



PITCHER PARTNERS
WEALTH MANAGEMENT

HILROSS

Financial Services and Credit Guide

Pitcher Partners Wealth Management
Hunter & Newcastle Pty Limited

Version 3.0

June 2017

It is important that you read this Financial Services and Credit Guide (FSCG). It contains information that will help you decide whether to use any of the financial services offered by us, as described in this guide, including:

- who we are and how we can be contacted
- the advice and services we provide
- information about our licensee Hillross Financial Services Limited (Hillross)
- our fees and how we, your adviser and Hillross, are paid in connection with those services
- how we manage your private information
- how you can complain about a matter relating to us or Hillross

Documents you may receive

We will provide you with a number of documents as you progress through our financial planning process to capture each stage of your advice journey. We may provide these documents to you electronically to your nominated email address, unless otherwise agreed.

When we provide personal advice it will normally be documented and provided to you in a Statement of Advice (SoA), known as a financial plan. The financial plan contains a summary of your goals and the strategies and any financial products we may recommend to achieve your goals. It also provides you with detailed information about product costs and the fees and other benefits we and others will receive, as a result of the advice we have provided.

If we provide further personal advice a financial plan may not be required. We will keep a record of any further personal advice we provide you for seven years. You may request a copy of such records by contacting our office during that period.

When we provide credit advice we will conduct a preliminary assessment to determine the suitability of a particular product. This is normally documented and provided to you in an SoA, a record of debt advice or a Credit Proposal. We will retain a record of the debt advice which you may request by contacting our office within seven years of the assessment.

If we recommend or arrange a financial product for you we will provide a product disclosure statement (PDS) or investor directed portfolio service (IDPS) guide where relevant. These documents contain the key features of the recommended product, such as its benefits and risks as well as the costs you will pay the product provider to professionally manage that product.

You should read any warnings contained in your advice document, the PDS or IDPS guide carefully before making any decision relating to a financial strategy or product.

1. About our firm

Name:	Pitcher Partners Newcastle and Hunter Wealth Management Pty Ltd
ABN:	49 112 481 802
Authorised representative number:	285893
Credit representative number:	369100

This guide provides information about our advisers including their contact details, qualifications, experience, the services they may offer and financial products they can provide advice on.

Pitcher Partners Newcastle and Hunter Wealth Management Pty Ltd has more than one office. This FSCG details information about our firm only. You can obtain the FSCG for other offices by contacting them on the details below.

Newcastle

Address:	The Glasshouse 101 Hannell Street Wickham NSW 2293
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Maitland

Address:	20-22 Church Street Maitland NSW 2320
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Singleton

Address:	126 John Street Singleton NSW 2330
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Phone: 02 4911 2000

Fax: 02 4911 2099

Email: Newcastle@pitcher.com.au

Website: www.pitcher.com.au

2. Our advice and services

We can provide you with personal and general advice about specific services and financial products listed below. We can also arrange for financial products to be issued without advice from us.

Individual advisers within our firm may not be qualified to provide advice in all of the services and products noted below. Their individual profile guides will note any limitations to the advice they are qualified to provide. At all times we will ensure the appropriate adviser is available to you to provide advice consistent with your goals.

The following table sets out the areas of advice we can help you with as well as the products and services we can arrange.

Any additional advice or services we can offer you, or limitations to the list below, will be outlined in Our Financial Advisers and Credit Advisers on page 9 & 10.

