

Financial Services Guide Direction Advice Group Pty Ltd

Dated 5th October 2021 -Version 4

Licensee: Direction Advice Group Pty Ltd

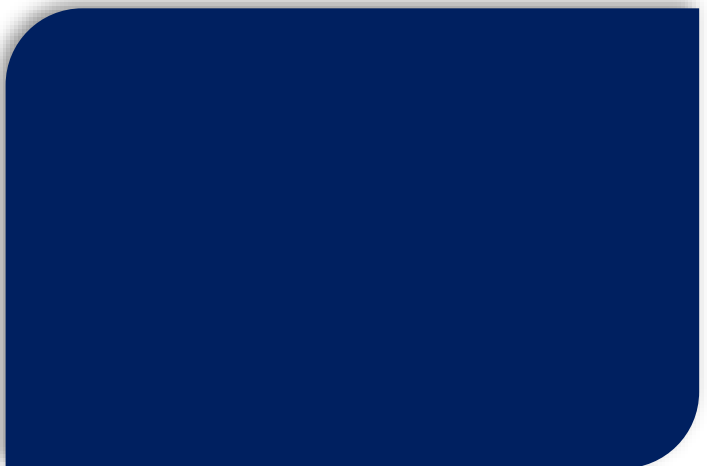
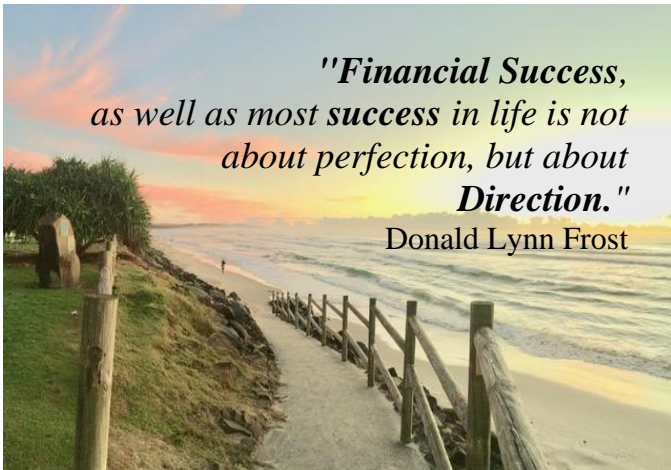
ABN: 68 614 150 533

PO BOX 1618

Ballina NSW 2478

Email: info@directionadvice.com.au

Australian Financial Services License Number: 492953



Direction  **Advice**

Purpose

This **Financial Services Guide (FSG)** explains the financial services and advice provided by Direction Advice Group Pty Ltd and your Financial Adviser (Adviser), who is an authorised representative of Direction Advice Group Pty Ltd. The FSG provides information on what to expect during the financial advice process including the types of documents you are likely to receive, how we manage privacy, related parties and potential conflicts of interests, and how we manage complaints.

This FSG should be read in conjunction with the **Adviser Profile**. The Adviser Profile contains important information about your Adviser including relevant authorised representative number, qualifications, experience, areas of authorisation, how they get paid and fees that you may be charged. If you have not received an Adviser Profile, please ask your Adviser for a copy, or contact us directly.

Please take the time to review both the FSG and Adviser Profile before engaging our services.

Lack of Independence

Direction Advice Group Pty Ltd and our Advisers, is not independent, impartial or unbiased because we:

- (a) Receive commissions for the advice we provide on life risk insurance products.

Our Relationships, Benefits, Associations

Neither your Adviser nor the Licensee have any association or relationship with the issuers of financial products that might reasonably be expected to be capable of influencing them in the provision of financial services.

Direction Advice Group Pty Ltd is an amalgamation of like minded privately owned practices where you are central to every decision our advisers make. We are a privately owned financial services company and hold an Australian Financial Services License (492953). **We have no ownership links to Product Manufacturers.** Direction Advice Group has relationships with some of Australia's largest legal and compliance experts, and major research houses.

Direction Advice Group Pty Ltd, the Advice business and your adviser do not have related parties, shareholdings or arrangements with referral parties that may be capable or reasonably seen to be capable of influencing my advice.

How can we help you?

Before seeking our advice, you probably have a number of questions you would like to ask and understand how we can help you. To help you get to know us and decide whether to use our services, we have prepared this Financial Services Guide (FSG) which is designed to explain:

1. Who we are
2. Matters we can help you with
3. The Advice Process and Documents you may receive
4. How we are paid
5. Privacy
6. If you have a complaint
7. Our relationships

If you need more information or clarification, please contact us.

