



# Your Financial Services Guide



## The documents you will receive from us

**This Financial Services and Credit Guide, which includes the Representative Profile presented with it, is designed to clarify who we are and what we do, and help you decide whether to use our services.**

**It also contains information on how you can pay for our services and how we ensure your satisfaction with our advice.**

In addition to this Financial Services and Credit Guide, when we provide you financial advice we will also present you with a written Statement of Advice (SOA).

This will describe the strategies, products and services we recommend and outline any fees or commissions we will receive and any associations we have with financial product providers or other parties that have not already been disclosed in this Financial Services and Credit Guide.

If you receive further financial advice from us, we will present you with either another Statement of Advice or keep our own written Record of Advice (ROA). You can request a copy of this by contacting your adviser any time up to seven years from the date of the advice provided.

We will also provide you with a Product Disclosure Statement (PDS) or offer document for all financial products we recommend, where applicable, to help you make informed decisions.

### **Credit Assistance**

In some circumstances, we may provide you with credit assistance; that is, we may suggest that you apply for a particular contract or increase your credit limit in a particular contract.

We must not provide you with credit assistance where the recommended contract is unsuitable for you. Our assessment of suitability will be detailed in your SOA.

To make this assessment, we must make reasonable inquiries about your requirements and objectives for the credit contract or credit limit increase. We must also make reasonable inquiries about your financial situation and take reasonable steps to verify this information.

### **Giving us instructions**

If you want to make changes to your financial plan or provide other instructions, you can contact us using the details in the Representative Profile. Generally, you will need to give us instructions in writing (eg fax, email or letter) or another method as agreed with your adviser.



## About us

**Garvan Financial Planning, with MLC Financial Planning, is recognised as one of Australia's leading financial advice networks, with over 450 experienced advisers across Australia managing over \$11 billion of investments.**

Our advisers work with a range of clients—from individuals starting out their careers and families seeking to build and protect wealth for today and for the future, to business owners, companies and superannuation trustees.

Our network was awarded Core Data's Major Financial Advice Group of the Year by researcher Core Data in 2007 and again in 2008. This award recognises the quality of customers' experiences when seeking financial advice.

Garvan Financial Planning is a principal member of the Financial Planning Association, the professional body representing qualified financial planners in Australia, and therefore adheres to set standards in terms of ethics, conduct and continuing professional development.

### **Our associations and relationships**

Our advisers are authorised representatives of GWM Adviser Services Limited ABN 96 002 071 749 trading as Garvan Financial Planning, Australian Financial Services Licensee Number 230692.

As a member of the National Australia Group of companies, GWM Adviser Services Limited is responsible for the financial advice and services your adviser provides. We support your adviser with essential services and resources to ensure you receive sound financial advice.

A number of companies within the National Australia Group—including MLC Investments Ltd, Navigator Australia Ltd, NULIS Nominees (Australia) Limited, MLC Ltd, NAB OnLine Trading Ltd, Jana Investment Advisers Pty Ltd, Plum Financial Services Ltd and National Australia Bank Ltd—are financial product providers whose products we may recommend.

Our advisers can also recommend appropriate products from a broad range of financial product providers outside of the National Australia Group to help you realise your goals and objectives.

# How we manage your personal information



**To give you appropriate advice, our advisers will need to ask you about your current financial situation, what you are looking to achieve and other personal information.**

**Without this information, your adviser may not be able to provide you with advice relevant to your circumstances.**

## **Collecting your personal information**

We need to collect your personal information for a variety of purposes, including to provide you with the financial services you have requested and to contact you about other products and services that may be relevant to you.

## **Protecting your privacy**

Protecting your privacy is essential to our business. Your file, containing your profile, personal objectives, financial circumstances and our recommendations, is kept securely by your adviser.

You are entitled to obtain access to the information we hold about you, or any preliminary assessment about the suitability of a credit contract by contacting your adviser. In some circumstances, permitted by law, we may deny you access and in that event we will explain the reason why.

## **Disclosing your personal information**

We may provide your personal information to the following types of service providers:

- other advisers, paraplanners and organisations who work with us to provide the financial services you have requested;
- insurance providers, superannuation trustees and product providers related to the financial services you have requested;
- organisations that help us operate our business, such as those that provide administrative, financial, accounting, insurance, research, legal, strategic advice, auditing, computer or other business services;
- your representatives, service providers, or other organisations, such as your accountant, solicitor, tax agent, stockbroker or bank;
- organisations involved in a business restructure or a transfer of all or part of the assets of our business; and
- government authorities and other organisations when required by law.

