

financial  
**services**  
**guide**

Mercer Financial Advice



1 July 2021



# About this guide

**This Financial Services Guide (FSG) is designed to provide you with information to make an informed decision about whether the services provided by Mercer Financial Advice are right for you.**

This Guide is designed to help you understand who Mercer Financial Advice (Australia) Pty Ltd (Mercer Financial Advice) is, what we do, how we work; and to help you decide whether to use the services offered by us. It contains the following information.

- The services we provide;
- The way we work;
- How you can pay for our services and the remuneration that may be paid to us and other relevant persons in relation to the services offered; and
- Information on what to do if you are not satisfied with the services we provide.

We are required to provide you with the information contained in this document if we are likely to deal on your behalf or provide you with financial product advice and financial advice services.

This FSG has been authorised for distribution by Mercer Financial Advice (Australia) Pty Ltd ABN 76 153 168 293 Australian Financial Services Licence (AFSL) #411766.

Please take your time to read this document carefully. If you have any questions, or need further clarification, feel free to contact Mercer Financial Advice or talk directly with your Mercer Financial Adviser.

## Contact details for Mercer Financial Advice:

### Street address:

727 Collins Street  
Melbourne VIC 3008

### All correspondence to:

GPO Box 9946 Melbourne VIC 3001

### Telephone number:

(03) 9623 5555

### Fax number:

(03) 8640 0806

### Website:

[www.mercerfinancialservices.com](http://www.mercerfinancialservices.com)

## Not Independent

Mercer Financial Advice is not independent, impartial or unbiased because:

We are a member of Marsh & McLennan Companies, and through this relationship we are a related company of each of the following product issuers and service providers:

Mercer Consulting (Australia) Pty Ltd

Mercer Investments (Australia) Limited

Mercer Outsourcing (Australia) Pty Ltd

Mercer Superannuation (Australia) Limited

Mercer Administration Services (Australia) Pty Ltd

Mercer Portfolio Service Superannuation Plan (MPS SP) RSE Registration number R1067101.

Mercer Portfolio Service Investment Plan (MPSIP); and

We receive commissions on the sale of life insurance products.

# How we can help you

Regardless of the stage in life you're in, or the key life event you may be focussed on, we recognise everyone's circumstances and priorities are different and they continue to evolve throughout each stage of their life. Mercer Financial Advice endeavours to provide an advice service that's adaptable to life's inevitable 'moments'; and is supported with people that are appropriate to your needs. Your Mercer Financial Adviser can help you with:

## Defining your short and long term financial goals

Whether your ambition is to ensure you're building your financial future on a sound platform, from the start. Or you want to be able to have more 'me-time' for the things you want to do, like travelling, sooner rather than later. Or maybe it's to ensure your children/grandchildren have the best education opportunities. We can help you identify and deal with the most important things to help make your life better now, and in the future.

## Determining what's right for you

Help to understand the options available to you, and identify what's going to work best for your situation, is a hallmark of good advice. With the resources and support of Mercer Financial Advice, along with the experience and knowledge of your Mercer Adviser, you'll be able to fully understand the strategies and methods being recommended, and their appropriateness to you. Knowing how the advice can assist in meeting your goals, as well as knowing before you start that there's also the ability to develop contingency plans for any unforeseen occurrences along the way, provides great peace-of-mind.

## Putting your plan in place

None of the advice you receive will be implemented before you confirm you understand the recommendations and you're satisfied they meet your needs. You will be involved and consulted every step of the way.

Implementation includes the use of appropriate products and services for your needs and, if needed, may include us putting you in touch with other third party specialists.

## Revisiting and revising to keep on track

You can choose to have Mercer Financial Advice provide you with advice when you believe you need it, or we can provide you with ongoing advice to keep you on track along the way. Either way, Mercer Financial Advice can work with you to re-evaluate and adjust your plan and the strategies you have in place, to make sure they remain aligned with your expectations and they continue to get you closer to achieving the goals you're aiming to achieve.

