Capstone
FINANCIAL PLANNING

RECORD OF ADVICE GUIDELINE

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Introduction

A Record of Advice (RoA) is used to document further advice on strategies and financial product recommendations originally provided in a Statement of Advice (SoA). RoAs perform a similar function to SoAs but are typically shorter, more informal documents, with fewer content requirements compared to SoAs.

Where you utilise an RoA, you are still required to demonstrate why your recommendation is in the best interest of the client and how the client will be placed in a better position as a result of the advice. Additionally, the Code of Ethics applies equally to personal financial advice provided to retail clients, irrespective of whether the advice is documented in an SoA or RoA.

This Guideline details Capstone’s requirements relating to the provision of RoAs. These requirements reflect relevant legislation, ASIC guidance, Code of Ethics obligations as well as Capstone’s risk management approach.

When an RoA may be used

For all RoAs, the following preconditions must be met before providing further advice in the form of an RoA:

1. Previous SoA

You must have previously provided the client with an SoA (the previous advice) setting out the client’s relevant circumstances in relation to the advice.

2. Client circumstances

The client’s relevant personal circumstances in relation to the further advice are not significantly different from those on which the previous advice (SoA) were based.

3. Advice basis

The basis on which the advice provided is not significantly different from the basis the previous advice (SoA) was provided.

Each of these elements are further explored and explained below.

Hold/No change RoAs

Advice to continue with existing strategies and/or to continue to hold existing financial products is personal financial advice and must be documented in an advice document. A ‘Hold/No change’ RoA may be used where the following preconditions are met:

- The client’s relevant personal circumstances in relation to the hold/no change advice are not significantly different from those on which the previous advice (SoA) was based.
- The recommendation does not relate to the acquisition or disposal of any specific financial product or the products of a specific issuer.
- The recommendation does not relate to a change to an investment strategy or a contribution level in relation to a financial product held by a client.

- The following people do not directly receive any remuneration (other than remuneration that is currently being received for an earlier acquisition of a product or service) or other benefit for, or in relation to, the advice:
    - The adviser
    - The Corporate authorised representative
    - The Licensee
    - An employee or director of the Licensee
    - An associate of any of the above.

The term "associate" in this context encompasses a broad array of people and entities, for example, a body corporate related to the adviser, Corporate authorised representative or Licensee.

Hold/No change RoAs do not need to be formally accepted by the client. However, the RoA must be signed by the adviser and provided to the client for their own records.

Record of Small Investment Advice – RoA

Capstone does not allow the use of a Record of Advice (Small Investment Amount) due to the complexity of this exemption in the Corporations Act and the difficulty of its application in practice.

RoAs relating to cash or basic deposit products

If you provide personal advice specifically and solely on any of the following financial products, you do not have to provide an SoA and can instead rely on an RoA:

- A basic deposit product.
- A non-cash payment facility for making non-cash payments that is related to a basic deposit product.
- Cash management trust interest.

The RoA must only be in relation to cash product/s and no other product/s. A platform, super fund or investment account cannot be opened based on advice within an RoA, even if the monies within it will be in cash only.

The use of this RoA is intended only for situations such as term deposit rollovers at maturity, the opening of cash accounts, or recommended withdrawals from cash accounts.

New advisers to Capstone and foundation advice

Financial advice resulting from 'Foundation' reviews conducted by new Capstone authorised representatives may be documented using Capstone's RoA templates, where the following conditions are satisfied:

- A full 'Foundation' review is completed utilising Capstone's CIQ and Risk Profile questionnaire.
- The relevant RoA preconditions are met, which include ensuring that there are no 'significant' changes in:
    - The client's circumstances (personal and/or financial)
    - The client's risk profile (any recommendation that would result in a change or shift to the asset allocation of a portfolio e.g. Balanced to Growth)
    - The basis of the advice
    - The client's existing financial products.