Who we are

Pinnacle Advice is a privately owned financial planning business. We are not owned or controlled by the major banking corporations or any or other product manufacturers or large institutions. We believe when you make smart choices with your money you enjoy more of the things we all want, financial security, peace of mind, a sense of control and a retirement of dignity. We believe that making better financial decisions, and often it's the simple straight forward strategies that are implemented, can help individuals achieve their key outcomes and get them where they want to go, for the reasons that are important to them.

Direction Advice Group Pty Ltd has authorised Pinnacle Advice and Jason McFadden to act on its behalf, to provide financial services to you. Pinnacle Advice Pty Ltd as trustee for the Pinnacle Advice Unit Trust, is referred to as Pinnacle Advice in this document. Pinnacle Advice is a corporate authorised representative (CAR), number 1258793, is authorised to provide financial services on behalf of Direction Advice Group Pty Ltd. Direction Advice Group, Pinnacle Advice is owned by Jason McFadden. For further information on our team members, please see the Attachment.

This FSG is given to you by your adviser with the authority of Direction Advice Group Pty Ltd. When a member of our team provides financial services to you, they will be acting for you on behalf of Direction Advice Group Pty Ltd.



1. Matters we can help you with

We can help you with the following:

- Retirement planning strategies
- Wealth creation
- Superannuation strategies
- Self-managed superannuation fund advice
- Salary packaging
- Insurance services
- Gearing strategies
- Social security advice
- Estate planning
- Tax (financial) advice
- Aged Care Advice



In addition, we can offer you an on-going monitoring and review service for your investment portfolio or life insurance program.

We are licenced to provide financial product advice and deal in some or all of the following financial products:

- Deposit and payment products, including basic deposit products, deposit products other than basic deposit products and non-cash payment products
- Debentures, stocks or bonds issued or proposed to be issued by a government
- Life products, including life, trauma, income protection and total and permanent disability insurance
- Investment life products
- Retirement savings accounts
- Securities
- Superannuation
- Managed investments
- Margin Lending (standard margin lending facilities)
- Derivatives

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

You may specify how you would like to give us instructions. For example, by telephone, email, fax or other means. But in all cases, we must receive a written confirmation of these instructions.

2. The Advice Process and Documents you may receive

Your Adviser will guide you through the advice process. This includes the following steps:



Engagement and Discovery

In the initial stages of the advice process your Adviser will work with you to define your financial goals and objectives, and gather relevant information required to provide you appropriate advice.

Your Adviser will generally collect relevant information within a **Client Data Form** and file notes. You can expect to be asked questions related to your income, expenses, assets, liabilities, insurances and superannuation. It is important that you provide accurate information and keep your Adviser informed of any changes to your relevant circumstances. Your Adviser will ask you to consent to your personal information being collected and stored. Please refer to the 'Privacy' section for more information on how we manage your privacy.

Where your goals relate to investment or superannuation advice your Adviser will also work with you to define your level of risk tolerance. **A Risk Profile Questionnaire** may be

used to document and agree upon your level of risk tolerance.

Your Adviser may also **use an engagement document** to define the arrangement with you, and the fees that may apply.

Your Adviser will also need to verify your identity to comply with Anti-Money Laundering and Counter Terrorism Financing laws.



Strategy and Personal Advice

After obtaining relevant information, your Adviser will conduct research and develop a strategy to assist you to meet your goals and objectives. The strategy is typically developed utilising specialised financial planning software.

Where personal financial product advice is being provided, the strategy will be documented in a **Statement of Advice**. The Statement of Advice will include amongst other things, the basis of the advice, explanation of the strategies and products recommended and relevant disclosures including costs of advice and products. The Statement of Advice includes

an authority to proceed section where you can consent to proceed with the recommendations.

Where a financial product has been recommended, you will generally be provided with a copy of the relevant **Product Disclosure Statement (PDS)**. The PDS includes detailed information on the financial product including features, benefits, conditions, costs and cooling off rights (if applicable).



Implementation

Where you elect to proceed with the recommendations your Adviser will work with you to implement the strategy. This may include liaising with various insurance, superannuation, or investment product issuers.

Where the recommendations include the purchase of a new financial product, your Adviser will work with you to complete the relevant **Product Application Form**.

This may be online, or paper based. online, paper-based or over the phone. It is important to disclose any health or personal matters truthfully. Failure to disclose certain

GENERAL ADVICE

Your Adviser may provide you with general advice that does not consider your personal circumstances, needs or objectives. Your Adviser will give you a warning when they provide you with general advice. You should consider whether you need personal advice which takes into account your individual situation before you make any decisions.

