

Apt.

WEALTH PARTNERS

Financial Services and Credit Guide



VERSION: 4.1 ISSUE DATE: 20 MARCH 2024

Authorised for distribution by Apt Wealth Partners Pty Ltd

ABN 49 159 583 847 AFSL & ACL 436121

Apt.

WEALTH PARTNERS

SYDNEY
Level 12, 8 Spring Street
Sydney NSW 2000
02 8262 4000

MELBOURNE
Level 8, 360 Collins Street
Melbourne VIC 3000
03 8779 5254

GEELONG
24 Moorabool Street
Geelong VIC 3220
03 5221 7557

NORTHERN BEACHES
Level 1, 2 Bungan Street
Mona Vale NSW 2103
1800 801 277

Not Independent

We may charge you a fee for our advice on risk insurance policies. We also receive remuneration from the insurance product provider. Our advice on risk insurance is therefore not independent, impartial or unbiased. In all other cases, we charge a fee for our advice services and do not receive remuneration or other payments from product providers.

Why am I receiving this document?

This Financial Services and Credit Guide (FSCG) is an important document which we and your financial adviser are required to provide to you as a condition of our Australian Financial Services Licence (AFSL) and Australian Credit Licence (ACL).

It should be read in conjunction with the Adviser Profile which forms part of this FSCG. It also provides information about the financial adviser and/or credit representative who will primarily provide advice and services to you.

This FSCG is given to you by Apt Wealth Partners.

It contains information about:

- Apt Wealth Partners Pty Ltd (in this FSCG – Apt Wealth Partners, we or us)
- The services offered and their cost
- Any conflicts of interest which may impact the services
- How we deal with complaints if you are not satisfied with our services.

You should take the time to read this FSCG so you can make an informed decision about whether to use our services. If you have any questions, please contact us. We are committed to open and honest communication.

When we provide you with financial planning services, you may receive:

- A Statement of Advice (SoA) or Record of Advice (RoA) which documents the advice we provide to you.
- A Product Disclosure Statement (PDS) which explains the products we have recommended.
- An Annual Service Agreement, limited to a fixed-term period of 12 months or less, which outlines the fees you will pay and the services you will receive during the fixed-term period.

Information about us

Apt Wealth Partners holds an AFSL and ACL (436121) which has been issued by the Australian Securities and Investments Commission (ASIC).

Apt Wealth Partners is a business which is privately owned by past and present staff. We do not have any ownership or licensing ties to product providers.

When we refer to Apt in this FSCG, it includes Apt Wealth Partners, its associated entities and its Corporate Authorised Representative AJR Financial Services Pty Ltd (AJR Financial Services).



Note: A public register of Financial Advisers is available at the website <https://moneysmart.gov.au/financial-advice/financial-advisers-register>. The register includes details of any persons controlling a corporate financial services licensee.

As a licensee we are required to comply with the obligations of the Corporations Act and the conditions of our AFSL and ACL.

We have compensation arrangements in place including professional indemnity insurance that comply with those requirements.

What services do we provide?

Apt Wealth Partners' AFSL authorises us to provide a comprehensive range of advice and dealing services which include:

- Superannuation and Self-Managed Superannuation Funds
- Managed investments
- Securities
- Retirement planning
- Portfolio reviews
- Margin lending facilities
- Standard debentures, stocks and bonds
- Investment products
- Basic deposit products
- Investor directed portfolio service
- Aged and residential care
- Life insurance
- Total and permanent disability insurance
- Trauma insurance
- Income protection insurance
- Business succession planning
- Estate planning
- Managed Discretionary Account (MDA) Services

These services are provided to both wholesale and retail clients.

Apt Wealth Partners' ACL authorises us to engage in credit activities other than as a credit provider. Our credit representatives are authorised to provide credit assistance in relation to loan products.

Requirements under National Consumer Protection Act

Under the National Consumer Credit Protection Act, we must not enter into a credit contract with you or increase the credit limit of a credit contract with you, if the contract is unsuitable for you.

