



# Credit Guide

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A guide to the credit services we provide and how we will work with you to achieve your goals

## Licensee profile

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| <b>Credit Guide:</b>                | Version 3  |
| <b>Issue date</b>                   | 1 July 2015  |
| <b>Purpose of this Credit Guide</b> | Before we provide you with credit advice, you should read this Credit Guide. It contains the following important information to help you decide whether to use our services: |

- about us
- the credit products and services your credit representative can provide to you
- types of products and lenders we recommend
- how we, your credit representative and other related parties are paid
- what associations or relationships we have with others that could influence the advice provided to you
- how we collect and use your personal information
- details of who to contact should you have a complaint

### About us

Futuro Financial Services Pty Ltd (**'Futuro, us or we'**) has been operating since 2002 and is an organisation of choice for highly successful groups of financial advisers and credit representatives and those who aspire to be. Futuro Financial Services holds an Australian Credit Licence (ACL) for providing credit advice. Futuro operates nationally through a network of credit representatives in most states and offers a range of credit services that are listed within this document.

Futuro credit representatives may be members of associations, e.g. Mortgage and Finance Association of Australia (MFAA) or Finance Brokers Association of Australia (FBAA) and as such, abide by their respective codes of practice.

This Credit Guide (**'Guide'**) is used by Futuro to inform retail clients of the credit products and services provided by our network of credit representatives. It is designed to assist you in deciding whether to use these services and to ensure that Futuro complies with our obligations under our Australian Credit Licence (ACL) and National Consumer Credit Protection (NCCP) Act 2009.

If you decide to utilise any of the services provided by our network of credit representatives, you will receive this Guide and your credit representative's profile. Your credit representative's profile must be read in conjunction with this Guide and will outline specific information about your credit representative prior to you receiving advice.

### Contact Details

ABN 30 085 870 015 | ACL No: 238478

Address: 3<sup>rd</sup> Floor, 200 Creek Street, Brisbane QLD 4000

Phone: +61 7 3018 0400

Fax: +61 7 3018 0399

Email: [info@futuro.com.au](mailto:info@futuro.com.au)

Web: [www.futuro.com.au](http://www.futuro.com.au)

Futuro has approved the distribution of this Guide. Please retain this document for your reference and any future dealings with Futuro Financial Services Pty Ltd.

### About our credit representatives

Credit representatives are authorised by Futuro to provide credit product advice in relation to, and deal in, through an approved Aggregator, certain credit products and services as well as credit assistance such as how to structure debt, suitability of existing loan structures and repayment options. Futuro will be responsible for any credit services that your credit representative is authorised to provide to you.

Your credit representative's profile contains important information about your credit representative including details of their education and qualifications, what advice they can provide, what relationships and associations they maintain as well as details of the advice fees you may pay and how they get paid for providing you with advice.

### Why you should choose us

We aim to provide personalised and responsible advice suited to your objectives and believe that sound advice and planning is the key to improving your financial position.

We undertake continuous professional development and training programs so that we are up to date with legislative changes to mortgage and finance broking.

We have access to technical, risk and credit research professionals who provide us with additional analysis on strategies and products that become available as a result of these changes.

Our credit representatives will help you determine your goals and weigh up different credit strategies to achieve them.

Most importantly, we turn your thoughts into action. There are no secret formulas to achieving financial security. We work with you to get the basics right and ensure you have a plan to achieve your goals over time.

## Advice we can provide

We will only recommend quality products and services that are suitable for you.

Our credit representatives have access to a wide range of credit products and services which have been researched and approved by us. Only those products and services considered worthy of recommendation to our clients have been approved.

We can recommend and assist you to apply for a number of loan types.

| We can provide advice on:   | We can arrange the following products and services:   |
|---|---|
| <ul style="list-style-type: none"><li>mortgage and finance broking services</li></ul> | <ul style="list-style-type: none"><li>home loans (first mortgage)</li><li>home loans (subsequent mortgage)</li><li>equity release (reverse mortgage)</li><li>vehicle loans</li><li>boat loans</li><li>other personal loans</li><li>overdrafts</li><li>credit cards</li><li>car leases</li><li>other consumer leases</li><li>CALIA+ products</li></ul> |

Your credit representative may only be authorised to provide advice to you in some but not all of the above products and services. Please refer to your credit representative's profile, which sets out the advice they can provide and the types of credit services we have authorised them to provide.

