

Financial Planning Financial Services Guide



Effective 1 December 2011

Talk to us today.



ABOUT THIS FINANCIAL SERVICES GUIDE

This Financial Services Guide (**FSG**) is provided by Heritage Bank Limited (**Heritage or we/us/our**) as a requirement under the *Corporations Act 2001*.

The FSG is designed to assist you in deciding whether to use any of the financial services offered in this FSG. This FSG relates to financial services provided by our financial planning business.

It provides information that covers:

- Who we are;
- How we can be contacted;
- What services we are authorised to provide to you;
- How we (and any other relevant parties) are paid;
- Details of any potential conflicts of interest;
- Details of our Privacy Policy; and
- Details of our internal and external dispute resolution procedures and how you can access them.

This FSG is dated 1 December 2011.

ABOUT HERITAGE

Our name and contact details

Heritage Bank Limited

ABN 32 087 652 024 AFSL 240984, Australian Credit Licence 240984

400 Ruthven Street / PO Box 190

Toowoomba Qld 4350

Phone: 13 14 22

Fax: 07 4694 9780

Email: info@heritage.com.au

Internet: www.heritage.com.au

Services and Products

Heritage holds an Australian Financial Services Licence authorising us to arrange for the issue of, and provide financial product advice about, the following types of financial products to retail and wholesale clients:

- deposit and payment products;
- general insurance products;
- life insurance products - investment life insurance and life risk insurance;
- government debentures, stocks or bonds;
- managed investment schemes including investor directed portfolio services;
- superannuation and retirement savings accounts;

- securities; and
- standard margin lending facilities.

Our financial planning services are provided by employees of Heritage (our Financial Planners) who are authorised to provide financial services under our Australian Financial Services Licence.

Our Financial Planners can provide personal and general advice on the products and services we are authorised to provide under our AFSL and can assist you with:

- savings and wealth creation strategies;
- Centrelink;
- superannuation, redundancy and rollover strategies;
- income streams;
- risk analysis in life, total & permanent disability, trauma and income protection;
- retirement planning;
- tax effective strategies; and
- portfolio review.

Your Financial Planner can recommend products related to these services from an extensive approved products list, compiled from external & internal research. Products not on the approved list require special approval from Heritage.

Your Financial Planner cannot provide advice on taxation or direct property investments, estate planning strategies or general insurance. We can refer you to specialist professionals in these areas, however you are not obliged to use them and may continue to use your existing specialist or any other specialist you choose. They will be responsible for the advice they provide.

Who we act for

Heritage provides the financial services described in this FSG as licensee under its own Australian Financial Services Licence.

When we provide financial services relating to financial products issued by Heritage, we act on our own behalf.

When providing the arranging services, Heritage may act on behalf of other product issuers, including issuers of life insurance products, general insurance products, managed investment products, superannuation products, margin lending facilities and securities.

DOCUMENTS YOU MAY RECEIVE

Statement of Advice

You may receive a Statement of Advice (SoA) when we provide you with a financial service, which takes into account your objectives, financial situation and needs. To make sure that our advice is appropriate to you, we need to know about your current financial situation and future needs. You

should read the warnings contained in the SoA carefully before making any decision relating to a financial product/s.

The SoA will contain:

- Our advice to you;
- The basis on which it is given;
- Information about fees and commissions;
- Any associations we have with financial product issuers or other parties that may be seen to have influenced the advice we give you; and
- Information on review services including where you may require further advice and an SoA will not be issued.

Where you require further advice and there are no significant changes to your circumstances, your Financial Planner is required to keep a Record of Advice (RoA). A copy of the RoA is available on request. Where you require further advice and your circumstances have significantly changed, you will receive a new SoA.

Product Disclosure Statement

We may be required to give you a Product Disclosure Statement (PDS) when we offer or arrange for the issue of a financial product or when we give personal advice recommending a financial product to you.

