

Financial
Services
Guide





About this document

This Financial Services Guide ('FSG') is an important document that is provided by Wattle Partners Pty Ltd (WP) ABN 89 145 903 840, Australian Financial Services License (AFSL) 383169 ('we', 'us' or 'our').

The purpose of the document is to assist our prospective clients to decide whether to use the financial services we provide. It includes information about:

- The services we can offer;
- Our compliance with relevant legislation;
- Our fees; and
- The complaints handling procedures we have in place, should they be required.

A Product Disclosure Statement ('PDS') is provided to our clients when we make a recommendation for them to acquire a particular financial product (other than listed securities) or offer to arrange the issue of a financial product. The PDS sets out the key features, significant benefits, risks and fees associated with the financial product.

If we provide our clients with personal financial advice we will also issue a personal Statement of Advice ('SOA'). The SOA will contain:

- The advice;
- The basis on which such advice is given; and
- Information relating to fees, commissions and other benefits, and any relationships, associations or interests that may influence the advice we provide.

Where our clients are provided with further advice by us, the advice will be recorded in a Record of Advice ('ROA'), which may be an SOA. The ROA will contain further basic information given subsequent to the initial SOA. We will retain a record of all advice and clients may request a copy of the advice at any time up to 7 years from the date it was provided. For the purposes of this report, a Retail Client refers to someone who does not meet the Corporations Act, 2001 definition of being a 'Sophisticated' or 'Wholesale' investor.

Not Independent

Because Wattle Partners and its representatives receive commissions from life insurance companies in lieu of agreed fixed fees, neither are independent, impartial or unbiased. The Corporations Act states that if a licensee or a representative receives commissions from a product issuer it cannot claim to be independent, impartial or unbiased.



What advice are we licensed to provide?

Financial services and products we are authorised to provide

Wattle Partners is authorised under its AFSL to provide the following financial services:

- Financial product advice; and
- Dealing in financial products on behalf of others.

Wattle Partners is authorised under its AFSL to provide these financial services to retail and wholesale clients with respect to the following products:

- Deposit and payment products (not including non-cash payment facilities);
- Government debentures, stocks or bonds;
- Investment life insurance products;
- Life risk insurance products;
- Managed investment schemes, including Investor Directed Portfolio Service;
- Retirement savings account products;
- Securities;
- Superannuation.

Wattle Partners is **not authorised** to provide general or personal credit advice nor can we advise on standard margin lending facilities or general insurance products.

To preserve our objectivity we act only on behalf of our clients and conduct no transactions for our own account. Wattle Partners is the responsible party for the financial services it provides to its clients under its AFSL.

'Future of Financial Advice' (FOFA) Reforms

The founding partners of Wattle Partners have been exponents of the major facets of these regulations for the last decade. Specifically, Wattle Partners confirms that it does and will continue to abide by the FOFA legislation including:

- The Duty to always act in the Best Interests of the client;
- The Duty to always act in a fiduciary manner in all dealing with and on behalf of the client;
- The banning of all 'conflicted commissions' received from third party providers in relation to retail clients; and
- The commitment not to charge fees on borrowed monies utilised for purchasing financial products.

Tax Financial Advice services

In order for representatives of Wattle Partners Pty Ltd to be able to provide tax (financial) advice services to retail clients, they must be registered as 'qualified tax relevant providers' with ASIC. Drew Meredith, Jamie Nemtsas, Renato Manias and Fatuma Akalo are 'qualified tax relevant providers' under the legislation and are therefore able to provide tax (financial) advice services for a fee.

Ensuring transparency and objectivity in relation to financial products we recommend

Wattle Partners is a self-licensed, employee-owned firm. We pride ourselves on always offering our clients objective and transparent advice based on in-depth analysis completed by our experienced people who provide expert guidance on structuring and managing wealth.

The directors of Wattle Partners have interests in other businesses which deliver educational events and news from other financial services companies including fund managers, platform providers and insurers to financial advisers and investors. These businesses may receive sponsorship for delivering educational events and digital marketing services. Details of any payments above \$100 will be maintained on a register which is available upon request. These businesses are wholly separate to Wattle Partners, with no connection between advice provided and the provision of educational events.

Wattle Partners does not have any associations, or other relationships, which might reasonably be expected to be capable of influencing our objectivity.

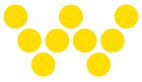
Client Instructions for implementation

Clients can give us instructions by using the contact details set out on the last page of this FSG. Generally, clients need to give us instructions in writing (e.g. email, letter or Docu Sign) or by using another method as agreed between the client and Wattle Partners.

