

APPENDIX C

Letter from Ms Natalie Adorini CFS
Dated July 23rd 2009

Response to my letter of 15/7/09



Colonial First State Investments Limited
 Level 29, 52 Martin Place Sydney NSW 2000
 GPO Box 3896 Sydney NSW 2001
 Telephone 02 9303 3000
 Facsimile 02 9303 3200
 colonialfirststate.com.au
 Offices in Melbourne, Brisbane, Adelaide and Perth
Investor Service Centre 13 13 36

23 July 2009

Mrs R. Blanch

Colonial First State FirstChoice Pension 050 014477024 Performance

Dear Mrs Blanch

Thank you for your letter, received 17 July 2009, about the performance of your pension account.

Your Account

I confirm you invested \$256,016.22 into your pension account on 28 May 2007. The amount of \$1,494.39 is a result of the buy/sell spread. Whenever an investor makes a withdrawal, switch or an investment in one of the Investment Options, there are transaction costs involved (eg; brokerage, stamp duty, government duties and taxes). The difference between the 'buy' price and the 'sell' price (commonly referred to as the 'spread') reflects those transaction costs. *Costs + Per?*

The buy/sell spread is not a fee paid to the investment manager or Colonial First State. It is an allowance to ensure that other investors in the option are not subsidising the transaction costs incurred by those investors who transact. The investment manager does not benefit from the spread.

I have enclosed a copy of your statement outlining all transactions since inception.

Performance

I can understand your frustrations at the declining value of your pension account. Whilst I appreciate these declines are difficult to watch, it is important to look at the options you are invested in and what market factors influence their performance.

You mention in your letter that you have a medium risk portfolio. After looking at your account, I can see that most of the options you are invested in are high risk options, as shown below;

FirstChoice Property Security	Medium - High		
FirstChoice Global Property Security	Medium - High		
FirstChoice Global Infrastructure Sec	Medium - High		
FirstChoice Global Share Hedged	High	←	} 11.5 10.8 6.0 7.8 6.7
CFS Enhanced Yield	Medium	←	
Platinum International	High	←	
PM Absolute Performance	High	←	
CFS Geared Share	High	←	
452 Gear Aus Share	High	←	High

Handwritten notes: 13.9, 17.4, 4.28, 5.2

Colonial First State Investments Limited ABN 96 1701 245 957, AFS Licence 212468 (Colonial First State is the result of interests in FirstChoice Personal Super, FirstChoice Wholesale Personal Super, FirstChoice Pension, FirstChoice Wholesale Pension and FirstChoice Employer Super from the Colonial First State FirstChoice Superannuation Trust ABN 25 455 276 527 and interests in the Rollover & Superannuation Fund and the Personal Pension Plan from the Colonial First State Rollover & Superannuation Fund, ABN 66 654 558 840 and interests in the Colonial First State Pooled Superannuation Trust ABN 51 082 654 624

Investments aim to make a return but do carry risk. This means that you can lose money on your investments or that they may not meet your objectives. Investment returns are influenced by the performance of the market as a whole. Your investments can be affected by things like interest rates, investor sentiment and global events, depending on the asset classes the option is invested in.

The current crisis however has left no funds exempt from negative effects. I realise the negative returns are hard to watch, however, this is a direct result of the current economic turmoil affecting all market sectors.

I have enclosed the 'Fund Profile & Commentary' for each of your investment options which outlines further information on the performance, market outlook and strategy of the funds.

Mrs Blanch, I trust I have further explained your investment and addressed your concerns. If you wish to discuss this matter further, you are welcome to contact me on [REDACTED] or you may call Client Services on 13 13 36, Monday to Friday, 8am until 7pm Sydney time.

If you believe that your complaint has not been satisfactorily dealt with, you may lodge a complaint with the Superannuation Complaints Tribunal (SCT). The SCT is an independent body that can review certain types of complaints in relation to superannuation.

Superannuation Complaints Tribunal
Locked Bag 3060 GPO Melbourne VIC 3001
Telephone: 1300 78 08 08 Facsimile: 03 8635 5588 Email: info@sct.gov.au

Yours sincerely

Rachel

Natalie Adorini
Client Relations

cc Don Nguyen, Commonwealth Financial Planning

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Reilyn rang Natalie asking for a personal discussion with her. She said "No I am not that kind of person" and referred us to the Complaints section.

APPENDIX D

1. Letter from Mr A Hancock

Dated: October 21st 2009

2. Copy of fraudulently altered table on page 3 of Mr Hancock's letter. Table purportedly extracted from pages 26 and 27 of the original SOA dated March 3rd 2007.

3. Copy of actual table from page 32 of the Statement of Advice dated March 3rd 2007 (also refer Appendix B)

APPENDIX D1

21 October 2009

Mr Merv & Mrs Robyn Blanch

Without Prejudice

Dear Mr & Mrs Blanch,

Re: Your Complaint concerning Ex-Commonwealth Financial Planning Limited (CFPL) Representative Mr Don Nguyen

I refer to your various letters regarding the alleged lack of service and advice that you received from Mr Nguyen. Please accept my apologies regarding the lateness of my response.

It is CFPL understanding that your complaints are as follows:

1. Mrs Blanch's investor risk profile was assessed as *Moderate*. Why did some of her investment options end up in options classified as high risk?,
2. Why has a moderate investment risk portfolio lost more than 50% of its starting value?, and
3. Why is the FC Global Infrastructure fund part of the portfolio when it was not recommended in the Statement of Advice (SOA) dated 3 March 2007.

1. Basis for Recommendation**Risk Profile**

On 9 February 2007 the both of you met with Mr Nguyen. It was at this meeting the parties then decided to complete a Financial Needs Analysis (FNA).

Relevant responses that you provided in the FNA were recorded as follows:

- Page 5: Mr Nguyen asked you questions regarding your financial aspirations, needs and objectives. Your "Very Important" responses were noted as follows:
 1. Generate more income
 2. Invest in tax advantaged investment
 3. Invest for capital growth/wealth creation
 4. Invest to minimise the impact of inflation

- Question 4. Achieve steady capital growth with less emphasis on income. (i)
- Question 5. Moderately concerned
- Question 6. Yes – I can accept some fluctuation in capital value from time to time in exchange for some tax advantages.
- Question 7. I prefer to have a spread of investments in a balanced portfolio. I understand that these type of portfolio can produce a negative investment return in at least 1 year in every 6 years.

Based on your responses and existing attitude to investments Mr Nguyen assessed you as a Moderate risk investor.

MODERATE

Your investment style would suggest that you have some understanding of the investment markets and their behaviour, and are prepared to take short term risk in order to gain longer term capital growth. Generally, the most appropriate strategy for someone with a **Moderate** approach to investing is to invest 40% in income and 60% in growth assets. With your investment style it is important that you understand the likelihood of and are prepared to accept negative returns approximately 1 year in every 6 years. A moderate approach is also used when the term of the investment is between 3 to 4 years.

- On page 27 Mr Nguyen noted that:

Client wanted extra exposure (=40%) to LPT's because she was concerned about volatility in shares.

NB: She's still got plenty in cash / FI.

- On page 28, you and Mr Nguyen signed and dated the FNA. It was at this time you acknowledged that all the information and responses provided to your adviser were true, current and correct.

Upon completion of the FNA Mr Nguyen then relied upon your responses, your attitude to investments, and investment risks, to formulate and make an appropriate financial advice strategy recommendation.

