

Financial Services Guide

This FSG will help you decide whether to use the services that we offer. It contains information about:

- The services we offer and their cost.
- Any conflicts of interest which may impact the services.
- How we are remunerated.
- How we deal with complaints if you are not satisfied with our services.

Not Independent

We are not independent, impartial, or unbiased because we operate a Managed Discretionary Account (MDA) service which we may recommend to our clients.

What advisory services are available?

Centre In Finance holds an Australian Financial Services License that allows us to deal in and provide advice for a broad range of financial products and services. Our approved portfolio is sourced from a broad range of managers and are selected according to our consideration of external research, quality, and value for money.

We can assist you to meet your financial needs and objectives by providing a range of services including wealth creation & retirement planning. We are authorised to deal and offer advice in the following financial products:

- **Superannuation**
- **Managed Funds**
- **Life Insurance**
- **Retirement Savings Accounts**
- **Deposit and Payment products**
- **Securities (Dealing service only)**
- **Managed Discretionary Account (MDA) service**

The financial advice process:

We recognise that the objectives and personal circumstances of each client are different.

Where we provide personal advice, we will listen to you to understand your objectives and circumstances. We will also ask questions to make sure we provide advice which is in your best interests.

When we first provide personal advice to you it will be explained thoroughly and documented in a Statement of Advice (SOA) which you can take away and read.

The SOA will explain the basis for our advice, the main risks associated with the advice, the cost to you of implementing the advice, the benefits we receive and any conflicts of interest which may influence the advice.

We will provide you with a Product Disclosure Statement (PDS) where we recommend a financial product other than securities. This contains information to help you understand the product being recommended.

We welcome you to contact us and ask questions about our advice and the products we recommend.

You can provide instructions to us in writing, via phone or via email. In some cases, we may require you to provide signed instructions.

We may provide further advice to you to keep your plan up to date for changes in your circumstances, changes in the law and changes in the economy and products.

If we provide further advice, it will be documented in a Record of Advice (ROA) which we retain on file. You can request a copy of the ROA document at any time up to 7 years after the advice is provided.

Do any relationships or associations exist which may influence your advice?

Centre In Finance is neither owned nor controlled by any financial product provider. The advice provided should always be suitable and appropriate for your needs and circumstances and we'll warn you if there are any other conflicts which potentially affect our advice to you. We will always act in your best interest.

We charge a monthly service fee which depends on the services that we provide to you. It will be a fixed fee, or a fee based on your account balance. We will agree the fee with you in an agreement. We do not charge an initial consultation or implementation fee.

Commissions

We do not retain commissions or any other payments from the financial product providers. Any payments we do receive will be rebated to you in full.

Adviser remuneration

Bill Alateras and Vicki Alateras are the owners of the practice. They are remunerated through the profits that the practice makes.

The employees of the practice are paid a salary. They may also receive a bonus based on their performance and the overall revenue of the practice.

Making a complaint

We endeavour to always provide you with the best advice and service. If you are not satisfied with our services, we encourage you to contact us. Please call us, send an email, or put your complaint in writing to our office.

If you are not satisfied with our response, then you can refer your complaint to the Australian Financial Complaints Authority. You can contact AFCA on 1800 931 678 or www.afca.org.au. AFCA provides a fair and independent complaint resolution service which is provided to you free of charge.

Centre In Finance is required to hold adequate Professional Indemnity Insurance for the financial services that it and its current and past representatives provide.

Your privacy

We are committed to protecting your privacy.

We have a Privacy Policy which sets out how we collect, hold, use, and disclose your personal information. It also sets out how you can access the information we hold about you, how to have it corrected and how to complain where you are not satisfied with how we have handled your personal information.

Our Privacy Policy is available on request and on our website.

Managed Discretionary Account Service

Centre in Finance offers a Managed Discretionary Account (MDA) service which enables us to manage your investment portfolio with discretion.

The MDA allows us to implement changes quickly and efficiently to your investment portfolio. Without discretion, there can be delays in making changes to your account as it takes time to communicate our advice to you and seek your authority on each transaction.

The MDA service is provided via a regulated platform account such as CFS FirstWrap. We will be able to make changes to the investments within your account without seeking your prior approval. The MDA service is limited and does not allow us to withdraw funds from your account or to transact on any of your investments held outside your account.

Statement of Advice

We will provide you with a Statement of Advice (SOA) where we recommend the MDA service. The SOA will explain why we believe the MDA service is in your best interests and suitable for you.

MDA Agreement & Investment Program

To enter the MDA service, you must sign an agreement with us. The agreement will include an investment program which will explain how we will manage the investments in your account. It will set out:

- Our investment philosophy including our approach to selecting and managing your investments.
- The investment strategy and risk profile we will use for your account.
- The nature and scope of our discretion under the MDA service including any discretion we must exercise.
- Information about any significant risks associated with the MDA service.

The agreement and investment program will be incorporated into the SOA. They will comply with Division 3 of Part 7.7 and Division 2 of Part 7.7A of the Corporations Act.

CFS FirstWrap

We only provide our MDA service where your portfolio is held via an administration and reporting platform which provides a custodial service, and which is regulated by ASIC. We will typically recommend the CFS FirstWrap platform which is operated by Avanteos Investment Ltd (AFSL 245531).

CFS will provide on-line reporting for your account. You will be able to view the transactions that we undertake on your behalf and obtain portfolio valuations.

CFS will also appoint an external custodian who will hold the legal title for your investments. Details of the external custodian will be set out in the CFS FirstWrap Product Disclosure Statement that we will provide to you. We do not provide custodial services and we will not hold the legal title for your investments.

You will need to complete an account opening application with CFS and provide us with a CFS FirstWrap Authority to operate to use our MDA service.

