

FINANCIAL SERVICES GUIDE

PART 1

PART 1

PART 1 CONTAINS THE FOLLOWING SECTIONS

- Financial Services Guide (Section 1);
- Privacy Statement (Section 2); and
- Are you satisfied? (Section 3).

You must read each of these sections in conjunction with Part 2, which provides more detail to allow you to make an informed decision about whether to use the financial services we offer.

Together, these documents form the complete FSG which we, as Representatives, are required to provide.

ABOUT FIRST FINANCIAL

First Financial is 75% owned by its 7 Principals and 25% owned by Easton Group.

We have access to a broad range of products and platforms, and are able to recommend products from any provider as we are not owned by a bank or insurance company. We will make a recommendation based on your best interests.

This Financial Services Guide has been authorised for distribution by the authorising licensee:

First Financial Pty Ltd ('First Financial')
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This Financial Services Guide ('FSG' or the 'Guide') provides you with important information about First Financial Pty Ltd ('First Financial' or 'Licensee'), and its Representatives, who will provide you with the financial services described in this Guide. It is designed to help you evaluate and make an informed decision about whether to use the financial services described in this Guide. We suggest you retain this Guide for your future reference. If any part of this Guide is not clear, please speak to your financial adviser.

This Guide consists of two parts. Part 1 of this Guide contains important information about:

- the financial services we offer as Representatives of First Financial;
- First Financial as the holder of an AFSL;
- the financial services that First Financial offer;
- the process we follow to provide financial services;
- how we, our associates, and First Financial are paid;
- any arrangements which may influence our advice to you;
- how we and First Financial protect your privacy; and
- who to contact if you have a complaint or if you are not satisfied with the services provided.

Part 2 of this Guide is an Adviser Profile and includes information on the services we are authorised to provide on behalf of First Financial. References in this Guide to 'me', 'I', 'us', 'we' and/or 'our' should be read as either First Financial or your Representatives of First Financial, as the context requires.

SECTION 1: FINANCIAL SERVICES GUIDE

WHAT OTHER INFORMATION SHOULD YOU CONSIDER BEFORE DECIDING WHETHER TO PROCEED WITH OUR RECOMMENDATIONS?

If you receive personal financial advice this will be documented in a Statement of Advice (SoA), or in specific circumstances a Record of Advice (RoA), that confirms the discussions you have had with us, the recommendations we are making and the basis for those recommendations. These documents will also explain how those recommendations will work towards achieving your goals, any relevant fees received by us, and any associations with financial product providers.

When a financial product is recommended to you, you will be provided with a Product Disclosure Statement (PDS) or other disclosure document issued by the product provider. Among other things, the PDS contains information about the risks, benefits, features and fees payable in respect of the product. In combination, these documents will help you make an informed decision about whether to proceed with our recommendations.

WHO PROVIDES THE FINANCIAL SERVICES DESCRIBED IN THIS FSG?

The financial services described in this FSG are provided by us as Representatives of First Financial.

Part 2 of this Guide contains further details about your financial adviser, and our experience, qualifications and professional memberships.

WHO IS RESPONSIBLE FOR THOSE FINANCIAL SERVICES?

As the holder of an AFSL, First Financial is responsible for the financial services we provide to you. First Financial acts on its own behalf when these financial services are provided to you.

In relation to the financial services offered in this FSG, First Financial, as the holder of an AFSL, does not act on behalf of any other person or licensee. First Financial is only responsible for the services offered in the FSG.

The law requires First Financial to have arrangements in place to compensate certain persons for loss or damage they suffer from certain breaches of the Corporations Act by First Financial and/or its Representatives. First Financial has internal compensation arrangements as well as professional indemnity insurance that satisfy these requirements.

WHAT FINANCIAL SERVICES DO WE OFFER?

