

PART 1

A Guide To Our Relationship With You

What is the purpose of this Financial Services Guide?

This Financial Services Guide (FSG and Guide) provides you with important information to help you understand the services we offer. This is Part 1 of the Guide and it contains an overview of the financial services we offer and the kinds of financial products to which those services relate. It also contains information about how we and our associates are paid, any interests, associations or relationships that could affect our advice, our privacy policy together with details of our internal and external dispute resolution procedures and how you can access them. Part 2 of the guide may contain details of our fees and where appropriate, details of any adviser(s) appointed to provide you with advice.

What other documents might I receive?

When providing you with personal financial advice, you may be entitled to receive a written report called a Statement of Advice setting out our advice, the basis on which it is given, our fees and/or commissions, as well as information about any associations or relationships that could affect our advice. It's important to note that we can only provide personal financial advice after making enquiries, and giving consideration to your current financial situation and future requirements.

Where you receive further advice and a Statement of Advice is not provided to you, you may request a copy of the Record of the Advice within seven years of receiving that advice by contacting us.

If we recommend a particular financial product to you, we will generally give you a Product Disclosure Statement (PDS) containing information about the particular product to help you make an informed decision.

Who is responsible for this Guide?

Ellwood Barry McPherson Pty Ltd

- is responsible for the financial services provided to you by representatives of the company.
- will act on your behalf and has authorised the distribution of this Guide.
- holds an Australian Financial Services Licence (No. 238319) issued by the Australian Securities and Investments Commission, is a principal member of the Financial Planning Association of Australia.

You can contact us by:

Calling us on:	07 3031 1610
Sending us a facsimile to:	07 3031 1611
Visiting our website at:	www.ebm.com.au
Writing to us at:	GPO Box 2137 Brisbane Qld 4001

Shadforth Financial Group Limited

Ellwood Barry McPherson Pty Ltd is one of several wholly owned subsidiary companies of Shadforth Financial Group Limited ACN 128 202 308. Wholly owned companies include Haintz Financial Services Pty Ltd ABN 90 420 260 262, Douglas Wenck Pty Ltd ABN 75 066 730 327, Guest McLeod Pty Ltd ABN 84 002 434 586, Heraud Harrison Pty Ltd ABN 96 060 494 215, Kilkenny Rose & Associates Pty Ltd ABN 75 081 147 506, Ellwood Barry McPherson Pty Ltd ABN 83 010 805 937, Gannon Growden Schonell Pty Ltd ABN 11 009 248 837, Gannon Growden Schonell & Associates Pty Ltd ABN 88 009 278 700, Arnheim Gillard & Partners Pty Ltd ACN 114 719 658, Shadforths Ltd ABN 77 009 549 697, Financial Acuity Ltd ABN 50 095 662 632 (Acuity), Investar Portfolio Management Ltd ABN 48 009 351 857 (Investar), Taylor Bowring Financial Services Pty Ltd ABN 77 084 086 206, their associated entities, and from the second half of 2008, Keysbrook Financial Services Pty Ltd ABN 64 054 418 272.

Who will be my Adviser?

The financial services offered in this FSG are offered by the providing entity whose details appear in Part 2 of this FSG. By law, the providing entity must either hold an Australian Financial Services (AFS) Licence or be a person authorised by an AFS Licence holder - an Authorised Representative.

Do you have any relationships or associations with Financial Product issuers?

SFG Group Companies include Acuity and Investar. Acuity and Investar have separate contractual relationships with BT Portfolio Services Limited ABN 73 095 055 208 (BT) and Trust Company Superannuation Services Limited ABN 49 006 421 638 (Trust Company).

BT is the administrator of a number of products distributed by Acuity and Investar including the Acuity Portfolio Service & Investar Wrap Service. BT is a wholly owned subsidiary of Westpac Banking Corporation ABN 33 007 451 141. Trust Company is the issuer of a number of products including the Acuity Portfolio Service SuperWrap & Investar SuperWrap.

