

Financial Services Guide

Adviser: Bedri Sainovski Dip FS (FP)

Head Office Address:

Financial Wisdom Limited (ABN 70 006 646 108)
Australian Financial Services Licence No. 231138

Level 16, 52 Martin Place,
Sydney, NSW 2000

Telephone: 02 9303 6516

Fax: 02 9303 6128

Version 1.8 - 01/07/2010

We are required by law to give you a **Financial Services Guide (FSG)**, which helps educate and protect you and promote honesty and fairness in financial products and services.



Financial Wisdom



Contents

1. Why have you been given a financial services guide?	1
This section explains why you have been given this guide and tells you about the other documents that will be given to you if you decide to receive advice from Financial Wisdom.	
2. Who will be providing you with financial services?	1
This section explains the roles and relationships between your Adviser, Financial Wisdom and the Commonwealth Bank Group.	
3. Who is your Adviser and how can they be contacted?	2
The background and contact details of the person who will be providing advice.	
4. What services and products can your Adviser provide?	2
This section covers:	
<ul style="list-style-type: none">■ The range of advice that your Adviser can offer you.■ How advice must be provided, and the limits of the advice that can be given to you.■ What needs to be done if you want to transact through your Adviser but do not want to receive advice.■ Security and privacy of your personal information.■ How you can expect your portfolio to be reviewed.	
5. What fees and commissions are paid to Financial Wisdom?	4
This section shows you the costs involved in obtaining advice. It explains where costs are paid from and who they are paid to.	
6. What does Financial Wisdom pay your Adviser?	5
Explains how your Adviser is paid.	
7. What should you do if you are not happy with the service?	6
The process you should follow if you are dissatisfied.	
8. Other services available from Financial Wisdom	6
A summary of all services available from Financial Wisdom. Some services may be beyond what your Adviser can offer.	

1. Why have you been given a financial services guide?

This guide will help you decide whether to use our services. Before you use our services we will explain:

- Who your Adviser is and how your Adviser can be contacted.
- What services and products Financial Wisdom authorises your Adviser to provide.
- How Financial Wisdom, your Adviser, and any other relevant parties are paid.
- Who to contact if you have a complaint about your Adviser or the services provided.

Other important documents that you will be given if you receive advice from us

Statement of Advice

You will receive a **Statement of Advice (SOA)** for any advice you receive that takes your personal objectives, financial situation or needs into account. This SOA is an important document as it sets out what your Adviser is recommending and why this advice is suitable and appropriate for you. There will be enough detail for you to make a decision about whether to act on the advice.

The SOA will contain:

- the advice;
- the basis on which it is given;

- information about replacement of existing financial products;
- detailed information about fees and commissions; and
- details of associations that Financial Wisdom and/or your Adviser have with financial product providers or other parties.

Product Disclosure Statement

If a particular financial product is recommended to you (other than listed shares) you will be provided with a **Product Disclosure Statement (PDS)**. A PDS will also be provided if you instruct your Adviser to transact on your behalf and place a financial product without providing personal advice. The PDS contains information about the particular financial product to help you make a decision about that product.

In this guide:

- 'you' means you, our client or our prospective client.
- 'I', 'us', 'we' and 'our' means your Adviser whose details are outlined in section 3.
- Financial Wisdom means Financial Wisdom Limited ABN 70 006 646 108, Australian Financial Services Licence No. 231138.
- Any references to "Commonwealth Bank Group product" relate to products issued by the Commonwealth Bank of Australia or its subsidiaries.

2. Who will be providing you with financial services?

By law anyone who advises you, or promotes financial products to you, has to have an **Australian Financial Services (AFS) licence** or be authorised by an AFS Licensee. Financial Wisdom is the holder of an AFS Licence (AFS Licence No. 231138) and is **responsible for the financial product advice given to you**. Your Adviser is an **authorised representative** of Financial Wisdom and provides services on Financial Wisdom's behalf. Financial Wisdom is also responsible for the content and distribution of this FSG.

Financial Wisdom is a Principal Member of the Financial Planning Association (FPA), the professional association for qualified financial planners in Australia, and is committed to the FPA's Code of Ethics and Rules of Professional Conduct.

Financial Wisdom's relationship with the Commonwealth Bank Group

Financial Wisdom is a wholly owned, but non-guaranteed subsidiary of the Commonwealth Bank of Australia, one of Australia's largest financial services organisations.

