

Financial Services Guide

Flowers Financial Management P/L ACN: 087 534 950
Australian Financial Services Licence No: 235382
Lvl 2, 19 Harris St. Pyrmont NSW 2009
Phone 1800 26 36 46 Fax (02) 8524 5701

About us

Flowers Financial Management Pty Ltd (“FFM”) helps clients to manage their financial affairs soundly and successfully. We specialise in helping professionals grow their wealth as they grow their careers and then help them prepare for retirement.

FFM financial strategy is a holistic one. It considers not only the individual’s financial affairs, but how they are integrated with other professional partners, their practice and their family.

FFM advisers work closely with every client to develop a personal and friendly understanding of lifestyle choices and ambitions.

FFM, through associated companies, may also provide access for clients to services such as taxation planning, direct property investment strategies and business/practice management programs.

About this guide

The information in this Financial Services Guide is provided to help you decide whether to use our services. As a client, or a potential client of FFM, you have the right to ask us about our services, the type of advice we can give you, how we are paid for our services, any potential conflicts of interest we may have and how we will handle any concern or complaint you may have about services provided to you. As an Australian Financial Service Licence holder, FFM has authorised the distribution of this Financial Services Guide.

As a client of FFM, if you decide to obtain personal financial advice, we will prepare a Statement of Advice that uses the information we collect from you and our knowledge of wealth creation, risk management, retirement planning and investment markets to make specific recommendations to you.

If you are an existing client, you will receive a Statement of Advice when we recommend a new strategy, financial product or any change that will have a material effect on you achieving your financial goals.

If we recommend a financial product, we will also give you information about the product. This information will be contained in a Product Disclosure Statement prepared by the product issuer.

We also have in place a Privacy Policy which may be viewed on our website at www.flowersgroup.com.au

We have set out below key information as a set of questions and answers. If you require more information please phone 1800 26 36 46.

Before you receive advice:

Your questions

Our answers

Who is my adviser?

Your adviser will be one of the FFM team of advisers and is authorised to provide financial services which relate to financial investment advice and life risk insurance recommendations.

FFM selects its advisers on the basis of knowledge, skills and integrity. Each adviser is required to undertake a program of continuous education and training to maintain their knowledge and skills.

Who will be responsible for the advice given to me?

FFM will be responsible to you in respect of the advice your adviser provides to you under its Australian Financial Services Licence.

What relationships does FFM have?

FFM is a wholly owned subsidiary of Flowers Financial Group Pty Ltd. Other companies within the Group are:

- Flowers Accounting Solutions Pty Ltd
- Flowers Legal Pty Ltd

What associations does FFM have?

FFM is associated with the following companies:

- Advent Property Solutions
- Medifinance
- Medinsure Pty Ltd

What financial services are available to me?

We offer you the following services:

- Investment advice and dealing services in respect of:
 - securities and equities
 - managed funds including agribusiness investments
 - debentures, stocks and bonds
 - superannuation, including self-managed super funds and small APRA funds
 - risk management advice including life, permanent disability, income protection and trauma

Your adviser is also able to advise on gearing and direct equities investment.

In addition, we offer you an ongoing monitoring and review service for your investment portfolio and risk insurance program.

Where we provide personal advice to you it will only be provided after considering its suitability for your individual investment needs, objectives and financial circumstances disclosed in your Personal Risk Profile.

What commissions and fees will FFM receive? Commissions

Generally

We will receive commissions for recommending investments in various products. These commissions will vary from product to product. As an indication, commission can vary from 2% to 10%.

Agribusiness products

We will receive initial brokerage of 5.5% (including GST), but no ongoing commission. Typically, a \$100,000 investment will produce \$5,500 in commissions for FFM. Some agribusiness promoters pay an additional volume bonus or marketing fee of up to an additional 5%.

Risk management insurance cover

FFM is able to recommend a wide range of Insurance policies through various insurance companies.

FFM will receive an initial commission of 82.5% (including GST) of your initial premium which is paid by the life company. For example, an insurance policy with an initial annual premium of \$1,000 will result in a fee of \$850 being paid to FFM.

An ongoing commission of up to 24.75% (including GST) of your premium will also be paid to FFM.

Margin loans

FFM may be paid an ongoing commission of between 0.01% and 0.7% of the loan balance.

Fees

Statement of Advice

FFM will charge a fee based on the complexity of advice contained in the Statement of Advice. You will be advised of this fee before you decide if you want a Statement of Advice prepared for you. As a guide, a full Statement of Advice that has a high level of complexity may cost up to \$3,000.

Investments

Where you elect to accept a recommendation to invest, FFM will charge an implementation fee as a percentage of total funds invested. This fee is up to 4% plus GST. As an example, a \$100,000 investment will incur an implementation fee of \$4,400. This fee will be deducted from your investment money prior to it being invested.

FFM will also charge an ongoing annual fee of 1% (plus GST) of funds under management. This fee is taken out of your investment earnings.

How is my adviser paid?

All FFM advisers are paid a salary.

In addition to their salary, advisers may be entitled to a split of commissions earned by FFM depending on them meeting individual sales targets. Advisers do not directly receive any commissions or other remuneration based on specific product sales.

FFM advisers are also eligible to receive a bonus which is based on the company achieving profitability targets and the individual's performance appraisal.

When you receive our advice:

Your questions

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

Our answers

Yes. You have the right to know about details of commissions and other benefits your adviser receives for recommending investments. We will provide this information to you in the Statement of Advice when we make specific recommendations.

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

Yes, but to do so we need to know what they are before we recommend any investment to you. We will obtain a full Personal Profile from you or request an updated Profile before recommending any investment.

You have the right not to divulge this 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. Any advice provided to you will be of a general nature only and you will need to determine if a product is suitable to your needs, objectives and financial situation prior to electing to implement our recommendations.

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

We will explain any significant risks of investments and strategies which we recommend to you in the Statement of Advice. We will base a significant part of our recommendations on your attitude to Risk. This will be sourced from discussions with you as well as information contained within your Personal Profile.

How can we receive your instructions?

You may specify how you would like to give us instructions, for example, in person, by telephone, fax or in writing.

If you have any complaints:

Your questions

Our answers

What should I do if I have a complaint?

Your concerns can be expressed either verbally or in writing. If you have a concern about the financial service provided to you, you should take the following steps:

1. Contact your adviser to discuss your concerns.

FFM has an internal complaints procedure and will aim to resolve your complaint with 14 days.

2. If your complaint is not satisfactorily resolved within 14 days, please contact our Complaints Officer on 1800 26 36 46 or put your complaint in writing and send it to us at Locked Bag 1002, Broadway, NSW, 2007.

3. If the complaint cannot be resolved to your satisfaction you have the right to refer the matter to the Financial Ombudsman Service (FOS) of which we are a member.

Address: GPO Box 3, Melbourne VIC 3001.
Phone: 1300 78 08 08

What is the contact information for Flowers Financial Management?

Level 2, 19 Harris St,
Pymont, NSW, 2009

Mailing address:
Locked Bag 1002,
Broadway, NSW, 2007

Phone: 1800 26 36 46
Fax: (02) 8524 5701

What are the compensation arrangements that FFM has in place?

Flowers Financial Management is covered by Professional Indemnity (PI) Insurance with a suitably authorised insurance company. FFM's PI insurance satisfies ASIC's requirements for compensation arrangements.

The scope of FFM's PI Insurance includes coverage in respect to all Financial Managers of FFM.