

# Financial Services Guide

Version 2.4 – December 2010



Genesys Wealth Advisers Limited  
ABN 20 060 778 216  
Australian Financial Services Licence No. 232686

## Wealth advisers you can rely on

At Genesys Wealth Advisers Limited (Genesys) we want to ensure you make the most of your finances throughout your lifetime, so you can really enjoy your life. Building your wealth requires time, patience and expertise you can rely on. And reliability is the cornerstone of everything we do. Whatever your circumstances, Genesys Wealth Advisers can help you set and achieve your wealth and lifestyle goals.

### This Financial Services Guide will help you decide if you want to use our services

Before we provide you with financial advice, you should read this Financial Services Guide (FSG) because it contains important information designed to help you decide on whether to use our services. It contains information about:

- The initial and ongoing services TAG Financial provide;
- Our service offer and advice fees;
- Who to contact should you have a complaint.

## TAG Financial Pty Ltd (TAG Financial)

Our business, TAG Financial, has been established for more than 20 years, providing a range of wealth advice and assistance to help people grow, manage and protect their wealth.

TAG Financial is a Member Firm and Corporate Authorised Representative of Genesys. Our Corporate Authorised Representative number issued by the Australian Securities and Investments Commission (ASIC) is 280069.

We can help you create the financial security that lets you focus on what's really important in your life.

This FSG contains some important information about the services we offer and how we charge for these services. You can also find information about our Member Firm at <http://www.genesysadvisers.com.au/tagfinancial>.

## Our financial planning process

We follow a defined financial planning process so that you can achieve all of the benefits of financial planning advice. Of course, everyone is different, with different circumstances, needs and goals. We treat every client as an individual but by following a defined process, you will know what to expect.

The initial advice process covers our first appointment all the way through to the implementation of your financial plan. We do this by:

### 1. Identifying where you want to be

Initially, we help you to identify your financial and lifestyle goals. This ensures we understand your needs and you can understand what to expect from us as your wealth adviser.

### 2. Considering the opportunities and risks

We assess your current situation and investigate the range of financial options available for you to reach your goals.



### 3. Bridging the gap

Based on discussions with you and the research conducted by us, we will devise a strategy to bridge the gap between where you are now and where you want to be.

### 4. Bringing your plan to life

We work closely with you to implement your financial strategy. We help you complete any necessary paperwork and are available to attend meetings with your accountant, solicitor and general insurer so your strategy is implemented efficiently.

As time goes on and circumstances change, your financial plan will need to be changed to keep up to date with your changing needs. The final step in the advice process ensures your financial plan remains on track, by providing you with regular ongoing advice and service.

### 5. Staying on track with regular ongoing advice

Finally, we design an ongoing service programme to ensure your plan remains up to date as your life changes and so you can obtain the benefits of ongoing reliable advice.

Sometimes, life takes us in unplanned directions. When you need a little extra help on top of our initial or ongoing advice, just ask us to provide you with some additional advice. TAG Financial are here to help you – through any changes.

## Advice TAG Financial can provide

Our firm is made up of 7 advisers, who together provide advisory services designed to help you create, manage and protect your wealth, including:

#### Strategies

- Guidance on budgeting and goal setting
- Savings and wealth creation strategies
- Investment planning
- Superannuation planning
- Retirement planning
- Centrelink planning
- Risk and insurance analysis
- Business succession planning
- Salary packaging advice
- Gearing and margin lending strategies
- Debt management

#### Products

- Cash management trusts
- Retirement income streams
- Direct fixed interest
- Retail and wholesale managed investment schemes
- Socially responsible investments
- Hedge funds
- Platform and master trust products
- Superannuation products
- Personal and group insurance (excluding general insurance)
- Business succession insurance (excluding general insurance)
- Geared products
- Self managed super funds

Although we provide estate planning advice as part of or incidental to the provision of financial planning advice, we can arrange to provide access to specialist estate planning services, where required.

We can facilitate the purchase of direct equities through a number of reputable stockbrokers.

Genesys maintains an investment approved list, containing financial products that have been researched by our in-house investment research team.



## The TAG Financial team

Our Advisers work as a team. Each Adviser has broadly based knowledge and experience, but also has specialty knowledge and experience in differing disciplines.

The members of our Client Service Team have a high level of academic qualifications and provide technical and administrative support to our clients and Advisers.

