

Financial Services Guide

This Financial Services Guide describes the financial planning and advisory services we provide. It is designed to assist you in deciding whether to use our services. It describes how we are remunerated for our services, our professional indemnity insurance and how we handle any complaints you may have.

What other documents might you receive?

We may give you other documents when providing our services to help you make decide on any financial strategy or product that we recommend.

Statement of Advice (SoA)

If we provide you with advice about your personal circumstances, we will normally give you an SoA. This will confirm the advice we have given and explain our fees for giving advice and arranging the financial products we have recommended.

When we provide further advice to you, we may not give you a Statement of Advice, however we will record the advice and you can ask us for a copy of the advice by calling us.

Product Disclosure Statement (PDS)

If we recommend a particular financial product to you, we will also provide you with a PDS containing information about the key features, risks and fees associated with the financial product.

Your financial adviser

Your financial adviser is employed by FTS Financial Planning Pty Ltd.

FTS Financial Planning and your financial adviser are authorised representatives of FTS Financial Services Pty Limited which holds an Australian Financial Services Licence.

FTS Financial Services Pty Ltd is a principal member of the Financial Planning Association (FPA). FTS Financial Services Pty Ltd and their financial advisers have adopted the FPA's Code of Ethics and rules of professional conduct.

FTS Financial Services Pty Limited has approved the distribution of this FSG.

What services can we provide?

Advice

We can advise on:

- ▼ Guidance on budgeting
- ▼ Savings and wealth creation strategies
- ▼ Investment planning
- ▼ Superannuation planning
- ▼ Pre-retirement planning
- ▼ Retirement planning
- ▼ Risk and insurance analysis
- ▼ Estate planning considerations
- ▼ Centrelink planning
- ▼ Super & divorce planning
- ▼ Salary packaging advice
- ▼ Business succession planning

Products

We can arrange the following types of products for you:

- ▼ Cash management trusts
- ▼ Direct fixed interest
- ▼ Retail & wholesale managed investment schemes
- ▼ Socially responsible investments
- ▼ Hedge funds
- ▼ Master trust products
- ▼ Geared products
- ▼ Superannuation products
- ▼ Self managed super funds
- ▼ Retirement income streams
- ▼ Personal and group insurance

We act for you when giving this advice and making product recommendations.

We use research provided by external research houses to prepare an Approved List of the products that we recommend to our clients. We regularly review the performance of those products to ensure they will meet your ongoing needs.

How can you give instructions to your adviser?

You can contact us in person, by phone, fax or email. It is important that you provide us with complete and accurate information about your circumstances and you take the time to check the assumptions we have made and the basis for our advice, otherwise the advice we give may not be appropriate for your needs.

Naturally, your circumstances may change over time and our initial advice and recommendations may no longer be appropriate for you. We can periodically review your portfolio including your financial position, personal circumstances, financial goals and investment strategies to decide whether those strategies and goals and the financial products you hold are appropriate. Contact us for portfolio review when your circumstances change

How will you pay for the services provided?

We will agree our fees, commissions and payment method with you before we provide any services to you. These will be based on your requirements and their complexity and will be fully detailed in the SoA we provide to you.

We offer a range of payment options which include:

Financial Planning Advice Fee

A Financial Planning Advice Fee may be payable for the provision of the following services:

- ▼ The collection and analysis of your personal and financial situation
- ▼ The consideration and investigation of financial planning strategies and financial products
- ▼ The preparation and construction of a SoA

The actual fee depends on individual circumstances and will be outlined in your SoA. Our maximum Financial Planning Advice Fee is \$3,300 (incl GST).

Where the implementation of that advice leads to the placement of investments, any commissions payable by the fund managers may be rebated to you in the form of additional units.

Implementation Fee

An implementation fee may be charged for implementing our recommendations.

The Implementation Fee will be a percentage of the size of the investment portfolio on which advice is being given. An example of how this type of fee is charged may be:

- ▼ 0.99% of the investment portfolio up to \$500,000
- ▼ 0.55% of the next \$500,000
- ▼ 0.25% of the balance above \$1,000,000

The actual fee charged depends on your individual circumstances and will be outlined in your SoA.

