

Financial Services Guide - Part 1

A guide to our relationship with you

We empower you.

Western Pacific Financial Group Pty Ltd
ABN 35 050 159 156
AFSL 224662
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Purpose and content

This is **Part 1** of the **Financial Services Guide** ("FSG"). This FSG provides important information to help you decide if you want to use our financial services. It includes details of:

- The financial services and products we offer
- Our fees
- Advisor(s) who may be appointed to assist you with financial services
- How we and our associates are paid, and any interests, associations or relationships that could affect our advice
- Our internal and external dispute resolution procedures and how to access them
- Our privacy policy.

What other documents might I receive?

If you decide to obtain personal advice from us we will provide our initial advice and any significant subsequent advice to you in a written report called a Statement of Advice (SoA). Your SoA will set out our advice, the basis on which it is given, our fees and/or commissions, as well as information about any associations or relationships that could affect it.

It is important to note that we can only provide personal financial advice after making enquiries, and after giving consideration to your current financial situation and future requirements.

If you receive additional ongoing financial advice from us and a SOA isn't provided to you, we will record details of that advice in a Record of Advice document. You can request a copy of any relevant Record of Advice documents within seven years of receiving the advice from us.

You should also note that if we recommend a particular financial product to you, we will generally provide a Product Disclosure Statement containing information about the particular product in order to help you make an informed decision.

Changes to information in the FSG

We may update information in the FSG from time to time. You should refer to our website for the latest version. If you cannot access the FSG via our website, please contact us, and we will arrange to forward a copy to you at no charge.

About us

This FSG, has been produced by Western Pacific Financial Group Pty Limited (**Western Pacific, 'we', 'us', and 'our'**). Western Pacific:

- Is responsible for the financial services provided to you by Western Pacific and our representatives
- Will act on your behalf and has authorised the distribution of this FSG
- Holds an Australian Financial Services Licence (No. 224662) issued by the Australian Securities and Investments Commission

You can contact us by:

Phone: (02) 9250 1500

Fax: (02) 9250 1599

Email: advice@westernpacific.com.au

Office: Western Pacific Financial Group Pty Ltd
Level 18, 50 Bridge Street
Sydney, NSW, 2000

We empower you

We know that you want to make the right decisions when it involves you and your family's lives.

However, whether it's due to lack of time or knowledge, you sometimes feel that you are not in the best position to make the most informed decisions.

Western Pacific Financial Advisors empower you to make the right decisions by providing smart, personal advice that explores options and delivers flexible strategies and plans for you.

We proactively communicate market changes, relevant opportunities and your progress, giving you the confidence to continue making sound financial decisions. With Western Pacific, you will know that there's always someone by your side every step of the way.

Our products and service

We offer you the flexibility and convenience of accessing high-quality financial advice and services to help you generate and maintain wealth over time.

Services offered or arranged by us include:

- Advice on investment objectives and strategies to help you achieve your financial goals

- Advice on structuring your investments and superannuation for maximum tax effectiveness and flexibility
- Regular review of your financial planning strategies, objectives and portfolio investments
- Share market trading and portfolio construction
- Administration of, and reporting on, your investments - including performance and asset allocation position
- Advice on wealth creation strategies and cash flow management issues
- Advice on Managed Discretionary Account (MDA) investment programs
- Retirement planning advice
- Life Insurance advice

We can advise and deal in relation to the following financial products:

- Deposit Products
- Government debentures, stocks or bonds
- Investment life Insurance products and life risk insurance products
- Managed investment schemes including investor directed portfolio services
- Miscellaneous financial investment products limited to MDA services
- Securities
- Standard Margin Lending Facilities
- Superannuation and Retirement Savings Accounts

In some cases, advisors and other persons authorised to provide services on our behalf are only authorised to provide a certain range of services. In these circumstances, it is important to review any restrictions to the authority issued to the representative (a copy of which is available on request).

Our advice

Who will be my advisor?