First Financial is able to provide financial product advice and to deal in a wide range of products (unless otherwise stated in Part 2 of this Guide) including:

- government debentures, stocks or bonds;
- life investment and life risk products;
- managed investment schemes including investor directed portfolio services;
- standard margin lending facilities;
- derivatives;
- retirement savings account products;
- securities (e.g. shares); and
- superannuation products.

Some of the services you are able to access through First Financial include:

- financial planning advice;
- wealth accumulation advice;
- superannuation advice, including self managed superannuation funds;
- redundancy advice;
- retirement advice;
- gearing strategies;
- cash flow advice;
- social security benefits advice;
- life and disability insurance advice;; and
- estate planning services (financial planning).

WHAT PRODUCTS ARE AVAILABLE?

A range of financial products offered by many leading financial product providers are available for recommendation by us. Details of the available products we can recommend are contained in the Approved Product List (APL).

Internal and external experts provide financial product research, which is used to carefully select and maintain an extensive list of Approved Products for us to select from. We conduct due diligence on external research report providers that provide us with research.

We will only recommend a product to you after considering its appropriateness to your individual objectives, financial situation and needs. The recommendations will be made after conducting an investigation into the financial products and may require us to investigate and consider a financial product which is not on the APL.

HOW DO WE ENSURE THAT THE ADVICE WE GIVE YOU SUITS YOUR NEEDS AND OBJECTIVES?

To ensure we provide advice suitable for your needs and financial circumstances, we firstly need to understand your financial situation, personal financial objectives and needs. We will follow a step-by-step process as outlined below:

- 1.) We will meet with you for an initial consultation. During this meeting we will discuss your expectations and provide you with details of the services we can offer.
- 2.) We will collect all the information we need from you, including your personal financial situation, financial objectives and needs. If you do not wish to provide the information we require, we will advise you of the possible consequences of not disclosing your full personal information and the impact on the recommendations given. This may include not being able to provide advice on the subject matter you request.
- 3.) We will help you identify your goals and may discuss your attitude towards investment risk.
- 4.) We may consider strategies and areas such as income, social security, insurance, cash and estate planning requirements. Where required we will also conduct a reasonable investigation of the financial products that may be suitable to implement the strategies as part of the recommendations. Based on these and other considerations, we will prepare and present you with a written SoA, or in some cases depending on the circumstances, a RoA. We will explain in the SoA (or RoA) the basis for the advice, and any remuneration, benefits or associations which could have influenced the advice. Where we recommend financial products, we will provide you with a Product Disclosure Statement (PDS) or other disclosure document containing information about each product recommended, to help you make an informed decision about whether to purchase that product.
- 5.) We will discuss our recommendations with you, make any changes you require and gain your agreement to implement those recommendations.
- 6.) We will then implement those recommendations.
- 7.) We will meet with you periodically to review your financial circumstances if we agree to an ongoing advice service arrangement which includes a regular review component. If an ongoing advice service arrangement is entered into, this will be documented in your Ongoing Advice Service Arrangement Letter and/or SoA. Where you have entered into an ongoing fee arrangement after 1 July 2013, we will renew your arrangement with you at a minimum of every two years.

We will also explain to you any significant risks of the financial products and strategies which we recommend to you. If you are unclear of the risks, do not hesitate to question us further.

In certain circumstances, we may not provide you with personal advice via a SoA or RoA, as outlined above. These circumstances may include:

- 1.) Where we provide you with only general advice, such as through seminars and newsletters;
- 2.) Further advice or verbal advice – if you previously received advice recorded in a SoA, any further

personal advice provided by us may be recorded in a RoA. We will not necessarily provide you with a copy of the RoA unless you request it (see below).

WHAT DOCUMENTS DO YOU GET IF WE PROVIDE FURTHER ADVICE?

Where a further review is conducted and personal advice is provided, in some circumstances we are not required to provide you with a SoA for this further advice. Where this is the case, if you have not already been provided with a RoA, you may request a copy of the RoA from us by contacting us (on any of the contact details set out in Part 2 of this Guide) for a period of seven years from when the further advice was first provided to you.

