

# Financial Services Guide

DJM Financial Services is a privately owned South Australian financial advisory business delivering professional services designed to meet clients' individual needs.



*“We help people plan for the future and protect the present, with integrity and ongoing support being the cornerstones of our operation.”*

## Welcome to DJM Financial Services (DJM)

This guide describes the financial services available through DJM and the process involved, including the detail on advice we cover; our fee policy; and how complaints are dealt with. If you need more information or clarification, please do not hesitate to ask us.

**DJM Financial Services (DJM) is an Australian Financial Services Licensee, wholly owned by Damien McColl (Director). We act for the client, in their best interests, building long term relationships and tailoring advice to individual circumstances.**

### Not Independent

According to the Corporations Act, there are specific criteria by which an adviser is allowed to call themselves either "independent", "unbiased" or "impartial".

As DJM elects to accept commissions from life insurance companies as part of its remuneration, DJM cannot claim that it is independent.

Please be aware though, that DJM:

- Does NOT accept payments in the form of a bonus for a volume of business placed with a financial institution:
- Does NOT have ANY restriction in relation to financial products, any recommendation is given on the determination of an investment committee that operates with a strict selection criteria: and
- Does NOT allow any conflict of interest due to connection with an issuer of financial products that could reasonably be expected to influence the adviser in carrying on the business or providing the service.

We provide strategic advice in the following areas:

- Retirement Planning
- Wealth Creation
- Personal Insurance
- Centrelink
- Redundancy
- Superannuation
- Investments
- Estate Planning
- Salary Packaging
- Gearing

We can advise you on the following types of financial products:

- Deposit and Payment
- Superannuation
- Life Risk and Investment Insurance
- Debentures, Stocks or Bonds
- Securities
- Managed Investments
- Standard Margin Lending Facilities
- Retirement Income Streams

## Your Adviser

Damien McColl is the Representative of DJM Financial Services, **authorised to provide financial product advice on behalf of DJM Financial Services Pty Ltd** – an Australian Financial Services Licensee (licence number 328056). Damien's qualifications include a Bachelor of Economics – The University of Adelaide and a Graduate Diploma in Applied Finance and Investment – The Securities Institute of Australia.

Damien is a registered Tax (Financial) Adviser through the Tax Practitioners Board and a Practitioner Member of the Stockbrokers and Financial Advisers Association (SAFAA). He is also Certified Financial Strategist and Practice Member of the Association of Independently Owned Financial Professionals (AIOFP). DJM Financial Services is also a Practice Member of the AIOFP. The AIOFP represents Advisers and Practices not owned or affiliated with Institutions. DJM, including Damien McColl, does accept commissions on Risk and past financial products.

Damien has over 30 years' experience in the financial services industry, mostly as a Strategic Financial Adviser. In addition to this, Damien has worked as a Technical Adviser, specialising in legislation affecting financial service products and strategy and as a Business Development Manager, focussing on investments. Over his career Damien has worked for several financial institutions, including AMP, National Australia Bank and Zurich Financial Services.

## Meeting with You

Initially, we'll meet with you to identify **how we can assist you**, and whether **we can work together** to help you achieve your objectives. Once this is established, we will need to find out all about you. This involves plenty of discussion and collecting information about you in a range of areas. Having established the framework of your requirements, including your needs, objectives, and financial situation, we will then conduct our analysis. A document known as a **Statement of Advice** ("SoA"), outlining our recommendations will be provided to you. This will contain the advice and its basis, as well as information about how we will be remunerated and if there are any associations which may have influenced the provision of the advice.

If further advice is furnished, we may record the advice instead of providing a SoA. You can ask us for a copy of the **Record of Advice** (RoA). Where we recommend that you acquire a financial product (other than securities), we will 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 its acquisition.

We only give advice and recommend a financial product to you after considering its suitability for your individual **needs, objectives, and financial situation**. The products we recommend are selected from our approved list and they have been researched by external experts, as well as our internal area.

We will explain to you **any significant risks of investments and strategies** we recommend to you.

## Implementation

After you have reviewed our advice and had all your questions answered, you can then instruct us to implement the advice, either in part or in full. We then proceed with the applications with the selected product provider(s) and liaise through to full implementation.

## Paying for the Service

Financial Planning involves a great deal of expertise and experience, and our role is to simplify the entire process and ensure your financial affairs are structured for your long-term financial security. Our fees are based upon the **time and value** we provide in assisting you with this.

