



# Induction

*New advisers to InterPrac*

*Thursday 23<sup>rd</sup> April 2020*

# Welcome to INTERPRAC

Since 2001, working together with advisers to provide INTEGRATED solutions so they can deliver PRACTICAL outcomes to client by being ACCOUNTABLE for the strategies and goals we all create for clients.

InterPrac became part of the Sequoia Financial Group Limited in 2017 (ASX code SEQ). Acquisition allows us to provide a wider range of services and support to our advisers and their clients.

Garry Crole is a Managing Director of InterPrac Financial Planning. His skill and entrepreneurship has enabled InterPrac Financial Planning to develop as one of the largest Australian Financial Services Licensees focused on accounting and small business professionals in the Australian financial landscape.

# InterPrac Authorisations

**Authorised Representative** can provide financial product advice in

- Deposit and Payment Products
- Government Debentures, Stocks or Bonds
- Life Products
  - Investment Life Insurance Products
  - Life Risk Insurance Products
- Managed Investment Schemes, including IDPS
- Retirement Savings Account Products
- Securities - ASX Top 300
- Superannuation – All
  - retail, wholesale, industry super funds and SMSFs
- Margin Lending Facility (limitation)

# Authorisation Limitations

## Limitations

- Corporate bonds – A rated with FIIG Securities
- Structured Products - Managed funds (subject to research), ETFs, LICs, LITs (subject to research)

## Must have authorisation and advice is subject to Pre vet

- Margin Lending and Gearing
- SMSF new establishment.

## Not authorised for

- ! MDA (Managed Discretionary Account)
- ! Currency trading (including cryptocurrencies)
- ! Derivatives (or CFD's)

## Approved Product List (APL)

- Morningstar and Lonsec Research, others available if needed
- All risk life insurance products and product providers who are regulated by APRA, except direct insurance providers
- All platforms and platform providers
- All ASX Top 300 Direct Shares but subject to research
- InterPrac Income and Growth Model Portfolio's
- InterPrac exclusive offers with Investor1st (via HUB24) and Diversa
- Special opportunities (IPOs and structured products through SSI as approved)

Add products by requesting the Investment Committee for group wide, client base or specific client **approval**

*!APL document and Preferred Investments Brochure available on Adviser Resource Centre!*

# Access to Our Services

## **InterPrac**

- Investor 1st (white label HUB24)
- SMSF Administration (back-office SMSF administration solutions)
- NTAA /InterDocs (Establishing companies, trusts and super funds)
- InterPrac General Insurance
- InterPrac Finance (vehicle and equipment finance, property and business loans)

# Access to Our Services

## Sequoia

- Bourse Data (free stock market software for charting and technical analysis)
- Morrison Securities (trading platform for stock broking execution and clearing solutions)

## Next Step

We will arrange for

- The state manager from HUB24,
- Alistair Warren (Bourse Data) and
- Team from InterPrac Docs

to get in touch to introduce themselves and their offer in greater detail.

# Professional Indemnity Insurance (PI)

- Compulsory group policy to cover all Authorised Representatives
- Cost is shared by all advisers registered as at January 1st each year
- Premiums charged based on income generated
- New AR's not charged immediately but will be covered under the group plan from day one
- Split Excess for claims:
  - \$12,500 for Risk insurance
  - \$35,000 for Financial Planning
- InterPrac offer to subsidise \$10,000 of the first Financial Planning claim
- SoA needs to be provided and invoice must be paid through InterPrac Financial Planning to ensure PI cover

## Not covered

- ! MDA's, currency trading, CFD's, derivatives, crypto currencies, MIS agribusiness projects and Margin lending (LVR >50%)



## ASIC Levy

- calculated based on who is on the ASIC register as at 30/6/2019
- will be required to be collected from all adviser's current on the register as at 30/6/2020 even if they transfer to a new license or resign/retire from the Industry
- ASIC Levy not payable until January 2021
- Approx. cost \$1,000 per AR (last year \$1150)

# Administration

## Payments

- Process Fee for Service payments via an online payment gateway
- EFT payments, Direct Debit, Bpay and Credit Card payment options available
- IP Office allows invoices and payments to be tracked and identified by InterPrac's Remuneration Team
- Invoices for financial planning work must be paid through InterPrac Financial Planning
- Payment run is in the middle and end of each month
- PayLogic

All queries regarding commissions should be addressed to our commissions team

Email: [commissions@interprac.com.au](mailto:commissions@interprac.com.au)

<b>Dale Sahni</b>	Commission Administration	03 9209 9736	0477 228 440
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*! For additional information and your obligations please refer to InterPrac **IP Office Business Guidelines on ARC!***

# Administration

## Adviser Codes / Clients Transfers

We offer assistance with setting up Adviser Codes with product providers.

