

Financial Services Guide

Version 19.0

Issue date: 22 October 2015

Important information

I recommend you read this Financial Services Guide FSG because it contains important information designed to help you decide whether to use any of the financial services I can offer as described in this Guide, including:

- who I am and how I can be contacted
- information about Charter Financial Planning Limited (Charter), my Licensee
- the initial and ongoing advice and services I provide
- my fees and how I am paid in connection with those services
- your privacy
- how I deal with complaints

Balance

Financial Solutions

The Retirement & Aged Care Specialists

We understand that everyone's needs and goals are different. Whether you are looking for financial advice to help achieve your long term goals or facing a life changing event, we are here to help you choose the right path.

Street address

Suite 309
5 Celebration Drive
Bella Vista NSW 2153

Postal address

Suite 309
5 Celebration Drive
Bella Vista NSW 2153

Tel: 02 8814-7307

Fax: 02 8883-0916

Email: eric.hiam@bfs.net.au

Web: www.bfs.net.au

About me

I am Eric Hiam, trading as Balance Financial Solutions, Authorised Representative (ASIC number 292196) of Charter Financial Planning Limited.

Education and Qualifications

B.Comm, Dip. F.P. Fellow I.F.S.

CERTIFIED FINANCIAL PLANNER®



Experience

15 years as a financial adviser, 25 years in the financial services industry

Memberships

Fellow Financial Services institute, Member Financial Planning Association, Associate Member Aged Care Association

Documents you may receive

I will provide you a number of documents as you progress through the financial planning process. When I provide personal advice, it will normally be documented and provided to you in a Statement of Advice (SoA), known as a financial plan. The financial plan contains a summary of your goals and the strategies and any financial products I may recommend to achieve your goals. It also provides you with detailed information about product costs and the fees and other benefits I will receive as a result of the advice I have provided.

If I provide further personal advice, a financial plan may not be required. I will keep a record of any further personal advice we provide you for seven years. You may request a copy of such records by contacting my office during that period.

If I recommend or arrange a financial product for you, I will provide a product disclosure statement (PDS) or investor directed portfolio service (IDPS) guide where relevant. These documents contain the key features of the recommended product, such as its benefits and risks as well as the costs you will pay the product provider to professionally manage your investment or insurance.

Advice I can provide

The financial planning process

Each client is treated as an individual and the advice process allows me to tailor a plan that best meets your goals.

Identify your goals

I help you identify your financial and lifestyle goals. The type of advice you need could depend on your life stage, the amount of money you want to invest and the complexity of your affairs.

I help you to identify the range of issues that need to be addressed to meet your goals. You may choose to address some or all goals and issues.

Consider the opportunities and risks

I assess your current situation and investigate a range of strategies and financial product options for you to reach your goals.

Bridging the gap

Based on discussions with you and the research conducted by me, I will devise a strategy to bridge the gap between where you are now and where you want to be.

Bring your plan to life

I work closely with you to implement your financial strategy. I can help you complete any necessary paperwork and we're available to attend meetings with your accountant, solicitor and general insurer so your strategy is implemented efficiently.

Staying on track

With time, your circumstances will change and your financial plan will need to be adjusted. I design an ongoing service program to ensure your plan stays on track to meet your goals.

Sometimes life takes us in unplanned directions. When you need a little extra help, just ask me for additional advice. I am there to help you – whatever the occasion.

Strategies and products

Strategies	Products
Guidance on budgeting and goal setting	Deposit and payment products (for example term deposits, cash management accounts and non-cash payment products)
Savings and wealth creation strategies	Retirement income streams
Investment planning	Direct fixed interest

Superannuation planning	Retail & wholesale managed investment schemes
Pre-retirement planning	Socially responsible investments
Retirement planning	Hedge funds
Estate planning considerations	Master trust products
Centrelink planning	Superannuation products
Risk and insurance analysis	Personal and group insurance
Business succession planning	Business succession insurance
Salary packaging advice	Limited investment guarantees
Gearing strategies	Margin lending facilities
Aged care	Self managed super funds

Approved products

Charter maintains a broad approved list, containing investment and insurance products that have been researched by a number of external research houses as well our in-house research team. It includes products issued by AMP companies and a diversified selection of Australian and International fund managers.

Charter periodically reviews the products on the approved list to ensure they remain competitive with similar products to address your needs and objectives.

A copy of the approved list of products and services can be supplied to you upon request.

Generally, I recommend products and portfolio administration services (PAS) which are on the approved list, provided they are appropriate to your needs. This may entitle me and Charter to receive additional benefits as disclosed in the other benefits section of this FSG. However, I may, subject to Charter's approval, recommend other products and PASs where it is appropriate for you.

Transaction services

If you do not require advice from us, but you would like me to help you complete a particular transaction, I can arrange for you to apply for the products listed in the table above. In these cases, I can act on your instructions and arrange for the transaction to be complete without providing you with personal advice.

