



Financial Services Guide

18 July 2008
Version HK4.1

Econ Financial Services Pty Limited
AFSL Number 293876



econ financial services pty ltd

Financial Services Guide



You have the right to ask us about our charges, the type of advice we will provide you, and what you can do if you have a complaint about our services.

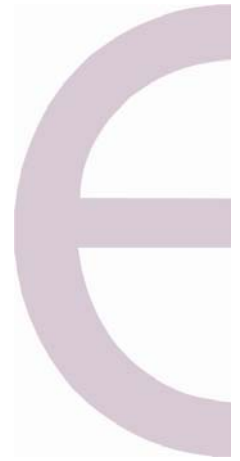
This Financial Services Guide (“FSG”) is intended to inform you of certain basic matters relating to our relationship, prior to us providing you with a financial service. The matters covered by the FSG include, who we are, how we can be contacted, what services we are authorised to provide to you, how we (and any other relevant parties) are remunerated, details of any potential conflicts of interest, and details of our internal and external dispute resolution procedures, along with how you can access them.

It is intended that this FSG should assist you in determining whether to use any of the services described in this document.

You should also be aware that you are entitled to receive a Statement of Advice whenever we provide you with any advice, which takes into account your objectives, financial situation and needs. The Statement of Advice will contain the advice, the basis on which it is given and information about fees, commissions and associations which may have influenced the provision of the advice.

In the event we make a recommendation to acquire a particular financial product (other than securities), we must also provide you with a Product Disclosure Statement containing information about the particular product, which will enable you to make an informed decision in relation to the acquisition of that product.

Before you receive our advice



Who will be providing the financial service to me?

Licensee: Econ Financial Services Pty Ltd
ABN: 67 095 934 053
Australian Financial Services License Number: 293876

Location Address: The Galleries Victoria
Podium Level 1
500 George Street
Sydney NSW 2000

Postal Address: PO Box Q285
QVB Post Office
Sydney NSW 1230

Phone Number: (02) 9266 2266

Fax Number: (02) 9261 2271

Email: ppfs@economos.com.au

Who is my adviser?

Your adviser will be Harry Kalaitzoglou, a Representative employed by Econ Financial Services P/L.

Educational qualifications and experience

Harry Kalaitzoglou has the following qualifications:

Bachelor of Science

Advanced Diploma in Financial Planning

Harry is currently completing his Certified Financial Planning (CFP) Certificate and has recently become a Life Insurance Adviser. He has 9 years experience in the life risk and superannuation industry.

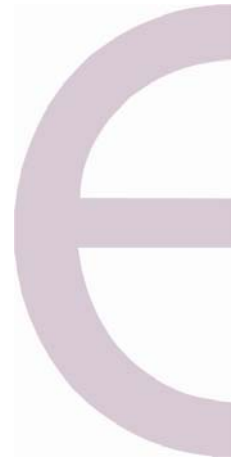
What kinds of financial services are you authorised to provide me and what kinds of products do those services relate to?

Econ Financial Services can provide the following services:

- Personal Insurance

We are licensed to provide advice on and deal in the following products:

- Life Insurance Risk Products;



Who do you act for when you provide financial services for me?

Econ Financial Services is responsible for the financial services provided to you.

How will I pay for this service?

Econ Financial Services may be paid in a number of different ways, including:

- **Fee-for-service:** Fees can be paid directly by you, or deducted from the funds you invest. Fees are charged as follows:

\$275.00 per hour

Note: this is subject to a minimum fee of \$550.00

[This is inclusive of GST and fees are payable at time of consultation]

We, in turn, rebate managed investment initial fees to you.

- **Fixed Price Agreement:** A fixed price agreement is also available for those clients who will have a majority of their portfolio in a fixed cash environment and less than 20% in shares and/or managed funds.

This fee is only payable by direct debit and clients must have a Macquarie Bank Account before being able to enter this agreement.

The fee will be indexed to CPI and will be based on the client's account balance. This will be reviewed on the 1st July every year.

A schedule of fees effective from the 18 July 2008 is listed below:

Account Balances @ 1 July each year	Econ Financial Service Annual Fee (Excl of GST)
\$0 - \$250,000	\$ 2,500.00
\$250,001 - \$500,000	\$ 4,250.00
\$500,001 - \$750,000	\$ 5,600.00
\$750,001 - \$1,000,000	\$ 7,000.00
\$1,000,001 - \$1,250,000	\$ 8,000.00
\$1,250,001 - \$1,500,000	\$ 9,000.00
\$1,500,001 - \$2,000,000	Subject to negotiation

- **Commissions:** Econ Financial Services may deduct commissions from the funds you invest. These commissions are determined and agreed by you and your Financial Adviser, Harry Kalaitzoglou.

The issuers of the investment products I recommend may pay Econ Financial Services an initial commission. This commission which can vary depending on the product and manager is in a range of between 0% and 5% and calculated on your investment amount.

The issuers of the investment products I recommend may pay Econ Financial Services an ongoing commission. This commission which can vary depending on the product and manager is calculated in a range of between 0% and 1% on the balance in your account.

Where a life insurance company product has been recommended the issuer of the product will pay Econ Financial Services a commission. This commission ranges between 0% and 110% of your first years premium.

