

Wisdom Wealth

Financial Services Guide

1 July 2021 Version: 2.2

Wisdom Wealth Pty Ltd
ABN: 35 611 120 542
Level 14
41 Exhibition Street, Melbourne 3000
T: (03) 8663 5100
F: (03) 8663 5199
E: wisdomwealth@preda.com.au
Australian Financial Services Licence No. 488036

Lack of Independence Disclosure Notice

Legally, we can't call ourselves independent. Here's why:

The law makes it very difficult for most advisers to say they are independent, unbiased or impartial, even if they are not in any way linked to a financial product provider (like a bank).

If, for example, an adviser gets paid a commission to help a client arrange some insurance they are automatically prohibited from calling themselves independent. Most advisers who receive those commissions charge their clients very little (if anything) for the advice or the help they provide putting a policy into place. From time to time, we receive these commissions.

So although Wisdom Wealth always puts your interests before ours when giving advice and we adhere to the highest ethical standards, the Corporations Act does not allow us to call ourselves independent, unbiased or impartial.

How can we help you?

Before seeking our advice, you probably have a number of questions you would like to ask about us and how we can help you. To help you get to know us and decide whether to use our services, we have prepared this Financial Services Guide (FSG) which is designed to explain:

1. Who we are
2. Matters we can help you with
3. How we are paid
4. Privacy
5. If you have a complaint
6. Other matters you might want to know
7. Our relationships and conflicts

If you need more information or clarification, please contact us.

1. Who we are

Please refer to the Supplementary Financial Services Guide for further information on your adviser.

This FSG is given to you by your adviser with the authority of Wisdom Wealth. When a member of our team provides financial services to you, they will be acting for you on behalf of Wisdom Wealth.

We are a Member of the Financial Planning Association (FPA) and must comply with the FPA's code of conduct.

2. Matters we can help you with

We can help you with the following:

- Retirement planning strategies
- Wealth creation
- Superannuation strategies
- Self-managed superannuation advice
- Salary packaging
- Insurance services
- Gearing strategies
- Social security advice
- Estate planning
- Tax consequences of our financial advice

In addition, we can offer you an on-going monitoring and review service for your investment portfolio or life insurance program.

We are licenced to provide financial product advice and deal in some or all of the following financial products:

- Deposit and payment products, including basic deposit products, deposit products other than basic deposit products and non-cash payment products
- Debentures, stocks or bonds issued or proposed to be issued by a government
- Risk insurance products, including life, trauma, income protection and total and permanent disability insurance
- Retirement savings accounts
- Securities
- Superannuation, including self-managed superannuation funds
- Managed investments, including investor directed portfolio services
- Standard margin lending facility

If we provide personal advice to you, we are required under the law to act in your best interests and prioritise your interests ahead of our own.

You may specify how you would like to give us instructions. For example by telephone, email, fax or other means. But in all cases we must receive a written confirmation of these instructions.

3. How we are paid

Fees

Where it has been arranged that you will pay an Adviser Fee directly for our services we will invoice you for the applicable amount. The rate for our services may be a percentage of the amount invested (say 1%), or a flat fee based on a rate between \$110 and \$330 per hour, GST inclusive, depending upon the complexity of the services involved.

You may also be charged a Statement of Advice (SoA) preparation fee. This can range between \$1,600 and \$6,600 (inclusive of GST) depending on the complexity and the time spent. Any fee for service must be paid within seven (7) days of the date of the tax invoice being issued to you.

It can sometimes be arranged for you to authorise that the Adviser Fee be deducted from your invested amount by the Fund Manager or Wrap Service, which will pay the fee to us.

Commission on Life Risk Insurance Products

When we arrange a life risk contract we would be paid an initial amount of commission by the life insurance company once the insurance proposal has been accepted by the life company and the policy is in force. The rates of commission can vary widely because the types of the insured risks involve also vary. However, initial commission may not be more than 66% of the first year's premium.

