

# Financial Services Guide

Whittle & Skok Financial Services Pty Ltd  
ABN 68 006 923 940  
AFSL No 232591  
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# About Whittle & Skok

At Whittle & Skok, our approach is outcomes based. We recognise clients' goals are unique, driven by their circumstances as well as their attitude towards a range of factors. We seek to identify their objectives and then structure our strategic advice and portfolio management solutions to achieve these objectives.

We meet regularly with our clients to stay up to date with their personal and financial circumstances, and to adjust our recommendations so they can take advantage of new opportunities created by the ever changing environments of taxation, superannuation, investment markets and government regulations.

Whittle & Skok holds an AFSL issued by the Australian Securities and Investments Commission and is a Professional Practice member of the Financial Planning Association of Australia.

As the holder of an AFSL, Whittle & Skok is responsible for the financial services provided to you. Whittle & Skok acts on its own behalf when these financial services are provided to you. Whittle & Skok Pty Ltd is a wholly owned subsidiary of Janus Financial Pty Ltd ACN 657 647 768.

## Not Independent

Whittle & Skok Financial Services Pty Ltd and its Representatives receive commissions from life risk insurance products held by our clients. As such, we are neither independent, impartial, or unbiased as defined in Section 923A of the Corporations Act.

Whittle & Skok's representatives can only recommend products that are approved by Whittle & Skok and included on the Approved Product List (APL)

This Financial Services Guide has been authorised for distribution by the authorising licensee:

Whittle & Skok Financial Services Pty Ltd

ABN 68 006 923 940

Australian Financial Services Licence No. 232591 ('AFSL')

Level 1, 260 High Street Kew Victoria 3101

Website: [www.whittleskok.com.au](http://www.whittleskok.com.au)

This Financial Services Guide ('FSG' or the 'Guide') provides you with important information about Whittle & Skok Financial Services Pty Ltd ('Whittle & Skok' or 'Licensee'), and its employees, who will provide you with the financial services described in this Guide. It is designed to help you evaluate and make an informed decision about whether to use the financial services described in this Guide. We suggest you retain this Guide for your future reference. If any part of this Guide is not clear, please speak to your financial adviser.

This Guide contains important information about:

- The financial services offered by Whittle & Skok
- Whittle & Skok as the holder of an AFSL
- The process we follow to provide financial services
- How we, our associates, and Whittle & Skok are paid

- Any arrangements which may influence our advice to you
- How we protect your privacy
- Who to contact if you have a complaint or if you are not satisfied with the services provided

References in this Guide to 'we', 'us', and/or 'our' should be read as either Whittle & Skok or employees of Whittle & Skok, as the context requires.

This FSG contains the following sections:

- Financial Services Guide;
- Managed Discretionary Account services;
- Privacy Statement; and
- Are you satisfied?

You must read each of these sections, which will provide more detail to allow you to make an informed decision about whether to use the financial services we offer.

# Financial Services Guide

## What other information should you consider before deciding whether to proceed with our recommendations?

If you receive personal financial advice this will be documented in a Statement of Advice (SoA), or in specific circumstances a Record of Advice (RoA), that confirms the discussions you have had with us, the recommendations we are making and the basis for those recommendations. These documents will also explain how those recommendations will work towards achieving your goals, any relevant fees received by us, and any associations with financial product providers.

When a financial product is recommended to you, you will be provided with a Product Disclosure Statement (PDS) or other disclosure document issued by the product provider. Among other things, the PDS contains information about the risks, benefits, features and fees payable in respect of the product. In combination, these documents will help you make an informed decision about whether to proceed with our recommendations.

## Who provides the financial services described in the FSG?

The financial services described in this FSG are provided by Whittle & Skok.

## Who is responsible for those financial services?

As the holder of an Australian Financial Services Licence (AFSL), Whittle & Skok is responsible for the financial services provided to you. In relation to the financial services offered in this FSG, Whittle & Skok, as the holder of an AFSL, does not act on behalf of any other person or licensee. Whittle & Skok is only responsible for the services offered in the FSG.

