



Financial Services & Credit Guide

5 Wealth Management Pty Ltd

Part of the 5 Financial Group

ABN 50 003 640 097

Australian Financial Services Licence (AFSL) and Australian Credit Licence (ACL) No 314889

Registered as a Tax (financial) adviser, registration number 24786816

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1. WHO WE ARE

5 Wealth Management is part of the 5 Financial Group. We are an integrated boutique financial advisory company totally committed to helping you feel clear and confident about your financial life. As well as assisting with wealth accumulation and management, we help ensure you have adequate levels of protection through cash flow management and insurance cover. We can also assist with credit facilities such as home or investment loans. We have an associated company working under the 5 Financial umbrella that provides services such as tax planning and returns, and we have strong professional relationships with quality third party providers who assist our clients with estate planning and other legal matters.

5 Wealth Management is 100% owned by people who work in our business. We pride ourselves on being fully focused on your best interests in helping you achieve your financial goals and objectives.

We operate from our Head Office in Rhodes and all our advisors are full-time employees, paid by salary and not commission. We work together as a team to ensure we can offer a fully integrated and comprehensive service to our clients. Our associates are fully engaged with our client philosophy – to provide appropriate and consistent advice to secure your financial future.

2. OUR SERVICES

5 Wealth Management is qualified and licensed under its Australian Financial Services Licence and Australian Credit Licence to provide financial advice and assistance in arranging the following wealth accumulation and risk and debt management products:

| Products | Examples |
|---|---|
| Deposit and payment products | Term deposits, savings accounts, offset accounts |
| Investment, life and risk insurance products | Insurance bonds, life and permanent disability cover, trauma cover, income protection insurance |
| Managed investment schemes | Interests in management funds, investor directed portfolio services |
| Investment bonds and debentures | Government and corporate bonds and debentures |
| Securities | Shares in listed and unlisted companies, ETFs |
| Standard margin lending facilities | Margin loans for investment purposes |
| Superannuation | Managed and self-managed superannuation funds |
| Credit services (where a third party is providing the actual funds) | Home loans, investment loans, consumer leases, short term loans. |

3. **HOW WE WORK WITH YOU**

Most of our clients come to us via referrals or recommendations, some find us through our website and some join us as clients after attending one of our seminars. In all cases, our approach is the same.

1. As a potential client, you are invited to attend **an initial meeting** at our office where we explain our services and our charges, and gather enough information to identify whether we can assist you to achieve your financial goals. This meeting is free of charge and without obligation.
2. If you decide you would like to engage us to provide financial advice and/or credit assistance, you will be asked to sign a **letter of engagement** which outlines the services we will provide and the fees payable for those services. Once we have your authority to proceed, we will start work on your financial strategy and/or recommendations for credit facilities.
3. The first step in the process is a **comprehensive fact find**. Through this, we collect the information needed to ascertain your current personal and financial situation and earnings capacity, your personal and financial requirements and objectives, and your tolerance of risk. Frequently our clients are couples, in which case information for both partners is collected.
4. In order to ensure our advice and assistance are appropriate to your situation, it's necessary to collect and verify a considerable amount of personal information. We take the matter of **client confidentiality and privacy** very seriously and this extends not only to adhering to our Privacy Policy (available on our website, www.5financial.com.au) but also to ensuring that our electronic data storage is well maintained and securely backed up, and that any associated or service companies with whom we work apply the same strict standards of confidentiality.
5. Once we have obtained and verified the necessary information, **we develop your personal financial strategy**, designed to move you from your current position to where you would like to be in a specified time frame, and/or recommendations for any credit facilities required.
6. As soon as your financial strategy and/or credit recommendations have been prepared, you will be invited to our office again for a **personal presentation**. If you have engaged us to prepare a comprehensive financial strategy, this will be presented to you in the form of a detailed Statement of Advice (SoA). If your strategy includes the use of credit facilities, or you have engaged us purely to provide assistance with credit arrangements (e.g. personal or housing loans), you will receive our recommendations in the form of a Credit Proposal Disclosure Statement (CPDS). These documents also include information about service fees for ongoing financial advice and monitoring of the suitability and performance of your financial strategy, charges related to entering any credit contract or consumer lease, and any payments we are entitled to receive from third parties (e.g. credit providers) if you go ahead with our recommendations.
7. After the presentation of the SoA and/or CPDS, you will have the opportunity to consider whether you wish to proceed with **implementing the financial strategy and/or applying for any recommended credit contract**. Once again, we will obtain your written authority before implementing any recommendations.
8. If you **engage us as your ongoing financial advisers**, our service includes monitoring the suitability and performance of the strategy in the light of economic conditions, making recommendations for

adjustments to your portfolio where appropriate, responding to your queries and dealing with administrative matters throughout the year. It also includes an annual face-to-face review meeting, the purpose of which is to consider any changes in your personal circumstances, goals or objectives, as well as the appropriateness of the strategy. You will receive an annual Fee Disclosure Statement, summarizing the service we have provided and the fees you have paid during the previous 12 months, and you will also be asked to confirm in writing whether you wish to continue our appointment as your financial advisers for the next 12 months. You have the option of discontinuing our engagement at any time, at which point our annual service fees and our responsibility for the appropriateness of your financial strategy will cease from that point forwards.