- The advice provided in the 'source' SoA must have been completed by the same 'providing entity' that issued the 'source' SoA (further information regarding 'providing entities' is set out below).
- All documentation (including 'source' SoAs) relevant to the advice provided in the RoA must be available to Capstone electronically via Xplan.

Under the Corporations Act 2001, 'providing entities' may be Australian financial services licensees or authorised representatives. Representatives, such as employed advisers, that are not authorised representatives, are not providing entities.

Where financial advice is provided by:

- An Australian financial services licensee (e.g. through one of its employees) – the licensee is the providing entity.
- An authorised representative – the authorised representative is the providing entity.

If you are a new adviser joining Capstone and were not the 'providing entity' who gave the previous SoA (e.g. you were an employed adviser under your previous Australian financial services licensee) you will not meet the 'providing entity' requirements under the Corporations Act 2001 and will not be able to use an RoA when delivering 'foundation' advice.

Pre-vetting requirements still apply to both RoAs and SoAs to be issued by new advisers.

RoA provision timeframes and consent

An RoA must be provided to the client as soon as practicable and no later than 10 business days of providing advice. It is a licensee requirement that you provide the RoA to the client and also obtain written client consent (excluding hold/no change RoAs), either via email or the signed Authority to Proceed (ATP), prior to implementation in every instance.

For example: If a review with a client was held, and further advice was provided verbally, following which the client provided written (i.e., email) consent, then the advice can be implemented before the RoA is issued to the client. The RoA would then be required to be issued to the client within 10 business days of the advice being provided. If the client had already provided written consent to all actions to proceed, then the RoA ATP would not need to be signed.

Hold/No change RoAs

An ATP or formal acceptance by the client is not required for a Hold/No change advice RoA. All RoAs must be provided to the client for their own records, and a file note completed which clearly addresses the discussions with your client (including to confirm their understanding of your advice). Both the RoA and the file note must be retained in Xplan.

Hold/No change RoA File Notes

This RoA is generated through the Xplan wizard and can be used when there are no significant changes to the clients' circumstances or needs and objectives; and there is no change to the previous advice.

Advisers can choose from either the Hold/No change RoA or the RoA File Note template.

The template chosen will depend on your understanding of your client's needs and your service offer. The RoA File Note template has been developed as an alternative to the RoA

Hold/No change template where you determine that it is better for the client to receive a quick and efficient record of your 'no change' advice.

RoA scenarios and Capstone requirements

RoA type	Client copy	Adviser to sign	Client to sign
RoA (Further advice)	Yes	Yes	Yes
RoA (Hold/no change)	Yes	Yes	No
RoA File Note (Hold/no change)	Yes	No	No

Previous SoA

The SoA acting as the basis for the further advice must be clearly referenced by date in the RoA. This advice document must detail the client's relevant personal circumstances such as their objectives, goals, financial situation and needs.

If the RoA is based on multiple SoAs, each advice document must be referenced accordingly in the RoA. This does not mean that all past SoAs must be referenced, only those which are relevant to the advice provided in the RoA. For example, if an SoA is issued in January 2025 providing superannuation and investment advice, then a further SoA is provided in July 2026 containing personal insurance advice, the following RoA providing further personal super and insurance advice would need to refer to both the January and July SoAs.

Client circumstances

Before issuing further advice, you are required to ensure you have an up to date understanding of the client's situation and ensure this is reflected in their file.

The client's relevant personal circumstances may include but are not limited to:

- Risk profile
- Objectives and goals
- Financial situation
- Employment situation
- Account balances
- Living situation or relationship status
- Cash flow needs.

Compliance tip – client fact find

You must not issue further advice (RoA) without first checking that the client's personal circumstances have not significantly changed since the previous SoA.

You may confirm the client's relevant circumstances by:

- Completing a Client Information Questionnaire (CIQ) with the client to record and assess client circumstance changes (if any).
- Establishing through a file note that the client's circumstances relevant to the further advice have not changed significantly since the last SoA.