The contract will be unsuitable for you if, at the time the contract is entered into or the credit limit is increased, it is likely that:

- you will be unable to comply with your financial obligations under the contract, or could only comply with substantial hardship; or
- the contract will not meet your requirements or objectives.



We must make an assessment whether the contract will be unsuitable for you before entering into a credit contract with you or increasing the limit of an existing credit contract.

You can request a copy of our assessment. If you ask for one, we must give you a copy (at no charge to you):

- before entering into the credit contract or before the credit limit is increased;
- within 7 business days, if your request is made within 2 years of entering into the contract or the credit limit increase; and
- otherwise, within 21 business days.

We do not need to give you a copy of the assessment if:

- your request is made more than 7 years after entering into the contract or the credit limit increase; or
- the credit contract is not entered into or the credit limit is not increased.

Terms and Conditions - For loan products, you will be given documents that explain the product's features, the terms and conditions applying to the product, and any fees and charges that are payable.

We may receive remuneration from the financial provider that provides you loan or lease. These are not fees payable by you. Further details of the remuneration earned by us will be provided in the credit proposal disclosure document that will be provided to you before applying for finance.

Your financial adviser

Your financial adviser is an employee of AJR Financial Services, and is paid a salary. They may be entitled to an annual bonus, if they meet, or exceed defined client service, compliance and training standards. If your financial adviser is a shareholder of Apt, they may also be entitled to dividends based on the financial performance of the group.

Your financial adviser acts on behalf of Apt Wealth Partners who is responsible for the services that they provide.

Further information about your financial adviser and their relationship to Apt Wealth Partners can be found in the Adviser Profile which forms part of this FSCG and Statements of Advice we provide to you.

If your financial adviser changes for any reason, we will give you a replacement Adviser Profile which will become part of this FSCG.

Financial advice process

We recognise that the objectives and personal circumstances of each client are different. One thing is constant – we will always act in your best interest.

What is right for one client may not be right for another.

We will listen to you to understand your objectives and circumstances. We will also ask questions to make sure we address all issues.

When we first provide 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 the advice, the cost to you of implementing the advice and any benefits we receive or associations we have which could have influenced the advice.

For managed investments and insurance recommendations that require one, we will also provide you with a Product Disclosure Statement. This contains information to help you understand the product being recommended.

At all times you are able to contact us and ask questions about the advice and investments recommended.

You can provide instructions to us in writing, via phone or via email/fax. Please note you are responsible for ensuring your instructions reach us.

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.

The further advice we provide will depend on the terms of the Annual Service Agreement you signed with us. Any further advice will be documented in either a Statement of Advice (SoA) or a Record of Advice (RoA).

Where we prepare an SoA, we will provide you with a copy. If your personal circumstances have not significantly changed, we may prepare an RoA which is maintained in your client records.

We maintain a copy of the SoA and RoA in your client records for at least 7 years from the date they were prepared. You can request a copy of these documents at any time.

Fees you pay us

All fees are initially paid to Apt Wealth Partners. A fee will be retained for professional indemnity insurance premiums and other expenses, the balance is distributed to AJR Financial Services.

We may charge you a fee for your first meeting with us based on an hourly rate. The hourly rate depends on the seniority and experience of your financial adviser. The hourly rate ranges from \$110 to \$1,100 (inclusive of GST). We will confirm with you before the first meeting whether we will charge you a fee for the first meeting.

Plan Preparation Fee

The Plan Preparation Fee includes all initial meetings with you, the time we take to determine our advice and the production of the SoA.

The Plan Preparation Fee is based on the scope and complexity of advice provided to you. We will agree the fee with you at our first meeting.

A Plan Preparation Fee ranges from \$0 to \$11,000 (inclusive of GST) may be charged and will be outlined in the SoA.

Plan Implementation Fee

If you decide to proceed with our advice, we may charge a fee for assisting you with implementation.



A Plan Implementation Fee ranges from \$0 to \$5,500 (inclusive of GST) may be charged and will be outlined in the SoA.

Fees for Service

Once your investments are established, we may periodically provide performance reports and update our advice.

The updates will consider the economy and market position, the latest investment research, changes in legislation, new products available in the market and any changes to your personal circumstances.