Tax outcomes

Changes we make to the investments in your account may result in a capital gain which may increase your taxable income. We will not consider your tax position when managing your investments.

Investment rights

We will not have the authority to make decisions on your investments in relation to corporate actions such as share buy backs, rights issues, and share splits. Where possible we will accept your instructions for corporate actions and for the purchase and disposal of shares.

MDA Service Risk

There are additional risks with the MDA service as we will be acting with discretion:

- You will not have awareness of the investment decisions we are considering.
- You will only be aware of the decisions we make after a transaction has been completed.
- You will be reliant on our operational capability and professional integrity to manage your investments.
- Our acts are binding on you provided we act within the terms of the MDA agreement and investment program.

Warning

You will be required to provide us with full and accurate information relating to your relevant personal circumstances prior to the commencement of the MDA service. You will also need to notify us of changes in your circumstances. If you do not provide this information, we will not be able to properly advise you which may mean you have an MDA service and investment program which is not suitable for you.

Other important information

We will only recommend an MDA service where it is in your best interests and is suitable for you. Once in place, we will only make changes to your investments which are consistent with our understanding of your financial needs, objectives, and circumstances. We will also always comply with the MDA agreement and the investment program that we agree with you.

We will contact you for instructions where action is required on your regulated platform account which is outside our authority.

You can cancel the MDA Service at any time by notifying us in writing.

MDA Fees and Costs

Consumer Advisory Warning

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1%, could reduce your final return by up to 20% over a 30-year period (reduces from \$100,000 to \$80,000).

You should consider whether the features of the MDA service justify the fees and costs.

TO FIND OUT MORE

If you would like to find out more or see the impact of the fees based on your own circumstances, the Australian Securities, and Investments Commission (ASIC) website (www.moneysmart.gov.au) has managed investment fee calculators to help you check out different fee options.

The following pages show the fees and other costs you may be charged for using our MDA service. All fees and costs include GST less available reduced input tax credits.

You should read all the information about fees and costs because it is important to understand the impact on your account and investments.

| Fees when your money moves in and out of the MDA account | | |
|---|--------|-------------------|
| Type of Fee or Cost | Amount | How and when paid |
| Establishment fee. The fee to open your investment | \$0 | Not applicable |
| Contribution fee. The fee on each amount contributed to your investment | \$0 | Not applicable |
| Withdrawal fee. The fee on each amount you take out of your investment | \$0 | Not applicable |
| Exit fee. The fee to close your investment | \$0 | Not applicable |

| Fees when you change investments within your MDA account | | |
|---|---|--|
| Type of Fee or Cost | Amount | How and when paid |
| Transaction fees (CFS FirstWrap) The fee charged by CFS when you change or switch an investment | \$0 | Not applicable |
| Transaction fees (Fund Managers) Fund managers have a different unit price for the purchase and sale of an investment | This fee differs between fund managers. Generally, between 0.2% and 2.5% of the investment | The fee is built into the unit price of the investment and is incurred at the time of each trade |
| Transaction fees (Shares) CFS FirstWrap charge a fee on the purchase and sale of shares | 0.1% of the investment amount with a minimum of \$39 per trade per share | The fee is deducted from your CFS FirstWrap account at the time of each trade |
| Annual Advice and Management costs for your MDA account | | |
| Type of Fee or Cost | Amount | How and when paid |
| MDA service Advice Fee The fee for our advice services | Nil. There is no additional advice fee associated with the MDA service. Our adviser service fees are as set out in the SOA. | |
| CFS FirstWrap Admin Fee The fee charged by CFS for their administration services | The fee is based on the value of your CFS FirstWrap account. On the first \$ 700,000 0.25% From \$700,000 to \$1m 0.07% From \$ 1 m to \$3m 0.05% Over \$ 3 million Nil | The fee is deducted from your individual CFS FirstWrap account each month |
| Fund Manager Fees The fee charged by fund managers to manage each investment | These fees differ between fund managers and are generally, between 0.2% and 1.6% of the investment. | The fee is built into the unit price of the investment and is deducted each month |

Example of Annual Fees and Costs – Vanguard High Growth Fund

This table gives an example of how the fees and costs for the Vanguard High Growth Fund can affect your investment over a one-year period.

| Annual Advice and Management costs for your MDA account | | |
|---|--------|--|
| Type of Fee or Cost | Amount | Balance of \$50,000 with a contribution of \$5,000 at the end of the year |
| Contribution Fee | Nil | For every \$5,000 you invest, you will be charged \$0 |
| Management Costs | | |
| Plus CFS FirstWrap Admin Fee | 0.25% | For the administration and reporting services you will be charged \$125 per year |
| And Fund Manager Fees | 0.29% | For the funds management you will be charged \$145 per year |
| | | For every \$50,000 you have invested, you will be charged total management costs of \$270 per year. |
| Equals total cost of product | | If you had an investment of \$50,000 at the beginning of the year and you invest an additional \$5,000 during that year, you would be charged total fees and costs of up to \$297 plus transaction costs. |

This example assumes \$50,000 is invested for the entire year, that \$5,000 is invested during the course, of the year and the value of the account is constant over the year.

Fund manager fees vary between investments and your actual costs will depend on the actual managed funds, used in your account. As we will act with discretion, you will not be aware of the managed funds or cost prior, to the selection.

The example does not include any transaction fees. These will be incurred where we make the initial investments for your account and then for any investment changes made during the year.

These are not known in advance and their total value will depend on the number and type of transactions undertaken during the year.

You should note that all fees and costs may change between the time when you read this Financial Services Guide and the time you enter the MDA service. They may change once you have entered the MDA service.