Financial Wisdom has associations with the following entities:

- Commonwealth Bank of Australia
- The Colonial Mutual Life Assurance Society Limited (CMLA) trading as CommInsure
- Colonial First State Investments Limited
- Commonwealth Securities Limited (CommSec)
- 452 Capital Pty Ltd
- Avanteos Investments Limited
- Acadian Asset Management (Australia) Limited
- Realindex Investments Pty Limited

3. Who is your Adviser and how can they be contacted?

The details of your **Financial Wisdom** authorised representative:

Name: **Bedri Sainovski** Dip FS (FP)
ASIC Adviser identification number: 263423
Address: 203 / 53 Spencer Street
(GPO Box 2269)
City: Melbourne
State and Postcode: Vic 3001
Telephone: 0411 456 751
Facsimile: 02 6257 4855
Email: bedri@thinkinsurance.com

Website: www.thinkinsurance.com

After stating out as a life insurance agent for Legal & General in 1992 I forged ahead to develop a fully diversified financial services business over the next 17 years which employed 15 people that I sold in early 2009 (based in Canberra), to establish Think Insurance in Melbourne.

My vast experience in the personal insurance and corporate superannuation arenas is what sets me apart from most.

Coupled with an incredible network of other professionals which I call in from time to time for mortgage / finance broking, general insurance, accounting and very importantly estate planning for both business clients as well as individuals (wills) is what will give your personal insurance portfolio its polish.

Adopting a very casual (no hard sell) but professional approach of doing business is just part of the service which you will enjoy.

Having served on many boards - business and sporting including ACT Chamber of Commerce & Industry and having established Young Business Network (YBN in Canberra) gives me a well rounded business acumen, which you will benefit greatly from.

4. What services and products can your Adviser provide?

Will you receive personal financial advice?

Yes, your Adviser is **qualified and authorised** to provide you with **personal financial advice** that is tailored to your needs, objectives and financial situation.

What information should you provide to receive personal financial advice?

In order to provide you with appropriate advice, your Adviser will ask you to provide information about:

- your personal circumstances;
- details of your current financial situation; and
- other relevant matters.

You have the right not to disclose all information but your Adviser may not be able to provide advice that is appropriate to your needs, objectives and financial situation without it.

You should read the warnings contained in any documentation carefully before making any decision relating to a financial product.

What is the extent of the advice that your Adviser can offer you?

Your Adviser is authorised to provide **personal financial advice** on the following:

Personal Financial Advice:

Investment and Retirement Planning
Personal and Employer Superannuation and Rollover
Personal Life Insurance
Portfolio review services

Product Types:

Managed Funds - (eg unit trusts)

Deposit Products - (eg term deposits, savings accounts)

Life Insurance - (eg income protection, trauma and life cover)

Superannuation - (eg rollovers, account based pensions and annuities)

Retirement Savings Accounts

How advice must be provided

Personal financial advice will be provided to you in writing (in an SOA) only after your Adviser has reviewed the information you provide to us and has carefully considered your financial goals.

What other information will I need from you?

If you decide to implement my advice, the law requires me to obtain additional information from you and to confirm the accuracy of that information. In particular, I will need to verify your full name, date of birth and residential address. In order to do so I will need to sight various identification documents such as a current Australian Driver's Licence or Australian Passport, and keep records of the identified documents. To minimise your inconvenience I will generally try to verify this information at the same time as I collect information about your financial needs and objectives. However, if you would prefer the verification not to occur until you decide to implement the advice please let me know. Please appreciate that the verified information will be made available to your product provider(s) and that they are unable to process your application without this verification.

The scope of products used to meet your needs

The advice provided can include recommendation of both Commonwealth Bank Group products and products offered by other companies. Any product recommended has been drawn from a list of products that has been examined and approved by our Product Review Committee. By considering both Commonwealth Bank Group products and investment and insurance products from other Fund Managers and Life Companies, we can prepare an SOA that more effectively meets your needs.

Limits on the advice that can be provided

When making recommendations to you, tax, social security and estate planning issues can be discussed but we are not authorised to give advice relating to these issues. If you want detailed advice you should consult a specialist in that area.

It is important to note that **your Adviser cannot provide advice** on the following:

- General Insurance
- Direct Share Investments
- Derivatives
- Foreign Exchange

Referral Service(s)

General Insurance

Through Financial Wisdom's associations with other professionals you can also access specialised General Insurance advice on a referral basis.

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. We may earn a fee, commission or other benefit from the professional we refer you to in relation to the referral itself or on the basis of the business they transact for you. Where the other professional is an AFS Licensee or 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. Financial Wisdom is not responsible for any advice provided to you by any other professional we refer you to.