We can provide advice on:	We can arrange the following products and services:
<ul style="list-style-type: none"> ▪ Investments strategies (strategic asset allocation and goals based investing) ▪ Budget and cash flow management ▪ Debt management (including borrowing for personal and investment purposes) ▪ Salary packaging ▪ Superannuation strategies and retirement planning ▪ Personal insurance ▪ Estate planning ▪ Centrelink and other government benefits ▪ Ongoing advice and services, including regular portfolio reviews ▪ Aged care ▪ In particular we specialise in: <ul style="list-style-type: none"> – Wealth Management Advice for business owners and executives – Superannuation Strategies – Self Managed Superannuation Funds – Business Superannuation Solutions – Financial Guidance during Relationship Breakdown – Aged Care Assessment 	<ul style="list-style-type: none"> ▪ Superannuation, including retirement savings accounts ▪ Self-managed superannuation funds (SMSF) ▪ Employer superannuation ▪ Managed investments ▪ Separately managed accounts ▪ Investor directed portfolio services (for example, administration platforms) ▪ Deposit and payment products (for example term deposits, cash management accounts and non-cash payment products) ▪ Standard margin loans ▪ Retirement income streams, including pensions and annuities ▪ Personal and group Insurance (life cover, disability, income protection and trauma) ▪ Life investment products including whole of life, endowment and bonds ▪ Securities (including listed securities) ▪ Exchange traded funds and Listed investment companies ▪ Arranging for listed securities, shares and debentures to be bought and sold via a platform and broker. ▪ Where an administration platform is recommended, we also offer a Limited Managed Discretionary Account service ▪ Limited selection of investment guarantees

Hillross maintains an approved products and services list, which includes products issued by AMP companies and a diversified selection of approved Australian and International fund managers. These have been researched by external research houses as well as our in-house research team.

Hillross periodically reviews these products to ensure that they remain competitive with similar products that address similar client needs and objectives. Generally, we recommend products that are on the approved products and services list. However, if appropriate for your needs, we may, subject to Hillross' approval, recommend other products.

A copy of the approved products and services list can be supplied to you upon request.

If we recommend a new platform or portfolio administration service, we use those issued or promoted by the AMP Group or as otherwise approved by Hillross and where appropriate to your circumstances.

As at March 2017, the lenders whose products are most commonly recommended by Accredited Mortgage Consultants authorised by Hillross Financial Services Limited are:

Lenders
▪ AMP Bank
▪ ANZ
▪ Auswide Bank
▪ Westpac
▪ St George
▪ National Australia Bank
▪ ING Direct
▪ Macquarie Bank
▪ Bank of Queensland
▪ Liberty Financial

Tax implications of our advice

Under the Tax Agent Services Act 2009, Pitcher Partners Newcastle and Hunter Wealth Management Pty Ltd is authorised by the Tax Practitioners Board to provide tax (financial) advice services on matters that are directly related to the nature of the financial planning advice provided to you. We will not consider any other tax matters in our advice to you. Where tax implications are discussed they are incidental to our recommendations and only included as an illustration to help you decide whether to implement our advice.

Transaction services

If you do not require advice, we can also arrange for you to apply for limited types of financial products where we can take your instructions and arrange for the transaction to be completed, without providing personal advice. If you wish to proceed without our advice, we will ask you to confirm your instructions, which we will document in writing. You can ask us for a copy of this documentation at any time.

Your relationship with us and using our services

giving us instructions by telephone, mail or email. We can only accept your instructions via email once you have signed an authority form.

We will work with you to agree what advice and services we will provide and when and how often we will provide them.

Where you agree to ongoing advice and services, the details will be documented and provided to you in a service agreement. This includes the frequency of contact between us, service standards that may apply, any ongoing fee arrangements and how the service can be terminated.

If at any time you wish to terminate your relationship with us, please contact us using the details shown in this guide.

Providing information to us

It is important that we understand your circumstances and goals, so that we can provide you with appropriate advice and services. You have the right not to provide us with any personal information. Should you choose to withhold information, or if information you provide is inaccurate the advice or services we provide you may not be appropriate for you.

It is also important that you keep us up to date by informing us of any changes to your circumstances so we are able to determine if our advice continues to be appropriate.

3. Our Fees

The fees charged for our advice and services may be based on a combination of:

- A set dollar amount; or
- A percentage based fee.

Our agreed advice and service fees may include charges for:

- Initial advice
- Ongoing advice

Please note that for services in relation to insurance, banking deposit products, some loan products and older investment products, commissions may be paid by the product provider as follows:

- Initial commission - a percentage of the value of your investment contributions, loan balance or insurance premiums, and
- Ongoing commission - a percentage of the value of your investment balance, outstanding loan amount or premiums, usually calculated at the end of each month in which you hold the investment or loan, or on renewal of insurance products.