## Panel of lenders

Futuro maintains a panel of lenders ranging from major banks, building societies, credit unions, retail lenders and specialist non-banks, through use of Connective. Connective is an approved aggregator, who acts as an intermediary between credit representatives and lenders.

As at 1 July 2015, Futuro uses the following lenders most frequently.

1. Westpac
2. Commonwealth Bank
3. National Australia Bank
4. St George
5. ANZ
6. Macquarie Bank

As at 1 July 2015, the lenders who our credit representatives are accredited with are:

- |                              |                             |                       |
|------------------------------|-----------------------------|-----------------------|
| 1. AMP                       | 9. Gateway Credit Union     | 17. Pepper Home Loans |
| 2. Australian First Mortgage | 10. Heritage Bank           | 18. Suncorp Bank      |
| 3. BankWest                  | 11. Homeside Lending        | 19. St George Bank    |
| 4. Citibank                  | 12. ING Direct              | 20. Westpac           |
| 5. Commonwealth Bank         | 13. La Trobe Financial      |                       |
| 6. Deposit Power             | 14. Loan Ave                |                       |
| 7. FirstMac                  | 15. Macquarie Bank          |                       |
| 8. Heritage Bank             | 16. National Australia Bank |                       |

## Suitable options

We provide credit assistance to you when we:

- suggest or assist you to apply for a particular credit contract with a particular credit provider; or
- suggest or assist you to apply for an increase to the credit limit of a particular credit contract with a particular credit provider; or
- suggest you remain in a particular credit contract with a particular credit provider.

We will make sure that any new or existing credit contracts we assist you with meet two main requirements:

1. meet your needs and objectives; and
2. that you are able to meet the financial obligations of the contract, without placing you in a position of financial hardship.

Credit contracts that meet these requirements are known as being 'not unsuitable'. If we cannot meet these requirements, we are unable to provide credit assistance.

We don't make any promises about the value of any property you finance with us or its future prospects. You should always rely on your own enquiries.

We don't provide legal or financial advice. It is important you understand your legal obligations under the loan or lease, and the financial consequences. If you have any doubts, you should obtain independent legal and financial advice before you enter any loan/lease contract.

## Documents you may receive

A Credit Quote provides information about the fees you have agreed to pay for our services before a finance application is lodged. You may obtain information about how these fees and charges are calculated and a reasonable estimate of those fees. If there are no fees payable, a credit quote will not be provided, however you can request one.

A Credit Proposal Document sets out important information about the particular credit contract that you have selected or are interested in.

A Preliminary Assessment is used to determine the suitability of that product for you. When we make this preliminary assessment, we consider:

- your requirements and objectives – that is, what kind of loan do you want, and for what purpose;
- your financial and relevant personal situation; and
- your ability to repay the loan that you are considering.

In assessing these factors, we are also required to take reasonable steps to verify some of the information you provide us. This verification may include asking you for copies of documents that demonstrate your financial situation. In some cases, we may also need to sight original documents and contact third parties to assist in verifying the information that you provide.

If not already provided it to you, you may request a copy of our Preliminary Assessment, which we will give you within seven business days for any time during the first two years of completion of the assessment. If the assessment was between two years and seven years after it was conducted, we must provide it within twenty-one business days. There is no charge for requesting or receiving a copy of the Preliminary Assessment.

Before providing you with ongoing advice, we may prepare an Ongoing Advice Agreement. This will set out what our ongoing advice will cover and how much it will cost.

## Your privacy and access to your information

As part of the credit process, we need to collect information about you and maintain a record of your personal information. We are also required under the Anti-Money Laundering and Counter-Terrorism Financing (AML-CTF) Act 2006 to implement client identification processes. We will need you to present identification documents such as passports and driver's licences in order to meet our obligations.

We maintain a record of your personal information. You have the right to withhold personal information, but this may compromise the effectiveness of the advice you receive. If your personal information is incomplete or inaccurate, this could affect our ability to fully or properly analyse your needs, objectives and financial situation, so our recommendations may not be completely appropriate or suitable for you.

