



COMPOUND FINANCIAL PLANNING

FINANCIAL SERVICES GUIDE

Version 24th May 2023

This Financial Service Guide has been
authorised for distribution by:

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This Financial Services Guide ('FSG' or the 'Guide') provides you with important information about Compound Financial Planning Pty Ltd Australian Financial Services Licensee 485018 (**Compound Financial Planning**) and its Authorised Representatives, who will provide you with the financial services described in this Guide. Our FSG is designed to help you make an informed decision about whether to use the financial services described. We suggest you retain this Guide for your future reference. If any part of this Guide is not clear, please speak to your financial adviser.

This Guide contains important information about:

- the financial services that Compound Financial Planning and our Authorised Representatives offer;
- Compound Financial Planning as the holder of an AFSL;
- the process we follow to provide financial services;
- how we, our associates, and Compound Financial Planning are paid;
- any arrangements which may influence our advice to you;
- how we protect your privacy; and
- who to contact if you have a complaint or if you are not satisfied with the services provided.

References in this Guide to 'me', 'I', 'us', 'we' and/or 'our' should be read as either **Compound Financial Planning** or **Compound FP** as the context requires.

Section 1

ABOUT US

ABOUT COMPOUND FP

Compound Financial Planning was established in 2014 with the aim to assist our clients achieve better financial outcomes now and into the future.

Compound Financial Planning now holds an AFSL issued on 24th May 2023 by the Australian Securities and Investments Commission (ASIC).

WHAT OTHER INFORMATION SHOULD YOU CONSIDER BEFORE DECIDING WHETHER TO PROCEED WITH OUR RECOMMENDATIONS?

If you receive personal financial advice this will be documented in a Statement of Advice (**SoA**), or in specific circumstances a Record of Advice (**RoA**), that confirms the discussions you have had with us, the recommendations we are making and the basis for those recommendations. These documents will also explain how those recommendations will work towards achieving your goals, any relevant fees received by us, and any associations with financial product providers.

When a financial product is recommended to you, you will be provided with a Product Disclosure Statement (**PDS**) or other disclosure document issued by the product provider. Among other things, the PDS contains information about the risks, benefits, features and fees payable in respect of the product. In combination, these documents will help you make an informed decision about whether to proceed with our recommendations.

WHO PROVIDES THE FINANCIAL SERVICES DESCRIBED IN THIS FSG?

The financial services described in this FSG are provided by us as Authorised Representatives of Compound Financial Planning.

WHO IS RESPONSIBLE FOR THOSE FINANCIAL SERVICES?

As the holder of an AFSL, Compound Financial Planning is responsible for the financial services we provide to you. Compound Financial Planning acts on its own behalf when these financial services are provided to you. In relation to the financial services offered in this FSG, Compound Financial Planning, as the holder of an AFSL, does not act on behalf of any other person or licensee. Compound Financial Planning is only responsible for the services offered in the FSG.

The law requires Compound Financial Planning to have arrangements in place to compensate certain persons for loss or damage they suffer from certain breaches of the Corporations Act by Compound Financial Planning and/or its Authorised Representatives. Compound Financial Planning has internal compensation arrangements as well as professional indemnity insurance that satisfy these requirements.

Not Independent

Compound Financial Planning Pty Ltd receives insurance commissions from existing insurance products held by our clients. As such, we are neither independent, impartial, or unbiased as defined in Section 923A of the Corporations Act.

WHAT FINANCIAL SERVICES DO WE OFFER?

We are authorised to provide financial advice and to deal in the following products:

- Deposit products;
- Government debentures, stocks or bonds;
- Life investment and life risk products;
- Managed investment schemes including investor directed portfolio services;
- Retirement savings account products;
- Securities (e.g. shares);
- Superannuation products; and

We offer personal and wholesale advice tailored to each of our valued clients' needs in the following areas:

- Financial planning advice;
- Wealth accumulation advice;
- Superannuation advice, including self-managed superannuation funds;
- Redundancy advice;
- Retirement advice;
- Gearing strategies;
- Cash flow advice;
- Social security benefits advice;
- Life and disability insurance advice;
- Estate planning services (financial planning).

