



LIGHTHOUSE

FINANCIAL ADVISERS TOWNSVILLE

Retire in Financial Comfort

Financial Services Guide

Dated 22nd March 2019 - Version 5

Lighthouse Financial Advisers (Townsville) Pty Ltd
Trading as Lighthouse Financial Advisers Townsville
ABN: 26 146 225 505

45 Ingham Road
West End QLD 4810

Postal Address

PO Box 1457
Townsville QLD 4810

Tel: 07 4772 0938

Email: kylie@lighthouseadvisers.com.au

Web: www.lighthouseadvisers.com.au

Australian Financial Services Licence Number: 471826

How can we help you?

Before seeking our advice, you probably have a number of questions you would like to ask about us and 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. How we are paid
4. Privacy
5. If you have a complaint
6. Other matters you might want to know
7. Our relationships

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

1. Who we are

Lighthouse Financial Advisers Townsville was formed in September 2010 by Michael Hogue with the aim to offer a unique financial advice service to Townsville residents, with Kylie Hatfield and Dallas Davison joining the team soon after. Since then, Dallas and Kylie have both become part owners of the business.

This FSG is given to you by your adviser with the authority of Lighthouse Financial Advisers (Townsville) Pty Ltd. When a member of our team provides financial services to you, they will be acting for you on behalf of Lighthouse Financial Advisers (Townsville) Pty Ltd.

2. Matters we can help you with

We can help you with the following:

- Pre-Retirement and Retirement planning strategies
- Budgeting and Goal Setting
- Savings and Wealth creation
- Investment Planning
- Superannuation strategies
- Salary packaging
- Risk and insurance analysis services
- Business Succession Planning
- Gearing strategies
- Social security advice
- Estate planning
- Consequences in relation to tax (financial) 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, limited to basic deposit products
- Investment life risk insurance products and life risk insurance products, including life, trauma, income protection, business expenses, business succession and total and permanent disability insurance
- Superannuation
- Managed investments
- Margin lending facilities

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, or other means. But in all cases, we must receive a written confirmation of these instructions.

Personal Advice and General Advice

Personal Advice is defined under s766B(3) of the Corporations Act as Financial product advice given or directed to a person in circumstances where:

- the person giving the advice has considered one or more of the client's objectives, financial situation and needs;
- is intended to influence a person or persons in making a decision in relation to a particular financial product or class of financial products, or an interest in a particular financial product or class of financial products; and a reasonable person might expect the person giving the advice to have considered one or more of these matters

We will provide you with Personal Advice only after you have agreed to have a Statement of Advice prepared for you, and we have presented this Statement of Advice to you. Up until this point in time, we will provide you with General Advice only. Please read the General Advice Warning below:

If we give you further advice, or when no financial product is recommended, a Record of Advice (RoA) may be provided to you instead of a SoA. You can request a copy of the RoA by contacting us (if you have not previously received a copy) within 7 years of that further advice being given.

General Advice Warning – any information that we provide to you prior to you agreeing, and us providing you with, a Statement of Advice addressed to you personally, may be regarded as general advice. That is, your personal objectives, needs or financial situations were not taken into account when preparing this information.

Accordingly, you should consider the appropriateness of any general advice we have given you, having regard to your own objectives, financial situation and needs before acting on it. Where the information relates to a particular financial product, you should obtain and consider the relevant product disclosure statement before making any decision to purchase that financial product. For the avoidance of doubt, general advice includes any general information provided to you either verbally or written in any appointment or correspondence up until you have agreed for us to prepare and receive any future Statement of Advice.

For example, if we spoke to you during an appointment and demonstrated that if an individual salary sacrificed an additional \$100 per week to their superannuation fund, for a period of 10 years, this would generally result in an additional superannuation balance of between \$50,000 - \$70,000 to the super fund balance, this would be General Advice only at this stage.

Approved products

Lighthouse Financial Advisers (Townsville) Pty Ltd maintains a broad approved list, containing investment and insurance products that have been researched by a number of external research houses as well our in-house Investment Committee. It includes products issued by a diversified selection of Australian and International fund managers.

Lighthouse Financial Advisers (Townsville) Pty Ltd periodically reviews the products on the approved list to ensure they remain competitive with similar products to address your needs and objectives.

A copy of the approved list of products and services can be supplied to you upon request.