FURTHER ADVICE

Depending on your relevant circumstances, you may require further advice such as adjustments to superannuation contributions, insurance benefit amounts, or a review of your strategy.

Further advice can generally be documented in a **Record of Advice** and relevant file notes. In some instances, a Statement of Advice may be required. You may request, in writing, a copy of any advice document up to seven (7) years after the advice has been given.

An **Ongoing Fee Arrangement** may be utilised to formalise the ongoing services that your Adviser has agreed to provide for a fee.

Where you have entered into an ongoing fee arrangement for a period of greater than 12-months, you will receive a **Fee Disclosure Statement (FDS)** annually.

HOW TO PROVIDE INSTRUCTIONS

Your Adviser may accept your instructions by phone, letter, or email. In some instances, your Adviser can only accept written instructions from you, and they will let you know when this is required. Your Adviser will also need to verify your identity prior to acting on instructions

The FDS will detail services and fees paid for the previous 12-month period, and the services offered and estimated fees for the next 12-months. To ensure the ongoing fee arrangement continues, you will be required to confirm in writing annually. Confirmation may also include the requirement to sign a **Consent Form** that is provided to your relevant investment or superannuation provider.

Alternatively, you may agree to a **Fixed Term Arrangement** with your Adviser. This arrangement will outline the services you will be provided for a fee over a specific term not greater than 12 months. In this case, you will not be provided with an FDS. You may be required to sign a Consent Form where the fee is deducted from superannuation.

You may cease any fee arrangements or disengage from your Adviser by providing written notice to your Adviser or product issuer.

3. How we are paid

Licensee Remuneration

Direction Advice Group Pty Ltd receives a monthly fee from the underlying practices within the license to meet its fixed and variable costs as well as meeting its fiduciary obligations as an Australian Financial Services Licensee. This includes Professional Indemnity insurances.

Adviser Remuneration

Fee for Service

Your adviser will discuss with you how they charge and their advice fees prior to proceeding.

Generally our advisers charge a **fee for our service** and this is based on an hourly rate. This may also include a Statement of Advice (SoA) preparation fee. This can range between \$220 for the initial appointment up to \$5,500 (inclusive of GST) depending on the complexity and the time spent. Your adviser will discuss with you these fees and how they can be paid.

Ongoing Adviser Service Fees may be charged on investment (including superannuation) and financial planning advice. This can range between \$2,200 to \$15,000. Many clients prefer to be charged a flat dollar fee for ongoing investment and financial planning advice. This can be a flat dollar amount in the above range but subject to a minimum of \$2,200.

Your adviser will discuss with you their ongoing fees prior to proceeding.

Personal Risk Insurance

Where applicable, we recommend insurance that provides the best value for our clients in terms of cost and the benefits of the policy. Whilst the majority of insurance companies will only pay a commission, for any personal insurance recommendations which we make, depending on the insurance firm we may charge Nil commission and charge you a flat fee. The level of commission payable will be fully disclosed to you prior to our recommendation and set out in writing for you.

The upfront commission for life insurance financial products can range between 0% to 66% of the initial annual premium depending on the product provider, while on-going commission may range between 0% to 35%. For example, on an insurance premium of \$1,000 paying 66% initial commission and 35% on-going commission, the upfront commission would be \$660 and the on-going commission \$350 per year.

Non-monetary benefits

Your Adviser may also receive non-monetary benefits which include benefits of less than \$300, benefits related to education and training (including attendance at professional development days and conferences), and provision of software related to the financial products being recommended.

Complaints

If you have a complaint about any financial service provided to you by your Adviser, and you are unhappy with the outcome you should take the following steps:

1. Contact the Director of Direction Advice Group Pty Ltd about your complaint if unresolved or unhappy, to discuss your complaint.

Phone: 02 66863579
Email: admin@directionadvice.com.au
Mail: Direction Advice Group
PO BOX 1618
Ballina NSW 2478

2. We will acknowledge receipt of a complaint within 1 business day. Where this is not possible, acknowledgement will be made as soon as practicable.
3. We will then investigate the complaint and respond to you within 30 days. Some complex matters may require an extension to thoroughly investigate the complaint and bring it to resolution. If additional time is required, we will advise you in writing.
4. If you are not fully satisfied with our response, you have the right to lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Phone 1800 931 678 (free call)
Online www.afca.org.au
Email info@afca.org.au
Mail GPO Box 3
Melbourne VIC 3001

Compensation Arrangements

We have professional indemnity insurance in place that complies with the Corporations Act

2001. Our insurance covers claims made against former representatives for their conduct while they were authorised by us.

