

FINANCIAL CHOICE

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# financial services guide

and Application Form

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CHOICE



## FINANCIAL SERVICES GUIDE September 2008

Our financial services guide contains important information about who we are, the services that we provide, how you pay for our services and our complaints resolution procedures. Please take a moment to read this document before deciding to use our services.

### Who is my adviser?

**Financial Choice Pty Ltd** is a corporate authorised representative of the Self-Managed Super Institute P/L. AFSL 292925.

**Financial Choice Pty Ltd** was established as a professional, specialist company in 1997 with the objective of assisting investors and corporations with their investment and financial planning needs. The Self-Managed Super Institute is not aligned with any banks or financial institutions and holds Australian Financial Services Licence No. 292925. You are entitled to ask us what type of advice we may provide, what are the applicable charges for our services, how we are remunerated, any conflicts of interest we may have and what are your rights if you have a complaint about our services.

### What does our Australian Financial Services Licence allow us to do?

Under the terms of our licence, we can provide financial product advice for the following classes of financial products: Basic deposit products, general insurance products, life insurance products, managed investment schemes, retirement savings accounts, securities, superannuation and dealing in a financial product on behalf of another person. Arrange to deal in Superannuation, Retirement savings accounts, life products including investment and risk.

### How is Financial Choice paid for its services?

We charge a fee for our advice and investment administration services. Our fees are competitively priced, ensuring that you get value for money. Financial Choice may receive such a fee or commission from time to time as the authorised representative of your account. In cases where a fee is not paid then we will invoice you our client a fee for our service. Please refer to our current fee schedule available from our website, [www.financialchoice.com.au](http://www.financialchoice.com.au) or by contacting the office.

Information provided by **Financial Choice Pty Ltd** is general financial advice only. General advice is defined under the new regulations to include information about financial products and financial markets and our current views and outlook for those products and markets. The general advice we provide includes the information you have requested from us directly or via our web site [www.financialchoice.com.au](http://www.financialchoice.com.au). Because this information is being provided to retail clients, we are required by law to issue this Financial Services Guide.

You should, before acting upon any of the information or general advice provided by us, consider the appropriateness of the advice in light of your own objectives, financial situation or needs. You should consult your own personal financial adviser before making any decision. If you are considering setting up a superannuation fund or investing in any product, you should read and ensure you understand the appropriate product disclosure statements (PDS) before investing.

### How are the Financial Choice staff paid?

All staff receive salary and other benefits including incentives for meeting certain revenue targets. **Financial Choice Pty Ltd** may receive commissions or brokerage in relation to financial products. These commissions will be separately disclosed to all customers as required by legislation.

### What documents should I receive when seeking financial product advice?

Depending on the nature of the advice sought, you should receive:

1. Financial Services Guide (FSG). The FSG will describe the type of services provided.
2. Statement of Advice. (SOA). A Statement of Advice must be provided where the adviser is giving personal financial advice. Personal advice is provided after taking into account your particular objectives, financial situation and needs. A SOA is a record the personal advice provided to you and includes information on the basis on which the advice is given, fees and commission and any interests or associations that might influence the advice.
3. Product Disclosure Statement (PDS). An issuer of a financial product must provide a PDS providing information about the financial product, which will assist you in making an informed decision about the product. You should always read the PDS before investing to make sure the product is suitable for your needs. This document was revised on April 8, 2008.

### General advice warning

We are required to provide a general advice warning for clients who have chosen not to receive specific financial planning advice. You may receive general advice by telephone, email and post. This document may contain general advice about super products and other products on our list contained on the web site when you registered. It is up to you to decide if the product being discussed is appropriate to your specific needs. We are not recommending you switch existing super funds into this product based on any assessment of your personal needs. We are simply advising you of a fund and a facility that may assist you to efficiently consolidate existing super balances. Our Financial Services Guide explaining all our services is attached.

Subject to all statutory limitation periods our insurance arrangements cover work done under our AFSL by our representatives even when they cease to be our representatives.