Mr Nguyen recommended a diversified investment strategy for you. A diversified strategy can be simply explained as *'not putting all your eggs in the one basket'*. Mr Nguyen's recommendation to you took into account different fund managers and investment options. Your recommended investment strategy allowed you to invest into a wide range of investment managers and market sectors. As part of your overall Moderate investment strategy Mr Nguyen recommended defensive type investments such as cash and fixed interest, through to more aggressive investment sectors, such as shares. The advantage of a Moderate investment mix meant that your underlying investment options are constantly performing at different rates of return and times, as the different underlying investment markets move through their investment cycles. A diversified moderate investment strategy is used to minimise 'peaks and troughs'. A diversified investment strategy and portfolio aims to provide more stable returns over the medium to long term.

Recommendation

In Section 3 – What Is Our Advice? - Statement of Advice (SOA) dated 3 March 2007 Mr Nguyen made his specific financial product recommendations to you and discussed the advantages and disadvantages of his moderate risk strategy.

Mr Nguyen made the following recommendations:

Colonial First State FirstChoice Pension - Allocated	\$ 260,000
CFS FC Pens – CFS Enhanced Yield	\$ 65,000
CFS FC Pens – FirstChoice Property Securities	\$ 52,000
CFS FC Pens – Colliers Global Property Security	\$ 52,000
CFS FC Pens – CFS Geared Share	\$ 19,500
CFS FC Pens – CFS 452 Geared Australian Share	\$ 19,500
CFS FC Pens – FirstChoice Global Share - Hedged	\$ 26,000
CFS FC Pens – Platinum International	\$ 13,000
CFS FC Pens – PM Capital Absolute Performance	\$ 13,000

260,000

On page 26 & 27 of the SOA Mr Nguyen documented the following Summary of Asset Allocation.

Investment Sector	Target (for Moderate risk profile)	Recommended	Income v Growth
Cash	5.00%	2.96%	Income
Fixed Interest - Australia	30.00%	6.35%	Income
Mortgage	0.00%	19.96%	Income
Fixed Interest – International	5.00%	0.00%	Income
Shares – Australia	30.00%	52.59%	Growth
Shares – International	20.00%	5.85%	Growth
Property - Direct	0.00%	0.00%	Growth
Property - Listed	10.00%	12.29%	Growth
Total	100.00%	100.00%	

Based on the above evidence CFPL believes Mr Nguyen did meet your stated aspirations, needs and objectives.

2. Volatility

As an investor in the Colonial First State FirstChoice Pension (Pension) your investments were subjected to different types of risk. These risks include potential exposure to Economic and political risk, Currency risk, Inflationary risk, Credit Risk, and Interest rate risk.

Also upon acceptance into the pension your investment monies are subjected to different unit prices relevant to the investment options chosen. When you invested into the various fund options you were allocated with a number of units for each option selected. Each of these units represents an equal part of the market value of the portfolio of investments that the option holds. As a result each unit has a dollar value, or 'unit price'.

The unit price is calculated by taking the total market value of all of an option's assets on a particular day, adjusting for any liabilities and then dividing the net option value by the total number of units held by the investors on that day. Although your unit balance in an option will stay constant (unless there is a transaction on the account), the unit price will change, according to changes in the market value of the investment portfolio or total number of units issued for the option.

Colonial First State determines the market value of each option based on the information most recently available to them.

Poor Investment Returns

Since the S&P / ASX All Ordinaries index peaked at 6,854 points in November 2007, the Australian sharemarket has fallen dramatically since the start of 2008.

The current issues affecting sharemarkets stemmed from the sub-prime crisis in the US. Sub-prime mortgages are loans granted to people who may not have the ability to make repayments. During 2007, many of these loans moved into default, leading to share price losses and market volatility.

The resulting 'credit-crunch' lead investors to become nervous and resulted in further volatility in our share market. Also the volatile interest rates also hindered the local share market.

Unfortunately, the abovementioned market conditions had an adverse effect on your investment balance and potential for investment earnings. As you may be aware from the press these circumstances are affecting investment markets and individual investors world-wide and is not a specific result of the advice that you received.

CFPL can confirm from your FirstChoice Allocated Pension – Summary Report (28 May 2007 – 15 October 2009) the following reasons for the change in your investment balance:

Original Contribution	\$ 256,016.22
less	
Pension payments paid to you	\$ 24,093.88
less	
Fees paid by you	\$ 1,387.67
Sub total	\$ 230,534.67
less	
Change in investment value (unit prices)	\$ 89,757.35
Sub total	\$ 140,777.32
plus	
Adjustments credited to you	\$ 1,227.07
Investment balance as at 15 October 2009	\$ 142,004.39

CFPL regularly states to its customers that it is important to spend time in the market, not market timing to maximise their returns and minimise volatility over the longer term.

Historical performance is no indication of future performance.

There is no evidence to suggest Mr Nguyen made any guarantees regarding rates of return on your investment strategy.

3. FC Global Infrastructure Investment

After a review of your financial product advice documentation, CFPL is unable to confirm why a portion of your investment monies were placed into the FirstChoice Global Infrastructure option of the Colonial First State FirstChoice Allocated Pension.

From a review of your Summary Report I can confirm that the original investment sum placed into this investment option was \$25,755.23, and the current value of the investment as at 15 October 2009 was \$18,978.14. Thus, as a sign of goodwill and in an effort to resolve your complaint CFPL wishes to make you a without admission of liability offer of \$6,777.14 in full and final settlement of your complaint.

This offer is open for fourteen (14) days from the date of this letter. Please find attached an agreement in duplicate representing the without admission of liability offer. If you accept our offer of settlement please sign the attached agreement and return both copies to Andrew Hancock at the address listed at the end of this letter. Please ensure that your signature is witnessed. Upon receipt of this document a copy of the executed agreement will be forwarded to you for your records and cheque will be posted shortly thereafter.

Conclusion

CFPL believes that Mr Nguyen provided you with appropriate financial product advice based on your stated aspirations, needs and objectives. CFPL is satisfied that you were correctly assessed as a Moderate risk investor and Mr Nguyen's recommendation to you was of a Moderate risk investor strategy.

Based on the results of my investigation CFPL is prepared to make you a settlement offer of \$6,777.14 which represents the difference in the original investment sum in the FC Global Infrastructure investment option and its current value as at 15 October 2009. CFPL as an offer of goodwill would like to return you to a financial position, had you not been invested in the FC Global Infrastructure option.

I hope this now resolves your concerns.

Financial Ombudsman Service Limited (FOS)

If you are not satisfied with my response to your complaint, you may refer the matter to the FOS. FOS is an external dispute resolution scheme available to you free of charge if you are not satisfied that I have adequately addressed the concerns you have raised. Further information about FOS is provided in the brochure attached, and you can contact them on 1300 780 808. Please quote our FOS member number (11450) if you decide to pursue this option.

Yours sincerely

Andrew Hancock
Customer Experience Manager
Advice Customer Relations
Level 23, 52 Martin Place
Sydney NSW 2000

APPENDIX D2

Mr Nguyen made the following recommendations:

Colonial First State FirstChoice Pension - Allocated	\$ 260,000
CFS FC Pens – CFS Enhanced Yield	\$ 65,000
CFS FC Pens – FirstChoice Property Securities	\$ 52,000
CFS FC Pens – Colliers Global Property Security	\$ 52,000
CFS FC Pens – CFS Geared Share	\$ 19,500
CFS FC Pens – CFS 452 Geared Australian Share	\$ 19,500
CFS FC Pens – FirstChoice Global Share - Hedged	\$ 26,000
CFS FC Pens – Platinum International	\$ 13,000
CFS FC Pens – PM Capital Absolute Performance	\$ 13,000

260,000

On page 26 & 27 of the SOA Mr Nguyen documented the following Summary of Asset Allocation.