WHO IS YOUR ADVISER?

Your financial adviser is a representative of and offers services on behalf of Compound Financial Planning:

Ronan Zille

Authorised Representative No. 329643

Ronan Zille is the proprietor and director of Compound Financial Planning Pty Ltd. Ronan may receive director fees and profit share as determined by that company as appropriate from time to time.

WHAT PRODUCTS ARE AVAILABLE?

A range of financial products offered by many leading financial product providers are available to our advisers when they provide personal advice. Details of the available products our advisers are authorised to provide advice about are contained in the Approved Product List (APL).

Internal and external experts provide financial product research, which is used to carefully select and maintain an extensive list of Approved Products for us to select from.

When providing personal advice to you, our advisers may only recommend a product to you if they consider it is appropriate after considering your objectives, financial situation and needs.

HOW DO WE ENSURE THAT THE PERSONAL ADVICE WE GIVE YOU SUITS YOUR NEEDS

To ensure your adviser provides personal advice that is appropriate, we firstly need to understand your objectives, financial situation and needs. Your adviser (referred to as 'we' below) will follow a step-by-step process as outlined below:

- 1.) We will meet with you for an initial consultation. During this meeting we will discuss your expectations and provide you with details of the services we can offer.
- 2.) We will collect all the information we need from you, including your objectives, financial situation and needs. If you do not wish to provide the information we require, we will advise you of the possible consequences of not disclosing all of this information and the impact on the recommendations given. This may include not being able to provide advice on the subject matter you request.
- 3.) We will help you identify your goals and may discuss your attitude towards investment risk.
- 4.) We may consider strategies and areas such as income, social security, insurance, cash flow and estate planning requirements. Where we recommend a financial product we will also conduct a reasonable investigation of the financial products that may be suitable to implement the strategies as part of the recommendations. Based on these and other considerations, we will prepare and present you with a written SoA, or in some cases depending on the circumstances, a RoA. We will explain in the SoA (or RoA) the basis for the advice, and any remuneration, benefits or associations which could have influenced the advice.

Where we recommend financial products, we will provide you with a PDS or other disclosure document containing information about each product recommended, to help you make an informed decision about whether to invest in or acquire that product.
- 5.) We will discuss our recommendations with you, make any changes you require and ask you whether you would like us to implement those recommendations on your behalf.
- 6.) If you agree, we will then implement those recommendations.
- 7.) We will meet with you at least annually to review your financial circumstances if we agree to an ongoing advice service arrangement which includes a regular review component. If an ongoing advice service arrangement is entered into, this will be documented in your Ongoing Advice Service Arrangement Letter and/or SoA.

We will also explain to you any significant risks of the financial products and strategies which we recommend to you. If you are unclear of the risks, do not hesitate to question us further.

In certain circumstances, we may not provide you with personal advice via a SoA or RoA, as outlined above. These circumstances may include:

- 1.) Where we provide you with only general advice, such as through seminars and newsletters;
- 2.) Further advice or verbal advice – if you previously received advice recorded in a SoA, any further personal advice provided by us may be recorded in a RoA. We will not necessarily provide you with a copy of the RoA unless you request it (see below).

WHAT DOCUMENTS DO YOU GET IF WE PROVIDE FURTHER ADVICE?

Where a further review is conducted and personal advice is provided, in some circumstances we are not required to provide you with a SoA for this further advice. Where this is the case, if you have not already been provided with a RoA, you may request a copy of the RoA from us by contacting us for a period of seven years from when the further advice was first provided to you.

HOW CAN YOU INSTRUCT US?

You may specify how you would like to give us instructions, for example, by phone or email using any of the contact details set out in this Guide. Alternatively, you may provide instructions to us in person. Where instructions are provided by telephone, these must be confirmed in writing.

