

ALDER & PARTNERS

Private Wealth Management

FINANCIAL SERVICES GUIDE

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About this Financial Services Guide

This Financial Services Guide (FSG) is an important document which we are required to give to you under the requirements of our Australian Financial Services Licence. It provides you with information about Alder & Partners Private Wealth Management ('Alder and Partners', 'we', 'our' or 'us') to help you decide whether to use the financial services we provide.

The FSG contains important information about:

- who we are and how we can be contacted;
- the financial services and financial products we can offer you;
- how we are paid for our services; and
- our internal and external dispute resolution procedures and how you can access them.

This FSG must be read in conjunction with the Adviser Profile as it forms part of this FSG. It provides information about your financial adviser such as their experience, authorisations and contact details.

Please retain both the FSG and Adviser Profile for your reference and any future dealings with us.

Alder and Partners authorises the distribution of this FSG.

Who are Alder & Partners Private Wealth Management?

Alder and Partners are a Western Australian boutique financial advisory group dedicated to providing you with personalised wealth management solutions focused on our core values of integrity, trust, professionalism, service and autonomy.

We are privately owned to ensure our values, vision and service delivery are not compromised. We are not obligated to any financial institution, bank or insurance company.

We have been issued with an Australian Financial Services Licence (No. 382714) from the Australian Securities and Investments Commission.

Who will be your adviser?

We have attached an Adviser Profile to this FSG which provides details of your adviser and their authorisations.

Who is responsible for the financial services provided to you?

Alder and Partners are responsible for the advice and services provided to you. Any financial services offered by us will be provided to you by a representative of Alder and Partners.

What services can we offer?

Alder and Partners offer both personal and general advisory services in the following areas:

- Investment Portfolio Management
- Superannuation (including self-managed superannuation funds)
- Retirement Planning
- Wealth Accumulation (including margin lending)
- Managed Discretionary Account Services
- Cash Flow and Debt Management
- Personal Insurance
- Estate Planning
- Ongoing Advisory Services

We will only recommend products or securities that are on our Approved Securities and Products List. Your adviser does not have authority to recommend securities or products that have not been approved by Alder and Partners.

How do we provide you with advice?

You may receive the following documents to help you make an informed decision on any financial strategy or recommended financial product.

Statement of Advice (SOA)

We will give you a written Statement of Advice (SOA) if we provide you with personal financial product advice. Personal financial product advice is advice that takes into account one or more of your objectives, financial situation and needs. The SOA will contain:

- the advice and the basis on which it is given;
- our remuneration; and
- any associations we have which may have influenced the advice provided to you.

SOAs are provided in our initial advice to you. Future advice may also be in the form of a SOA if your objectives, circumstances, financial situation or needs have changed.

Record of Advice (ROA)

On an ongoing basis a ROA may be prepared instead of a SOA if there has been no significant change in your personal circumstances or the basis of the advice has not significantly changed since your last SOA was provided.

You have the right to request a copy of your SOA or ROA at any time.

Product Disclosure Statement (PDS)

If we recommend a particular financial product to you (other than securities) we will give you information about that financial product in a PDS to help you make an informed decision.

Managed Discretionary Account Service

You may not receive a SOA, ROA or PDS in relation to ongoing investment portfolio management decisions if your account is operated through our Managed Discretionary Account service.

What is a Managed Discretionary Account Service?

Alder and Partners offer a Managed Discretionary Account (MDA) service. The MDA service allows your adviser to manage the investments in your account without seeking your prior approval or consent. You must first enter into a MDA Agreement with us in order to participate in the MDA service. Alder and Partners, as an MDA Operator, will only provide MDA services for clients using specifically approved investment and superannuation products.

Alder and Partners will not provide custodian services and will not hold your assets for you as part of our MDA service. Rather, your assets will be held for you through your account in the recommended investment and / or superannuation product.

About the MDA Agreement

The MDA Agreement will set out the terms and conditions of the service. It authorises us to acquire, vary, realise, sell, subscribe, purchase, withdraw or otherwise dispose of and deal in assets and financial products in your account, including any corporate actions (such as decisions regarding the voting rights). Accordingly, you will not receive a ROA or PDS in relation to ongoing recommendations for an account operating through the MDA service. We will not be required to communicate with you to seek your instructions regarding corporate actions or other matters in relation to your investments. If you wish to provide instructions regarding corporate actions or other matters in relation to investments in your account you may do so by contacting your adviser in writing.