Investment Sector	Target (for Moderate risk profile)	Recommended	Income v Growth
Cash	5.00%	2.96%	Income
Fixed Interest - Australia	30.00%	6.35%	Income
Mortgage	0.00%	19.96%	Income
Fixed Interest – International	5.00%	0.00%	Income
Shares – Australia	30.00%	52.59%	Growth
Shares – International	20.00%	5.85%	Growth
Property - Direct	0.00%	0.00%	Growth
Property - Listed	10.00%	12.29%	Growth
Total	100.00%	100.00%	

Based on the above evidence CFPL believes Mr Nguyen did meet your stated aspirations, needs and objectives.

2. Volatility

As an investor in the Colonial First State FirstChoice Pension (Pension) your investments were subjected to different types of risk. These risks include potential exposure to Economic and political risk, Currency risk, Inflationary risk, Credit Risk, and Interest rate risk.

Also upon acceptance into the pension your investment monies are subjected to different unit prices relevant to the investment options chosen. When you invested into the various fund options you were allocated with a number of units for each option selected. Each of these units represents an equal part of the market value of the portfolio of investments that the option holds. As a result each unit has a dollar value, or 'unit price'.

The unit price is calculated by taking the total market value of all of an option's assets on a particular day, adjusting for any liabilities and then dividing the net option value by the total number of units held by the investors on that day. Although your unit balance in an option will stay constant (unless there is a transaction on the account), the unit price will change, according to changes in the market value of the investment portfolio or total number of units issued for the option.

APPENDIX D3

Minor variations between the target asset allocation for your risk profile and the actual asset allocation in the recommended portfolio are considered acceptable.

Mr & Mrs Blanch, your target asset allocation has a underweight position in Australian & international fixed interest and international shares and an overweight position in Australian shares and mortgages. This variance is due to your retained Australian share portfolio and Solicitor Mortgage Fund. These retained investments which make up a significant percentage of your overall portfolio and have made your overall portfolio Australian share and mortgages overweight but made you underweight in the other asset classes, such as Australian & International Fixed Interest and international share. You also wish to invest the available funds with more a weighting to listed property over Australian and international shares due to your concerns on the volatility of these asset classes.

Please note that your family home, car, household contents, any other personal items and other investments outside the scope of this Statement of Advice are not included.

Note: asset allocations may vary from the figures shown above as product providers may, within certain limits, vary the asset allocation depending on the investment markets.

Summary of Asset Allocation:

but Total portfolio

Investment Sector	Target (for Moderate risk profile)	Recommended	Variation %
Cash	5.00%	2.96%	-2.04%
Fixed Interest – Australia	30.00%	6.35%	-23.65%
Mortgage	0.00%	19.96%	19.96%
Fixed Interest – International	5.00%	0.00%	-5.00%
Shares – Australia	30.00%	52.59%	22.59%
Shares – International	20.00%	5.85%	-14.15%
Property - Direct	0.00%	0.00%	0.00%
Property - Listed	10.00%	12.29%	2.29%
Alternative Strategies	0.00%	0.00%	0.00%
Unspecified	0.00%	0.00%	0.00%
Total	100.00%	100.00%	0.00%

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If you do not feel comfortable with this overall asset allocation please advise us prior to proceeding with these recommendations.

This portfolio is not actively monitored by us and this means that the asset allocation will vary over time and may not be aligned to your investment needs. You should ensure that you monitor the portfolio to ensure it continues to meet your needs and objectives outlined in this Statement of Advice.

APPENDIX E

1.STATEMENT OF ADVICE SOA (2)

**Manufactured September 7th 2009- 26 months after Nguyen's
resignation on July 6th 2007**

**Purported to be a copy of the original Statement of Advice dated
March 3rd 2007**

**Note : Differences to Original SOA include no footers on pages,
extra pages and four extra tables inserted into this document not
in the original SOA, space for Nguyen's signature dated
"7 September 2009"**

**2. A table from the Statement of Advice SOA (2) indicating all
products in the Allocated Pension were growth options.**

**This table was not included in the original Statement of Advice
dated March 3rd 2007 (refer Appendix B of Submission)**



COPY

Statement of Advice

Prepared For

**Mrs Robyn Blanch and
Mr Mervyn Blanch**

~~On 7 September 2009~~

3 March 2007

Prepared By

Don Nguyen

Representative of

Commonwealth Financial Planning Limited

Ground Floor, 443 Victoria Ave, CHATSWOOD NSW 2067

Telephone: 0414 998 754 Facsimile: (02) 9411 8982

E-mail: Don.Nguyen@cba.com.au

Commonwealth Financial Planning Limited

ABN 65 003 900 169

Australian Financial Services Licence No: 231139

Head Office: Level 18, 175 Pitt Street, Sydney NSW 2000

Telephone: 1300 720 526



FPA

FINANCIAL PLANNING
ASSOCIATION
of Australia Ltd

Principal Member
Financial Planning Association of
Australia Ltd

Commonwealth Bank
Commonwealth Bank of Australia
ABN 48 123 123 124

With Compliments

MR + MRS BLANCH

COPY OF STATEMENT OF ADVICE

REGARDS:

Andrew Hawcock

7 September 2009

Mrs Robyn Blanch and Mr Mervyn Blanch

COPY

Dear Robyn and Mervyn,

Statement of Advice

Thank you for the opportunity to provide this Statement of Advice, which is designed to assist you in achieving your lifestyle and financial objectives.

Please read this document carefully. It has been prepared for you on the basis of the information provided by you.

If you feel any relevant information may have been overlooked in our discussions or information within this advice is not correct, it is important that you discuss these with us prior to implementing our recommendations.

If you have any questions regarding this advice, please contact us on [REDACTED]

We look forward to assisting you with these recommendations and also continuing to provide you with financial advice over the coming years.

Yours sincerely

Don Nguyen

**Representative of
Commonwealth Financial Planning Limited
Australian Financial Services Licence No. 231139**

Implementation of the recommended strategy

We recommend Colonial First State FirstChoice Pension as the allocated pension investment. FirstChoice is a multi manager investment solution, which combines a wide investment choice providing access to the expertise of various fund managers, with a competitive, simple fee structure.

We have also recommended the use of a SuperFirst Transfer Facility within the Colonial First State FirstChoice Pension for lodgement of the recommended contribution to superannuation prior to the commencement of your allocated pension. The SuperFirst Transfer Facility is designed to allow you to invest and consolidate your superannuation before rolling the funds into an allocated pension. The funds are invested in cash only whilst being consolidated within SuperFirst Transfer Facility, and no entry and exit fees are payable until the transfer into an allocated pension occurs.

To suit your Moderate investor risk profile, we have recommended that you invest your funds into the following option:

Allocated Pension	Amount	Owner
Col FS FirstChoice Pension - Allocated	\$260,000	Robyn
✓ •CFS FC Pens - CFS Enhanced Yield X	\$65,000	Robyn
✓ •CFS FC Pens - FirstChoice Property Securities X	\$52,000	Robyn
✓ •CFS FC Pens - CFS Colliers Global Property Security X	\$52,000	Robyn
✓ •CFS FC Pens - CFS Geared Share X	\$19,500	Robyn
✓ •CFS FC Pens - CFS 452 Geared Australian Share X	\$19,500	Robyn
✓ •CFS FC Pens - FirstChoice Global Share - Hedged X	\$26,000	Robyn
✓ •CFS FC Pens - Platinum International ✓	\$13,000	Robyn
✓ •CFS FC Pens - PM Capital Absolute Performance ✓	\$13,000	Robyn
Total	\$260,000	

Colonial First State Enhanced Yield

This option aims to outperform the Reserve Bank of Australia (RBA) cash rate with a low degree of volatility and a low risk of capital loss, by investing across a broad range of securities including cash, fixed interest, shares and hybrids.

The option principally seeks yield from these investments and makes use of the benefits of imputation credits where possible. Derivatives may be actively used for return enhancement and to adjust and/or control the risk characteristics of the option or individual holdings. The option hedges currency risk.

