

PAGE LEFT BLANK INTENTIONALLY



the Pentad Group

Lifestyle through strategic financial management

THE PENTAD GROUP PTY LTD  
ABN 92 081 115 166  
8 Prospect Hill Road Camberwell  
Victoria 3124 (PO BOX 1134)

VERSION 1.0

1ST MARCH 2004

# Financial SERVICES GUIDE

The Pentad Group Pty Ltd ("Pentad") is a boutique financial planning practice. Our mission is to help our clients achieve "lifestyle through strategic financial management".

To accomplish this, Pentad offers a defined process of identifying client needs and developing tailored strategies and investment recommendations. We also recognise that our clients' circumstances and needs change over time, as will rules, regulations, economic and investment market conditions.

Our Financial Services Guide ("FSG") is intended to inform you of certain basic matters relating to our relationship, before we provide you with a financial service. Our FSG should assist you in determining whether or not to use any of our services. The matters covered by the FSG include the following :

- **Part One : Before you get our advice**
  - who we are and how we can be contacted.
  - what products and services we are authorised to provide to you.
- **Part Two : When you get our advice**
  - general information about our advice.
- **Part Three : If you have any complaints**
  - details of how to access our internal and external dispute resolution procedures.
- **Part Four : How you pay for our services**
  - what fees you will incur and how we are remunerated for our advice and services.
  - details of any potential conflicts of interest.
- an Adviser Profile. This document will provide you with a further introduction to your adviser, and must be read in conjunction with the FSG.
- a Privacy Statement.

You are entitled to receive a Statement of Advice ("SOA") whenever we provide you with recommendations. Your SOA will explain the basis on which our advice is given, and will provide you with detailed information regarding fees, commissions and any associations which may have influenced us in providing the advice.

When our advice includes a recommendation for you to acquire a particular financial product (other than securities), we will provide you with a Product Disclosure Statement issued by the product supplier. This will assist you to make an informed decision prior to acquiring the product.

# BEFORE YOU GET OUR ADVICE

## Who are we and how can we be contacted?

### Who will be responsible for providing the financial service to me?

The Pentad Group Pty Ltd is the company licensed to operate our financial planning business. The company's ABN is 92 081 115 166, and we operate from one office, located at 8 Prospect Hill Road, Camberwell (tel: 03 9813 0133).

Pentad is the holder of an Australian Financial Services Licence (number 247103) and is responsible for the distribution of this FSG. Pentad allows its Authorised Representatives to provide advice on a wide range of financial products.

All of the advisers employed by Pentad are highly trained and experienced. The size of the business allows each adviser to develop specialist skills in areas of strategy advice. This means that Pentad is able to provide personalised advice, where one adviser can call on the knowledge and experience of another. At times, assistance will be required from outside specialists (for instance, with complex tax structures or estate planning). Pentad has identified a number of organisations suitable for this purpose. Pentad's advisers are backed-up by a dedicated support team. We are all located in the one office, which helps to achieve our commitment to personal service, and a friendly and caring environment for both employees and clients alike.

### Who do our Authorised Representatives act for when they provide financial services to me?

Pentad is the entity ultimately responsible for providing the financial service. Pentad has chosen to appoint a number of its staff as Authorised Representatives. Only these representatives may provide advice. In legal terms each of the Authorised Representatives is a "providing entity", and Pentad determines the areas that they are permitted to provide advice on.

Your Authorised Representative is acting for Pentad when providing financial advice.

No staff member (apart from an Authorised Representative) is permitted to provide advice. Our support team may only provide factual information and assistance on matters such as the completion of paperwork.

Pentad is a principal member of the Financial Planning Association of Australia, and has adopted the Association's Code of Ethics and Rules of Professional Conduct.

### What kinds of financial services are you authorised to provide me with, and what kinds of products do those services relate to?

Pentad provides personal financial planning advice, to ensure that all strategies are directly related to achieving the lifestyle objectives of individual clients. We consider a wide range of personalised strategies, and our objective is to provide our clients with an understanding of the potential choices available, and to ultimately promote peace of mind.

Pentad provides its Authorised Representatives with the authority to offer the following range of services:

- Retirement and pre-retirement advice, assisting you to clearly identify and prioritise realistic objectives, then helping you to identify appropriate strategies.
- Superannuation advice, providing you with a better understanding of the variety of components and rules relating to this complex, but valuable retirement vehicle. We seek to provide a wide range of strategies and opportunities from those available.
- Estate planning advice, to ensure that your assets can be professionally managed and effectively distributed according to your wishes.
- Personal risk advice, to protect you and your family from financial hardship in the event of unforeseen disability or death.
- A self-managed superannuation fund establishment and administration service, assisting clients with the extensive compliance and reporting obligations required. The service provides document preparation and filing, quarterly and annual tax reporting, annual accounts preparation and coordination of services from external parties such as auditors and actuaries. We act as the mailing house for many of the funds, and our dedicated team provides this service using specialist administration software and training.



## BEFORE YOU GET OUR ADVICE (cont.)

- Investment advice, using comprehensive research and analysis to develop asset allocation guidelines. Asset allocation controls the weighting of different types of investments (for example fixed interest, property and shares) in a portfolio. Our managed fund product recommendations are selected from a list of both recognised and emerging boutique fund managers, and our recommendations must meet with our stringent "best of breed" criteria. We also provide advice on many shares listed on the Australian Stock Exchange.
- Financial risk tolerance profiling, an important part of our planning which employs highly developed profiling systems. Our objective is your comfort that our specific recommendations have taken into account your personal risk tolerance in conjunction with your personal goals and objectives.
- Tax-effective strategies, to enhance your wealth accumulation. This can be combined effectively with personal debt management strategies.
- Derivatives advice, using options and warrants to complement your other investment strategies. These products can provide additional protection against volatility, and can alternatively be used to potentially enhance investment returns. Derivatives are however highly specialised and are not suitable for most clients.
- Strategy and portfolio review and reporting service, which can be obtained by entering into a formal Client Services Agreement, which includes regular meetings where we can identify any changes to your personal and financial situation, and consider them with relation to changing legislation and investment market conditions.

