



# **FINANCIAL SERVICES GUIDE**

**South City Brokers Pty Ltd**

**ABN 99 109 650 704**

**Corporate Authorised Representative of Core Financial Services Pty Ltd**

**Australian Financial Services Licensee AFSL 480009**

**Corporate Authorised Representative Number: 279232**

**37 Blythe Avenue, Yokine, Western Australia**

**Office: 9344 2833**

**FSG - Version 1.4 – Issued 1 November 2018**

## **The purpose of this guide**

This guide is designed to help you in understanding how we can assist you with your financial and lifestyle goals by explaining:

- The advice and services we can provide to you either directly or in association with other professionals,
- Our fees and charges,
- The influences and arrangements that you need to consider when assessing our recommendations, and
- How best to raise any issues you may have with our advice or services.

This is a very important document and we recommend that you read it carefully. If you need further explanation or you are unsure about any part of this guide we encourage you to ask us any questions you may have.

## Who we are

Core Financial Services Pty Ltd ("**CFS**", "**Core**", "**We**", "**Our**", "**Us**"), Australian Financial Services Licence Number 480009.

We are an Australian Financial Services licensee whose principals and management have built a reputation for delivering a service that has a strong client focus, combined with trust, reliability, responsibility and integrity, we offer a unique and consistent service. We will provide you financial services through our authorised representatives. Collectively, we refer to them as "Your Adviser".

## What we do

Good advice can improve your outcomes, help you protect your lifestyle and help you understand the small print. When We provide financial services, we act on your behalf, and not on behalf of any financial institutions or insurance companies.

## Statement of Advice

In most circumstances when We provide personal advice, and certainly in the case of Our initial advice to you, or where your financial circumstances or the basis of the advice We provide is significantly different to the previous advice that We provided you, Our advice will be presented to you in writing in a Statement of Advice (SoA).

The SoA is an important document because it sets out what Your Adviser is recommending and why it is suitable and appropriate for you. It should contain enough detail for you to make an informed decision about whether to act on the advice and will outline:

- Your Adviser's recommendations and the basis on which they are given.
- The costs of the advice and information about fees, commissions or other benefits that We, Your Adviser or a related party may receive.
- Details of any relationships or associations that We or Your Adviser may have with product providers or related parties.

## Record of Advice

If Your Adviser provides you with **further** personal advice, the advice may be recorded on a Record of Advice (RoA). A RoA is used if your circumstances or the basis of the advice We provide are not significantly different from the previous advice you received from Your Adviser. However, as noted above where your circumstances or the basis of Our advice is significantly different, any further personal advice that is provided to you will be documented in a SoA which will be provided to you.

You may request a copy of the advice records that We keep. Any request must be made within seven (7) years of the provision of the advice, and should be directed to your Adviser.

When We provide advice to you, we will typically consider your current situation, needs and objectives and consult with you to ascertain whether scaled (limited) or comprehensive advice is the most appropriate.

Specific information about Your Adviser, their experience and specialisations are provided at the back of this document.

If Your Adviser cannot provide advice to meet your needs and objectives they will refer you to another professional to provide the advice and service.

## Product Disclosure Statement

If Your Adviser recommends a particular financial product or transacts on your behalf and at your request, you may receive a Product Disclosure Statement (PDS), or other relevant product disclosure material. The PDS contains important information about the particular financial product and will include its fees, features and risks, and should assist you in making an informed decision about that product.

Your Adviser can provide you with financial advice and assist on a range of investments, personal, corporate and self-managed superannuation, personal risk insurances, key person insurances and securities. Specific information about your Adviser, their experience and specialisations are provided at the back of this document.

If your Adviser cannot provide advice to meet your needs and objectives, they will refer you to another professional to provide the advice and service.

### **We can act on your instructions**

After you engage Your Adviser, they can act on your instructions whether you provide the instructions by telephone, email, fax or other means of communications. Your Adviser will confirm and document instructions to place, amend or cancel financial products. Should you prefer Your Adviser or Us to communicate with you via email please be aware that you are responsible for monitoring the email account nominated by you for this purpose. We and Your Adviser will treat any communication received by Your Adviser or Us from this email address as instructions from you and We and Your Adviser will continue to communicate with this email account until you tell Us otherwise.

### **How you pay for Our services**

Operating a financial services business involves substantial costs. Fees and commission assists Us to afford the infrastructure, personnel and systems required to provide you the professional services Our clients have come to expect. You may choose to pay Our fees directly or have Our fees paid to Us by the product provider or from the products you have acquired.