HOW CAN YOU INSTRUCT US?

You may specify how you would like to give us instructions, for example, by phone, fax or email, using any of the contact details set out in Part 2 of this Guide. Alternatively, you may provide instructions to us in person. Where instructions are provided by telephone, these must be confirmed in writing.

OTHER SERVICES

Related businesses may provide services other than financial planning services. For example, via a related business, we may also act as the administrator of your self-managed superannuation fund or your finance needs (performing credit activities for you). While we may provide these other services, you should understand that these other services are not provided under First Financial's AFSL.

Examples of the services which First Financial is not responsible for include:

- general insurance services (e.g. car insurance);
- real estate and direct property advice;
- legal services; and
- consulting services

HOW ARE WE PAID FOR OUR SERVICES?

First Financial may receive:

- fees paid by clients;
- commissions paid by product providers;
- other payments by product providers; and
- other benefits.

All fees and commissions are payable to First Financial. We may receive up to 100% of any fees and commissions received.

Our advisers are paid a salary and potentially a bonus.

Details of any fees, commissions or other benefits that First Financial or other associated persons are entitled to receive if you implement our recommendations in relation to a specific financial product, will be disclosed to you in your SoA or RoA when personal advice is given.

WHAT TYPE OF FEES, COMMISSIONS, PAYMENTS AND OTHER BENEFITS DO WE RECEIVE FOR OUR SERVICES?

The types of fees, commissions and other benefits that may be received by us and by First Financial include the following:

Service fees

We will discuss and agree our fee structure with you before we provide you with services. The types of fees you can be charged are listed below. You may be charged a combination, or part of, any of these fees.

Fees for advice

We may charge fees for the preparation, presentation and implementation of our advice. These fees will be based on your individual circumstances, the complexity involved in your situation and the time it takes to prepare personal financial advice for you. We will discuss these fees with you and gain your agreement to the fees before we provide you with advice.

Ongoing advice fees

We may charge a fee to provide ongoing portfolio reviews and/or for the provision of ongoing services. This fee will be agreed with you and is either a set amount, or an amount based on the amount of funds under our advice, and/or the time involved in reviewing your portfolio and circumstances.

Referral fees

If we refer you to another business to provide you with services, we may receive referral fees. Those fees may vary according to the party to whom we are referring, and the products involved. We will provide written notification to you if we are likely to receive referral fees for referring you to another service provider.

Payment methods

Our fees are either invoiced to you directly, or deducted from your investments, or a combination of these methods. Where it is debited from your investments, it is normally referred to as the Adviser Service Fee.

In most instances you will be able to select the method of payment that suits you best. We will discuss and agree the method of payment with you before we provide you with services.

Commissions

If you take out a financial product through us, First Financial may receive payments in the form of initial commissions and/or ongoing commissions from the financial product providers. These commissions are included in the fees, premiums and interest rate (in the case of margin loans) you pay for the product. This is not an additional cost to you. We may agree to rebate some or all of these.

The commission payable for different classes of financial products include the following:

Investment Products

For investment products, including superannuation and annuities, commissions are generally deducted from the funds you invest. Commissions on investment products may only be payable in certain circumstances where an arrangement exists as at 1 July 2013. Where you acquire an investment product before 1 July 2014, commissions may be payable where First Financial had an existing arrangement with the product issuer prior to 1 July 2013.

First Financial may receive between 0% and 1.1% of your initial investment as initial commissions from product providers whose products are recommended to you. First Financial may also receive ongoing commissions from the management fees of the product providers.

Ongoing commissions range between 0% and 1.1% p.a. of your investment balance.

Example

We recommend you invest \$10,000 in an investment product. The applicable initial commission is 1.1% and ongoing commissions are 1.1% p.a. First Financial may receive initial commission of \$110. Assuming the investment amount stays the same, each year First Financial may receive ongoing commission of \$110.