The minimum recommended investment time frame for this option is 2 to 4 years.

A performance fee may apply of 20% of the net return (after management fees), grossed up for Australian imputation credits, above the RBA cash rate (inclusive of the net effect of the GST). For more information on the performance fee, please refer to the fees section in Part 1 of the Product Disclosure Statement.

FirstChoice Property Securities

The objective of this option is to provide capital growth and income from a diversified portfolio of listed property investments.

Investment is to be managed by leading property securities managers, which should deliver more consistent returns with less risk than would be achieved if investing with a single investment manager.

The minimum recommended investment time frame for this option is 3 to 5 years.

Colonial First State Colliers International Property Securities

Privacy

As your financial adviser we will collect information about you for the purpose of making financial recommendations to you. We confirm that we have a privacy policy in place for the protection of personal information about our clients, which is in our possession. You can access our privacy policy on the Commonwealth Bank website at www.commbank.com.au.

Questions or Problems

Should you wish to discuss this advice, please contact us as follows:

Don Nguyen
Ground Floor, 443 Victoria Ave
CHATSWOOD NSW 2067

Please take the time to read this Statement of Advice carefully to ensure that you are comfortable with the recommendations.

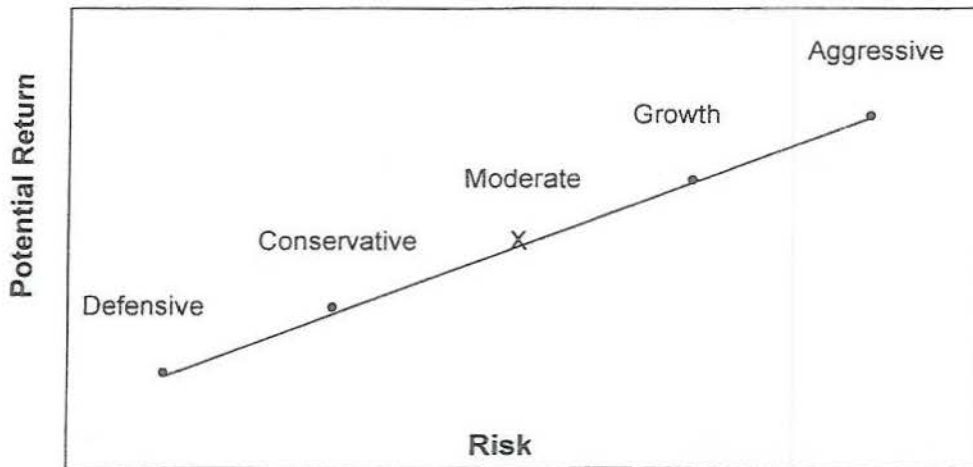
Yours faithfully,

Don Nguyen
Representative
Commonwealth Financial Planning Limited
Australian Financial Services Licence 231139
7 September 2009

Investment Risk Assessment

Based on your responses, your approach to investing (risk profile) is Moderate.

Risk Profile – Risk V Return



Your investment style suggests that you have some understanding of the investment markets and their behavior and are prepared to take short term risk in order to gain longer term capital growth. Generally, the most appropriate strategy for someone with a **Moderate** approach to investing is to invest 40% in income assets and 60% in growth assets. With your investment style it is important that you understand the likelihood of and are prepared to accept negative returns approximately 1 year in every 6 years. A moderate approach is also used when the term of the investment is between 3 to 4 years.

If this summary is not correct, please contact us, as this will have a significant impact on the recommendations.

Assumptions

Outlined below are the assumptions and estimates used in preparing this Statement of Advice.

Returns/Performance:

- Unless otherwise stated, the illustrations in this Statement of Advice are expressed in nominal dollar values, which means the estimated returns do not take inflation into account. For example, \$10,000 invested in a balanced fund for 10 years earning a return of 7.1%pa (net of fees) would have an investment value of \$19,856 after 10 years. However if inflation over the same period was 2.5% p.a., hence the real value of the investment after 10 years would be \$15,679.
- Alternatively, where projections are stated to be in today's dollars, the projections have taken into account estimated inflation (CPI) and represent real values.
- The following rates of return have been used to project estimated returns (of both income and capital growth) for each of the selected investment categories and products. These estimated rates of return are based on Commonwealth Financial Planning Limited research and data together with estimates of future economic outcomes.
- Specific income and growth rates for the recommended investment products are detailed in the table below:

Product	Owner	Income (%)	Growth (%)	Tax Deferred (%)	Tax Free (%)	Franking (%)
Solicitor Mortgage Fund	Joint	8.00	0.00	0.00	0.00	0.00
CBA Savings Account	Joint	0.00	0.00	0.00	0.00	0.00
Direct Shares	Joint	9.00	4.78	0.00	0.00	74.00
Col FS FirstChoice Pension - Allocated	Robyn	0.00	8.19	0.00	0.00	0.00
•CFS FC Pens - CFS Colliers Global Property Sec	Robyn	0.00	8.54	0.00	0.00	0.00
•CFS FC Pens-PM Capital Absolute Performance	Robyn	0.00	8.92	0.00	0.00	0.00
•CFS FC Pens - CFS 452 Geared Australian Share	Robyn	0.00	8.33	0.00	0.00	0.00
•CFS FC Pens - FirstChoice Property Securities	Robyn	0.00	8.60	0.00	0.00	0.00
•CFS FC Pens-FirstChoice Global Share Hedged	Robyn	0.00	9.46	0.00	0.00	0.00
•CFS FC Pens - CFS Geared Share	Robyn	0.00	8.52	0.00	0.00	0.00
•CFS FC Pens- CFS Enhanced Yield	Robyn	0.00	6.63	0.00	0.00	0.00
•CFS FC Pens - Platinum International	Robyn	0.00	8.95	0.00	0.00	0.00

ADDITIONAL INFORMATION

Cash Flow - Detailed Year 1

The following is an **estimate** of your first year's projected cash flow for your investment portfolio. This projection is based on the estimated income of your investment portfolio and any other income such as a salary or pension.

	Combined
CASH INFLOWS:	
Salary/Business Income	\$4,000
Investment Income	\$47,000
Allocated Pension/Annuity Income	\$16,874
Redemptions	\$260,000
Tax Refunds	\$1,489
Total Inflows	\$329,363
EXPENSES:	
Superannuation Contributions - Undeducted	\$260,000
Total Outflows:	\$260,000
Net Cashflow Position (end of Year 1):	\$69,363

Surplus cash flow used to meet expenses.

Note:

Please refer to "Assumptions" for details of the income and growth rates used in the above analysis.

Illustrative Portfolio Performance

This table shows a year by year estimate of the performance of your recommended investment portfolio. Please refer to the "Assumptions" annexure as all illustrations are based on these assumptions. These illustrations are indicative only and are not a guarantee of future performance.

Investments	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
CBA Savings Account	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000	\$7,000
Direct Shares Portfolio	\$398,164	\$417,196	\$437,138	\$458,033	\$479,927	\$502,868	\$526,905	\$552,091	\$578,481	\$606,132
Solicitor Mortgage Fund	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000	\$160,000
Col FS FirstChoice Pension - Allocated	\$253,846	\$257,135	\$260,466	\$263,840	\$267,258	\$267,969	\$268,683	\$269,398	\$270,115	\$270,834
Net Assets	\$819,010	\$841,331	\$864,604	\$888,873	\$914,185	\$937,837	\$962,588	\$988,489	\$1,015,596	\$1,043,967

Illustrative Cashflow

The following table provides you with an estimate of your net cashflow, which is the difference between the income you earn and the expenses you incur.

The illustrative returns are based on information provided, and include the estimated returns from the recommended investments. Please refer to the "Assumptions" annexure, as all illustrations are based on these assumptions. Illustrations are indicative only and are not a guarantee of future performance.