Our Advisers will receive a salary. If you are referred to Us by a third party we may pay a referral fee, commission or a non-monetary benefit as a consequence of products or services you purchase. We could for example pay a referral fee of 10%, this means that for each \$100 we earn, we would pay \$10 to the person / company that referred you to us. A full disclosure of referral fees paid in your specific situation can be found in your Statement of Advice.

The remuneration We receive will be clearly disclosed to you at the time that advice is provided to you.

Commissions and fees which are paid from the product costs, vary according to the nature of the specific financial product. They also may pay Core a fee for our services. Your Advisers can be eligible for-profit share from time to time, this is based on the profitability of the business and not on targets or performance.

### **If you have a complaint**

If you have a complaint about any service you should contact your Adviser by telephone to explain your situation and let him know of your concerns. Your Adviser will do everything possible to resolve your complaint promptly.

If this does not resolve your complaint, please contact Our complaints manager on – phone 1300 001 088 – where it will be objectively considered and discussed with you and your Adviser with a view to being settled as soon as possible to your satisfaction.

If you are dissatisfied with Our response, which will typically be provided to you within 45 days of the receipt of your complaint, you have the right to refer your concerns to the Australian Financial Complaints Authority (“AFCA”). AFCA is an independent dispute resolution service that deals with complaints about financial services including banking, credit, loans, general insurance, life insurance, financial planning, investments, stock broking, managed funds and pooled superannuation trusts. AFCA can be contacted at PO Box 3, Melbourne VIC 3001 or by phone on 1800 931 678.

The Australian Securities and Investment Commission (ASIC) also has a Free call Info line on 1300 300 630 which you may use to make a complaint and obtain more information about your rights.

The law requires Us to maintain a level of Professional Indemnity Insurance appropriate for our size and the scale and complexity of our operations and be consistent with our obligations under section 912B of the Corporations Act 2001. Our insurance covers claims made against Core and the cover may extend to the conduct of previous Advisers and staff

## Privacy

Core collects your personal information in order to provide you with financial products and services. In providing you those financial services, it may be necessary for Us to disclose your personal information to certain third parties.

We and Your Adviser will collect and use information about you during the course of your relationship with Your Adviser and Us. As with most web-based businesses and services, when you use Core's services by accessing Our website facilities, we may use 'cookies' in order to enhance the service levels that We can provide you. If you would like further information about this, you should read Our website usage terms. We are also more than happy to assist you if you have any queries.

It is important that the information We hold about you is up to date. You should let Your Adviser know when information you have provided Us changes.

We are committed to ensuring the privacy and security of your personal information. As part of Our continuing commitment to client service and maintenance of client confidentiality, We have adopted the principles set out in the Privacy Act. Please refer to Australian Privacy Principles listed on the website of the Office of Australian Information Commissioner.

## Part Two - Adviser Details

### Your Adviser and how you can contact them

Your Adviser works for South City Brokers Pty Ltd is a corporate authorised representative of Core Financial Services Pty Ltd, and can be contacted using the following details:

<b>Name</b>	South City Brokers Pty Ltd
<b>ASIC Number</b>	279232
<b>ABN</b>	99 109 650 704
<b>Address</b>	37 Blythe Avenue, Yokine, Western Australia
<b>Telephone</b>	08 9344 2833
<b>Email</b>	info@southcitybrokers.com.au
<b>Website</b>	www.southcitybrokers.com.au

The following individuals are authorised by Core to provide personal financial services:

#### Steven Kerbel

ASIC Adviser identification number: 257862

Having been in the industry since 2001 Steve has the knowledge, skills and experience to deliver superior strategies in line with the objectives of her clients.

He has accumulated considerable technical knowledge in the areas of wealth creation, personal and business insurance, superannuation; self-managed super funds, retirement planning and life insurance and income protection claims.

Steven provides a strong client focus and combined with trust, reliability, responsibility and integrity he offers a unique and consistent service of financial planning.

Steven's primary aim is to develop lifetime plans for clients by clearly understanding their personal situation and financial goals.

Steven is now focusing on explaining the small print to clients specifically in relation to life insurance. This is as a result of years of seeing clients with life cover that does not meet their needs.

Steven has a vast array of experience with Life Insurance, TPD and IP claims. If claims do not go to plan, Steven can assist with lodging a complaint with the insurer and even going all the way to dispute resolution if need be.

Steven's Dad pointed out that his dual passion for Insurance and Retirement Planning made sense. In both situations, the event calls for a high degree of care, dedication and consistent delivery - in good time and bad - with little room for error. Last but certainly not least, Steven's passion for technology has led to leading client engagement tools - including cashflow and budgeting. Steven can also assist with IT with respects to compliance, workflow and filing. Steven went into the cloud in 2004...well before the term "cloud" was even coined.

