

## Context

Where an SoA has been previously provided, where a client's circumstances have not significantly changed since that SoA and where the subsequent advice is consistent with your original advice, you have the capacity to use a [Record of Advice](#). The RoA, a record of which needs to be maintained for 7 years, is a file-note that sets out the advice given to the client, or brief particulars of the recommendation made to the client, including the basis upon which the recommendations were made.

If it includes a recommendation to fully or partially replace one financial product with another, the RoA has *to contain that information in full or have brief particulars of that information, including the costs of replacement*.

**Interestingly, unlike the SoA, there is no requirement for an adviser to automatically provide a client with a copy of the RoA.** It therefore simply functions as an advanced file note which confirms the nature of the discussions and the disclosures and qualifications made.

## A Record of Advice must contain

- The client name (*plus date and time*);
- Confirmation that:
  - (a) You previously provided a Statement of Advice dated **[insert date]** that set out your understanding of their relevant personal circumstances; and
  - (b) There has been no significant change to their relevant personal circumstances (including their objectives, financial situation or needs) since that Statement of Advice; and
  - (c) The basis of the supplementary advice is not significantly different to basis of the previous advice; and
  - (d) The previous recommendations remain appropriate; and
  - (e) The supplementary recommendations are not significant changes.
- Details of any changes to the client's objectives and their financial situation and needs relevant to the further advice;
- The advice and the basis and reasons for this supplementary advice;
- Disclosure of the **relevant costs, consequences and implications** of the advice;
- A record of any Product Disclosure Statement (PDS) provided;
- Disclosure of any **relevant** remuneration, conflicts or associations;
- Where the advice involves product replacement;
  - (a) The costs and charges the client will or may incur concerning the disposal or reduction;
  - (b) The costs and charges the client will or may incur concerning the acquisition or increase;
  - (c) Any pecuniary or other benefits that the client will lose either (temporarily or permanently) as a result of the replacement advice; and
  - (d) Any significant consequences for the client that are likely to occur if they proceed with the advice that the adviser is aware of or should reasonably know.
- Confirmation that the ROA will be provided on request (at no cost to the client);
- an explanation of next steps.