



ASIC

Australian Securities & Investments Commission

Essential information if you are concerned about the financial advice you received to invest in Westpoint

There are a number of important steps that investors should take to address actual or potential losses arising out of Westpoint investments.

If you believe that you have suffered losses because of poor or misleading advice from a licensed financial adviser, then you should first make a complaint directly to your adviser.

If your complaint is not resolved by your licensed adviser to your satisfaction, then you may be able to refer it to the Financial Industry Complaints Service (FICS). FICS is an independent scheme that can investigate your complaint and, if appropriate make a decision that is binding on a licensed financial adviser. This may require the adviser to pay you the amount that you have lost as a result of the adviser's conduct.

ASIC is determined to ensure these complaints handling processes operate fairly and consistently, and that they produce appropriate resolutions that address the losses incurred by investors in Westpoint products. However, FICS will not find in your favour if there is no evidence that your adviser has acted inappropriately.

The following sets out what each investor can do and what ASIC will do.

1. Take your time

- There is no urgent need to decide what is the best course of action in recovering any losses relating to your Westpoint investment.
- However there a number of steps you need to take so you can make that decision. In particular, get your paperwork together.

2. Get your paperwork together about your investment

- Get together all the paperwork you have about your Westpoint investments. This includes any written information or advice from your adviser.
- Set out a chronology of when and how you first became aware of Westpoint, what advice you got about Westpoint, who gave you that advice and the dates and amounts you invested.

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- Write down in detail what your adviser told you about the investment you made and whether they disclosed any commissions that they earned from Westpoint.
- Try to include details of all meetings held with advisers and where they took place.

3. If you do not have all your paperwork

- Contact your adviser and ask them to provide any further information that you need about your investment or about the advice, from their files.
- Advisers must deal with these requests as well as respond to your concerns and claims.
- ASIC expects that your adviser will help you gather the relevant information and documents.
- If advisers don't provide you with the information you have asked for, then let ASIC know by lodging a complaint with ASIC via our website www.asic.gov.au or by writing to any of our capital city offices across Australia at:

Manager
National Assessment & Action
ASIC
GPO Box 9827
IN YOUR CAPITAL CITY

4. Once you have all that information

- If you think that you received poor or misleading advice about your Westpoint investment, then you should make a complaint.
- The first step is to complain directly to your adviser. The adviser is required to consider your complaint through their internal procedures. They have 45 days in which to respond to your complaint (although they can ask you to give them more time).

5. The licensed financial adviser is required to deal with your complaint (Refer to Section 8 regarding unlicensed advisers)

- If your complaint is not resolved to your satisfaction by the adviser – or if you do not get a response within 45 days - you have the right to refer your complaint to the Financial Industry Complaints Service (FICS).
- FICS is an alternative dispute resolution scheme set up for clients of licensed financial services providers who have lost money.
- FICS will investigate your complaint, and can make a decision that is binding on your adviser. You are not bound by the FICS decision if you are not satisfied with the outcome.
- FICS offers a free and effective dispute resolution system. It is an alternative to the Courts. You do not need legal representation to lodge a complaint with FICS, although you will need to be prepared to co-operate with FICS' investigation. This is why it is so important to have your paperwork in order.

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- A full list of FICS Members is available on their website at www.fics.asn.au. You can also telephone FICS to find out if your adviser is a Member.

6. What ASIC will do

- ASIC will monitor the way in which financial advisers deal with complaints.
- ASIC has in the past worked with licensed advisers to ensure that the advisers treat investors fairly. This has included a range of approaches for obtaining compensation for losses. In some cases licensees have agreed to pay compensation, in other cases ASIC has taken more formal action to ensure that compensation is paid.
- ASIC proposes to take a proactive and robust approach to monitoring that financial advisers follow a fair and proper process in dealing with complaints consistently, fairly and quickly.
- ASIC will be publishing an investor questionnaire on the ASIC website shortly. We urge all investors to complete the questionnaire when it is available and return it to ASIC. This will help us to monitor the progress of any complaints and our further investigations.

7. FICS can only deal with disputes where the amount in dispute is \$100,000 or less

- Generally, FICS can investigate complaints about financial advice where the loss suffered by the consumer \$100,000 or less and can issue a binding decision on the Member up to this amount.
- FICS can deal with and make binding decisions about complaints involving amounts greater than \$100,000, but only if the member and the consumer both consent.
- ASIC will encourage financial advisers to agree to FICS dealing with complaints involving amounts greater than \$100,000 where those complaints cannot be resolved.
- ASIC thinks the FICS process is an efficient and fair process for dealing with complaints. We will be asking advisers to strongly consider giving consent to allow FICS to investigate these larger claims.

8. What should I do if I have a question or concern about this process?

- If you have any questions about the complaints resolution process you can contact **ASIC (Infoline) on 1300 300 630 and FICS on 1300 78 08 08.**
- FICS can also provide information about their processes in languages other than English.

9. What if my adviser is not a member of FICS?

- If you who have invested through an unlicensed adviser, you will not have access to FICS.

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- ASIC is investigating the conduct of unlicensed advisers and may contact you for further information in relation to your investment.
- If you are experiencing severe financial difficulties (for example, if you cannot meet your mortgage repayments) and you need immediate assistance, ASIC can provide you with contact details for local financial counsellors to assist. You can contact **ASIC (Infoline) on 1300 300 630**.

10. You may decide to commence your own court proceedings either individually or as a group.

- This is a decision for you. However, please be aware that if you do commence legal action it is likely that you will not be able to participate in the free FICS complaints handling process.

This material is published by the
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