Robyn & Mervyn Combined

Financial Year Ending	Year 1	Year 2	Year 3	Year 4	Year 5
Income earned	\$4,000	\$4,128	\$4,260	\$4,396	\$4,537
Investment Income	\$47,000	\$48,635	\$50,348	\$52,142	\$54,023
Pension Payments	\$16,874	\$12,692	\$12,857	\$13,023	\$13,192
Redemptions	\$260,000	\$0	\$0	\$0	\$0
Tax Refunds	\$1,489	\$1,731	\$1,450	\$1,167	\$877
Inflow	\$329,363	\$67,186	\$68,914	\$70,729	\$72,629
Tax	\$0	\$183	\$359	\$542	\$734
Contributions	\$260,000	\$0	\$0	\$0	\$0
Outflow	\$260,000	\$183	\$359	\$542	\$734
Net cash flow	\$69,363	\$67,003	\$68,555	\$70,187	\$71,895

The following assumed rates of return have been used in the table above:

- Salary will increase by 3.20% per annum.
- Pensions and living expenses will increase by 3.00% per annum.

Note that inflows in the table above do not include reinvested income.

APPENDIX G

Fraudulently Altered Document

Handwritten changes to page 45 of SOA contract after it was signed by Robyn Blanch on May 10th 2007

Changes to page 46 : Date beside Robyn's signature is now not in her handwriting

7. Your Agreement To Proceed

We have read and understood the Statement of Advice dated 3 March 2007 and confirm that:

- The scope of this advice accurately reflects our instructions and our personal circumstances and objectives.
- We understand that Don Nguyen relied on information provided by us in preparing this advice and if our information is incomplete, inaccurate or insufficient information, we risk making a financial commitment to a financial product that may not be appropriate to our needs.
- We acknowledge that the recommendations contained in this Statement of Advice are solely for our use and for no other purpose.
- We were supplied with, and given an opportunity to read, the Financial Services Guide, before any investment advisory services were provided.
- We understand that Don Nguyen is a Representative of Commonwealth Financial Planning Limited, Australian Financial Services Licensee, Licence No: 231139.
- We acknowledge that the recommendations are only valid for 30 days, after which time or if there is a change in circumstances we should reconfirm the advice.
- We understand that investments including fixed interest, property and shares, direct or managed, can result in losses due to their cyclical nature.
- We also understand the fees and charges involved in these recommendations, and are aware that Commonwealth Financial Planning Limited and its representatives will receive benefits based upon the recommendations in the Statement of Advice.
- We understand where a replacement financial product has been recommended which requires the redemption and/or reduction or replacement of an existing product, we have read and understood the details contained in the section covering replacement financial products or benefits lost.
- We understand that insurance cover is not automatic and we should not cancel any existing cover until the new cover is in place.
- We confirm that we have received copies of the relevant PDS(s), recommended in this Statement of Advice.
- We accept that every care has been taken to ensure the information is accurate and reliable and that no responsibility is accepted by Commonwealth Financial Planning Limited for errors or omissions by us or a third party acting on our behalf.

We have chosen a different product to that recommended in this Statement of Advice and acknowledge that the policies selected are to be implemented on our behalf as per our instructions.

Company	Product	Owner	Amount \$
Colonial First State	FC Prop' Securities	Self	20%
"	FC Global Prop'	Self	20%
"	FC Global Ind'ast.	Self	10%
"	FC Global Share-Hedge	"	10%
"	CFS Enhanced Global	"	15%

Statement of Advice prepared for Robyn Blanch and Mervyn Blanch

By Don Nguyen Representative of

Commonwealth Financial Planning

Prepared on 3 March 2007

Page 45 of 57

Wentworth Ltd 5%

PM Cap' Absol 9%

CFS Global 7.5%

452 Global 7.5%

We hereby authorise Commonwealth Financial Planning Limited to proceed with the implementation of the recommendations contained in this Statement of Advice.

Robyn Blanch

Client Signature

Date

10/5/2007

Mervyn Blanch

Client Signature

Date

APPENDIX H

Fraudulently Manufactured Financial Needs Analysis (FNA) Document

Prepared by Don Nguyen

November 3rd 2008

Commonwealth
Financial Planning



Confidential Fact Finder and Financial Needs Analysis

To Identify Your Financial
Needs and Goals

Client: Robyn Bland

Date Completed: 3 / 11 / 08

Commonwealth Financial Planning Limited

ABN 65 003 900 169

Australian Financial Services Licensee 231139

Head Office: 17, 175 Pitt St, Sydney, NSW 2000

Tel: 1300 720 526



FPA

FINANCIAL PLANNING
ASSOCIATION
of Australia Limited
PRINCIPAL MEMBER

Commonwealth Financial Planning Limited and Your Privacy

The privacy of your personal information is important to us:

1. Why are we asking so many questions?

We collect your personal information to ensure that we are able to provide you with the products and services appropriate to your needs.

Financial Planning is the exercise of:

- a) understanding a client's financial goals;
- b) gathering all the details of a client's financial position;
- c) analysing all the issues and options which will form the basis of any recommendations;
- d) the adviser providing advice and a recommendation, whilst also making all the required disclosures;
- e) the client agreeing with the advice to allow the adviser to implement all actions required to achieve the client's financial goals; and
- f) the adviser and the client agreeing as to what level of further review and action is required to ensure the advice and recommendations continue to achieve all identified financial goals.

The process of providing financial advice may seem simple, but it is the result of carefully gathering the right information to be able to assess your financial goals.

This can be achieved through completion or updating a previously completed Fact Finder. A fact finder will help identify what is relevant and also helps to prioritise any action required. We aim to ensure that the personal information that we retain about you, is accurate, complete and up to date. If you provide us with incomplete or inaccurate information, we may not be able to provide you with the products or services you are seeking.

The law also requires us to collect personal information eg The Corporations Act 2001 requires us to identify a person's needs, objectives and financial circumstances to be able to provide advice; and the Anti Money Laundering and Counter Terrorism Financing Act 2006 ("AML/CTFACT") (Cth) requires us to identify all clients and to conduct identity verification checks.

2. Access

You may (subject to permitted exceptions) access your information by contacting us. Please direct access requests to Professional Standards, Level 17, 175 Pitt Street, SYDNEY NSW 2000. We may charge a fee for providing access.

3. We may need to communicate personal information to:

- a) your adviser and external product providers;
- b) other members of the Commonwealth Bank Group. This enables the Group to have an integrated view of its customers and clients;
- c) organisations (who are bound by strict confidentiality) to whom we outsource certain functions ie our auditors. In these circumstances, information will only be used for our purposes;
- d) other professionals such as solicitors, accountants; and stockbrokers when a referral is required;
- e) third parties when required by law eg under Court Order; and
- f) Government departments or agencies such as ASIC or AUSTRAC.

4. Our Privacy Policy

As a member of the Commonwealth Bank Group of companies, Commonwealth Financial Planning Limited has adopted the principles set out in the Privacy Act 1988 as part of our continuing commitment to client service and maintenance to client confidentiality. For further details please refer to the Group's Privacy Policy which can be located on-line at www.commbank.com.au.