Fees will depend on what services we provide to you, and may be either an agreed fixed fee, or a percentage of your portfolio value.

An asset-based fee of between 0% and 2.5% per annum (inclusive of GST) of funds under service or an equivalent fixed fee may be negotiated.

The Service fees and associated services will be set out in the SoA or RoA that we provide to you.

We will need to confirm those fee arrangements with you each year. You will need to confirm each year that you wish to continue to receive services from us.

Corporate Actions

A corporate action is any event that brings material changes to a company and affects its shareholders. Corporate actions include stock splits, issuing dividends, mergers and acquisitions, rights issues, and spin-offs. All of these are major decisions that typically need to be approved by the company's board of directors and authorised by its shareholders.

Where agreed and as part of your Annual Service Agreement, we will provide information and recommendations regarding corporate actions.

You must ensure you make any election to participate in corporates actions within the timeframes specified. Apt Wealth Partners may impose an earlier deadline than the one imposed by the relevant corporate action.

If the applications received are more than the shares offered for subscription, the company may undertake a scale back of applications at its discretion. Apt Wealth Partners provide no guarantee that you will be allocated the full number of dividends, rights or shares.

Where we have not agreed to provide advice on corporate actions, we will not inform you or request instructions on corporate actions. You should contact your financial adviser should you wish to discuss any such actions and a fee may apply for provision of this service.

Stockbroker

Apt Wealth Partners obtains research, training and software support services (support services) from various sources (at Apt Wealth Partners' cost) which is used by us when providing our services to you. Some services, such as stockbroking services, are provided by the same entities to you. The cost of those services is charged by the service provider to you.



Where you need stockbroking services, we usually recommend the stockbroker used by the entity that manages your investment as this is generally the most efficient approach and in your best interests.

Tax Implication of our Advice

Your financial adviser is authorised as a registered tax (financial) adviser and authorised 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 only illustrations to assist you in deciding whether to implement our advice.

Transaction Services

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

Conflicts of Interest

We will always act in your best interests. Your Financial Adviser may, at times, provide advice on investments which they or directors of Apt Wealth Partners hold in their own portfolios. The size and nature of these holdings is not significant enough to create a conflict of interest with the advice that we provide.

Benefits received from others

Benefits referable to investments and superannuation

Apt Wealth Partners receives its remuneration from fees agreed with, and paid by, clients.

All benefits which Apt Wealth Partners receive are outlined to you in the SoA or RoA.

Benefits referable to insurance policies

Where advice is provided in relation to insurance, we may receive payments directly from the insurance provider, which is factored into the annual premium and is set out in the SoA.

We may receive a one-off upfront payment from some product providers of between 0% and 66% (inclusive of GST) of your premium when you take out an insurance policy we recommend.

We may also receive a further payment from some product providers of between 0% and 22% (inclusive of GST) of your renewal premium for as long as you continue to hold the policy.

For insurance policies taken out prior to 1 January 2020, we may receive remuneration higher than disclosed above. Please refer to the Statement of Advice provided to you for the amount of remuneration we receive on your policies.



Special Requirements and Review of Fees

Our initial and annual fees may exceed the ranges mentioned above if you have special or complex advice requirements. The fee for special or complex advice requirements is based on a fixed amount or a total of an hourly rate (based on the hours required) as agreed with you.

We also review our fees annually and fees may increase in line with the Consumer Price Index (CPI) or by a fixed amount or fixed percentage each year. We will advise you in writing of any increases.

Other Benefits

We may also receive additional benefits by way of sponsorship of educational seminars, conference or training days. Details of any benefits received from \$100 to \$300 will be maintained on a register which is available to you on request. These benefits are permissible unless they are received frequently or similar benefits when aggregated exceed \$300.

Benefits over \$300 are not permitted.

Referral Fees

In some situations, we pay fees or other benefits to external parties who have referred you to us. We will disclose the referral arrangements to you when we provide you with a SoA.