Life Insurance Products

Depending on the product you purchase, First Financial may receive between 0% and 140% of the annual premium as initial commission, and between 0% and 38.5% p.a. of the annual premium for ongoing (trail) commission.

Example

We recommend an insurance product to you. The annual premium is \$450 p.a. First Financial may receive up to \$630 as an initial payment. Assuming the premium stays the same, each year, First Financial may receive up to \$173 p.a. as an ongoing (trail) commission.

Margin Lending Products

If we organise, or increase a margin loan for you, First Financial may receive payments in the form of ongoing commissions from the margin loan provider. Commissions on margin lending products may only be payable in certain circumstances where an arrangement exists as at 1 July 2013. Where you have entered into a margin lending product arrangement prior to 1 July 2014, commissions may be payable where First Financial has an existing arrangement with the margin loan provider prior to 1 July 2013. These commissions range between 0% and 0.5% p.a. of your loan balance.

OTHER PAYMENTS FROM PRODUCT PROVIDERS

Wrap and other Portfolio Administration Services

The commission payments disclosed in this section may only be payable in certain circumstances where an arrangement existed between First Financial (or a related party of First Financial) and the relevant product providers prior to 1 July 2013, where you invested through Wrap or another portfolio administration service before 1 July 2014. This will be disclosed in any advice document we provide.

Life Insurance Providers

First Financial may enter into arrangements with life insurance providers relating to the sale of certain life insurance products that provide for payment(s) to First Financial in the form of a licensee commission based on the volume of sales. Any commissions that are paid to First Financial will be disclosed in an advice document.

OTHER BENEFITS

From time to time we may accept alternative forms of remuneration from product providers or other parties, such as hospitality or support connected with our professional development (e.g. training or sponsorship to attend conferences). We maintain a register detailing any benefit we receive which is valued at between \$100 and \$300 and other benefits that relate to information technology software or support provided by a product issuer, or that relate to educational and training purposes.

A copy of the register is available on request for a small charge.

WILL ANY OTHER PARTIES BENEFIT FROM THE FINANCIAL SERVICES OFFERED IN THIS FSG?

No other parties benefit from the services offered in this FSG.

WHAT ARRANGEMENTS MAY INFLUENCE OUR ADVICE TO YOU?

Any relationships or associations we have that may influence our advice to you will be disclosed in Part 2 of this FSG.

WHAT FEES DO WE PAY TO SOMEONE WHO REFERS YOU TO US?

If you are referred to us we may pay the referrer a fee. We may also provide the referrer with gifts such as branded promotional items, hampers or gift vouchers.

The fee varies according to the referrer and financial products involved.

The fee may be a percentage of our fees, a percentage of the total amount invested paid through the referral, or a flat fee. We may pay these fees upfront when the financial service is provided, or the financial product is provided, or periodically as ongoing fees.

SECTION 2

PRIVACY STATEMENT

WHY WE COLLECT YOUR PERSONAL INFORMATION

We collect personal information, including sensitive information (e.g. health information), from you to provide you with services including financial advice.

We may also use your information to comply with legislative or regulatory requirements in any jurisdiction, to prevent fraud, crime or other activity that may cause harm in relation to the particular products or services provided, and to help us run our business.

If you do not provide all the information we request, we may no longer be able to provide a product or service, including financial advice, to you.

COLLECTING AND DISCLOSING YOUR PERSONAL INFORMATION

We may disclose your personal information to anyone we engage to do something on our behalf such as a service provider, and other organisations that assist us with our business. We may also disclose your personal information to third parties such as a complaints body to whom a complaint relating to a product or service is referred, your past and present employers, any party acquiring an interest in our business and anyone acting on your behalf.

We may also collect from the parties listed above any personal information they may hold about you which relates to our provision of financial advice.

We may disclose your personal information to an entity which is located outside Australia. Details of the countries where the overseas recipients are likely to be located are in our privacy policy.

