Insert Page one on your own letterhead

Delete this box before finalising:

Yellow text: is text that you will over-write or delete where appropriate

Blue Text: is instructional and should be deleted

<<Insert Date>>

<<Client Name>>/<<Entity Name>><<Trustees/Members>>

<<Address 1>>

<<Address 2>> <<State>> <<Postcode>>

OR

<<email address>>

# Record of Advice

This Record of Advice (RoA) is a written confirmation of the recommendations made during our <<meeting/phone conversation>> on <<date of meeting/date of phone conversation>> which is further to advice provided in your Statement of Advice (SoA) dated <<Insert SoA Date>>.

This RoA should be read in conjunction with that SoA which includes details of your relevant personal circumstances.

Delete one of the following

We have provided you with our current Financial Services Guide <<insert date and version #>> and my Adviser Profile <<insert date and version #>>.

OR

We confirm that you have previously received Financial Services Guide <<insert date and version #>> and my Adviser Profile <<insert date and version #>>.

### **Your personal circumstances**

Delete one of the following

During our discussions you confirmed that there have been no significant changes to your personal circumstances since the previous advice provide in your SoA dated <<Insert SoA Date>>.

If you believe that there have been significant changes to your circumstances, please contact us as soon as possible as it may affect the suitability of my further advice.

OR

You have advised the following changes to your personal circumstances:

* <<List each change>>

We have determined that these changes are not significant as they do not impact the suitability of the advice in this RoA.

### **Objectives**

Detail why there is further advice being sought / provided

<< I.e. additional savings to invest / a review of your portfolio / a rebalancing of your assets in line with your risk profile / you have advised that you would like to: investment more / reached maturity / other investment opportunity / model portfolio change / research house rating change / premium increase / altered insurance need …etc.>>

### **Risk Profile**

Delete one of the following

As per the Statement of Advice (SoA) dated <<Insert SoA Date>>:

You completed the Risk Profile Questionnaire; we discussed the results with you and we agreed to classify you as a [type of Investor]. This profile remains appropriate for you because <<insert reasons / linkage to objectives>>.

OR

From our discussions at this time; we agreed to classify you as a [type of Investor]. This profile remains appropriate for you because <<insert reasons / linkage to objectives>>.

### **Recommendation(s)**

MUST relate to the Objectives identified above

|  |  |
| --- | --- |
| **Recommendation 1** |  |
| Title | <Title of recommendation (e.g. restructure your investments)> |
| Explanation | <Insert actual recommendation specifics (e.g. rebalance your portfolio to ensure it is aligned with your Growth risk profile)> |
| In Your Best Interest | <Detail how your recommendation places client in a better position (e.g. Your assets will be aligned with your attitude to market risk, as per your objective)>  Build on this and include ALL relevant BID |
| Further details | <include any relevant “strategy text” from the SOA Strategy Text library and ALL other relevant details; including asset allocation and risks associated with the advice> |

Complete as required for each associated recommendation (investment portfolio advice only)

### **Proposed Asset Allocation for [Client / Partner Name] or [Joint Name] or [Entity Name]**

| Asset Allocation | Value | Weight | Target Value | Target Weight | Variance (Value) | Variance (Weight) |
| --- | --- | --- | --- | --- | --- | --- |
| Alternatives | $\_\_,\_\_\_.00 | \_\_.\_\_% | $\_\_,\_\_\_.00 | \_\_.\_\_% | $\_\_,\_\_\_.00 | \_\_.\_\_% |
| Domestic Cash | $\_\_,\_\_\_.00 | \_\_.\_\_% | $\_\_,\_\_\_.00 | \_\_.\_\_% | $\_\_,\_\_\_.00 | \_\_.\_\_% |
| Domestic Equity | $\_\_,\_\_\_.00 | \_\_.\_\_% | $\_\_,\_\_\_.00 | \_\_.\_\_% | $\_\_,\_\_\_.00 | \_\_.\_\_% |
| Domestic Fixed Interest | $\_\_, \_\_\_.00 | \_\_.\_\_% | $\_\_, \_\_\_.00 | \_\_.\_\_% | $\_\_,\_\_\_.00 | \_\_.\_\_% |
| Domestic Property | $\_\_,\_\_\_.00 | \_\_.\_\_% | $\_\_,\_\_\_.00 | \_\_.\_\_% | $\_\_,\_\_\_.00 | \_\_.\_\_% |
| International Equity | $\_\_,\_\_\_.00 | \_\_.\_\_% | $\_\_,\_\_\_.00 | \_\_.\_\_% | $\_\_,\_\_\_.00 | \_\_.\_\_% |
| International Fixed Interest | $\_\_,\_\_\_.00 | \_\_.\_\_% | $\_\_,\_\_\_.00 | \_\_.\_\_% | $\_\_,\_\_\_.00 | \_\_.\_\_% |
| International Property | $\_\_,\_\_\_.00 | \_\_.\_\_% | $\_\_,\_\_\_.00 | \_\_.\_\_% | $\_\_,\_\_\_.00 | \_\_.\_\_% |
| Grand Total: | $\_\_\_,\_\_\_.00 | 100.00% | $\_\_\_,\_\_\_.00 | 100.00% | $\_\_,\_\_\_.00 | -0.00% |

