



financial services guide

Australian Financial Services Licensee No 244 521
ACN 010 700 928

Suite 3, 94 Main St Alstonville NSW 2477
PO Box 907 Alstonville NSW 2477

Phone: (02) 6628 8355
Fax: (02) 6628 8377
Email: phil@saracensfc.com.au

Purpose of the Financial Service Guide

Before providing financial services or advice we must provide you with a Financial Service Guide. You should retain this document for future reference.

This guide contains important information:

- Who we are and the services we can offer
- The process we follow in providing these services
- How we are paid for the services and advice we provide
- Any potential conflict of interest
- Our Privacy Policy
- Our Complaints Resolution Procedure.

Saracens Financial Consultants

Saracens was established in 1987 - originally as Stonehedge Financial Planning Pty Ltd. It is a 100% privately owned and operated financial planning organisation.

We provide a wide range of services to our clients and believe clients should have the freedom to choose products and providers based on merit rather than affiliation. We believe financial advice should be affordable and reliable and we aim to gain the best 'deal' for our clients. We are an Australian Financial Services Licensee (AFSL) under the Corporations Act 2001 and provide advice to retail and wholesale clients.

As Saracens is an Australian Financial Services licensee and privately owned, our obligations are to ASIC and our clients and not to a bank, Life Insurance Office or other product providers. Any products selected are the result of a considered strategy being implemented for your financial wellbeing. That is to say products are chosen following the development of a sound strategy rather than the products driving the advice.

Not Independent – As Defined by the Corporations Act

The Corporations Act states that if a licensee or a Representative receives commissions from a product issuer it cannot claim to be independent, impartial or unbiased. As Saracens Pty Ltd and its Representatives may receive commissions from life insurance companies, none of the financial services businesses can be deemed independent, impartial or unbiased.

Saracens Advisers

Philip Zappala

Authorised Representative of Saracens Financial Consultants

Philip is a Certified Financial Planner and has been providing financial planning advice to clients since 1994. He holds the following qualifications and professional memberships:

- Bachelor of Commerce (UQ)
- Certified Practicing Accountant
- Diploma Course of SIA
- Certified Financial Planner
- Member of the FAAA.

Philip is a Certified Financial Planner and has completed a Bachelors degree in Commerce and a CPA. His knowledge and understanding of the technical and legislative aspects of financial services brings a superior level of service to our clients. Philip is committed to providing a high quality of financial planning advice and believes the best outcomes are achieved when clients are equipped to make educated financial decisions based on an objective analysis of their situation.

Areas of Advice

Advisers are authorised to advise and deal in the following areas:

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|--------------------------------------|---|
| ▪ Financial Planning (General) | ▪ Estate Planning |
| ▪ Debt Planning and Management | ▪ Life Products |
| ▪ Budgeting and Cash Flow Management | ▪ Salary Packaging |
| ▪ Retirement Planning | ▪ Share Purchases and Sales |
| ▪ Managed Investments | ▪ Cash & Other Term Deposits |
| ▪ Superannuation Advice | • Establish & Administer Self-Managed Super Fund (SMSF) |
| ▪ Social Security Advice | |

Saracens does not provide legal or accounting services. Where requested we can refer you to an accountant or solicitor for these services. Similarly, we are not real estate agents and do not provide transaction or valuation services relating to individual properties.

Advice Process

Initial Interview

The purpose of the first meeting is to ascertain your goals and objectives, and determine your current financial situation. When we give you financial advice, to make sure that the advice is appropriate to you, we must make reasonable enquiries about your current financial situation and future needs. This information forms the basis of the advice and therefore must be as complete and as accurate as possible.

We ask that you bring information relevant to your financial situation to this meeting - for example, investment holdings; superannuation statements; loan details; pay slips.

There is a charge of \$165 for the initial interview.

Terms of Engagement

Following the initial interview we will prepare a document outlining the work we believe is required to address your personal circumstances and determine the cost to carry out this work, that is, a Terms of Engagement.

If you agree to the Terms of Engagement and the proposed fee for the resultant Statement of Advice, you will be asked to sign an authorisation to commence the work.