## **Consent to marketing activity**

We presume you consent to being contacted by us about suitable products and services via the contact details you have provided. We may continue to contact you for these reasons until you withdraw your consent. You can do this at any time by contacting your adviser.

If you would like to know more about our privacy policy, please contact your adviser. For more information about your privacy, you can visit the Federal Privacy Commissioner's website at **[www.privacy.gov.au](http://www.privacy.gov.au)**



## How you can pay for our services

### **At Garvan Financial Planning you can pay for the services you receive on a fee for advice basis.**

**This allows you to know that you are paying for our advice irrespective of any product you use, clarifies the services you are entitled to, and ensures all recommendations are driven by your needs.**

You can pay in the following ways:

- as a fee for advice that will be deducted from your investments as a one-off payment or in instalments;
  - by direct invoice from us for initial and ongoing advice;
  - via commission we may receive from a financial product provider when you commence an insurance contract, or loan product; or
  - a combination of the above.
- If you are not already on a fee for advice package, you can move to this payment at any time.

### **Other payments we may receive**

We will provide you with details of all fees, commissions or other benefits we may receive when we provide advice to you and, where possible, will give actual dollar amounts. If we cannot provide this accurately, we will provide worked-dollar examples.

Even if you don't receive personal financial advice from us, you can still request the details of any fees, commissions or other benefits we receive in relation to any other financial service we provide you.

### **Benefits we may receive**

Sometimes in the process of providing advice, our advisers may receive benefits from product providers.

### **Conferences**

Our advisers may attend conferences subsidised in whole or part by product providers. Eligibility to attend may be based on business revenue targets as well as achieving our internal quality standards and accreditations. Garvan Financial Planning may also receive sponsorship payments from product providers to subsidise our own conferences and professional development events. The Representative Profile provides details of other benefits your adviser may receive.

### **Non-monetary benefits**

Garvan Financial Planning and your adviser keep a register detailing any non-monetary benefit (greater than \$300 value) that may be received from a product provider. You can view this register by contacting your adviser.

### **Referrals**

If you have been referred to us or we refer you to someone else, we may have arrangements in place to or receive a referral fee, commission, or other benefit.

This is generally:

- a fixed fee;
- a proportion of any initial and/or ongoing fees or commissions; or
- a combination of both.

Details of any arrangement will be provided in our advice to you.



## Your confidence in our advice

**Your satisfaction is very important to us and we have procedures in place to resolve any concerns promptly and fairly.**

**If you are unhappy with the advice you receive or other aspects of our service, please let your adviser know so we can act on it immediately.**

### **Our complaints procedure**

If your adviser has not satisfactorily resolved your complaint, please put your complaint in writing or contact our Advice Dispute Resolution Team on 1800 611 950.

Please address the envelope 'Notice of Complaint' and send it to:

**Advice Dispute Resolution  
Team Garvan Financial  
Planning PO Box 1086 North  
Sydney NSW 2059**

If your complaint isn't resolved within 45 days or to your satisfaction, then you may refer the matter to the Financial Ombudsman Service (FOS), an independent complaints handling body. We are a member of FOS, FOS provides a free, accessible, fair and independent dispute resolution service to consumers.

### **Our complaints procedure**

You can contact FOS on 1300 78 08 08, at [www.fos.org.au](http://www.fos.org.au), by email to [info@fos.org.au](mailto:info@fos.org.au) or in writing to:

**The Manager  
Financial Ombudsman Service  
GPO Box 3  
Melbourne VIC 3001**

Garvan Financial Planning holds professional indemnity insurance that satisfies the requirements (Section 912B) of the Corporations Act. This insurance also covers the conduct of advisers who were authorised by us at the time of your complaint, but are no longer representatives of Garvan Financial Planning.



GWM Adviser Services Limited  
ABN 96 002 071 749 trading as  
GARVAN Financial Planning  
Australian Financial Services

Licensee No: 230692  
Registered Office  
105–153 Miller Street  
North Sydney NSW 2060

# Representative Profile

**This document forms part of the Financial Services and Credit Guide and is designed to clarify who we are, what we do, and aims to help you decide whether to use our services.**

## Who we are

Your advisers are representatives of GWM Adviser Services Limited trading as Garvan Financial Planning.