We usually **do not charge a fee when we initially meet** unless you require an immediate service. In this case, we will discuss a fee with you. Our hourly rate is \$330, including GST. Our consulting fees usually range between \$330 and \$5,500 (including GST). The type and level of work can vary from case to case, so we determine our fee on an individual basis.

We discuss this with you and obtain your **agreement prior to commencement of any work**. We are flexible in the way a fee can be paid. It can be paid as a direct fee from you, as a fee taken from invested funds (flat dollar or percentage) or a combination.

Where we arrange **personal insurance** for you, we will usually choose to receive a commission from the insurance provider and not directly from you. In our experience, this can be more cost effective for you. How much time it will take to arrange insurance is often unclear and, in some cases, we may not be able to get the cover underwritten. We do have the flexibility to charge on a direct fee basis.

Initial, up-front commission is calculated on a percentage of the annualised premium, this can be up to 66% (including GST). As an example, an insurance premium of \$2,000 pa would pay \$1,320.

Ongoing commission is also paid on each policy anniversary for any ongoing service which may be provided in relation to the insurance, including handling enquiries and administration. We will also help with a claim when required. This can be up to 22% pa (inclusive of GST). Based on a \$2,000 premium that is \$440 pa. Note that the dollar amount increases with premium increases as it is based on a percentage.

We do have a **limited number of referral arrangements** and if you are referred to us from one of these sources, we pay a referral fee. This will be disclosed to you in the SoA.

## Ongoing Support

DJM Financial Services is a service-based business. The underlying service we provide for our ongoing clients is a continual and variable process covering direct actions with clients and background work carried out on behalf of our clients, both individually and as a group. We spend time keeping on-top of research into product and investments, markets, legislation, superannuation, investment rules and related taxation. We meet with the portfolio managers and insurance providers to gain further insight into the funds and product providers that our clients may use. We handle administration and we have a history of helping clients with insurance claims.

The main areas we can cover include managing portfolios and personal insurance, strategic financial planning and analysis and completing updates. We can also liaise with Centrelink and other professionals on behalf of our clients. We are available to you when you require help. Clients use our expertise and time to help them rather than attempting to cover this themselves and bearing the opportunity cost therein. We have a competitive advantage.

## Fees for Ongoing Support

Your ongoing service needs will be discussed with you during the advice process and an ongoing fee for the service agreed upon prior to any implementation. This is typically 1.10% pa (including GST) charged on the funds under advice. This reduces for higher balances. As an example, for an investment of \$200,000, the dollar fee is \$2,200 pa. Alternatively, we can charge on a flat dollar basis.

We usually charge an ongoing fee given the type of service we provide and the costs we incur to provide that service. We do not charge you every time you contact us for help. Fees are not refundable.

## What you need to do

It's important for you to keep us abreast of your situation, especially if your personal circumstances change significantly. It's also important to complete a check-up periodically. How often will depend on the likelihood of a change in circumstances, the complexity of your financial plan and your preference. We proactively remind you about this through our regular correspondence and updates, however, **you must contact us** to discuss any issues or to organise a time to see us. We may charge a fee for this depending on the nature, complexity and time involved. This would be discussed and agreed upon before any work was carried out.

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

We are committed to keeping a record of your personal profile secure that includes details of your objectives, financial situation and needs. We will ensure that the information obtained from you is protected from any misuse, loss, and unauthorised access. There are instances wherein we may provide personal information to product providers for the purpose of implementing financial advice. If you wish to access your file, please contact us and we can make arrangements for you.

We are committed to implementing and promoting a **Privacy Policy** which will guarantee the privacy and security of your personal information. If you would like a copy or want to know more about our Privacy Policy, please ask us or contact us through the details at the bottom of this page.

## **Who can I speak to if I have a complaint about the advisory service?**

We are committed to providing quality advice to our clients, and this commitment extends to providing accessible complaint resolution mechanisms for our clients. If you have any complaint about the service provided to you, you should take the following steps:

Contact Damien McColl of DJM Financial Services Pty Ltd on (08) 8379 2716 about your complaint. We will try to resolve your complaint quickly and fairly. If we cannot reach a satisfactory resolution, you can raise your concerns with the Australian Financial Complaints Authority (AFCA) on 1800 931 678, or in writing to – Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001. We are a member of AFCA.

## **Professional Indemnity Insurance**

We hold Professional Indemnity Insurance cover for the activities conducted under our AFS licence. The insurance will cover claims made in relation to the conduct of authorised representatives, representatives and employees of the Licensee who no longer work for the Licensee (but who did at the time of the relevant conduct). We believe that our Professional Indemnity Insurance cover satisfies the requirements of s. 912B of the Corporations Act.