

# Financial Services Guide (FSG)

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A guide to the services we provide and how we will work with you to achieve your goals



**PROSPERITY**  
FINANCIAL PLANNING

**Prosperity Financial Planning Pty Ltd trading as Prosperity Financial Planning**

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## Business profile

**Financial Services Guide:** Version 16.1

**Issue date** 2 January 2013

**Important** Before we provide you with financial advice, you should read this Financial Services Guide (FSG) It contains the following important information to help you decide whether to use our services:

- Who we are;
- Initial and ongoing advice and services we provide;
- How we are paid;
- Who to contact if you have a complaint.

This profile is part of the Financial Services Guide and is only complete when the adviser profile is attached.

**About our practice** Prosperity Financial Planning Pty Ltd (ABN 91 161 761 208), corporate authorised representative (CAR), number 434805, is authorised to provide financial services on behalf of Charter Financial Planning Limited (Charter Financial Planning).

**About our team** We have a dedicated team of advisers, paraplanners and support staff to help deliver quality financial planning services to you.

Attached to this document is an adviser profile. The adviser profile provides information about your adviser - their contact details, qualifications, experience and any memberships they may hold. It also outlines the strategies and products about which your adviser can provide advice .

**Why you should choose us** We aim to provide personalised and responsible advice suited to your objectives and believe that sound advice and planning is the key to improving your financial position.

We undertake continuous professional development and training programs so that we are up to date with legislative changes to superannuation, investment, social security and tax environments.

We have access to technical, risk and investment research professionals who provide us with additional analysis on strategies and products that become available as a result of these changes.

Our financial advisers will help you determine your goals and weigh up different investment strategies to achieve them.

Most importantly, we turn your thoughts into action. There are no secret formulas to achieving financial security. We work with you to get the basics right and ensure you have a plan to achieve your goals over time.

**Advice we can provide** Charter Financial Planning maintains a broad approved list, containing investment and insurance products that have been researched by a number of external research houses as well as our in-house research team.

We may recommend products, platforms and portfolio administration services (PAS) promoted or issued by AMP companies if appropriate to your needs. Recommending these products may entitle us to receive additional benefits as disclosed in the other benefits section of this FSG.

If we recommend a new platform or PAS, we use those issued or promoted by the AMP Group or as otherwise approved by Charter Financial Planning and where appropriate to your circumstances.

A copy of the approved list for investment and insurance can be supplied to you upon request.

Please refer to your adviser's profile for a list of strategies and products they can recommend.

### Transaction services

If you do not require advice from us, but you would like us to help you complete a particular transaction, we can also arrange for you to apply for the kinds of products referred to in your adviser's profile. In these cases, we can take your instructions and arrange for the transaction to be completed without providing you with personal advice.

It is important to understand that in these circumstances we will generally ask you to confirm your instructions in writing and to sign a letter that acknowledges you have declined our offer of advice as well as understand the risks of a transaction service. You will be provided with a copy of the letter for your own records.

You can also contact us directly with any instructions relating to your existing financial products. We will accept instructions from our existing clients via telephone, mail or email.

## Documents you may receive

Our initial advice will be provided to you in a financial plan, known as a Statement of Advice (SOA). The financial plan contains a summary of your goals and the strategies and financial products we will recommend to achieve your goals. It also provides you with detailed information about the fees, costs and other benefits we will receive as a result of the advice we have provided.

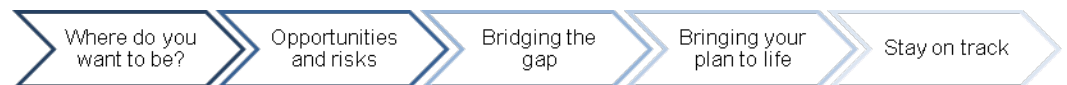
We will keep a record of any further advice we provide you for seven years. You may request a copy by contacting our office.

If we recommend or arrange a financial product for you, we will make available 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.

You should read any warnings contained in your financial plan, the PDS or IDPS guide carefully before making any decision relating to a financial strategy or product.

## Our financial planning process

Everyone is different, with different circumstances, needs and goals. We treat every client as an individual, but follow a defined financial planning process, to make sure you know what to expect from us.



### Identifying where you want to be

We help you identify your financial and lifestyle goals and explain the services we offer to help you achieve them. 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.

We will help you to identify the range of issues that need to be addressed to meet your goals. You can then decide whether you want our advice to meet a single need or a broad range of issues.

### Considering opportunities and risks

Good personal advice starts with having an understanding of your current situation. We take a close look at your current financial situation – assets, debts, income, expenses and insurance, and explore the options you could use to reach your goals.

### Bridging the gap

Based on the research we have conducted, we will recommend a strategy to bridge the gap between where you are now and where you want to be.