Other services available from Financial Wisdom

Financial Wisdom is able to offer advice on a range of financial products that may be broader than your Adviser can offer you. A summary of all the services available from Financial Wisdom is provided in section 8.

Can you make a transaction without receiving personal financial advice?

Yes, we can take your instructions to transact on your behalf and place a financial product (that Financial Wisdom is able to offer) without providing personal financial advice.

How do you provide instructions to your Adviser?

Generally we need you to instruct your Adviser in person, as your signature will be required for verification. However, for some products and services it is possible for special arrangements to be put in place where instructions can be given to your Adviser by fax, phone or e-mail.

What personal information is maintained in your file and is it kept secure?

Your Adviser must keep a record of your personal profile. This has to include details of your personal needs, objectives and financial situation and a record of any advice given to you.

Financial Wisdom is committed to ensuring the privacy and security of your personal information. As part of our continuing commitment to client service and maintenance of client confidentiality we have adopted the principles set out in the Privacy Act. For further details please refer to the Commonwealth Bank Group's Privacy Policy at www.commbank.com.au. If you wish to examine your file please ask your Adviser.

Will your portfolio be reviewed?

We recommend that you review your financial situation every 12 months or whenever your personal or financial circumstances change. It is your responsibility to initiate the review process. If you would like a review, or you have any concerns, please contact your Adviser.

You will, of course, receive regular information from the product providers about the value and performance of your investments, as well as details of any insurance policy cover.

5. What fees and commissions are paid to Financial Wisdom?

What are the costs involved in obtaining advice and to whom are they paid?

A range of fees and commissions may be paid for the advice you receive and the financial products used. These fees and commissions **are paid to Financial Wisdom as the Licensee and are not paid directly to your Adviser**. How your Adviser is paid is set out in section 6, "What does Financial Wisdom pay your Adviser?" and will be fully detailed in your SOA.

The types of payments are outlined below. Before providing any financial advice your Adviser will discuss these options with you and help you select the payment method that suits you best.

In all cases, details of payment required for the services provided will be given to you at the time of any personal financial advice or when executing a transaction on your behalf. All fees detailed below are inclusive of GST (where applicable).

Commissions & Adviser Service Fee

i) Commissions

Under this method of payment, Financial Wisdom receives a commission directly from the product provider. This commission is based on a percentage of the funds you invest or the premiums you pay. Commissions are not paid directly by you, but are deducted from the investment or premium by the product provider.

These commissions fall into two general categories:

- **Initial Commission** - This is a one off commission paid at the start of an investment or insurance policy. The initial commission on an investment product, including superannuation, can be up to 5.5% (GST inclusive) of the investment amount. The initial commission on an insurance product can be up to 125% (GST inclusive) of the first year's premium.
- **Ongoing Commission** - This is paid every year in which the investment or insurance policy is maintained, as part of the product provider's ongoing charges. The ongoing commission on investment products, including superannuation, can be up to 1.1%pa (GST inclusive) of the investment amount. The ongoing commission on insurance products can be up to 38.5%pa (GST inclusive) of the renewal premium.

ii) Adviser Service Fee

The Adviser Service Fee is a fee agreed between you and your Adviser for their ongoing advice and service. It is paid to Financial Wisdom, and Financial Wisdom may pay part or all of the fee to your Adviser.

Some products offer the option to deduct the Adviser Service Fee from your funds on a periodic basis.

If this fee is to apply to you, it will be fully detailed in your SOA.

Other benefits that may be received

Financial Wisdom assesses and rewards its Advisers based on the quality of advice provided to clients, the continuing professional development of Advisers, and the management, size and growth of an Adviser's practice. Together these measures form a Practice Quality score ("PQ") which is compiled by Financial Wisdom.

Financial Wisdom Advisers may be entitled to receive the benefits outlined below. **These other benefits are not an additional cost to you.**

Short Term Incentive:

Financial Wisdom may receive payments from certain product providers on the Financial Wisdom Approved Product List. These payments are based on the level of investments by Financial Wisdom clients in those products. The payments form part of a pool maintained by Financial Wisdom. From this pool, the Financial Wisdom Adviser may qualify for a Short Term Incentive (STI) payment provided he/she obtains a minimum PQ and achieves minimum levels of advice quality, business revenue, and for productivity and business retention. **Any benefit the Adviser receives under the STI is not an additional cost to you.**

In addition:

- Financial Wisdom Advisers may be invited to participate, sometimes with their partners, in domestic and international educational conferences and seminars arranged by Financial Wisdom. It is not possible to estimate a dollar value of these benefits at this time. Their attendance may be paid for in full or subsidised by Financial Wisdom, or it may be at their own cost.