The law requires Whittle & Skok to have arrangements in place to compensate certain persons for loss or damage they suffer from certain breaches of the Corporations Act by Whittle & Skok. Whittle & Skok has internal compensation arrangements as well as professional indemnity insurance that satisfy these requirements.

## What financial services do we offer?

We are authorised to provide financial product advice and to deal in a wide range of products:

- deposit products

- Government debentures, stocks or bonds
- life investment and life risk products
- managed investment schemes including investor directed portfolio services
- Managed Discretionary Account services
- standard margin lending facilities
- derivatives limited to old law securities options contracts and warrants
- retirement savings account products
- securities (e.g. shares)
- superannuation products

Some of the services we can provide you are:

- financial planning advice
- wealth accumulation advice
- superannuation advice, including self-managed superannuation funds
- redundancy advice
- retirement advice
- gearing strategies
- cash flow advice
- Centrelink advice and aged care planning
- personal life insurance advice
- Managed Discretionary Account services
- estate planning services (financial planning)

## What products are available?

A range of financial products offered by many leading financial product providers are available to our advisers when they provide personal advice.

Internal and external experts provide financial product research, which is used to carefully select and maintain an extensive list of Approved Products for us to select from.

When providing personal advice to you, our advisers may only recommend a product to you if they consider it is appropriate after considering your objectives, financial situation and needs.

## How do we ensure that the personal advice we give you suits your needs and objectives?

To ensure your adviser provides personal advice that is appropriate, we firstly need to understand your objectives, financial situation and needs. Your adviser (referred to as 'we' below) will follow a step-by-step process as outlined below:

- 1) We will meet with you for an initial consultation. During this meeting we will discuss your expectations and provide you with details of the services we can offer.
- 2) We will collect all the information we need from you, including your objectives, financial situation and needs. If you do not wish to provide the information we require, we will advise you of the possible consequences of not disclosing this information and the impact on the recommendations given. This may include not being able to provide advice on the subject matter you request.
- 3) We will help you identify your goals and discuss your attitude towards investment risk and investment returns.
- 4) We may consider strategies and areas such as income, social security, insurance, cash and estate planning requirements. Where we recommend a financial product, we will also conduct a reasonable investigation of the financial products that may be suitable to implement the strategies as part of the recommendations. Based on these and other considerations, we will prepare and present you with a written SoA, or in some cases depending on the circumstances, an RoA. We will explain in the SoA (or RoA) the basis for the advice, and any remuneration, benefits or associations which could have influenced the advice.

Where we recommend financial products, we will provide you with a PDS or other disclosure document containing information about each product recommended, to help you make an informed decision about whether to invest in or acquire that product.

- 5) We will discuss our recommendations with you, confirm your understanding of our advice to you, make any changes you require and ask you whether you would like us to implement those recommendations on your behalf.

- 6) If you agree, we will then implement those recommendations.
- 7) We will meet with you periodically to review your financial circumstances if we agree to an ongoing advice service arrangement which includes a regular review component.

We will also explain to you any significant risks of the financial products and strategies which we recommend to you. If you are unclear of the risks, do not hesitate to question us further.

In certain circumstances, we may not provide you with personal advice via a SoA or RoA, as outlined above. These circumstances may include:

- 1) Where we provide you with general advice only, such as through seminars and newsletters;
- 2) When we are acting under a Managed Discretionary Account (MDA) Service which allows us to manage investments on your behalf, if you have agreed to this service as a result of a recommendation we have made in a SoA.
- 3) Further advice or verbal advice – if you previously received advice recorded in a SoA, any further personal advice provided by us may be recorded in a RoA. You may request a copy of the RoA from us by contacting us for a period of seven years from when the further advice was first provided to you.

## How can you instruct us?

You may specify how you would like to give us instructions, for example, by phone or email using any of the contact details set out in Section 4 of this Guide. Alternatively, you may provide instructions to us in person. Where instructions are provided by telephone, these must be confirmed in writing.

## Other services

We may provide services other than financial planning services. While we may facilitate these other services, you should understand that these other services are not provided under Whittle & Skok's AFSL and Whittle & Skok does not train, support or supervise the provision of these other services and has no responsibility in relation to these services.

