



PERSONAL FINANCIAL ADVICE

Financial Services Guide



1. Before you get our advice

Who is my adviser?

Your adviser is an Authorised Representative of Capstone Financial Planning Pty Ltd. Details of your adviser and their charging methodology are contained in the attached Adviser/Company Profile. The Adviser/Company Profile forms part of the Financial Services Guide and is to be read in conjunction with this document.

Who will be responsible for the advice given to me?

Your adviser will be acting on behalf of Capstone Financial Planning Pty Ltd. Capstone Financial Planning is therefore responsible to you for any advisory services your adviser provides. Capstone Financial Planning holds an Australian Financial Services Licence No. 223135. Capstone Financial Planning is independently owned and operated, i.e. we are not owned by a fund manager, bank or other financial institution.

What advisory services are available to me?

We offer you a range of services that include but are not limited to:

- Retirement Planning
- Personal Superannuation
- Corporate Superannuation
- Salary Packaging
- Income Protection
- Centrelink
- Wealth Creation
- Investment
- Life Insurance
- Retrenchment
- Redundancy
- Estate Planning

How will I pay for the services offered by my Adviser?

Capstone Financial Planning Pty Ltd and your Adviser may be paid by various methods. They are as follows:

Financial Planning Advice Fees

The fees charged for advice and service may be based upon:

- a dollar amount;
- a percentage of the amount you invest;
- an hourly rate; or
- a combination of some or all of the above.

Financial planning advice fees may include:

- Statement of Advice Fee – when your adviser provides you with a Statement of Advice
- Review Fee – when your adviser provides you with ongoing advice and service
- Other Fees – i.e. a fee based on an hourly rate or an implementation fee

These fees may be paid directly by you or from the financial products we recommend.

Commissions

How are commissions calculated for investment based financial products

Capstone Financial Planning may receive an upfront commission from the product issuer where you decide to buy a product your adviser recommends to you. This upfront commission may vary from 0%-4% of the amount you invest depending on the product.

For example, for an investment of \$100,000 in a product whose manager pays Capstone Financial Planning 3%, Capstone Financial Planning will receive an upfront commission of \$3,000. Should upfront commission be received on any recommended product, it will be used to offset any costs for the service provided by your adviser to you. In addition to the upfront commission payment, Capstone will also receive ongoing commissions, and the amount we will receive varies depending on the circumstance, although typically we receive an ongoing commission of less than 1% per annum of the value of your holding in a product for as long as you hold the product.

How are commissions calculated for life insurance (risk) financial products?

Capstone Financial Planning may receive an upfront commission from the product issuer where you decide to buy a product your adviser recommends to you. This upfront commission may vary from 25% to 125% of the initial premium amount. For example, if your term life premium cost is \$2,000 for a product and the life office pays Capstone Financial Planning 100%, Capstone Financial Planning will receive an upfront commission of \$2,000 (less the amount payable on stamp duty and policy fees). In addition to the upfront commission payment, Capstone Financial Planning may also receive ongoing commissions which typically vary between 10% to 50% per annum based on the renewal of your premium for as long as you hold the product.

Your adviser (or their company) will then receive a percentage of any commission that is received by Capstone Financial Planning and this will be disclosed in the Statement of Advice once a product is recommended.

2. When you receive our advice

Do I get detailed information about actual commissions and other benefits my adviser gets from making the recommendations?

Yes. Specific dollar and percentage amounts received by Capstone Financial Planning and its Authorised Representatives will be clearly disclosed in all Statements of Advice, Statements of Additional Advice or Records of Advice provided.

Will you give me advice which is suitable to my investment needs and financial circumstances?

Yes. However to do so, our financial advisers need to conduct a detailed analysis of your overall situation and this includes investment needs, objectives and personal financial information, before we recommend any investment or strategy to you. You have the right not to divulge any information to us, if you do not wish to do so. In that case, we are required to warn you about the possible consequences of us not having your full personal information. You should read the warnings carefully.

What should I know about any risks of the investments or investment strategies you recommend to me?

We will explain to you any significant risks of financial products and strategies which we recommend to you. If we do not do so, you should ask us to explain those risks to you.

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

We maintain a record of your personal profile which includes details of your investment objectives, financial situation and needs.

We are committed to implementing and promoting a privacy policy which will ensure the privacy and security of your personal information. A copy of our privacy policy is enclosed for your information.

If you wish to examine your file, you should ask us, and we will make arrangements for you to do so.

Can I tell you how I wish to instruct you to buy or sell my investments?

Yes. You may specify how you would like to give us instructions. For example by telephone, fax or email. However, in all instances we will require your written consent before we will complete a transaction.

What kind of compensation arrangements are in place and are these arrangements complying?