Payment methods

We offer you the following payment options for payment of our advice fees:

- BPAY, direct debit (savings), credit card or cheque
- Deduction from your investment

All fees and commissions will be paid directly to Hillross as the licensee on our behalf. They retain a percentage (as a licensee fee) to cover their costs and the balance is passed on to us. The percentage is determined annually, based on a number of factors, including our business revenue for the prior year.

Other costs

Where other costs are incurred in the process of providing our advice and services to you, you will be liable for these costs. However, we will agree all additional costs with you prior to incurring them.

Other benefits we may receive

The following is a list of benefits we may receive other than those explained above. These are not additional costs to you. These benefits may be monetary or things like training, events or incentives we are eligible for.

In addition to the payments we may receive for our advice and services, we may receive other support services. These can include financial and training assistance, prizes and awards or events in recognition of financial planning excellence and innovation, and business performance.

We may also participate in business lunches or receive corporate promotional merchandise tickets to sporting or cultural events and other similar items.

Development, management and advice recognition

We may qualify to receive a DMA payment to recognise and reward our growth and professionalism. The DMA payment is based on a rate, calculated once per year, and determined by our ranking relative

to other Hillross firms. Up to 60% of all Hillross firms may qualify for DMA payments. The rate may range from 0% to 5%, depending on our ranking. It is then applied to our firm revenue and paid to us once a year.

For example, if our DMA is set at 1% and our revenue for the year was \$200,000, we would receive a total of \$2,000 for that year.

How our performance is ranked

Our practice ranking is based on a scorecard, with points received for the quality of our services, compliance (audit results), our business goals and our engagement with clients through a measure called Advice Growth Index (AGI). AGI measures the value of our fee for service payments and our clients' product holdings over the previous year.

Para-planning costs subsidy

We may be eligible for a subsidy from AMP in relation to parapanning costs, depending on the number of parapanning requests that we make in a particular month. If our practice submits a minimum of 5 parapanning requests per eligible authorised representative in our practice, we receive a discount of up to 10% in relation to these costs. For example, if the total cost of 5 SOAs is \$1,000 we will receive a discount of up to \$100 ($10\% \times \$1,000 = \100) and pay a discounted fee of minimum \$900.

Placement fees

From time to time Hillross will receive fees from brokers or product issuers (including AMP group companies) for arranging client participation in Initial Public Offerings (IPOs) of securities (such as shares and rights issues). The fee, which is generally a percentage of the fee paid to the broker, varies from offer to offer and by the level of participation by Hillross. We may share in this fee based on the level of participation by our clients.

Business buy back option

If we leave the financial services industry, Hillross makes available a facility for its authorised representatives to transfer their clients. If this happens, Hillross may buy back the servicing rights of our clients. The facility is subject to certain conditions (such as, reason for sale, time the firm has been operating with Hillross, level of adherence to Hillross compliance requirements and achieving a satisfactory level of customer service), and provides a minimum value for our register of clients. The minimum value is based on a multiple of firm revenue. If at some future time we should look to sell our firm, and we cannot find a willing buyer, Hillross may purchase the servicing rights of our clients in these circumstances.

Annual advice conference

The advice conference is an annual event which offers advisers the opportunity for professional development and to hear updates on AMP's thinking about the future of advice. Hillross subsidises the costs of the advisers attending. The value will depend upon a range of factors, including the nature of the courses and events planned.

Educational support

Hillross rewards individuals with educational support if they meet certain qualifying criteria. The qualifying criteria may vary, and is normally based on the standard of our financial planning services and our business performance.

Personal and professional development

Hillross provides personal and professional development opportunities in the form of a multi-tiered development program, offered annually to qualifying practices.

Summit

The Summit is a national convention available to advisers from all Hillross practices. Hillross subsidises the expenses of those who attend the convention up to a maximum value of \$1,200 per annum per practice.

Mid-tier study tours

Hillross will subsidise the cost of our participation in certain personal and professional development programs if we meet specific qualification criteria. The qualifying criteria is based on a combination of factors including the quality of our services, our business goals and our ranking against other practices in Hillross. The maximum amount of this subsidy is \$12,000 per annum per practice.

