

# Financial Services Guide

**Merit Wealth Pty Limited**

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*Please note that all rates and amounts in this FSG are inclusive of GST unless otherwise stated.*

# Financial Services Guide – Part 1

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## About this Guide

This Financial Services Guide (FSG) provides you with important information about

- Who we are
- The financial services we provide
- How we and our associates are paid
- Any arrangements which may influence our advice to you
- How we protect your privacy
- Who you should contact if you have a complaint.

## Who is providing the Advice?

The financial services offered in this FSG are provided by Merit Wealth Advisers, who are Authorised Representatives of Merit Wealth. Merit Wealth, as the holder of an Australian Financial Services License is responsible for the advice services offered in the FSG. Merit Wealth has approved this FSG.

**FSG Part 2** is a profile of your adviser who is authorised by Merit Wealth to provide you with the financial services described in this FSG.

Information contained in this FSG may be updated from time to time without the need to notify you, provided the updated information is not materially adverse to you.

## Information you will receive

You will be provided with various documents that explain how our recommendations will work towards achieving your goals, the fee and potential conflicts that may exist that could influence the advice provided. These documents are designed to help you make informed decisions about our recommendations.

### Record of Advice

When we provide you with initial personal financial product advice you will receive a Statement of Advice (SOA) that confirms the discussions you have had with us, the recommendations we are making and the basis for those recommendations. We will keep a record of further advice. We retain these documents for seven years.

You may not receive an SOA for further advice we provide to you if you have already received a Statement of Advice. You may request a copy of your records of advice by contacting us.

### Product Disclosure Statements

When a financial product is recommended to you, you will be provided with a Product Disclosure Statement (PDS) or other disclosure document issued by the product provider. These documents contain information about the risks, benefits, features and fees payable for the product.

## Financial Services that we provide

### What financial products are available?

We only advise on financial products after considering your individual objectives, financial situation and needs. Merit Wealth maintains details of products that are researched and pre-approved in an Approved Product List.

- Basic deposit products
- Life risk products & investment life insurance products
- Managed investment, including investor directed portfolio services
- Retirement savings accounts
- Securities
- Standard margin lending facility
- Superannuation, including SMSF
- Government debentures, stocks and bonds
- Retirement Income streams

Merit Wealth is not licensed to provide and does not authorise advice on:

- Lending Products
- Agricultural Business
- Direct Property
- MDA Service

### Other services

Representatives of Merit Wealth may provide services other than financial product advice services. For example, accounting or legal advice, or advise you on real estate investments or lending products.

These other services are not provided under Merit Wealth's AFSL and Merit Wealth does not train, support or supervise the provision of these other services and has no responsibility in relation to those services.

Examples of the services which Merit Wealth is not responsible for include:

- general insurance services (for example, car insurance)
- real estate and direct property advice
- taxation services, such as completion of tax returns
- accounting and audit services
- legal services
- Consulting services
- Administration and compliance of Self-Managed Superannuation Funds

## How are we paid for our services?

Merit Wealth may receive

- Fees paid by clients,
- Some commissions paid by product providers, for example, life insurance products
- Other payments by product providers
- Other benefits

All fees and commissions are payable Merit Wealth Pty Ltd.

Details of fees, commissions or other benefits that we are entitled to receive in relation to a specific financial product recommendation will be disclosed to you in dollar and percentage terms in an advice document if known at the time. In circumstances where an amount or percentage is not known at the time of providing advice an estimate will be provided at the time.

Merit Wealth may receive up to 100% of any fees and commissions and may pass on to your Adviser up to 100% of these fees and commissions.

## What type of fees, commissions, payments and other benefits do we receive for our services?

### Service fees

We will discuss and agree our fee structure with you before we provide you with services. We provide ongoing services in addition to advice. Types of fees you can be charged are listed below. You may be charged a combination or part of any of these fees.

### Fees for advice

We may charge fees for the preparation, presentation and implementation of our advice. These fees will be based on your individual circumstances, the complexity involved in your situation and the time it takes to prepare personal financial advice for you. We will discuss these fees with you and gain your agreement on the fees before we provide you with advice.

### Ongoing advice and Service fees

We charge a fee for ongoing administration, advice and service to attend to client investment portfolios, including reviews. This fee will be agreed with you and is either a set amount per year or an amount based on the amount of funds under our advice and/or the time involved in reviewing your portfolio and circumstances.

### Payment methods

In most instances you will be able to select the method of payment. Our fees are either invoiced to you directly, or deducted from your investments or portfolio accounts at your direction, or a combination of both methods.

We will discuss and agree the method of payment with you before we provide you with services.

Further information about these fees and methods of payments will be provided in your Statement of Advice or Record of Advice.

## Commissions

Merit Wealth works on a fee for service basis. However, in some circumstances, if you take out a financial product, Merit Wealth may receive payments in the form of initial commissions and/or ongoing commissions from the financial product providers.

Commission is not a cost to you, it is a payment from the product provider for sourcing, maintaining and implementing the product recommended. Commissions are included in the product costs and are not a charge by the adviser or Merit Wealth.. However, your adviser may agree to offset commission from your agreed advice fees.

Ongoing fees or commissions range between 0% and 2% pa of your investment balance.	Range: 0 - 2% pa Example: \$10,000 invested \$200 pa
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The fees and or commissions payable for different classes of financial products are listed below.