SFG Group Companies also have a contractual relationship with Macquarie Investment Management Limited ACN 002 867 003 (Macquarie) for the distribution of products and services similar to those described above.

If you access a product distributed by Investar or Acuity, the Acuity Cash Manager product issued by Acuity, or a Macquarie product distributed by a SFG Group Company, fees are payable to a SFG Group Company. A full description of the fees is shown in the relevant product disclosure statement.

In addition to the above, SFG Group Companies have a wide range of contractual relationships with financial product issuers, many of which provide for some payment to a SFG Group Company, this may include where a SFG Group Company is engaged as an underwriter of an offering of securities. We will tell you about any relationships or associations that could influence the advice provided to you.

Our Products and Services

We can provide the following services:

- Advice on investment objectives & strategies to help you achieve your financial goals in life;
- Advice on structuring your investments & superannuation for maximum tax effectiveness and flexibility;
- Regular review of your financial planning strategies, objectives & portfolio investments;
- Administration of and reporting on your investments including performance & asset allocation position;
- Advice on wealth creation strategies and cash flow management issues;
- Share market trading and portfolio construction;
- Lending advice;
- SMSF administration & retirement planning advice;
- Life Insurance advice.

We can advise and deal in relation to the following kinds of financial products:

- Deposit Products
- Government Debentures, stocks or bonds
- Securities
- Superannuation & Retirement Savings Accounts
- Managed Investments including Investor Directed Portfolio Services;
- Investment Life Insurance & Life Risk Products

In some cases, Advisers and other persons authorised to provide services on our behalf are authorised to provide a more limited range of services on our behalf. In these circumstances, it is important to note any restrictions to their authority shown in Part 2 of this Guide, as we are not responsible for any unauthorised services to the full extent permitted by law.

How will you prepare and provide me with suitable advice?

We examine your financial position and create a structured plan designed to achieve your financial goals in life over defined timeframes. We do this by helping you to identify and prioritise your goals, developing realistic strategies and helping you to assess the merits of each alternative - making any changes you require to the strategies. A regular review will ensure that your strategy remains consistent with your goals and objectives as they change over time.

Are there any limitations to your advice?

We have researched a wide range of products and administration arrangements from among the many products issued by leading product issuers available, and made a selection of those that we believe will be most appropriate for the majority of our clients. While there may be other products and services that would also be suitable, we only advise and deal in products and services that have been approved and are listed on our Approved Products and Services List.

You should observe any warnings and consider any significant risks contained in our advice prior to implementing any of our recommendations - as any investment decision carries with it a degree of risk, either the risk of capital loss or the risk of the expected benefits not being obtained. We also recommend that you

seek independent legal and tax advice about our recommendations and confirm any entitlement to government benefits with the relevant department.

What Information should I provide to receive personalised advice?

You need to provide us with details of your personal objectives, financial situation and any other relevant information, so that we can offer you the most appropriate advice possible.

Naturally, you may elect not to provide this information, or limit the scope of the advice provided by us, however it is important to be aware of the risk that the advice you (then) receive may not be appropriate to your needs, objectives and financial situation – should there be pertinent information omitted. In these circumstances, you should consider whether our advice is appropriate to your needs, objectives and financial situation.

If you do not wish to receive our advice and we deal on your behalf by carrying out your instructions, you face the risk that the financial products you select will not fully take account of your needs, objectives and financial situation.

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

We maintain a record of your identity and other personal details including your objectives, financial situation and needs. We also retain records of any advice given to you. We may use your personal information to provide additional marketing of services to you or survey your opinions on products or services. We only disclose it to other organisations that provide services on our behalf or as required by law.

Your personal information is held in the strictest confidence. All representatives and staff are required to adhere to a rigid privacy policy that has been implemented across the organisation. This ensures the privacy and security of your personal information at all times.

A copy of our privacy policy is available at our website or by asking us. Should you wish to examine your file, please ask us and we shall make arrangements for you to do so.

How can I give you instructions?

You can give us instructions by telephone, fax or other means agreed to by us. Some financial products have their own rules about how to give instructions - refer to the PDS for the relevant product for those details.

