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# FINANCIAL SERVICES GUIDE

## ABOUT THIS GUIDE

This guide is designed to tell you about:

- Our advisory services, so you can decide whether to use our services.
- Paying for our advisory services and how we pay our representatives.
- Your rights when you get advice from us.
- What to do if you have a complaint about our services.
- Statements of Advice and Product Disclosure Statements.

## ABOUT US

AAA Financial Intelligence Ltd is the Licensee and has authorised Advisers to provide financial services to clients. The extent of these authorisations depends on the training, education and experience of the Adviser and is shown in their Adviser Profile which may accompany this guide.

Collectively we are an insurance, superannuation, financial planning and investment advisory firm with a record of achievement and reliability. We offer extensive skills which mirror the different needs of clients with great emphasis placed on research to support the advice.

Unlike many financial planning companies, we are not obligated to any financial institution, bank or insurance company. We are free to recommend products from our approved products list that we feel best suit out clients' needs.

## OUR SERVICES

We provide advice on and arrange transactions in the following products and services:

Basic deposit products	Investment planning	Retirement planning
Centrelink support	Life insurance products	Securities and Derivatives
Fixed interest deposits	Lifestyle financial planning	Sickness & Accident insurance
Gearing strategies	Managed investment schemes	Superannuation
Government debentures, stocks or bonds	Redundancy benefits	Self-managed superannuation

## RESPONSIBILITY FOR ADVICE GIVEN

Under its Licence, AAA Financial Intelligence Ltd has authorised its representatives to give advice and is therefore responsible for the advice you receive from them.



## INFORMATION WE NEED FROM YOU

We will strive to give our clients the best advice and the right products. To find out your individual objectives, financial situation and needs, we must ask you to provide certain personal information to your adviser, either in writing or verbally. This may involve a quite detailed process of both qualitative and quantitative data collection. Please ensure that your adviser becomes aware of any changes that may be relevant when advice is given in the future.

### What information do we retain about clients?

We maintain a record of your personal profile which may contain details of your objectives, financial situation and needs. We maintain records of any recommendations made to you, together with summaries of meetings and transactions. All these records are our property and must be retained for production to the regulatory authorities upon their request. If you wish to examine our file, you should ask us, and we will make arrangements for you to do so.

### What are the possible consequences of not providing this information?

You are of course at liberty to decline to provide some or all of this information, but if you do not provide it, we may not be able to make any recommendations or the recommendations may not be appropriate to your needs and objectives.

**All information is kept strictly confidential!**

## PRIVACY FOR OUR CLIENTS

We deal on behalf of clients with other licensed dealers, banks and financial institutions and we have obligations to comply with the National Privacy Principles set down by the Federal Privacy Commissioner. We have adopted these Privacy Principles for the treatment of personal information received from clients and others. Our Privacy Policy is available from our website or from your adviser.

## PERSONAL FINANCIAL ADVICE

Personal financial advice is advice which relates specifically to you and your financial goals and circumstances and is tailored accordingly.

Our Representatives may discuss and consider tax, social security and estate planning matters when formulating recommendations. However, they are not professionals in this area and we therefore recommend that you also seek the services of industry professionals if these issues are relevant.

If we have insufficient detail we will not be able to provide personal financial advice but may be able to provide some general advice.

## STATEMENTS OF ADVICE

When, or as soon as practicable after Personal Financial Advice is provided, we will give you a Statement of Advice setting out the advice, the basis on which the advice was given and any remuneration or other benefits that we, including our representatives and associates, may receive. We will also include details of any matter that might reasonably be expected to be capable of influencing us in providing the advice.

On an ongoing basis, a **Record of Advice** will be provided 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.



## GENERAL FINANCIAL ADVICE

We will provide personal recommendations if you give us sufficient information about your circumstances to enable us to do so. Alternatively we may provide general financial advice and it is up to you to determine whether the advice is appropriate in light of your particular investment needs, objectives and financial circumstances.

## PRODUCT DISCLOSURE STATEMENTS

When advice is given, we will also give you, where appropriate, a Product Disclosure Statement issued by the product provider containing information you would reasonably require for the purpose of making a decision about whether to acquire the financial product. It will disclose details of any fees and charges payable for that product.

## WHAT ARE THE RISKS?

All investments have varying degrees of risk and varying rates of return. With most investments, the higher the potential returns the higher the level of risk. We will explain to you any significant risks of investments and strategies that we recommend to you. If you are unsure of the potential effects of these risks, you should ask us for further clarification

## BUYING AND SELLING INVESTMENTS

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.

## RESEARCH

Insurance and Investment product recommendations will be drawn from our fully researched list that is regularly reviewed. We subscribe to world class research services. The research undertaken by analysts is basically their opinion. It can never be guaranteed, is only valid for a limited time and is often subject to market movements.

