



Poynter Hargraves Personalised Wealth

Financial Services Guide

Introduction

At Poynter Hargraves Financial Consultants Pty Ltd we encourage you to ask us about any of the detail of our consultancy that you wish to have clarified. Its important that you feel comfortable with our services and we strive to ensure they are a perfect fit for your needs. So feel free to ask us about our charges, the type of advice we will give you, and what you can do if you have a complaint about our services.

This Financial Services Guide (FSG) is intended to inform you of certain basic matters relating to our relationship, prior to us providing you with a financial service. The matters covered by the FSG include, who we are, how we can be contacted, what services we are authorised to provide to you, how we (and any other relevant parties) are remunerated, details of any potential conflicts of interest, and details of our internal and external dispute resolution procedures and how you can access them.

This Financial Services Guide has been authorised by Poynter Hargraves Financial Consultants Pty Ltd, the licence holder and should assist you in determining whether to use any of the services described below.

You should also be aware that you are entitled to receive a Statement of Advice whenever we provide you with any advice which takes into account your objectives, financial situation and needs. The Statement of Advice will contain the advice, the basis on which it is given and information about fees, commissions and associates which may have influenced the provision of the advice.

On an ongoing basis, a Record of Advice will be provided instead of a Statement of Advice if there have been no significant changes in your personal circumstances or the basis of the advice has not significantly changed since your last Statement of Advice was provided. You have the right to request a copy of your Record of Advice within 7 years of that further advice being given.

In the event we make a recommendation to acquire a particular financial product, we must also provide you with a Product Disclosure Statement containing information about the particular product which will enable you to make an informed decision in relation to the acquisition of that product.

Who Will Be Providing The Financial Service To Me?

Poynter Hargraves Financial Consultants Pty Ltd has an Australian Financial Services Licence No: 237846 and is responsible to you for any advisory services provided. You will be seen by a direct employee of Poynter Hargraves Financial Consultants Pty Ltd.

Poynter Hargraves Financial Consultants Pty Ltd is a Principal Member of the Financial Planning Association of Australia (FPA) and must comply with the FPA's Code of Ethics & Rules of Professional Conduct.

Who Do You Act For When You Provide Financial Services To Me?

Your adviser will be acting on behalf of Poynter Hargraves Financial Consultants Pty Ltd and as such, Poynter Hargraves Financial Consultants Pty Ltd is responsible to you for any advisory services your adviser provides. Poynter Hargraves Financial Consultants Pty Ltd has an Australian Financial Services Licence No: 237846. They are a Principal Member of the Financial Planning Association of Australia and must comply with the FPA's Code of Ethics & Rules of Professional Conduct.

What Financial Services Are Available To Me?

Poynter Hargraves Financial Consultants Pty Ltd is able to provide advice relating to the following;

- Retirement Planning & strategies;
- Superannuation/Rollover advice & strategies;
- Managed funds;
- Personal Insurances (including risk);
- Gearing strategies;
- Social Security advice;
- Estate Planning advice;
- Standard Margin Lending Facility.

In addition, the adviser is able to offer you an on-going monitoring and review service for your investment portfolio or life insurance program. We provide financial product advice for the following financial products:

- Deposit and payment products including basic deposit products, deposit products other than basic deposit products and non-cash payment products;
- Debentures, stocks or bonds issued or proposed to be issued by a government;

- Life products including investment, life insurance products and life risk insurance products;
- Interests in managed investment schemes;
- Retirement savings accounts products (within the meaning of the Retirement Savings Account Act 1977);
- Superannuation.
- Standard Margin Lending Facility.

We will only recommend an investment to you after considering its suitability for your individual investment needs, objectives and financial circumstances.

The products we recommend are all selected from an approved list of products carefully researched by independent research experts. We are not obligated to any financial institution, bank or insurance company so when we provide you with advice we act on behalf of you and in your best interests.

What Should I Know About Any Risks Of The Financial Products Or Strategies?

We will explain any significant risks of the investments and strategies which we recommend to you. If you believe you have not received this information, you should ask us to explain those risks to you.

What Information Do I Need To Provide & Will You Give Me Advice Which Is Suitable To My Needs & Financial Circumstances?

Yes, we have a responsibility to understand your financial position, your preferred financial risk profile, and your ongoing financial requirements. To allow us to do this you will be asked to provide financial and personal information relating to your current financial situation, needs and objectives and any other relevant information. This will allow us to offer you the most appropriate advice possible.

You have the right not to divulge this information to us, if you do not wish to do so, however if you do not, the advice you receive may not be appropriate to your needs, objectives and financial situation. In that case, we are required to warn you about the possible consequences of us not having your full personal information. You should read the warnings in your Statement of Advice carefully.