## Investment products

In some circumstances, Merit Wealth may receive commission for investment products, including superannuation and annuities. (This is not the same as an implementation fee, advice fee)

Commissions on investment products can range between 0% and 5% of your initial investment as initial fees from product providers	Range: 0 - 5% - Once off Example: \$10,000 invested \$500 pa
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## Life insurance products

Depending on the product you purchase, Merit Wealth may receive between 0% and 140% of the annual premium as initial commission.	Range: 0 -140% - Once off Example: \$1,000 premium \$1,400
Between 0% and 40% pa of the annual premium for ongoing (trail) commission.	Range: 0 - 40% Example: \$1,000 premium \$400 pa

## Margin lending products

If your adviser organises a margin loan for you, Merit Wealth may receive payments in the form of ongoing commissions from the margin loan provider.

These commissions range between 0% and 0.5% of your loan balance.	Range: 0 - 0.5% pa Example: \$10,000 borrowed \$50 pa
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Commissions are included in the interest rate that you pay for the loan. You do not pay these fees to us. Merit Wealth may pass up to 100% of these commissions your adviser.

## Other product provider payments

Merit Wealth has an arrangement with BT Financial Group to assist in the administration of client funds held in managed funds and shares and other investments. These are the Merit Wealth Superannuation Service and the Merit Wealth Investor Services, an Investor Directed Portfolio Service (Wrap or Platform)

95% of the fee collected for administration is retained by the administrator and up to 5% may be paid to Merit Wealth for printing the PDS documents and maintaining the systems. This fee is not paid to your adviser.

Example: An account keeping fee of \$100 pa will result in a payment to Merit Wealth of up to \$5.

## Other benefits

We may accept alternative forms of remuneration from product providers, such as hospitality or support connected with our professional development (e.g., training or sponsorship to attend conferences). We maintain a register detailing any benefit that we receive which is valued at more than \$300.

A copy of the register is available on request.

Any benefits that we receive that are relevant to your consideration of our advice to you will be disclosed in the Statement of Advice or Record of Advice if such document is requested.

## Referral Fees

If a client is referred to your adviser we may pay the referrer a fee. We may also provide the referrer with a thank you gifts such as branded promotional items, hampers, gift vouchers etc. The fee varies according to the client, referrer and financial products involved. The fee may be a percentage of our fees, a percentage of the total amount invested paid through the referral, or a flat fee.

We may pay these fees upfront when the financial service is provided or the financial product is provided, or periodically as ongoing fees. The details of that fee will be in the Statement of Advice or Record of Advice, if a Record of Advice is requested.

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## Privacy

We maintain a record of your personal information that includes details of your investment objectives, financial situation and needs. We also maintain copies of any recommendations that we have made to you.

The Merit Wealth Privacy Policy details how we collect, use and protect your personal information.

Please ask us if you would like a copy of the Merit Wealth Privacy Policy or you can view a copy on Merit Wealth's website. If you would like to view your file at any time, please ask us and we will arrange for you to do so.

## Professional Indemnity

Merit Wealth holds a Professional Indemnity Insurance Policy, which complies with the requirements for compensation arrangements under the Corporations Act. (Subject to its terms and conditions)

This Policy covers claims relating to the professional services provided by Merit Wealth and its representatives.

Merit Wealth's Professional Indemnity insurance only covers advice in relation to professional services provided by representatives of Merit Wealth while authorised by us, even where that representative has subsequently ceased to be an authorised representative of Merit Wealth

## Anti-Money Laundering

Merit Wealth is required, pursuant to the Anti-Money Laundering (AML) and Counter-Terrorism Financing (CTF) Act and its corresponding rules and regulations to implement certain customer identification processes. We may be required to obtain information about you at the time of providing financial services to you and from time to time thereafter in order to meet our legal obligations. We have certain reporting obligations pursuant to the AML/CTF Act and information obtained from or about you may be provided to external third parties and regulators in accordance with the requirements imposed on us.

## How to instruct us

You may specify how you would like to give us instructions, for example, by phone, fax or email. Alternatively, you may provide instructions to us in person. Where instructions are provided by telephone, these must be confirmed in writing.

## Complaints

Contact [Merit Wealth](#) or your Adviser about your complaint.

If your complaint is not satisfactorily resolved by your Adviser within 3 business days, please contact Merit Wealth on **1300 785 611** or put your complaint in writing and send to:

Compliance Officer  
Merit Wealth Pty Ltd  
Level 2, 115 Pitt Street, Sydney, NSW 2001  
Or email your complaint to [contactus@meritwealth.com.au](mailto:contactus@meritwealth.com.au)

### Financial Ombudsman Service

[Financial Ombudsman Service](#) (FOS). FOS independently and impartially resolves disputes between consumers & financial services providers.

You can contact FOS on:  
Telephone 1300 780 808  
Fax + 61 3 9613 6399 Email [info@fos.org.au](mailto:info@fos.org.au), or in writing to GPO Box 3, Melbourne VIC 3001. Our membership number 27958.

### Superannuation Complaints Tribunal

The [Superannuation Complaints Tribunal](#) (SCT) also deals with complaints about superannuation funds, annuities and deferred annuities and retirement savings accounts.

You can contact the SCT on:  
Telephone 1300 884 114  
Fax +61 3 8635 5588 Email [info@sct.gov.au](mailto:info@sct.gov.au), or in writing to Locked Bag 3060 GPO Melbourne VIC 3001

### Financial Planning

[Association of Australia](#) If your concerns involve ethical conduct you may wish to consider raising your concerns in writing with the [Financial Planning Association of Australia](#) (FPA). They can be contacted at:

Financial Planning  
Association of Australia  
PO Box 109, Collins Street  
West Melbourne VIC 8007

The Australian Securities and Investments Commission also has a free call Info line on **1300 300 630**. You can call this number to make a complaint and to obtain further information about your rights.

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