- If you are conducting the annual review and there is a significant change to the client's personal circumstances, or your advice, you will need to consider whether to complete a new CIQ, or whether a 'Reverse' CIQ or a file note will be sufficient.

There is a section in the Capstone RoA template where you can confirm there have been no significant changes to the client's relevant personal circumstances. The RoA template also provides a section where you can detail any insignificant changes that have occurred and provide your rationale supporting this judgment.

Please refer to the section of this Guideline titled 'What is a significant change?' for further details.

Further advice

For further advice to be provided, the advice must first have been contained within an SoA. This means that if further advice is to be provided in an RoA, the product, investment class or strategy must first have been outlined in the SoA. Note that if the SoA were found to be non compliant, so too will the further advice based upon it.

New investment assets are able to be recommended within an RoA if that further advice directly relates to the advice and same class of investment asset previously recommended in a SoA. Capstone considers each of the following assets to be separate asset classes:

- Managed funds
- ETFs
- Hybrids
- Shares.

Therefore, if the previous SoA was limited to investments in managed funds, and you then want to recommend the client invest in direct shares, you will need to issue an SoA.

For example, if the client has previously invested in managed funds through a wrap service provider for their Australian share exposure and you now recommend that the client invest in direct equities using the same wrap service, this will require an SoA, as the recommendation is to invest in Australian direct equities is also a recommendation to invest in a new investment asset class.

If changes are required to a particular existing strategy, please detail the changes to be made in the RoA and the relevant consequences of doing so (please note that changes to an existing strategy can only be addressed in an RoA if the 'Further Advice' preconditions are met). An example would be where salary sacrificing to super had been recommended in a previous SoA and you would now like to recommend the client increase the amount the client is to contribute.

You have the option of selecting the relevant strategy from the Capstone 'Strategy Text Library' to describe the benefits and implications of your advice. You are not expected to include the full list of benefits and implications as you would do in an SoA. This is because the full strategy would previously have been outlined in the SoA.

Badge to badge product changes that require disclosure of changes to product fees may be advised in an RoA if the other preconditions are met.

Please refer to the section of this Guideline titled 'What is a significant change?' for further details.

Compliance tip – advice to couples

If a strategy or new investment class is recommended for one member of a couple and one member does not meet the RoA preconditions, then the SoA should be provided to both.

SoA lifespan

The law does not specify how often an SoA must be given to a client, rather the ability to use an RoA (instead of an SoA) boils down to whether or not you are able to satisfy the relevant preconditions that apply (which include whether the client's relevant circumstances and the basis for the advice are significantly different from the last time you gave the client an SoA).

In the circumstances, you must make reasonable inquiries in relation to the above matters and use your professional judgement as to whether your previous SoA remains appropriate in the circumstances.

Compliance tip – Where an SoA has recently been provided

An RoA is able to build upon the SoA which has been provided, even if it's implementation has not commenced or been completed, where all other RoA preconditions have been met.

This also applies if the SoA Authority to Proceed has either not yet been signed or if the client has declined to proceed with the advice in the SoA. Evidence of these situations must be on the clients' file (e.g. an explanatory file note) to evidence that the changes to the advice are not significant.

Other important considerations

Content requirements

The general content related matters that must be addressed in RoAs include the following:

- Your advice to your client.
- A brief description of your recommendations to the client and the basis for your recommendations (i.e. your reasoning).
- A summary of the client's relevant circumstances or a clear statement that information about the client's relevant circumstances is set out in a previous SoA provided to the client (the SoA must be identified by date).
- A brief description of the consequences of changes to any product holdings (including details of exit fees, entry fees, benefits lost both now and in the future and significant consequences of action on the advice).
- Information about potential conflicts of interest (including information about the remuneration, commission and other benefits you/related parties will receive for the advice, that could influence or be capable of influencing you. This may include fees/costs/insurance commissions related to the advice provided).
- Changes to your ongoing remuneration must be detailed in your Ongoing Service Agreement.