OTHER SERVICES

We may refer you to services other than financial planning services. For example, we may recommend that you see an accountant, mortgage broker, direct property buyers advocate or legal adviser.

While we may refer you to these other services, you should understand that these other services are not provided on behalf of Compound Financial Planning' AFSL and Compound Financial Planning does not train, support or supervise the provision of these other services and has no responsibility in relation to these services.

Examples of the services which Compound Financial Planning is not responsible for include:

- general insurance services (e.g. car insurance);
- real estate and direct property advice;
- taxation services, such as completion of tax returns;
- accounting and audit services;
- legal services;
- credit activities;
- consulting services; and

- administration and compliance of Self-Managed Superannuation Funds.

HOW ARE WE PAID FOR OUR SERVICES?

Compound Financial Planning may receive:

- fees paid by clients;
- commissions paid by product providers; and
- other benefits.

Fees and commissions are payable to Compound Financial Planning and Compound Financial Planning may pay up to 100% of any fees and commissions to its Authorised Representatives.

Details of any fees, commissions or other benefits that we, Compound Financial Planning or other associated persons are entitled to receive if you implement our recommendations in relation to a specific financial product, will be disclosed to you in your SoA or RoA when personal advice is given.

WHAT TYPE OF FEES, COMMISSIONS, PAYMENTS AND OTHER BENEFITS DO WE RECEIVE FOR OUR SERVICES?

Our initial consultation is at no cost to you and without obligation. After the first meeting, your adviser will discuss the fees and charges that will be applicable to your individual circumstances.

Due to the varying nature of individual clients circumstances, our fee for the SOA preparation, implementation and ongoing advice service will be disclosed in writing on an individual basis and may include the following:-

Recommendation – SoA fee

If you elect to have us prepare an advice document (SOA) for you, we will charge a fee. The fee will depend on the size of the investment portfolio and the complexity of the advice. This fee will be agreed in writing with you prior to the commencement.

Your fee will generally be between \$2,750 - \$8,800 including GST which will be confirmed in your SoA.

If you have been referred to Compound Financial Planning by a licensee with whom we do not have a partnership arrangement, our usual fee structure will be charged to you as per this FSG.

If you have been referred to Compound Financial Planning by a licensee with whom we have a partnership arrangement, we will not charge you for the cost of the cost of any advice we provide to you. The cost will be borne by the licensee who has referred you to us. We will provide you with confirmation of this as part of your SoA.

Ongoing Advice Service and Reviews

Our ongoing advice service fees may be either an agreed flat fee or based on a percentage of the funds under management.

Your fee will generally be between \$3,800 - \$15,800 including GST which will be confirmed in your ongoing service agreement.

Referral fees

We do not receive referral fees for referring you to other service providers.

Payment methods

Our fees are either invoiced to you directly, or deducted from your investments, or a combination of these methods.

Where it is debited from your investments it is normally referred to as the Adviser Service Fee.

In most instances you will be able to select the method of payment that suits you best. We will discuss and agree the method of payment with you before we provide you with services.

Commissions from Life Insurance Products

Initial and ongoing commissions from insurance providers may be received by Compound Financial Planning. These commissions are paid to Compound Financial Planning Pty Ltd by the company that issues the product that we recommend to you and they are included in what you pay for the product. The commissions vary and are based on the policy cost, which is the sum of the premiums you pay and may include other fees related to the product.

The initial commission is paid in the first year by the product issuer to Compound Financial Planning. Ongoing commissions are payments paid by product issuers to Compound Financial Planning in the years after the first year. These commissions may be passed onto "the adviser".

If you initiate an increase to your cover, Compound Financial Planning may receive an initial commission and ongoing commissions on the annual increase to your policy cost. The ongoing commission on a client-initiated increase is only paid in respect of the period that starts from the first anniversary of the increase.

