeals 	\$660 \$660 \$660 \$660 \$165 \$385 \$385 \$440
Personal Insurances (Application for Life, Disability, Income Protection or Trauma Insurance) <ul style="list-style-type: none"> • First policy • Each additional policy <p><i>Note: All insurance commissions are rebated in full to you on an annual basis</i></p>	\$660 \$220
Aged Care <ul style="list-style-type: none"> • Assistance with Aged Care forms • Aged Care consultation and advice to families 	\$165 per form \$2,640

4. Fees for additional or ad hoc services

For those that are not subscribers to the Personal Advice Package, you are able to access the expertise of our Advisers by requesting additional or ad hoc services on demand and simply pay-as-you-go.

If you request an additional or ad hoc service or transaction, the fee is agreed with you prior to the additional service or transaction being executed.

5. Remuneration from ARA's financial products

In its capacity as investment manager of the ARAIF, ARA receives a Management Fee equal to 0.67% p.a. (incl. GST) charged against the net value of the assets of the ARAIF. A reduced management fee of 0.41% p.a. (incl. GST) is charged against the net assets in respect of investments in the Long Term Income Builder Investment Portfolio in ARAIF.

The assets of ARA Super are invested entirely in the ARAIF. ARA does not receive any separate additional remuneration for investments made by members of ARA Super.

HTFS Nominees Pty Ltd., the independent trustee of HUB24 Super Fund, receives a Trustee Fee of 0.1045% p.a. (incl. GST and net of Reduced Tax Input Credits) for the provision of trustee services. This amount is charged against the account balance of members of ARA Super.

Investors in ARA Super may qualify for a rebate of part of the Trustee Fee. Eligibility for a rebate will depend on the size of your investment or, where relevant, the size of total investments of your Investor Group. An Investor Group is defined as a group of investors within ARA Super and/or ARAIF that comprises a family group (e.g. a husband and wife or a husband and wife and their dependent children). The maximum trustee fee that can be charged is \$992.75 (incl. GST) per annum per investor or Investor Group.

Except for the Trustee Fee, the fees described in this section are not deducted directly from investors' account balances but are taken into account when determining the unit prices of the ARAIF.

Investors in the ARAIF, including where the investment is made via ARA Super, may qualify for a rebate of part of the Management Fee. Eligibility for a rebate will depend upon the size of your investment. If you are not a member of an Investor Group, then the sum of all your account balances in the relevant Fund must exceed \$1,000,000. If you are a member of an Investor Group, then the sum of all the account balances of the investors within that Investor Group must exceed \$1,000,000.

If you are an investor in both the ARAIF and ARA Super, you may qualify for a rebate if the sum of your account balances in both funds exceeds \$1,000,000.

Any Management Fee rebate, for which you may qualify, will be allocated to your investor account balance in the relevant Fund in the form of additional units, a cash deposit (in the case of ARA Super) or paid separately to you.

More detailed information concerning the fees and costs charged by each of ARA's financial products and the application of Management Fee rebates is described in the *Product Disclosure Statements* for each of those products.

6. Commissions from external product issuers

If your adviser recommends a financial product of which ARA is not the product issuer (e.g. a life insurance product), then ARA may receive a commission calculated according to the amount that you invest in that product the details of which will be set out in the *Product Disclosure Statement* for that product.

The amount of commission that ARA receives may vary from one financial product issuer to another, and may be an up-front payment only, or an up-front payment together with an ongoing trailing commission.

It is ARA's policy to rebate all such commissions. In the case of the placement of Life, TPD, Income Protection and Trauma insurance, ARA may charge a nominal fee for the work involved in the placement of the policy as quoted in the above table.

What should I do if I have a complaint?

If you have any complaint about the services provided to you, we want to know as soon as possible. Every effort will be made to resolve your complaint quickly and fairly. You can make a complaint by:

1. Contacting your adviser about your complaint - you can do this by phone, email or in writing to:

Complaints Officer
ARA Consultants Limited
PO Box 2273
Kew Victoria 3101

We will let you know we have received your complaint usually within 1 business day.

Our aim is to resolve all complaints as soon as possible but are required by law to resolve complaints within 30 business days.

2. If your complaint cannot be resolved to your satisfaction or we have not responded to you within 30 business days, you have the right to refer the matter to the Australian Financial Complaints Authority ('AFCA'). AFCA is an external dispute resolution scheme which provides free advice and assistance to consumers and investors to help them in resolving complaints relating to members of the financial services industry.

The contact details of AFCA are as follows:

Australian Financial Complaints Authority
GPO Box 3
MELBOURNE VIC 3001

Phone: 1800 931 678
Email: info@afca.org.au
Website: afca.gov.au

Complaints related to privacy

Where your complaint relates to the handling of your personal information and you do not receive a response to your satisfaction within 30 business days, you may be able to take your complaint to the Office of the Australian Information Commissioner (OAIC). To find out whether they can handle your complaint, you can contact them as follows:

Office of the Australian Information Commissioner
GPO Box 5218
Sydney NSW 2001

Phone: 1300 363 992
Email: enquiries@oaic.gov.au
Website: oaic.gov.au

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

What insurance arrangements are in place?

We have professional indemnity insurance in place and feel confident that it is a reasonable arrangement to have for compensating our retail clients for any loss or damage they may suffer should we or one of our representatives be found to have caused them to suffer loss or damage due to a breach or a relevant obligation under Chapter 7 of the Corporations Act. Our professional indemnity insurance covers claims in relation to the conduct of representatives / employees who may no longer work for ARA in the future (but who did at the time of the relevant advice).

Do you require any further information about our financial services?

If you have any further questions about the financial services that ARA provides, please contact your adviser by phone on (03) 9853 1688 or by email (see below).

Adviser	Email Address
Rob Jaskiewicz	robjaskiewicz@araconsultants.com.au
Duncan Essery	duncanessery@araconsultants.com.au
Elly Rimmer	ellyrimmer@araconsultants.com.au
Stephanie King	stephanieking@araconsultants.com.au

Please retain this Financial Services Guide for your reference and any future dealings with ARA Consultants Limited.

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Financial Guidance