



financial services guide

ipac financial planning



financial confidence to live the life you want

This guide is designed to assist you when deciding whether to use our services. It tells you about:

- ~ who we are
- ~ the services we offer
- ~ how we and our associates are paid
- ~ any arrangements we have that might influence our advice, and
- ~ who to contact if you have a complaint.

As a new client, if you choose to obtain advice from an ipac adviser, you will receive a Statement of Advice that confirms the discussions held with your adviser, what we recommend, the basis for our advice and the risks associated with our advice. Your Statement of Advice will explain how our recommendations will work towards achieving your goals and will also contain information about any fees and our associations with financial product issuers.

As an existing client who has previously received a Statement of Advice, you may receive written confirmation of any further advice when we make recommendations in response to a significant change in your circumstances or the basis of our advice. Where we haven't provided the advice to you in writing, as the refinements to your existing advice did not represent a significant charge, please feel free to ask your adviser for a record of this advice should you require it.

When we recommend an investment or insurance policy, we will also give you a Product Disclosure Statement. This will tell you about the key features, risks, benefits and fees of the investment or policy we recommend.

ipac has advisers located in Sydney CBD, Chatswood, Newcastle, Melbourne, Brisbane, Singapore and Hong Kong. ipac has affiliated advisers in all major cities in Australia.

ipac securities limited

ABN 30 008 587 595

Australian Financial Services Licence No. 234656

Level 31, Grosvenor Place, 225 George Street

Sydney NSW 2000

telephone: 02 9373 7000

website: ipac.com.au

dated: 1 October 2009

introducing ipac

The financial services you will receive are provided by ipac securities limited (ipac) and we are responsible for the advice and services provided by your adviser. ipac holds Australian Financial Services Licence number 234656 and is a Principal Member of the Financial Planning Association.

ipac has provided financial advice for over 25 years. Over this time we have assisted over 15,000 clients and we are entrusted with \$13 billion in funds under our management. At ipac, our advice helps guide clients on a journey to achieve their lifestyle and financial goals. Your adviser will help you put plans into action and can provide ongoing advice to keep you on track as your needs and priorities change.

ipac is a wholly owned subsidiary of AXA Asia Pacific Holdings Limited ABN 78 069 123 011, which forms part of the AXA Group, a global wealth management and financial protection provider with offices in 60 countries. The following entities are also part of the AXA Group and as such are affiliated with ipac:

- ~ The National Mutual Life Association of Australasia Limited
- ~ National Mutual Funds Management Limited
- ~ NMMT Limited
- ~ N.M. Superannuation Pty Limited
- ~ AllianceBernstein Limited
- ~ AXA Rosenberg Investment Management Asia Pacific Limited
- ~ Charter Financial Planning
- ~ Monitor Money Corporation Pty Limited
- ~ ipac asset management limited
- ~ Tynan Mackenzie Pty Limited
- ~ Genesys Wealth Advisers

what services we offer

We can assist clients with professional advice in the following areas:

- ~ financial planning
- ~ wealth accumulation
- ~ superannuation
- ~ retirement
- ~ gearing
- ~ cashflow and debt management
- ~ wealth protection
- ~ redundancy
- ~ remuneration planning
- ~ estate planning considerations

We are licensed to implement our recommendations to you through the use of:

- ~ cash management trusts
- ~ managed investments
- ~ superannuation
- ~ self managed superannuation funds
- ~ retirement income streams
- ~ deposit taking facilities
- ~ portfolio administration services
- ~ listed securities
- ~ life insurance
- ~ margin loans

ipac advisers will only provide advice to you after considering your individual objectives, financial situation and needs.

To implement our advice, we will only recommend investments and policies on our Approved Product List. While there may be other products and services also suitable for you, we only advise and deal in products and services that have been researched and approved by ipac. A copy of these approved products and services can be obtained on request.

Your adviser will recommend ipac managed investments, superannuation funds, retirement income funds and administration platforms where they are appropriate. This is because ipac believes that applying research and specialist knowledge in selecting the correct mix of fund managers is important in delivering quality investments, while carefully managing risk. ipac asset management's specialists research, select and manage the combination of leading fund managers to deliver these outcomes for our clients.

Other financial solutions, including third party investments, self managed superannuation funds, margin loans, life insurance and listed securities will be recommended where your needs require it.

Your adviser will also explain the options available for you to obtain ongoing advice through our Private Client Service.

what are the fees and charges?

ipac and its associates are paid through a combination of fees for advice, payments for investment management, portfolio administration services, and payments for introductions to other suppliers of services you may choose to use. Our fees are either deducted from your investments or invoiced to you directly. Further information about these fees, including details of the actual amounts of any payments we receive, will be disclosed to you in detail. All the fee examples below assume your balance stays the same throughout the year. All figures are inclusive of GST.

fees for advice

- ~ An initial financial advice fee that is based on the time your adviser spends gathering information about your personal and financial needs, developing and researching the recommendations, preparing your Statement of Advice and implementing the recommendations. This fee will be based on the complexity of the advice provided.

examples

1. Assume you require advice on a specifically defined need to invest a lump sum into managed funds. This would be provided at a cost of approximately \$1,100.
 2. Assume you require advice on a comprehensive range of issues, such as superannuation, income streams, Centrelink benefits and tax implications. This would be provided at a cost of approximately \$3,300.
 3. Assume you require advice on a comprehensive range of issues with additional complexity such as multiple entities (eg companies and trusts) or a self managed superannuation fund. This would be provided at a cost of approximately \$7,700.
- ~ A Private Client Service fee, for those clients who choose to receive ongoing advice. This fee will generally be a maximum of 1.50% per annum of the end-of-month balance of your ipac portfolio. A minimum fee (indexed to inflation each year) may apply where the amount you invest is less than \$200,000.

examples

1. Assume you invest \$400,000. Your Private Client Service fee would be a maximum of \$500 per month (\$400,000 x 1.50% per annum, then divided by 12).
2. Assume you invest \$150,000. Your Private Client Service fee would be approximately \$165 per month (minimum fee of \$1,980 per annum).

ipac can also receive:

- ~ A servicing adviser fee if we recommend a third party product that usually ranges up to 0.60% per annum of the amount invested.

example

Assume you invest \$400,000 in a third party product. If the provider pays a servicing adviser fee of 0.60%, ipac would receive up to \$2,400 per annum.