9. If you have engaged us to assist with applying for credit facilities, you may at any time obtain **a copy of the assessment** of why the recommended credit contract is not unsuitable for you, taking account of your financial situation, your capacity to meet the loan obligations, your objectives and the appropriateness and legality of the contract for your requirements. There is no charge for requesting or receiving a copy of this assessment and we will respond as soon as possible after receiving your request.
10. We are active members of our industry association, the Financial Planning Association, and have been recognized as a **“Professional Practice” which means we operate in line with the FPA code of practice and ethics**. In line with the requirements of legislation and ASIC regulatory guides which control the financial services sector, these include putting the client’s interests first, acting with integrity, objectivity, fairness and diligence, maintaining the skills and knowledge to provide professional services competently and protecting the confidentiality of all client information.

4. **HOW WE GET PAID**

Our charges for financial advice have four elements:

1. An **initial engagement fee** for developing and presenting your personal financial strategy both at a meeting and in writing. This fee will be outlined in a written quote and is likely to fall within the range of \$2,000 - \$20,000, depending upon complexity.
2. An **on-going service fee** which is an annual charge, billed in monthly instalments. This is likely to fall within the range of \$7,000 - \$40,000 per annum, depending upon complexity, and will be quoted in the SoA.
3. An **implementation fee** may be charged for the initial set-up of investments, insurance, superannuation, structures and/or trusts. This is likely to fall within the range of \$500 - \$15,000 depending upon complexity, and will be quoted in the SoA.
4. Ad hoc **project fees** which may be charged in relation to work which is not related to the initial engagement or ongoing service arrangement. The amount of any project fee will be quoted to you in writing and your authority to proceed will be obtained before work commences.
5. We may charge a fee for providing credit assistance to you. If applicable, details of the fees payable by you will be set out in a Credit Quote which we will give you prior to submitting any loan application. You may have to pay other fees and charges (such as application fees or valuation costs) to the lender or other parties. You should review the particular loan contract documentation for further details of any such fees and charges.
6. We will also disclose in your SoA /CPDS any payments or remuneration we receive from third parties as a result of implementing our recommendations. The following are payments we may receive:
 - i. Where we provide assistance in applying for personal or investment loans, leases or mortgage facilities, we receive commission from the credit provider (lender). An upfront commission is paid by lenders in relation to settled (drawn down) loans and is calculated as a percentage of the loan amount. Trail commission is also paid by lenders in relation to settled loans - this is calculated monthly on the outstanding loan balance and is paid in arrears. These sums are not payable by you. Details of the commission to be received will be included in the CPDS that you will receive when credit assistance is provided.
 - ii. Financial product issuers may provide us with non-monetary benefits from time to time such as conferences, software and training. Employees of 5 Wealth Management do not accept any benefit in kind with a value greater than \$100. Any non-monetary benefit received that is valued at \$100 or less is recorded in a register which may be inspected by clients at any time.
7. We do not accept or give introduction fees or commissions between the associated companies under the 5 Financial umbrella nor any external parties such as accountants, lawyers or real estate agents.

Credit Providers

We are authorized to engage in credit activities and provide assistance to obtain loans for you from a panel of credit providers. The credit providers with whom we are authorized through the services of our aggregator Connective Broker Services Pty Ltd (Australian Credit Licence 389328) and through which we generally conduct most of our business are shown in the Appendix to this Financial Services and Credit Guide.

Our aggregator charges us a fee consisting of:

- A membership fee for our business
- A monthly fee for each of our accredited loan writers.

These fees are not passed on to you.

Note: all fees referred to in this document are subject to GST.

5. WHAT HAPPENS IF YOU'RE NOT SATISFIED

Although we strive to meet and preferably exceed our clients' expectations, there are inevitably occasions where we fail to attain this standard. If you are not satisfied with the service we provide, you are asked to contact us in the first instance by phone, email or in person and tell us about the problem so that we may endeavour to put things right.

If your complaint is of a more serious nature and we are unable to resolve it to your satisfaction within 6 weeks of you notifying us, you can lodge a complaint with the Australian Financial Complaints Authority, or AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers. Our AFCA membership number is 12593.

Website: www.afca.org.au

Email: info@afca.org.au

Telephone: 1800 931 678 (free call)

In writing to: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

We maintain professional indemnity insurance as required by our Australian Financial Services and Australian Credit Licences, the Corporations Act and the National Consumer Credit Protection Act. This insurance provides cover for claims made against us and our employees and representatives.