Capstone does not restrict the content of an RoA to the templated wording or scenarios only.

Compliance tip – text personalisation

If the RoA preconditions are met, you are encouraged to personalise your RoA by including additional non standard information within an RoA to the extent it is relevant to the recommendation provided. Please do not remove the mandatory sections of the template.

Disclosure of adviser fees/remuneration - Initial adviser fees/remuneration

Any one off or ad hoc initial fees charged for advice provided through an RoA must be disclosed in the RoA.

Any initial insurance commissions previously not disclosed (e.g. a new insurance provider recommendation due to unfavourable underwriting decision), should be disclosed through the RoA or via email and consented to by the client.

Advisers are not permitted to change the terms of a client's service agreement (e.g. amount of fee, service entitlements) through disclosure in an RoA. Changes to the terms of a service agreement can only be carried out through updates to an existing service agreement or if the changes are 'significant' through the execution of a new service agreement. (Please refer to Capstone's Advice Service Agreements and Fee Disclosure Statement Guideline).

Product fee disclosure

The full cost of all products held by the client do not need to be disclosed in each RoA. Only the changes in the costs resulting from the advice within the RoA need to be disclosed. The product cost comparison table produced in WealthSolver is required when the platform/account/fund fees (such as administration or member fees) are increasing due to additional funds being added to the account or if large sums previously held in cash are now to be invested which will lead to an increase in administration fees.

Please ensure you disclose the buy/sell spread likely to be incurred as a dollar ($) figure in the table. If a buy/sell spread is shown in the table, please check it is correct.

Compliance tip – disclosing changes to product fees

It is not necessary to show a restatement of all account fees, only the fees in question which are changing.

Investment Switch or Rebalance RoA

The 'Investment Switch or Rebalance RoA' document is intended for insignificant changes to a portfolio such as:

- Asset reductions to allow for an ad hoc withdrawal
- Additional lump sum money to be added to a client's existing portfolio
- Advice regarding a corporate action
- Research driven (Lonsec) recommendations.

The 'Investment Switch or Rebalance RoA' cannot be used for wholesale changes to the fundamental structure of the overall portfolio, such that:

- It changes the portfolio's risk profile (e.g. from Balanced to Growth)
- It shifts the portfolio's philosophical investment profile away from the client's investment preference (e.g. client shifts from traditional managed funds to hedge funds or geared funds or from 'active' to 'passive' fund managers).

Corporate actions

Corporate actions may be addressed using an RoA so long as the further advice RoA preconditions are met. You must hold a Securities authorisation to provide advice on corporate actions. This will be confirmed on your Capstone Adviser Profile.

Xplan usage and the RoA wizard

The RoA must be produced via the Xplan wizard or Capstone approved software which has been integrated with Xplan. It is not to be produced using Word templates which have been saved locally or from the versions available on Capstone's Adviser Centre.

Optional sections in the RoA template

As you progress through the Xplan RoA wizard the optional sections window will appear allowing you to select which optional sections to include in the generated RoA or RoA File Note template. By default, the Capstone RoA template will generate only the mandatory sections required by Capstone. The optional sections will populate depending on the RoA strategy chosen.

Supporting Information section

If new investment assets are to be included in the RoA, the PDS links for the recommended fund(s) can either be output to the advice document or to the client file in Xplan to evidence the provision of the relevant PDS to the client. If outputting the PDS links to the client file you will need to save the correspondence record in which the PDS links were provided to the client. This must also be done if there is an updated PDS available since the previous PDS was provided to the client and you are recommending the existing product be retained.

Instructional text within the RoA template

The RoA template includes instructional text in blue which, once read and applied, must be manually deleted. The template also contains red text which indicates that customisation to the client is required. The text in black is generally required to remain without alteration. Green text is optional and can be retained or deleted.

What is a significant change?