## Understanding the value we provide

With Mercer's global reach and a team of experts, Mercer Financial Advice uses a strategic advisory process that considers your goals, lifestyle and budget.

We then recommend practical ways to meet your objectives.

- Experienced in strategies for creating and protecting wealth
- Skilled advisers who can explain things simply and concisely
- Supported by the Mercer group of companies with access to global investment expertise

We are committed to providing clear fees for service so there are no surprises.



# The way we work

**Only by you being totally open and honest when discussing your situation with your Mercer Financial Adviser and by providing information that's accurate and complete can we give you advice that's appropriate for you and your needs.**

## 1. The 1st step is an initial meeting

Initially your Mercer Financial Adviser will want to meet with you so you can get to know each other and for us to determine what's important to you. Together you'll discuss and prioritise your goals, your cares, your worries, and your fears and agree which advice service best suits you.

## 2. Then, we'll gather some information

If we agreed you have a need for advice and you'd like to proceed we'll work with you to complete a profile of your personal and financial situation, and identify your short and long term goals so we can get a clear picture of where you are now and where you want to be in the future. We'll also collect details of all the existing arrangements you have with product providers. If applicable, we'll also work with you to establish the investment risk you are comfortable with.

## 3. You decide on the service level you'd like

At this stage we'll discuss with you what the advice will cover, and the level of service we'll provide. You may choose to simply obtain a Statement of Advice (SoA), or decide that you'd like Mercer Financial Advice to implement the recommendations contained in the SoA on your behalf or refer you to partners that can help.

## 4. We'll discuss and agree on fees

Once we've agreed on what our advice covers we'll talk about the costs involved, and everything else you need to know about how we're paid.

## 5. Everything we agree will be in writing for you

All the advice you receive as a result of this process will be provided to you in writing.

## 6. You'll have the support of a team

To help ensure your advice needs are met every Mercer Financial Adviser is supported by a team of technical and client service specialists.

## Other ways we may advise you

From time to time we may also provide you with advice which is of a general nature. For example, a Mercer Financial Adviser may conduct a seminar at your workplace, a Mercer Office, or at another pre-arranged location to present information relating to recent changes to superannuation regulations, or on pre-retirement and retirement planning strategies. These seminars are general in nature and do not take into consideration the personal circumstances of each of the individuals who attend.

## You may receive other documents from us

You may receive the following documents when Mercer Financial Advice provides services or products to you:

### Statement of Advice (SoA)

A Statement of Advice (SoA) is a record of the personal advice you receive from us, as well as the information you provided on which the advice was based. You will receive a Statement of Advice when Mercer Financial Advice provides you with personal financial product advice. You will not receive a Statement of Advice where you provide an instruction to Mercer Financial Advice to deal in a product on your behalf and no personal financial product advice is provided.

Similarly, a Statement of Advice is not generally provided, where you request Mercer Financial Advice to provide further advice to you but the scope of the advice, and your personal circumstances, have not changed significantly. In these circumstances a Record of Advice may be provided to you. You can ask us for a copy of a Record of Advice, within 7 years of being given the advice, if you have not already received a copy.

### Fee Disclosure Statement

Where you have entered into an ongoing fee arrangement, to receive ongoing financial services from Mercer Financial Advice, you will receive a Fee Disclosure Statement annually. This is a written statement outlining the services you were entitled to receive, the services you received, and the fees you have paid for those services for the previous 12 months under your ongoing fee arrangement.