Our Advisers and our Client Service Team have available to them the technical expertise of Genesys as well as access to independent research information.

More details on the TAG Financial team can be found in our company marketing brochure.

### David Mills

David Mills has been involved in the financial services industry since 1975. His Authorised Representative Number issued by ASIC is 257682. He is a principal of the Member Firm and is a shareholder of AXA.

David specialises in giving advice in relation to all the abovementioned strategies and products.

David holds a Diploma in Financial Services and is currently studying towards the completion of an Advanced Diploma of Financial Services. He is also accredited in SMSF through Integratec.

He has been a member of the Financial Planning Association of Australia since 1992.

David is remunerated by percentage of total remuneration paid to the Member Firm.

### Gerard Baker

Gerard Baker has been providing financial advice to clients since 1991. His Authorised Representative Number issued by ASIC is 239331. He is a principal of the Member Firm.

Gerry specialises in giving advice in the following areas:

#### Strategies

- Risk and insurance analysis
- Business succession planning
- Corporate superannuation

#### Products

- Personal and group insurance (excluding general insurance)
- Business succession insurance (excluding general insurance)
- Corporate superannuation products

Gerard is remunerated by percentage of total remuneration paid to the Member Firm.



## Terry Hughes

Terry Hughes has been providing financial advice to clients since 1973. His Authorised Representative Number issued by ASIC is 239429. He is a principal of the Member Firm.

Terry specialises in giving advice in the following areas:

### Strategies

- Risk and insurance analysis
- Business succession planning
- Corporate superannuation

### Products

- Personal and group insurance (excluding general insurance)
- Business succession insurance (excluding general insurance)
- Corporate superannuation products

Terry is remunerated by percentage of total remuneration paid to the Member Firm.

## Rodney Hard

Rodney Hard has been providing financial advice to clients since 1977. His Authorised Representative Number issued by ASIC is 239416.

He specialises in giving advice in relation to all the strategies and products mentioned on page 3.

He holds the following:

- Diploma of Life Insurance (Australian and New Zealand Institute of Insurance and Finance).

Rod is also accredited in Estate Planning by the FPA and Macquarie and in SMSF through Tribeca.

Rod is remunerated by a retainer plus bonus.

## John Tripney

John Tripney has been involved in the financial services industry since 1970. His Authorised Representative Number issued by ASIC is 239502.

John specialises in giving advice in relation to all the strategies and products mentioned on page 3.

John is a Certified Financial Planner and is accredited in SMSF through Tribeca. He is also a member of the Financial Planning Association of Australia.

John is remunerated by salary plus bonus.



## Colin Carruthers

Colin Carruthers has been providing financial advice to clients since 1999. His Authorised Representative Number issued by ASIC is 297030.

He specialises in giving advice in the following areas:

### Strategies

- Guidance on budgeting and goal setting
- Savings and wealth creation strategies
- Investment planning
- Superannuation planning
- Retirement planning
- Centrelink planning
- Risk and insurance analysis
- Business succession planning
- Salary packaging advice
- Gearing and margin lending strategies
- Debt management
- Aged Care, including Reverse Mortgages

### Products

- Cash management trusts
- Retirement income streams
- Direct fixed interest
- Retail and wholesale managed investment schemes
- Socially responsible investments
- Hedge funds
- Platform and master trust products
- Superannuation products
- Personal and group insurance (excluding general insurance)
- Business succession insurance (excluding general insurance)
- Geared products

Colin holds a Diploma of Financial Planning through the FPA, and a Diploma of Superannuation Management through ASFA. He is also a Reverse Mortgage Consultant.

Colin is remunerated by salary plus bonus.

## Brad McNaught

Brad McNaught has been providing financial advice to clients since 1999. His Authorised Representative Number issued by ASIC is 239870.

He specialises in giving advice in relation to all the strategies and products mentioned on page 3.

Brad is a Certified Financial Planner (CFP), has a Bachelor of Business (Economics & Finance) – a Diploma of Financial Planning equivalent - and has completed the SMSF course through Tribeca. He is also a Reverse Mortgage Consultant.

Brad is a member of the Financial Planning Association of Australia (FPA). Brad is remunerated by salary plus bonus.



## Documents you may receive

Our initial advice will be provided to you in a financial plan, known as a Statement of Advice (SoA). The financial plan contains a summary of your goals and our advice recommendations which will help you achieve them.