The name and contact information for your advisor has been set out in the Advisor Profile (**Part 2 of this FSG**). Your financial advisor will be an authorised representative of Western Pacific and will provide financial services on behalf of Western Pacific.

By law they must either hold an Australian Financial Services (AFS) Licence or be a person authorised by an AFS Licence holder.

Is the advice restricted in any way?

Western Pacific does not provide financial services in relation to Foreign Exchange or General Insurance Products.

Who is responsible for the financial services provided?

Western Pacific is responsible. If you are an existing or new client of Western Pacific, any financial services provided to you are provided by Western Pacific acting in its own capacity.

In some cases, Western Pacific may provide financial services on behalf of a related entity in accordance with an agreement with that related entity. As a consequence of those arrangements, some or all of the fees and payments received by Western Pacific or the related entity, may be remitted to another member of the SFG Group, resulting in related companies indirectly benefiting from fees paid in respect of the financial services provided to you. In those circumstances, you may continue to observe references to that company on statements, invoices, reports and correspondence sent to you by us, fund managers or service providers.

Do you have any relationships that might influence the advice?

It is important to understand the relationships that exist as they may be considered an influence to our advice. These are:

a) Our relationships with other professionals

We may pay a fee to other professionals for referring you to us.

b) Our relationships with related companies

Western Pacific is a wholly owned subsidiary of SFG Australia Limited and part of the SFG Group.

Companies in the SFG Group include Financial Acuity Ltd (Acuity), FinHQ Pty Ltd (FinHQ), Shadforths Ltd (Shadforths) and Mosaic Portfolio Advisors Limited (Mosaic). Business trading names in the SFG Group include Outlook Financial Services and Mosaic Portfolio Services.

Where we recommend a product or service, in some circumstances a related company may receive a fee for that product or service. Circumstances where this might occur include where we:

- Recommend a product issued by Mosaic
- Arrange for you to participate in an Initial Public Offer (IPO) underwritten by Shadforths

- Recommend a product or service distributed by a related company
- Recommend that a financial service be provided by a related company
- Recommend an MDA operated by a related company

Agreements that we and other members of the SFG Group have with each other mean that some or all of the fees and payments received by Western Pacific or another member of the SFG Group, in respect of services provided to you, may be remitted to another member or members of the SFG Group, resulting in related companies indirectly benefiting from remuneration paid in respect of the financial services offered in this FSG.

Investors should note that Western Pacific, its employees, representatives, directors and their associates may have interests in the products we recommend.

c) Our relationships with others

Members of the SFG Group have agreements with a number of financial product issuers and service providers. They include:

- Avanteos Investments Limited (Avanteos)
- BT Financial Group (whose brands include Asgard, BT & BT Investment Management)
- Colonial First State Investments Ltd
- Praemium Limited and
- UBS Securities Australia Limited.

Details of the fees and relationships of these other companies can be found in the relevant disclosure document for the product or service recommended which will be provided to you as appropriate.

How will you prepare and provide me with suitable advice?

We examine your financial position and create a structured plan designed to achieve your financial goals in life over defined timeframes. We do this by helping you to identify and prioritise your goals, develop realistic strategies and assess the merits of each alternative - making any changes you require to the strategies. A regular review will ensure that your strategy remains consistent with your goals and objectives as they change over time.

Are there any limitations to your advice?

We only advise and deal in products and services that are listed on our Approved Products and Services List. This list, which is continually reviewed and updated, is the result of research of a wide range of financial products,

and administration arrangements, of leading financial product issuers. From this process we select the best and most appropriate for the majority of our clients. For more information on our Approved Products and Services, please contact your advisor.

As there may be other products and services that could also be suitable, you should observe any warnings and consider any significant risks contained in our advice prior to implementing any of our recommendations - as any investment decision carries with it a degree of risk – either the risk of capital loss or the risk of the expected benefits not being obtained. We also recommend that you seek independent legal and tax advice about our recommendations and confirm any entitlement to government benefits with the relevant department.

What information should I provide to receive personalised advice?