Privacy

Your Adviser is required to maintain documentation and records of any financial advice given to you, including information that personally identifies you and/or contains information about you.

These records are required to be retained for at least seven (7) years. If you want to access your personal information at any time, please let us know.

You have the right to not provide personal information to your Adviser. However, in this case, your Adviser will warn you about the possible consequences and how this may impact on the quality of the advice provided. Additionally, your Adviser may not be able to provide you with the advice you require.

Throughout the advice process, your personal information may be disclosed to other services providers. These may include:

- Financial product providers
- Financial planning software providers
- Administration and paraplanning service providers

We may engage third party service providers to assist in the provision of products or services. Some services may require disclosure of personal information to service providers outside Australia including the United States. The purpose of such disclosure is to facilitate the provision of financial services including the preparation of financial advice documents.

Direction Advice Group Pty Ltd respects your privacy and is committed to protecting and maintaining the security of the personal and financial information you provide us. For detailed information on how we handle your personal information, please refer to our Privacy Policy below and on our website at www.directionadvice.com.au

financial circumstances he is well positioned to assist you.

Jason can provide advice on and deal in the following financial products.

- Deposit and payment products, including basic deposit products, deposit products other than basic deposit products and non-cash payment products
- Government Debentures, stocks or bonds.
- Life insurance (Risk & Investment Products).
- Retirement savings accounts
- Securities
- Superannuation (including self-managed)
- Managed investments
- Margin Lending (standard margin lending facilities)
- Derivatives

His Qualifications:

- Bachelor of Business (Accounting),
- Graduate Diploma of Financial Planning
- Graduate Diploma of Applied Finance and Investment.
- Diploma of Financial Planning.
- Margin Lending & Gearing Accreditation (Kaplan)
- ASX Accredited Listed Products (ALPA) Accreditation (Kaplan).
- Self-Managed Superannuation Funds Accreditation (Kaplan).
- Accredited Aged Care Professional (Aged Care Steps Pty Ltd).
- Certified Financial Planner™ or CFP® qualification from the Financial Planning Association of Australia.
- Fellow of the Financial Services Institute of Australasia (FINSIA).
- Justice of the Peace.
- Registered Tax (Financial) Adviser Number 25033553.

His Background:

Jason started his own firm JPM Financial Planning in 2009 before rebranding the business Pinnacle Advice in 2017. Prior to this, he headed up the Financial Planning division of The Summerland Credit Union. For 10 years

Adviser Profile



Jason McFadden F.Fin,B.Bus,Dip FP,JP.
Certified Financial Planner™

Jason McFadden is a sub authorised representative ASIC No. 310317 of Pinnacle Advice (ASIC 1258793) a corporate Authorised Representative of Direction Advice Group Pty Ltd AFSL 492953

Jason meets the Financial Adviser Standards and Ethics Authority (FASEA) Education Standards and also has passed the Financial Adviser Exam.

Jason McFadden was born and raised in Lismore, his family were one of the original pioneering European settlers in the area. He attended School and University in Lismore and now resides in Lennox Head.

His Experience:

Jason McFadden has over 27 years' experience in the finance industry and 22 years as a financial planner, having worked in the financial services industry since 1994 and has been practicing as a financial planner since 1999. Having dealt with people on a daily basis, from all walks of life and

Jason has been involved in the lecturing, teaching and writing of Financial Planning subjects at Southern Cross University Lismore and the Gold

Coast. His material has also been utilised in major Universities in Hong Kong and Papua New Guinea.

Direction Advice Group Pty Ltd Privacy Statement

The privacy of your personal information is very important to us at Direction Advice Group Pty Ltd and Pinnacle Advice. Privacy laws apply to how we collect, maintain, use and disclose your personal information and this Privacy Statement explains how these laws effect Direction Advice Group Pty Ltd and you, including:

- The types of information that we keep on record and how we may use that information
- Our policies in relation to how we collect, maintain, use and disclose your personal information
- Your privacy rights along with our general rights and obligations

What information do we hold

The types of information we collect is reasonably necessary for us to perform our functions. The kind of personal information we collect and hold will depend upon the type of products and services that you request from us and may include:

- Information that identifies you, such as your name and address and other identification information provided by you and people nominated by you
- Financial details including information about your financial needs and objectives, your current financial circumstances including your assets and liabilities, income, expenditure, insurance cover and superannuation
- Details of your investment preferences and risk tolerance
- Family circumstances and social security eligibility
- Information about your employment, beneficiaries, bank accounts for funds to be transferred to or from and, in some cases, health information about you

What happens if you don't give us your personal information

Unless required by law (for example to comply with a legal duty of disclosure when applying for an insurance product) you need not give us any of the personal information about you or any other person which may be requested in our communications with you. However, without that information, we may not be able to provide you with an appropriate level of service or advice and the advice given may not be appropriate. Where we collect information from you about another individual (for example you nominated beneficiaries) please make that individual aware of that fact and the contents of this Privacy Policy.

