

Bendigo Financial Planning.

Financial Services Guide.

1 November 2018

Introduction

This Financial Services Guide (FSG) is designed to provide you with a clear understanding of what you can expect as a customer of Bendigo Financial Planning.

This guide outlines:

- The financial services and products we* offer
- The financial benefits that may be received by Bendigo Financial Planning and related persons in connection with the financial services provided
- Any interests, associations or relationships that could influence the advice we give you
- Our internal and external dispute resolution procedures and how you can access them

* Throughout this Financial Services Guide, Bendigo Financial Planning Limited is referred to as "Bendigo Financial Planning", "we", "us", "our" or any such variations.

About Bendigo Financial Planning Limited

Bendigo Financial Planning Limited (ABN 81 087 585 073), is the financial planning arm of Bendigo and Adelaide Bank Limited (the Bank) and is part of the Bendigo and Adelaide Bank Group (the Group). Our Australian Financial Services Licence Number is 237898.

Located nationally across metropolitan and rural Australia, our financial planners provide advice to more than 550 Bendigo Bank and **Community Bank**[®] branches; and with more than \$1 billion of funds under advice, we will continue to work with our business partners to expand our services to reach more customers.

Who is responsible for the advice I receive?

Bendigo Financial Planning, as the holder of an Australian Financial Services Licence, is responsible for the financial advice provided to you. Your financial planner acts on behalf of Bendigo Financial Planning.

Our advisory service

We are committed to providing an expert advice service that is carefully tailored to the diverse needs of our customers, their families and their businesses.

Working together with you, our advice recommendations will take into consideration your lifestyle needs, financial situation and investment objectives.

Our network of financial planners is qualified to provide advice on a range of financial matters, including:

- Cash flow and debt management
- Investment management
- Superannuation
- Risk management*
- Retirement planning
- Aged care
- Centrelink advice
- Estate planning

In addition, we provide a suite of professional services to help structure such matters as Self Managed Super Funds, Trusts and Wills.

We are also authorised to provide advice and transact on the following financial products:

- Deposit and payment products (not including non-cash payment facilities)
- Government debentures, stock or bonds
- Life products including investment life insurance and life insurance products
- Interests in managed investment schemes (including investor directed portfolio services)
- Securities
- Superannuation
- General insurance products*
- Standard margin lending facilities

* Your financial planner is authorised to provide general insurance advice but this authorisation only extends to CGU's consumer credit insurance product.

Your financial planner may recommend products from our approved products list, which you can request to see at any time.

Will the advice be tailored to my personal needs?

Your financial planner is obliged by law to act in your best interests. The advice you receive must take into consideration your individual investment objectives, financial situation and particular needs.

In order for us to offer you the most appropriate advice, you will be required to provide details of your personal objectives, current financial situation and any relevant information.

Other documents you may receive

As part of the financial advice process, you will receive a number of important documents. Please refer to the following definitions for a description of the documents you are likely to receive:

Financial Needs Analysis (FNA)

An FNA is a set of questions to help us determine and understand your financial needs, goals and objectives. The information collected is used to form the basis for our advice and recommendations.

Statement of Advice (SOA)

An SOA is provided when you receive personal advice. The SOA will include the following information:

- The nature of the advice given and the basis of the recommendations
- Information about fees and commissions that may be received for the advice
- Any associations, relationships or interests that may influence the advice we provide

Where the personal financial product advice relates to a basic deposit product, non cash payment facility or travellers cheques, an SOA will not be provided.

Annual fee disclosure statement (FDS)

The annual fee disclosure statement provides information on the ongoing fee arrangements you have entered into with Bendigo Financial Planning. The FDS will contain information relating to ongoing fees paid and the services you received or were entitled to receive. The FDS will be provided every 12 months or as otherwise permitted under the law.

Record of Advice (ROA)

After providing you with initial advice in an SOA, any subsequent personal advice that we provide to you will be documented in an ROA, provided there has not been any significant change in your personal circumstances or the basis on which the initial advice was provided. If further or additional advice is provided by your financial planner, you are able to obtain a written copy of that advice (if it has not already been given) by contacting your financial planner and requesting a copy in writing.

Product Disclosure Statement (PDS)

The PDS sets out the key features, significant benefits, risks and fees associated with the financial product.