- Client transfers usually require dealer group's approval and authorisation.
- For smooth and efficient process it is best if you contact our admin team to help you from the start.
- Email: [planning@interprac.com.au](mailto:planning@interprac.com.au)
- Phone : 03 9209 9777

<b>Anja Cergolj</b>	Team Leader Admin
<b>Olga Baltrusaite</b>	Administrative Assistant
<b>Nishtha Kukreja</b>	Administrative Assistant

# Software Options

## Financial Planning Software

- XPLAN
- AdviserLogic
- Midwinter

## Alternatives

- InterPrac templates
- Outsourced paraplanning

*! It is important that those advisers who do not use planning software use the InterPrac templates from the Adviser Resource Centre (ARC) !*

# Other Software Advice Solutions

## CashFlow Management Software

- Moneysoft
- MyProsperity

## Client Engagement Software

- AstuteWheel

## Risk Only Comparison Software

- Life Risk Online

**! *Discounted pricing available on all Software !***

# InterPrac Resources & Support

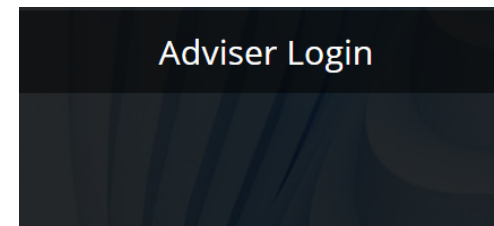
## Adviser Resource Centre (ARC)

Online access to InterPrac

- Templates
- Tools
- Guidelines
- Business Principles
- Internal and External contact lists
- Newsletters
- Training materials

## How to access ARC ?

- <https://interprac.com.au/login?adviser>
- Username and password sent in the Welcome Letter



To log into IP Office for payments and referrals please [click here](#).  
For the Adviser Resource Centre please log in below.

Username or E-mail

Password

Remember Me

# InterPrac Resources & Support

## Practice management support

- Help from our Business Development and Practice Management team
  - Build your CVP (client value proposition)
  - Client segmentation
  - Pricing and Service Offering

<b>Samantha Amos</b>	<a href="mailto:samantha.amos@interprac.com.au">samantha.amos@interprac.com.au</a>	National Practice Manager	0405 749 359
<b>Mark Ryan</b>	<a href="mailto:mark.ryan@interprac.com.au">mark.ryan@interprac.com.au</a>	National Business Development Manager	0423 580 578
<b>Sharon Walker</b>	<a href="mailto:Sharon.walker@interprac.com.au">Sharon.walker@interprac.com.au</a>	Practice Development Manager (Based in QLD)	0421 214 299
<b>Glenn Loadsman</b>	<a href="mailto:Glenn.loadsman@interprac.com.au">Glenn.loadsman@interprac.com.au</a>	Practice Development Manager (Based In NSW)	0414 184 048

# InterPrac Resources & Support



## Client Newsletters

- Quarterly branded investment newsletter (InterPrac and Centrepoint Alliance)

## Adviser Updates

- Hello Monday (not for general or client distribution)

## Compliance updates

- Regular emails
- Compliance visits
- PD Days
- Webinars

## Technical help

- Centrepoint Alliance help desk: 1300 557 598
- Product provider technical help desks
- InterPrac Compliance team: [compliance@interprac.com.au](mailto:compliance@interprac.com.au)





# Adviser Responsibility

# Compliance

## The Team



<b>Michael Butler</b>	<a href="mailto:michael.butler@interprac.com.au">michael.butler@interprac.com.au</a>	0431 774 688	National Compliance Manager
<b>Shane Miller</b>	<a href="mailto:shane.miller@interprac.com.au">shane.miller@interprac.com.au</a>	03 9209 9783	Compliance Manager
<b>To be confirmed</b>			Compliance Manager
<b>To be confirmed</b>			Compliance Manager
<b>Anita Jurgens</b>	<a href="mailto:anita.jurgens@interprac.com.au">anita.jurgens@interprac.com.au</a>	03 9209 9781	Marketing & Adviser Support
<b>Anja Cergolj</b>	<a href="mailto:anja.cergolj@interprac.com.au">anja.cergolj@interprac.com.au</a>	03 9209 9791	Team Leader - Administration
<b>Cozette Crimp</b>	<a href="mailto:cozette.crimp@interprac.com.au">cozette.crimp@interprac.com.au</a>	03 9209 7794	Compliance Analyst
<b>Dale Sahni</b>	<a href="mailto:dilraj.Sahni@interprac.com.au">dilraj.Sahni@interprac.com.au</a>	03 9209 9736	Commissions Administrator
<b>Nishtha Kukreja</b>	<a href="mailto:nishtha.Kukreja@interprac.com.au">nishtha.Kukreja@interprac.com.au</a>	03 9209 9786	Administrative Assistant
<b>Olga Baltrusaite</b>	<a href="mailto:olga.baltrusaite@interprac.com.au">olga.baltrusaite@interprac.com.au</a>	03 9209 7796	Administrative Assistant