- ~ Commissions payable by life insurance companies when you purchase a life insurance product. Upfront commission may be up to 130% of the initial premium and ongoing commission may be up to 33% of the annual premium.

example

If the insurance premiums you pay total \$1,000 per annum, ipac would receive up to \$1,300 initially and up to \$330 each year that you hold the product.

payments for investment management and portfolio administration

- ~ For investment management:

When you invest in or purchase an ipac or AXA financial product, the product issuer may receive investment management fees ranging from 0.32% to 2.89% per annum, depending on the financial product.

- ~ For portfolio administration:

When you invest via an ipac or AXA platform, the product issuer may receive portfolio administration fees ranging from 0.50% to 1.46% per annum, depending on the platform.

example

Assume you invest \$400,000. Your investment management fee would be up to \$11,560 per annum and your portfolio administration fee would be up to \$5,840 per annum.

payments to organisations who introduce you to ipac

When another organisation introduces you to ipac and we pay them a fee, we will tell you who receives it and what amount we pay. This is not an additional cost to you. For introducing you to ipac, we may pay an organisation up to 50% of your initial financial advice fee and up to 25% of ongoing advice fees or commissions.

example

Assume you invest \$400,000 and have agreed an initial financial advice fee of \$3,300. The organisation that referred you to ipac would receive up to \$1,650 initially and up to \$125 per month ($\$400,000 \times 1.50\%$ per annum, then divided by 12, then multiplied by 25%).

payments for introducing you to other service providers

ipac has established a network of specialist service providers who we may introduce you to when your needs fall outside our range of expertise. If you choose to utilise these services ipac may receive a fee for introducing you to another provider. ipac may receive up to 20% of the initial amount, and up to 0.20% per annum of the ongoing amount, of any remuneration the specialist receives from you.

alternative remuneration

ipac has a policy of not accepting alternative forms of remuneration from product providers. However, we maintain a register for any alternative remuneration that may be paid, which records the names of the providers and the recipients. A copy of the register is available on request and will be provided to you within seven days of your request date.

how is my adviser paid?

Your adviser is a salaried employee of ipac who may also receive bonuses or rewards based on revenue derived by ipac through the provision of quality advice and maintenance of ongoing client relationships and your portfolio of financial products. Further information about your adviser's remuneration will be disclosed to you in detail.

when you get our advice

warnings about limited advice

To give advice that is personalised for your circumstances we need to find out your lifestyle objectives, your financial situation and your needs before we make any strategy, insurance or investment recommendations.

You have the right not to divulge this information to us, if you do not wish to do so. In that case, we will warn you about the possible consequences of us not having your full personal information and the impact on our recommendations. You should read these carefully before making any financial decisions relating to a financial strategy or product.

privacy

We maintain a record of your personal questionnaire which includes details of your investment objectives, financial situation and needs. We also maintain records about any recommendations we make to you.

Our privacy policy and strict confidentiality arrangements protect your personal information. Please ask us if you wish to obtain a copy of our privacy policy or you can view a copy on our website. Generally you may access any personal information that ipac holds about you, simply by contacting us.

It is important to note that in order to best meet your needs and provide you with financial services and advice, your adviser may need to disclose your personal information to other parties. Typically these parties may include fund managers, life companies, related entities and other licensees. Similarly your adviser may bring to your attention products and services or other information which may be relevant to your situation. You will be given the opportunity to choose whether you wish to receive such information.

ipac reserves the right to appoint another adviser to ensure your ongoing needs are met. In these circumstances ipac will write to you advising you of the change.

professional indemnity insurance

ipac maintains Professional Indemnity Insurance policies on behalf of your adviser. These policies cover advice, actions and recommendations which your adviser has been authorised by ipac to provide to you. These arrangements satisfy the requirements imposed by the Corporations Act 2001 and financial services regulations.

if you have any complaints

If you have a complaint about the service provided to you, please take the following steps:

1. Contact your adviser about your complaint.
2. If your complaint is not satisfactorily resolved within three business days, please contact the Regional Manager responsible for your local ipac office, or put your complaint in writing and send it to:

Planning Practices Manager
ipac securities limited
Locked Bag No. 15
Grosvenor Place NSW 1220
3. If you still do not get a satisfactory outcome, you have the right to contact the Financial Ombudsman Service (FOS). ipac is a member of this scheme. The FOS can be contacted by calling 1300 780 808, visiting their website at www.fos.org.au or by emailing them at info@fos.org.au.

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

if you have any questions

If you have any further questions about the financial services ipac provides, please ask your adviser or contact the Regional Manager in your closest office.

Sydney

Level 31 Grosvenor Place, 225 George Street
Sydney NSW 2000
telephone: 02 9373 7000 fax: 02 9373 7111

North Shore

Level 12, 815 Pacific Highway
Chatswood NSW 2067
telephone: 02 9410 9366 fax: 02 9413 1181

Newcastle

Level 3, 251 Wharf Road
Newcastle NSW 2300
telephone: 02 4927 5600 fax: 02 4927 5464

Melbourne

Level 5, 750 Collins Street
Melbourne VIC 3008
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