Making a Complaint

We endeavour to provide you with the best advice and service at all times. If you are not satisfied with our services, then 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, you can contact the Australian Financial Complaints Authority (AFCA). Apt Wealth Partners is a member of AFCA with a membership number 43811. AFCA provides a fair and independent complaint resolution service which is provided to you free of charge.

You can contact AFCA on 1800 931 678. You can also write to AFCA at:

Online: www.afca.org.au

Email: info@afca.org.au

Mail: Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001

Professional Indemnity Insurance

Apt Wealth Partners holds professional indemnity insurance that satisfies the requirements of section 912B of the Corporations Act. This insurance also covers the conduct of our advisers who were authorised by Apt Wealth Partners at the time of your complaint.



Your Privacy

We collect, use and disclose your personal information in accordance with the Apt Wealth Partners Privacy Policy.

We collect your personal information so we can provide you with the advice and dealing services outlined in this FSCG. If we are not able to collect all the information we need, we may not be able to provide you with those services.

We collect your personal information directly from you, or with your authority by other means, in accordance with the *Privacy Act 1988* and the Notifiable Data Breach Scheme provided for within the Act.

We maintain a record of your personal information that includes your objectives, financial circumstances and needs. We also maintain a record of the recommendations we make.

We will only disclose information about you:

- To product providers we recommend and you agree to use
- Where the law requires us to do so
- If you consent for us to do so

The Apt Wealth Partners Privacy Policy explains how we collect, use and disclose your personal information.

If you would like to access or correct your personal information, please call us or write to us using the contact details on the front cover of this FSCG and we will make arrangements with you.

If you would like to complain about a breach of the *Privacy Act 1988* or the Australian Privacy Principles, please put your complaint in writing and send it to the address on the front cover of this FSCG. We will address your complaint in accordance with the Apt Wealth Partners' Privacy Policy.

If you require any further information, please contact us.

Third Party Providers

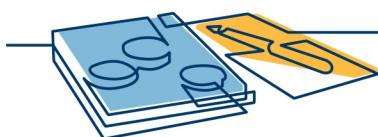
Details of Associations or Relationships

Apt Wealth Partners engages third parties to provide services on its behalf.

Apt Wealth Partners uses software, systems, technology and products supplied by third parties (whether disclosed or not). This includes information and portfolio management systems, like Xplan by IRESS, and other on-line information access systems.

Apt Wealth Partners engages Virtual Business Partners, an Australian outsourcing company with offices in Australia and Philippines, to provide administration support to our employees.

Your information is maintained on their servers which may be based in Australia and/or overseas. The use of this information is governed by the terms of our business agreement with them and complies with our requirements for the protection of your information under the Privacy Act.



Details of our outsourced service providers are maintained on a register. We review the service agreements at least annually or when required.

Managed Discretionary Account Services

Our Managed Discretionary Account (MDA) Services

Apt Wealth Partners offers Managed Discretionary Account (MDA) Services through a regulated platform. In using Managed Discretionary Account Services, you allow us to manage your investments, using our discretion and without obtaining your instructions before each transaction we undertake on your behalf. This is different to a non-discretionary account where your financial adviser would provide you with advice and recommendations before acting on your instructions. However, we do not (and are not authorised to) open any accounts, withdraw from, or contribute funds to, your investment account.

What is a Managed Discretionary Account Service?

A Managed Discretionary Account Service is a managed investment scheme and a service for making a financial investment. Where this is an appropriate facility for you, your adviser will recommend an appropriate investment portfolio and manage your interests in accordance with your Investment Program and MDA contract. In respect to corporate actions, you can generally choose to directly instruct your adviser to exercise your rights for relevant investments held through the MDA. In order to access this service, you agree to give to the MDA Operator (Apt Wealth Partners) authority to act on your behalf and oversee the services provided to you including MDA Management, Execution, Cash Management, Reporting and Audit.

Difference between acquiring a financial product and using an MDA service

Beneficial Owner – custody vs non-custody

As the account holder, you are considered the beneficial owner of the assets held within your account. There is however an important distinction between beneficial ownership and owning the assets directly in your own right. Investments in your account may be held across multiple platforms and/or brokers and can include both Custodial and Non-Custodial ownership.

