

Financial Services Guide



Issued to

on

Version 30 – 1 July 2021

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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 both the ARA Investment Fund and the ARA Retirement Fund.

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
Rebecca Cameron	232988	Bachelor of Business Certified Financial Planner Diploma of Financial Planning (equivalent of Advanced Diploma under the FASEA regime) FASEA Ethics and Professionalism in Financial Advice Course FASEA Exam Graduate of the Australian Institute of Company Directors (GAICD)

Adviser	Authorised Representative Number	Qualifications
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.

ARA also sponsors a public offer superannuation fund known as 'The ARA Retirement Fund' ('the ARARF') in relation to which ARA is the Promoter and Asset Consultant. Equity Trustees Superannuation Ltd ('ETSL'), a wholly owned subsidiary of EQT Holdings Ltd ('EQT'), is the independent trustee of the ARARF and is responsible for issuing interests in the ARARF.

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 2.

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 products 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, facsimile, 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
Rebecca Cameron	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 or a director of the superannuation fund's trustee. 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:

1. Fee for 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.

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*.

You will not be charged a fee for the *Statement of Advice* that your adviser prepares for you if you are an existing member of the ARAIF or ARARF. Remuneration will however be derived by ARA in respect of the management of your investments, as detailed under section 3 below 'Remuneration from ARA's financial products'.

2. 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 (see Example 1 below).

It is ARA's policy to rebate commissions, however, 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. That fee may be deducted from the commission received from the insurance company and the balance, if applicable, rebated to you.

Our fee for placement of life or life risk insurance will vary depending upon the number and type of policy(s) you require as well as whether you are a member of our fund or not. Please see Example 2 below.

Example

1. Commissions from external product issuers

If ARA recommends a financial product of which ARA is not the product issuer and there is a commission associated with this product either initial or ongoing, ARA will rebate the commission in its entirety to you.

2. Fees on Life Insurance, Income Protection, TPD and Trauma insurance

For the placement of Life and Life Risk insurance, ARA will rebate commissions received from insurance companies. You may be charged a nominal fee for the placement and renewal of all insurance. Prior to the commencement of any services in this regard, your adviser will provide you with a quotation.

3. Remuneration from ARA's financial products

In its capacity as investment manager of the ARAIF, ARA receives a Management Fee equal to 0.97% p.a. (incl. GST) charged against the net value of the assets of the ARAIF. A reduced management fee of 0.46% 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 the ARARF are invested entirely in the ARAIF. ARA does not receive any separate remuneration in its capacity as the promoter of the ARARF.

However, in order to operate the ARARF, ARA is required to engage the services of a trustee licensed by APRA. The ARARF pays a Trustee Fee of 0.1045% p.a. (incl. GST and net of Reduced Tax Input Credits) for the provision of those services which is charged against the net value of the assets of the ARARF.

Investors in the ARARF 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 the ARARF 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 \$950 per annum per investor or Investor Group.

The fees described in section 3 are not deducted directly from investors' account balances but are taken into account when determining the weekly unit prices. This applies to the unit prices for both Funds.

Investors in the ARAIF and the ARARF 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 \$500,000. 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 \$500,000.

If you are an investor in both the ARAIF and ARARF, you may qualify for a rebate if the sum of your account balances in both funds exceeds \$500,000.

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, or separately paid 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.

What should I do if I have a complaint?

If you have any complaint about the services provided to you, you should take the following steps:

1. Contact your adviser and tell him/her about your complaint.
2. Alternatively, or if your complaint is not satisfactorily responded to within 2 working days, you can put your complaint in writing and send it to our **Complaints Officer, C/- ARA Consultants Limited, PO Box 2273, Kew, Victoria 3101**. Every effort will be made to resolve your complaint quickly and fairly.

If your complaint cannot be resolved to your satisfaction 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
Fax: (03) 9613 6399
Email: info@afca.org.au

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).

Australian Securities and Investments Commission

You can also contact the Australian Securities and Investments Commission ('ASIC') to make a complaint and to obtain further information about your rights. To obtain such information contact the ASIC infoline:

Telephone: 1300 300 630
Email: infoline@asic.gov.au
Website: www.asic.gov.au

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, by fax on (03) 9853 1622 or by email (see below).

Adviser	Email Address
Rob Jaskiewicz	robjaskiewicz@araconsultants.com.au
Rebecca Cameron	rebeccacameron@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