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The MDA Agreement will be accompanied by a SOA incorporating an Investment Program, which sets out how your money will be invested. The Investment Program will be developed based on your relevant personal circumstances, financial objectives and needs. The Investment Program will be reviewed by your adviser at least every 13 months and will comply with Division 3 of Part 7.7 of the Corporations Act.

The MDA Agreement and Investment Program will also contain:

- information about the nature and scope of the discretions we will be authorised and required to exercise;
- the investment strategy that is to be applied in exercising those discretions;
- information about any significant risks associated with the MDA Agreement;
- the basis on which we consider the MDA Agreement to be suitable for you; and
- warnings that the MDA Agreement may not be suitable to you if you have provided us with limited or inaccurate information. It will also specify that the MDA Agreement may cease to be suitable for you if your relevant personal circumstances change.

Risks associated with the MDA Agreement

It is important to note that there are risks associated with the MDA Agreement. Some significant risks include, but are not limited to:

- that we may make investment decisions that you disagree with. Provided our actions are within the law and scope of the authority you have granted us you will have no right of recourse. This means you will have to accept the consequences resulting from any transaction validly exercised by us;
- investing involves some risk depending on your level of investment and the agreed investment strategy;
- your goals may not be met on the basis that an investment runs the risk that its value and income may fluctuate. Your investments may be affected by factors such as financial market volatility, economic cycles and climate, political events, inflation, tax, legislative changes, interest rate movements, foreign exchange rates and credit risk.

Please read the MDA Agreement and your SOA for further discussion regarding the risks and benefits associated with using the MDA service.

This FSG complies with the requirements of the Corporations Act, ASIC Class Order 04/194 and ASIC Regulatory Guide 179.

What do we expect from you?

We expect that you will provide us with accurate information so that we have a reasonable basis on which to provide you with advice. This will allow your adviser to tailor recommended strategies to enable you to make informed financial decisions.

We expect that, where appropriate, you inform your adviser of any changes that may influence your future objectives.

As a financial services provider, we have an obligation under the Anti Money Laundering and Counter Terrorism Finance Act to verify your identity and the source of any funds. This means that we will ask you to present identification documents such as your current passport and driver's licence. We will also retain copies of this information.

Will we give you advice which is suitable to your investment needs and financial circumstances?

Yes. But to do so we need to understand your individual investment objectives, financial situation and needs before we make any recommendation to you. You have the right not to divulge this information to us if you do not wish to do so.

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

We will explain to you any significant risks associated with the investments and strategies we recommend to you. You should ask us to clarify those risks to you if you are unclear.

What information do we maintain in your file?

We maintain a record of your personal profile which includes details of your investment objectives, financial situation and needs. We maintain records of any recommendations we make to you. We also retain copies of communication between you and Alder and Partners staff. You may make arrangements with us to examine your file should you wish to do so.

We are committed to implementing and promoting a privacy policy, which will ensure the privacy and security of your personal information. A copy of our privacy policy can be obtained by contacting our office.

Can you instruct us to buy or sell investments?

Yes. You may instruct us by telephone, fax or email. Where instructions are given verbally we must receive written confirmation.

Do we have any relationships that may influence the service or advice you may receive?

We are a privately owned company. We are not obligated to any financial institution, bank or insurance company.

Your adviser may hold an interest in securities or financial products that are recommended to you. Any significant interest will be recorded in a register of financial product holdings and where appropriate this will be disclosed to you in your SOA or ROA.

What kind of compensation arrangements are in place and are these arrangements complying?

Alder and Partners have arrangements in place to ensure it continues to maintain Professional Indemnity insurance in accordance with s912B of the Corporations Act 2001 (as amended).

In particular our Professional Indemnity insurance, subject to its terms and conditions, provides indemnity up to the Sum Insured for Alder and Partners and our representatives and employees in respect of our authorisations and obligations under our Australian Financial Services Licence. This insurance will continue to provide such coverage for any representative and employee who has ceased work with Alder and Partners for work done whilst engaged with us.