The legislation does not define the term 'significant'. To determine whether a change is significant you must consider the impact of the change on the client's objectives, financial situation, the advice you have previously provided and the client's ability to achieve their goal.

Changes in the economic environment, the regulatory environment or significant local or world events may also mean the basis of the advice has changed significantly triggering the need to provide an SoA instead of an RoA. It is incumbent upon the adviser to determine if world events have changed significantly enough to warrant an SoA.

Compliance tip – Documenting why a change is not 'significant'

The significance of a change must be assessed by the adviser on a case by case basis based on your professional judgement.

In scenarios where you consider the change to be insignificant to a client and the relevant advice, this must be documented in the client file with your detailed assessment of why it is not a significant change.

The following tables include examples of likely significant changes to a client's personal circumstances and/or the basis of advice. Note this is not an exhaustive list.

Examples of significant changes

<table>
<tr><th>Change type</th><th>Considerations</th></tr>
<tr><td rowspan="2">Employment status</td><td>Redundancies
Retirement
Going back to work
Changing to self employment
Sabbaticals (leave without pay)</td></tr>
<tr><td><h4>Scenario 1</h4>The client has received a redundancy payment and requires your advice on the investment of the funds. This is likely to be a significant change in the client's circumstances requiring an SoA.<h4>Scenario 2</h4>The client has become self employed. A newly self employed client may have cash flow issues that significantly affect the further advice you are to provide or have previously provided, triggering the need for an SoA when advice is next provided.</td></tr>
<tr><td rowspan="2">Objectives and Goals</td><td>New objectives and goals requiring new advice
Significantly altered objectives and goals</td></tr>
<tr><td><h4>Scenario</h4>The client's retirement income goal has decreased meaning that less risk is required in their portfolio. This alone may be significant. Significant changes may also be necessary in the portfolio to accommodate the changed goal, requiring an SoA.</td></tr>
<tr><td rowspan="2">Family Situation</td><td>Marriage/Divorce
Birth of a child
New financial dependent
Death of a spouse</td></tr>
<tr><td><h4>Scenario</h4>A change in marital status has occurred. This is likely to have significant impact when estate planning or personal insurances form part of the advice.</td></tr>
<tr><td>Disadvantaged customers</td><td>Changes to a client's health
Diagnosis of a terminal illness
Client becoming disabled
Loss of mental capacity or decision making ability</td></tr>
<tr><td></td><td><h4>Scenario 1</h4>The client contacted you to discuss their health as they have been diagnosed with a serious illness. The illness will affect their long-term objectives and goals, their estate planning arrangements and their immediate cash flow triggering the need to provide an SoA the next time advice is provided.</td></tr>
<tr><td></td><td><h4>Scenario 2</h4>The client's ability to make financial decisions had been deteriorating over time. It comes to a point where this deterioration is significant, and the Power of Attorney has come into effect triggering the need to provide an SoA the next time advice is provided. The holder of the Power of Attorney struggles to comprehend the complexity of the financial structures and arrangements in place requiring you to simplify the client's financial situation so the Attorney may act for the client and understand the decisions they are making.</td></tr>
</table>

Change type	Considerations
Additional funds to invest	• Inheritance • Sale of family home • Compensation or insurance payment • Employment termination payment • Sale of a large asset or parcel of assets
	Scenario 1 A client receives an inheritance. This large lump sum of money is to be added to the superannuation and investment funds already held by the client. This may result in significant taxation, estate planning, or in some cases, Centrelink consequences. **Scenario 2** The sale of an asset, such as an investment property or family home, may be significant when the impacts the client's cash flow, taxation position and ability to invest are considered. **Scenario 3** If a new account is coming under your management for an existing client, it would generally trigger the need to provide an SoA. **Scenario 4** If the net investment assets of the client increased by over 25% of their portfolio, this too would likely trigger the need to provide an SoA instead of an RoA.
Change in strategy not addressed or foreshadowed in a previous SoA	• New types of super contributions • Pension commencement • Super vs insurance • Estate planning • Centrelink • Investing personally vs via super
	Scenario 1 You have recommended salary sacrifice contributions to the client in the previous SoA. You would now like to recommend a non-concessional contribution to the client. This is a different type of contribution and must be documented via an SoA. However, the recommendation of the lump sum concessional contribution would be acceptable via an RoA as it is reasonably similar to the existing strategy from the previous SoA. **Scenario 2** You have previously recommended a Transition to Retirement Pension to the client who now qualifies for an Account Based Pension. The advice to change pension types needs to be documented via an SoA. **Scenario 3** It has become suitable to replace a binding death beneficiary nomination with a reversionary beneficiary. This may present significant change to the basis of your advice or in the flow on effect of the change being potential tax or Centrelink consequences or the need to stop and recommence the pension.