Your credit representative and Futuro will take reasonable steps to protect your information from misuse, loss, and unauthorised access, modification or improper disclosure. As part of our continuing commitment to client service and maintenance of our client confidentiality, we are bound by the Australian Privacy Principles (APPs) established under the Privacy Amendment (Enhancing Privacy Protection) Act 2012. We keep your personal information confidential, and only use it in accordance with our Privacy Policy. Some of the ways we may use this information are set out below:

- Your credit representative and Futuro may have access to this information when providing credit advice or services to you. Where possible we will obtain that information directly from you, but if authorised by you we may also obtain it from other sources such as your employer or Accountant;
- Your credit representative may, in the future, disclose information to other financial advisers, lenders, mortgage brokers, accountants and those who are authorised by Futuro to review customers' needs and circumstances from time to time, including other companies within Futuro;
- Your information may be disclosed to external service suppliers both here and overseas who supply administrative, credit or other services to assist your credit representative and Futuro in providing credit advice and services to you. A list of countries where these service providers are located can be accessed via the Futuro Privacy Policy;
- Your information may be used to provide ongoing information about opportunities that may be useful or relevant to your financial needs through direct marketing (subject to your ability to opt-out as set out in the Futuro Privacy Policy);
- Your information may be disclosed as required or authorised by law and to anyone authorised by you.

Our Privacy Policy contains information about how to make a complaint about a breach of the Australian Privacy Principles. For a copy of Futuro's Privacy Policy visit [www.futuro.com.au/privacy](http://www.futuro.com.au/privacy) or you can contact us.

You can request access to the information your credit representative or Futuro holds about you at any time to correct or update it as set out in our Privacy Policy. If you wish to examine your file, we ask that you make a request in writing and allow up to fourteen working days for the information to be provided. We may charge a fee to cover the cost of verifying the application and locating, retrieving and/or copying any material requested. If the information sought is extensive, we will advise you of the likely cost in advance and can help you to refine your request if required.

Another credit representative may be appointed to you if your credit representative leaves Futuro or is unable to attend to your needs due to an extended absence from the business. In these circumstances, Futuro will write to you advising you of the change. Your personal information will be passed on to the new credit representative.

If you choose to appoint a new credit representative, your new credit representative will be provided access to your policy information. They will be responsible for providing you with ongoing advice relating to those policies and all future advice fees deducted from the policy/(ies) will be paid to your new credit representative.

## Advice fees

We are paid commissions by lenders for introducing customers. The lenders we deal with will usually pay us a commission based on:

- the size of loan; and
- the particular loan product you have selected

We will only be paid this commission if your loan is settled and drawn down.

We may also be paid an ongoing commission by your lender based on the outstanding balance of your loan. The commissions that we are paid by your lender are not payable by you – they are paid to us either directly by the lender, or paid to us by Connective. If you would like a detailed estimate of how much commission we would be paid by a particular lender for a particular product, we will provide this for you. We will also provide you with a detailed explanation of how this commission is calculated.

Futuro may retain a portion of the commission paid by the lender you choose and Connective. This payment is paid to Futuro in exchange for the right to operate under Futuro's Credit Licence, and for providing other assistance with business. If you would like an estimate of what your credit representative will be paid, and how it is calculated, please don't hesitate to ask and we will provide you with that information.

For loan products, our commission generally ranges between 0.50% and 1.80% of the initial loan balance and 0% to 0.55% of the outstanding loan balance each year. For example, if your loan balance was \$100,000 we would receive between \$500 and \$1,800 initially and between \$0 and \$550 pa ongoing. Please note these commission ranges incorporate all potential commission bonuses (which we may or may not receive) and that lenders can change these commission rates at any time.

For consumer leases, we will charge a brokerage fee between 0% and 4.0% of the lease amount sought. For example, if you are seeking \$10,000 credit, the cost to you will be between \$0 and \$400.

In many cases, we gain access to the loan products we recommend to you through the services of Connective. In order to gain access to their panel lenders, Connective charges us a fee. This fee may be made up of several different components, including:

- A share of the commission that is paid by a lender as set out above
- A membership fee for our business
- A monthly fee for each of our accredited loan writers

If you would like us to provide an estimate of the share of the lender commission that may be retained by Connective, and how it is worked out, we will be pleased to provide this to you.

All fees and commissions will be paid directly to us and distributed to your credit representative less any licensee fees.

## Relationships and associations

As Futuro and its accredited credit representatives are part of the network of mortgage brokers that use Connective aggregation services, we are entitled to participate in bonus arrangements between Connective and individual lenders.

Any payments by lenders to Connective are based on the volume of all new or increased loans put through Connective, including that of Futuro, and/or the quality of these submissions e.g. application to settlement conversion rate. Connective then pays us our proportion of this bonus payment, according to the amount of business we submitted through Connective during the period. These bonuses are a percentage of the loan balance and are separately negotiated between each lender and Connective. Please note that lenders can change the percentage at any time and not all lenders pay volume or quality bonuses. The commission bonuses are included in the commission ranges shown in Advice Fees.

