

# FINANCIAL SERVICES GUIDE



## IFA Securities Pty Ltd “your guide to our relationship with you”

The financial services referred to in this guide are offered by:

**xLife Pty Ltd,**  
a Corporate Authorised Representative of  
IFA Securities [AFSL 247 150]

### FINANCIAL SERVICES GUIDE - CONTAINS IMPORTANT INFORMATION ABOUT

- ◆ Who we are and how you can contact us
- ◆ the services we are authorised to offer you
- ◆ how IFA Securities' Authorised Representatives are paid
- ◆ any potential conflict of interest which we may have
- ◆ our internal and external dispute resolution procedures and how you can access them.

When we give you financial advice, a Statement of Advice will be prepared and provided to you. In order to ensure that the advice is appropriate to you, we must make reasonable enquiries about your current financial situation and future needs.

### THE STATEMENT OF ADVICE WILL CONTAIN

- ◆ the advice and the basis upon which the advice was given
- ◆ details of our fees and commissions
- ◆ details of any associations we have with Financial Product Issuers or other parties which may have influenced the advice we give you.

*If we recommend a Financial Product we will give you information about that product including a 'Product Disclosure Statement' to help you make an informed decision.*

### BEFORE YOU GET OUR ADVICE

#### Who is my advisor?

Russell Cain ASIC # 308738  
Frank James Guanco ASIC # 311657  
Benjamin Irons ASIC # 321051  
Jasdeep Poonia ASIC # 322029  
Douglas Frith ASIC # 325871

Please refer to the attached appendix which gives details of each Authorised Representatives qualifications and the area in which they are authorised to provide advice.

### Who is responsible for the financial services provided?

IFA Securities Pty Ltd, Australian Financial Services Licensee No: 247 150, is responsible for the financial services provided including the distribution of this Financial Services Guide (FSG).

### What kinds of financial services are xLife authorised to provide me and what kinds of financial product/s do those services relate to?

- Life Products (eg. Term Life, Trauma Insurance, Income Protection, Investment/ Insurance Bonds)
- Superannuation

### How will I pay for the services provided?

You may be able to select the payment method most suitable to you. You may chose to pay directly i.e. via cheque or deducted from your nominated bank or cash management account or authorise payment to be made on your behalf by the product providers. At times clients can elect a combination of the above fees. In some circumstances commission may be paid by the product providers.

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*It is IFA's policy that all brokerage, commission and fees be fully disclosed, discussed and agreed to, prior to deciding to proceed. Fees are based on individual circumstances and are subject to change with appropriate notice.*

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### How are any commissions, fees or other benefits calculated and paid for when providing the financial services?

#### Remuneration and Fees Remuneration

All advisers are employees of xLife Pty Ltd (ABN 98 1212 66957). As an employee, the advisers are paid a combination of salary base plus performance bonuses and incentives.

#### Preparation of a Financial Plan – Report Preparation Fee

Depends upon the complexity of the plan however a guide would be \$550.00 for a full financial plan, or \$350.00 for a limited advice financial plan.

#### Hourly Rate

If an hourly rate is agreed \$165.00 per hour may be taken as a guide.

#### Financial Planning Fee

A flat \$ fee may be negotiated, subject to your agreement, Advisers may receive a fee up to 5.5% of the amount invested, this can be paid direct by yourself or authorised to be paid from the product provider. . As an example if \$20,000 were invested the initial fee could be \$1,100

#### Portfolio Management

We can provide ongoing, professional management of your portfolio, including advice upon strategic asset allocation, risk insurance needs and detailed investment recommendation. This includes comprehensive written reports and reviews presented in an agreed timeframe. These are based on your personal circumstances, objectives and your attitude to risk. The fee for this service is usually between 0.44% pa and 1.1% pa of the portfolio value. Using a % based fee rather than a flat \$ fee means that your Adviser's payment is directly related to the performance of your investments i.e. if the value falls so does the Advisers fee. This amount can be paid either directly by cheque, deducted from your nominated bank or cash management account or you may authorise payment to be made on your behalf by the product providers. In some cases there are standard ongoing fees which are paid to Advisers from your account. This will be fully disclosed to you in your Statement of Advice (SoA).

