

Financial Services Guide

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Tranzact Consulting Limited

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Important



Before we provide you with financial advice, you should read this Financial Services Guide (FSG) as it contains important information designed to help you decide whether to use our services. It contains information about:

- The initial and ongoing advice we provide;
- Our service offer and advice fees; and
- Who to contact should you have a complaint.

About Us



Your financial adviser is an authorised representative of Tranzact Consulting Limited, which is wholly owned by Tranzact Financial Services Limited. Tranzact Consulting Limited holds an Australian Financial Services Licence (AFS Licence) number 244560, for providing both personal and general advice and can offer a range of financial services that are listed on your adviser's FSG.

Our financial planning process

Everyone is different, with different circumstances, needs and goals. We treat every client as an individual, whilst following a defined financial planning process, to make sure you know what to expect from us.

The initial advice process covers our first appointment through to the implementation of your financial plan. We do this by:

(1) Identifying where you want to be

We help you identify your financial and lifestyle goals. This ensures we understand your needs and you can understand what to expect from us.

(2) Considering the opportunities and risks

We assess your current situation and investigate the options available for you to reach your goals.

(3) Bridging the gap

Based on discussions with you and research we conduct, we will devise a strategy to bridge the gap between where you are now and where you want to be.

(4) 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.

As time goes on 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.

(5) Staying on track with regular ongoing advice

We design an ongoing service programme to ensure your plan remains up to date as your life changes so you receive the benefits of reliable ongoing 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 Pat McIntosh

Your financial adviser, Pat McIntosh (ASIC number 253154), is an authorised representative of Tranzact Consulting Limited.

Education and Qualifications

BBus, Grad Dip Mngt, MBA, DFP

Experience

Pat joined Templetons in 2002 and is a specialist in providing investment advice for Self Managed Super Funds and people seeking active management of their investment portfolio. He also works with the recently separated or divorced who may be seeking advice for the first time concerning their insurances, super or other financial affairs. Prior to joining Templetons, Pat was a Brigadier in the Army and has been made a Member of the Order of Australia (AM) as well as being awarded the Conspicuous Service Cross (CSC) for leading the Australian contingent of the UN Peace Keeping Force in Rwanda. Given Pat's Defence Force background, he also provides advice to many ex-Defence Force personnel.

Advice we can provide

Pat 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 considerations
- Risk and insurance analysis
- Business succession planning
- Salary packaging considerations
- Gearing strategies

Products

- Cash management trusts
- Retirement income streams
- Direct fixed interest
- Direct investments
- 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

We offer a range of insurance, investment, superannuation and retirement strategies and products.

Tranzact Consulting Limited maintains an approved product list, containing financial products that have been researched by a number of external research houses. A copy of the approved product list can be supplied to you upon request.

Referral service(s) - Where we are unable to provide advice in a specific area, we will provide referrals to professionals who will be able to assist you. You do not have to consult any professional we refer you to. You may want to consult a professional you have an existing relationship with, or choose another.

The professional you choose to consult is responsible for the advice they provide to you. Where the other professional is an AFS Licensee or authorised representative of an AFS Licensee, the other professional will provide you with a separate FSG relating to those services, and details of any fee, commission or other benefit arising from the referral, or any business transacted as a result of the referral. Tranzact Consulting Limited is not responsible for any advice provided to you by any other professional we refer you to.

Limited Managed Discretionary Account (MDA) services

Tranzact Consulting Limited can offer limited types of Managed Discretionary Account services (Limited MDA services) where you allow your financial adviser to manage your investments for you, using our discretion and without obtaining your instructions before each transaction your adviser undertakes on your behalf. These services are limited to the Limited Power of Attorney and Authority to Operate facilities within the approved regulated platforms. However, these facilities do not authorise your adviser to open new accounts, withdraw funds, or contribute new funds to your investment.

Your adviser is not required to offer you this service and where the Limited MDA service is offered to you, you are not compelled to take up this offer.

Risks associated with using a Limited MDA service - By authorising your adviser to make changes to your investments without seeking your prior authority, you cannot claim your adviser was not acting on your behalf. Provided your adviser acts within that authorisation, your adviser's actions become binding on you. Therefore, it is important that you understand what your adviser is authorised to do and carefully read and understand the activities that you are authorising your adviser to perform on your behalf.