In these circumstances I will generally ask you to confirm your instructions in writing and to sign a letter to acknowledge you have declined my offer of advice and that you understand the risks of a transaction service. You will be provided with a copy of the letter for your own records.

You can contact me directly with any instructions relating to your existing financial products. I will accept instructions from my existing clients via telephone, mail or email.

The cost of my advice

The fees charged for my advice services may be based on a combination of:

- A set dollar amount; or
- A percentage based of funds that you invest.

My advice fees may include charges for the following advice services:

Initial advice

The initial advice fee covers the cost of researching and preparing your financial plan and is based on a set dollar amount.

Before providing you with initial advice I will prepare an Initial Advice Agreement. The Initial Advice Agreement sets out what my initial advice will cover and how much it will cost you.

In addition, the initial advice fee will be disclosed in your SOA.

Advice implementation

The advice implementation fee covers the administrative time spent implementing the recommended strategies and products and is based on a set dollar amount.

The advice implementation fee will be disclosed in your Initial Advice Agreement and / or your SOA.

Ongoing advice

An ongoing advice agreement will set out my support packages including the advice and services I will provide, the frequency these will be delivered, how much it will cost, your payment method and how the service can be terminated.

The fee covers the cost to review the strategies and the products recommended in your SoA. It may be charged as a set dollar amount or a percentage of your investments.

Ongoing advice fees may increase each year in line with the Consumer Price Index (CPI) or by a fixed amount or fixed percentage each year. I will advise you if this fee will increase as a result of CPI.

If, during my assessment of your ongoing needs, I identify that you require ongoing advice outside of my standard advice offer, the ongoing advice fee will change. In this case, I will provide you with a quote of what you will be required to pay to receive these services.

Additional advice

For all other advice, an additional advice fee, based on a set dollar amount, may be payable.

Insurance

For advice in relation to insurance, I receive payments from the insurance provider, which are factored into the annual premium. These may range from:

- 0% to 130% of the first year's insurance premium paid, and/or
- An ongoing payment of between 0% and 33% per annum of the following years' premium.

Payment methods

We offer you the following payment options for payment of our advice fees:

- Bpay, direct debt (credit card or savings) and cheque
- Deduction from your investment

How I am paid

My advice costs and payments from other professionals are received by Charter as the Licensee. Charter typically retains 3% (may be scaled down to 0%) of the gross payments and distributes the remaining 97% to Balance Financial Solutions.

I have equity in Balance Financial Solutions and may receive capital and profit related benefits.

Other benefits I may receive

I may be offered or receive non-monetary benefits such as entertainment or sponsorship from some product providers at no extra cost to you. Both Charter and I maintain a register to record the non-monetary benefits we have received. A copy of this register will be made available within one month of a request.

Development, management and advice recognition (DMA)

- I may qualify to receive a DMA payment to recognise and reward our growth and professionalism. The DMA payment is based on a rate, calculated once per year, and determined by my practice's ranking relative to other Charter Financial Planning practices. Up to 50% of all Charter Financial Planning practices may qualify for DMA payments. The rate may range from 0% to 5%, depending on my ranking. It is then applied to my practice revenue and paid to me twice a year.

For example, if my DMA is set at 1% and my revenue for the year was \$200,000, I would receive a total of \$2,000 for that year, paid over two instalments.

My practice ranking is based on a scorecard, with points received for the quality of my services, compliance (audit results), my business goals and my engagement with clients through a measure called Advice Growth Index (AGI). AGI measures the value of my fee for service payments and the growth in the value of our clients' product holdings over the previous year.

Value participation scheme

- AMP will provide me a cash payment based on the total value of in force annual premiums on insurance products and funds under management in AMP products. AMP will pay me up to 0.25% of total funds under management in AMP wealth management products and up to 3% of total premiums on some AMP insurance products. For example:
- If my clients have invested \$300,000 of funds into an AMP product I will receive an annual payment of \$750.

If my clients pay a combined annual premium of \$1,500 for insurance with AMP, I may receive an annual payment of \$45.

Buy out option

- I am eligible to sell my client base to Charter. The value of the sale is based on a multiple of the ongoing revenue generated from financial products.

Business loans

- I am eligible to receive finance for approved business costs at subsidised rates through AMP Bank.

About Charter



Charter Financial Planning Limited ABN 35 002 976 294

Australian Financial Services Licensee 234665

Level 22, 33 Alfred Street, Sydney, NSW 2000

www.amp.com.au

Charter is a member of the AMP Group.

Charter is a Professional Partner of the Financial Planning Association (FPA) is fully committed to the FPA's Code of Ethics and Rules of Professional Conduct. Charter is also a Corporate Member of the Association of Financial Advisers (AFA)

Charter has approved the distribution of this FSG.