You will receive a PDS when we make a recommendation on certain financial products (other than securities) or arrange the issue of a financial product.

Terms and Conditions

Terms and Conditions will be provided to you if we recommend, arrange, issue or offer to issue our basic deposit products to you. Similar to a PDS, this document sets out the key terms, features, fees and charges associated with the product.

Service Agreement

The Service Agreement is a formal contract that outlines the benefits, services and support provided by Bendigo Financial Planning for on-going service. It is our commitment to provide you with a holistic approach to financial planning.

Full disclosure on fees and services

Bendigo Financial Planners are salaried employees of the Bank and are not remunerated on commission. The cost of advice is charged on a fee for service basis which is tailored to address your financial needs and objectives.

How are Bendigo Financial Planners remunerated?

Bendigo Financial Planners are salaried employees of the bank and are not remunerated on commission.

Your financial planner may be eligible for the Group's Performance Bonus Scheme however these bonus payments are not an additional cost to you.

Where permitted by law your financial planner may also receive non-monetary benefits from product providers, such as tickets to events or corporate promotional merchandise.

All fees associated with the advice you receive are clearly disclosed in your Statement of Advice along with any ongoing service costs.

Initial consultation

There is no charge for the initial consultation.

Initial advice fees and charges

A fee will be charged for the preparation of a SOA. The fee will take into account the complexity of your needs, the amount of research involved and the time taken to complete the plan. The fee for preparing and implementing a financial plan generally ranges from \$500 to \$10,000; although there may be a higher charge for more complex requirements. The fees and charges will be fully disclosed in the SOA or as soon as practicable thereafter.

There are three payment methods available for the SOA and implementation fee:

- i. A direct payment in the form of a service fee (i.e. cheque and Bpay)
- ii. Payment via funds received from the product provider/s whose product/s we recommend
- iii. A combination of both i and ii

Ongoing fees and charges

We provide an ongoing service to ensure the advice you receive remains relevant to your needs at each stage of your life. By having a Service Agreement in place you will continue to receive ongoing service from your financial planner including the professional services provided by Bendigo Financial Planning's administration, training, research and compliance teams.

Depending on the complexity of the advice and the frequency of reviews, the fee for a Service Agreement generally ranges from \$1,000 to \$5,000. For more complex requirements there may be a higher charge.

Fees for ongoing service can be either debited from your nominated bank account or alternatively from your nominated investment by the product provider on a monthly, quarterly or half yearly basis (as selected by you). The Service Agreement and ongoing service fee is reviewed annually.

Hourly advice fee

As an alternative to paying the initial advice fee and the ongoing advice fee, you may choose to pay an hourly advice fee which is determined on the basis of the number of hours the financial planner spends on giving you advice. As at the date of this FSG, the hourly rate will generally be up to \$350 per hour including GST. If hourly fees are to be charged, they will be fully disclosed at the time the personal advice is provided to you or as soon as practicable thereafter.

Commission

We may receive commission from a range of financial product providers. In the instances where we receive these payments, they only apply to arrangements entered into prior to 1 July 2013 and growth on those arrangements until 30 June 2014 and as permitted by law.

Any commission received by us will be disclosed at the time personal advice is given to you (in SOA) or as soon as practicable thereafter.

Upfront commissions

We may receive upfront commission from life companies where the commission will depend on the type of product, issuer and level of insurance required but is in a range of 0% to 88% of the first year's premium.

Ongoing commissions

Some product providers may pay ongoing commissions to Bendigo Financial Planning for the duration of your investment. This commission covers the cost of providing support to you.

The rate of commissions will depend on the product, the services provided and the amount invested, but will not exceed the following rates (calculated on a per annum basis):

- Managed Funds – up to 0.88% per annum of the investment balance
- Mortgage Funds – up to 0.38% per annum of the investment balance
- Risk Insurance – up to 35% of the annual premium in the second and subsequent years
- Annuities – up to 0.44% per annum of the investment balance

In determining the ongoing service fee, we may take into account the ongoing commissions received from product providers.

Example: If \$10,000 is invested in a product where the product provider pays 4% initial and 0.4% ongoing commissions, we will receive \$400 at the time the investment is placed and 0.4% of the balance per year thereafter. These amounts may be taken into account when determining the fee for your Service Agreement.