Commission

A commission may be received when you purchase a financial product. Commission is calculated as a percentage of the funds you have invested and/or the insurance premium paid by you.

Upfront commission is a one off amount which we receive when you purchase the product and can range between:

- ▼ Investment and superannuation products – up to 5.5% of the funds invested
- ▼ Insurance products – between 11% and 110% of the premium you pay

Ongoing commission may be received during the life of your financial product and can range between:

- ▼ Investment and superannuation products – up to 0.66% per annum of the funds invested
- ▼ Insurance products – up to 33% per annum of the renewal premium

As an example, if you invest \$10,000 and an upfront commission of 5.5% is payable, the upfront commission would be \$550. If you retain the \$10,000 investment and an ongoing commission of 0.55% per annum is payable, the ongoing commission would be \$55 per annum.

As an example, if you take out insurance cover with an annual premium of \$2,000 and an upfront commission of 110% is payable, the upfront would be \$2,200. If you retain this cover and the annual premium remains at \$2,000 and an ongoing commission of up to 33% per annum is payable, the ongoing commission would be \$660 per annum.

Private Client Service Fee

If you appoint us to ensure the financial strategies and products remain appropriate to your need, a Private Client Service Fee may be charged. This is a maximum of 1.12% of the value of your portfolio.

This is in addition to any ongoing commissions. It is deducted from your account when commissions are received.

If commissions are rebated to you, you may be charged a Private Client Service Fee of up to 1.44% of the value of your portfolio.

All fees are inclusive of Goods and Services Tax.

How is your adviser remunerated?

All fees and commissions are payable to our AFS licensee, FTS Financial Services Pty Ltd. These are onpaid to FTS Financial Planning Pty Limited after payment of the licensee's expenses.

Your adviser receives a salary. If your adviser receives any other benefits, these will be recorded in a register, which you can ask to inspect or receive a copy.

Our CEO Robert Beutum is beneficially entitled to 50% of FTS Financial Planning Pty Limited and FTS Financial Services Pty Limited and may also receive distributions in accordance with his shareholding.

If you are referred to us, we may pay a fee to the person who provided the referral. We will tell you the amount of any such fee in your SoA. If we receive a fee for referring you to an external service provider, we will tell you about this as well.

How we protect your privacy?

We are committed to protecting your privacy. We use the information you provide to advise you on your financial circumstances, goals and strategies. We only provide your information to the product issuers with whom you choose to deal (and their representatives). We do not trade, rent or sell your information.

You can check the information we hold about you at any time. For more information about our Privacy Policy, ask us for a copy or visit our website at www.fts.com.au

Your adviser may bring to your attention products and services or other information which may be relevant to your situation. You will be given the opportunity to choose whether or not you continue to receive such information.

Relationships or associations with financial product issuers

Your adviser can provide advice on products from a wide range of financial product providers. We do not have any relationship or association with any

financial product issuer.

Professional indemnity insurance

We have professional indemnity insurance in place which covers any errors or mistakes in the provision of financial planning services. This insurance meets the requirements of the Corporations Act and covers the services provided by your adviser after they cease working with us provided we notify the insurer of the claim when it arises and this is done within the relevant policy period.

What should you do if you have a complaint?

If you have any complaints about the services provided to you or about personal information held you should take the following steps:

1. Contact your adviser and tell them about your complaint.
2. If your complaint is not satisfactorily resolved within 3 days, contact FTS Financial Services Pty Ltd on (02) 8305 6700 or put your complaint in writing and send it to:
FTS Financial Services Pty Ltd
Attention: Compliance Manager
PO Box 714
BONDI JUNCTION NSW 1355
FTS Financial Services Pty Ltd will try to resolve your complaint quickly and fairly.
3. If your complaint is not resolved to your satisfaction, you may complain to the Financial Ombudsman's Service on 1800 335 405

This FSG was prepared on 1 July 2010