

# FINANCIAL SERVICES AND CREDIT GUIDE

V6.0 dated 1<sup>st</sup> November 2018

## IMPORTANT

This Financial Services and Credit Guide (“FSCG”) is an important document that provides you with information about us to help you decide whether to use the financial and credit services that we provide. The preparation and distribution of this FSCG has been authorised by Rahali Corporation Pty Ltd (“Rahali”), also referred to as “we” or “us”.

This FSCG contains information on:

- who we are;
- the financial and credit services and products you can receive;
- how we, your financial adviser (and our associates) are paid and any conflicts that may exist;
- details of how to get advice and give instructions;
- how you can make a complaint about us, and
- what we can do and what we expect from you.

Our financial advisers (employees of Rahali) offer the financial and credit services referred to in this FSCG.

For Initial Advice, we will provide you with a Statement of Advice (SoA) whenever we provide any personal advice to you.

The SoA will contain the advice, the basis of the advice, information about fees, commissions and associations we have that may influence the advice we provide to you. In some instances where advice is simple and of a small amount, we may provide you with a Record of Advice (RoA).

If you require further advice, your financial adviser must ensure that your personal circumstances and the basis on which the original advice was given have not significantly changed. Therefore, your financial adviser may need to check your circumstances again prior to providing any further advice.

A record of this further advice will be kept for seven years. You may request a copy of the RoA from your financial adviser.

We are not required to provide you with an SoA or an RoA where the advice relates to certain basic deposit products, non-cash payment facilities or other approved financial products.

We will also provide you with an offer document, such as a Product Disclosure Statement or investment report if we:

- Make a recommendation to you to acquire a particular financial product; or
- Issue or arrange the issue of a financial product to you.

The offer document or investment report will contain information about the particular financial product to help you to make an informed decision about that financial product. The offer document or investment report will inform you about the features, costs, risks and benefits of the recommended financial product as well as other information that you may need to know before you decide to acquire the financial product.

For loan products, you will be given documents that explain the product's features, the terms and conditions applying to the product, and any fees and charges that are payable.

If you do not wish to receive our advice, we may deal on your behalf by carrying out your instructions. If you do not obtain advice, you face the risk that the financial products that you select may not consider your objectives, financial situation or needs.

### **CREDIT ASSISTANCE**

In some circumstances, we may provide you with credit assistance; that is, we may suggest that you apply for a particular consumer credit contract or lease or increase your credit limit in a particular contract/lease, if it is suitable.

We must not provide you with credit assistance where we have assessed a particular contract as being unsuitable for you. Our assessment of suitability will be detailed in your SoA. To make this assessment, we must make reasonable enquiries about your requirements and objectives for the credit contract or credit limit increase. We must also make reasonable enquiries about your financial situation and take reasonable steps to verify this information.

## 1. YOUR FINANCIAL ADVISER

Your Questions	Our Answers
(a) Who is my financial adviser?	RANJIT DAS.

## 2. BEFORE YOU USE OUR SERVICES

Your Questions	Our Answers
(a) Who will provide the financial and credit services referred to in this FSCG?	<p>Rahali is responsible for the financial and credit services provided, including the distribution of this FSCG. Our details are as follows:</p> <ul style="list-style-type: none"><li>▪ Office: 100 Harbour Esplanade, Docklands Vic 3008</li><li>▪ ABN: 70 079 525 081</li><li>▪ Telephone: 03 9972 6988 / 0414 502 171</li><li>▪ Facsimile: 03 9011 9608</li><li>▪ Postal Address: PO Box 23052, Docklands Vic 3008</li><li>▪ Email: <a href="mailto:ranjit@rahali.com">ranjit@rahali.com</a></li><li>▪ Website <a href="http://www.rahali.com">www.rahali.com</a></li><li>▪ Australian Financial Services and Australian Credit Licence Number: 344748</li><li>▪ Tax (financial) adviser num. 24788437</li></ul> <p>Importantly, we will provide the financial and credit services directly through our financial advisers.</p>
(b) What kinds of financial services are you authorised to provide and what kinds of financial products do those financial services relate to?	<p>We are authorised under our Australian Financial Services Licence to provide certain financial services.</p> <p>These financial services include dealing in and providing financial advice regarding the following financial products:</p> <ul style="list-style-type: none"><li>▪ Deposit and payment products;</li><li>▪ Interests in managed investment schemes including investor directed portfolio services;</li><li>▪ Securities, including shares;</li><li>▪ Standard margin lending facilities;</li><li>▪ Superannuation products; and</li><li>▪ Insurance products including life risk products.</li></ul>