Generally, we recommend products and portfolio administration services (PAS) which are on the approved list, provided they are appropriate to your needs. However, we may, subject to Lighthouse Financial Advisers (Townsville) Pty Ltd approval, recommend other products and PASs where it is appropriate for you.

3. How we are paid

Advice costs

We receive initial, implementation and ongoing advice fees and commission for insurance products you purchase. Your financial plan will outline all fees and commissions inclusive of GST.

Initial Advice

Our fee for initial advice is up to 2.00% of your Retirement Savings balances (with a \$4,000 minimum) and is payable during the first 12 months of your financial plan. Your Retirement Savings are defined as the combined value of any Superannuation, Pension and Investment balances that we provide advice to you on. For example, a 2.00% initial advice fee charged on a \$300,000 balance equates to \$6,000.

If, in developing your financial plan, we identify that you have a complex situation that requires extensive planning and development, our initial advice fee will change. In this case, we will provide you with an upfront quote of the amount payable before we proceed with developing your financial plan.

The initial advice fee covers the cost of researching, preparing and implementing your financial plan.

Before providing you with initial advice we will prepare an initial advice agreement.

The initial advice agreement sets out what our initial advice will cover and how much it will cost.

Ongoing Advice

Our on-going financial advice fee for the second and subsequent years of your financial plan is up to 1.00% of your Retirement Savings balances (with a \$3,000 p.a. minimum). For example, a 1.00% annual fee charged on a \$300,000 balance equates to \$3,000 pa. If the product balance grows to \$310,000, then the 1.00% annual fee increase to \$3,100 pa.

Our ongoing advice fees ensure your strategy and products are reviewed to help you take advantage of opportunities as they become available.

If, during our assessment of your ongoing needs, we identify that you require ongoing advice outside of our standard advice offer, our ongoing advice fee will change. In this case, we will provide you with a quote of what you will be required to pay to receive these services.

Before providing you with ongoing advice we will prepare an ongoing advice agreement.

The ongoing advice agreement will set out what our ongoing advice will cover, your payment method, and how much it will cost.

Additional advice

For additional advice, an hourly rate of \$330 is payable.

Payment Method & Frequency

The following payment terms are available to you:

- Direct debit (savings).
- Deduction from your Superannuation, Pension or Investment.
- Ongoing advice fees may be deducted as an annual instalment or in fortnightly, monthly or quarterly instalments.
- Ongoing advice fees may increase each year in line with the Consumer Price Index (CPI) or by a fixed amount or percentage each year. The specific amount will be agreed to by you and outlined in an ongoing advice agreement.

Commission

Commission is payable by life companies when we recommend insurance products. The commission is factored into the annual premium and may range as follows:

- Starting from 1 January 2018, upfront commissions will be capped at 88%, then reduce to 77% from 1 January 2019, before settling at 66% from 1 January 2020.
- Starting from 1 January 2018 ongoing commission will range from 22% to 33% for advice where an ongoing insurance commission is paid.

Further details about commissions and or other benefits your adviser receives for recommending investments will be available to you when specific recommendations are made in the SoA or Record of Advice (RoA).

Information you should know

Remuneration of our staff members and ownership (Michael Hogue, Kylie Hatfield and Dallas Davison)

Lighthouse Financial Advisers Townsville Pty Ltd “us” staff members Michael Hogue, Dallas Davison and Kylie Hatfield all own a beneficial ownership interest in Lighthouse Financial Advisers Townsville Pty Ltd via related entities.

4. Privacy

We will need to find out your individual objectives, financial situation and needs before we recommend any financial product to you. You have the right not to divulge this information to us, if you do not wish to do so. In that case, we are required to warn you about the possible consequences of us not having your full personal information. You should read the warnings carefully.

We keep a record of the personal information, which may include details of your investment objectives, financial situation and particular needs, you provide to us. On your request, we can provide you with a copy of your personal information and advice documents, which we keep on record for no less than 7 years. Please note that a fee for this service may apply.

Disclosure of information in Australia

We may disclose your personal information to our service providers or other third parties who operate or hold data within Australia where Australian privacy laws regulate the handling of personal information.