Will Anyone Be Paid For Referring Me To You?

Where you have been referred to us by someone else, if we pay them a fee or commission in relation to that referral, we will tell you in the Statement of Advice who

will receive that fee or commission and the amount they will receive.

How Can I Give You Instructions About My Financial Product(s)?

You may specify how you would like to give us instructions. For example, by telephone, fax or other means. But in all cases we must receive a written confirmation of these instructions.

What Will My Fees Be?

Your initial consultation is free of charge. During this meeting we will examine your situation and advise you of the likely course of action should you wish us to proceed. By the end of this meeting we will quote a fee appropriate to the amount of work required in your case. We will not exceed this quoted figure.

- Minimum plan preparation fee of \$385 (incl. GST).
- A one off initial investment fee (entry fee) of up to 4.0% (incl. GST) of total amount invested.
- In addition to an entry fee, an adviser service fee may be charged for ongoing reviews ranging between 0.2% and 1.2% per annum (incl. GST) based on the total funds invested. For example, the maximum Adviser Service Fee of 1.2% based on the total funds invested balance of \$50,000, would total \$600.
- The minimum fee for the ongoing review service is \$330 per annum (incl. GST). If the adviser service fee does not meet this amount, an invoice for the difference will be issued.
- If the mode of payment is an hourly rate for advice and services that we provide, the rate charged will be \$220.00 per hour incl.GST. Before proceeding, you will be provided with an estimate of the time that will be incurred.

How much commission do we receive for advice on investment products?

We may receive between 0% and 4.0% commission from fund managers and other product issuers whose products or services we recommend to you. For example, for an investment of \$10,000 in a product whose manager pays an upfront commission of 4%, we will receive an upfront commission of \$400. We may also receive ongoing commission ranging between 0.25% and 1.0%. For example, for an investment of \$10,000 in a product whose manager pays an ongoing commission of 0.6%, we will receive \$60.

How much commission is paid for advice on life products?

We earn revenue for our business from commissions, bonuses and other indirect benefits from the life companies from which you purchase life products. Generally the commission we will receive will be based

on the amount you pay, and may vary from product to product. Details are contained in the product information brochures available from your adviser.

Some life companies may also pay an ongoing commission. The maximum upfront commission (initial) that could be paid to Poynter Hargraves is 121% and the maximum ongoing commission (trail) could be 16% for subsequent years whilst the policy remains in place. For example, a policy with an annual premium of say \$1,000 may result in a maximum upfront commission of up to \$1,210 and also may result in a maximum trail commission of up to \$160 per annum.

What are the Ongoing Review And Maintenance Costs?

As part of our service commitment to our clients, we aim to provide you with regular reviews and in all instances, you will receive at least one review each year.

The cost of this ongoing review service is up to 1.2% (incl. GST) of the funds you have invested with us. This ties your costs to performance. When you are doing well, so are we and if you are not, then our fees reduce accordingly.

As with our initial advice fee, you may request a regular invoice or arrange the payment to be taken from your portfolio. Our ongoing review fee is charged on a monthly basis.

What is the Tax Deductibility Of Fees?

It is our understanding that fees incurred for the provision of initial financial advice and implementation are not tax deductible as they are considered by the tax office to be a capital expense.

Fees incurred in relation to the ongoing management of your financial affairs are tax deductible to the extent they relate to the production of assessable income. We recommend you confirm your tax position in this regard with your accountant.

What are the Other Remunerations?

Poynter Hargraves Financial Consultants Pty Ltd and/or through our wholly owned subsidiary company, Executive Choice Administration Pty Ltd, has commercial arrangements with a number of product providers where we receive a payment based on the total volume of funds invested or placed through relevant products, platforms or master trusts.

The product provider may pay us either a:

- set annual fee; or
- percentage of the total funds invested with the provider; or
- percentage of the administration fees which they charge investors; or
- combination of these methods.

These arrangements do not further increase the fees or management expense ratio amount that would otherwise be charged by the product provider if these volume bonus arrangements were not in place. This additional payment is usually paid by the product provider on a quarterly basis and is not an extra cost to you.

As a result of product recommendations within Aviva Australia, a percentage of the total funds invested with Aviva Australia by Authorised Representatives of Poynter Hargraves Financial Consultants Pty Ltd may be received by Poynter Hargraves Financial Consultants Pty Ltd and/or its subsidiary company, Executive Choice Administration Pty Ltd. During the calendar year 2009, this amounted to \$69,276.