The ongoing commissions can be deducted by the product provider from your investment and/or annual insurance premium. This commission can be paid to Bendigo Financial Planning weekly, monthly, quarterly or annually depending on the product.

Note: All figures quoted are inclusive of GST.

Benefits from share trades

BFP does not execute share trades on your behalf but refers you to a broker to do so. The amount payable on share trades to brokers is based on, and will depend on, the location of the market in which the shares are to be traded and the size of the share transaction.

Where permitted by law, the brokers BFP refers you to charge an amount of between 0.6% and 2.2% of the investment amount (with a minimum of between \$66 and \$220) per transaction. The broker pays BFP an amount, based on the amount charged by the broker, which amount may range between 0% and 50%.

Any commission received by us will be disclosed at the time personal advice is given to you or as soon as practicable thereafter.

Other benefits

Bendigo Financial Planning may receive sponsorship from Fund Managers or Life Companies. This money is paid out of the Fund Managers' and/or Life Companies' own resources. Sponsorship is paid to Bendigo Financial Planning to further educate and enable professional development of our financial planners. Any sponsorship received is disclosed in our Benefits Register. If you wish to view the Benefits Register, your financial planner can provide a copy.

Bendigo Financial Planning may receive volume based incentives of up to 0.33% from Fund Managers and up to 15% from Life Companies subject to meeting minimum targets. These incentives are paid out of Fund Managers' or Life Companies' own resources.

The payments from Fund Managers only apply to arrangements entered into prior to 1 July 2013 and growth on those arrangements until 30 June 2014. Benefits from Life Companies only relates to those arrangements issued or applied before 1 January 2018.

All payments/benefits will be disclosed in the advice document and available on request.

Payments to associated companies and product providers

Remuneration received by Bendigo and Adelaide Bank for deposit and payment products

The Bank is the issuer of deposit and payment products and will receive remuneration in its capacity as the issuer of those products.

Remuneration received by other Group companies for products issued by them

If you acquire a product issued by a company in the Group, the relevant company may receive product fees in relation to that product, including commissions, referral fees, entry fees, management fees, exit fees or any other fees specified in the PDS or the disclosure document for that particular product. These product fees may benefit other Group members or associates.

Referrals to Bendigo Financial Planning

If a **Community Bank**[®] Branch or an Agency of the Bank refers you to us, the Branch/Agency will receive a referral fee comprising 40% of the initial fee paid to Bendigo Financial Planning and up to 0.25% per annum of investment/superannuation funds under management. Any amounts paid to Community Bank Branches or Bendigo Bank Agencies will be debited from the amount paid to Bendigo Financial Planning and will not be an extra charge to you.

If you were referred to us by an external party, Bendigo Financial Planning may pay a referral fee to the referrer. If any fee is paid, you will be advised of the specific amount in the Statement of Advice.

Does Bendigo Financial Planning have any associations that may influence the advice I receive?

Bendigo Financial Planning is a subsidiary of Bendigo and Adelaide Bank Limited (the Bank).

The Group comprises a number of wholly owned subsidiaries including Sandhurst Trustees Limited, Rural Bank Limited and Leveraged Equities Limited. These subsidiaries provide services and have financial products listed on Bendigo Financial Planning's approved products list.

Bendigo Financial Planning's approved products list also includes financial products issued by other non-related companies.

Bendigo and Adelaide Bank is also a joint venture partner in Homesafe Solutions Pty Ltd.

Bendigo Financial Planning occasionally receives financial support from Fund Managers for professional development and training. Any sponsorship received is used to fund the cost of venues and speakers and is not applied to entertainment. Details of any such sponsorship are included in the Public Benefits Register, which can be provided on request.

Contact details

Your financial planner is a representative of Bendigo Financial Planning.

You can contact your financial planner by:

- Visiting your local Bendigo Bank branch
- Contacting **1300 BENDIGO** (1300 236 344)
8am – 8pm Monday to Friday (local hours)
9am – 4pm Saturday (local hours)
9am – 4pm Sunday (local hours)
- Visiting our website at www.bendigobank.com.au
- Writing to us at:
Bendigo Financial Planning Limited
Level 5, 120 Harbour Esplanade
Docklands VIC 3008
Facsimile: (03) 8414 7242

Providing instructions to us

Generally, you need to give us instructions in writing by using the contact details set out above. Some products and services may have their own requirements as to how to provide instructions or execute certain transactions. Please refer to the relevant PDS or other disclosure document for further details of these requirements.