Life companies generally pay ongoing or renewal commission. This is based on the premium at that time and is paid to us after the premium has been paid. The rates vary but are no more than 22% p.a.

Review fee

A review fee may be charged for reviews of existing plans and portfolios to ensure strategies remain appropriate. This fee will be agreed between you and your Financial Adviser. You may be invoiced for an adviser fee when you receive our written

recommendations. Alternatively, this fee may be charged on an ongoing basis from your investments as agreed.

Further details about commissions and or other benefits your adviser receives for recommending investments will be available to you when specific recommendations are made in the SoA or Record of Advice (RoA).

4. Privacy

We will need to find out your individual objectives, financial situation and needs before we recommend any financial product 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 are required to warn you about the possible consequences of us not having your full personal information. You should read the warnings carefully.

We keep a record of the personal information, which may include details of your investment objectives, financial situation and particular needs, you provide to us. On your request, we can provide you with a copy of your personal information and advice documents, which we keep on record for no less than 7 years. Please note that a fee for this service may apply.

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 is enclosed for your information.

5. If you have a complaint

We are committed to providing quality advice to you. This commitment extends to providing accessible complaint resolution mechanisms for you.

If you have any complaint about the service provided to you, you should:

1. Contact your adviser and tell them about your complaint.
2. If your complaint is not satisfactorily resolved within 7 days please contact Wisdom Wealth on 03 8663 5100 or put your complaint in writing and send it to us at Level 14, 41 Exhibition St, Melbourne VIC 3000 and we will try and resolve your complaint within 45 days.

If after 45 days we cannot reach a satisfactory resolution to your complaint, we are a member of

the **Australian Financial Complaints Authority (AFCA)** and you can raise your concerns with them through the contact details below:

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001
(P) 1800 931 678 (free call)
info@afca.org.au
www.afca.org.au

6. Other matters you might want to know

We will also provide you with a SoA whenever we provide you with any advice which takes into account your objectives, financial situations and or needs. The SoA will contain the advice, the basis on which it is given and information about fees, commissions and associations which may have influenced the provision of the advice.

If we give you further advice, or when no financial product is recommended, a RoA may be provided to you instead of a SoA. You can request a copy of the RoA by contacting us (if you have not previously received a copy) within 7 years of that further advice being given.

In the event we make a recommendation to acquire a particular financial product (other than securities) or offer to issue or arrange the issue of a financial product, we must also provide you with a Product Disclosure Statement containing information about the particular product which will enable you to make an informed decision in relation to the acquisition of that product.

We hold professional indemnity insurance cover for the activities conducted under our AFS licence which we believe satisfies the requirements of section 912B of the *Corporations Act 2001* for compensation arrangements. The insurance **will cover** claims in relation to the conduct of authorised representatives, representatives and employees who no longer work for the Licensee (but who did at the time of the relevant conduct).

7. Our relationships and conflicts

From time to time, financial product issuers offer our representatives invitations to social and sporting events and the occasional gift such as a bottle of wine or hampers on special occasions.

The approximate value of these during the year is \$300.

Neither your Adviser nor the Licensee have any association or relationship with issuers of financial products that might reasonably be expected to be capable of influencing them in the provision of financial services.

Wisdom Wealth is one of 18 shareholders and Principal Members of the Alpha Group Pty Ltd (Alpha Group). The Alpha Group receives sponsorship from various product providers and uses this sponsorship to provide Education and Training relevant to the carrying on of a Financial Services business, to Principal Members and their representatives and employees.

Wisdom Wealth discloses sponsors and amounts received from sponsors in an Alternative Remuneration Register. Wisdom Wealth's representatives also maintain an Alternative Remuneration Registers and record any benefit they or their employees obtain by way of Education and Training provided by Alpha Group. You may request a copy of the Alternative Remuneration Register of Wisdom Wealth or your advisers by placing such a request in writing to your adviser.