### Risk insurance fees

Commission on Risk i.e. Term Life, TPD, Income Protection, Trauma, varies depending upon a number of factors. As a guide initial commission may be up to 140% of the premium while in following years it can be 2% - 30%. Insurance companies assure us that premiums are no cheaper if you were to approach them directly. Based on a \$1,000 annual premium initial commission could be \$1,400 & between \$20- \$300 in following years.

### What IFA Securities pays me as your Authorised Representative

The fees and commission mentioned above represents the amount payable to IFA Securities. IFA Securities will retain 3% of this amount and I as your Advisor will receive 97%.

The exact amounts payable to IFA Securities and the Advisor will be disclosed in the statement of Advice.

### Other Benefits – Alternative Remuneration

It is IFA Securities policy that no advisor is to participate in, nor receive, any benefit which is directly dependant upon minimum level of new business being placed with any individual Risk Insurer, Investment/Fund Manager or Product Provider.

After carefully researching services and products IFA Securities determines an extensive Approved Products List from which advisors are to select their recommendations. From this list IFA Securities may invite selected groups to provide financial assistance (Sponsorship) which, may be up to \$10,000. Be assured that there are no guarantees or commitments of business flows tied to such payments. This amount is not directly distributed to advisors.

IFA uses these funds to enhance the services, research and support provided to advisors including client related activities, Professional Development Sessions, Conferences\*, and training days. At such sessions these groups are asked to provide presentations in relation to the latest technical information, economic and market conditions and their services. However participation at such PD days and conferences is not conditional upon payment.

At times individual advisors may receive direct financial assistance to aid with client related activities, advertising, or promotion. These amounts will be less than \$1000. In the normal course of events advisors may receive invitations to dinners, luncheons, sporting/cultural events, or corporate promotional merchandise ie pens, caps, shirts. In line with industry guidelines each advisor and IFA Securities is required to maintain a register of such "Alternative Remuneration" which they have received. You are entitled to ask to see this register.

\* It is IFA policy that Advisors cover the majority, if not all of their own direct costs i.e. travel & accommodation of attendance at any IFA Conference.

N.B All fees & brokerage quoted above include GST of 10% (i.e. 0.5% of 5.5%) paid. I am then required to effectively forward this to the Government as part of my Business Activity Statement.

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

IFA Securities Pty Ltd is proud to be fully owned by its advisors. This means advisors are under no obligation to, or influence of, any fund manager or product provider to recommend their products. Authorised Representatives are free to recommend all services and products on IFA's extensive Approved Products List. There is no requirement for an advisor to place business with any particular product issuer.

**IFA Securities is a Principal Member of:**

- ◆ Financial Planning Association (FPA) the profession's professional body.
- ◆ Association of Independently Owned Financial Planners, (AIOFP) a national co-operative of independently owned financial planning groups.

As a result of its membership of the AIOFP IFA Securities is entitled to receive a rebate, of Funds under Advice, from a range of Fund Managers being Colonial First State (0.15%), Skandia (0.15%), Netwealth (0.15%), Bank West (0.2%), OFM (0.15%), and Asgard Elements (0.2%). In turn IFA distributes 50% of this amount to advisor.

Asgard master fund provides a rebate of 25% of the net client administration fee.

IMPORTANT: we are assured that this does not increase the fees which are you as a client pay. Further there is no obligation from IFA for any advisors to recommend use these services nor any volume targets.

**Personal Choice "Badged Investments"**

IFA Securities, in conjunction with the AIOFP, has arrangements with IOOF and Asgard to "badge" selected investments. These are referred to as Personal Choice. As a result IFA Securities and its advisor are entitled to receive a share of the standard administration fee.

IMPORTANT: This agreement does not increase the fees paid by you nor will it impact on the amount which you have invested or on your investment earnings. Furthermore, IFA Securities is not aware of any exclusivity agreement or any requirement to meet minimum volume levels. In fact with Personal Choice eWrap this arrangement has allowed us to actually reduce the fee paid by clients.

*Personal Choice eWrap (Asgard)* an amount equal to 45% of the administration fee is payable to Personal Choice Portfolio Services P/L which, after expenses including the production of PDS, distributes the balance to IFA Securities who shares this amount equally with advisors.