<p><b>(c) What kinds of credit services are you authorised to provide?</b></p>	<p>We are authorised under our Australian Credit Licence to provide certain credit services.</p> <p>These credit services permit us to engage in credit activities other than as a credit provider, and relate to:</p> <ul style="list-style-type: none"> <li>▪ Credit contracts;</li> <li>▪ Consumer leases; and</li> <li>▪ Mortgages,</li> </ul> <p>And more specifically, to provide services under our Australian Credit Licence relating to:</p> <ul style="list-style-type: none"> <li>▪ Residential mortgages and home loans;</li> <li>▪ Personal loans;</li> <li>▪ Vehicle loans;</li> <li>▪ Credit cards;</li> <li>▪ Overdrafts; and</li> <li>▪ Car leases.</li> </ul>
<p><b>(d) Who do you act for when you provide financial and credit services?</b></p>	<p>We will act on our own behalf in the provision of the financial and credit services referred to in this FSCG.</p>
<p><b>(e) How do you and my financial adviser get paid for the financial and credit services provided?</b></p>	<p>When we provide financial and credit services to you, certain fees are charged for providing these services. The amount of the fees charged obviously depends on the nature of those financial and credit services.</p> <p>Your SoA will set out the amount of fees we charge as well as any conflicts of interest that may arise as a result of the financial and credit services provided, including any financial product recommendations made to you.</p> <p>From time to time, we and your financial adviser may also receive other benefits from product issuers such as sponsorship of conferences or subsidised training. We maintain an Alternate Forms of Remuneration Register. The Register which can be reviewed by contacting us outlines some alternative forms of remuneration that we may receive from fund managers.</p> <p>In addition, where you invest in certain financial products based on a Product Disclosure Statement describing each financial product, fees will be charged by the issuer of the financial product. The Product Disclosure Statement will set out in detail these fees.</p> <p>Our financial advisers are paid a salary.</p>

<p><b>(f) What specific charges will you be paid for the financial and credit services provided?</b></p>	<p>Our fees charged generally include the following:</p> <ul style="list-style-type: none"> <li>▪ When you require personal financial product advice, a fee may be charged, based on the time involved, the expertise required and, the risk and complexity of the advice required. We levy a notional fee of \$1,000 for the initial plan and discussions, and this amount is rebated if you decide to proceed with implementing our advice.</li> <li>▪ When you do not require personal financial product advice, you may be charged a fee of \$220 per hour (incl GST) when non-specific budgeting or structural advice is provided;</li> <li>▪ When you require provision of a credit service, commissions are paid to us by the credit provider on loan amounts (between 0% - 0.2%)</li> <li>▪ When you choose to use our Ongoing Service, we will charge a fee which is explained in the SoA. This could be either <ul style="list-style-type: none"> <li>○ 0.66% (incl GST) of funds under advisement</li> <li>○ A fixed annual as agreed</li> </ul> </li> <li>▪ The maximum fee we charge is \$10,000 per annum (incl GST).</li> <li>▪ Any of the above fees will be charged as agreed with you or as permitted by law.</li> </ul>
<p><b>(g) What about risk insurance?</b></p>	<p>Whenever we recommend that you purchase a risk insurance policy, the insurance company will pay a commission to us from which you acquire the insurance policy.</p> <p><b>issued from 1 January 2018</b></p> <p>Initial commission payable under an upfront structure will be capped at 88%, then reduce to 77% from 1 January 2019, before settling at 66% from 1 January 2020. Ongoing commission under an upfront structure will be capped at 22% of the annual premium paid. Both initial and ongoing commission under a level structure will continue to be capped at 37%.</p> <p><b>Increases to Policies issued before 1 January 2018</b></p> <p>There may be an initial commission payable of up to 130% of the first year's annual premium and then ongoing commission of up to 37% of the annual premium paid.</p>
<p><b>(h) Will you pay anyone if they refer me to you?</b></p>	<p>We do not pay any referral fees in respect of any clients.</p>

### 3. WHAT WE DO AND EXPECT OF YOU

<b>Your Questions</b>	<b>Our Answers</b>
<b>(a) Are there any restrictions on what you can do?</b>	For your own protection, we will not do any of the following: <ul style="list-style-type: none"><li>▪ Ask you to sign blank documents;</li><li>▪ Act as your attorney or authorised signatory;</li><li>▪ Act on your behalf, unless we are specifically authorised to do so; and</li><li>▪ Advise you in relation to financial products which are not rated by us.</li></ul>
<b>(b) Is there anything that I should or should not do?</b>	You should do the following: <ul style="list-style-type: none"><li>▪ Give us complete, up to date and accurate details of your personal objectives, financial situation and needs;</li><li>▪ Keep us informed of any changes in your personal situation; and</li><li>▪ Use our advice to make your financial decisions.</li></ul> For your own protection, you should not: <ul style="list-style-type: none"><li>▪ Sign any blank forms;</li><li>▪ Appoint any financial adviser as your attorney or authorised signatory;</li><li>▪ Appoint any other person as your attorney or authorised signatory unless you have received legal advice; and</li><li>▪ Give us unclear or misleading instructions or false information.</li></ul>