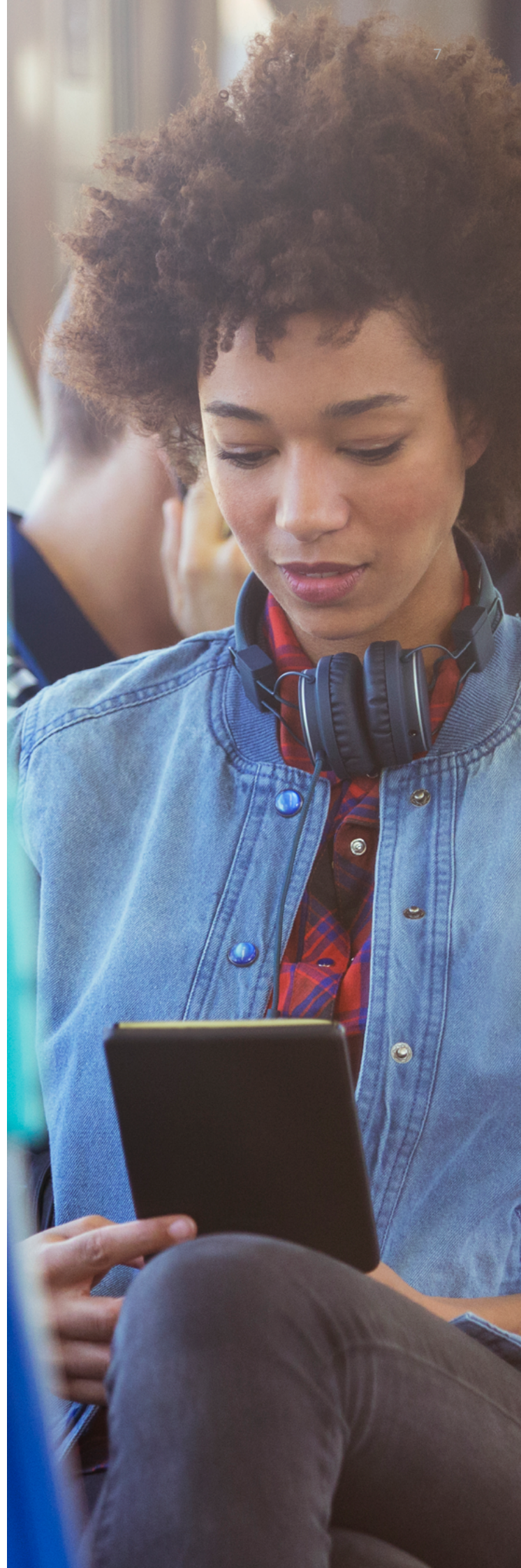
### Product Disclosure Statement

You will receive a Product Disclosure Statements (PDS) for each of the products your Mercer Financial Adviser recommends to you as part of the personal advice you acquire through Mercer Financial Advice. A PDS contains general information about financial product(s) including:

- the terms and conditions of a product,
- any known significant risks associated with holding the product,
- information about the cost of the product, and
- details of fees and charges the product provider receives for issuing the product.

## Who is responsible for the financial services you receive

Mercer Financial Advice is responsible for the provision of services, as listed in this FSG.



# Areas of advice

**Mercer Financial Advice offers both personal and general advice services and is licensed to offer you advice services and products in areas listed below.**

The services you receive will depend upon your individual circumstances, needs and objectives.

- Financial planning
- Investment strategies
- Retirement planning
- Social security advice
- Estate planning services
- Ongoing advice services
- Insurance
- Self-managed superannuation fund (SMSF) advice
- Aged care advice
- Basic Deposit products
- Government Debentures, Stocks or Bonds
- Life investment or Life risk products
- Managed Investment Schemes including Investor Directed Portfolio Services ("IDPS")
- Securities
- Retirement Savings Accounts
- Superannuation
- Margin Lending Facilities
- General Insurance Products (General advice only)
- Member education and advice.

If for any reason your Mercer Financial Adviser is unable or not authorised to provide you with the services you require they may refer you to another Mercer Financial Adviser who is permitted to do so, or refer you to partners that can.

## Who will provide your advice

Your adviser is a salaried employee and an Authorised Representative of Mercer Financial Advice (Australia) Pty Ltd.

If you are accessing our online advice via the online portal, the advice is provided by Mercer Financial Advice (Australia) Pty Ltd.

## Who Mercer Financial Advice is

Working out your finances, optimising super and choosing the right insurance, investments and loans can be challenging for anyone.

Mercer Financial Advice is part of a global consulting leader with specialised skills in retirement planning, and investments.