*Personal Choice Super (IOOF)*, Personal Choice Management P/L receives the balance of the administration fee after IOOF deducts its costs being 0.45%. After expenses Personal Choice Management P/L distributes the balance to IFA who shares this amount with its advisors.

There is no obligation from IFA Securities for me, as your advisor, to recommend the use of any of the above services in preference to others on our Approved Products List. In essence these arrangements, by allowing advisors to receive some additional revenue, with no negative impact on clients, allow them to improve the service to clients without increasing fees. Importantly if any of these services or products are recommended full details will be included in the Statement of Advice which will be provided to you prior to your being asked to making any decisions.

**WHEN YOU GET YOUR ADVICE**

**Will you give me advice that is suitable to my investment needs and financial circumstances?**

Yes - but to do so we need to understand your financial situation, needs, goals and personal investment objectives before we can confidently recommend an investment strategy. Naturally you have the right not to divulge this information to us, however, in such cases, we are required to warn you about the possible consequences of us not having sufficient information. It is important you read these warnings carefully.

**Will you act for me without giving advice?**

We may but are not in favour of such situations. If we do proceed we will warn you of the potential risks of not receiving full advice and require you to acknowledge, in writing, that we have not provided any advice and therefore neither I, nor IFA Securities, are able to accept any responsibility if the investment fails to meet your expectations.

**What should I know about any risks of the investments or investment strategies you recommend to me?**

You will be given a full explanation of the potential risks. We will ask questions to establish your level of understanding and attitude towards risk, our recommendations will be made to match your specific risk profile. If you do not understand, or are uncomfortable with the level of risk involved, you should request more information.

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

We maintain records which include details of your financial and life-style objectives; financial situation; correspondence and recommendations made to you. You can access your records at any time upon request.

**What do we expect from you?**

IFA Securities expects all clients to read and understand this FSG and their Statement of Advice, if provided with one. If you do not understand these documents please ask your Authorised Representative to explain these to you in more detail. We expect you to read in detail any recommendations and fully understand what is contained within the Statement of Advice. You are ultimately responsible for your actions, including proceeding with the placements of proposed insurance and / or investments.

As a financial service provider, we have an obligation under the Anti Money Laundering and Counter Terrorism Finance Act to verify your identity and the source of any funds. This means that we will ask you to present identification such as a passport or a driver's license. We will retain copies of this information. We assure you that this information will be held securely.

**IF YOU HAVE ANY COMPLAINTS**

**Who can I complain to if I have a complaint about the Financial Service which I receive?**

If you have any complaints about the service provided to you, you should consider taking the following steps:

- ◆ Contact your advisor, discuss the matter and seek to reach a resolution of the matter.
- ◆ If your complaint is not satisfactorily resolved you may contact the General Manager of **IFA Securities** Pty Ltd on (02) 9369-1745 or put your complaint in writing and send it to:  
PO Box 1599,  
Bondi Junction, NSW 1355.
- ◆ IFA will try to resolve your complaint quickly and fairly.
- ◆ If you still do not receive a satisfactory outcome, you have the right to lodge a complaint directly with the  
Financial Ombudsman Service  
(Formerly known as the Financial Industry Complaints Service (FICS))  
GPO Box 3, Melbourne VIC 3001  
Ph 300 78 08 08 Fax03 9613 6399  
Email: info@fos.org.au

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*The Australian Securities & Investment Commission (ASIC) has an Infoline (1300 300 630) that you may use to obtain further information about your rights*

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**What kind of compensation arrangements are in place and are these arrangements complying?**

IFA Securities confirms that it currently maintains Professional Indemnity insurance in accordance with s.912B of the Corporations Act 2001 (as amended). Our Professional Indemnity insurance, subject to its terms and conditions, provides indemnity up to the sum insured for IFA Securities and its Authorised Representatives and employees, under our authorisation and obligations of our Australian Financial Services Licence.

I trust that you have found this document both informative and relevant to your needs. Should you have any questions or should need clarification on any point, please call me at anytime on **1300 135 205**.