### Disclosure of commission (for general advice only)

We may be entitled to a servicing fee equivalent to between 0.20% and 0.67% of your account balance payable by the fund manager directly to us in recognition of you nominating **Financial Choice Pty Ltd** as your representative. If we do not receive this fee then we will invoice you \$66.00 to cover our administration expenses.

## Engagement letter for the provision of financial planning advice and Schedule of Fees for clients from January 1, 2008.

### How do we charge for our advice?

We will assess your financial position and conduct a summary of your objectives at our first meeting. The cost of our first meeting is free. At that meeting you will be able to ascertain whether the advice that we provide and the services that are available are suitable to you.

If you feel that you would like to proceed then we will ask you to commit to a detailed financial appraisal and sign a letter of appointment so that we can act on your behalf and access any personal information that will help us develop your plan.

### Step 1. Initial Advice and Plan.

For the cost of an initial financial plan we will allocate our advice on a time plus outgoings basis. Our practice rate is \$440 per hour including GST. The cost of your plan will be shown in the appendix of your plan.

### Step 2 Implementation of your Plan

To implement and administer your financial plan and ongoing monitoring of your investments we will charge an administration fee of 1% of your investment amount each year. We allow at least 20 hours of work per year to implement the recommendations for each client. This fee includes all your taxation work, Investment monitoring, Insurance and stock broking.

### Step 3 On-Going Portfolio monitoring and advice Service

We provide a full portfolio management system that tracks shares, managed funds, derivatives and personal assets and optimizes your taxation position.

In some instances we may receive a servicing fee or trail from a financial institution on your behalf. Where possible this fee will be rebated to you via our rewards card or via a cash payment.

### **Please sign below as your understanding and acceptance of**

- our fee structure and letter of engagement
- The collection of my tax file number
- The appointment of **Financial Choice Pty Ltd** as our financial planner
- The preparation of a financial plan.
- Receipt of a financial services guide.

Name(s) : \_\_\_\_\_

Signature(s): \_\_\_\_\_

Adviser signature: \_\_\_\_\_ Date \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_

## Private Client Service Agreement

### Private Client Service Fee

This fee is charged by **Financial Choice Pty Ltd** to provide you with ongoing portfolio administration and support. The fee for this service incorporates an advice and administration fee as outlined below:

Fee Type	Fee as a Percentage of assets under advice
Administration	0.30%
Advice	0.50%
Taxation affairs	0.20%
<b>Total fees</b>	<b>1.00%</b>

*Note: the above fees include GST*

Your Private Client Service fee will be deducted from your Macquarie cash management trust in the first year on the implementation of your plan. The ongoing fee will be deducted from your Macquarie cash management account on a monthly basis on the first anniversary of your plan.

### What services your fee covers

In exchange for the fee associated with this service, **Financial Choice Pty Ltd** agrees to provide the following services:

- Quarterly Portfolio Valuation and Economic Updates
- Quarterly Review of Asset Allocation and comparison to benchmark
- On-line access to your investment portfolio under advice
- 20 hours of advice on existing investments
- An annual face-to-face Planning & Strategy Review Meeting
- Direct access to our support staff
- All taxation work for your self managed super fund (including audit fee) as well as individual tax returns
- Regular invitations to our investment briefings and educational seminars as they occur
- Daily portfolio valuation updates for share and managed fund investments via our website

In addition to the above services, **Financial Choice Pty Ltd** will also establish and maintain the administration services for your investment portfolio via our on-line portfolio administration service.

### Declaration

By signing the Financial Choice Private Client Service Agreement, you agree, represent and warrant that you:

1. Have read and understood all the information concerning the Financial Choice Private Client Service and agree to allow **Financial Choice Pty Ltd** to upload your investments onto our on-line portfolio administration service.
2. Understand that there is an ongoing fee associated with this service, as outlined in this agreement and **Financial Choice Pty Ltd's** Fee-For-Service Schedule.
3. Understand that your Private Client Service Fee will be reviewed every 12 months.

Please sign and date this agreement. A copy of this agreement will be provided to you.

Client name \_\_\_\_\_

Client signature \_\_\_\_\_ Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Client name \_\_\_\_\_

Client signature \_\_\_\_\_ Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Adviser signature \_\_\_\_\_ Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_