Examples of the services which Whittle & Skok is not responsible for include the following:

- general insurance services (e.g. car insurance)
- real estate and direct property advice

- tax agent services, such as completion of tax returns, accounting and audit services
- legal services
- credit activities
- consulting services

## How are we paid for our services?

Whittle & Skok may receive:

- fees paid by clients
- commissions paid by insurance providers
- other benefits

Details of any fees, commissions or other benefits that Whittle & Skok are entitled to receive if you implement our recommendations in relation to a specific financial product, will be disclosed to you in your SoA or RoA when personal advice is given.

All fees, commissions and incentives are paid to and received by Whittle & Skok. Our Financial Advisers (AFSL Representatives) are salaried employees and may also receive a performance bonus, based on a balanced score card which does not influence their advice, or any recommendations made.

## What type of fees, commissions, payments and other benefits does Whittle & Skok receive for our services?

As part of detailed financial planning, there are costs to you at various stages of the process. Before making any recommendations, we will discuss and agree on the fees with you.

If the fees, commissions or other benefits are not calculable at the time we provide personal advice, we will describe the way they are calculated at the time the advice is given or as soon as practicable thereafter. If you receive general advice you may request particulars of the fees, commissions and other benefits that we may receive, within a reasonable time after this FSG is given to you.

The types of fees, commissions and other benefits that may be received by Whittle & Skok include the following. You may be charged a combination, or part of, any of these fees.

### Initial advice

We may charge fees for the preparation of a personalised financial plan (SoA), presentation and implementation of our advice. Initial advice fees range from a minimum \$2,500 plus GST up to \$9,000 plus

GST. The fees will be based on your individual circumstances, the complexity involved in your situation and the time it takes to prepare personal financial advice for you. We will discuss these fees with you and gain your agreement to the fees before we provide you with advice.

### Ongoing advice fees

We may charge a fee for the provision of ongoing services and/or to provide ongoing portfolio reviews.

If you choose to have Whittle & Skok provide ongoing advice services, you may be charged a fee based on the scope of services you receive and/or the value of your investment portfolio or insurance premiums. This fee will range between 0.50% pa and 1.00% pa plus GST, calculated on the value of the investment portfolio. A minimum annual fee of \$1,200 plus GST applies.

For our Tailored Portfolio Solutions under a MDA service, fees are based on a tiered fee scale up to 1.5% p.a. plus GST applied to the value of your investment portfolio. A minimum annual fee of \$4,125 (inclusive of GST) applies.

Full details of all fees and commissions for financial services will be provided to you in a Statement of Advice (SoA), or Record of Advice (RoA) and Product Disclosure Statements at the time of receiving any recommendation.

### Referral fees

If we refer you to another business to provide you with services, Whittle & Skok may receive referral fees. Those fees may vary according to the party to whom we are referring, and the products involved. These fees are not paid or passed through to your adviser.

We will provide written notification to you if we are likely to receive referral fees for referring you to another service provider.

### Payment methods

Our fees are either invoiced to you directly, or deducted from your portfolio value, or a combination of these methods. In most instances you will be able to select the method of payment that suits you best. We will discuss and agree the method of payment with you before we provide you with services.

### Life Insurance Products

Initial and ongoing commissions from insurance providers may be received by Whittle & Skok. These commissions are paid to Whittle & Skok by the company that issues the product that we recommend

to you and they are included in what you pay for the product. The commissions vary and are based on the policy cost, which is the sum of the premiums you pay and may include other fees related to the product.

If you initiate an increase to your cover, Whittle & Skok may receive an initial commission and ongoing commissions on the increase to your policy cost. The ongoing commission on a client initiated increase is only paid in respect of the period that starts from the first anniversary of the increase.

<b>Date a new product is issued</b>	<b>Initial commission (% of annual policy cost or increase excl. GST)</b>	<b>Ongoing commission pa (% of annual policy cost or increase excl. GST)</b>
From 1 January 2020*	0 - 60%	0 - 20%

\* Whittle & Skok may receive the pre 1 January 2020 commission rates from the product issuer if:

- > your policy was issued before 1 January 2020 and you exercise an option or apply for additional cover under your policy after 1 January 2020; or
- > your policy was issued before 1 January 2020 and is replaced after 1 January 2020 to correct an administrative error.