# Monitoring & Supervision

## Monitoring and Supervision

The reviews will be conducted by your allocated Compliance team member with occasional visit from Head of Advice Compliance, Michael Butler

We use Fourth Line to review and report on SoA's remotely

<b>Pre Vet</b>	minimum first 5 SoA's
<b>Fourth Line Reviews</b>	remote for selected advisers
<b>Onsite Compliance Visit</b>	on a 6 - 18 months basis

## Who are Fourth Line

It is an automated algorithmic review software aided by human oversight which conducts compliance and risk audits of financial advice. InterPrac will be using Fourth Line as a “first line of defence” in our auditing process.

**How does Fourth Line rate an SoA?** The algorithm and human analyst are grading your SoA's on three criteria: MO100, Content, and Advice. The algorithm uses insights from AFCA cases, ASIC reviews, and the ASIC regulations guide to inform the score.

# Compliance

## Registers

- Maintain your compliance registers
  - Soft dollar/Alternate Remuneration
  - 'Opt-Out'/No contact
  - Conflicts of interest
  - Breach/Incident
  - Client complaints

## Changes

- **Notify us** of any changes (contact details, change of name, business address, ...)
- **Notify us** as soon as anything occurs relating breaches, complaints or conflicts

Email: [planning@interprac.com.au](mailto:planning@interprac.com.au)

# Administration

## Marketing

- Add Authorised Representative status on your
  - Business cards
  - Letterhead
  - Email signatures
  - Office signage and
  - Advice documents
  
- Update website and social media
  
- Use of terms - “Unbiased” or “Independent” or “Impartial” or “Non – Aligned” are not allowed
  
- **Please send as a copy of marketing material for compliance approval prior distribution**

Email: [anita.jurgens@interprac.com.au](mailto:anita.jurgens@interprac.com.au)

<b>Anita Jurgens</b>	Marketing & Adviser Support	03 9209 9777	03 9209 9781
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*! For additional information and your obligations please refer to InterPrac **Marketing Business Principles** on ARC!*

# Continuous Professional Development (CPD)

- New target of 40 CPD hours each year
- TASA hours will continue to be determined by the Tax Practitioners Board
- Kaplan Ontrack is used to deliver and store all your CPD

New CPD requirements under FASEA		
1 January 2019- 30 June 2019	1 July 2019- 30-June 2020	1 July 2020 – 30 June 2021
20 CPD	40 CPD	40 CPD
Total: 60 CPD (18 months)		Total: 40 CPD (12 months)

# Continuous Professional Development (CPD)



## Your Obligations

- 60 CPD over 18 months
- Meet minimum FASEA knowledge areas

CPD Category	Minimum CPD target
Technical Competence	10
Client Care and Practice	7.5
Regulatory Compliance and Consumer Protection	7.5
Professionalism and Ethics	13.5

- Approved up to 4 hours of Professional Reading
- Maximum of 30 CPD allocated for any formal study towards other qualifications and designations relevant to the practice of the Relevant Provider
- Complete CPD Plan and return within 90 days of the appointment with InterPrac



# Continuous Professional Development (CPD)



## Available training

- Articles on Kaplan Ontrack
- InterPrac PD Days
- Professional Reading
- External training relating to Financial Planning

CPD certificates/assessment requests send to CPD email [cpd@interprac.com.au](mailto:cpd@interprac.com.au)

*! For additional information and your obligations please refer to InterPrac **CPD Business Principle** on ARC!*



# Advice Process and Policies

# A Guide to the Financial Planning Process

	STEPS
Step 1	Meet with prospects / clients and introduce your service offer or how you can help them and provide them with the FSG
Step 2	Gather data and identify goals with possible solutions in the best interest of the client (using Fact Find and Risk Profile)
Step 3	Develop the strategy and the tools (products) achieve the outcomes
Step 4	Prepare the Statement of Advice (SoA) and send to compliance team for Pre-Vet
Step 5	Present the SoA and the client MUST sign the Authority to proceed
Step 6	Implement the financial plan / SoA
Step 7	Provide ongoing client service with regular reviews as required
Step 8	Get referrals