## **2. Financial services and product types Your Adviser can provide**

Your Adviser is authorised to provide personal financial advice, general financial advice, and transact on your behalf (dealing) in relation to the following types of financial products:

- Securities
- Managed investment schemes
- Investment and funeral bonds
- Deposit products
- Government debentures, stocks and bonds
- Personal and business risk insurance
- Superannuation
- Margin loans
- Retirement Savings Accounts

### **Limits on the advice that can be provided**

It is important to note that We cannot provide advice on the following:

- General insurance
- Derivatives
- Foreign exchange

In addition, if We identify that you require specialist advice on a particular product or service, such as estate planning, we may refer you to a specialist who can help.

We are registered with the Tax Practitioners Board as a Registered Tax (Financial) Advisers. Based on the information collected from you, our advice may consider the tax consequences that relate directly to the financial advice being provided. However, we are not a registered to provide tax advice beyond being registered Tax (Financial) Advisers, consequently this advice does not include an assessment of your overall tax position. As such, we strongly recommend you review this advice with a Registered Tax Agent.

### **Direct shares**

If we identify that you require advice in relation to directly held shares listed on Australian or international share markets, we may refer you to Lonsec for personal advice on direct share investments or existing portfolios. We may receive a fee as a result of this referral. Any referral fee that is received will be disclosed in your SoA. We typically rebate 100% of any referral fee back to the client.

Alternatively, we may seek portfolio research advice, and incorporate this research into the advice that We provide to you. The cost of this portfolio research advice will be incorporated into the total advice fee and detailed in your SoA.

### **3. Referrals**

You do not have to consult any professional that We may refer you to. You may want to consult a professional you have an existing relationship with, or choose another.

The professionals you choose to consult, including the professional to whom We refer you, are responsible for the advice they provide to you. We may receive a fee or other benefit as a result of that referral or from the business that is transacted on your behalf. We typically rebate 100% of any referral fee back to you. Where We do not fully rebate the referral fee We will disclose that information to you at the time of making the referral.

### **4. Fees and other costs that may apply to you**

#### **Fees and Commissions**

A range of fees and other costs may be payable to Core for the advice you receive and the financial products used.

Outlined below are the types of fees and other costs that you may be charged. Before We provide you with any financial advice, we will discuss these options with you and help you select the best payment method for you.

Where we are aware that you have used borrowed funds (i.e. funds that are either secured or unsecured) to invest through us, we will charge you a flat dollar advice fee.

In all cases, details of payments required for the services provided will be given to you at the time of any personal financial advice or when executing a transaction on your behalf. You will be provided with a tax invoice for any services provided and your payment is generally made to Core in accordance with the terms of the invoice and is payable by cheque, credit card, direct credit or money order .

These amounts, where they can be determined, will be documented in your SoA. If at the time you receive your SoA the amounts cannot be determined, the manner in which they are calculated will be disclosed instead.

#### **Fee for Service**

Under this method of payment, there are set fees payable by you for each service provided to you. Those services and fees include:

##### **Initial Interview**

The standard fee for the initial interview is normally \$350.00 (\$385 including GST). However, this fee is normally waived if you proceed with a Statement of Advice. Please discuss this fee with your Adviser prior to your initial meeting.

Before going ahead, we will provide you an estimate of the time that we may need.

## Schedule of Fees

Category	SoA Fee	Implementation Fee	Total Cost
<b>Simple SoA (single strategy)</b>			
Super Rollover	\$1,300	\$400	\$1,700 (\$1,870 including GST)
Investment	\$1,200	\$300	\$1,500 (\$1,650 including GST)
Risk only	\$1,200	\$300	\$1,500 (\$1,650 including GST)
Corporate Super	\$1,200	\$300	\$1,500 (\$1,650 including GST)
<b>Standard SoA (1-2 strategies +/- risk)</b>			
Switch + risk	\$1,400	\$600	\$2,000 (\$2,200 including GST)
Simple multiple strategies	\$1,700	\$700	\$2,400 (\$2,640 including GST)
Super rollover +risk	\$1,700	\$700	\$2,400 (\$2,640 including GST)
Investment + risk	\$1,700	\$700	\$2,400 (\$2,640 including GST)
Corporate Super + risk	\$1,700	\$700	\$2,400 (\$2,640 including GST)
SMSF (Investment) + risk	\$1,700	\$1,000	\$2,700 (\$2,970 including GST)
Gearing + risk	\$1,700	\$1,000	\$2,700 (\$2,970 including GST)
Simple multiple strategies + risk	\$1,700	\$1,000	\$2,700 (\$2,970 including GST)
<b>Complex SoA (3 or more strategies +/- risk)</b>			
Retirement Planning=	From \$1,700	From \$1,000	From \$2,700 (\$2,970 including GST)
Transition to retirement	From \$1,700	From \$1,000	From \$2,700 (\$2,970 including GST)
Complex multiple strategies	From \$2,600	\$1,000	From \$3,600 (\$3,960 including GST)
Complex SMSF incl Bare Trust Advice	From \$3,000	\$1,500	From \$4,500 (\$4,950 including GST)
<b>Other Advice Documents</b>			
Transaction Without Advice	\$0	\$300	\$300 (\$330 including GST)
Records of Advice including Switches	\$770	\$330	\$1,100 (\$1,210 including GST)
Strategy paper	\$1,200	\$0	\$1,200 (\$1,320 including GST)