Giving your adviser instructions on how to exercise rights relating to the financial products in your portfolio - Generally, the financial products which your adviser invests in on your behalf do not have any additional rights or entitlements attached to them. However, if there are, your adviser will let you know and you can provide your adviser with instructions at the time as to how you wish for your adviser to proceed. You can instruct your adviser in writing, by facsimile transmission or by email.

Limited MDA Contract – As at 11 December 2004, to receive Limited MDA services you must first enter into a Limited MDA Contract. This contract will set out the terms and conditions of the authority and also the investment program, which sets out how your money will be invested.

Investment program - Your adviser will prepare the investment program for you based on your relevant personal circumstances, financial objectives and needs.

Investment program in the Limited MDA Contract complies with the law - Where this is relevant, the investment program set out in the Limited MDA Contract will comply with the law. The relevant law is Division 3 of Part 7.7 of the Corporations Act. The contract will also contain:

- Statements about the nature and scope of the discretions your adviser will be authorised and required to exercise under the Limited MDA Contract;
- Any investment strategy that is to be applied in exercising those discretions;
- Information about any significant risks associated with the Limited MDA Contract;
- The basis on which your adviser considers the Limited MDA Contract to be suitable for you; and
- Warnings that the Limited MDA Contract may not be suitable to you if you have provided us with limited or inaccurate information relating to your relevant personal circumstances, and specify that the Limited MDA service may cease to be suitable for you if your relevant personal circumstances change.

Reviewing the investment program - Your adviser is responsible for reviewing your investment program at least every 12 months.

Custodial or depository services for your portfolio - Your adviser does not provide custodial or depository services. Either you will hold the investments in the portfolio, or the custodian nominated for the approved regulated platforms.

No additional cost for the Limited MDA Contract or the Limited MDA service - There are no additional costs to you for the Limited MDA service. Please refer to the "Advice fees" section for an outline of the fees payable.

Note: Information relating to the Limited MDA services in this FSG complies with the ASIC Class Order 04/194.

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. 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 Pat directly with any queries or instructions relating to your financial products.

Advice fees



The fees charged for the advice services of Tranzact Consulting Limited may be based on a combination of:

- A set dollar amount that is agreed between you and your financial adviser; or
- A percentage based fee based on the amount you invest that is agreed between you and your financial adviser.

The advice fees of Tranzact Consulting Limited may include charges for the following advice services:

Initial advice - The initial advice fee covers the cost of researching and preparing your financial plan and is based on a set dollar amount.

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 you.

In addition, the initial advice fee will be disclosed in your SOA.

Advice implementation – The advice implementation fee covers the administrative time spent implementing the recommended strategies and products and is based on a set dollar amount.

The advice implementation fee will be disclosed in your Initial Advice Agreement and/or your SOA.

Ongoing advice – The ongoing advice fee covers the cost to review the strategies and the products recommended in your SOA. An ongoing review helps you take advantage of opportunities as they become available. The fee for the ongoing advice fee service is calculated as either a set dollar amount or a percentage of your investments.

Ongoing advice fees may increase each year in line with the Consumer Price Index (CPI) or by a fixed amount or fixed percentage each year. We will advise you if this fee will increase as a result of CPI.

Before providing you with ongoing advice, Tranzact Consulting Limited will prepare an Ongoing Advice Agreement. This agreement will set out what our ongoing advice will cover, how much it will cost and your payment method.

In addition, the ongoing advice fee will be disclosed in your SOA.

Additional advice – For all other advice, an additional advice fee may be charged based on a set dollar amount. Any additional advice fee will be disclosed in your SOA.

Please note that for services in relation to insurance, margin lending, and business/corporate superannuation, commissions may be paid as follows:

- Initial commission – deducted from your investment contributions or paid from insurance product providers, and
- Ongoing commission - a percentage of the value of your investment balance, outstanding loan amount or premiums, usually calculated at the end of each month in which you hold the investment or loan, or on renewal of insurance products.

Your advice fees will be calculated at the time Tranzact Consulting Limited provides you with personal advice. Your SOA will outline the advice fees and any commission inclusive of GST.