Currently, we use Midwinter, a cloud-based financial planning software program, for the purposes of providing financial services to you. Midwinter's Privacy Policy states that personal information supplied to Midwinter is stored on servers located in Sydney, Australia which are operated by hosting service, Amazon Web Services, and that this information always remains within Midwinter's effective control. We are satisfied that Midwinter has appropriate data protection and security arrangements in place.

Disclosure of information overseas

From time to time we may send your information overseas to our service providers or other third parties who operate or hold data outside Australia where Australian privacy laws do not apply. Where we do this, we make sure that appropriate data handling and security arrangements are in place.

Currently, for the purposes only of sending faxes to Vanguard, an investment manager, we use FaxTo, an internet-based fax service. FaxTo's Privacy Policy states that FaxTo's website is hosted on various cloud-based storage providers such as Amazon and Google, which store data on secure servers located in the EU and the US with data protection and security protocols in place, and that FaxTo complies with the EU General Data Protection Regulation. There is a link to our Privacy Policy on our website.

If you would like a copy of this, please contact us on 07 4772 0938.

5. If you have a complaint

We are committed to providing quality advice to you. This commitment extends to providing accessible complaint resolution mechanisms for you.

If you have any complaint about the service provided to you, you should contact Complaints Manager at Lighthouse Financial Advisers (Townsville) Pty Ltd on 07 4772 0938 about your complaint and we will try and resolve your complaint within 45 days.

If after 45 days we cannot reach a satisfactory resolution to your complaint, we are a member of the Australian Financial Complaints Authority (AFCA) and you can raise your concerns with them through the contact details below:

AFCA

P: 1800 931 678

E: info@afca.org.au

W: www.afca.org.au

M: GPO Box 3 MELBOURNE VIC 3001

Your Advisers are:

Dallas Davison

Your financial adviser, Dallas Davison is authorised by Lighthouse Financial Advisers (Townsville) Pty Ltd to provide financial services.

Authorised Representative #449702

Email address: dallas@lighthouseadvisers.com.au

Education and Qualifications

MFinPlan. Adv. Dip FP.

Experience

Dallas Davison has worked in the Financial Planning industry since January 2012, and became a registered Financial Planner in December 2013.

Memberships

Member of the TPB

Michael Hogue

Your financial adviser, Michael Hogue CFP Dip FP is authorised by Lighthouse Financial Advisers (Townsville) Pty Ltd to provide financial services.

Authorised Representative #242947

Email address: michael@lighthouseadvisers.com.au

Education and Qualifications

B Bus. Dip FP.

CERTIFIED FINANCIAL PLANNER®



Experience

Michael Hogue has worked as a Financial Planner since 2001, attaining the status of Certified Financial Planner with the FPA.

Memberships

CFP member of the FPA

Member of the TPB

6. Other matters you might want to know

We will also provide you with a Statement of Advice (SoA) whenever we provide you with any advice, which takes into account your objectives, financial situations and or needs. The SoA will contain the advice, the basis on which it is given and information about fees, commissions and associations which may have influenced the provision of the advice.

If we give you further advice, or when no financial product is recommended, a Record of Advice (RoA) may be provided to you instead of a SoA. You can request a copy of the RoA by contacting us (if you have not previously received a copy) within 7 years of that further advice being given.

In the event we make a recommendation to acquire a particular financial product (other than securities) or offer to issue or arrange the issue of a financial product, we must also provide you with a Product Disclosure Statement containing information about the particular product which will enable you to make an informed decision in relation to the acquisition of that product.

We hold professional indemnity insurance cover for the activities conducted under our AFS licence which we believe satisfies the requirements of s.912B of the *Corporations Act 2001* for compensation arrangements. The insurance **will cover** claims in relation to the conduct of authorised representatives, representatives and employees who no longer work for the Licensee (but who did at the time of the relevant conduct).

7. Our relationships

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.

Payments to other professionals

We may pay a referral fee when clients are referred to us from other professionals.

We may pay between 15% and 25% of the upfront commission/fee.

This will be disclosed in your Statement of Advice if applicable.

Other benefits we may receive

We may be offered or receive non-monetary benefits from some product providers. We do not receive benefits valued more than \$300. Any other benefits we may receive relate to training and education or information technology software or support. Lighthouse Financial Advisers Townsville Pty Ltd maintains a register of the non-monetary benefits we have received with a value of between \$100 and \$300. A copy of this register will be made available within one month of a request.