General Advice and Personal Advice

General advice is an assessment or rating of a particular financial product, based on its investment merits alone. It is called General Advice because our view will be the same regardless of who we are talking to. General Advice does not take into account your personal financial situation, objectives or needs.

Personal Advice is an opinion, rating or recommendation regarding the suitability of a financial product or strategy. It answers the question whether of whether something is appropriate for the person to implement or not. Personal advice will take into account one or more of your objectives, financial situation and needs; collectively your relevant circumstances.



How do we provide advice?

Wattle Partners provides personal and general advice in various manners including the following:

- **Statement of Advice(SOA):** The start of any relationship involves a period of 'getting to know' each other and determining if we are the right fit. The SOA includes a dot point plan for your future and a base from which all future life decisions can be made. This comes in the form of several documents which outline our recommended strategies or investments and the reasons behind each of them. The aim of these documents is to inform and empower those who seek our advice into make sound financial decisions as well as minimising the number and severity of mistakes that others make.
- **Investment Policy:** The Investment Policy, or IP, forms part of the SOA but focuses solely on investment matters. This includes but is not limited to: risk tolerance, portfolio construction, asset allocation, investment selection and implementation.
- **Scaled Advice:** Scaled advice is provided where you request a recommendation on a single aspect of your financial situation, such as an appropriate level of superannuation contributions, whether to commence a pension from your superannuation assets, or how to set up a self-managed super fund.
- **Implementation Only:** Implementation only advice is transactional in nature and simply involves our team preparing and completing the lodgement or purchase of an investment on your behalf.

Ongoing Advice

Wattle Partners engages clients on an ongoing basis under a Private Client Service agreement. This is a full service offering, including daily investment management, quarterly reviews and private investment opportunities.

Wattle Partners Private Client Service is in most cases an Ongoing Fee Arrangement (OFA) as defined by the Corporations Act when it is made with a retail client. An OFA is defined as an fee paying arrangement that exceeds 12 months or alternatively in which the agreed fees are not immediately switched off at maturity. Should you enter into an OFA with Wattle Partners and your adviser, you will receive three key documents each year around the Anniversary of becoming a Private Client. The first is a Renewal and Opt-In Agreement, asking if you wish to continue your relationship with us and setting the new terms, if there are any changes. The second is a Fee Disclosure Statement outlining all fees charged by Wattle Partners to you for the previous year and those in the upcoming year. The third document is a Consent Form, a legal document seeking your consent for the agreed fees to be deducted from your nominated account.

Information Gathering

In order to assist in meeting our Know Your Client (KYC) obligations, we have engaged industry-leading third-party platforms; Finametrica and Padua Solutions. These platforms are private and confidential and governed by their own Privacy Policies.

Who will be providing advice to you?

The services provided to you, on behalf of Wattle Partners, will be provided by Drew Meredith, Jamie Nemtsas, Renato Manias and Fatuma Akalo, who are Representatives of Wattle Partners Pty Ltd. Wattle Partners ensures each adviser holds the necessary accreditations and completes minimum legislated Continuing Development Program training. Drew Meredith (Adviser Number 001001056), Jamie Nemtsas (001001050), Renato Manias (001266025) and Fatuma Akalo (001254838) are listed on ASIC's Financial Adviser Register.



What fees will you pay?

Wattle Partners provides two main services; upfront financial and investment advice, and ongoing portfolio management.

Upfront Advice Fees

Once relevant advice sought by a client has been scoped, Wattle Partners will provide a quote to the client. Prior to providing any financial product advice, clients are requested to respond by returning an 'Authority to Proceed' document.

The general fee scales for personal advice provided through an SOA are from \$5,500 to \$16,500 including GST depending on the complexity of the client's financial affairs and the strategies involved. For aged care specific advice, we charge a fee of up to \$5,500 including GST.

Ongoing Advice Fees

Clients seeking ongoing services will enter a Private Client Service Agreement with Wattle Partners whereby we will be 'contracted' to provide set services for an agreed fee (Private Client Service fee) which is determined by the amount of time and exertion required to provide the agreed services. This may include super contributions, taxation, insurance, estate planning, investment and consulting advice. You will be asked to renew your Private Client Service Agreement every 12 months and if you are a retail client, you will receive a Fee Disclosure Statement every 12 months.