Statement of Advice

A Statement of Advice is simply a financial plan and is written and detailed record of the advice provided by Saracens.

The Statement of Advice will contain the advice, the basis for the advice, and information about fees and commissions (including any applicable rebates), and details of any potential conflicts of interest. The purpose of the Statement of Advice is to allow you to make an informed decision about the recommended changes, if any, to your personal financial circumstances.

A meeting will be held to present the advice and answer any immediate questions you may have. Following this meeting, we suggest you take the Statement of Advice for a thorough reading prior to making any decision on whether to proceed to implementation.

Implementation

If you elect to proceed with our advice you move to the implementation stage. This may involve the placement of investments, the establishment of a Self Managed Super Fund, the application of insurance, etc. Any cost for implementation is outlined in the Statement of Advice.

Ongoing Reviews

Once the initial advice has been implemented we will determine a review schedule. At reviews we will assess whether the goals established in the Statement of Advice are being met, consider any changes to your circumstances and your investment performance. We will also take into account changes in the economic climate and/or legislative changes which may impact your situation.

Ongoing Advice is charged on a retainer basis which is calculated according to the number of meetings required per annum to ensure your position is suitably appraised. You are also free to call us at any time if you have queries relating to a specific investment, for example, share purchase; or a particular strategy, for example, salary sacrificing levels.

Product Disclosure Statements

Should you proceed with the placement of certain financial products you will receive a Product Disclosure Statement (product brochure) explaining exactly how that product operates. You should read and retain these documents.

You should not act on our advice until you have received these documents, and read and understood them. We are pleased to assist you in this process. Saracens Financial Consultants is responsible for the advice provided by its Authorised Representatives and acts on your behalf.

Brokerage Services

Saracens provides a number of services where brokerage is payable. These services include direct share purchase and sales, direct Bond and deposits purchase and sales, Managed Fund purchases and sales and Initial Public Offerings (IPO).

The maximum brokerage payable is the greater of 0.66% or \$110, whichever is greater, of the dollar amount of securities purchased or sold. In the instance of Term Deposits and Bonds we usually waive this fee depending if you are a retained ongoing advice payment system and the time required to provide the product to you. At all times Saracens will disclose the brokerage payable (either verbally or in writing) if it is outside the brokerage disclosed above.

Fees and Charges

Statement of Advice – Initial (once off fee)

A fee is charged for the research, preparation and delivery of your Statement of Advice. The fee will be quoted to you with your Terms of Engagement and is payable within 14 days of the delivery of our advice.

Our standard fee is \$363 per hour for the provision of comprehensive advice including the production of the Statement of Advice. In certain circumstances we may provide advice on specific areas on an ad hoc basis; the fee for this advice is \$395 per hour.

Indicative Fees - Initial Statement of Advice

Advice Type	Fee including GST
Standard Advice	\$1,650 - \$3,300
Complex Advice	\$3,300 - \$11,000 ^{1*}

^{*1} Or as negotiated between the Adviser and the Client.

Ongoing Advice – Annual

A fee is charged for provision of our ongoing advice services. This includes the implementation of our recommendations, review of strategies and investments and any changes required throughout the year. The fee will be quoted to you in your Statement of Advice and is payable monthly via direct debit.

Where we are implementing recommendation to buy, sell or switch investments that have any form of commission attached we will rebate back to Ongoing Advice Clients wherever possible. Where it is not possible to rebate this back the ongoing fee payable will be reduced by the corresponding amount.

Indicative Annual Fees - Ongoing Advice

Advice Type	Fee including GST
Basic Advice	\$1,320 - \$3,300
SMSF & Standard Advice	\$3,300 - \$11,000
Large SMSF & Large, Complex Advice	\$11,000 +

Where we are implementing recommendation to buy, sell or switch investments that have any form of commission attached we will rebate back to Ongoing Advice Clients wherever possible.

Implementation of Insurance

Where we are implementing insurance there is often commission paid by the insurance company on the successful completion of the policy. If insurance is required we will partially rebate the commission received against fees. This will be discussed with you and documented in the Statement of Advice. In the case that the insurance does not proceed, either for medical or other reasons the full fees would still be payable.