Payment Method & Frequency

We offer you the following payment terms:

- 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.

How the advice fees are distributed

Your financial adviser may receive payments/benefits either personally or through entities related to themselves from the fees/commissions received by Tranzact Consulting Limited which includes:

- A salary;
- A cash bonus depending upon performance criteria;
- Dividends based on the profitability of the business; and/or
- Bonus shares based upon meeting performance criteria.

The exact amounts payable to Tranzact Consulting Limited and your adviser will be disclosed in your SOA. If the amount is not calculable at the time the SOA is given, the way the amount is calculated will be disclosed in the SOA.

Other benefits Tranzact Consulting Limited may receive

Tranzact Consulting Limited assesses and rewards your financial adviser based on the quality of advice provided to clients, the continuing professional development of your adviser and the management, size and growth of your adviser's practice.

Your adviser may be entitled to receive the benefits outlined below at no extra cost to you:

- Your adviser may be invited to participate, sometimes with your adviser's partner, in domestic and international educational conferences and seminars arranged by Tranzact Consulting Limited. It is not possible to estimate a dollar value of these benefits at this time. Your adviser's attendance may be paid for in full or subsidised by Tranzact Consulting Limited, or it may be at your adviser's cost.
- Your adviser may receive minor unquantifiable benefits including business lunches, tickets to sporting and cultural events, corporate promotional merchandise, and other minor benefits from

Tranzact Consulting Limited or product providers whose products Tranzact Consulting Limited recommends. Given that such benefits are discretionary and relate to future events, it is not possible to provide an estimated dollar value.

Both Tranzact Consulting Limited and your adviser maintain a register to document benefits received. A copy of this register will be made available within seven days of a request.

Payments to other professionals

- We may pay a referral fee when clients are referred to us from other professionals, or receive a fee if we refer clients to other professionals. This will be disclosed in your financial plan if applicable.

About Tranzact Consulting Limited



Tranzact Consulting Limited ABN 78 058 305 525

Australian Financial Services License Number 244560

Level 5 241Castlereagh Street Sydney NSW 2000

Tranzact Consulting Limited is wholly owned by Tranzact Financial Services Limited, a public company listed on the Australian Stock Exchange (ASX Code: TFS) and is responsible for the financial product advice and conduct of your financial adviser. However, it is not responsible for any unauthorised services (to the full extent permitted by law).

Tranzact Consulting Limited has approved the distribution of this FSG.

Relationships and associates

Tranzact Consulting Limited or its associated entities may earn fees including commissions, referral fees, entry fees, ongoing management fees, exit fees or any other fees specified in the PDS or service agreement from your investment in their financial products.

As at the date of this FSG, Tranzact Consulting Limited, has an association/interest/shareholding in the following entities:

- Asset Custodian Nominees (Aust) Pty Ltd;
- Australia First Financial Services Pty Ltd;
- Grosvenor Financial Services Group Limited;
- Tranzact Investment Services Limited;
- Tranzact Financial Services Limited; and
- Total Super Pty Ltd.

Privacy

Tranzact Consulting Limited 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 Tranzact Consulting Limited for seven years. Please contact Tranzact Consulting Limited to review your file.

Tranzact Consulting Limited and Pat McIntosh implement a privacy policy, which ensures the privacy and security of your personal information. You can request a copy of the policy from Tranzact Consulting Limited.

Another financial adviser may be appointed to you if Pat leaves Tranzact Consulting Limited or is unable to attend to your needs due to an extended absence from the business. In these circumstances, Tranzact Consulting Limited will write to you advising you of the change. Your personal and financial product 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 personal and financial product information. They will be responsible for providing you with ongoing advice and all future advice fees will be paid to your new adviser.

Professional indemnity insurance

Professional indemnity insurance is maintained by Tranzact Consulting Limited to cover advice, actions and recommendations which have been authorised by Tranzact Consulting Limited and provided by Pat McIntosh. 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 Tranzact Consulting Limited on 02 9236 5600 or put your complaint in writing and send it to:

Tranzact Consulting Limited
Attention: Complaints Handling Officer
Level 5 241-243 Castlereagh Street
Sydney NSW 2000

Tranzact Consulting Limited 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 1800 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.