A PDS:

- is designed to assist you to decide whether to acquire the financial product; and
- is required to contain information about the features, terms, conditions, benefits, costs and risks for the financial product; and
- is issued by the issuer of the financial product

GIVING US INSTRUCTIONS

You may tell us how you would like to give us instructions, for example by telephone, fax or other means such as e-mail. It may still be necessary for some instructions to be confirmed in writing.

INFORMATION YOU SHOULD PROVIDE

You need to provide us with details of your personal objectives, your current financial situation and any other relevant information, so that we can tailor appropriate advice for you. You have the right not to provide us with your personal information; however, if you do not provide your personal information to us then the advice you receive may not be appropriate to your needs, objectives and financial situation. You should read the warnings contained in the SoA carefully before making any decision relating to a financial product.

WHAT ABOUT RISK

We will explain to you any significant risks of the financial products and strategies which we recommend to you, both verbally and in the SoA.

ASSOCIATIONS AND RELATIONSHIPS

Heritage provides advice on, and arranges the issue of, products from a range of external providers including product issuers, platform providers and fund managers.

Where we receive financial and/or non-financial assistance with our educational and marketing program from any platform provider or fund manager, their assistance is accepted on the express condition that no preference whatsoever will be given to the investments managed by any of the organisations concerned.

- Where we receive incentives or benefits from any platform provider or fund manager that relates to volume of placements within their products, it is accepted on the express condition that no preference will be given to the products issued or managed by any of the organisations concerned and it will be disclosed to you in your SoA.

FEES

Fees Heritage receives

Heritage may charge fees for any of the financial services we provide. Our fees are set out in this FSG. We will give you an SoA containing full details of our fees and any payments made to us by financial product issuers.

We charge a Statement of Advice Fee for the preparation of your SoA. Generally, this will be payable by you at the initial consultation, should you wish to proceed. You will be provided with an invoice/receipt at this time.

Should you wish to proceed with our advice an Advice/Implementation Fee will be charged. This fee is payable upon implementation of the recommended strategy and will generally be collected through the platform provider.

As we may be involved in the ongoing review of your financial affairs we also charge an ongoing Adviser Service Fee.

Alternative Remuneration

Alternative remuneration covers non-cash benefits such as entertainment, conferences, sponsorships, computer hardware/software and other gifts. Heritage is required to maintain a register outlining benefits paid or received by us as an Australian Financial Services Licensee or by our Authorised Representatives. This register is available for inspection on request and we undertake to provide this information within 7 days of the request being received.

HOW ARE ANY COMMISSIONS, FEES OR OTHER BENEFITS CALCULATED FOR PROVIDING THE FINANCIAL SERVICES?

Financial Planner

Your Financial Planner does not receive any commissions or fees. They are paid a salary by Heritage, as employees of Heritage. As such they may be entitled to participate in an incentive scheme provided by Heritage as follows:

- Financial Planners may earn a financial incentive as a result of exceeding Heritage investment and superannuation funds under management targets and meeting the qualifying criteria.
- Payment of any incentives earned by the Financial Planner will be subject to satisfactory adherence to regulatory and company compliance requirements.
- Bonuses are paid by Heritage and are not an added cost to you.

Heritage

We do receive ongoing commissions in relation to products used in our recommendations. Generally the payment we receive will be based on a percentage of the amount you invest. It may vary from one financial product issuer to another. We do in some cases receive upfront implementation or advice fees. If you receive personal advice from us, we will tell you in writing about any commissions, fees and any other benefits, where possible in actual dollar amounts, in the SoA. We will give you this SoA, before we proceed to act on your instructions.

Statement of Advice

Your Financial Planner will charge you a Statement of Advice fee for preparing an SoA. The actual amount of this fee will depend on the complexity of your SoA, the value of your investments and the scope of the advice you are seeking. This fee will be agreed with you before we prepare the SoA. The SoA will explain how any fees are calculated, deducted and paid. Details of all fees are set out in this FSG.