6. ADVISOR PROFILES

Jason Petersen

Graduate Diploma of Financial Planning, CERTIFIED FINANCIAL PLANNER (CFP)[®]

Bachelor of Arts (Hons) Information Systems and Management

Certificate IV (Finance/Mortgage Broking)

Tax (Financial) Adviser (registration number 25590643)

Jason is Head of Wealth Management and has been providing financial advice to clients since 2004. He is a CERTIFIED FINANCIAL PLANNER[®] (CFP), a qualified mortgage broker and Tax (Financial) Adviser. Jason specialises in giving financial advice and credit assistance in the following areas:

- Wealth Creation
- Retirement Planning
- Debt Management
- Credit Facilities and Consumer Leases
- Corporate Superannuation
- Personal Insurances
- Business Insurances
- Succession Planning
- Self Managed Superannuation
- Direct Equities

Jason holds the following qualifications:

- Graduate Diploma of Financial Planning
- Bachelor of Arts (Hons) Information Systems and Management
- Certificate IV (Finance/Mortgage Broking)

He is a member of the SMSF Professionals Association of Australia (SPAA), Financial Planning Association (FPA), the Association of Financial Advisers (AFA), and Finance Brokers Association of Australia (FBAA).

Gillian Witham

Graduate Diploma of Finance, Accredited Aged Care Professional[™]

Bachelor of Engineering (Civil)

Gillian is an Adviser and Financial Planner. She specialises in giving financial advice in the following areas:

- Wealth Creation
- Retirement Planning
- Aged Care
- Debt Management
- Personal Insurances
- Business Insurances
- Succession Planning
- Direct Equities

Gillian holds the following qualifications:

- Graduate Diploma of Finance
- Accredited Aged Care Professional[™]
- Bachelor of Engineering (Civil)

She is a member of the Financial Planning Association (FPA).

Louise Falsone
Diploma of Financial Planning, Bachelor of Commerce
Accredited Aged Care Professional™
Tax (Financial) Adviser (registration number 24840913)

Louise is an Adviser, Financial Planner and Tax (Financial) Adviser. She has been providing financial advice to clients since 2000. Louise specialises in giving financial advice in the following areas:

- Wealth Creation
- Retirement Planning
- Aged Care
- Debt Management
- Personal Insurances
- Business Insurances
- Succession Planning
- Self Managed Superannuation
- Direct Equities

Louise holds the following qualifications:

- Diploma of Financial Planning
- Accredited Aged Care Professional™
- Bachelor of Commerce

She is a member of the Financial Planning Association (FPA).

Alka Belani
Advanced Diploma of Financial Planning, Bachelor of Commerce
Master of Business Administration

Alka is an Adviser and Financial Planner. She specialises in giving financial advice in the following areas:

- Wealth Creation
- Retirement Planning
- Debt Management
- Personal Insurances
- Business Insurances
- Succession Planning
- Self Managed Superannuation
- Direct Equities

Alka holds the following qualifications:

- Advanced Diploma in Financial Planning
- Master of Business Administration
- Bachelor of Commerce.

She is a member of the Financial Planning Association (FPA) and the Association of Financial Advisers (AFA).

7. *PRIVACY POLICY*

Protecting your privacy is of the utmost importance to us and this is reflected in the way we manage and handle your data. Please refer to our Privacy Policy (available on our website, www.5financial.com.au) for full details.

8. APPENDIX ONE: LENDER INFORMATION

The following table lists a wide range of lenders available in the Australian market. We have chosen to become accredited with a select number of providers, based on our experience of the quality of their products and services offered. Having access to a variety of lenders enables us to tailor our recommendations to the needs and circumstances of each client.

| Aggregator Lenders available | Lenders with which we are accredited | Lenders most frequently used by us | Top 6 Lenders and settlements in % |
|--|--------------------------------------|------------------------------------|------------------------------------|
| Adelaide Bank | ✓ | | |
| AMP | ✓ | ✓ | 80.95% |
| ANZ | ✓ | ✓ | 2.38% |
| Australian First Mortgage | | | |
| Auswide Bank | | | |
| Bank of China | | | |
| Bank of Melbourne | | | |
| Bank of Queensland | | | |
| Bank SA | ✓ | | |
| Bankwest | | | |
| Better Choice Home Loans | | | |
| Better Mortgage Management | | | |
| Bluebay Home Loans | | | |
| Bluestone | | | |
| Citibank | | | |
| Collins Home Loans | | | |
| Commonwealth Bank | ✓ | ✓ | 2.38% |
| Connective Home Loans - Essentials by Advantedge | ✓ | ✓ | 7.15% |
| Connective Home Loans - Smart Options by Macquarie | ✓ | ✓ | 4.76% |
| Firefighters Mutual Bank | | | |
| Firstmac | ✓ | | |
| Gateway Bank | ✓ | | |
| Heritage Bank | ✓ | | |
| HomeStart Finance | | | |
| ING | ✓ | | |
| Keystart Home Loans | | | |
| La Trobe Financial | ✓ | | |
| Loan Ave | | | |
| Macquarie Bank | ✓ | | |
| ME Bank | ✓ | | |
| MyState | | | |
| NAB | ✓ | | |
| Newcastle Permanent Building Society | ✓ | | |
| P&N Bank | | | |
| Paramount Mortgage Services | ✓ | | |
| Pepper Money | ✓ | ✓ | 2.38% |
| RAMS Home Loans | ✓ | | |
| Resimac Home Loans | ✓ | | |
| St George Bank | ✓ | | |
| Suncorp Bank | | | |
| Teachers Mutual | | | |
| UniBank | | | |
| Virgin Money | ✓ | | |
| Westpac | ✓ | | |