If the initial commission is equal to the ongoing commissions (as a percentage of your policy cost), Compound Financial Planning may receive up to 60% (excl. GST) of your annual policy cost. If the initial commission is higher than the ongoing commissions, the maximum commission that Compound Financial Planning may receive is set out in the table below:

Date a new product is issued	Initial commission (% of annual policy cost or increase excl. GST)	Ongoing commission pa (% of annual policy cost or increase excl. GST)
From 1 January 2020*	0 - 60%	0 - 20%

* Compound Financial Planning Pty Ltd may receive the pre 1 January 2018 ongoing commission rates of up to 38.5% from the product issuer if:

- > your policy was issued before 1 January 2018 and you exercise an option or apply for additional cover under your policy after 1 January 2018; or
- > your policy was issued before 1 January 2018 and is replaced after 1 January 2018 to correct an administrative error.

Example

From 2 April 2020, you decide to increase your insurance cover. The cost of this increased cover is \$100. The initial commission payable to Compound Financial Planning in respect of this increase will be \$60 (60% excl. GST). The ongoing commission payable to Compound Financial Planning in respect of this increase will be \$20 pa (20% excl. GST), payable in respect of the period starting from the first anniversary of the date on which you increased your insurance cover (i.e. 2 April 2021). These commissions may be passed onto us.

You will find details of how your insurance policy cost is calculated in the relevant PDS that we provide you. Where personal advice is provided to you, you will also find details of the commission that Compound Financial Planning and we are entitled to receive if you decide to purchase a life insurance product, in your SoA or RoA.

DOES COMPOUND FINANCIAL PLANNING CHARGE ANY OTHER FEES?

Compound Financial Planning will not charge you any additional fees. However, it may retain up to 100% of all fees and commissions generated by its Authorised Representatives.

OTHER BENEFITS

From time to time we may accept alternative forms of remuneration from product providers or other parties, such as hospitality or support connected with our professional development (e.g. training or sponsorship to attend conferences). We maintain a register detailing any benefit we receive which is valued at between \$100 and \$300 and other benefits that relate to information technology software or support provided by a product issuer or that relate to educational and training purposes. A copy of the register is available on request for a small charge.

WILL ANY OTHER PARTIES BENEFIT FROM THE FINANCIAL SERVICES OFFERED IN THIS FSG?

Compound Financial Planning Pty Ltd and its shareholders may benefit from remuneration paid in respect of the financial services offered in this FSG.

WHAT ARRANGEMENTS MAY INFLUENCE OUR ADVICE TO YOU?

Compound Financial Planning' Approved Product List includes financial products from product providers not associated with Compound Financial Planning. Compound Financial Planning does not require its Authorised Representatives to recommend only certain products.

WHAT FEES DO WE PAY TO SOMEONE WHO REFERS YOU TO US?

We do not pay referral fees to anyone who refers you to us.

SECTION 2

PRIVACY STATEMENT

WHY WE COLLECT YOUR PERSONAL INFORMATION

We collect personal information, including sensitive information (e.g. health information), from you to provide you with services including financial advice.

We may also use your information to comply with legislative or regulatory requirements in any jurisdiction, to prevent fraud, crime or other activity that may cause harm in relation to the particular products or services provided, and to help us run our business.

If you do not provide all the information we request, we may no longer be able to provide a product or service, including financial advice, to you.

COLLECTING AND DISCLOSING YOUR PERSONAL INFORMATION

We may disclose your personal information to anyone we engage to do something on our behalf such as a service provider, and other organisations that assist us with our business. We may also disclose your personal information to third parties such as a complaints body to whom a complaint relating to a product or service is referred, your past and present employers, any party acquiring an interest in our business and anyone acting on your behalf. We may also collect from the parties listed

above any personal information they may hold about you which relates to our provision of financial advice.

In order to provide our services to you, we may disclose your personal information to an entity which is located outside Australia. Details of the countries where the overseas recipients are likely to be located are in our privacy policy.

As a provider of financial services, we have obligations to disclose some personal information to government agencies and regulators in Australia, and in some cases offshore. We are not able to ensure that foreign government agencies or regulators will comply with Australian privacy laws, although they may have their own privacy laws. By using our products or services, you consent to these disclosures.