Globally, Mercer's more than 20,000 employees are based in 42 countries, and operate in more than 140 countries. Mercer is a wholly owned subsidiary of Marsh & McLennan Companies (NYSE: MMC), a global team of professional services companies offering clients advice and solutions in the areas of risk, strategy, and human capital.



## Our relationships and associations with financial product issuers

Mercer Financial Advice is a wholly owned subsidiary of Mercer (Australia) Pty Ltd, ABN 32 005 315 917.

Mercer is a member of Marsh & McLennan Companies, a public company listed on the New York Stock Exchange. Marsh Pty Ltd, Guy Carpenter & Company LLC, and Oliver Wyman, Inc are also members of Marsh & McLennan Companies.

Mercer Financial Advice through the above relationship is a related company of each of the following product issuers and service providers:

- Mercer Consulting (Australia) Pty Ltd
- Mercer Investments (Australia) Limited
- Mercer Outsourcing (Australia) Pty Ltd
- Mercer Superannuation (Australia) Limited
- Mercer Administration Services (Australia) Pty Ltd
- Mercer Portfolio Service Superannuation Plan (MPS SP) RSE Registration number R1067101.
- Mercer Portfolio Service Investment Plan (MPSIP)
- Various corporate superannuation funds. Your financial adviser will advise you whether you are a member of one of these funds.

Your adviser may also make recommendations on a wide range of financial products that are issued by product issuers that are not related to Mercer Financial Advice

## How you can instruct us

If you want to make changes regarding the advice you have received or provide other instructions, you can contact us by using the details provided in this FSG. Generally, you will need to give us instructions in writing (e.g. fax, email or letter) or any other method as agreed with your adviser.



# Your privacy and information

## The information you need to provide to receive personalised advice

In order to receive personalised advice, you will need to undertake a fact finding process. You will need to provide details of your personal objectives, your current financial situation and any other relevant information so the appropriate advice that suits your circumstances can be given.

You have the right not to inform your financial adviser of your personal information if you do not wish to. However, if you do not, the advice you receive may not be appropriate to your needs, objectives and financial situation.

You should read the benefits and implications contained in the Statement of Advice carefully before making any decision relating to a financial strategy or product being recommended.

## Information we maintain about you that you can access

We maintain a record of your personal file, including details of your objectives, financial situation and needs. We also maintain records of any recommendations made to you. If you wish to examine your file, please ask us. We will make arrangements for you to do so.

## Your privacy

We take your privacy seriously because we know you do. All personal information is dealt with in accordance with the Mercer Privacy Policy. The Mercer Privacy Policy details how we comply with the Privacy Act in the handling of your personal information. You can view the Mercer Privacy Policy via our website at [www.mercersuper.com/privacy](http://www.mercersuper.com/privacy) at any time.



# What we are paid

**If you are accessing our online advice via the online portal, there is no fee or charge for this advice. The remuneration listed below may be charged when you receive personal advice from your adviser. The actual fees charged will depend on the scope of advice and recommendations made.**

Any fees you will be charged will be disclosed in a Letter of Engagement, a Statement of Advice and/or in Product Disclosure Statements and other advice document provided to you at the time the advice is given. Where the exact charge cannot be calculated then the manner in which those fees are calculated will be disclosed prior to any fees being incurred. All fees are inclusive of GST.

In respect to products recommended via our online portal, or by your Mercer Financial Adviser, that are issued by a Mercer entity (Mercer Product), Mercer may receive a greater portion of fees compared to non-Mercer related products. Specific amounts and benefits can only be calculated once the recommendations are made to you and therefore will be disclosed in your Statement of Advice or other advice document provided to you at that time.

## How we are paid for the services provided

There are various ways that you may pay for the services we provide including:

- Fee for service
- Remuneration paid by product providers in the form of initial (or upfront) and ongoing (or trail) remuneration for Personal Insurances only, and share brokerage or,
- A combination of the above.

## How our fees are calculated

Fees may be charged as:

- Dollar amount
- Percentage of the amount invested
- Based on an hourly rate
- A combination of some or all of the above.

## Fees for services

### Initial consultation

Your initial consultation is complimentary.