What should you do if you have a complaint about our services?

If you have any complaint about the services we have provided, you should take the following steps:

1. Contact your adviser and tell them about your complaint.
2. If your complaint is not satisfactorily resolved within five business days please contact our Compliance Manager on (08) 9386 1900. Alternatively put your complaint in writing and send it to us at PO Box 5140 Dalkeith WA 6009.
3. If you still do not get a satisfactory outcome, you have the right to complain to the Credit & Investments Ombudsman on 1800 138 422 or www.cio.org.au. Alder and Partners is a member of this external dispute resolution scheme.
4. The Australian Securities and Investments Commission also has an information line on 1300 300 630 which you may use to obtain information about your rights.

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How are we paid for the services we provide?

The initial consultation with your adviser is free of charge. At this meeting your adviser will discuss the fees that will be payable to prepare a written SOA.

We offer flexible payment methods to suit you and your advice requirements. The table below outlines the fees that may be payable for the advice and services you receive from us. A detailed description of the fees payable for our initial recommendations and ongoing advice and services will be provided to you in your SOA or ROA. All fees quoted are inclusive of GST.

What other commissions, fees or other benefits do we receive?

Alder and Partners may receive benefits such as, but not limited to, free or subsidised technology, education, training, compliance and/or other services from our panel of approved stockbrokers or product providers.

Specific details about commissions and other benefits received by Alder and Partners and / or your adviser will be provided in your SOA. You have the right to request further information in relation to the remuneration, the range of amounts or rates of remuneration, and other benefits received by Alder and Partners and / or your adviser.

Advisory Fees and Commissions

Initial Advice Fee	We may charge this fee for the preparation of a SOA and implementation of those recommendations. This fee will be a minimum \$2,200 with the maximum dependant on the complexity of the analysis required and the time expected to prepare the advice.
Client Service Fee	<p>We will charge a Client Service Fee for ongoing investment management and strategic advice services which will include the offer of a formal Annual Review with your adviser.</p> <p>This fee is calculated via one of the following methods:</p> <ul style="list-style-type: none">• up to a maximum of 1.50% per annum of the value of the portfolio (tiered based on the size) we manage for you; or• a flat fee to be agreed between you and your adviser. The fee amount will depend on the complexity of your circumstances and the time expected to manage your affairs. <p>Please note that a minimum Client Service Fee of \$1,980 per annum may be charged for our ongoing services and advice.</p>
Other Advice Fees	We may charge a fee for specialist investment or strategic advice on a matter not included as part of our Client Service Fee offering or if you do not require our ongoing advice services. The advice will be charged at an hourly rate of up to \$330, a fixed dollar amount or a combination of these. The fee will be confirmed with you before we commence work.
Investment Commissions	For investment products, such as managed funds and cash management accounts, that were established prior to 1 July 2013 we may retain ongoing or trailing commissions paid to us by the product provider. These are typically in the range of 0.1% - 0.55% per annum of the account balance.
Insurance Commissions	Where we arrange life insurance policies on your behalf we may receive commissions paid to us by the product provider. The commission will vary between insurance companies and the type of insurance product recommended. Commission paid in the first year will vary between 0% and 125% of the first year's premium. Upon renewal of your policy each year we may receive commissions of between 0% and 35% of the yearly premium.
Stamping Fees	Stamping fees may be paid to stockbrokers who assist companies with the placement of new issues on the Australian Securities Exchange. From time to time we may recommend clients invest in these new issues and the stockbroker may pay Alder and Partners a proportion of the stamping fee they receive. We will donate any stamping fees received (net of GST) to one or more charitable organisations.
Referral Fees	<p>Where you have been referred to us by another party, we will detail in the SOA if a fee or commission is paid by us in relation to the referral.</p> <p>Likewise, if we refer you to a specialist provider of services, we will detail in the SOA if a fee or commission is received by us in relation to the referral.</p>

Product Fees

Fees and Brokerage	You may incur other fees relating to products such as portfolio administration fees, investment management fees, brokerage charges when buying and selling listed securities, performance fees, buy/sell spreads, trustee fees, compliance fees, switching fees and withdrawal fees. These will be disclosed in the SOA, ROA and / or relevant product disclosure document.
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