KEY DETAILS	Client 1	Client 2
Title:	<input checked="" type="radio"/> Mr / <input type="radio"/> Mrs / <input type="radio"/> Miss / <input type="radio"/> Other _____	<input checked="" type="radio"/> Mr / <input type="radio"/> Mrs / <input type="radio"/> Miss / <input type="radio"/> Other _____
Given names *	Robyn Blanch	Mervyn
Middle name *	Michelle	
Surname *	Blanch	Blanch
Preferred name		Merv
Sex / Gender	Male / <input checked="" type="radio"/> Female	<input checked="" type="radio"/> Male / Female
Date of birth *	██████████ Age next birthday	██████████ Age next birthday
Age to retire		
Preservation age		
Private health insurance	<input checked="" type="radio"/> Yes / No	<input checked="" type="radio"/> Yes / No
Marital status	married	
Australian resident for tax purposes?	<input checked="" type="radio"/> Yes / No	<input checked="" type="radio"/> Yes / No
Length of time as an Australian tax resident		
Worked outside of Australia?	Yes / No	Yes / No
If yes, state when, where and duration		
Health	<input checked="" type="radio"/> Good / Average / Poor	<input checked="" type="radio"/> Good / Average / Poor
If health is not "Good", what health issues need to be considered?		
Special interests (eg golf, collectables)		

* Mandatory fields

KEY CONTACTS	Client 1	Client 2
Home address *	████████████████████	
Salutation *		
Street *	████████████████████	
Suburb *	██████████	
State / Postcode *	State ██████████ Postcode ██████████	State ██████████ Postcode ██████████
Country *		
Phone	(W) ████████████████████████████████	(W) ██████████ (H) ██████████
Phone mobile		
Fax	(W) ██████████ (H) ██████████	(W) ██████████ (H) ██████████
E-mail		
Web page		
Primary contact		
Client preferences (eg preferred method of contact)		

* Mandatory fields

PROFESSIONAL ADVISERS	Contact Name	Phone Number
Company Name		
Accountant		
Solicitor		
Doctor		
Other		

DTRB

KEY EMPLOYMENT	Client 1		Client 2	
Occupation type	Employee/Self Employed/Unemployed/ Not Applicable/Retired		Employee/Self Employed/Unemployed/ Not Applicable/Retired	
Hours worked weekly				
Occupation / Position:				
Employer				
Date commenced current employment	/ /	Completed years	/ /	Completed years

CHILDREN & OTHER DEPENDANTS (exclude Spouse)							
Child name: (include surname if it differs to that of client)	Sex/ Gender	DOB	Age	Income or Austudy	Financially Dependent	Support to Age	Relationship to Client(s)
Wayne	M / F	/ /	42		Yes/No		Son
	M / F	/ /			Yes /No		
	M / F	/ /			Yes /No		
	M / F	/ /			Yes /No		
Are you planning to grow your family?		Yes / No					
What health issues need to be considered for dependants?							
ADVISER NOTES							
Wayne recently moved back home & will move out soon.							

ESTATE PLANNING				
	Client 1		Client 2	
WILL				
Do you have a Will ?	Yes / No		Yes / No	
Does it reflect your current wishes?	Yes / No		Yes / No	
Date last reviewed:				
Date prepared:				
Location of Will				
Executor(s):				
POWER OF ATTORNEY				
Power of Attorney	Yes / No		Yes / No	
Type of Power of Attorney	Enduring/Medical/Normal General/Limited /Other		Enduring/Medical/Normal General/Limited /Other	
Expiry date/ Last review date	Expiry Date	Last Review Date	Expiry Date	Last Review Date
Power of Attorney granted to				
Surname				
First name				
Relationship				
Power of Attorney (location)				
Do you have any specific-estate planning requirements/needs?	Yes / No		Yes / No	
If yes, provide details:				

see solicitor to review their wills & POA

FINANCIAL PLANNING OBJECTIVES - YOUR GOALS AND ASPIRATIONS		
Timeframe	Goal/Aspiration	Anticipated Cost (\$)
Short term goals (less than 12 months)	eg car, holiday	<i>Nil</i>
Medium term goals (12 months to 3 years)	eg renovations, child education	
Long term goals (3 years or more)	eg mortgage, retirement	
OTHER INFORMATION		
Are there any lifestyle goals (non-financial) that you would like us to be aware of?		Yes <input type="radio"/> No <input checked="" type="radio"/>
If yes – provide comment		
What would you expect to achieve from our meeting today? <i>restructure existing AP</i>		

Your Statement of Advice should take into consideration factors that are considered important to you. To assist us in providing you with suitable and appropriate advice, could you please rate the following objectives in their order of importance to you. Please add any other financial objectives not in this list.

Please rate each item below in order of their importance to you by placing a circle around the relevant number. The numbers represent:

1. Not important
2. Slightly important
3. Important
4. Very important

(Use the last column to list the objectives in order of their priorities with "A" being the client's main priority)

Objective	Importance				Priority
	1	2	3	4	
Generate more income <i>happy with existing income</i>	1	<input checked="" type="radio"/>	3	4	
Invest for capital growth / wealth creation	1	2	3	<input checked="" type="radio"/>	
Invest in tax advantaged investments	1	2	3	<input checked="" type="radio"/>	
Invest to minimise the impact of inflation	1	2	3	<input checked="" type="radio"/>	
Invest in a regular savings plan	<input checked="" type="radio"/>	2	3	4	
Invest to meet on call (liquidity) needs	<input checked="" type="radio"/>	2	3	4	
Investing borrowed funds (gearing)	<input checked="" type="radio"/>	2	3	4	
Flexibility	1	2	<input checked="" type="radio"/>	4	
Security of capital	<input checked="" type="radio"/>	2	3	4	
Retirement planning	<input checked="" type="radio"/>	2	3	4	
Receipt of social security <i>already receiving</i>	<input checked="" type="radio"/>	2	3	4	
Protect family and/or assets in the event of death	<input checked="" type="radio"/>	2	3	4	
Protect income earnings against sickness	<input checked="" type="radio"/>	2	3	4	
Protect assets and lifestyle in event of permanent disability	<input checked="" type="radio"/>	2	3	4	
Meet the costs of serious illness or trauma	<input checked="" type="radio"/>	2	3	4	
Ease of portfolio management	1	2	<input checked="" type="radio"/>	4	
Other objectives (please detail below)	1	2	3	4	

PERSONAL INVESTMENT PREFERENCES

Time Horizons

At call	\$	_____
1 year	\$	_____
2-3 years	\$	_____
3-4 years	\$	_____
5-7 years	\$	_____
7 years plus	\$	_____
Retirement	\$	126,478
Total Investment	\$	126,478

Risk Profile Questionnaire

The following questions are designed to determine your risk profile taking into account your financial needs, circumstances and objectives. This is an important process in assisting to identify an appropriate investment strategy and make recommendations that suit your specific requirements.

Please circle your preferences

Question 1 (Your *liquidity* requirements, ie having access to your funds)

Apart from short term and anticipated liquidity needs, how long do you envisage before requiring access to most of your funds?

1. 1 year or less.
2. 2 to less than 3 years.
3. 3 to less than 5 years.
4. 5 years plus.

Question 2 (Your investment *experience*)

How familiar are you with investment markets?

1. No experience at all.
2. Not familiar but am willing to consider investment alternatives.
3. I understand that the markets fluctuate and different market sectors have different income, growth and taxation characteristics. I recognise the importance of diversification.
4. Experienced with all investment sectors and understand the various factors which may influence performance.

Question 3 (Your attitude to *risk*)

Which of the following best describes your attitude to the volatility of returns?

1. I prefer lower capital growth in order to avoid volatile returns.
2. I aim to achieve steady capital growth and will accept some volatility of returns.
3. I am prepared to take on higher volatility for the opportunity of greater returns.
4. I am interested in aggressive growth strategies, including borrowing for investment purposes, and understand the possibility of negative returns.

Question 4 (Your investment *objectives*)

What do you want your investments to achieve?

1. Security of capital with minimal opportunity for capital growth.
2. Generate an income stream with less emphasis on growth.
3. Achieve steady capital growth with less emphasis on income.
4. High capital growth and minimal income.

Question 5 (Your concerns about inflation)

How concerned are you that the value of your capital and the purchasing power of your investment income should keep pace with or exceed the rate of inflation?