Copies of records of any further advice are available on request, if required for your own records.

You will also receive a Product Disclosure Statement (PDS) if we have recommended you invest or purchase a financial product. The PDS contains key features of the recommended products, significant benefits, risks and the fees you pay the product provider to professionally manage your investment or insurance.

You should read any warnings contained in your financial plan or the PDS carefully before making any decision relating to a financial strategy or product.

You can contact TAG Financial directly with any instructions relating to your financial products.

## TAG Financial's remuneration arrangements

We believe the advice services we offer are valuable and the remuneration we receive is a fair reward for our expertise and skills. The following information explains how we distribute the remuneration we receive as a result of the advice services provided to you.

1. All fees charged by TAG Financial and any brokerage, commissions or additional payments paid by product providers (total remuneration) are receivable by Genesys as the Licensee. Genesys retains a percentage of the total remuneration and pays the balance to TAG Financial. The Genesys percentage is tiered based on the total remuneration earned in conjunction with advice given by the Member Firm. The percentage retained by Genesys is up to 15%.
2. The principals of TAG Financial are Gerard Baker, Terry Hughes and David Mills. They (or their company) receive a dividend from the Member Firm.
3. We may also make payments to people or organisations that refer clients to us. We pay up to 30% of the total remuneration received by us in conjunction with the referral.

## Fees for our advice services

The fees charged for the advice services of TAG Financial may be based on a combination of:

- A set dollar amount that is agreed between you and your wealth adviser; or
- A percentage based fee based on the amount you invest that is agreed between you and your wealth adviser.

The advice fees of TAG Financial may include charges for the following advice services:

- **Initial advice** - The initial advice fee covers the cost of researching and preparing your financial plan and is based on a set dollar amount.

Before providing you with initial advice we will prepare a Letter of Engagement. This Letter of Engagement is an agreement which sets out what our initial advice will cover and how much it will cost you.

In addition, the initial advice fee will be disclosed in your SoA.



- **Advice implementation** – The advice implementation fee covers the administrative time spent implementing the recommended strategies and products and is based on a set dollar amount.

The advice implementation fee will be disclosed in the Letter of Engagement and in your SoA.

- **Ongoing advice** – The ongoing advice fee covers the cost to review the strategies and the products recommended in your SoA. An ongoing review helps you take advantage of opportunities as they become available. The fee for the ongoing advice fee service is calculated as either a set dollar amount or a percentage of your investments.

Ongoing advice fees may increase each year in line with the Consumer Price Index (CPI) or by a fixed amount or fixed percentage each year. We will advise you if this fee will increase as a result of CPI.

Before providing you with ongoing advice TAG Financial will prepare an Ongoing Service Agreement. This agreement will set out what the ongoing advice will cover, how much it will cost and your payment method.

In addition, the ongoing advice fee will be disclosed in your SoA.

- **Additional advice** – For all other advice, an additional advice fee may be charged based on a set dollar amount. Any additional advice fee will be disclosed in your SoA.

Please note that for services in relation to insurance, margin lending, agribusiness and business/corporate superannuation, commissions may be paid as follows:

- Initial commission – deducted from your investment contributions or paid from insurance product providers, and
- Ongoing commission - a percentage of the value of your investment balance, outstanding loan amount or premiums, usually calculated at the end of each month in which you hold the investment or loan, or on renewal of insurance products.

Your advice fees will be calculated at the time TAG Financial provides you with personal advice. Your SoA will outline the advice fees and any commission inclusive of GST.

## Payment methods

We offer you the following payment options for payment of our advice fees:

- Bpay, direct debit (credit card or savings), cheque, EFTPOS
- Deduction from your investment
- Ongoing advice fees may be deducted in a single instalment or in monthly or quarterly instalments over twelve months.

### Understanding TAG Financial's relationship with others

AXA Asia Pacific Holdings Limited (AXA), ultimately through one of its wholly owned subsidiaries, owns 20% of TAG Financial Pty Ltd. As an equity investor AXA receives a return on its investment that corresponds to its equity interest.



## Additional payments to Genesys Wealth Advisers

In addition to any commissions, Genesys may also receive additional payments from product providers. These additional payments are paid out of the profits of the product provider and are not an additional charge to you.