Change type	Considerations
Insurance	• No longer requiring cover • Reduction in debt • Underwriting decisions • Requiring substantial changes to covers already in place
	Scenario 1 The client had purchased a home and requires a large increase to their sums insured due to their increased debt position triggering the need to provide an SoA. **Scenario 2** If the client did not take up cover recommended previously and has now come back to you wanting to proceed with the same type and level of cover as per the previous advice, this may not be a significant change. Depending on the circumstances and the length of time between the SoA and the client coming back to you (within 12 months), a new advice document may not be necessary. **Scenario 3** The client had been denied insurance cover due to an underwriting decision. There is no change in the client's circumstances or the basis of the advice. You are required to recommend another insurer. As this is a product recommendation you would need to provide an SoA. **Scenario 4** The client has a TAL policy in place. You recommend via an SoA to switch to Zurich with increased levels of cover. Zurich require the client to be underwritten which includes medical underwriting. The client decides this process is too inconvenient and changes their mind. The advice then changes to retaining TAL and keeping the existing policy in place and applying for the increased cover with TAL. This would require a new SoA in order to document the updated strategy and product recommendation which is to retain the existing TAL cover. Reduction in the levels of cover or a change in the features of the existing policy would not necessarily trigger the need to provide an SoA.
Gearing	• Changes in the client's cash flow • Loan to value ratio • Any increase to borrowings • Changes in the client's long-term objectives and goals
	Scenario 1 Providing advice for review of a gearing strategy or in relation to a margin call may not be resultant of a significant change. When considering whether a margin call would represent a significant change you must consider factors such as the client's cash flow, resulting in the LVR and client's long term objectives and goals. **Scenario 2** If you are recommending that the client increase their borrowings in any capacity, this must be documented via an SoA as this is a higher risk strategy for both the client and you the adviser. Please refer to the Gearing Advice Guideline for further information.

Change type	Considerations
Different class of financial product (not addressed in a previous SoA)	• Investment assets • Superannuation • Personal insurances • Investment vehicles and structures
	Scenario 1 The previous SoA provided to the client related to superannuation and now you are providing advice on the client's personal insurance needs. As this is a new advice matter you must issue an SoA. Scenario 2 The client having recently received an SoA providing Life, TPD and Trauma advice, now requires advice for Income Protection cover as they have re-entered the workforce. As this requires product advice you must issue an SoA. Scenario 3 An SoA would be required if managed funds are now being recommended where only direct shares were recommended in a previous SoA. Managed funds and shares are considered different product classes. Scenario 4 An SoA would be required if you had previously advised the client to retain their industry super fund and you are now recommending they invest their super in a wrap style superannuation platform. These are considered different product classes and in any case this is product replacement advice. Scenario 5 The previous SoA refers generally to the class of product without making a specific recommendation. A specified product recommendation would then need to be provided using an SoA. For example, if you previously recommended investment in managed funds but there were no specific investment option or fund recommendations made in that advice. Scenario 6 The SoA recommended exposure to Australian share funds and excluded new investments into international share funds due to high market volatility at the time. The global market has since stabilised and you now recommend some exposure to international share funds. As the asset class had previously been recommended in an SoA, an RoA may be appropriate.
Change in relevant legislation	• Super contribution or access rules • Social security rules • Taxation laws
	Scenario 1 Rules regarding the tax-free status of the Transition to Retirement Pension may have rendered the strategy pointless or less attractive for some clients triggering the need for a change of strategy. This requires an SoA.