- Financial Wisdom Advisers may receive minor unquantifiable benefits including business lunches, tickets to sporting and cultural events, corporate promotional merchandise, and other minor benefits from Financial Wisdom or product providers whose products Financial Wisdom recommends. Given that such benefits are discretionary and relate to future events, it is not possible to provide an estimated dollar value. The details of any benefit received will be recorded in our register of alternative forms of remuneration, which is available for inspection by contacting Financial Wisdom.
- Financial Wisdom Advisers have access to a Business Valuation Package offered by Financial Wisdom, which is subject to certain conditions. The amount Financial Wisdom would pay for the Adviser's business depends on a range of factors including compliance history and financial performance.

Partners in Wisdom Program

Financial Wisdom may receive support from product providers to assist in conducting conferences, professional development programs, study tours and various other functions attended by Advisers. Financial Wisdom currently offers platinum, gold and silver packages where the product provider can contribute amounts of \$75,000, \$50,000 and \$20,000 respectively towards partnering Financial Wisdom in providing Adviser training and conferences. A list of current Partners in Wisdom is available on the Financial Wisdom website.

Are fees paid for referrals?

If you have been referred to us by someone else, or if we refer you to someone else, Financial Wisdom or the Adviser may pay them a fee or commission, or may receive a referral fee. The SOA will disclose these referral payments and the amounts paid.

6. What does Financial Wisdom pay your Adviser?

Once Financial Wisdom receives payment for a service, it will pay your Adviser a percentage of the commission, fee and bonus amount received by Financial Wisdom and retain the balance.

The exact amounts payable to Financial Wisdom 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.

Financial Wisdom and your Adviser maintain a public register of alternative forms of remuneration of \$300 or equivalent value received from product providers or fund managers whose products or platforms Financial Wisdom Advisers recommend. It also maintains a Conflicts of Interest register. Copies of these registers are available for inspection by contacting:

Financial Wisdom Limited
Level 16, 52 Martin Place
Sydney NSW 2000
Phone: 1800 024 864
Email: customerrelations@cba.com.au

7. What should you do if you are not happy with the service?

If you are not happy with the services provided or your Adviser, please:

- Contact your Adviser and discuss your complaint.
- If your complaint is not satisfactorily resolved within 3 days, please contact by telephone or in writing:

Customer Relations
Financial Wisdom Limited
Reply Paid 41
GPO Box 41
Sydney NSW 2001
Phone: 1800 805 605
Fax: 1800 028 542
Email: customerrelations@cba.com.au

We will aim to resolve your complaint quickly, fairly and within prescribed time frames.

If you are still not satisfied you have the right to refer the matter to Financial Ombudsman Service Limited (FOS), which Financial Wisdom is a member of. They can be contacted on 1300 780 808.

Financial Wisdom Limited's professional indemnity insurance arrangements satisfy the compensation arrangements required under section 912B of the Corporations Act and includes cover for claims against former representatives, whilst they acted for Financial Wisdom Limited.

8. Other services available from Financial Wisdom

The advice, services and products your Adviser can offer are described in section 4 of this guide. Some of the services Financial Wisdom can provide may be beyond those which your Adviser can provide. Below is a complete listing of all the types of advice and financial products Financial Wisdom offers:

Advice Financial Wisdom can offer:

Investment and Retirement Planning
Personal and Employer Superannuation and Rollover
Personal Life Insurance
Self-Managed Super Fund - investment and risk management strategies
Information on Centrelink and Veterans' Affairs benefits
Portfolio review services
Margin Lending
Mortgages

Product Types:

Securities - (eg shares and debentures)
Managed Funds - (eg unit trusts)
Deposit Products - (eg term deposits, savings accounts)
Government Debentures - (eg stocks and bonds)
Life Insurance - (eg income protection, trauma and life cover)
Superannuation - (eg rollovers, account based pensions and annuities)
Retirement Savings Accounts
Reverse Mortgages
Separately Managed Accounts
Agricultural Schemes

If you have any further questions about obtaining personal financial advice, or the financial products Financial Wisdom is able to offer you, please contact your Adviser. Your Adviser's details are listed in section 3.

Please retain this FSG for your reference and any future dealings with Financial Wisdom.