Non-Custodial:

These assets are held directly by you in your name, and you are therefore the legal owner and beneficial owner. You are entitled to all shareholder benefits as a direct owner including changes in the value of the investment, income and distributions, and communications related to corporate actions, however we will act on your behalf in relation to these corporate actions.

Custodial:

These assets are held on trust by an appointed Custodian and generally relate to investments held on a regulated platform. The Custodian is the legal owner of these assets, rather than you (that is these assets are not held directly by you in your name), however you remain the beneficial owner. You therefore remain entitled to the change in value of the investment and any income and distributions paid to the Custodian by the investment, however all corporate actions are managed by the Custodian. Bank accounts held on platform are also held under a custodial arrangement through Trust accounts.



Custodial or Depository Services

Apt Wealth Partners does not provide any 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.

The platform providers are responsible for appointing the custodian to provide custodial and depository services in relation to the portfolio assets. Apt Wealth Partners will remain responsible for recommending and implementing the original selection of, and changes to, your portfolio assets.

Do you have to enter into an MDA Contract first before we can provide MDA Services?

Yes, you must first enter into an MDA contract with Apt Wealth Partners before we can provide MDA Services to you. The 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 prepare the Investment Program for you based on your relevant personal needs, goals and financial objectives and review the program every 12 months.

Risks Associated with using a Managed Discretionary Account

By granting your financial adviser the authority to make decisions on your investment portfolio and to implement investment transactions without obtaining your prior approval, you will have to accept any tax consequences, transaction costs and any capital loss resulting from any transaction validly executed by your financial adviser. You need to be comfortable with this arrangement otherwise you should not enter into an MDA contract.

No guarantee can be given in respect of the future earnings of the MDA Services or the capital appreciation of your investments within the MDA. The price of investments can fall as well as rise over time. There are risks associated with the MDA Services which are outlined in the MDA Contract given to you. There are also risks associated with the underlying investments within the MDA, which are outlined in the relevant PDS for each particular product. You should carefully consider the risks of each investment product before deciding to invest in this MDA. The operating performance of the MDA Service may also be impacted by industry risk factors. Such factors include (but are not limited to) increased compliance costs and variations in legislation and government policies.

Managed Discretionary Account (MDA) Contract and Investment Program

The recommended Investment Program is set out in the MDA Contract will comply with Division 3 of part 7.7 and Division 2 of part 7.7A of the Corporations Act.

The Investment Program will 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.



- Warnings that the MDA Contract may not be suitable for you if you have provided us with limited or inaccurate information about your relevant personal circumstances. It will also specify that the MDA service may cease to be suitable for you if your relevant personal circumstances change.

The suitability of the MDA Contract and the Investment Program (that forms part of the MDA Contract) to your relevant personal circumstances will be reviewed by your financial adviser at least annually, unless the MDA Contract is terminated earlier by you.

How You Can Instruct Us

Due to the discretionary nature of MDA Services, we will make decisions on your portfolio and implement investment transactions without obtaining your prior approval. Your financial adviser may, but is not obliged to, request instructions from you on how rights relating to the investments in your portfolio are to be exercised. If your financial adviser requests your instructions, Apt Wealth Partners will endeavour to comply with your instructions, provided your instructions are received by Apt Wealth Partners or the Regulated Platform Operator within the timeframes specified.

Apt Wealth Partners will request these instructions either verbally (in person or via phone) or via email at your registered email address.

Fees and Costs

The fees and costs associated with Managed Discretionary Account Services vary according to the facility used and the composition and value of the investment portfolio.

If we recommend an MDA the fees and costs will be clearly disclosed in the SoA, PDS and the MDA Contract. Examples of Fees which are included in a Managed Discretionary Account include:

Investment Management Fees and Costs: Each portfolio may contain Exchange Traded Funds (ETF's) or Managed Funds to give diversification and exposure to tactical and thematic strategies. These funds inherently carry costs for the management, operating and transacting associated with running them. These costs are borne indirectly by investors through the unit price of Managed Funds or ETFs.

Transaction Fees: Transaction Fees are the costs incurred as brokerage when trading listed securities.