Wattle Partners offers a single ongoing service to Private Clients. The services included our outlined in your SOA. but are centred around quarterly portfolio review meetings and unlimited access to our advice team.

More information on our fees is provided below:

Fixed (Agreed) Fees

Wattle Partners' preference is to operate on a Fixed and Agreed Fee basis. Over decades of experience, it is Wattle Partners' view that fixed fees offer greater alignment between the work and time involved in managing portfolios than asset-based alternatives. In general, our fees fall into one of three ranges:

- Group 1 - \$15,000 to \$20,000 incl GST;
- Group 2 - \$25,000 to \$40,000 incl GST;
- Group 3 - \$45,000 incl GST and over.

The service level does not differ between the different groups, rather the fee is determined by the time, risk and complexity involved. We consider the number of entities, type of investments, use of platforms and risk profile in determining the appropriate fee. These fees are similar to traditional 'retainer' agreements where the ongoing services are provided for an agreed fee that is fixed for

a minimum of two or three years. These fees will not exceed 2% of assets under management.

Performance Based Fees

Wattle Partners' advisers have the discretion to offer performance based fees which are subject to achievement of stated objectives over the long-term. Again, these fees are offered on a case-by-case basis. A performance-based fee is generally calculated based on a percentage of assets under management and may be as high as 5% of funds under management. These are only offered to sophisticated investors.

Implementation fees

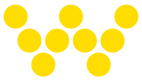
Where you become a Private Client of Wattle Partners, no implementation fee will be charged for the implementation of the recommendations in the SOA. Should you elect not to become a Private Client, a fee of up to \$5,500 will be charged for implementation, which will be disclosed in your SOA. Wattle Partners may also provide clients with one-off or infrequent financial services, such as portfolio reviews, guidance on efficient tax and succession planning, philanthropy advice, estate planning or insurance only services. Once the relevant services sought by a client have been scoped, Wattle Partners will send a fixed fee quotation to the client. The fees for providing ad hoc financial services will vary depending on the complexity of the advice and hours required by each member of the team. Clients are requested to respond by returning an 'Authority to Proceed', prior to Wattle Partners providing the agreed service.

Cancellation

Wattle Partners does not charge cancellation fees, but each Private Client Service agreement carries a notice period for cancellation of service.

Commissions

Wattle Partners maintains a client-specific register of any benefit received including insurance commissions, stamping and placement fees related to retail clients. These will be disclosed and may or may not be refunded depending on the type of agreement made with the client.. This register can be accessed by clients upon request. If personal advice is not provided to a client, the client may request particulars of the potential remuneration (including commission), or other benefits set out above, but the client must make such a request within a reasonable time of being given this FSG and before we provide the client with any financial service described in it.



What fees will you pay? (continued)

Placement Fees

Wattle Partners may from time to time secure access to a range of quality investment opportunities, through which we may be eligible to receive payments for promoting or arranging client investments into these products. These may include success fees, introduction, placement and issue management fees. In the rare instance we receive a monetary benefit on behalf of a Retail Private Client this may be disclosed and refunded as per our standard practice.

Implementation Fees

For any ASX or overseas listed securities and managed fund investments we trade on your behalf, Wattle Partners may charge a transaction fee of \$38.50 including GST. This is a flat fee per trade used to support the role of a dedicated implementation employee. This fee is deducted by the CHESS Participant or Stock Broker in addition to their own fees. Any transaction fees will be disclosed in your ROA or SOA.

Employee Remuneration

As an employee-owned, fee-for-service wealth management firm all employees are remunerated in the form of salary and performance-related bonuses only. Salary is the major source of remuneration for most employees but all employees are eligible for performance related bonuses based on a number of qualitative and quantitative factors. New business written by a financial adviser is not a major factor in determining if a performance bonus is to be paid. Our advisers do not have 'revenue targets' that must be met.

Conflicts of Interest

As an employee-owned firm operating under our own AFSL, we do not have any conflicts of interest. Wattle Partners and its representatives will engage in ongoing relationships with many types of institutions including fund managers, platform and insurance providers however the guiding principle of our firm is to remain objective at all times. We will not direct client funds to specific investment products on the basis of benefits provided to us. The platforms, products or policies recommended are selected due to their scope, quality and cost comparative the market. Wattle Partners engages external research consultants to provide independent views on investments where deemed appropriate. We will not accept volume and other fee rebates based on the amount of funds we invest with any fund or investment manager. We have no direct association or affiliation with any other institution which could be considered to impact on our objectivity or affect our ability to act in clients' best interests.