#### *Example Life Insurance Product Commission*

We recommend an insurance product to you and it is applied for and issued on 2 February 2020. The annual policy cost is \$450. Whittle & Skok may receive up to \$270 (60% excl. GST) as an initial commission. Assuming the policy cost stays the same each year, Whittle & Skok may receive up to \$90 pa (20% excl. GST) as an ongoing commission.

You will find details of how your insurance policy cost is calculated in the relevant PDS that we provide you. Where personal advice is provided to you, you will also find details of the commission that Whittle & Skok may receive if you decide to purchase a life insurance product, in your SoA or RoA.

## Other benefits

From time to time we may accept alternative forms of remuneration from product providers or other parties, such as hospitality or support connected with our professional development (e.g. training or sponsorship to attend conferences). We maintain a register detailing any benefit we receive which is valued between \$100 and \$300 and other benefits that relate to information technology software or support provided

by a product issuer or that relate to educational and training purposes.

A copy of the register is available on request.

## Will any other parties benefit from the financial services offered in this FSG?

Grandleigh Accountants Pty Ltd (Grandleigh) is a subsidiary owned 75% by Whittle & Skok Financial Services Pty Ltd (Whittle & Skok) and 25% by Rizza Alexander. Grandleigh provides accounting and taxation services to Whittle & Skok clients. As a result of any accounting and taxation services you receive from Grandleigh, Whittle & Skok will receive a financial benefit being 75% of the net annual profit of Grandleigh.

Whittle & Skok have a referral agreement in place with DLV Finance Solutions Pty Ltd, our preferred mortgage and finance provider. Where we refer you to DLV Finance Solution Pty Ltd, we may receive a share of upfront and/or ongoing commissions on any successful application for finance. The amount of commission we may receive will be confirmed to you by DLV Finance Solutions Pty Ltd.

Whittle & Skok do not receive any fees, benefits or incentives as a result of referring you to Hall & Wilcox for estate planning and legal advice execution.

## What fees do we pay to someone who refers you to us?

We do not pay any fees to the person who refers you to us.



## Managed Discretionary Account services

A Managed Discretionary Account service ('MDA') is a financial service that allows an Australian Financial Services Licensee (and its representatives) to invest in financial products on behalf of a client, and/or manage a client's (financial product) investment portfolio, on a discretionary basis.

The discretion can be used to rebalance a client's portfolio, or replace a financial product with another, without having to contact the client and obtain the client's authority to make the changes.

Whittle & Skok may recommend our MDA service to you in your SoA, where we believe it is appropriate for your circumstances.

If you agree that Whittle & Skok can manage the portfolio on a discretionary basis, you must enter into a Managed Discretionary Account Services Contract ('MDA Contract') with Whittle & Skok which will be provided to you in conjunction with your SoA.

### What are the significant risks associated with using our MDA service?

The discretion involved in a MDA service will allow Whittle & Skok to make changes to your investments without seeking your prior consent. By giving us the discretion, you are bound by our actions and the changes we make to your investments (provided the changes are within the limits of the discretion and in accordance with the Corporations Act).

It is important you understand what we are authorised to do and carefully read and understand the activities that you are authorising us to perform on your behalf. You should contact us if you have any questions.

Neither Whittle & Skok, nor any related or associated person or body corporate guarantees or makes any representations concerning the future performance of the managed funds, securities (shares), the return of capital, any specific level of performance, the success or tax effectiveness of any strategy Whittle & Skok may use, or the success of Whittle & Skok overall decisions pursuant to the discretion granted by you.

The investment decisions made by Whittle & Skok are subject to various market, currency, economic, political and business risks, and those investment decisions may not always be profitable and may at times result in losses.

There is also a risk that Whittle & Skok's investment management and investment decisions will not achieve your expectations and needs. These risks may also affect the value of your investment and the return you may receive.

Actions that Whittle & Skok takes pursuant to the discretion may trigger a capital gains tax liability, depending on your personal tax position. You should seek advice about the tax implications that would be applicable to you.