### Bringing your plan to life

We work closely with you to implement your financial plan. We help you to complete any necessary paperwork and are available to attend meetings with your accountant, solicitor and general insurer so that your strategy is implemented efficiently.

### Staying on track with regular ongoing advice

Time goes on and circumstances and needs change. The final step in our advice process ensures your financial plan remains on track, by providing you with regular ongoing advice.

We design an ongoing service programme to ensure your plan remains up to date as your life changes and so you can obtain the benefits of ongoing reliable advice.

Sometimes, life takes us in unplanned directions. When you need a little extra help on top of our initial or ongoing advice, just ask us to provide you with some additional advice. We are there to help you – whatever the occasion.

## Advice fees

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

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

Our 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 we will prepare an Initial Advice Agreement. The Initial Advice Agreement sets out what our 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 or in your SOA.

**Ongoing advice** – The ongoing advice fee covers the cost to review the strategies and the products recommended in your SOA. An ongoing review helps you take advantage of opportunities as they become available.

The ongoing advice fee is calculated as either 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. We will advise you if this fee will increase as a result of CPI.

Before providing you with ongoing advice your adviser will prepare an Ongoing Advice Agreement. This agreement sets out our ongoing advice offer, which includes the advice and services we will provide, as well as frequency these will be delivered, how much it will cost, your payment method and how the service can be terminated.

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

**Additional advice** – For all other advice, an additional advice fee may be charged based on a set dollar amount. Any additional advice fee will be disclosed in your SOA.

**Commission** - Please note that for services in relation to insurance, and business/corporate superannuation, commissions may be paid as follows:

Initial commission – deducted from your investment contributions or paid from insurance product providers, and

Ongoing commission - a percentage of the value of your investment balance, outstanding loan amount or premiums, usually calculated at the end of each month in which you hold the investment or loan, or on renewal of insurance products.

Your advice fees will be calculated at the time we provide you with personal advice. Your SOA will outline the advice fees and any commission inclusive of GST.

#### **Payment Method & Frequency**

We offer you the following payment terms:

- Bpay, direct debit (credit card or savings), cheque
- Deduction from your investment
- Ongoing advice fees may be deducted as an annual instalment or in monthly or quarterly instalments.
- Ongoing advice fees may increase each year in line with the Consumer Price Index (CPI) or by a fixed amount or percentage each year. The specific amount will be agreed to by you and outlined in our ongoing advice agreement.

#### **Other benefits we may receive**

We may be offered or receive non-commission benefits such as entertainment or sponsorship from some product providers at no extra cost to you. Both Prosperity Financial Planning Pty Ltd and Charter Financial Planning maintain a register to document the benefits received with a value of greater than \$300. A copy of this register will be made available within seven days of a request.

- **Value Participation Scheme:** AMP may provide us with a cash payment based on the total value of in force annual premiums on insurance products and funds under management in AMP products.
- **Technology and Education:** Charter Financial Planning provides us with 'points' when our business revenue exceeds \$50,000. One point is received per \$1.23 (inc GST) over \$50,000. Points are only redeemed for office equipment and staff training to ensure you receive up to date information and advice.
- **Business start up costs:** Including an interest free business loan of \$147,557 (including GST) and assistance with business set up costs, valued at approximately \$15,000. Eligibility is based upon new business placed.
- **Buy out option:** We are eligible to sell our client base to Charter Financial Planning. The value of the sale is based on a multiple of the ongoing revenue generated from financial products.
- **Business loans:** We are eligible to receive finance for approved business costs at subsidised rates through AMP Bank.
- **Product Competitions:** We may participate in short term incentive programmes such as a product

provider paying additional commissions during a specified period.

Due to the temporary nature of these arrangements they have not been included in this document. Details of any short term incentives will be outlined in your financial plan.

#### Payments from other professionals

- You may be referred to an external specialist to receive further advice. We may receive a referral fee or commission for introducing you to the specialist. This will be disclosed in your financial plan if applicable.

#### Payments to other professionals

- We may pay a referral fee when clients are referred to us from other professionals. This will be disclosed in your financial plan if applicable.

## About Charter Financial Planning



Charter Financial Planning Limited ABN 35 002 976 294

Australian Financial Services Licensee 234665

750 Collins Street, Docklands, Victoria 3008

[www.amp.com.au](http://www.amp.com.au)

Charter Financial Planning is a member of the AMP Group.

Charter Financial Planning 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 Financial Planning is also a Corporate Member of the Association of Financial Advisers (AFA)

Charter Financial Planning has approved the distribution of this FSG.