As a result of our product recommendations utilising Russell investment funds, a percentage of the total funds invested with Russell Investment Group by Authorised representatives of Poynter Hargraves Financial Consultants Pty Ltd may be received by Poynter Hargraves Financial Consultants Pty Ltd and/or its subsidiary company, Executive Choice Administration Pty Ltd. During the calendar year 2009, this amounted to \$89,076.

How Are Commissions, Fees Or Other Benefits Calculated For Providing The Financial Service?

As mentioned above, the charge for our services will be based on the estimated complexity of your specific requirements and will be stated at our initial meeting. Ongoing or trailing commissions are based on specific products within your portfolio and the dollar amount of funds in the product. Each will be disclosed in \$ and % terms in your Statement of Advice as will any other benefits which we may receive.

Some product providers will pay us commission (both initial and then ongoing) for placing business with their organisation. In some instances you bear this cost via an upfront deduction from your account (often called an "entry fee" or "upfront fee"). In others it is funded by the provider themselves. Any ongoing commissions ("trails") are included in the annual management fee of your investment known as the Management Expense Ratio (MER).

In all instances, we will inform you if these payments will occur in your Statement of Advice and your fee will be offset accordingly. You will not be charged twice.

We may also, from time to time receive a benefit from product providers by way of sponsorship of educational seminars, conferences or training days. Details of benefits above \$300 will be maintained on a Register.

Do you have Professional Indemnity Insurance?

We hold Professional Indemnity Insurance cover for the activities conducted under our AFS licence. The insurance will cover work completed by authorised representatives, representatives and employees of the Licensee after they cease to work for the Licensee (but who did at the time of the relevant conduct). We believe that our Professional Indemnity Insurance cover satisfies the requirements of s. 912B of the Corporations Act.

Do I receive a Statement Of Advice?

Whenever we provide you with any advice which takes into account your objectives, financial situation and needs, you will be provided with a written Statement of Advice (SOA) by your adviser. The Statement of Advice will contain the advice, the basis on which it is given and will contain in writing, disclosure of any commissions, fees and any other benefits or payments we may receive from the Financial Product issuers in % and actual dollar amounts. We will also advise you when payment is due. Should you find you do not understand ask your adviser for clarification.

You will also be provided with Product Disclosure Statements (PDS) relevant to any investments placed on your behalf which will fully disclose any fees applicable to your investment by the fund managers. This is also true for any life insurance products applied for on your behalf.

What Information Do You Maintain In My File And Can I Examine My File?

We maintain a record of your personal profile that includes details of your investment objectives, financial situation and needs. We also maintain records of any recommendations made to you. If you wish to examine your file, you should ask us and we will make arrangements for you to do so. No fee will be charged for an access request, however you may be charged reasonable costs of giving you any information you have requested.

As a financial service provider, we have an obligation under the Anti-Money Laundering and Counter Terrorism Finance Act to verify your identity and the source of any funds. This means that we will ask you to present identification documents such as passports and driver's licence. We will also retain copies of this

information. We assure you that this information will be held securely. We are committed to implementing and promoting a privacy policy which will ensure the privacy and security of your personal information.

A copy of our privacy policy is available upon request, for your information.

What Should I Do If I Have A Complaint?

We are committed to providing quality advice to our clients. This commitment extends to providing accessible complaint resolution mechanisms for our clients. If you have any complaint about the service provided to you, you should take the following steps:

Contact your adviser and tell your adviser about your complaint. If your complaint is not satisfactorily resolved within 7 days please contact Poynter Hargraves Financial Consultants Pty Ltd on (08) 8272 0300 or put your complaint in writing and send it to us at, Poynter Hargraves Financial Consultants Pty Ltd, Level 1 / 215 Greenhill Road, Eastwood SA 5063.

We will try and resolve your complaint quickly and fairly. If we cannot reach a satisfactory resolution, you can raise your concerns with the Financial Ombudsman Service (FOS) on 1300 780 808 or postal at GPO Box 3, Melbourne, VIC. 3001.

Poynter Hargraves is a member of this complaints resolution service. The Australian Securities & Investments Commission (ASIC) also has a freecall Infoline on 1300 300 630 which you may use to make a complaint or obtain information about your rights. If your concerns involve unethical conduct, you may wish to consider raising these concerns with the Financial Planning Association of Australia (FPA). They can be contacted at PO Box 579 Collins Street West, MELBOURNE VIC 8007.

Adviser Office Contact Details

Adelaide

First Floor, 215 Greenhill Road, Eastwood, SA 5063
tel 08 8272 0300 fax 08 8273 0677

Sydney

Level 3/20 George Street, Hornsby NSW 2077
tel 02 9987 1577

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Australian Financial Services Licensee
License Number: 237846