Compound Financial Planning is also required, pursuant to the Anti-Money Laundering and Counter-Terrorism Financing Act (AML/CTF Act) and its corresponding rules and regulations to implement certain client identification processes. We may be required to obtain information about you at the time of providing financial services to you, and from time to time in order to meet our legal obligations.

We have certain reporting obligations pursuant to the AML/CTF Act and information obtained from or about you may be provided to external third parties and regulators in accordance with the requirements imposed on us.

OTHER IMPORTANT INFORMATION

We are required or authorised to collect personal information from you by certain laws. Details of these laws are in our privacy policy.

Our privacy policy is available here: www.compoundfp.com

- how you can access the personal information we hold about you and ask for it to be corrected;
- how you may complain about a breach of the Privacy Act 1988 (Cth), or a registered privacy code and how we will deal with your complaint; and;
- how we collect, hold, use and disclose your personal information in more detail.

We will update our privacy policy from time to time.

Where you have provided information about another individual, you must make them aware of that fact and the contents of this privacy statement.

We will use your personal information to contact you or send you information about other products and services offered by us or our preferred suppliers. If

you do not wish to receive marketing communications from us, please contact us.

SECTION 3

ARE YOU SATISFIED?

WHAT TO DO IF YOU HAVE ANY CONCERNS ABOUT OUR SERVICES

We are committed to providing quality advice to our clients.

This commitment extends to providing accessible complaint resolution mechanisms for our clients. If you have any complaint about the advice or services provided to you, we encourage you to take the following steps:

1. Please contact your adviser so they can act immediately. Your adviser will try to resolve any complaint you may have, acknowledging your complaint in writing within 24 hours or 1 day;
2. If your complaint is not satisfactorily resolved within 5 days or you would prefer not to speak to your adviser, please contact Compound Financial Planning:

Writing to:

Complaints Officer
Compound Financial Planning Pty Ltd
PO Box Q450, Queen Victoria Building,
Sydney NSW 2000

Email: ronan@compoundfp.com

Phone: 0410 488 655

Your complaint will be acknowledged within 24 hours (or 1 day), our Complaints Officer will manage your complaint through to resolution, whereby you can expect a response within 30 days. Our response will outline our findings and include information that may help you understand our position.

3. If we are unable to resolve your complaint to your satisfaction within 30 days, you can raise your complaint with the Australian Financial Complaints Authority (AFCA):

Writing to:

Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001

Email: info@afca.org.au

Website: www.afca.org.au

Phone: 1800 931 678

If your concern relates to personal information you may wish to consider raising these concerns with The Privacy Commission:

Writing to:

GPO Box 4285, Sydney NSW 2001

Phone:

1300 363 992

You may also contact the Australian Securities & Investments Commission (ASIC). ASIC is Australia's corporate, markets and financial services regulator. ASIC contributes to maintaining Australia's economic reputation by ensuring that Australia's financial markets are fair and transparent and is supported by informed investors and consumers alike. ASIC seeks to protect consumers against misleading or deceptive and unconscionable conduct affecting all financial products and services. You may contact ASIC by:

Writing to:

Australian Securities & Investments Commission
GPO Box 9827, Your Capital City

Website: www.asic.gov.au

Phone: 1300 300 630

The Financial Advice Association of Australia Limited (FAAA), is the peak professional body for financial planning in Australia. The FAAA provides the leadership and professional framework that enables members to deliver quality financial advice to their clients. All FAAA members are bound by professional, technical and ethical standards as provided in the FAAA Code of Professional Practice. The FAAA has effective and appropriate policies and procedures in place to assist you with your complaint and ultimately help protect consumers and those planners doing the right thing. You may contact the FAAA by:

Writing to:

The Investigations Manager
Financial Advice Association of Australia Ltd
GPO Box 4285
Sydney NSW 2001

Website: <https://faaa.au/>

Phone: 1300 337 301

Before you send your concern to any of these respective bodies, please contact them first to understand the process of lodging your concern with them.