Amicus program

In addition to the above, certain practices that meet additional qualification criteria will be eligible to participate in the Amicus program, an additional personal and professional development program organised by Hillross. The additional qualification criteria requires long term achievement of the mid-tier study tour criteria. If a practice qualifies for the Amicus program, Hillross will subsidise the cost of their participation up to a maximum value of \$15,000 per annum per practice.

4. Our financial advisors and credit advisors

About Jennifer Leslie

Authorised representative number: 239442

Credit representative number: 368755

Qualifications: Bachelor of Commerce
CERTIFIED FINANCIAL PLANNER™
Financial Planning Specialist
(Institute of Chartered Accountants)

Memberships: Fellow of Institute of Chartered Accountants
Financial Planning Association
Women on Boards
Business and Professional Women (Australia)



Phone: 02 4911 2000

Email: jennifer.leslie@pitcher.com.au

The advice and services I can provide you

I am authorised to provide the services listed in the Our advice and services section of this guide, except for the following:

Should you require advice and services that extend beyond my authority I can refer you to a suitably qualified adviser.

I am also a Credit Representative of Hillross and am authorised to provide credit advice regarding how to structure debt, suitability of existing loan structures and repayment options. If you require advice involving mortgages or other lending products, I can refer you to an Accredited Mortgage Consultant.

How I am paid

I receive the following from our firm:

- Salary
- Dividends

Jennifer Leslie is an employee, director and shareholder of Pitcher Partners Newcastle and Hunter Wealth Management Pty Limited and receives salary plus dividends from the firm.

About Matthew Kerr

Authorised representative number: 267593

Credit representative number: 437189

Qualifications: Bachelor of Commerce
CERTIFIED FINANCIAL PLANNER™
SMSF Specialist Advisor™

Memberships: Associate of Institute of Chartered Accountants
Financial Planning Association
SMSF Professionals' Association of Australia

Phone: 02 49112000

Email: matt.kerr@pitcher.com.au



The advice and services I can provide you

I am authorised to provide the services listed in the Our advice and services section of this guide, except for the following:

- Goals based investing

Should you require advice and services that extend beyond my authority I can refer you to a suitably qualified adviser.

I am also a Credit Representative of Hillross and am authorised to provide credit advice regarding how to structure debt, suitability of existing loan structures and repayment options. If you require advice involving mortgages or other lending products, I can refer you to an Accredited Mortgage Consultant.

How I am paid

Matt Kerr is an employee of Pitcher Partners Newcastle and Hunter Wealth Management Pty Limited and receives a salary plus a performance based bonus from the firm.

5. Our relationships and who we represent

Our relationships

It is important for you to understand our relationships with other service providers so you can decide on the services you wish to use.

Referral arrangements with other service providers

Payments for referrals

We may receive payments to refer you to other service providers. These amounts do not involve additional costs and will be disclosed in your statement of advice. Our current referral arrangements are detailed below:

Referrals from:			
Referrer	Payment arrangement	Paid to	Nature of relationship
Pitcher Partners Newcastle and Hunter Chartered Accountants	75% of dividends and value of equity of Pitcher Partners Newcastle and Hunter Wealth Management Pty Ltd. For example, if the value of the equity is \$1000 we would pay Pitcher Partners Newcastle and Hunter Chartered Accountants \$750	Pitcher Partners Newcastle and Hunter Chartered Accountants	No relationship

Where you have been referred to us by someone else we may pay them a fee, commission or some other benefit in relation to that referral. Our current referral arrangements are detailed below:

Referrals to:			
Service provider	Referral service and payment arrangement	Paid to	Nature of relationship
Australian Financial Risk Management Pty Ltd	AFRM pays to Hillross Financial Services Limited and Pitcher Partners Newcastle and Hunter Wealth Management up to 35% of any brokerage received from insurance products provided to clients of Pitcher Partners Newcastle and Hunter Wealth Management. For example, if AFRM earns \$1,000 commission from any insurance product sold to you, they will pay Hillross Financial Services Limited and Pitcher Partners Newcastle and	Hillross Financial Services Pty Ltd and our firm	No Relationship