WILL ANYONE BE PAID FOR REFERRING YOU TO US?

Heritage may pay a referral fee or commission to a referring party, however if a fee is to be paid, we will tell you in the SoA who will receive the fee and the amount they will receive.

WHAT COMPENSATION ARRANGEMENTS DO WE HAVE IN PLACE WITH REGARD TO THE FINANCIAL SERVICES PROVIDED?

Heritage has professional indemnity insurance cover and other internal arrangements in place in respect of financial services provided to our retail clients. These arrangements comply with the requirements of Section 912B of the Corporations Act 2001.

YOUR PRIVACY

Heritage maintains a record of your personal profile including details of your objectives, financial situation and needs. We also maintain records of any recommendations made to you. We are committed to implementing and promoting a Privacy Policy, which will ensure the privacy and security of your personal information. A copy of the Privacy Policy can be requested by writing to us. A copy will be provided to you at no cost. If you wish to examine your file please ask us. We will make arrangements for you to do so.

RESOLVING COMPLAINTS

Heritage is committed to considering complaints and resolving them as quickly and equitably as possible. If you have any complaints about the service provided to you, you should take the following steps.

1. Contact your Financial Planner to discuss your complaint.
2. If your complaint is not satisfactorily resolved by your Financial Planner within 3 business days, please contact our Member Relationship Unit on 13 14 22 or put your complaint in writing and send it to us:
 - by post at PO Box 190, Toowoomba, QLD 4350; or
 - by fax to 07 4694 9780; or
 - by e-mail to feedback@heritage.com.au.

Our dispute resolution procedure requires that we seek to resolve your complaint within 21 days or up to 45 days for more complex matters, although it is not always possible to resolve a complaint within these time frames. You are entitled to refer your matter to the Financial Ombudsman Service (FOS) at any time. You just need to advise us and we will facilitate the referral free of charge.

FEES

Statement of Advice Strategic Advice/Investment Advice	Minimum Fee of \$500 (incl GST). Fees above the minimum will be based on the complexity of the advice and will be discussed with you prior to proceeding.
Product Service Advice / Implementation Fee	An Advice / Implementation Fee is charged on a sliding scale based on the balance invested and the complexity of advice. This will be up to a maximum of 5.50% (incl GST) of funds invested. We will confirm in the SoA the details of the actual amount.
Exit and Withdrawal	Detailed in SoA if applicable and will be discussed with you.
Switching	Generally Nil, however, depending on the product chosen, a fee may apply when a certain number of switches per year are exceeded.
Product Management Management Costs and Administration Fees	These are the fees and costs of managing and administering your investments. These amounts vary and are dependent on the fund manager chosen, the amount you invest and the type of assets in which the fund invests. The dollar amount of these fees will be explained in your SoA.
Ongoing Adviser Service Fee	An Ongoing Adviser Service fee may be charged on a sliding scale based on the balance invested and the complexity of advice. Up to a maximum of 1.10% (incl GST) of the amount invested, depending on the product used. This varies from product to product and will be fully disclosed in your SoA. This is in addition to the Management Costs and Administration Fees.
Other Referral Fees paid by Heritage	If a Referral Fee is to be paid, we will tell you in the SoA who will receive the fee and the amount they will receive. We may alternatively provide the person who referred you with a gift instead valued at approximately \$50.00.
Referral Fees received by Heritage	Where Heritage refers you to an external provider for advice, we may receive a referral fee. Such fee to be disclosed in your SoA. Please note this fee does not form an additional charge to you and external service providers are responsible for any advice they provide you.

People first.

Talk to us today.

Speak with your local branch direct or call 13 14 22.

www.heritage.com.au

This environmentally responsible brochure is printed using vegetable based inks on a paper that is produced using only sustainable resources under the guide of Responsible Forestry Practices. This paper is endorsed by the Forest Stewardship Council, is elemental chlorine free, and is manufactured under Environmental Management System ISO 14001.

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