If Whittle & Skok replace one financial product with another, you may incur Buy/Sell fees or you may be charged brokerage by the platform provider and you will lose any other benefits of ownership of the financial product being replaced.

### How can I give Whittle & Skok instructions on corporate actions relating to the financial products in my portfolio?

Where you provide us discretion under a MDA Contract, Whittle & Skok will exercise discretion in relation to the exercise of any rights attaching to your share investments and will not seek your written instructions on how to exercise those rights. Accordingly, you will not have the ability to give us instructions about how to exercise those rights. If you were investing in shares directly and not through a Regulated Platform or MDA service, you would be able to decide how to exercise any rights attaching to the shares.

For investments in managed funds, clients do not generally have any rights or entitlements in respect of the underlying investments held by the managed fund. Accordingly, we will not generally have any input into decisions about rights or entitlements (such as corporate actions).

### Do I have to enter into a contract for you to provide MDA Services?

Yes. Before we can provide you with any MDA services you must first enter into a MDA Contract with Whittle & Skok. This contract will set out the terms and conditions of the MDA Service.

### Who prepares the investment program?

Whittle & Skok will prepare and provide to you a MDA Investment Program. The Investment Program is prepared in accordance with the regulatory requirements, which complies with Division 3 of Part 7.7 and Division 2 of Part 7.7A of the Corporations Act,

and will be given to you before you enter into the MDA Contract.

## What information will be included in the MDA Contract and our accompanying Statement of Advice?

We must determine if the MDA is appropriate for you based on your objectives, personal circumstances, needs and financial position, and is in your best interests, and give you a written Statement of Advice that includes our recommendations and remuneration disclosure.

The MDA Investment Program will also contain:

- The nature and scope of the discretions that we will be authorised and required to exercise under the MDA Contract and any investment strategy that is to be applied in exercising those discretions;
- Information about any significant risks associated with the MDA Contract and the investment strategy;
- The basis on which we consider the MDA Contract to be suitable for you; and
- Warnings that our MDA service may not be suitable for you if we have formed the view that you have provided us with inaccurate or limited information about your relevant personal circumstances or if your relevant personal circumstances change. It is important that you inform us immediately if your circumstances change.

## Who is responsible for reviewing the investment program?

We are required to review your investment program to ensure that it remains suitable for you. This review must take place at least once every 13 months. In addition:

- You may cancel the MDA service or request changes to the Investment Program at any time by first notifying us in writing.
- For direct share investments only, you may give us discretion to exercising any rights relating to the direct share investments in your portfolio (for example, corporate actions). In all other circumstances, we will only act in accordance with your written instructions on how any rights relating to these products in your portfolio are to be exercised.

- Whittle & Skok places certain limits on the discretionary services, such as:
  - We are not permitted to trade on your account(s) in an attempt to make short term gains. All investment decisions must be made with long term goals in mind.
  - We are required to maintain your portfolio within a specified range for each asset class or as further restricted by you.

These limits on our discretion will be described in more detail in your SoA and within the content of the MDA Contract.

- You will be provided with access to on-line reporting for your nominated account(s) to view the transactions undertaken on your behalf and the impact on your portfolio. If you do not have internet access, we will provide you with a quarterly report to review transactions undertaken on your behalf.
- The MDA service does not include a custodial or depository service, as this is facilitated through your nominated cash management account and/or administration service.

## Outsourcing arrangements

We have the following outsourcing arrangements in place:

- Custodial and depository services: Provided by the respective platform provider. Please refer to the relevant Product Disclosure Statement or Investor Directed Portfolio Service Guide for further information.
- Broking services: Provided by the respective platform provider or via CommSec (Ausix).

## Selection of outsourced providers

Our approach to the selection of our outsourced service providers involves taking into consideration financial stability, administration systems, provision of services, quality of data provided, cost of services and competitiveness in the market.

## Outsourcing: ongoing monitoring & controls

We ensure that the outsourced arrangements which we put in place are delivered in accordance with our obligations to you.



## Fees and costs associated with your MDA service

The actual fees and costs relevant to the MDA service will be detailed in the SoA that will be given to you. Our investment decisions may have capital gains or income taxation consequences for you depending on your personal tax position.