We look forward to working with you to help you meet your insurance objectives  
With Kind Regards,

xLife Pty Ltd Corporate Authorised Representative of IFA Securities Pty Ltd  
Suite 210, 283 Alfred Street, North Sydney NSW 2060,  
Ph 1300 135 205  
Fax (02) 8569 0331  
Email [info@xlife.com.au](mailto:info@xlife.com.au)  
Web [www.xlife.com.au](http://www.xlife.com.au)

In order to comply with ASIC regulatory standards, I would ask that you complete the acknowledgement slip on the following page and return it to our offices as soon as practical.

**Financial Services Guide Acknowledgement:**

I \_\_\_\_\_  
Of \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- ◆ Acknowledge that I/we have received and will retain a copy of **Advisor's Financial Services Guide** (FSG).
- ◆ I/We have taken the time to read and understand its contents.

**Client Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

Date: 26/06/2008

**Who is my advisor?**

Russell Cain, your Financial Adviser is:  
A Director of xLife Pty Ltd (ABN: 98 121 266 957)

Australian Securities and Investments Commission (ASIC) Authorised Representative No. 308738.  
Suite 210, 283 Alfred Street,  
North Sydney, NSW 2060

xLife Pty Ltd is a Corporate Authorised Representative (ASIC No. 305 213) of IFA Securities Pty Ltd, holder of an AFSL No. 247 150, ABN: 37 084 661 521, Level 12, 1 Newland Street, Bondi Junction 2022. PO Box 1599, Bondi Junction 1355 Ph: (02) 9369 1745.

Russell specialises in:

- Personal Risk Insurance which includes Life Insurance, Trauma Insurance, Income Protection, and Total & Permanent Disablement Cover
- Business Insurance, Key Person and Business Succession Planning.
- Superannuation

Russell is PS146 Compliant and has completed:

Completed	DFP Equivalent	Area of Competency
Entry Level Competencies (Kaplan)	DFP1	General Industry Knowledge
Risk Management (Kaplan)	DFP2	Risk Insurance
Superannuation (Kaplan)	DFP 4	Superannuation & Retirement planning

In addition to the above Russell also holds a Bachelor of Commerce (Majors - Accounting & Financial Management).

**What kinds of financial services are you authorised to provide me and what kinds of financial product/s do those services relate to?**

Russell Cain is authorised by IFA Securities Pty Ltd to provide you with a combination of personal and general advice including in the following areas:

- Life Products (eg. Term Life, Trauma Insurance, Income Protection, Investment/ Insurance Bonds)
- Superannuation

*Remuneration*

Russell Cain is an employee of xLife Pty Ltd (ABN 98 1212 66957). As an employee, Russell Cain is paid a combination of salary base plus performance bonuses and incentives.

**Who is my advisor?**

Frank James Guanco, your Financial Adviser is:  
An employee of xLife Pty Ltd (ABN: 98 121 266 957)

Australian Securities and Investments Commission (ASIC) Authorised Representative No. 311657.  
Suite 210, 283 Alfred Street,  
North Sydney, NSW 2060

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Frank (James) specialises in:

- Personal Risk Insurance which includes Life Insurance, Trauma Insurance, Income Protection, and Total & Permanent Disablement Cover
- Business Insurance, Key Person and Business Succession Planning.

Frank (James) is PS146 Compliant and has completed:

Completed	DFP Equivalent	Area of Competency
Entry Level Competencies (Finsia)	DFP1	General Industry Knowledge
Risk Management (Finsia)	DFP2	Risk Insurance
Financial Products (Finsia)	DFP 3	Investments
Superannuation (Finsia)	DFP 4	Superannuation & Retirement planning

**What kinds of financial services are you authorised to provide me and what kinds of financial product/s do those services relate to?**

Frank (James) Guanco is authorised by IFA Securities Pty Ltd to provide you with a combination of personal and general advice including in the following areas:

- Life Products (eg. Term Life, Trauma Insurance, Income Protection, Investment/ Insurance Bonds)

*Remuneration*

Frank (James) Guanco is an employee of xLife Pty Ltd (ABN 98 1212 66957). As an employee, Frank (James) Guanco is paid a combination of salary base plus performance bonuses and incentives.