	Hunter Wealth Management up to \$350.		
Hunter Mutual Limited Mortgage and investment loan advice and products	Hunter Mutual pays to Hillross Financial Services Limited and Pitcher Partners Newcastle and Hunter Wealth Management up to 25% of any brokerage received from loan products provided to clients of Pitcher Partners Newcastle and Hunter Wealth Management. For example, if Hunter Mutual earns \$1,000 commission from any loan product sold to you, they will pay Hillross Financial Services Limited and Pitcher Partners Newcastle and Hunter Wealth Management up to \$250.	Hillross Financial Services Pty Ltd and our firm	No Relationship
Referrals from:			
Referrer	Payment arrangement	Paid to	Nature of relationship
Pitcher Partners Newcastle and Hunter Chartered Accountants	75% of dividends and value of equity of Pitcher Partners Newcastle and Hunter Wealth Management Pty Ltd. For example, if the value of the equity is \$1000 we would pay Pitcher Partners Newcastle and Hunter Chartered Accountants \$750	Pitcher Partners Newcastle and Hunter Chartered Accountants	No relationship

6. Relationships and associations

It is important that you are aware of the relationships that Hillross has with providers of financial services and products as they could be seen to influence the advice you receive.

About our licensee

Hillross Financial Services Limited

ABN 77 003 323 055

Australian Financial Services and Australian Credit Licensee

Licence No: 232705

Hillross is a member of the AMP Group and has:

- Approved the distribution of this FSCG
- Authorised us to provide advice and other services as described in this FSCG
- Authorised us to provide credit assistance services to you

Contact details

Hillross' registered office:

33 Alfred Street
SYDNEY NSW 2000

Phone: 1800 445 767

Email: info@hillross.com.au

About the AMP Group

Hillross is a member of the AMP group of companies. We can provide advice on products from a wide range of financial product providers, some of which are part of the AMP Group and as such Hillross is affiliated with:

- National Mutual Funds Management Limited
- NMMT Limited
- N.M. Superannuation Pty Limited
- Multiport Pty Limited
- ipac asset management limited
- AMP Bank Limited
- SMSF Administration Solutions Pty Ltd
- AMP Capital Funds Management Limited
- AMP Capital Investors Limited
- AMP Superannuation Limited
- AMP Life Limited
- Cavendish Superannuation Pty Ltd
- Australian Securities Administration Limited (ASAL)
- Super IQ Pty Ltd

If we recommend a product issued by the AMP Group or a third party product issuer, they will benefit from our recommendation by receiving product, administration and investment fees, as well as fees paid by fund managers to distribute their product. These fees are all disclosed in the relevant PDS or IDPS guide.

Authorised representatives and/or staff employed in our business may hold shares in AMP Limited, whose share price may be favourably affected by the sale of products issued by AMP Group companies.

Hillross' relationships with other companies

AMP Services Limited provides administration services and distribution infrastructure services to several issuers of financial products and loan products under agreements entered into prior to 1 July 2013.

In return for those services, AMP Services Limited receives remuneration as set out below:

- For investment products and loan products – up to 0.33%* p.a. of funds under administration, the balance of any relevant cash account or the total loan value outstanding.
- For insurance products – up to 10%* p.a. of the total premium paid.

*includes GST

By way of example:

- If total funds under administration for a particular investment product is \$10 million, AMP Services Limited would receive \$33,000.
- If total premiums for insurance products are \$1 million, AMP Services would receive up to \$100,000.

From time to time, AMP Services Limited may facilitate access to Hillross and its authorised representatives for issuers to train or educate Hillross and its authorised representatives on their products.

Arrangements with platform providers

Margin lenders may make payments to AMP Services Limited of up to 0.55% pa (including GST) in respect of margin loans calculated on the outstanding balance of a loan. Payments are normally made monthly. As an example, for each \$10,000 of an interest only loan, the payment would be \$55 over a year. However, for other loans, the payments will vary as interest is charged and principal is repaid. Our firm does not receive any part of the payments received by AMP Services Limited, although we may indirectly participate in these payments through the Hillross incentive program referred to earlier in this Guide.