*! For additional information and your obligations please refer to InterPrac **Advice Process Business Principle** on ARC !*

# Financial Services Guide (FSG)

- FSG consists of 3 parts
  - Part 1 is about InterPrac (current v11.0)
  - Part 2 (Adviser Profile) is about you, your business and services
  - Acknowledgment page for the client to sign to confirm they have received FSG
  
- ! FSG must be provided to a client (whether a retail or wholesale client) when it is likely that a financial service is going to be provided, and before any 'financial service' is provided

## Best Interest Duty (BID)

Section 961B of the Corporations Act 2001 states, the provider must act in the best interest of the client in relation to giving advice.

In order to demonstrate this, the Adviser must do each of the following:

1. Identify the financial situation, objectives and needs of the client.
2. Identify the subject matter of the advice sought by the client and the financial situation, objectives and needs of the client reasonably considered relevant to the advice sought.
3. Make reasonable enquiries where it is reasonably apparent that the information pertaining to the client's situation is incomplete or inaccurate.

## Best Interest Duty (BID)

4. Assess whether you have the expertise to provide the advice and decline to provide advice if you do not.
5. Where considering it reasonable to recommend a financial product, make reasonable enquiries as to what financial product might meet the objectives of the client based on all judgements.
6. Recommendations are based on the information gathered and the client's relevant circumstances.
7. Taking any other steps, which at the time the advice is provided, would reasonably be regarded as being in the best interests of the client, given the client's relevant.

# Demonstrating Best Interest in the SoA



The key to Best Interest surprisingly is not just that it is in the clients Best Interest but that your file and SoA demonstrate how you have met the BID requirements.

Within the Adviser Resource Centre is a document

- Demonstrating Best Interest in The SOA\_Guidelines\_2<sup>nd</sup> April 2020

This document which is regularly updated provides our direction on how to meet the BID requirements. This should be one of the first documents you read prior to submitting a file for PreVet.

# Fee Disclosure Statement (FDS) and Renewal Notice

## Fee Disclosure Statement Obligations

- Must provide Fee Disclosure Statement every 12 months to all clients on Ongoing Service Arrangement
- All clients that pay ongoing fees should receive an annual FDS within 60 days of the anniversary date of the OSA
- Information to be included in the FDS
  - the amount of each ongoing fee paid by the client
  - descriptions of the services the client was entitled to receive
  - details of the services the client actually received

*! For additional information and your obligations refer to **FDS & Renewal Notice Business Principle** on ARC !*



# Fee Disclosure Statement (FDS) and Renewal Notice

## Renewal Notice Obligation

- Must receive a written confirmation from the client e.g. renewal notice every 2 years

## Termination of an Ongoing Fee Arrangement

- The client can cancel the arrangement at any time
- Renewal Notice is not provided within the prescribed timeframe
- Client does not confirm in writing their intent to renew

*! For additional information and your obligations refer to **FDS & Renewal Notice Business Principle** on ARC!*

# InterPrac Business Principles

Please familiarise yourself with the Business Principles:

- Advice Process
- Best Interest Duty
- Advice Documents
- Insurance
- Fee Disclosure Statement & Renewal Notice
- Marketing and Client Documents
- Authorisations and Adviser Obligation
- IP Office

# Steps to Finalise Onboarding

## Received

Welcome Kit, Certificate of Authorization

## Checklist - next steps

1. Complete FSG – Part 2 (Adviser Profile)
2. Complete CPD Plan
3. Set up Adviser Codes
4. Organize Client Transfers (existing advisers only)
5. Register with TPB (RTA or TFA) and keep your registration current
6. Update your Existing Website
7. Make changes to your stationery
8. Read the Compliance Manual and Business Principles
9. Familiarize yourself with InterPrac's Adviser Resource Center
10. Familiarize yourself and log onto IP Office

# CONTACT LIST - InterPrac Financial Planning

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<b>Dale Sahni</b>	Commission Administration	<a href="mailto:dilrajsahni@sequoia.com.au">dilrajsahni@sequoia.com.au</a>	03 9209 9736	0477 228 440
<b>Glenn Loadsman</b>	Practice Development Manager	<a href="mailto:glenn.loadsman@interprac.com.au">glenn.loadsman@interprac.com.au</a>		0414 184 048

# QUESTIONS?