## Relationships and associations

Your adviser 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 Financial Planning, including:

Product Issuer	Product brands used by issuer
<ul style="list-style-type: none"><li>• The National Mutual Life Association of Australasia Ltd</li></ul>	<ul style="list-style-type: none"><li>• AMP</li></ul>
<ul style="list-style-type: none"><li>• National Mutual Funds Management Limited</li></ul>	<ul style="list-style-type: none"><li>• AMP</li></ul>
<ul style="list-style-type: none"><li>• NMMT Ltd</li></ul>	<ul style="list-style-type: none"><li>• Summit</li><li>• Generations</li><li>• AXcess</li></ul>
<ul style="list-style-type: none"><li>• N.M. Superannuation Pty Limited</li></ul>	<ul style="list-style-type: none"><li>• Summit</li><li>• Generations</li><li>• North</li></ul>
<ul style="list-style-type: none"><li>• Multiport Pty Ltd</li></ul>	<ul style="list-style-type: none"><li>• Multiport</li></ul>
<ul style="list-style-type: none"><li>• ipac asset management limited</li></ul>	<ul style="list-style-type: none"><li>• iAccess</li></ul>
<ul style="list-style-type: none"><li>• AMP Bank Limited</li></ul>	<ul style="list-style-type: none"><li>• AMP</li></ul>
<ul style="list-style-type: none"><li>• AMP Capital Funds Management Limited</li></ul>	<ul style="list-style-type: none"><li>• AMP</li></ul>
<ul style="list-style-type: none"><li>• AMP Capital Investors Limited</li></ul>	<ul style="list-style-type: none"><li>• AMP</li></ul>
<ul style="list-style-type: none"><li>• AMP Superannuation Limited</li></ul>	<ul style="list-style-type: none"><li>• AMP</li></ul>
<ul style="list-style-type: none"><li>• AMP Life Limited</li></ul>	<ul style="list-style-type: none"><li>• AMP</li></ul>
<ul style="list-style-type: none"><li>• The Cavendish Group</li></ul>	<ul style="list-style-type: none"><li>• Cavendish</li></ul>

If we 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.

Authorised representatives and staff at RBN hold shares in AMP Limited, whose share price may be favourably affected by the sale of products issued by the AMP Group.

## Privacy

We maintain a record of your personal information. You have the right to withhold personal information, but this, as well as any inaccurate information you provide, may compromise the effectiveness of the advice you receive.

It is important that you keep us up to date by informing us of changes to your circumstances so we are able to determine if our advice continues to be appropriate.

We will retain a copy of any recommendations made to you for seven years. Please contact your adviser if you would like to review your file.

Together with Charter Financial Planning we implement a privacy policy, which ensures the privacy and security of your personal information. You can request a copy of the policy from us at any time.

Another financial adviser may be appointed to you if your adviser leaves Charter Financial Planning or is unable to attend to your needs due to an extended absence from the business. In these circumstances, Charter Financial Planning 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 insurance

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

## What should you 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 contact Charter Financial Planning on 137 292 or put your complaint in writing and send it to:

Charter Financial Planning  
Attention: Complaints Case Manager  
Advice and Licensing  
Level 8, 750 Collins Street  
DOCKLANDS VIC 3008

Charter Financial Planning 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 1800 780 808
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.

## Adviser profile

**Adviser profile version:** Version 3.0 (John Redmond)  
This profile is part of the Financial Services Guide and is only complete when the business profile Version 16.1 January 2013 is attached.

**Date issued** 2 January 2013

**About John Redmond** Your financial adviser, John Redmond CA (ASIC number 306363), is an authorised representative of Charter Financial Planning.  
Email address: john.redmond@prosperityfp.com.au

### Education and Qualifications

**Chartered Accountant, Bachelor of Business, Registered Tax Agent, Diploma of Financial Services**

### Experience

**Over 22 years as a Chartered Accountant with the past 7 years as a Financial Planner**

### Memberships

**Advice I can provide** I can provide you with strategic advice as well as arrange the types of financial products listed below.  
I can help you to identify the types of services and products that will be appropriate to meet your financial goals. In addition, you can choose whether to receive advice about a range of needs all at once, or we can provide advice about a single issue so your most important goals are achieved first. Further advice can then be provided over time about any other needs or goals as required.

### Strategies

- Guidance on budgeting and goal setting
- Savings and wealth creation strategies
- Investment planning
- Superannuation planning
- Pre-retirement planning
- Retirement planning
- Estate planning considerations
- Centrelink planning
- Risk and insurance analysis
- Business succession planning

### Products

- Cash management trusts
- Retirement income streams
- Direct fixed interest
- Retail & wholesale managed investment schemes
- Socially responsible investments
- Master trust products
- Superannuation products
- Limited investment guarantees
- Personal and group insurance
- Business succession insurance

**How I am paid** Charter Financial Planning will typically retain 3% (may be scaled down to 0%) of the gross revenue received for the recommended financial services and/or products. Charter Financial Planning will pay Prosperity Financial Planning Pty Ltd the remaining 97% of the gross revenue received.  
I have equity in Prosperity Financial Planning Pty Ltd and may receive capital and profit related benefits.