As a provider of financial services, we have obligations to disclose some personal information to government agencies and regulators in Australia, and in some cases offshore. We are not able to ensure that foreign government agencies or regulators will comply with Australian privacy laws, although they may have their own privacy laws. By using our products or services, you consent to these disclosures.

First Financial is also required, pursuant to the Anti-Money Laundering and Counter-Terrorism Financing Act (AML/CTF Act) and its corresponding rules and regulations, to implement certain client identification processes. We may be required to obtain information about you at the time of providing financial services to you, and from time to time in order to meet our legal obligations. We have certain reporting obligations pursuant to the AML/CTF Act and information obtained from or about you may be provided to external third parties and regulators in accordance with the requirements imposed on us.

OTHER IMPORTANT INFORMATION

We are required or authorised to collect personal information from you by certain laws. Details of these laws are in our privacy policy.

Our privacy policy is available at firstfinancial.com.au or by calling us; our contact details are set out in Part 2 of this Guide. It covers:

- how you can access the personal information we hold about you and ask for it to be corrected;
- how you may complain about a breach of the Privacy Act 1988 (Cth), or a registered privacy code and how we will deal with your complaint; and
- how we collect, hold, use and disclose your personal information in more detail.

We will update our privacy policy from time to time.

Where you have provided information about another individual, you must make them aware of that fact and the contents of this privacy statement.

DEFINITIONS

We will use your personal information to contact you or send you information about other products and services offered by us or our preferred suppliers. If you do not wish to receive marketing communications from us, please contact us.


SECTION 3

ARE YOU SATISFIED?

WHAT TO DO IF YOU HAVE ANY CONCERNS ABOUT OUR SERVICES

First Financial will endeavor to provide you with quality financial advice. If you have a complaint or concern about the service provided to you, we encourage you to take the following steps:

- 1.) Contact us first about your concern.
- 2.) If your concern is not resolved to your satisfaction within 5 business days, you may contact First Financial by:


 Compliance Manager First
Financial Pty Ltd GPO
Box 528
Melbourne Vic 3001

 contactus@firstfinancial.com.au

- 3.) If your concern is not resolved, or if you are not satisfied with the decision, you may contact the Financial Ombudsman Service (FOS).


FOS independently and impartially resolves disputes between consumers, including some small businesses and participating financial services providers.

FOS provides an independent dispute resolution process covering complaints about financial services including banking, credit, loans, general insurance, life insurance, financial planning, investments, stockbroking, managed funds and pooled superannuation trusts. You may contact FOS by:

 GPO Box 3
Melbourne VIC 3001


 info@fos.org.au


 fos.org.au

 1800 367 287


- 4.) The Australian Securities & Investments Commission (ASIC) is Australia's corporate, markets and financial services regulator. ASIC contributes to maintaining Australia's economic reputation by ensuring Australia's financial markets are fair and transparent, and is supported by informed investors and consumers alike. ASIC seeks to protect consumers against misleading or deceptive and unconscionable conduct affecting all financial products and services. You may contact ASIC by:

 Australian Securities & Investments Commission
GPO Box 9827
Your Capital City
Or
PO Box 4000
Gippsland Mail Centre
Victoria 3841


 asic.gov.au

 1300 300 630

- 5.) The Financial Planning Association of Australia Limited (FPA), is the peak professional body for financial planning in Australia. The FPA provides the leadership and professional framework that enables members to deliver quality financial advice to their clients. All FPA members are bound by professional, technical and ethical standards as provided in the FPA Code of Professional Practice. The FPA has effective and appropriate policies and procedures in place to assist you with your complaint and ultimately help protect consumers and those planners doing the right thing. You may contact the FPA by:

 The Investigations Manager
Financial Planning Association of Australia Ltd
GPO Box 4285
Sydney 2001

 fpa.asn.au

 1300 626 393

Before you send your concern to any of these respective bodies, please contact them first to understand the process of lodging your concern with them.