The mere fact that any product is recommended by an analyst does not necessarily mean that it is suitable for you and you should consult with your client adviser before acting on any research report.

## REMUNERATION & BENEFITS FOR OUR SERVICES

To assist you in making an informed decision we will discuss with you and agree on any fees payable before or at the time of preparing any written advice. The Corporations Act requires us to fully disclose all fees and charges, so if you are in doubt please ask us to explain.

The specific fees and charges for our personal financial advice will be set out in a Statement of Advice to you. We may charge you a fee for preparation of the Statement of Advice.

You may be charged a fee for the services we provide or we may be paid a commission or a combination of the two may apply.

### Fees

When applicable, our fee can be either an agreed amount for a particular service or a time based fee of up to \$275 per hour.



## Commissions

We may receive commissions from fund managers or life insurers when acting on your behalf. These may be calculated as a percentage of the amount invested or paid as a premium and may be deducted from the amount you invest.

Additionally, we may receive trailing commissions from a product issuer payable from the fees charged throughout the term of the investment by the fund manager as disclosed in the PDS.

Typically commissions are in the following ranges: *(including GST)*

Investments and Superannuation	Initial commission of up to 6.6% of the amount invested, and Trailing commission of up to 1.1% per annum of the balance in the account.
Life Insurance (Risk)	Initial commission of between 15% and 130% of the first years premium, and Renewal commission of up to 30% of premiums in subsequent years.

*For example, if you paid \$10,000 into an investment where the entry fee is 5.5% and the trailing commission is 0.33%, the Fund manager would deduct \$550 from the account initially and would pay it (or most of it) to us. They would also pay \$33 each year to us from their management fees. (This amount would vary because in practice the investment account balance would not stay at a steady \$10,000).*

When providing you with a recommendation, your adviser will give you details of how the specific charges are calculated and whether you can pay separately for them. Generally, all fees and commissions are passed on to our advisers.

## Referrals

We may also pay a fee or commissions to persons who introduce or refer you to us.

## Ownership

Our Directors or Advisers may either directly or indirectly hold an interest in one or more product providers as part of their personal investments. No product provider exercises control over our activities. If a conflict of interest should arise, it will be appropriately disclosed and the interests of clients will prevail in any situation.

Many of our Advisers are or will be shareholders in AAA Financial Intelligence Ltd and therefore may benefit from the distribution of profits or any increase in value of the company.

## Other benefits

In addition to fees and commissions, the advisers may also receive other benefits such as financial, marketing and training assistance from product providers. The Licensee and its advisers may also be entitled to other allowances and incentives including bonuses paid for selling certain amounts of financial products, discounted services, prizes and awards, attendance at overseas and domestic conferences, marketing support and education expense support.

## OUR ASSOCIATIONS

We have arrangements in place with some product providers which can result in additional income or benefits to us. These arrangements are based on the volume of business our advisers place with the providers and the benefits are generally scaled to increase with the volume.

In respect of Life Insurance Companies the arrangements are:

Life Company	Additional Benefit
AXA Tower Australia	An additional payment of between Nil and 5% of premiums in force based on the total amount of premiums in force and the retention rate of those premiums.

In respect of Superannuation and Investment providers the arrangements are:

Provider	Additional benefit
Asgard Superannuation Tower ARC	An additional payment of between Nil and 0.2% of the funds under management.
Skandia	An additional payment of between Nil and 0.1% of the funds under management.

*If an additional amount of 0.1% was payable on funds under management of \$25 million, the additional amount would be \$25,000.*



These payments are retained by the licensee but those advisers who are shareholders in AAA Financial Intelligence Ltd may ultimately benefit through increased dividends and share value.

MLC also assist us by providing discounted education and training facilities to our advisers.

We invite the above companies (and others) to sponsor sessions or present product and strategy updates (at no cost to us) at our Advisers' Professional Development days and Annual Conferences.

## **IF YOU HAVE COMPLAINTS**

We are all aware that circumstances may arise where a client wishes to express an opinion, seek clarification of an issue or simply inform us that expectations were not met.

Our Directors will take client complaints as a serious reflection on our standard of service and will attempt to personally resolve all issues. Where necessary a written reply or explanation will be provided to any client.

The steps to lodge a complaint are:

1. Contact your adviser and tell your adviser about your complaint.
2. If your complaint is not satisfactorily resolved within 7 days please contact the Complaints Officer (08) 8382 4288 or put your complaint in writing and send it to us at, AAA Financial Intelligence Ltd, PO Box 763, Morphett Vale SA 5162. We will try and resolve your complaint quickly and fairly.
3. If we cannot reach a satisfactory resolution, you can raise your concerns with the Financial Industry Complaints Service on 1300 780 808

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.