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 (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs.

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](http://www.moneysmart.gov.au)) has a managed investment fee calculator to help you check out different fee options.

The table below shows fees and other costs that you may be charged under the MDA service. These fees and costs may be deducted from your investment, the returns on your investment or from the MDA service assets as a whole. You should also seek advice on the tax implications of the MDA service. You should read all the information about fees and other costs, as it is important to understand their impact on your investment.

Type of fee or cost	Amount	How and when paid
<b>Fees when your money moves in or out of the MDA service</b>		
<b>Establishment fee</b> The fee to open your MDA account	Nil	Not applicable
<b>Contribution fee</b> The fee on each amount contributed to your MDA account	Nil	Not applicable
<b>Withdrawal fee</b> The fee on each amount you take out of your MDA account	Nil	Not applicable
<b>Exit fee</b> The fee to close your MDA account	Nil	Not applicable
<b>Management costs</b>		
<b>Managed Discretionary Account (MDA) Service Fee</b> The fee for ongoing reviews, strategic advice and for managing your investments in accordance with your investment program	Based on a tiered fee scale up to 1.65%. This equates to \$0.00 up to \$16.50 per \$1,000 invested. The fee you pay will vary depending upon your account balance.	This amount is paid to Whittle & Skok at the end of the month from your cash account held in the respective platform or will be payable directly to us. The amount actually charged to you will be shown in your SoA which contains your Investment Program.
<b>Platform fee</b> The fee charged by the Platform provider we recommend for administrative, reporting and custodial services	Based on a tiered fee scale up to 0.46% This equates to \$0.00 to \$4.60 per \$1,000 invested. The fee you pay will vary depending upon your account balance.	This amount is paid to the Platform operator and may vary depending on the platform used and value of your portfolio. Please refer to your Platform's offer documents that we will supply to you.
<b>Fund Manager Fees</b> Indirect Costs - the fees charged by the managers of the funds in which your MDA account is invested	These costs range between 0.24% and 6.82%. On average the ICR will be between 0.18% and 1.54%. This equates to \$0.00 to \$15.40 per \$1,000 invested.	This fee is reflected in the unit price of the relevant managed fund and includes performance fees, where charged.
<b>Service fees</b>		
<b>Switching Fee</b> The fee for changing investment options	Nil	Not Applicable

Type of fee or cost	Amount	How and when paid
<b>Transaction Fee</b> The fee for buys, sells and switches	Between \$0 and \$30.00 per transaction depending on the platform recommended	This fee is deducted from your account balance at the time of the investment purchase and is paid to the Platform operator. The fee may vary depending on the platform used. Please refer to your Platform's offer documents that we will supply to you.
<b>Brokerage</b> The fee for the execution and settlement of share trades	0.12% to 0.15% per trade. A minimum brokerage of \$18.50 per trade may apply depending on the trading platform used.	This amount is paid at the same time the trade occurs and deducted from your cash account. The fee may vary depending on the platform used. Please refer to the Platform's offer documents that we will supply to you

All fees in the previous table are shown inclusive of GST. Additional fees and charges may apply. See 'Additional explanation of fees and costs' below for further information. The information in the previous table can be used to compare costs between the MDA service and different simple managed investment products. ASIC provides a calculator on its website [www.moneysmart.gov.au](http://www.moneysmart.gov.au). The calculator can be used to calculate the effect of fees and costs on account balances.

### Example of annual fees and costs of the MDA service

The following table provides an example of how the MDA service fees and costs can affect your investment over a one-year period. You should use this table to compare the MDA service with other MDA services and simple managed investment products (Managed Funds).

The example assumes an account balance of \$50,000 invested in the MDA service with no variation in the value of your investment over this period. In practice, the actual fees we charge are generally based on the value of your investment which may vary daily. This example also assumes that the additional \$5,000 contribution occurs at the end of the relevant period (that is, no management fees are incurred in connection with the additional investment amount).