**Who is my advisor?**

Benjamin Irons, your Financial Adviser is:  
An employee of xLife Pty Ltd (ABN: 98 121 266 957)

Australian Securities and Investments Commission (ASIC) Authorised Representative No. 321051.  
Suite 210, 283 Alfred Street,  
North Sydney, NSW 2060

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Benjamin specialises in:

- Personal Risk Insurance which includes Life Insurance, Trauma Insurance, Income Protection, and Total & Permanent Disablement Cover
- Business Insurance, Key Person and Business Succession Planning.

Benjamin is PS146 Compliant and has completed:

Completed	DFP Equivalent	Area of Competency
Entry Level Competencies	DFP1	General Industry Knowledge
Risk Management	DFP2	Risk Insurance

In addition to the above, Benjamin also completing a Bachelor of Business holds a Diploma of Financial Services (Financial Planning) and is an Associate Member of the Financial Services Institute of Australasia (FINSIA).

**What kinds of financial services are you authorised to provide me and what kinds of financial product/s do those services relate to?**

Benjamin Irons is authorised by IFA Securities Pty Ltd to provide you with a combination of personal and general advice including in the following areas:

- Life Products (eg. Term Life, Trauma Insurance, Income Protection, Investment/ Insurance Bonds)

*Remuneration*

Benjamin Irons is an employee of xLife Pty Ltd (ABN 98 1212 66957). As an employee, Benjamin Irons is paid a combination of salary base plus performance bonuses and incentives.

**Who is my advisor?**

Jasdeep Poonia, your Financial Adviser is:  
An employee of xLife Pty Ltd (ABN: 98 121 266 957)

Australian Securities and Investments Commission (ASIC) Authorised Representative No. 322029.  
Suite 210, 283 Alfred Street,  
North Sydney, NSW 2060

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Jasdeep specialises in:

- Personal Risk Insurance which includes Life Insurance, Trauma Insurance, Income Protection, and Total & Permanent Disablement Cover
- Business Insurance, Key Person and Business Succession Planning.

Jasdeep is PS146 Compliant and has completed:

Completed	DFP Equivalent	Area of Competency
Entry Level Competencies	DFP1	General Industry Knowledge
Risk Management	DFP2	Risk Insurance

**What kinds of financial services are you authorised to provide me and what kinds of financial product/s do those services relate to?**

Jasdeep Poonia is authorised by IFA Securities Pty Ltd to provide you with a combination of personal and general advice including in the following areas:

- Life Products (eg. Term Life, Trauma Insurance, Income Protection, Investment/ Insurance Bonds)

*Remuneration*

Jasdeep Poonia is an employee of xLife Pty Ltd (ABN 98 1212 66957). As an employee, Jasdeep Poonia is paid a combination of salary base plus performance bonuses and incentives.

**Who is my advisor?**

Douglas Frith, your Financial Adviser is:  
An employee of xLife Pty Ltd (ABN: 98 121 266 957)

Australian Securities and Investments Commission (ASIC) Authorised Representative No. 311657.  
Suite 210, 283 Alfred Street,  
North Sydney, NSW 2060

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Douglas specialises in:

- Personal Risk Insurance which includes Life Insurance, Trauma Insurance, Income Protection, and Total & Permanent Disablement Cover
- Business Insurance, Key Person and Business Succession Planning.

Douglas is PS146 Compliant and has completed:

Completed	DFP Equivalent	Area of Competency
Entry Level Competencies (Kaplan)	DFP1	General Industry Knowledge
Risk Management (Kaplan)	DFP2	Risk Insurance
Financial Products (Kaplan)	DFP 3	Investments
Superannuation (Kaplan)	DFP 4	Superannuation & Retirement planning

**What kinds of financial services are you authorised to provide me and what kinds of financial product/s do those services relate to?**

Douglas Frith is authorised by IFA Securities Pty Ltd to provide you with a combination of personal and general advice including in the following areas:

- Life Products (eg. Term Life, Trauma Insurance, Income Protection, Investment/ Insurance Bonds)

*Remuneration*

Douglas Frith is an employee of xLife Pty Ltd (ABN 98 1212 66957). As an employee, Douglas Frith is paid a combination of salary base plus performance bonuses and incentives.