David Ramsay  
Authorised Representative No. 242694

Jessica Hall  
Authorised Representative No. 313333

Steven Nickelson  
Authorised Representative No. 328106

Michael Dudesin  
Authorised Representative No. 333439

Gareth Daniels  
Authorised Representative No.390259

Shylesh Sriranjana  
Authorised Representative No.399720

They offer their services on behalf of GWM Adviser Services Limited trading as Garvan Financial Planning.

The Financial Services that the above advisers offer are provided by Income Solutions (Australia) Pty Ltd, ABN 73 006 917 040, trading as Income Solutions, AR No. 243009.

Income Solutions (Australia) Pty Ltd has been established as a financial planning practice for more than 20 years. All advisers are members of the Financial Planning Association of Australia Ltd.

Garvan Financial Planning has authorised your advisers to provide you with this Financial Services and Credit Guide.

## Quality Advice Program

David Ramsay, John Monotti & Craig McKenzie have been Quality Advice accredited by GWM Adviser Services Ltd under our internal Quality Advice Programme.

The Program involves a defined set of standards for measuring quality of advice. In order to receive Quality Advice Accreditation, they were required to meet a number of essential criteria in relation to financial planning principles and have a number of their financial plans assessed against the Quality Advice standards.

Ongoing and regular assessment of the quality of advice provided to their clients is also an important element of the Program.

## What we do

We are authorised by Garvan Financial Planning to provide financial advice in relation to:

- Wealth Accumulation
- Income & Asset Protection
- Tax Strategies
- Superannuation
- Retirement & Redundancy Planning
- Estate Planning
- Government Benefits
- Debt Management
- Credit Assistance

and to provide advice and deal in the following financial products:

- Basic Deposit Products
- Non-basic Deposit Products
- Non-cash Payment Facilities
- Derivatives
- Government Debentures, Stocks or Bonds
- Life Products – Investment Life Insurance
- Life Products – Life Risk Insurance
- Managed Investment Schemes, including Investor Directed Portfolio Services (IDPS)
- Superannuation
- Retirement Savings Accounts
- Securities
- Your advisers are limited to the product range of an approved panel of risk insurance providers for Life Risk Insurance Product recommendations

## Contact us

For more information on anything you have read in this document or if there is anything else we can help you with, please contact us at:

Income Solutions (Australia) Pty Ltd  
Phone: 03 5229 0577  
Fax: 03 5229 0578  
Email: [admin@incomesolutions.com.au](mailto:admin@incomesolutions.com.au)

# Representative Profile

## How we charge for our services

<b>Initial consultation</b>	Free of charge
<b>Advice preparation</b>	Based on the advisory services you choose and the complexity of your situation, your initial advice fee could range from \$0 - \$12,000. Our process provides that you will understand all your options and the value Income Solutions can add to your situation <i>before</i> you agree to an advice fee.
<b>Ongoing fee for service</b>	<p>If you elect to pay a fee for the ongoing review of your financial planning strategy, the ongoing service fee is based on the complexity of ongoing advice and the services provided. The minimum fee is \$330 while the maximum is 1.1% of the value of your portfolio each year. We will receive ongoing commission (as detailed below) for any life insurance products you have in addition to this fee.</p> <p>The ongoing service fee may be collected monthly through the product issuer or paid directly by you via credit card, direct debit or cheque.</p>
<b>Implementation &amp; ongoing services</b> (commission on investment products – including margin loans)	Unless you have agreed to a fee for advice arrangement we will receive commission for our initial and ongoing services to you. Where we arrange an investment product for you, the relevant product issuer will pay an initial commission to us. The rate of initial upfront commission is between 0% and 5.365% and ongoing commission is between 0% and 0.66% of the value of your investments for as long as you hold the product.
<b>Implementation &amp; ongoing services</b> (commission on life insurance products)	Unless you have agreed to a fee for advice arrangement we will receive commission for our initial and ongoing services to you. Where we arrange an investment product for you, the relevant product issuer will pay an initial commission to us. The rate of initial upfront commission is between 0% and 5.365% and ongoing commission is between 0% and 0.66% of the value of your investments for as long as you hold the product.
<b>Implementation &amp; ongoing services</b> (commission on credit contracts)	<p>Unless you have agreed to a fee for advice arrangement we will receive commission for our initial and ongoing services to you. The relevant credit provider will pay initial commission between 0% and 0.75% and ongoing commission between 0% and 0.5% of the value of your loan for as long as you hold the product.</p> <p>Commissions are paid to us by the product provider and are not a direct cost to you.</p>
<b>Ad hoc advice</b>	Where you do not wish to participate in an ongoing service fee arrangement but require ongoing advice on an ad hoc basis, an hourly fee of between \$165 and \$330 may apply.