Capstone Financial Planning confirms that it has arrangements in place to ensure it continues to maintain Professional Indemnity insurance in accordance with s.912B of the Corporations Act 2001 (as amended). In particular our Professional Indemnity insurance, subject to its terms and conditions, provides indemnity up to the Sum Insured for Capstone Financial Planning and our authorised representatives/employees in respect of our authorisations and obligations under our AFS Licence. This insurance will continue to provide such coverage for any authorised representative / representative / employee who has ceased work with Capstone Financial Planning for work done whilst engaged with us.

3. If you have any complaints

What can I do if I have a complaint about the provision of financial services to me?

Capstone Financial Planning is a member of the Financial Ombudsman Service (FOS). If you have any complaint about the service provided to you, you should take the following steps.

1. Contact your adviser and tell your adviser about your complaint.
2. If your complaint is not satisfactorily resolved within 5 business days, please contact our Complaints Officer on 03 8622 0700 or put your complaint in writing and send it to us at Level 5, 350 Collins Street, Melbourne VIC 3000. We will try and resolve your complaint quickly and fairly.
3. If you still do not get a satisfactory outcome you have the right to complain to the Financial Ombudsman Service (FOS). They can be contacted on 1300 780 808, or you can write to them at GPO Box 3, Melbourne VIC 3001. This service is provided to you free of charge.

The Australian Securities and Investment Commission (ASIC) also has a free call Infoline on 1300 300 630 which you may use to make a complaint and obtain information about your rights.

If you have concerns involving ethical and professional conduct, you may wish to consider raising your concerns with the Financial Planning Association of Australia (FPA). They can be contacted at PO Box 109, Collins Street West, Melbourne Vic 8007.

4. Alternative Forms of Remuneration

Capstone Financial Planning is currently in receipt of additional financial allowances from a range of financial product providers. As new product providers join this program and others leave, you will be provided with an updated list via your Advice document (where relevant). We may receive allowances in total of approximately 0.02% of our Funds under Advice. Capstone Financial Planning has no preferred product provider relationship and does not promote any specific product provider or administration platform.

To assist in the provision of regular product training, professional development and ongoing technical training, including updates in relation to financial products for Capstone Financial Plannings' financial advisers and support staff, we have developed formal relationships with many financial product providers. Each year we invite leading financial product providers to participate in this program. A list of these product providers (where relevant) will be provided to you in your Advice document. They contribute various amounts each as part of this relationship program. Capstone Financial Planning's financial product range is not influenced by any relationship program as Capstone Financial Planning subscribes to independent research and all products are individually assessed on their own merits.

From time to time, the employees of Capstone Financial Planning may be invited to social and sporting events and receive the occasional gift such as a bottle of wine or hampers on special occasions. These invitations and gifts do not influence the financial product recommendations provided by our advisers to you. The approximate value of these benefits in total received by Head Office employees is not expected to exceed \$3,000 during any financial year. Details of any alternative forms of remuneration are available on a specially maintained Register which is available for your viewing from Head Office. Your adviser also keeps a Register detailing any benefits he/she may receive.

5. Does Capstone Financial Planning have any relationships or associations with a Financial Product issuer?

Capstone Financial Planning is the distributor of the C-wrap SuperWrap and C-wrap administration platform, which is operated by BT Portfolio Services Limited (BTPS) ABN 73 095 055 208, a wholly owned subsidiary of Westpac Banking Corporation ABN 33 007 451 141.

Capstone Financial Planning receives a percentage of the administration fee charged from C-wrap and C-wrap SuperWrap. These fees are used to meet costs incurred for distributing the service such as printing, staff costs, marketing expenses etc.

Information about this Financial Services Guide

The purpose of this Financial Services Guide is to help you decide whether to use any of the services offered by Capstone Financial Planning Pty Ltd.

Key information is set out in this brochure to answer some of the questions you may have. If you need more information or clarification, please ask us.

You should also be aware that you are entitled to receive a Statement of Advice when we provide you our initial personal advice as we will take into account your objectives, financial situation and needs.

The Statement of Advice will contain the advice, the basis on which it is given and information about fees, commissions and associations relevant to the provision of the advice.

Thereafter, when we provide you with further personal advice, and your circumstances have not significantly changed, or the recommendations do not represent a significant change in your investments or insurance situation, we may not provide you with a Statement of Advice. However, we will provide you with a Statement of Additional Advice (SOAA) or a Record of Advice (ROA) as a confirmation of our advice. You may request a copy of any SOA, SOAA or ROA at any time if you have misplaced the documents. This can be done by calling your Adviser.

In the event we make a recommendation to acquire a particular financial product (other than securities) or offer to issue or arrange the issue of a financial product, we must also provide you with a Product Disclosure Statement (PDS). The PDS contains information about fees payable in respect of the financial product, risks of the financial product, benefits of the financial product and significant characteristics of the financial product. All of this information will enable you to make an informed decision in relation to the acquisition of that product.

For further information or to speak with a Capstone Financial Adviser, call **1300 306 900**.

Our website contains useful information for customers. Visit us at: www.capstonefp.com.au



This Financial Services Guide is issued with the authority of Capstone Financial Planning.
Version – September 2008
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