

Getting financial advice

A good financial adviser works with you to understand your needs. They help you set financial goals and create a plan to achieve them. Shop around to find the right adviser and make sure they have an Australian financial services licence (AFSL).

Choosing a financial adviser

Before you look for an adviser, be clear about what you want from the advice. An adviser can give you general or personal financial advice.

- **General advice** doesn't take into account your personal situation or goals, or how it might affect you personally.
- **Personal financial advice** is tailored to your financial situation and goals, and is in your best interests. An adviser will ask you questions about your personal goals and circumstances, and provide a plan to help you.

Search for an adviser near you through the Financial Advisers Register on moneysmart.gov.au. Check their Financial Services Guide to see what services the adviser offers.

Working with a financial adviser

Prepare to meet your adviser for the first time by having information about you:

- **personal situation**, such as your age, where you work and whether you're in a relationship
- **assets**, such as your home, savings, super, car, shares and other investments
- **debts**, including mortgages, loans and credit card debt
- **income** from all sources, including pay, investments and government benefits
- **expenses**, including weekly or monthly bills and payments
- **insurance policies** and how much you're insured for
- **estate plans**, such as a will or power of attorney
- **lawyer** and **accountant**

Make sure you understand:

- **the adviser's expertise** including their qualifications, main client base, and specialty areas
- **fees you will pay**, how often and what you'll get in return
- **commissions or incentives** the adviser receives from financial products, and how they'll choose products to recommend to you
- **how they'll monitor and manage your money**, how often you'll meet, who'll look after your account when they're away

- **how they will inform and consult** with you on decisions, what information you'll receive and how often
- **how they deal with complaints**
- **how to end the advice agreement** and what penalties/notice periods are required

Once you've agreed to go ahead, your financial adviser will prepare a financial plan for you. This is given in a document called a Statement of Advice (SOA).

Read and understand the advice

Make sure you feel comfortable with your adviser and their advice. Read the SOA and ask the adviser to explain anything you don't understand. Ensure what they are recommending lines up with your financial goals and personal situation.

An adviser should review your advice with you at least yearly.

Financial advice costs

The way financial advisers charge will be outlined in their Financial Services Guide and will be in three main areas:

- **Fixed fees** – they may charge for preparing your SOA, implementing the advice, providing ongoing advice, or reviewing the advice. They may also charge an hourly fee for any service outside of this.
- **Percentage based fees** – they may collect a fee that is asset-based (portfolio percentage), or investment based (performance percentage)
- **Commissions** – An adviser can charge commissions on insurance products they sell you. The commission is a percentage of what you pay for the product.

Problems with financial advice

If you're unhappy with the financial advice you've received or fees you've paid, first talk to your adviser. Your adviser should work with you to sort out the problem.

If you're not happy with your adviser's response, you can make a complaint through internal dispute resolution. Their Financial Services Guide tells you how to do this.

If you're not satisfied with how your adviser has handled your complaint, you can contact the Australian Financial Complaints Authority on **1800 931 678**.