How your personal information is collected

Generally, Direction Advice Group Pty Ltd and its authorised representatives only collect personal information about you from you, by phone, email or in an application form, unless it is not reasonable or practical for us to do so. For example, we may collect information from a third party, like your accountant or a product provider, or your employer for superannuation purposes, if you authorise us to do so.

How your personal information is held

Your personal information is generally held on a computer database and or stored in locked filing cabinets. All paper copies that are not stored electronically are destroyed on a regular basis by a recognised security company that offers that service. We take all reasonable steps to protect your personal information from misuse, loss, unauthorized access, modification or disclosure. We have physical, electronic and procedural safeguards to protect your information held by us. For example, your personal information is stored in secured office premises, in encrypted electronic databases requiring logins and passwords for access. We require all staff to maintain the confidentiality of your personal information at all times.

Using and disclosing your personal information

Your personal information may be disclosed for purposes related to the provision to you of the financial advice you have requested. The types of service providers that may be provided with your personal information are:

- Other financial planners and organisations involved in providing the financial advice you have requested (which may include ongoing service) such as fund managers who assist us in providing financial advice and para planners, Insurance providers, superannuation trustees and product issuers in connection with the provision to you of the financial advice you have requested.
- Organisations that assist in operating a financial planning business such as those that provide administrative, financial, accounting, insurance, research, legal, computer or other business services
- Your representatives or service providers such as your accountant, solicitor, tax agent, stockbroker or bank
- Government authorities and other organisations when required by law
- Organisations that you have consented to your personal information being disclosed to

We will seek to ensure that your personal information is not used or disclosed for any purpose other than:

- The primary purpose for which it was collected or a purpose that is related to the primary purpose for which it was collected or a related secondary purpose
- Where you have consented to the use or disclosure
- In other circumstances where the Australian Privacy Principles authorise the use or disclosure such as when it is required by or authorised under law

Correcting your personal information

We try to ensure that all information we collect, use or disclose is accurate, complete and up to date. However, you must promptly notify us if there are any changes to your personal information by contacting us on 02 66863579 or via email to admin@directionadvice.com.au

If we agree that the personal information requires correcting, we will take reasonable steps to do so. If we disagree as to the accuracy of the information, we will provide you with the reasons for not correcting your personal information. You may request that we make an appropriate notation in relation to that information, noting you consider it is not accurate, complete or up to date.

What are your rights

You can gain access to your personal information that we hold. This is subject to exceptions allowed by law such as where providing you with access, would have an unreasonable impact upon the privacy of others. If we deny a request for access we will provide you with the reasons for this decision. To request access please contact us on 02 66863579 or via email to admin@directionadvice.com.au

Changes to our privacy policies

We may amend this Privacy Policy from time to time. Not all changes to our privacy policies will require your consent (for example where office security procedures are changed). We will notify you of any change to our policies that require your consent before being implemented.

Marketing practices

We may contact you via mail, email, SMS or telephone about news, products and services that you might be interested in. We may also use online targeted marketing, data and audience matching and market segmentation to improve advertising relevance to you. If you do not want the benefit of receiving information about products and services, then please tell us. You can do this at any time by either writing to us, emailing or phoning us or by contacting your Direction Advice Group Pty Ltd authorised representative.

Overseas Disclosure

As at the date of this Privacy Statement, Direction Advice Group Pty Ltd does consent to storing client or adviser information overseas. Currently data may be stored in a secure server (Microsoft OneDrive, Google & DropBox) in the United States or Australia only. This will always be done in accordance with Australian privacy laws.

Contacting Us or Complaints About Privacy Issues

You can obtain further information on request about the way in which we manage the personal information that we hold or you can raise any privacy issues with by contacting us on 02 66863579 or via email to admin@directionadvice.com.au.

We will attempt to resolve any issues you may have within 14 days but if you are not fully satisfied with our response, you may wish to register your complaint with the Office of the Australian Information Commissioner. Please see below for contact details:

Office of the Australian Information Commissioner
Phone: 1300 363 992
Website: www.oaic.gov.au
Email: enquiries@oaic.gov.au
Mail: Office of the Australian Information Commissioner
GPO Box 5218
SYDNEY NSW 2001