How will I pay for the services provided?

We will agree with you how we get paid before we provide any services. The way in which we charge varies according to the nature of the services provided and the pricing structures associated with the particular product offerings (please refer to Part 2 of this Guide).

The fees associated with a particular product or service offering recommended to you will be explained in their entirety to you and the fees may comprise one, or a combination of, the alternatives shown below:

- Brokerage for transactions of securities listed on the Australian Stock Exchange.
- A fee based on the value of the funds you invest.
- A fee based on the time we spend developing your plan.
- An agreed fee-for-service e.g. a management fee paid annually or in instalments.
- Commission* paid to us by financial product issuers out of the fees they deduct from your initial investment, together with an ongoing remuneration paid by them out of their fees, for so long as you continue to hold the product.

* In some cases, the company may receive an additional commission based on the volume of business we place. This payment (which varies between products from nil & 0.4%) is not an additional charge to you as the commission payment being made by the product issuer, forms part of their fees and charges. We will provide details of these payments when we give you personal advice.

The Statement of Advice provided to you will contain details of our fees and any payments made to us by Financial Product issuers. We will generally give a Statement of Advice to you before we proceed to act on your instructions.

Where an Adviser is an employee, his or her remuneration will consist of a salary, a bonus if and when particular targets are achieved in some cases (typically in circumstances where the employee's bonus is determined by the level of revenue received by the licensee in excess of an agreed target), and a share of the dividends from the practice - where he or she holds equity in the practice. Refer to Part 2 of this Guide for further details including details of payments to representatives (including factors that might influence the payment of the bonus to employee Advisers).

Other benefits

We pay for, and encourage advisers to participate in continuing education programs, and may enter into agreements with product providers to jointly provide the professional development and training as part of the education program made available to all advisers. This support is typically provided in the form of technical or product training, as well as contributions toward the cost of venues and catering.

If you access a product through the Investar Wrap Service or Acuity Portfolio Service, or access the Acuity Cash Manager product, fees are payable to an associated company (which after expenses, could result in a dividend of generally between 0.1% & 0.4% of funds under management).

Should Ellwood Barry McPherson Pty Ltd or its Advisers receive other benefits received from product issuers (including payments toward professional development), except for minor benefits of less than \$300 in value, we record the benefit in a register. Should you want to see this register, please ask us.

Will anyone be paid for referring me to you?

In some situations, clients are referred to us by someone else. If you have been referred to us by someone else, and we pay to that person a fee or commission in relation to that referral, we will tell you (when we give you this Guide if possible) who will receive that fee or commission, and the amount they will or may receive.

Professional Indemnity Insurance

Ellwood Barry McPherson Pty Ltd will take reasonable steps to ensure that the Professional Indemnity Insurance cover will, we believe, at all times comply with s912B Corporations Act obligations to provide compensation* to persons who successfully claim for losses suffered due to breaches of licensee obligations by representatives and staff who are or were a representative or employee of the company.

*Prior to 31st December 2009, compensation may comprise a combination of cover provided by our professional indemnity insurance and additional financial resources of the licensee.

What should I do if I have a complaint?

We are committed to providing our clients with the highest standards of client service. This involves being completely transparent in the way in which we charge for our services, and being proactive and forthcoming with important information which we believe may assist you with decision-making during our relationship with you.

Should you feel less than completely satisfied with the service you receive, it is important to notify us immediately to have the issue raised and resolved. You should take the following steps.

1. Contact us and tell us about your complaint.
2. If your complaint is not satisfactorily resolved within 3 days, please put your complaint in writing to:

The Compliance Manager
Ellwood Barry McPherson Pty Ltd
GPO Box 2137 Brisbane Qld 4001

We shall endeavour to resolve your complaint quickly and fairly.

If the complaint is not resolved to your satisfaction, you have the option of referring it to an independent financial services complaint scheme (their telephone number is 1300 780 808). They will tell you whether or not they can deal with the complaint and be of assistance. We are a member of the Financial Industry Complaints Service (FICS). After 1 July 2008, we will be a member of the Financial Ombudsman Service (due to the merger of FICS with two other complaint schemes).