You need to provide us with details of your personal objectives, financial situation and any other relevant information, so that we can offer you the most appropriate advice possible.

Naturally, you may choose not to provide this information, or limit the scope of the advice provided by us. However, if you don't provide us with complete or accurate information, it is important to be aware of the risk that the advice you then receive may not be appropriate to your needs, objectives and financial situation.

Similarly, if you do not obtain financial advice from us, however you instruct us to apply for or acquire a financial product on your behalf, without this advice, we will not fully take account of your needs, objectives and financial situation in acquiring for or applying for these financial products and there is a risk the financial products you select will not meet these needs and objectives.

What information do you maintain in my file and can I access it?

We maintain details of your identity and other personal information, as well as a record of the advice given to you. We are committed to protecting your personal information and will only disclose it to other members of the SFG Group, their professional advisors and other organisations that provide services on our behalf or on your behalf; as required by law; or if you consent.

Should you wish to examine the personal information maintained in your file, please ask us and we shall make arrangements for you to do so. Your personal information is held in the strictest confidence in accordance with our

privacy policy. When you first become a client, we will provide you with a privacy statement along with this FSG. You can also obtain a copy from our website, by contacting your advisor, or by asking us.

Any changes to our privacy statement will be posted in an updated version of the policy on our website. You should therefore check our website if you wish to review the current version of the privacy statement.

Other

How can I give you instructions?

You can give us instructions by telephone, fax, email or other means as agreed with us. Some financial products have their own rules about how to give instructions. Please refer to the disclosure documents of the relevant product for those details.

Are there any special rules that apply to transactions in shares listed on the ASX?

Rules designed to ensure a fair and orderly market, may mean that in the event of an error or omission, the ASX Market Participant with whom your instruction is placed may be required to amend or cancel a trade or crossing without your consent – at the instruction of ASX. We will notify you once we are aware that this has or may occur.

Our remuneration

Where your advisor is an employee of a member of the SFG Group, his or her remuneration will include a salary and may include a bonus based upon performance and achievement of various objectives. The variable/bonus component of the employee's remuneration is typically measured against a combination of pre-determined objectives including the services provided to clients by the employee and the revenue received by the employee's employer relative to a specified objective. Revenues received from sources not on the Group's Approved Products List or from minor revenue providers to the SFG Group are not included for the purpose of calculations. Your advisor's remuneration may also include a share of dividends from SFG (where he or she holds shares in that company). If any other remuneration is payable (and not disclosed here), we will provide information about how that amount is calculated when we give you our advice.

How will I pay for the services provided?

Before we provide any services we will agree with you how we get paid. We offer a variety of service levels and fee structures that can be tailored to suit your individual circumstances. Fees may comprise one, or a combination of the following:

- A fee based on the value of the funds you invest
- A fee based on the time we spend developing or implementing your plan
- An agreed fee-for-service e.g. a management fee paid annually or in instalments
- Brokerage for securities transactions through the ASX or Chi-X.
- Commission paid to us by financial product issuers out of their fees, for so long as you hold the product
- If a related company holds your money in trust pending purchase of a financial product, the related company receives the interest earned

Remuneration received by the SFG Group may include:

- A payment of up to 88% of administration fees for Asgard products
- A payment of up to 76% of administration fees for BT Wrap & BT SuperWrap products
- A payment of 0.0786% p.a. of funds in relation to Asgard and BT products
- A payment of up to 0.1% p.a. in relation to the First Choice range of products
- A share of administration fees for wrap services operated by Avanteos or for products they issue (Avanteos will retain up to 0.2% p.a.), and
- A share of brokerage fees incurred for share transactions through a broker

We will provide details to you about our fees and any payments made to us by product issuers when we provide our advice to you. We will also explain the fees associated with a particular product or service we recommend. You have the right to request further information about the remuneration we receive, so if there is anything that is unclear or if you require more information about the service levels we offer, please contact your advisor.

We will explain to you how you can pay for the financial services you require, typically, payments are made by cheque as we are unable to accept cash.