All commissions and fees are inclusive of GST. Fees could be greater than those disclosed above in complex cases. In these instances, we will inform you of the exact fee payable promptly in writing.

# Representative Profile

## Benefits we may receive

To be truly open and honest with our clients, we have detailed below how certain product purchases may benefit our business.

### Business Equity Valuation (BEV)

In the event of our death or permanent disablement, or if we were to leave the financial planning industry, Garvan Financial Planning provides a buyer of last resort option called BEV. This helps manage the transition of ownership to ensure you continue to receive advice.

In addition, we are part of a corporate structure and have a succession agreement in place to manage the transition of ownership should we leave the business.

Our business operates in a corporate structure. This model is less likely to be eligible for BEV as all the Principal Advisers in our business would have to either leave the industry, die, or become permanently disabled.

The value of a sale under BEV is based on a multiple of ongoing revenue received by the business on an annual basis. The multiple can range from 2.5 to 4 depending on the proportion of the ongoing revenue that comes from clients who hold MLC group financial products.

Here are some examples to help you understand the potential benefit to us of our clients holding MLC group product:

- If the ongoing revenue of the business was \$100,000 and 50% of our clients held MLC group products, the sale value for the financial planning business would be between \$250,000 and \$350,000;
- If the ongoing revenue of the business was \$100,000 and 85% of our clients held MLC group products, the sale value for the financial planning business would be up to \$400,000;

Importantly, BEV is subject to us meeting certain compliance requirements and standards.

### Transition Payment on MLC Insurance Premiums

We may become eligible to receive an additional commission (called a 'Transition Payment') if we participate in MLC Ltd's Protection Transition Program (**Program**). This payment is paid directly by MLC Limited and importantly does not alter the amount of premium payable by clients. To participate, we must meet the qualification criteria below.

The Program is operated by MLC Ltd for the year 1/10/2010 to 30/9/2011 (**Qualification Period**) and applies to two MLC Ltd products, being MLC Personal Protection Portfolio and MLC Life Cover Super (**MLC Products**).

The intention of the Program is to assist financial planning businesses transition, in relation to MLC Products, from:

- an upfront commission model (where higher commission is paid at the time the insurance policy for the MLC Product is issued and lower commission is paid when the policy is renewed); to
- a level or hybrid commission model (where either lower commission is paid upfront with higher commission on renewal, or where level commission is paid upfront and on renewal).

### Determining the rate of the Transition Payment

The table below shows how the rate of the transition payment is determined:

Criteria (may include your premium)	Transition payment rate (inclusive of GST)
Total value of MLC Products which were issued on or before 30/9/2006 on Upfront Commission terms	4%
Total Value of MLC Products issued on Level commission terms	10%

### Determining the value of the Transition Payment

The Transition Payment is determined as follows:

- MLC Limited determines the amount of the Total Premium for which:
  - It paid upfront commission;
  - Applies to MLC Products which were issued on or before 30/9/2006 on upfront commission terms.
- MLC Limited multiplies this amount by the relevant transition payment rate; and
- MLC Limited determines the amount of the Total Premium for which:
  - It paid Level commission;
- MLC Limited multiplies this amount by the relevant transition payment rate.

For example:

- If the Total Premium issued on or before 30/9/2006 on upfront commission terms is \$500,000, we are entitled to receive \$20,000 (inclusive of GST) as a Transition Payment for that criterion.
- If the Total Premium issued Level commission terms is \$200,000, we are entitled to receive \$20,000 (inclusive of GST) as a Transition Payment for that criterion.
- We would therefore receive a total Transition Payment of \$40,000

### Qualification Criteria

We must:

- have higher premium in force on 30/9/2011 than on 1/10/2010;
- have elected to receive level or hybrid commission on all MLC Products issued during the Qualification Period;
- retain at least 90% of the MLC Products over the Qualification Period.