Relationships and associations

Charter Financial Planning

I can provide advice on products from a wide range of financial product providers, some of which are part of the AMP Group and as such are affiliated with Charter, including:

Product issuer	Product brands used by issuer
The National Mutual Life Association of Australasia Ltd	AMP
National Mutual Funds Management Limited	AMP
NMMT Ltd	Summit Generations AXcess
N.M. Superannuation Pty Limited	Summit Generations North
Multiport Pty Ltd	Multiport
ipac asset management limited	iAccess
AMP Bank Limited	AMP
AMP Capital Funds Management Limited	AMP
AMP Capital Investors Limited	AMP
AMP Superannuation Limited	AMP
AMP Life Limited	AMP
The Cavendish Group	Cavendish
Australian Securities Administration Limited (ASAL) and Super IQ Pty Ltd (49% interest held by AMP Group)	Ascend Self Managed Super

If I recommend a product issued by the AMP Group, they will benefit from our recommendation by receiving product, administration and investment fees, as well as fees paid by fund managers to distribute their product. These fees are all disclosed in the relevant PDS.

Both me and staff at Balance Financial Solutions hold shares in AMP Limited, the ultimate holding company of the AMP Group which is listed on the Australian Securities Exchange, whose share price may be favourably affected by the sale of products issued by the AMP Group.

Privacy

As part of the financial planning process, we need to collect information about you. Where possible we will obtain that information directly from you, but if authorised by you we may also obtain it from other sources such as your employer or accountant. If that information is incomplete or inaccurate, this could affect our ability to fully or properly analyse your needs, objectives and financial situation, so our recommendations may not be completely appropriate or suitable for you.

We are also required under the *Anti-Money-Laundering and Counter-Terrorism Financing Act (AML/CTF) 2006* to implement client identification processes. We will need you to present identification documents such as passports and driver's licences in order to meet our obligations.

We keep your personal information confidential, and only use it in accordance with our Privacy Policy. Some of the ways we may use this information are set out below:

- Your adviser and Charter may have access to this information when providing financial advice or services to you;
- Your adviser may, in the future, disclose information to other financial advisers, brokers and those who are authorised by Charter to review customers' needs and circumstances from time to time, including other companies within the AMP group;
- Your information may be disclosed to external service suppliers both here and overseas who supply administrative, financial or other services to assist your adviser and the AMP group in providing financial advice and services to you. A list of countries where these service providers are located can be accessed via the AMP Privacy Policy from March 2014.
- Your information may be used to provide ongoing information about opportunities that may be useful or relevant to your financial needs through direct marketing (subject to your ability to opt-out as set out in the AMP Privacy Policy);
- Your information may be disclosed as required or authorised by law and to anyone authorised by you.

Your adviser and Charter will continue to take reasonable steps to protect your information from misuse, loss, and unauthorised access, modification or improper disclosure. You can request access to the information your adviser or Charter holds about you at any time to correct or update it as set out in the AMP Privacy Policy. The AMP Privacy Policy also contains information about how to make a complaint about a breach of the Australian Privacy Principles. For a copy of AMP's Privacy Policy visit www.amp.com.au/privacy or you can contact us.

Appointing a new financial adviser

Another financial adviser may be appointed to you if your adviser leaves Charter or is unable to attend to your needs due to an extended absence from the business. In these circumstances, Charter will write to you advising you of the change. Your personal information will be passed on to the new adviser.

If you choose to appoint a new financial adviser, your new adviser will be provided access to your policy information. They will be responsible for providing you with ongoing advice relating to those policies and all future advice fees deducted from the policy/(ies) will be paid to your new adviser.

Professional Indemnity

Professional indemnity insurance is maintained by Charter and your adviser to cover advice, actions and recommendations which have been authorised by Charter and provided by your adviser. The insurance satisfies the requirements imposed by the Corporations Act 2001 and financial services regulations.

What to do if you have a complaint

If you have any complaints about the services provided to you, you should take the following steps:

- Contact your financial adviser and tell them about your complaint.
- If your complaint is not satisfactorily resolved within three days, please lodge your complaint in writing to:

Charter Financial Planning Limited
Attention: National Complaints Manager
Channel Services
Level 8, 33 Alfred Street
Sydney NSW 2000

Email: advicecomplaints@amp.com.au

Charter will try to resolve your complaint quickly and fairly.

If your complaint has not been resolved satisfactorily, you may escalate your complaint to one of the following External Dispute Resolution Schemes listed in the following table.

Type of complaint	External complaints service
Financial advice, investments, superannuation or insurance matters	Financial Ombudsman Service (FOS) on 1300 780 808 Email: infor@fos.org.au Web: www.fos.org.au
Personal information held	The Privacy Commissioner on 1300 363 992

The Australian Securities and Investments Commission (ASIC) may be contacted on 1300 300 630 to find out which body may be best to assist you in settling your complaint.