Preparation of an Initial Statement of Advice	The actual amount will depend on the time involved and complexity of the advice required. Refer to the advisor profile for more details.
Implementation fee	The fee will depend on the time involved and the complexity of the service that you need. We will provide detailed information about any implementation fees when we provide you with our advice.
Annual fee-for-service	The actual annual fee-for-service will depend on a number of factors that includes the time involved and complexity of the financial services required. Refer to the advisor profile for more details.
Fees for share and derivatives transactions	<p>Brokerage fees generally vary between 0.55% (for large transactions) and 2.75% (for small transactions) - subject to a minimum brokerage fee that might be set from time to time. The cost of brokerage for share transactions through platforms are set out in the relevant disclosure documents and will typically be less than this. We will tell you what brokerage fees will be incurred for share transactions, and any commission payment that is payable to us as a result of our advice (being a portion of the brokerage).</p> <p>Example: John and Mary dispose of a small holding of shares worth \$2,000 that they inherited. In this example, a brokerage fee of \$99 is incurred (the minimum) and an amount of \$86.50 is paid to us.</p>
Commission for Life Risk Insurance Products	<p>An initial commission of up to 130% of the first year's annual premium and then ongoing commission of up to 40% of the annual premium paid.</p> <p>Example: John purchases life insurance with an annual premium of \$2,000 paying an ongoing commission of 20% (\$400 p.a.).</p>
Commission for Managed Investment Products	<p>An initial commission of up to 5% of the amount invested and then ongoing commission of up to 1.1% p.a. of the fund value.</p> <p>Example: John and Mary invest \$250,000 in a product paying an ongoing commission of 0.55% p.a. (i.e. \$1,375 p.a.).</p>
Commission for Margin Lending	<p>An ongoing commission of up to 0.5% p.a. of the loan value.</p> <p>Example: John and Mary have a loan balance in a margin loan of \$200,000 that pays commission of 0.25% p.a. (\$500 p.a.).</p>

What other benefits does Western Pacific receive?

Should Western Pacific, a related company or an advisor receive other benefits from product issuers (including payments toward professional development), except for minor benefits of less than \$300 in value, the benefit will be noted in a register. Should you wish to see this register, please contact us.

Will anyone be paid for referring me to you?

In some situations, clients are referred to us by someone else. If this occurs, and we pay a fee or commission in relation to that referral, we will tell you who will receive that fee or commission, and the possible amount.

If you have a complaint

We are committed to providing our clients with the highest standards of client service. This involves being completely transparent in the way in which we charge for our services, and being proactive and forthcoming with important information which we believe may assist you with decision-making during our relationship with you.

Should you feel less than completely satisfied with the service you receive, it is important to notify us immediately to have the issue raised and resolved.

You should take the following steps.

1. Contact us and tell us about your complaint.
2. If your complaint is not satisfactorily resolved within 3 days, please contact the compliance manager:

The Compliance Manager
Western Pacific Financial Group Pty Ltd
Locked Bag 32011
Collins Street East VIC, 8003
Phone: 1300 308 440

We shall endeavour to resolve your complaint quickly and fairly. If the complaint is not resolved to your satisfaction, you have the option of referring your complaint to the Financial Ombudsman Service (FOS). Their telephone number is 1300 780 808. FOS will be able to advise you as to whether or not they can be of assistance. We are a member of this service. If the complaint involves ethical conduct, you also have the option of raising your concern in writing with the Financial Planning Association of Australia Limited (FPA). The FPA can be contacted at: PO Box 109, Collins Street West, Melbourne, VIC 8007. For further information about your rights you can contact the Australian Securities and Investments Commission on their Infoline at 1300 300 630.

Western Pacific will take reasonable steps to ensure that we have Professional Indemnity Insurance cover that we believe meets the requirements of s912B of the Corporations Act to provide compensation to persons who successfully claim for losses suffered due to breaches of licensee obligations by representatives and staff who are or were a representative or employee of Western Pacific.