Insert variance +/-10% within sub-asset allocation and appropriateness for the client and/or summation of overall profile (Growth v Defensive) after the changes are made

**Replacing your existing <<product/asset/cover/investment>>**

The recommendations detailed above will result in the replacement of an existing financial product. As mentioned in our <<meeting/discussion>>, the fees and cost will be as follows:

Delete table or add columns and rows as required. Alter any information as required

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Investment/Insurance** | **Existing**  **<<Product>>** | | **Recommended**  **<<Product>>** | |
| Premiums  You have elected to pay <<$ fortnightly/monthly/biennially/annually>> f rom <<insert $ source>>. | % | $ | % | $ |
| Entry or Application Fees | % | $ | % | $ |
| Exit or Withdrawal Fees | % | $ | % | $ |
| Management Expense Fees\* pa | % | $ | % | $ |
| Other Administration, Account Fees etc. pa | % | $ | % | $ |
| Transaction Costs / Contribution Fee | % | $ | % | $ |
| Buy/Sell/Brokerage | % | $ | % | $ |

As a result of our recommendation we estimate [a decrease/an increase] in costs of <<$>> per annum.

Where there is an increase in cost, add the following if applicable:

We believe that the additional cost will be sufficiently offset by <<Reason>>.

We will continue to monitor the suitability of this investment.

**Actual or Potential Loss**

Delete /edit one of the following

We do not believe that you will lose any benefits, or experience any other significant consequences, as a result of replacing your existing policies.

OR

**Lost benefits or significant consequences of replacing your current products are:**

Remove any non-relevant lines below

* By withdrawing money from your [cash at bank / term deposit] and moving this into <<recommended market linked product>> you will lose the associated bank guarantee on amounts invested under $250,000 (per account holder / per institution).
* There may be a change in the degree of risk regarding the investment options chosen in the [new investment / superannuation / pension fund].
* Withdrawal values may be less under the [new investment / superannuation / pension fund] if you have elected to include investment options which have the potential for negative returns.
* If you decide to withdraw a portion of your superannuation fund it may have an effect on the tax treatment of your superannuation in retirement.
* There may be a different treatment of the [new investment / superannuation / pension fund] for Centrelink purposes.
* Loss of existing insurance benefits.
* Changes to the life insured’s health may affect the insurability and may result in restrictions and/or higher costs.
* The delay, before a suicide claim can be made, may start again if Life Insurance is included.
* Replacement of an existing policy may mean duplication of costs.
* Other

**Disclosure of fees**

The recommendations in the RoA result in the following fee and charges:

Delete the following if N/A

No fee is charged for the preparation of this RoA/We have waived the fee for the preparation of this RoA.

AND/OR

The fee for the preparation of this RoA is included in your Ongoing Service Fee as detailed in your SoA dated <<Insert SoA Date>>.

OR

Delete/alter the following as required

**Initial**

|  |  |
| --- | --- |
| **FEE DESCRIPTION** | **FEE AMOUNT** |
| **RoA Fee:** (Flat fee) – Fee for the preparation of this Record of Advice  This fee will be paid <<insert payment method: directly via invoice / from <<product>> etc. | **$** |
| **Implementation Fee:** (Flat fee) – Fee for implementing the recommendations in this Record of Advice  This fee will be paid <<insert payment method: directly via invoice / from <<product>> etc. | **$** |
| **Upfront Adviser Fee:** (flat/variable fee) – Fee received by us, payable by the product provider.  We receive this fee upon implementation of the product/s recommended in this Record of Advice  This fee will be paid from <<insert payment method directly via invoice / from <<product>> etc. It is calculated at a flat rate / on <<%>>of <<$XXXX of the investment/premium | **$** |
| **Initial Insurance Commission:** Include one row for each insurance policy / for each life insured – Amount paid to us by the Insurance Provider  This is based on the first year that you hold the product. It is <<%>> of the (increased) premium amount of $XXXX | **$** |
| **TOTAL** | **$** |