If the complaint involves ethical conduct, you also have the option of raising your concern in writing with the Financial Planning Association of Australia Limited (FPA). The FPA can be contacted at: PO Box 109, Collins Street West, Melbourne, VIC., 8007.

For further information about your rights you can contact the Australian Securities & Investments Commission on their Infoline at 1300 300 630.

PART 2

This is Part 2 of the Guide, which contains details of our fees (inclusive of GST) and where appropriate, details of any Adviser(s) appointed to provide you with advice. Part 1 of the Guide contains an overview of the financial services we offer and the kinds of financial products to which those services relate. It also contains information about how we and our associates are paid, any interests, associations or relationships that could affect our advice, our privacy policy together with details of our internal and external dispute resolution procedures and how you can access them.

How will I pay for the services provided?

We offer a variety of service levels and fee structures that can be tailored to suit your individual circumstances that may comprise one, or a combination of, the alternatives shown below.

We will explain the fees associated with a particular product or service provided to you in their entirety. You have the right to request further information about the remuneration we receive, so if there is anything that is unclear or if you require more information about the service levels we offer, please ask your Adviser.

Preparation of an Initial Statement of Advice	From \$2,200: The actual amount will depend on the time involved and complexity of the advice required. Example: John and Mary require a statement of advice, a fee of \$2,750 is agreed.
Commission for Life Risk Insurance Products	An Initial commission of between 0 & 140% of the first year's annual premium; and then An ongoing commission of between 0 & 40% of the annual premium paid.
Commission for Managed Investment Products	An Initial commission of between 0 & 5% of the amount invested; and then An ongoing commission of between 0 & 1.1% p.a. of the fund value. Example: John and Mary invest \$250,000 in a product paying an initial commission of 1.1% (an initial commission of \$2,750).
Commission for Margin Lending	An ongoing commission of between 0 & 0.5% p.a. of the loan value.
Brokerage for share transactions	Brokerage fees generally vary between 0.55% (for large transactions) & 2.75% (for small transactions) - subject to a minimum brokerage fee that might be set from time to time. We will tell you what fees will be incurred for share transactions, and any commissions or brokerage that is payable to us as a result of our advice. Example: John and Mary dispose of a small holding of shares worth \$2,000 that they inherited. In this example, brokerage of \$88 is incurred (the minimum in this example).
Annual fee-for-service	The annual fee-for-service charge agreed with for an individual investor will generally be between (the minimum of) \$2,200 and \$22,000. As the actual amount will depend on the time involved and complexity of the financial services required, it may be considerably in excess of this range in some cases. Example: John and Mary require ongoing advice and an annual fee for service charge of \$2,750 is agreed.
Additional services	Where additional services are required, we charge on a time basis. Fees generally vary from \$220 to \$660 per hour (depending on the experience of the person providing you with the services, and the complexity of the service you require).

Who is responsible for the financial advisory services provided?

Ellwood Barry McPherson Pty Ltd is responsible for the financial advisory services described in this FSG, including the distribution of this FSG.

The financial services offered in this FSG will be provided by Ellwood Barry McPherson Pty Ltd, the holder of the Australian Financial Services (AFS) Licence 238319.

Who will be my Adviser?

Ellwood Barry McPherson Pty Ltd adopts a team approach to service its clients.

Your Adviser is a salaried Representative and is not issued a separate Australian Securities and Investments Commission Authorised Representative number. Where the Adviser is an employee, his or her remuneration will consist of a salary and in some cases, a bonus made at the discretion of management.

Your Adviser is authorised to advise on and deal (apply for, acquire or dispose of financial products on behalf of another) in the following products:-

- Deposit and Payment Products
- Government Debentures, Stocks or Bonds
- Life Products – Investment Life Insurance Products
- Life Products – Life Risk Insurance Products
- Managed Investment Products
- Retirement Savings Account Products
- Securities
- Superannuation