The Personalised Portfolio (PP) platform

The Personalised Portfolio Platform is operated by AMP Capital Investors Limited (AMP Capital). If you invest in the PP platform your fees are payable to AMP Capital. AMP Capital passes a portion of these fees on to other AMP group companies and associates, including:

- Hillross for investment research and platform support services;
- us for any wealth management services provided; and
- if you invest in a model portfolio or managed fund managed by AMP Capital or Hillross, they may also receive investment management and performance fees based on your investment in their investment options;
- Australian Securities Administration Limited for the administration services they provide.

Payments made to AMP group companies are generally calculated as a percentage based on the amount of money you have invested in the PP platform or, for any investment management and performance fees, for a particular investment option.

Up to 100% of the administration fees you pay for the PP platform may be notionally allocated to Hillross. The notional allocation may indirectly affect the payments we receive through the Hillross incentive program, which is referred to earlier in this Guide.

Further details about the fees and costs of investing in the PP platform are detailed in the product disclosure statement for the PP platform.

PortfolioCare Platform

The PortfolioCare range of administration services are issued by companies in the AMP Group. These companies have an agreement with Asgard Capital Management Limited (Asgard) under which Asgard

administers the PortfolioCare administration services in addition to administration and support services also provided by AMP companies.

If you access a product in the PortfolioCare range, then administration and, where applicable, custodial share and trustee fees are deducted from your account. These fees, as set out in the product disclosure statement or IDPS Guide, are paid to Hillross after deduction of expenses for administration and support services described above.

A full description of the fees is in the relevant product disclosure statement or IDPS guide for the relevant service. Our firm does not receive any part of the payments received by Hillross.

Hillross may also qualify for a share of the profit on the life insurance business taken out through the PortfolioCare platform. The profit is based on the claims experience for that business and total premiums received. The AMP Group is paid a portion of that profit by the insurer, some of which is passed on to Hillross.

These payments are not shared with us although we may indirectly participate in these payments through the Hillross incentive program, which is referred to earlier in this Guide.

Definitive Wrap platform

If you access a product through the Definitive platform, which is operated by Macquarie Investment Management Limited (MIML), then the administration fees are deducted from your account within that platform and paid to Hillross. MIML is paid a fee by Hillross for administering this platform. The administration fees are not shared with us although we may indirectly participate in this payment through the Hillross incentive program which is referred to earlier in this Guide.

Further details about the fees and costs of investing in the Definitive Wrap platform are detailed in the product disclosure statement/IDPS guide for the Wrap platform.

7. Confidence in the quality of our advice

If at any time you feel like you are not satisfied with our services, the following will help you understand your options and find a resolution.

- Contact your adviser and tell them about your complaint.
- If your complaint is not satisfactorily resolved within three days, please contact AMP Advice Complaints on adviceComplaints@amp.com.au, or put your complaint in writing and send it to:

Attention: National Manager, Advice Complaints

Level 12, 33 Alfred Street

Sydney, NSW 2000

- AMP Advice Complaints will try to resolve your complaint quickly and fairly.
- If your complaint has not been resolved satisfactorily, you may escalate your complaint to one of the following External Dispute Resolution Schemes listed in the following below

Any issues relating to financial advice, investments, superannuation or insurance matters

Financial Ombudsman Service (FOS)

GPO Box 3
Collins Street West
Melbourne Victoria 3001

1300 780 808
www.fos.org.au
info@fos.org.au

Any issue relating to your personal information

The Privacy Commissioner

GPO Box 5218
Sydney NSW 2001

1300 363 992
privacy@privacy.gov.au

You may also contact the Australian Securities & Investments Commission (ASIC) on 1300 300 630 (free call info line) to make a complaint and obtain information about your rights. You can also contact the Financial Planning Association (FPA) at www.fpa.asn.au to make a complaint (please note that the FPA cannot award compensation).

Professional indemnity insurance

We maintain professional indemnity insurance to cover our advice and the recommendations provided by your adviser. Hillross is also covered by professional indemnity insurance and this satisfies the requirements imposed by the Corporations Act 2001 and National Consumer Credit Protection Act. The insurance covers claims arising from the actions of former employees or representatives of Hillross, even where subsequent to these actions they have ceased to be employed by or act for Hillross.

Your privacy

Your privacy is important to us. Below we outline how we maintain the privacy of the information we collect about you.