Commissions Received from Insurance Products

Saracens Pty Ltd may receive initial and ongoing commissions for the insurance products we recommend, which may be up to 66% (inclusive of GST) of the initial annual premium and up to 22% (inclusive of GST) of the ongoing renewal premium.

For example; If your first year's premium was \$1,000 and the initial commission was 66% Saracens Pty Ltd will receive \$660 (with \$60 of GST going to the Government). If your premium for the second and subsequent years was \$1,000 and the ongoing commission was 22% Saracens Pty Ltd will receive \$220 per annum (with \$20 of GST going to the Government).

Details of any commissions we may receive will be disclosed to you in a Statement of Advice.

Potential Conflicts of Interest

Saracens is owned by Philip Zappala. There is no ownership of Saracens Financial Consultants by any financial institution, nor does Saracens Financial Consultants own or distribute any of its own financial products. Philip is paid by salary; a bonus and/or dividends may be paid if the business is profitable.

Saracens Financial Consultants' related entities and staff may invest in similar or the same investments as those recommended to clients. These holdings have no influence on the price or returns of the investments. Saracens Financial Consultants advisers are remunerated by salary, bonus and may be paid a dividend as applicable. The annual bonus may be paid based on personal and company performances.

Saracens Financial Consultants does not accept any product-related incentives or bonuses nor does it permit such payments to authorised representatives or associated entities. An authorised representative may participate in training, minor refreshments or entertainment, provided that they are of less than \$300 value from any single source over the course of the year.

Saracens Financial Consultants does negotiate reduced charges on some investments or products it may recommend. Any benefits negotiated are passed onto those clients using those products. Saracens Financial Consultants does not accept any form of incentive in these arrangements.

Payments for Referrals

- We do not pay anyone to refer clients
- We do not accept payment for referrals to other professionals and
- We do not accept payment for referrals to banks or other lending institutions.

Privacy Policy

In order to comply with the requirements of the Privacy Act, we are required to advise you that this firm holds personal information about you. The information has been and will continue to be collected by us for the purpose of providing you with financial services. We are required, pursuant to the Corporation Act and certain regulations issued by Australian Securities and Investments Commission, to collect information about you for the purpose of providing you with the agreed service. If you do not provide us with the information requested by us, we may not be able to provide you with the services you require from us or, we may provide that advice that is not appropriate to your financial circumstances.

We will from time to time disclose information about you to representatives of this firm and to other professionals, insurance providers, superannuation trustees and product issuers in connection with providing you with financial advice or implementing that advice.

In the event we consider it necessary to use or disclose information about you for the purposes other than those detailed above or related purposes, we will seek your consent. You are entitled to obtain access to the information we hold about you by contacting Saracens Financial Consultants on (02) 66 288 355 or by writing to us at Saracens Financial Consultants, PO Box 907 Alstonville NSW 2477.

Professional Indemnity Insurance

Saracens Financial Consultants holds Professional Indemnity Insurance which is designed to protect our clients in the event of a loss from an error or negligence on behalf of Saracens Financial Consultants or its employees. This policy does not cover losses for normal market movements. If you would like more information regarding this cover you can request it from our office.

Complaints Resolution Procedure

If you have any complaint about the service provided to you, you should take the following steps:

1. Contact your adviser to discuss your complaint.
2. If your complaint is not satisfactory resolved in 7 days, please put the complaint in writing and send it to:

Complaints Officer - Saracens Financial Consultants
PO Box 907
Alstonville NSW 2477

3. If you do not get a satisfactory outcome or the issue is not resolved within 30 days you can contact the Australian Securities & Investments Commission (ASIC) at their free call Info line on 1300 300 630 to obtain information about your rights.

You have the right to complain to the Australian Financial Complaints Authority. We are a member of this scheme. The Australian Financial Complaints Authority is provided to you free of charge.

You can contact the Australian Financial Complaints Authority on 1800 931 678, or by visiting their website www.afca.org.au or by mailing to GPO Box 3, MELBOURNE VIC 3001.