Additional payments help Genesys invest in facilities that support its Member Firms and help wealth advisers sustain a high quality of advice to you. Without these additional payments, the fees charged to you could be significantly higher.

In some circumstances, Genesys may share these additional payments with its Member Firms. The amount received by Member Firms (if any) will vary as set out below and will be disclosed to you in your SoA.

Genesys generally receives three types of additional payments; each of these payments is treated slightly differently:

1. Additional payments from fund managers in relation to investment products (other than multi-manager funds and cash management products) and margin lending provider.

Genesys may receive additional cash payments based on total funds under management or loan amounts. The level of these payments will vary across fund managers/providers. Please note that the Member Firm does not receive any of these payments.

2. Additional payments from insurance risk partners arising from risk insurance products.

Genesys has partnered with a select number of Australia's major insurers to meet the individual needs of our clients. The additional payments will be paid according to a variety of calculation methods. In general, these payments will be based on the new business and the retention of existing business with that insurer.

3. Additional payments from investment administration platforms, multi-manager funds and cash management products.

Typically, where Genesys has a close relationship with a platform provider (for example, AXA or SOLAR Wrap, as outlined in 'Understanding Genesys' relationships with others'), or a multi-manager fund, the additional payment by that provider will be higher relative to external platforms and funds. It is important you are aware of this in light of any recommendations we may make concerning these products and services.

### **TAG Financial's share of additional incentives**

Where Genesys receives additional incentives on risk insurance, platform, multi-manager funds or cash management products revenue, the Member Firm may receive a percentage of that payment, as outlined below:

#### **Additional incentives**

1. 30% of the additional payment paid to Genesys may be directed to the Member Firm. This additional payment is calculated and payable regularly.
2. If the total additional payment for risk insurance, cash management products, multi-manager funds and platforms attributed to your wealth adviser exceeds \$200,000 in a financial year, your wealth adviser will be paid an additional 6% to 20% of that additional payment.
3. If the wealth adviser remains with Genesys at 1 July 2011, the adviser will also receive up to 1 times the amounts detailed above in 1 and 2. ("2011 extended incentive").



4. If the Member Firm or an associate elects to participate in the Member Firm Participation Plan, they may be entitled to shares in Genesys Holdings Limited:
  - a. Based on the number of advisers in their Member Firm, and/or
  - b. If they choose to defer their 2011 extended incentive payment.

The Member Firm Participation Plan allows Member Firms or their associates to share in the growth and future prospects of Genesys Holdings Limited. Genesys Holdings Limited has established the Plan to promote a strong collaborative culture through sharing experience, innovation and skills. Further details in relation to the Member Firm Participation Plan can be provided to you by your adviser upon request.

### Non-financial benefits

Genesys may also receive non-financial benefits such as attendance at training events or entertainment from some product providers at no extra cost to you. Both Genesys and your wealth adviser maintain a register in line with industry standards to document any material incentives or indirect benefits received. Genesys monitors the registers of advisers and a copy of this register can be made available to you within seven days of your request.

Genesys and your wealth adviser believe a client's interests should be placed first and that products should only be recommended because they are in your best interest.

Genesys invites a large range of product providers to exhibit at its conference, and charges them a commercial rate for exhibiting and for sending delegates.

This improves the understanding of all Genesys wealth advisers about the range of client solutions available and helps Genesys subsidise the cost of professional development. Genesys advisers pay some or all of the cost of travelling to and/or attending the Genesys annual conference.

## Genesys Wealth Advisers

Genesys is ultimately majority owned by AXA Asia-Pacific Holdings Limited ABN 78 069 123 011 (AXA). AXA is a member of the Global AXA Group, one of the largest financial services groups in the world with an enviable track record in meeting the superannuation, investment and insurance needs of millions of clients worldwide.

Genesys holds an Australian Financial Services Licence (Licence number 232686) and authorises your wealth adviser to give advice under this licence.

Essentially, Genesys works with its wealth advisers to ensure they are equipped to give high quality, up-to-date wealth advice.

You can contact Genesys via:

- Phone: 1800 066 577
- Email: [mail@genesyswealth.com.au](mailto:mail@genesyswealth.com.au)
- Postal address: GPO Box 3936, Sydney NSW 2001
- Web: [www.genesyswealth.com.au](http://www.genesyswealth.com.au)

Genesys is a Principal Member of the Financial Planning Association of Australia, and operates in accordance with their Code of Ethics and Rules of Professional Conduct.