In addition, some lenders may offer commission bonuses and other incentives e.g. offshore conferences, which are based on the volume of loans settled, value of individual loans and quality of submissions lodged by the individual adviser with that particular lender. Such benefits vary from lender to lender. Connective then pays commission bonuses to us. As a general guide, these bonuses range between 0.45% and 1.1% of the loan balance initially and 0.5% each year, however, lenders can change these at any time.

Other incentives are paid directly to the adviser by the lender. These may include indirect benefits for example business lunches, tickets to sporting or cultural events, corporate promotional merchandise and other minor benefits or direct benefits for example an overseas holiday based on the volume of business lodged with the lender over a specified period. Any benefits that we may receive that are related to a loan recommended to you which is regulated by the National Consumer Credit Protection Act, will be disclosed in our advice to you prior to application.

## Other benefits we may receive

- **Volume based bonuses:** From time to time we may receive additional benefits from lenders, depending on the number and amount of business we secure with a particular lender and/or the quality of submissions. If you would like an estimate of what your adviser will be paid, and how it is calculated, please don't hesitate to ask and we will provide you with that information.
- **Product Competitions:** We may participate in short term incentive programmes such as a lender paying additional commissions during a specified period. Due to the temporary nature of these arrangements they have not been included in this document. Details of any short term incentives will be outlined in the Credit Proposal Disclosure Document
- **Non-monetary:** We may receive indirect benefits from lenders for the services we provide you in relation to their products. This may include product and service discounts provided to our advisers as a result of our relationship with these providers

Any other benefits we receive that may reasonably be considered to influence our advice and services to you will be disclosed in our written advice.

- **Payments to and from other professionals**

In some cases, your business may have been referred to us by non-regulated third parties such as real estate agents, accountants, mortgage brokers etc. Where this is the case:

- We may pay a referral fee when clients are referred to us from other professionals. This will be disclosed in your credit documents if applicable.
- We may receive a referral fee from other professionals when we refer you to their services. This will be disclosed in your credit documents if applicable.

Alternatively, you can ask us about the fees and we will tell you how much was paid and how it was calculated.

**What should you do if you have a complaint?**

If you have a complaint about the credit advice or services we provided to you, you should take the following steps:

- Contact your credit representative and tell them about your complaint.
- If your complaint is not satisfactorily resolved within three working days by your adviser, you can telephone Futuro on +61 7 3018 0400, email us at [info@futuro.com.au](mailto:info@futuro.com.au) or put your complaint in writing to:

**Complaints Officer**  
 Futuro Financial Services  
 GPO Box 942,  
 Brisbane QLD 4001

Futuro places great importance on resolving complaints quickly and amicably. For all complaints we will follow the following steps:

- We will acknowledge your complaint and try to resolve your complaint as quickly as possible.
- We will conduct a thorough investigation of your situation and the issues that you raise; and
- We will provide you with a formal written response usually within a 45-day period. If circumstances do not allow us to respond within this timeframe, we will write to you explaining the reasons for the delay and specify a date when we will provide you with this response.

If your complaint has not been resolved satisfactory, you have the right to complain to one of the following External Dispute Resolution Schemes listed in the following table.

| Type of complaint         | External complaints service   |
|---------------------------|---|
| Credit advice             | Financial Ombudsman Service (FOS) on 1300 780 808<br><br>GPO Box 3<br>Melbourne VIC 3001<br>Phone: 1300 780 808 Fax: 03 9613 6399<br>Email: <a href="mailto:info@fos.org.au">info@fos.org.au</a><br>Website: <a href="http://www.fos.org.au">www.fos.org.au</a><br><br>NB: There are some limits on the size of claims that can be handled by FOS. For details of the current limits, please go to the FOS website. |
| Personal information held | The Privacy Commissioner on 1300 363 992  |

The Australian Securities & Investments Commission (ASIC) may also be contacted on 1300 300 630 to find out which body may best assist you in settling your complaint.

**Professional indemnity insurance**

Futuro is covered by professional indemnity insurance satisfying the requirements under the Corporations Act and National Consumer Credit Protection Act for compensation arrangements.

The insurance covers claims arising from the advice, actions and recommendations of current or former employees or representatives of ours, even where subsequent to these actions they have ceased to be employed by or act for us.

You do not have a direct right to claim under this insurance, which is taken out to ensure sufficient resources will be available to meet claims against us.