#### 4. WHEN YOU GET OUR ADVICE

Your Questions	Our Answers
<p><b>(a) Will I be given advice and, if so, will your advice address my personal objectives, financial situation and needs?</b></p>	<p>In all cases where you seek financial product advice from your financial adviser, we will make reasonable enquiries about your relevant personal circumstances in order to fully understand your personal objectives, financial situation and needs.</p> <p>The advice that your financial adviser provides will always be provided to you in writing in the SoA, unless it is further advice as outlined earlier.</p> <p>However, you have the right not to tell us information about yourself if you do not wish to, but still require your financial adviser to provide you with personal financial product advice.</p> <p>In these cases, the SoA will contain a specific warning that draws your attention to the risks of not providing full information about yourself. The warning will state that if you do not give your financial adviser accurate and complete information relating to your personal circumstances, the advice you receive may not meet your intended objectives and that your financial adviser has not been able to determine whether the advice is appropriate.</p> <p>Therefore, before acting on any advice you receive, you should consider the appropriateness of the advice and read carefully the warnings contained in the SoA before making any decision relating to the advice.</p> <p>In all cases where your financial adviser provides a SoA to you and a recommendation is included in the SoA for you to acquire a financial product, an investment report for that financial product will be provided to you.</p> <p>It is important that you read and understand the document before implementing any recommendation made in the SoA. Your financial adviser will readily explain any part of this document, which you do not understand.</p> <p>If you do not wish to receive our advice, we may still act on your instructions to deal in financial products</p> <p>However:</p> <ul style="list-style-type: none"> <li>• you face the risk that the financial product you select may not be appropriate for you, and</li> <li>• we will require you to sign a document which records your intention not to seek advice from us for the particular financial product(s).</li> </ul> <p>We are under an obligation to act in your best interests in relation to the personal financial product provided to you (i.e. the 'best interests duty'). Generally, we must ensure, within the subject matter of the advice provided to you:</p> <ul style="list-style-type: none"> <li>• the scope of the advice includes all the issues for the advice to meet your objectives, financial situation and needs (including your tolerance for financial risk),</li> <li>• if the scope of the advice changes, the change is consistent with your objectives, financial situation and needs,</li> <li>• we consider whether or not to provide advice that recommends a specific product or whether you should dispose of a product or do nothing.</li> </ul>

<p><b>(b) What information do you keep in my file and can I examine my file?</b></p>	<p>We keep a record of your personal profile that includes, if you provide them, details of your objectives, financial situation and needs. We also keep records of any financial product recommendations we make to you.</p> <p>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 funds. This means that we will ask you to present identification documents such as passports and drivers' licence. We will also retain copies of this information.</p> <p>We will ensure the privacy and security of your personal information in accordance with our Privacy Policy, a copy of which can be provided on request. You may access your personal information we hold about you at any time in accordance with our Privacy Policy.</p>
<p><b>(c) When will a credit contract be unsuitable?</b></p>	<p>A credit contract will be unsuitable if:</p> <ul style="list-style-type: none"> <li>• The credit contract does not meet your requirements or objectives,</li> <li>• It is likely that you will be unable to comply with your financial obligations under the credit contract; or</li> <li>• It is likely that you could only comply with your financial obligations under the credit contract with substantial hardship.</li> </ul>



## 5. IF YOU HAVE ANY COMPLAINTS

Your Questions	Our Answers
<p><b>(a) What can I do if I have a complaint?</b></p>	<p>If you have a complaint about any of the financial or credit services provided to you by your financial adviser, you should first contact your financial adviser who provided the service to you.</p> <p>If the complaint is not satisfactorily resolved by your financial adviser within two (2) business days of making the complaint, you should contact us at the address set out below:</p> <p>In writing:                      Complaints Officer  Rahali Corporation Pty Ltd  PO Box 23052, Docklands, VIC 3008</p> <p>Telephone:                      (03) 9942 8801</p> <p>Facsimile:                        (03) 9011 9608</p> <p>When we receive your complaint, it will be entered in our complaints database. All details of the complaint will be sent to our Complaints Officer who will investigate the circumstances of the complaint.</p> <p>If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority, or AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers.</p> <p>Website:                         <a href="http://www.afca.org.au">www.afca.org.au</a></p> <p>Email:                              <a href="mailto:info@afca.org.au">info@afca.org.au</a></p> <p>Telephone:                        1800 931 678 (free call) – select Option 1</p> <p>In writing to:                      Australian Financial Complaints Authority,  GPO Box 3, Melbourne VIC 3001</p> <p>The Australian Securities and Investments Commission (ASIC) also has a free call info line on 1300 300 630 which you may use to make a complaint and obtain information about your rights.</p> <p>You can also make a complaint to the Australian Securities and Investments Commission (ASIC) at any time by contacting the info line on 1300 300 630.</p> <p>There is no charge to you for accessing the services offered by the above organisations.</p>
<p><b>(b) What kind of compensation arrangements are in place and are these arrangements complying?</b></p>	<p>Rahali confirms that it has arrangements in place to ensure it continues to maintain Professional Indemnity insurance in accordance with the law. In particular our Professional Indemnity insurance, subject to its terms and conditions, provides indemnity up to the Sum Insured for Rahali and our representatives / employees in respect of our authorisations and obligations under our AFSL and ACL. This insurance will continue to provide such coverage for any representative / employee who has ceased work with Rahali for work done whilst engaged with us.</p>

Should you require additional copies of this document or have any further questions about the financial and credit services which Rahali and our financial advisers provide, please call us on 03 9972 6988. Please retain this document for your reference and any future dealings with Rahali Corporation Pty Ltd.