- 1. Not concerned.
- 2. Slightly concerned.
- 3. Moderately concerned.
- 4. Highly concerned.
- 5. Extremely concerned.

Question 6 (Your concerns about taxation)

Are you prepared to invest in tax-advantaged investments that may fluctuate in value, in order to minimise your income tax?

- 1. No - I do not want to purchase any investments that may lead to capital fluctuations.
- 2. Maybe - I would prefer stable, reliable capital value and returns with some tax savings, if possible.
- 3. Yes - I can accept some fluctuation in capital value from time to time in exchange for some tax advantages.
- 4. Definitely - my main objective is to minimise income tax and I am prepared to accept capital fluctuation to achieve this.

Question 7 (Your investment preference)

Which one of the following best describes your attitude to choosing an investment?

- 2. I prefer investments that do not have any capital fluctuation associated with them.
- 4. I prefer to diversify with a mix of investments, which have an emphasis on low capital fluctuation. I can accept having a small proportion of the portfolio invested in assets which have a higher degree of short term fluctuations in order to potentially achieve a slightly higher return over the longer term. I understand that these types of investments can produce a negative return in at least 1 year in every 8 years.
- 6. I prefer to have a spread of investments in a balanced portfolio. I understand that this type of portfolio can produce a negative investment return in at least 1 year in every 6 years.
- 8. I prefer to diversify my investments with an emphasis on more investments, which have potentially higher returns, but still having a small amount of stable investments. I understand that these types of investments can produce a negative return in at least 1 year in every 5 years.
- 10. I prefer to select investments that have a higher degree of capital fluctuation so that I can earn higher returns over the long term. I understand that this higher volatility means that a negative return can occur in at least 1 year within every 4 years.

ADVISER NOTES

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CLIENT RISK PROFILES

Defensive (8 to 11)

Your investment style would suggest that you do not wish to take any investment risk. Your main priority is the safeguarding of your investment capital, and you are prepared to sacrifice higher returns for peace of mind. Generally, the most appropriate strategy for someone with a **Defensive** approach to investing is to invest 90% in income and 10% in growth assets. With your investment style it is important that you understand the likelihood of and are prepared to accept negative returns approximately 1 year in every 20 years. A defensive approach is also appropriate when the term of the investment is between 1 to 2 years.

Conservative (12 to 17)

Your investment style would suggest that you are prepared to accept a small amount of risk, however, your priority remains the preservation of your capital over the medium to long term. Generally, the most appropriate strategy for someone with a **Conservative** approach to investing is to invest 70% in income and 30% in growth assets. With your investment style it is important that you understand the likelihood of and are prepared to accept negative returns approximately 1 year in every 8 years. A conservative approach is also appropriate when the term of the investment is between 2 to 3 years.

Moderate (18 to 25)

Your investment style would suggest that you have some understanding of the investment markets and their behavior, and are prepared to take short term risk in order to gain longer term capital growth. Generally, the most appropriate strategy for someone with a **Moderate** approach to investing is to invest 40% in income and 60% in growth assets. With your investment style it is important that you understand the likelihood of and are prepared to accept negative returns approximately 1 year in every 6 years. A moderate approach is also used when the term of the investment is between 3 to 4 years.

Growth (26 to 31)

Your investment style would suggest that you are seeking a greater growth component in your investment portfolio, and although you remain cautious towards taking extreme levels of risk, your general understanding of the investment market enables you to feel comfortable with short term risk. Your priority is consistent capital growth with some income to smooth volatility in your returns. Generally, the most appropriate strategy for someone with a **Growth** approach to investing is to invest 20% in income and 80% in growth assets. With your investment style it is important that you understand the likelihood of and are prepared to accept negative returns approximately 1 year in every 5 years. A growth approach is also used when the term of the investment is between 4 to 5 years.

Aggressive (32 to 35)

Your investment style would suggest that you are most interested in maximising the value of your investments through long term capital growth, although you do not wish to make unbalanced investment decisions. You are prepared to sacrifice short-term safety in order to maximise long term capital growth. Generally, the most appropriate strategy for someone with an **Aggressive** approach to investing is to invest 100% in growth assets. With your investment style it is important that you understand the likelihood of and are prepared to accept negative returns approximately 1 year in every 4 years. An aggressive approach is also used when the term of the investment is between 5 to 7 years.

ASSET CLASSES

The asset allocation for each risk profile is as follows:

Asset class	Strategic asset allocation				
	Defensive (80/10)	Conservative (70/30)	Moderate (40/60)	Growth (20/80)	Aggressive (0/100)
<i>Income</i>					
Cash	30%	30%	5%	5%	0%
Fixed Interest	60%	40%	35%	15%	0%
<i>Growth</i>					
Australian Shares	5%	15%	30%	40%	50%
International Shares	3%	10%	20%	25%	40%
<i>Income and Growth</i>					
Property/Infrastructure	2%	5%	10%	15%	10%
Total	100%	100%	100%	100%	100%

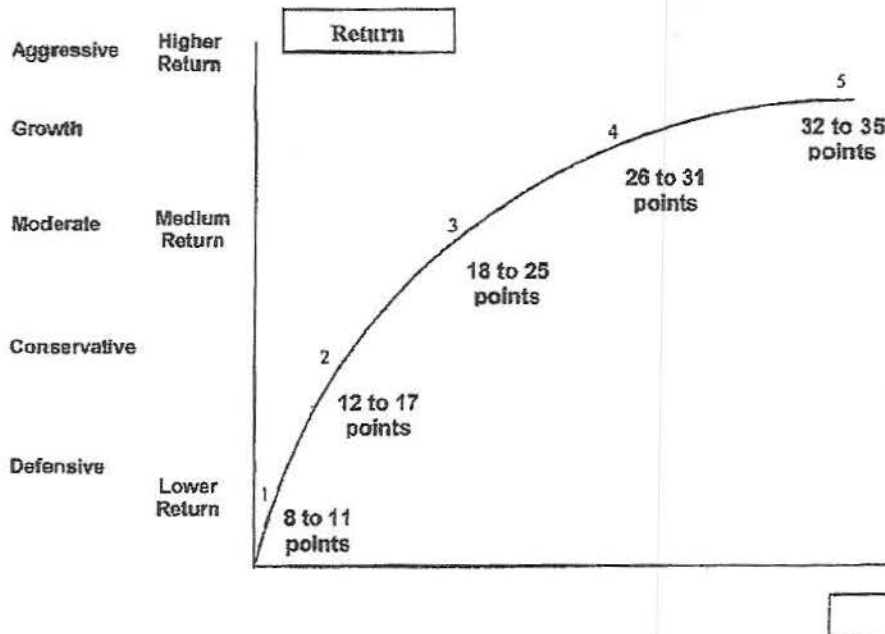
Reconciling a client's needs and objectives with their financial knowledge and investment experience is a fundamental aspect of good financial planning. An assessment of a client's tolerance to investment risk is a key aspect of portfolio construction and is critical to determining appropriate asset allocation, recommended investment classes and expected returns.

Each investment risk profile is supported by flexible asset allocation guidelines designed to match a client's experience and their tolerance of investment risk with their expectations for investment returns. Given that client circumstances differ, and that portfolio values vary over time, an acceptable portfolio recommendation must remain within 5 points of the published benchmark for each asset class. For example, if the target asset allocation for Australian shares is 30%, the recommended allocation should be between 25% and 35%. In addition, any recommended portfolio must also remain within 5 points of the strategic asset allocation benchmark (ie the growth: income ratio).

Minor variations will occur from time to time and, if appropriately managed, will generally have an immaterial effect on the long term performance of an investment portfolio. Significant variations from these benchmarks may also occur for a variety of reasons but any significant variations will be addressed by the adviser in the Statement of Advice or other documentation.