The distribution of this Financial Services Guide by your wealth adviser, as an authorised representative, has been authorised by Genesys.



## Understanding Genesys' relationship with others

It is important that you understand the relationships that Genesys has with other providers of financial services and products as they could be seen to influence the advice provided by your wealth adviser.



### AXA Asia-Pacific Holdings

Genesys is a distributor of the range of administration platforms and products issued by AXA Asia-Pacific Holdings Limited and its subsidiaries.

The following financial product providers are affiliated with AXA Asia-Pacific Holdings:

- The National Mutual Life Association of Australasia Ltd (AXA and ACL)
- National Mutual Funds Management Limited
- NMMT Ltd (Summit, Generations and AXcess)
- N.M. Superannuation Proprietary Limited (Summit, Generations and North)
- Alliance Capital Management Australia Limited
- ipac asset management limited
- AllianceBernstein Australia Limited
- AXA Rosenberg Investment Management Asia Pacific Limited
- Synergy Capital Management Ltd



### Pension Transfers Direct

Genesys owns 25% of Pension Transfers Direct Pty Ltd, which is a specialist in the transfer of pension funds from the UK to Australia.



### SOLAR Wrap Service Administration Platforms

Genesys is the distributor of the SOLAR Wrap Service range of administration platforms. BT Portfolio Services Limited (BTPS) is the operator of, and provides the transaction and administration systems together with the technology support for these platforms.

Genesys performs a number of administrative functions in association with BTPS and receives payment for its role in these services. Genesys does not own shares in BTPS.

## Your privacy

TAG Financial maintains a record of your personal information. You have the right to withhold personal information, but this may compromise the effectiveness of the advice you receive.

A copy of any recommendations made to you will be retained by TAG Financial for seven years, Please contact your wealth adviser to review your file.



Genesys and your wealth adviser implement a privacy policy, which ensures the privacy and security of your personal information. Please view the Genesys Privacy Policy Statement available at [www.genesyswealth.com.au](http://www.genesyswealth.com.au) or you can request a copy of the policy from your wealth adviser.

Another financial adviser may be appointed if your wealth adviser leaves Genesys or is unable to attend to your needs due to an extended absence from the business. In these circumstances, Genesys will write to you advising you of the change. Your personal information will be passed on to the new adviser.

If you choose to appoint a new wealth adviser, your new adviser will be provided access to your policy information. They will be responsible for providing you with ongoing advice relating to those policies and all future advice fees deducted from the policy(ies) will be paid to your new adviser.

## Professional indemnity insurance

Professional indemnity insurance is maintained by Genesys and your wealth advisers to cover advice, actions and recommendations which have been authorised by Genesys and provided by your wealth adviser. The insurance satisfies the requirements imposed by the Corporations Act 2001 and financial services regulations.

## Confidence in the quality of our advice

If, at any time, you are not satisfied with the advice you receive, or any other aspect of the service provided by your wealth adviser, you should take the following steps:

- Contact your wealth adviser and tell them about your complaint.
- If your complaint is not satisfactorily resolved within three days, please contact Genesys Complaints on 1800 166 577 or put your complaint in writing and send it to:

Genesys Wealth Advisers  
Attention: Complaints Case Manager  
Advice and Licensing  
Level 9, 750 Collins Street  
Docklands Vic 3008

Genesys will try to resolve your complaint quickly and fairly.

If your complaint has not been resolved satisfactorily, you may escalate your complaint to one of the following External Dispute Resolution Schemes listed in the following below.

### Type of complaint

Financial advice, investments, superannuation or insurance matters

Personal information held

### External complaints service

Financial Ombudsman Service (FOS)  
GPO Box 3, Melbourne Victoria 3001  
Phone: 1300 780 808 Fax: (03) 9613 6399  
Email: [info@fos.org.au](mailto:info@fos.org.au)

The Privacy Commissioner  
GPO Box 5218, Sydney NSW 2001  
Phone: 1300 363 992 Fax: (02) 9284 9666  
Email: [privacy@privacy.gov.au](mailto:privacy@privacy.gov.au)

ASIC may be contacted on 1300 300 630 to find out which body may be best to assist you in settling your complaint.