Our complaint resolution process

Our aim is to provide you with an excellent financial planning service. If the quality of our services does not meet your expectations, please contact your financial planner.

If you are not satisfied with how your complaint is handled, please contact our Customer Help Centre on 1300 361 911 or in writing to:

Complaints Officer
Bendigo Financial Planning Limited
Level 5, 120 Harbour Esplanade
Docklands VIC 3008
Email: professionalstandardsmailbox@bendigoadelaide.com.au

We will attempt to resolve your complaint quickly and fairly. If you feel our response is inadequate, or if you have not received a response within 45 days, you can have your complaint reviewed by the Australian Financial Complaints Authority:

- **Website:** www.afca.org.au
- **Email:** info@afca.org.au
- **Phone – Toll Free:** 1800 931 678 (Free Call)
- **Facsimile:** (03) 9613 6399
- **Mail:** Australian Financial Complaints Authority
GPO Box 3 Melbourne VIC 3001

Your right to privacy

We are committed to ensuring the privacy and security of your personal information. All personal information is handled in accordance with the Privacy Act, as set out in our Privacy Disclosure Statement. Additional information on our information management practices can be obtained at www.bendigobank.com.au or by contacting our Customer Help Centre on 1300 361 911.

We aim to ensure that the personal information we retain about you is accurate, relevant, complete and up-to-date. Accordingly, if you have any concerns about the completeness or accuracy of the information we have about you, or would like to access or amend your information, call us on the above number.

What information does Bendigo Financial Planning keep about me?

We maintain a record of your personal profile which includes details of your investment objectives, financial situation and needs. We also maintain records of any recommendations made to you. If you wish to view your file you can ask your Bendigo Financial Planner and we will make arrangements for you to do so.

Our Privacy Disclosure Statement

We collect and hold personal information about you that may include sensitive information (such as health information). Your personal information will be used to provide you with financial services including:

- The preparation/review of your Statement of Advice
- The provision of financial planning advice
- Making/reviewing securities and investment recommendations

We may also use your personal information to perform our business functions (for example internal audit, operational risk, product development and planning).

We may need to collect personal information about a third party from you as part of this application. If we do this, you agree you will advise that person that we have collected their information, and that in most cases they can access and seek correction of the information we hold about them.

We may also seek verification of your identification and any identification documents from independent sources (e.g. your employer) and/or third party service providers.

If you do not provide the requested information, we may not be able to provide you with the services you require.

Where required, we may disclose your information to our financial planners and other professionals within the Group, our agents and specialist advisers such as accountants and solicitors, organisations to whom we outsource functions such as mailing and printing houses and IT providers, intermediaries, insurance providers, superannuation trustees and product providers in connection with the purposes detailed above. Other disclosures usually include joint account holders, account operators and account applicants and government authorities.

Some of the organisations we disclose your personal information to may be located overseas. Where an organisation is located overseas we will either take reasonable steps to ensure that it complies with Australian privacy laws or we will seek your consent to the disclosure.

We may also share your personal information with related companies in the Group and our joint venture partners so that we can tell you about the products and services available from us or other companies within the Group. If you do not want to receive this information, call the Bendigo Bank Customer Help Centre on 1300 361 911.

In the event we consider it necessary to use or disclose information about you for purposes other than those detailed above or related purposes, we will seek your consent.

For further details, please refer to our privacy policy at www.bendigobank.com.au

Our Privacy Policy contains information about:

- how you can access and seek correction of your personal information;
- how you can complain about a breach of the privacy laws by us and how we will deal with a complaint;
- if we disclose personal information to overseas entities, and where practicable, which countries those recipients are located in.

Compensation and insurance arrangements

Bendigo Financial Planning is required by the Corporations Act to operate a compensation arrangement which is designed to compensate retail clients for losses they may suffer as a result of a breach by it or its representatives in respect of the provision of financial services. These compensation arrangements are in accordance with and satisfy the requirements for compensation arrangements under section 912B of the Corporations Act.