RISK PROFILE

Spectrum of Return/Risk (For illustrative purposes)



If your adviser identifies that you appear to be unable to reach your stated Financial Goals because they conflict with your Risk Tolerance, do you want to make "Reaching your Financial Planning Objectives" the priority?	Yes <input type="radio"/> No <input checked="" type="radio"/>
If yes, provide details:	
Client stated they will hold additional cash & FI outside of AP/mgd limit	

Asset Class Annual Returns - 20 years to 31 December 2007

The best and worst performing asset classes each year have been bolded.

Year	Cash	Australian Fixed Interest	Australian Property Securities	Australian Shares	International Shares	Moderate Fund*	Consumer Price Index
1988	12.88%	9.39%	16.06%	17.88%	4.68%	11.84%	7.60%
1989	18.43%	14.89%	2.35%	17.40%	26.77%	16.94%	7.83%
1990	16.13%	19.01%	8.70%	-17.52%	-14.59%	0.16%	6.85%
1991	11.20%	24.75%	20.08%	34.24%	20.63%	25.63%	1.51%
1992	6.92%	10.41%	3.21%	-2.31%	5.22%	4.66%	0.28%
1993	5.39%	16.32%	30.73%	45.36%	24.82%	27.63%	1.95%
1994	5.36%	-4.66%	-7.09%	-8.67%	-7.62%	-6.20%	2.55%
1995	8.03%	18.63%	14.28%	20.19%	26.68%	19.74%	6.05%
1996	7.57%	11.87%	14.24%	14.60%	6.71%	11.68%	1.52%
1997	5.63%	12.23%	21.91%	12.23%	42.19%	18.86%	-0.25%
1998	5.14%	9.54%	18.44%	11.63%	32.82%	15.49%	1.58%
1999	5.01%	-1.22%	-4.68%	16.10%	17.57%	7.70%	1.80%
2000	6.27%	12.08%	19.71%	4.80%	2.49%	8.45%	5.80%
2001	5.24%	5.45%	14.80%	10.49%	-9.65%	4.85%	3.12%
2002	4.77%	8.81%	11.76%	-8.64%	-27.13%	-3.52%	3.03%
2003	4.90%	3.05%	8.80%	14.96%	-0.29%	6.62%	2.37%
2004	5.62%	6.96%	32.01%	27.92%	10.43%	16.38%	2.59%
2005	5.73%	5.79%	12.50%	22.45%	17.39%	13.78%	2.80%
2006	6.04%	3.16%	34.03%	24.51%	12.02%	14.57%	3.25%
2007	6.73%	3.46%	-8.41%	16.21%	-2.14%	5.14%	2.96%
Annualised return	7.58%	9.27%	12.54%	12.72%	8.11%	10.68%	3.19%
Growth [^]	\$43,152	\$58,925	\$106,214	\$109,733	\$47,587	\$76,047	\$18,725

*ASSET ALLOCATION: Cash 5%; FI 35%; Prop 10%; Au Eq 30%; Int Eq 20%

[^] Value as at 31 Dec 2007 of \$10,000 invested on 1 Jan 1988

ASSET CLASS BENCHMARKS:

Cash:	UBS Bank 0+ Years
Australian Fixed Interest:	UBS Composite 0+ Years
Australian Property Securities:	S&P/ASX 200 Property Trusts Accum Index
Australian Shares:	S&P/ASX 300 Accumulation Index
Global Shares:	MSCI World Ex Aust Acc Ind Gross Div A\$

Indices used are consistent with common market practice and where possible we have chosen an index that runs for the full period December 1987 to present.

With regards to the Australian shares and property the leading indices in each of these sectors changed in 2000 from ASX to ASX/S&P. This change is reflected in the performance for the year 2000 and onwards.

The indices for cash and fixed interest funds changed in 1988 and 1989 respectively as the UBS indices do not cover the period 1980 to the respective date.

The MSCI World A\$ Net Index was chosen above other MSCI indices as this index is available for the entire period required.

The Moderate portfolio is a weighted annual return of Cash (5%), Fixed Interest (35%), Property Securities (10%), International Shares (20%) and Australian Shares (30%). Annualised returns over the period 1/1/1988 to 31/12/2007 were generated from the yearly returns above, including the annualised return for the Moderate portfolio. Past performance is no guarantee of future returns.

Adviser notes

SCOPE OF ADVICE	
Has a full Statement of Advice been requested	Yes / No <input checked="" type="radio"/>
If the client has requested that advice be restricted to specific personal securities/insurance recommendations, or a defined range of products, specify the limitations requested below:	
- seeks restructure of ^{existing} investment funds with AIF	
- no advice required for insurance, Centrelink or estate planning or taxation	
Did the client refuse to supply any personal information, or supplied only limited personal information?	Yes / No <input checked="" type="radio"/>
If YES, the following warning must be provided to the client, and confirmed in the written recommendation.	
As you have declined to provide full personal information, I have not been able to fully assess your financial needs, circumstances and objectives in making my recommendation. As a result, the recommendation may not be appropriate to your particular financial situation. Therefore, you should carefully assess how appropriate the recommendation is in light of your financial situation.	

ADVISER & CLIENT DECLARATIONS

Client Declaration

I / We:

- Acknowledge that all the information provided to my / our adviser in this document is true, current and correct.
- Acknowledge having received a copy of the Financial Services Guide.
- Confirm that my / our adviser has explained that a detailed breakdown of all fees and / or Fee for Service related with the placement of my investments will be included in the Statement of Advice prepared for me / us.
- Have read and understood the statements about my / our privacy. I / We consent to the uses described and the disclosures set out on page 2 of this document.
- Wish to proceed with the preparation and presentation of a Statement of Advice based on the above, at a fee of \$ payable to Commonwealth Financial Planning Limited. I / We understand that this fee is non-refundable;
- Acknowledge that any fees to be incurred for establishment and ongoing service in relation to regular reviews of my / our portfolio will be agreed to after we have been provided with the Statement of Advice.

[Redacted Signature]

3/11/08

Client 1 signature

Date

Client 2 signature

Date

Adviser Declaration

I declare that:

- The information contained in this financial analysis is an accurate and complete record of the information provided by the client(s).
- The client(s) was/were given a copy of the Financial Services Guide before any investment advisory service was provided.
- The preparation of your Statement of Advice will be based on the above information and any other documented correspondence entered into

[Redacted Signature]

3/11/08

Adviser's signature

Date

ADVISER USE ONLY

Referral source	Contact name	Phone number	Benefit payable to referrer	
			\$	%
Where did the client hear about the Licensee/Adviser?	Fund manager	Existing client	Advertising	
	Seminar	Direct mail	Other	

Strategy considerations (Optional)

Topic	Notes
Liquidity requirements	recommended at least \$5k.
Income requirements	seeks income from investments
Time horizon	7yrs plus (retirement)
Diversification	Explained that diversification of risk by spreading money across diff asset classes & sectors
Capital growth	seeks high growth
Superannuation	Nil
Retirement Incomes	seeks restructuring of AP
Centrelink / DVA	DTBR - already in receipt
Taxation	(i) income taxed at MTR. AP income is tax free for those over 60yrs
Insurance	N/A - too old.
Other strategies	

NOTES

- Robyn is 72 years old & Merr is 83 years old. They are seeking advice on their existing AP
- Robyn is happy with her existing level of income but wants to restructure AP.

Recommendation

① new asset allocation for the portfolio

10% CFS cash

32% FC Aust share fund

6.5% 452 geared Aust share

6.5% CFS geared share

10% FC FI

20% FC global share - hedged

7.5% FC property sec

7.5% FC global infrastructure securities

② growth profile. no conflict. see p. 26

③ no SQA fee. ~~no~~ no entry fee, no ODF