Privacy Collection Statement

As part of the financial planning process, we need to collect information about you. Where possible we will obtain that information directly from you, but if authorised by you we may also obtain it from other sources such as your employer or accountant. If that information is incomplete or inaccurate, this could affect our ability to fully or properly analyse your needs, objectives and financial situation, so our recommendations may not be completely appropriate or suitable for you.

We are also required under the Anti-Money-Laundering and Counter-Terrorism Financing Act (AML/CTF) 2006 to implement client identification processes. We will need you to present identification documents such as passports and driver's licences in order to meet our obligations.

We keep your personal information confidential, and only use it in accordance with our Privacy Policy. Some of the ways we may use this information are set out below:

- Your adviser and Hillross may have access to this information when providing financial advice or services to you;
- Your adviser may, in the future, disclose information to other financial advisers, brokers and those who are authorised by Hillross to review customers' needs and circumstances from time to time, including other companies within the AMP group;
- Your information may be disclosed to external service suppliers both here and overseas who supply administrative, financial or other services to assist your adviser and the AMP group in providing financial advice and services to you. A list of countries where these service providers are located can be found in the AMP Privacy Policy.
- Your information may be used to provide ongoing information about opportunities that may be useful or relevant to your financial needs through direct marketing (subject to your ability to opt-out as set out in the AMP Privacy Policy);
- Your information may be disclosed as required or authorised by law and to anyone authorised by you.

Your adviser and Hillross will continue to take reasonable steps to protect your information from misuse, loss, and unauthorised access, modification or improper disclosure. You can request access to the information your adviser or Hillross holds about you at any time to correct or update it as set

out in the AMP Privacy Policy. The AMP Privacy Policy also contains information about how to make a complaint about a breach of the Australian Privacy Principles.

For a copy of AMP's Privacy Policy visit <http://www.amp.com.au/privacy> or you can contact us.

Our services for Managed Discretionary Accounts

We offer limited types of Managed Discretionary Account services (MDA services) within approved investment platforms. Through these services, you allow us to manage your investments for you, using our discretion and without obtaining your instructions before each transaction we undertake on your behalf. However, we do not (and we are not authorised to) open new accounts, withdraw funds or contribute funds to your investment.

What are the risks associated with using the MDA service?

By authorising us to make changes to your investments, you cannot claim we were not acting on your behalf if we acted within the authority given. Therefore, our acts bind you. It is important you understand what we are authorised to do and that you carefully read and understand the activities that you are authorising us to do on your behalf.

How can you instruct us to exercise rights relating to the financial products in your portfolio?

Generally, the financial products that we invest in on your behalf do not have any additional rights or entitlements attached to them. However, if there are, we will let you know. You can then instruct us how you wish us to proceed.

Do you have to enter into a contract for us to provide MDA services?

Yes. This MDA contract will set out the terms and conditions of the authority and also the investment program, which sets out how your money will be invested. We will agree and prepare the investment program for you based on your relevant personal circumstances, your financial objectives and your needs and review the program every 12 months.

Will the investment program in the MDA contract comply with the law?

If this is relevant, then the investment program set out in the MDA contract will comply with the law. The relevant law is Division 3 of Part 7.7 of the Corporations Act. The contract will also contain:

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

Who is responsible for reviewing the investment program?

We are responsible for reviewing your investment program. We will review your investment program at least every 12 months.

Do we provide custodial or depository services for your portfolio?

We do not provide custodial or depository services. This means that you will either hold the investments in the portfolio, or the custodian nominated for that financial product will hold them.

This financial services guide complies with the ASIC Class Order 04/194.

8. Wealth Management Advice Process & Fee Schedule

The wealth management advice process is a four step process. We charge our fees at each step of the process according to service provided at each stage. All fees stated in this schedule are **GST inclusive**. Our fees are payable to Hillross Financial Services Limited.

Step 1 - Initial Consultation

- Your initial consultation is to **collect all the information we need from you so that** we can understand your personal circumstances. It includes discussion of general strategies on wealth creation and management, investing, superannuation, retirement, personal risk management and estate planning as appropriate to your circumstances.