Where a life insurance company product has been recommended the issuer of the product will pay Econ Financial Services an ongoing commission. This commission which can vary depending on the product is calculated in a range of between 0% and 30%.

Where the services of a stockbroker are utilised to deal in shares, Econ Financial Services may charge an administration fee of up to \$90 per trade. This fee is in addition to standard brokerage fees.

Asgard Wealth Solutions (one of our product providers) pays Econ Financial Services an annual bonus commission depending on the volume of funds it has under management within eligible Wrap and Mastertrust products. We currently receive 25% of the Asgard Administration fees applicable to these products.

Do you receive remuneration, commission, fees or other benefits in relation to providing the financial services to me and how is that commission calculated?

1. I receive a salary from Econ Financial Services.
2. I may be entitled to a bonus from the licensee based on income generated by me. At this time I am not aware if I will receive that bonus. I am not aware of any other incentive that I may receive from the licensee or any product issuer.
3. The exact amounts of any fees, commissions, bonuses or other incentives received by me and the licensee will be included in a Statement of Advice that I will provide to you.
4. I may receive a dividend from Econ Financial Services in my capacity as a minority shareholder.

Do you receive referrals from other parties? If so, what benefit do they receive from these referrals?

If you have been referred to me by an authorised referral source and you accept the services I provide, then they will receive 33% of Econ Financial Services first years ongoing commission, this will not be an additional cost to you. Full details if applicable will be provided to you in a Statement of Advice.

Do any relationships or associations exist which might influence you in providing me with the financial services?

Econ Financial Services Pty Limited and its advisers do not have any relationships or associations that may influence them when providing financial services advice.

When you receive our advice



Will you provide me advice, which is suitable to my needs and financial circumstances?

Yes. But to do so we need to find out your individual 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, if you do not wish to do so.

In that case, we are required to warn you about the possible consequences of us not having your full personal information. You should read the warnings carefully.

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

We will explain to you any significant risks of financial products and strategies which we recommend to you. If we do not do so, you should ask us to explain those risks to you.

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

We maintain a record of your personal profile, which includes 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 our privacy policy is enclosed for your information.

If you wish to examine your file, we ask that you make a request in writing and allow up to fourteen (14) working days for the information to be forwarded.

We may charge a fee to cover the cost of verifying the application and locating, retrieving, reviewing and copying any material requested. If the information sought is extensive, we will advise of the likely cost in advance and can help to refine your request if required.

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

Yes. You may specify how you would like to give us instructions, for example by telephone, fax, or other means.

If you have any complaints

Who can I complain to if I have a complaint about the provision of the financial services to me?

Econ Financial Services is a member of the Financial Ombudsman Service (FOS).

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

1. First contact your Financial Adviser, Alex Dimos about your complaint.
2. If your complaint is not resolved to your satisfaction within five days, please contact:

Mr Spiro Sakiris
Compliance Manager

The Galleries Victoria
Podium Level 1, 500 George Street
Sydney NSW 2000
Ph: (02) 9266 2200
Fax: (02) 9261 227

3. If your complaint is not satisfactorily resolved, please contact the Manager of the Financial Ombudsman Service (FOS) or put your complaint in writing and send it to PO Box 579, Collins Street West, Melbourne VIC 8007. We will seek to resolve your complaint quickly and fairly.
4. If the complaint cannot be satisfied to your satisfaction you have the right to complain to the Financial Ombudsman Service (FOS). They can be contacted on 1300 78 08 08. This service is provided to you free of charge.

The first stage of the FOS process is where FOS facilitates discussions and negotiations between the parties. A case manager will be assigned to your call, all relevant documents are exchanged and the issues in dispute are identified. Most cases are settled at this stage.

If the dispute is not solved, it goes to the Chief Executive Officer of FOS. They decide how the dispute will be solved, either through Option A or Option B as described below:

Option A is conciliation conference and the parties come face to face with a conciliator from FOS. The role of the conciliator is to assist the parties to explore options for settlement of the dispute and to help parties to agree on their own outcome.

Option B is where either an independent adjudicator (complaint less than \$10 000) or an independent panel (for a complaint over \$10 000) is requested to make a decision "on the papers" taking into account the relevant law, fairness and reasonableness. If you accept the adjudicator's decision it is binding on the member, but it is not binding on you.

The Australian Securities and Investments Commission (ASIC) also has a free call Infoline on 1300 300 630 which you may use to make a complaint and obtain information about your rights.

PI Cover



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- Econ Financial Services Pty Ltd has professional indemnity insurance in place to cover for the financial services we provide.
 - This insurance cover relates to conduct of Econ Financial Services Pty Ltd and its employees and any representatives who work or have worked for Econ Financial Services Pty Ltd, where Econ Financial Services Pty Ltd is found to have a liability for loss or damage suffered by a person to whom Econ Financial Services Pty Ltd provides a financial service.

Confirmation Form



Acknowledgements

I/we acknowledge that I/we was/were provided with the Financial Services Guide dated, 18 July 2008, Version HK4.1.

Client Name: _____

Client Signature: _____ Date Received: _____

Client Name: _____

Client Signature: _____ Date Received: _____