

# Financial Services Guide (FSG)

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



**BMO Financial Solutions**

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### 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 we provide;
- How we are paid;
- Who to contact if you have a complaint.

### About Us



Principal Wealth Management Pty Ltd, corporate authorised representative (CAR), number 277821, trading as BMO Financial Solutions, is authorised to provide financial services on behalf of Charter Financial Planning.

BMO Financial Solutions is a leading financial services provider.

Our business was established Malcolm Smith and Shane Lee in 2010 when BMO Financial Services and Lifetime Financial Solutions companies merged. We are located in Dalby at the BMO Business Centre.

We will provide you with strategies that allow you to take control of your financial future.

We build relationships with you and your family to ensure to secure each generation's financial well being.

### Why you should choose BMO Financial Solutions

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 undertake training programs so 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 sort out 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.



BMO Financial Solutions is one of a select number of businesses that has been awarded Certified Quality Advice Practice status by Charter Financial Planning. This programme sets an industry benchmark for providing high-quality financial advice. The certification is awarded based on industry qualifications, demonstrated best practise business operations and proven success in meeting the financial planning needs of clients.

### 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.

### **About Malcolm Smith**



Your financial adviser, Malcolm Smith (ASIC number 250799), is an authorised representative of Charter Financial Planning.

#### **Education and Qualifications**

##### **Diploma of Financial Services (Financial Planning)**

#### **Experience**

Mal commenced business as a Life Insurance adviser in 1993, and has been an Accredited Financial Planner since 1999.

#### **Memberships**

ARA - Authorised Representatives Association

### **Advice we can provide**

Malcolm can provide you with advice on the following:

#### **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
- Salary packaging advice
- Aged care
- Gearing strategies

#### **Products**

- Cash management trusts
- Retirement income streams
- Direct fixed interest
- Retail & wholesale managed investment schemes
- Socially responsible investments
- Hedge funds
- Master trust products
- Superannuation products
- Personal and group insurance
- Business succession insurance
- Margin lending facilities
- Self managed super funds
- Direct shares

In addition to the above strategies and products BMO Financial Solutions can provide you with advice in the following areas:

#### 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
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#### Products

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- Margin Lending facilities
- Self managed super funds
- Direct shares

Charter Financial Planning maintains an approved product list, containing financial products that have been researched by a number of external research houses. Only those products and services considered worthy of recommendation to our clients have been approved. A copy of the approved product list can be given to you if requested.

While we prefer to recommend products and platforms promoted or issued by AXA or AMP companies, we may select products from other companies if appropriate to your needs.

#### 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 our advice to help you achieve them.

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

You will also receive a Product Disclosure Statement (PDS) if we have recommended you invest in or purchase a financial product. The PDS contains key features of the recommended product, significant benefits, risks and the fees you pay the product provider to professionally manage your investment or insurance.

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

You can contact Malcolm Smith directly with any instructions relating to your financial products.

We receive initial and ongoing advice fees and commission for insurance products you purchase. Your financial plan will outline all fees and commission inclusive of GST.

#### Initial Advice

Our initial advice fee ranges between \$275 and \$2,200 for a single strategy and \$550 and \$5,500 for multiple strategies.

If, in developing your financial plan, we identify that you have a complex situation that requires extensive planning and development, our initial advice fee will change. In this case, we will provide you with an upfront quote of the amount payable before we proceed with developing your financial plan.

Our initial advice fee covers the cost of researching and preparing your financial plan.

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.

#### Advice fees



### Ongoing Advice

Ongoing advice fees range between \$275 and \$2,200 for single advice strategies and \$1,100 and \$11,000 for multiple and complex advice strategies per annum.

Our ongoing advice fees ensure your strategy and products are reviewed to help you take advantage of opportunities as they become available.

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

Before providing you with ongoing advice we will prepare an ongoing advice agreement.

The ongoing advice agreement will set out what our ongoing advice will cover, your payment method, and how much it will cost.

### Additional advice

For additional advice, an hourly rate of \$275 is payable.

### 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.

### Commission

Commission is payable by life companies when we recommend insurance and annuity products. The commission is factored into the annual premium and may range as follows:

- From 11% to 130% of the initial premium
- Up to 33% per annum of the renewal premium.

Commission is payable by the loan provider when we recommend margin lending products. The commission is factored into the annual interest rate and may be up to 0.35% per annum of your loan balance.

We may receive commission when we recommend a business/corporate superannuation fund to you.

One or all of the following commissions may be payable:

- Up to 5% of your contributions, rollovers and or transfers from other super funds
- Up to 1.35% per annum of your investment balance
- Up to 1% per annum of your investment balance

These amounts are deducted from your investment balance.

- Up to 20% per annum of the renewal premium, for any insurance held within your fund.

This amount is paid by the life company and factored into the cost of your insurance premium.

### How the advice fees are distributed

Charter Financial Planning will retain 0% to 3% of the gross revenue received for the recommended financial services and/or products. Charter Financial Planning will pay BMO Financial Solutions 97% to 100% of the gross revenue received.

Malcolm Smith has equity in BMO Financial Solutions and may receive capital and profit related benefits.

### Other benefits BMO Financial Solutions 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 Charter Financial Planning and Malcolm Smith maintain a register to document benefits received. A copy of this register will be made available within seven days of a request.

- **Value Participation Scheme:** AXA and/or AMP may provide us with a cash payment based on total AXA and AMP product in force annual premiums and funds under management.

- **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.
- **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.

## About Charter Financial Planning



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Australian Financial Services Licensee 234665

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www.axa.com.au

Charter Financial Planning is a member of the AMP Group. The AMP Group includes companies formerly part of the Australian and New Zealand operations of AXA Asia Pacific Holdings Limited.

Charter Financial Planning has approved the distribution of this FSG.

Charter Financial Planning is a Professional Partner of the Financial Planning Association (FPA) and we are 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).

## Relationships and associates

Malcolm Smith 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>• AXA</li> </ul>
<ul style="list-style-type: none"> <li>• National Mutual Funds Management Limited</li> </ul>	<ul style="list-style-type: none"> <li>• AXA</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 SMSF</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 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>

## Privacy

BMO Financial Solutions maintains a record of your personal information. You have the right to withhold personal information, but this may compromise the effectiveness of the advice you receive.

A copy of any recommendations made to you will be retained by BMO Financial Solutions for seven years. Please contact BMO Financial Solutions to review your file.

Charter Financial Planning and Malcolm Smith 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 Malcolm 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 Malcolm Smith to cover advice, actions and recommendations which have been authorised by Charter Financial Planning and provided by Malcolm Smith. 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 9, 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 1300 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.