### Advice received online

If you are accessing our online advice service, via the online portal, there is no fee or charge for this advice.

### Phone based advice and workplace adviser consultation

A consultation with a phone based or workplace adviser is generally complimentary. Where a recommendation is provided in relation to asset allocation for your superannuation fund and/or types of superannuation contributions for your situation, this will be complimentary for those members where the cost of these services are included as part of the Trustee operating costs. You will be advised of any costs by your phone or workplace adviser, if applicable.

### Preparation and implementation of advice

The amount of the fee charged will depend on a number of factors including the complexity of the advice and the areas of advice covered. Generally, the fee will range from a minimum of \$500 to \$9,000 however this range may be exceeded for particularly complex advice that requires additional hours of work.

You will be advised of the actual cost of your Statement of Advice when you meet with your financial adviser.

### Ongoing review services

An additional fee may be charged for the provision of ongoing review services. This fee may be a flat fee or a percentage of the value of the amount invested.

The amount of these fees (and how they are charged) will depend on the level and types of services you require and whether you have invested in any products which pay Mercer Financial Advice an ongoing fee or if you require additional review services.

Your financial adviser can provide you with further details.

## How Mercer Financial Advisers are remunerated

Mercer Financial Advisers are salaried employees of Mercer. As salaried employees they do not earn any upfront or ongoing commission or any portion of the advice fee.

In addition to being paid a salary Mercer Financial Advisers may receive an annual cash bonus, derived from a global bonus pool. The global bonus pool size depends upon Mercer's actual net operating income for the plan year in comparison to targets. The individual bonus is determined by a combination of individual and business performance factors.

The business performance is impacted by Mercer's overall performance as well as the results achieved by the business/geography group.

A Mercer Financial Adviser's performance over the calendar year is measured against their contribution to Mercer's business which is measured against pre-determined objectives including a combination of:

- Amount of fee for service generated as a result of providing financial advice
- Retention of on-going service arrangements as a result of providing ongoing financial advice
- Client satisfaction
- Efficient and productive business processes
- Contribution towards financial growth and profitability of the broader Mercer business
- Meeting Mercer Compliance requirements
- Maintaining the highest standards of professional conduct.

Failure to meet the minimum performance standards in these areas may result in an individual not being eligible for a bonus.

Based on performance, the level of cash bonus paid will vary based on the performance rating achieved. This can range between 0% and 30% of salary. Performance ratings are defined as follows:

- Stand Out
- On Track
- Off Track

For example, if an adviser was paid a salary of \$100,000, the cash bonus will generally range between \$0 and \$30,000 where the adviser achieves a performance rating between Off Track and Stand Out.

Other benefits an individual adviser may also receive from Mercer or Mercer Financial Advice include functions, meals and gifts such as sporting and entertainment tickets.

It is Mercer's policy not to accept gifts or personal favours from external suppliers or service providers that exceed \$100 in value in any calendar year from any one supplier.

It is not possible to determine in advance what (if any) additional benefits any employee will receive.

Mercer Financial Advisers do not directly share in any fees, commissions or other benefits payable to Mercer Financial Advice or the revenue earned by Mercer.

## Remuneration from product providers

Mercer Financial Advice does not receive any trail commissions from superannuation or investment product providers.

### Life insurance products

Should you purchase an insurance product that we recommend, Mercer Financial Advice may receive a commission payment from the insurer. The total amount of this commission is included in the premium you pay for the product – it is not an additional cost to you. The level of commission depends upon the product purchased and will generally include:

	Initial Commission (excl. GST)	Ongoing Commission (excl. GST)
Pre 1 January 2018*	0% - 140%	0% - 38%
1 January 2018 - 31 December 2018*	0% – 80%	20%
1 January 2019 - 31 December 2019*	0% – 70%	20%
From 1 January 2020*	0% – 60%	20%

\*Mercer may continue to receive commissions from pre 1 January 2018 policies if your policy was issued before 1 January 2018 and there has been an increase in the level of cover under that respective policy.