The directors of Wattle Partners have equity interests in other businesses which deliver educational events, public relations and news services to financial advisers and investors. These businesses may receive sponsorship for delivering educational events and digital marketing services from product providers, platforms, insurance companies and other financial services businesses. Details of any payments above \$100 will be maintained on a register which is available upon request. These businesses are wholly separate to Wattle Partners, with no connection between the advice provided, products recommended and the provision of educational events or other services.

We do not perceive there to be any conflicts of interest in the structure and internal processes of Wattle Partners, however, should such a potential or perceived conflict arise we will disclose this and manage it appropriately.

Referral Fees

Wattle Partners does not pay or receive referral fees based on incoming or outgoing clients to or from any third-party.

Compensation and insurance arrangements

Wattle Partners is covered by professional indemnity insurance satisfying the requirements under the Australian Corporations Act (2001) for compensation arrangements.

- The insurance is subject to terms and exclusions.
- The insurance covers any claims arising from the actions of WP employees or representatives, even where subsequent to these actions they have ceased to be employed by, or act, for us.

Our clients do not have a direct right to claim under this insurance, which is taken out to ensure sufficient resources will be available to meet claims against us.



What fees will you pay? (continued) & other important information

Atchison Consultants

The directors of Wattle Partners own an asset consulting business, called Atchison Consultants, who they also engage to provide portfolio construction, asset allocation and investment advice. Atchison Consultants provides portfolio construction, asset allocation and investment committee oversight to financial advice groups, superannuation funds, trustees and other wholesale/sophisticated/professional investors. Atchison is also engaged from time to time to provide due diligence and research reports on a diverse range of investment products. The directors of Wattle Partners are directors of Atchison, with some involvement in the day to day operations of the business. Where Atchison has researched a product recommended by Wattle Partners, and received a fee for said research, this will be disclosed to you in your SOA or ROA does not issue any investment products itself.

Lodging a complaint

Wattle Partners clients may at all times enquire into, or complain, about the services they receive from us. Enquiries or complaints are best brought to our attention the following way:

- Clients can raise the issue with their usual contact at Wattle Partners;
- Wattle Partners will respond and acknowledge the receipt of a complaint within 24 hours.
- If a satisfactory response has not been received within 30 days of raising the complaint with their contact, then clients can contact Wattle Partner's compliance officer on email: drew@wattlepartners.com.au or telephone +61 3 8414 2901.

If a complaint is not resolved to our client's satisfaction within 30 days of the initial communication, the client can refer their concerns to the external dispute resolution body listed below. This body is established to help clients with complaints they cannot resolve directly with the relevant entity. It is independent and impartial, and Wattle Partners is bound by its decisions.

Australian Financial Complaints Authority
Member No. 24482
GPO Box 3
Melbourne, Victoria 3001
Toll free 1300 367 287
www.afca.org.au

Privacy and Anti-Money Laundering (AML) / Counter-Terrorism Financing (CTF) Act

Wattle Partners collects information from its clients enabling us to provide the financial product advice and associated service(s) at our clients' request. In order to do this, we may disclose our clients' information to other professionals e.g. accountants, lawyers, mailing houses, funds management groups, stock broking firms, third party administration providers and registries. Failure by a client to provide us with the information may lead to us not being able to provide a client with the financial product advice and services they request.

We may also use or disclose clients' personal information to provide clients with information on other products or services. Clients who do not want us to do this, will need to contact us by using the contact details below.

In most cases, clients can gain access to personal information that we hold about them by contacting our office on the details below. If clients have any concerns about the completeness or accuracy of the information we may have about them, or would like to access their information, we ask that they please contact us in writing by using the contact details set out below.

A copy of our Privacy Policy can be viewed on our website; www.wattlepartners.com.au. Wattle Partners is required, pursuant to the AML and CTF Act, and its corresponding rules and regulations, to implement certain customer identification processes.

We may be required to obtain information about our clients at the time of providing financial services to them and from time to time thereafter in order to meet our legal obligations. We have certain reporting obligations pursuant to the AML/CTF Act and information obtained from or about our clients may be provided to external third parties and regulators in accordance with the requirements imposed on us.

CONTACTING US

Melbourne
Level 4, 125 Flinders Lane
Melbourne, Victoria 3000

GPO Box 2031
Melbourne, Victoria 3001

Sydney
Level 3, 63 York Street
Sydney NSW 2001

T +61 3 8414 2901

E adviser@wattlepartners.com.au