## Hourly rate direct charges

We may charge an hourly rate for financial services. The current rate of \$385 per hour including GST or part thereof. Part or all of the initial commissions received from a product provider may be rebated to you if this charging option is used.

## Revenue, Adviser Service fees and Commissions

### Revenue

Core may receive remuneration or benefits from certain product providers whose products we recommend. The level of this remuneration or benefits may be based on the level payments made by you to the product providers.

### Adviser Service Fee

The Adviser Service Fee is a fee that you agree with Us on for the ongoing advice and service that We are to provide, and is payable to Core Financial Services Pty Ltd. Core Financial Services Pty Ltd will pass on this fee to South City Brokers Pty Ltd after they have deducted Licensing Expenses. Some products offer the option to deduct the Adviser Service Fee from your funds on a periodic basis.

### Direct Share Investments

We may charge you a fee over and above the brokerage fee charged for trading shares. An advice fee based on the value of your direct share investment may also be charged. These fees are optional and have no minimum or maximum.

### Commissions

We may receive initial or ongoing commission payments when you invest in a product or commence an insurance policy through Us. Under this arrangement, Core may receive commission payments directly from product providers.

An initial commission is a one-off payment made upon entry to a financial product and an ongoing commission is paid each year for which a financial product is maintained.

Commission payments are based on a percentage of the funds you invest or the insurance premiums you pay. The commissions are not paid directly by you and are instead deducted from the investment, superannuation, loan or insurance premium by the product provider and paid to Core.

### Insurance policies

The initial commission that Core may receive on insurance policies can be up to 88% of the first year's premium.

The ongoing commission that Core can receive may be up to 33% per annum of the renewal premium.

We only receive commission payments where we are entitled to receive these payments through existing arrangements with product providers.

Any commission payments that We receive are not an additional cost to you.

### Margin Lending

We may receive commission payments on margin loans which are based on a percentage of the loan amount. This commission is paid on an annual basis and Core may pass all or part of this on to your Adviser. Core will only receive initial or ongoing commission payments on margin loans, or additional drawdowns to these products, where We are entitled to receive these payments through existing arrangements with product providers.

### Fees and Benefits

We may receive remuneration or benefits from certain product providers whose products We recommend. The level of this remuneration or benefits may be based on the level payments made by you to the product providers.

## **5. What Core Financial Services Pty Ltd pays Your Adviser**

### **Fees and Commissions**

Once Core receives payment for a service, it will pay your Adviser the fees and revenue that We receive after deducting the Licensing costs.

### **Partners in Education**

Core may receive sponsorship payments from a number of product providers. Core offers product providers various arrangements where product providers can partner with Core to provide education and training services to Core's advisers, including Your Adviser. For a full list of all current partners, please visit [www.corefinancialservices.com.au](http://www.corefinancialservices.com.au)



## Other Benefits

From time to time, Your Adviser may also receive the following benefits:

- Educational conferences and seminars: these are arranged by Core and attendance by Your Adviser may be fully or partially subsidised by Core.
- Non-monetary benefits: these may include business lunches, tickets to sporting and cultural events, promotional merchandise or other minor benefits from Core or product providers.

These other benefits arise from time to time. It is not possible to provide an estimated dollar value on these benefits at this point in time. However, We record such benefits provided to Your Adviser in a register, and as a client, you are able to request an inspection of the register in relation to Your Adviser.

Any other benefits (other than those referred to above) that Core or Your Adviser may receive will only be accepted to a value of less than \$300 per provider per year (other than professional training and continuing professional education benefits).



# **FINANCIAL SERVICES GUIDE RECEIPT PAGE**

**South City Brokers Pty Ltd**

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Client 1 Full Name : \_\_\_\_\_

Client 1 Signature : \_\_\_\_\_ Date : \_\_\_\_\_

Client 2 Full Name : \_\_\_\_\_

Client 2 Signature : \_\_\_\_\_ Date : \_\_\_\_\_