### Example

If you purchase a life insurance policy between 1 January 2018 and 31 December 2018 with an annual premium of \$1,500.00, Mercer Financial Advice may receive an initial payment of up to \$1,200.00. Mercer Financial Advice may also receive an ongoing commission of up to \$300.00 per annum from the insurance provider.



## Partnership Referrals

Mercer Financial Advice has referral partnerships with other firms authorised to provide a service under their respective licences. Examples may include tax specialists, legal professionals or another financial service provider.

Your Mercer Financial Adviser may refer you to one or more of these firms if a need is identified that extends beyond what Mercer is able to directly assist you with.

Mercer Financial Advice does not pay or receive any fees in relation to our referral partners and there is no additional cost to you in being referred.

There may be fees associated with the services provided by the referral partner, and they will provide you with further information on the costs of their services, should you choose to proceed.



# Making a complaint

**Your satisfaction is very important to us and we have procedures in place to resolve any concerns promptly and fairly. If you are not happy about the service provided to you, there are steps you should take to have your issue addressed.**

1. Contact the person who provided you with the particular service and tell them about your complaint. If you accessed our online advice via the online portal call your Plan's helpline. We will acknowledge receipt of each complaint as soon as practicable and will communicate our decision to you within 30 calendar days.
2. We will endeavour to satisfactorily resolve your non-complex complaint within 5 working days or, if not resolved, provide you with a notification we are still investigating your complaint.
3. If the complaint is not resolved within 30 days, or to your satisfaction, you have the right to complain to the Australian Financial Complaints Authority (AFCA). This service is provided to you free of charge.

For further information, contact the AFCA:

Mail: Australian Financial  
Complaints Authority Limited  
GPO Box 3  
Melbourne VIC 3001  
Telephone: 1800 931 678  
Facsimile: (03) 9613 6399  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Website: [www.afca.org.au](http://www.afca.org.au)

4. If the complaint relates to a member of the Financial Planning Association (FPA) you also have access to the FPA's complaints process. You can access information about this process by calling the FPA on 1300 626 393, or visiting [www.fpa.asn.au](http://www.fpa.asn.au) any time.

Please note that the complaint procedures set out in this FSG do not apply to complaints you wish to lodge or make against the product issuer of the product in which you invest (such as trustees of superannuation funds or responsible entities of managed investment schemes). For details of how to make such complaints, refer to the PDS of the relevant product.

## Compensation arrangements

Mercer Financial Advice has in place Professional Indemnity Insurance which covers the financial services detailed in this FSG and which is in accordance with s912B of the Corporations Act 2001. This insurance also covers existing financial advisers and financial advisers who were authorised by us at the time of your complaint, but are no longer representatives of Mercer Financial Advice.

For further information, please contact your local Mercer office or visit our website at: [merceraidvice.com](https://www.merceradvice.com)

### **Adelaide**

Level 3  
148 Frome Street  
Adelaide SA 5000  
Tel: 08 8110 3458  
Fax: 08 8127 9581

### **Sydney**

Level 19, Tower One  
International Towers Sydney  
100 Barangaroo Avenue  
Sydney NSW 2000  
Tel: 02 8864 6800  
Fax: 02 8864 8800

### **Wheelers Hill**

Suite 9, Level 1  
2 Brandon Park Drive  
Wheelers Hill VIC 3150  
Tel: 03 8888 4300  
Fax: 03 9445 9217

### **Perth**

Level 6  
225 St Georges Tce  
Perth WA 6000  
Tel: 08 9289 3700  
Fax: 08 9289 3701

### **Melbourne**

727 Collins St  
Melbourne VIC 3008  
Tel: 03 9623 5555  
Fax: 03 8640 0800

### **Brisbane**

Level 13  
111 Eagle Street  
Brisbane QLD 4000  
Tel: 07 3234 4900  
Fax: 07 3503 9259

### **Sydney Olympic Park**

Level 1  
11 Murray Rose Ave  
Sydney Olympic Park NSW 2127  
Tel: 02 8864 6000  
Fax: 02 8915 1529

This Financial Services Guide was prepared on 1 July 2021