**Ongoing**

|  |  |
| --- | --- |
| **FEE DESCRIPTION** | **FEE AMOUNT** |
| **Ongoing Adviser Service Fee (no new Ongoing Service Agreement):** (Flat/Variable fee) – Fee for the ongoing service provided via this Record of Advice  This fee will be paid <<insert payment method: directly via invoice / from <<product>> etc. and is a flat fee / based on <<%>> of the <<$XXXX>> balance of your portfolio. | **$** |
| **Ongoing Adviser Service Fee (new Ongoing Service Agreement):** (Flat/Variable fee) – Fee for the ongoing service provided in the Ongoing Service Agreement provided with this Record of Advice (either provide Ongoing Service Agreement separately; or include detailed information about the services provided within this RoA)  This fee will be paid <<insert payment method: directly via invoice / from <<product>> etc. and is a flat fee / based on <<%>> of the <<$XXXX>> balance of your portfolio. | **$** |
| **Ongoing Adviser Fee:** (Flat/Variable fee) – Fee received by us, payable by the product provider.  We receive this fee for the duration you hold the product/s recommended in this Record of Advice.  This fee will be paid from <<insert payment method directly via invoice / from <<product>> etc. It is calculated at a flat rate / on <<%>>of <<$XXXX of the investment/premium |  |
| **Ongoing Insurance Commission:** Include one row for each insurance policy / for each life insured – Amount paid to us by the Insurance Provider  This is based on the second year that you hold the product. It is <<%>> of the total premium amount of $XXXX | **$** |
| **TOTAL** | **$** |

Delete/alter the following as required

Notes:

The Fund Manager and other parties may deduct a management fee from your investment balance. The percentages shown in the table are the percentages that each party will receive as an ongoing fee or commission.

For example, if your investment balance is $110,000, should 0.50% ($550) be retained by the fund manager, 0.20% ($220) retained by the Licensee and 0.15% ($165) by your adviser, then your investment balance would be reduced by $935. Each year the amount deducted may change depending upon the size of your account balance.

OR

The ongoing commission is paid by the insurer upon renewal of your insurance policy. Your premiums will change each year and the ongoing commission paid to us is based on this new premium

**Potential Conflicts of Interest**

Section 961B of the Corporations Act 2001 (Cth) requires that our recommendations are made in the best interest of you, the client, they are made after an examination of your relevant personal circumstances, and that any potential conflict of interest in regard to those interests is resolved in your interest.

Delete/alter the following as required

**As an Authorised Representative, I have an interest in:**

[List any associated product / securities, relevant board membership etc. OR None to Disclose]

**[Adviser] may receive the following non-monetary benefits:**

[Disclose any non-monetary benefits received or None to Disclose]

OR

No new conflicts of interest will arise as a result of these recommendations. Please refer to your SoA dated <<SoA date>> for disclosure of my interests, associations and relationship that may provide InterPrac Financial Planning or me benefit.

**Sponsorship Money:** InterPrac Financial Planning Pty Ltd, a subsidiary of the Sequoia financial Group, may from time to time receive sponsorship money from product providers to assist in training and educational functions for its Authorised Representatives. As an adviser, I do not receive any of these amounts.

Delete/alter the following as required

**InterPrac Financial Planning Pty Ltd may also receive a promoter fee to recover costs incurred from:**

* Ausprac Super provides a promoter fee of up to 0.1% per annum on the average investment balance of client funds. This fee is payable to InterPrac Financial Planning only and not to an adviser.

**Business to Business Referral Arrangement:** It is up to me to disclose to you any business relationship that may be seen as a potential conflict of interest. You may or may not be aware that I have a business arrangement with [Other Practice]. I believe this referral arrangement allows [Advice Business Name] to work closely with [Other Practice] to ensure your financial goals are being met. If at all you feel uncomfortable with this, please let me know.

As part of this referral arrangement, [Advice Business name] may receive a referral fee of up to [$XXX.XX or XX% of the amount invested] from [Other Practice].

**Referrals with [Advice Business Name]:** [Adviser] may refer some or all of your Advice to another member of the practice to ensure that your Best Interests are served. This may occur because another Adviser has particular expertise or may be able to progress your advice more time efficiently.

This is disclosed in our Privacy Policy and you will be informed to provide your consent. Neither the referring Adviser nor the referred Adviser receive any monetary or non-monetary benefit for the provision of specific services/advice to you.

**Client Acknowledgment**

I/We acknowledge that I/we have read, understood, and retained a copy of this Record of Advice.

I/We acknowledge that this advice relates to (and should be read in conjunction with) our Statement of Advice dated <<insert SoA date>>.

I/We confirm my/our acceptance of the advice provided and agree to implement the recommendations in this Record of Advice.

I/We confirm my/our acceptance of the fees and/or commissions disclosed in this Record of Advice and agree to pay invoiced costs.

**CLIENT/S SIGNATURE**

**Client 1:**

|  |  |  |
| --- | --- | --- |
| **Name of client** | **Signature** | **Date** |
|  |  |  |

**Client 2:**

|  |  |  |
| --- | --- | --- |
| **Name of client** | **Signature** | **Date** |
|  |  |  |

**ADVISER SIGNATURE**

|  |  |  |
| --- | --- | --- |
| **Name of adviser** | **Signature** | **Date** |
|  |  |  |



If you are under an AR arrangement

Authorised Representative No. [xxxx] of

InterPrac Financial Planning Pty Ltd AFSL No. 246638

If you are under a CAR arrangement

Authorised OR Associate Representative of [Client Adviser Employer]

Corporate Representative No. [xxxx] of

InterPrac Financial Planning Pty Ltd AFSL No. 246638

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Melbourne VIC 3000

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