Pentad uses a wide variety of research, technical, and professional training providers. As we are not obligated to use any specific company for these services, we regularly evaluate the providers to ensure that your financial adviser is constantly backed by both established and emerging industry leaders.

Our internal investment committee produces an extensive approved product list, and regularly evaluates new opportunities. The recommendations provided by our advisers are normally limited to the

approved product list, to ensure ongoing quality with our investment strategies.

Our advisers receive an extensive compliance evaluation from an external dealer services group.

Pentad advisers provide two types of advice on products; personal and general.

Pentad advisers provide personal advice on the following types of financial products :

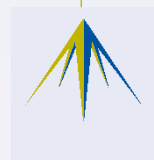
- Securities (including Initial Public Offerings, Options and Warrants)
- Managed Investment Schemes (including Absolute Return Funds, Private Equity and Agribusiness)
- Superannuation (including Allocated Pensions)
- Government Debentures, Stocks or Bonds
- Deposit and Payment Products - Basic and Non-Basic Deposit (including Annuities)
- Retirement Savings Account Products
- Investment Life Insurance Products
- Life Risk Insurance Products

Before presenting you with personal advice, we need you to provide us with detailed information on your current financial situation. In addition, we will discuss your lifestyle and financial goals, and assist you to identify and prioritise your financial needs.

We also provide general advice on the following types of specialised financial products :

- Taxation Implications of Strategies and Products
- Home Mortgage and Leasing Services
- Estate Planning Agreements
- Listed International Securities

For all general advice, after assessing your needs, we can refer you to a specialist product provider. They provide you with relevant disclosures, and may also complete a separate needs analysis.



## WHEN YOU GET OUR ADVICE

### **Do I get detailed information about commissions and other benefits my adviser receives?**

Yes. When your adviser provides you with recommendations in a Statement of Advice (SOA), they will also provide an explanation and full written disclosure of their fees and commissions relating to those recommendations.

### **Will you give me advice that is suitable to my needs and financial circumstances?**

Yes. But to do so we need to find out your personal objectives, financial situation and needs before we recommend any financial products or services to you. You have the right not to divulge this information to us, however if you do not, we are required to warn you about the possible consequences of us not having received your full personal information. Prior to accepting any advice, you should read the warnings carefully.

### **What should I know about any risks of the financial products or strategies you recommend to me?**

When we recommend financial products and strategies to you, we will explain the significant risks. If we do not adequately do so, you should ask us to further explain those risks to you.

Please be aware that potential risks, or consequences, can be positive and/or negative. This will depend on the individual products and strategy recommended. Some negative risks can be reduced, however factors such as political change and terrorism may unexpectedly impact your strategy.

We normally provide historical product performance with recommendations. Although this is no guarantee of future returns, it provides an overview of the past success of particular products.

### **What information do you maintain in my file and can I examine my file?**

We maintain a record of your data collection which includes details of your personal objectives, financial situation and needs. We also maintain records of any recommendations made to you, and records of our

conversations and meetings. We are committed to enacting a privacy policy to ensure the security of your personal information.

If you, or your other professional advisers wish to examine your file, you should ask us personally, and we will make arrangements for you to do so.

### **Can I provide you with instructions and tell you how I wish to buy or sell my financial products?**

When a SOA has been prepared, we will generally include a formal Authority to Proceed. This authority must be signed by you and your adviser, and details the specific recommendations to be implemented.

Alternatively, you may provide us with instructions. For example by telephone, fax, email or by signing investment paperwork. Please note that if we provide an 'execution only' service over the telephone, you may request a copy of our conversation and your instruction.

### **If you require any further information about Pentad or this FSG**

Please contact your adviser if you require more detailed information, or have any questions regarding our services, fees, or types of recommendations we can provide to you.

Pentad is committed to building an enduring relationship with our clients based on integrity, service and reliability. We look forward to establishing just such a relationship with you.



## IF YOU HAVE ANY COMPLAINTS

### Who can I complain to if I am dissatisfied with the financial services provided to me ?

We are members of the Financial Industry Complaints Service ("FICS"). If you have any complaint about the service provided to you, you should take the following steps.

1. Contact your adviser and tell them about your complaint.
2. If your complaint is not satisfactorily resolved, please contact Lance Livermore, Director, The Pentad Group Pty Ltd on tel: 03 9813 0133, or put your complaint in writing by mail to Lance at PO Box 1134, Camberwell, Victoria, 3124.

We will then try and resolve your complaint quickly and fairly.

3. If your complaint cannot be resolved to your satisfaction, you have the right to consult the FICS. They can be contacted on tel: 1300 780 808. This service is provided to you free of charge.

If your concerns involve ethical conduct you may wish to consider raising your concerns in writing with the Financial Planning Association of Australia Limited (FPA). They can be contacted at PO Box 109, Collins Street West, Melbourne Vic 8007.

The Australian Securities and Investments Commission (ASIC) also has a freecall Infoline on tel: 1300 300 630 which you may use to make a complaint and obtain information about your rights. Alternatively, you can detail your complaint in an email to [infoline@asic.gov.au](mailto:infoline@asic.gov.au).