Flat Fee: \$385 (rebated against Statement of Advice fee)

Step 2 - Provision of Advice (Statement of Advice)

We will devise a strategy to assist you achieve your goals and objectives which is tailored to your particular needs. This will be documented in a written Statement of Advice. It includes a comprehensive analysis of your current financial situation as well as wealth projections and modeling, if applicable, on how the recommended strategies can assist in achieving your objectives. We will meet with you again to present and explain the recommended strategies to you and to answer any questions you may have.

- **Fees are based on hourly rates of the different staff members involved in the work and depends on the complexity of the advice being given.**
 - **Minimum Fee: From \$1,100.**

Step 3 - Implementation of your strategy

When you decide to proceed with our recommended strategies and recommendations our service may include any of the following:

- Preparation, processing and tracking of all applications, transfers, rollovers, redemptions or change of details
- Liaison with your other advisors such as stock broker, mortgage broker, accountant or solicitor as required
- Preparation of statutory reporting e.g. Australian Tax Office or Austrac requirements, minutes, where applicable
- All administration functions in relation to establishment of structures and portfolios

Fees are based on hourly rates of the different staff members involved in the work and depends on the complexity of the implementation.

- **Minimum Fee: From \$1,250.**

Step 4 - Ongoing Wealth Management Advice and Service

Your wealth management strategy needs to be regularly monitored and revised for changes in your circumstances, economic conditions, government legislation and a range of issues that may impact on the achievement of your goals and objectives. All clients of Pitcher Partners Newcastle and Hunter Wealth Management Pty Ltd receive ongoing wealth management advice and service. This

service will be reviewed annually with you. Your Ongoing Wealth Management Service will relate to your specific needs and may include any or all of the following:

- Access to your financial advisor and client service staff throughout the year
- Annual Wealth Management Plan and projections
- Up to two formal portfolio reviews per year
- Current research on economic, financial and investment changes
- Internet access to investment portfolios
- Regular newsletters

Fees are payable monthly from the investment /superannuation account or direct debit from your bank account. They are based on the complexity of your strategy and investment portfolio and the time spent by different staff members involved in providing your ongoing advice and service.

- **Minimum Fee: From \$2,200 per annum**

Payment of fees

Where you have asked to be invoiced directly for our advice and services we will provide you with an invoice at the time of presenting our advice to you or completion of the implementation documentation. Payment is required within 7 days of receiving our invoice and can be paid by:

- Direct debit
- Credit card (American Express, Visa, MasterCard or Bankcard)
- Cheque (Please make cheques out to Hillross Financial Services Limited)
- BPay

Where you have chosen to pay our advice fees via your product, these fees will be deducted from your product upon implementation of our advice for our initial advice and implementation, or on a monthly basis for our ongoing advice.

Commissions

We may receive the following commissions if you proceed with our advice and product recommendations in relation to:

- Insurance products: between 11% and 130% of the first year's premium and between 11% and 32% of the premium each following year.

For example: If the premium is \$100, then we would receive between \$11-\$130 of the first year's premium and between \$11 and \$32 of the premium each following year.

- Loan facilities: up to 0.40% of the amount of the loan in the first year and up to 0.12% of the amount of the outstanding loan balance each following year.

For example: If the loan is \$100,000, then we would receive up to \$400 and up to \$120 of the amount of the outstanding loan balance each following year.

The above amounts are a guide only and may change from time to time. We will disclose the actual amounts in our written advice to your or transaction acknowledgement form. If an agreed advice fee is charged then we may rebate all or some of the commission.

Other Costs and Charges

1. Transaction costs

The cost of the purchase or sale of direct investments such as shares in listed companies or units in listed property trusts will be passed on to you. The current fees can range from 0.11% to 1.1% of the value of the trade (minimum fee applies).

For example: If the fee is \$1000, then we would receive between \$1.1-\$11 of the value of the trade.

2. Financial Institution Fees

If your strategy requires new loans to be written or existing debts to be re-structured you may have to pay application, valuation or other fees directly to the financial institution providing the finance.

3. Self Managed Superannuation Fund (SMSF) Fees and Charges

Refer to our separate schedule for our specialist self managed superannuation fund services.