Change type	Considerations
	Scenario 2 The deeming of account-based pensions effective 1 January 2015 for Government Pension means testing caused 'significant' changes to many clients who were receiving advice regarding retirement income, social security and estate planning. This may require an SoA if you recommend a replacement of the account based pension and this impacts the client's social security benefits. Scenario 3 The adjustments to legislation concerning super contribution cap amounts, may or may not be a significant change depending on the client's situation and contributions strategies or intentions.
Investment changes	• New types of assets recommended • Large withdrawals or deposits that result in changes to the asset allocation of the client's portfolio
	Scenario 1 Client has only ever invested in retail managed funds and you are now wanting to recommend the client invest in ETFs and SMAs. This requires an SoA. Scenario 2 Due to market volatility, you recommend the client temporarily withdraw or sell their equity (share) component of their portfolio, resulting in the asset allocation of the portfolio becoming more conservative (i.e. asset allocation shifts from Growth to Balanced). If the client risk profile is not changing you may issue an RoA.
Risk profile	Increase or decrease of two risk profile levels is considered a significant change (e.g. Growth to Conservative or vice versa).
	Scenario For a long time, your client had been a Growth investor with 80% of the assets in higher risk assets. As they approach retirement, you recommend reducing their risk exposure. If this means they have shifted from a Growth risk profile to a Conservative risk profile, an SoA will be required.
Product recommendation and replacement	You are not permitted to use an RoA to document a product recommendation or the replacement of a product. This applies to: • Recommending a new product. • Switching super or investment fund platforms. • Switching bond providers. • Switching insurance providers. This may not apply in situations where: • An SoA has been provided, however not yet implemented, and the recommended product PDS is updated by the product issuer. • You are recommending an alternative insurance provider following a client receiving unfavourable underwriting terms, with the same cover and sums insured.

Change type	Considerations
	• Renewing an annuity with the same or different provider for similar amounts and term. The annuities need not be identical to the renewed amount and term. However, you cannot use an RoA to recommend a long-term annuity when previously a short-term annuity was recommended. • A transition to retirement is recommended to be refreshed with the same product provider if this has previously been recommended using an SoA. • Fund or asset switching/rebalancing within an IDPS, Wrap or Master Trust Service unless it is a different class of financial product (not addressed in a previous SoA – as stipulated above).
	Scenario 1 You recommend a client rollover their superannuation into a new product and retain the existing insurances. Upon receiving an unfavourable underwriting decision, you further recommend that your client retain a balance in their existing super fund for insurances purposes. The switching recommendation has become a partial hold recommendation, however as the partial rollover will be implemented, you may update your advice using an RoA or an implementation file note.
	Scenario 2 In the SoA, you have recommended that all insurances policies are to be owned outside of superannuation. The client requests that the insurances be held inside superannuation after the SoA has been presented. As the ownership structure of the cover and accumulation strategy is significantly impacted, you would issue an SoA. However, if the advice in the SoA recommended a portion of the cover to be held via super, the impact on the accumulation strategy may not be significant and an RoA may be appropriate. For example, you made a recommendation in your SoA for Life and TPD cover to be held inside superannuation, and for Trauma and Income Protection to be held outside superannuation. Note that you may replace investment assets via an RoA if the class of investment asset has been recommended via a previous SoA. This may be the case when selling shares and replacing them with other listed shares in the ASX200. An SoA would be required where you recommend a client move from the retail version of a super fund or platform, into the wholesale version of the platform. This is because the product has its own PDS, meaning it is a different product.