Example	Fee	Balance of \$50,000 with total contributions of \$5,000 at the end of the year
Contribution fees	Nil	For every additional \$5,000 you put in, you will be charged a contribution fee of \$0.
<b>PLUS</b>		
Management costs	3.65%	And for every \$50,000 you have in the MDA service, you will be charged \$1,825 each year comprising;
<i>Comprising</i>		
Ongoing services and MDA fee	1.65% pa	\$825
Platform administration fee	0.46% pa	\$230
Fund Management fees	1.54% pa	\$770
<b>EQUALS cost of MDA service</b>	<b>3.65% pa</b>	<b>\$1,825</b>

#### Notes to example

- You may also incur a buy/sell spread when your money moves in or out of the MDA service. See 'Buy/Sell spread' under the section, 'Additional explanation of fees and costs' for further information.
- Fund Management fees are often calculated using the average Indirect Cost Ratio ('ICR') for the relevant portfolio of the MDA service for the financial year. The ICR refers to the management costs that were not paid directly out of your account (for example MDA Service Fees and Platform Fees) but were paid from the MDA service assets over the relevant financial year, expressed as a percentage of the average net asset value of the MDA service. It is not a forecast of the amount of the total management costs in the future. Past performance is not a reliable indicator of future performance, and the amount of the management costs may be higher or lower in the future.
- The calculation of the management costs in the example assumes that the additional \$5,000 invested in the MDA service occurs at the end of the relevant period and therefore no management fees are payable on the additional investment. Additional fees may apply, as well as the abnormal expense recovery. Refer to 'Additional explanation of fees and costs' below for more information.

## Additional explanation of fees and costs

### Management Costs

Ongoing management costs for the portfolio(s) vary between platform providers but generally comprise of:

- MDA Service Fees payable to us for providing the service.
- A platform fee payable to the platform provider.
- Platform Cost Recovery Fees, if applicable, payable to the platform provider.
- Indirect costs (Indirect Cost Ratio), if any, based upon information available from the underlying product issuer and reasonable estimates as at the date of this FSG.

### Indirect Cost Ratio (ICR)

The ICR refers to the management costs charged by issuers of certain products that were not paid directly out of your account. These indirect costs are deducted from the assets of the portfolio over the relevant financial year, expressed as a percentage of the average net asset value of the MDA service. You should refer to the relevant product disclosure statement for full details on the fees and costs charged by the product issuers of any managed funds, Exchange Traded Funds, Real Estate Investment Trusts, or Listed Investment Companies.

### Administrative expenses

Other costs you may pay in relation to the MDA service are the fees and expenses of the Platform provider as set out in the relevant Product Disclosure Statement or Investor Directed Portfolio Service (IDPS) Guide which may include Expense Recovery Fees.

### Transaction Fees

Transaction costs incurred in the acquisition or disposal of the assets of the MDA service such as brokerage, clearing costs, transaction fees, taxes and stamp duty will generally be paid for from the assets within the portfolio.

### Brokerage

Brokerage is charged on financial products traded on Australian markets (ASX and Chi-X) based on the

transaction value. For example, if the order was for \$50,000, the cost for brokerage may be \$60 ( $\$50,000 \times 0.12\%$ ). The rate of brokerage will vary depending on the platform provider or trading platform used to implement the trade.

### Buy/Sell spread

The buy/sell spread is a fee charged by a Fund Manager to place or redeem an investment. These costs generally range between 0.00% and 0.80%, up to \$8.00 per \$1,000 invested.

Buy/sell spreads apply at the time of each transaction and are charged by the individual product issuers in one of two ways:

- by reducing the particular investment option's performance (unit price), or
- by adjusting the application and/or withdrawal price.

When financial products are acquired, a "buy spread" may be incurred. The buy spread is an amount which reflects the estimated transaction costs associated with acquiring the underlying investments and may take into account the difference between the bid/offer price of investments traded and/or the estimated market impact of the acquisitions on the price of the investments being acquired.

When financial products are disposed of, a "sell spread" is incurred. The sell spread is an amount which reflects the estimated transaction costs of disposing of the underlying investments and may take into account the difference between the bid/offer price of investments traded and/or the estimated market impact of the disposals on the price of the investments being sold.

### Information about fee changes

We will provide at least 30 days' notice to you of any proposed increase in fees, charges or expenses (except any changes to the buy/sell spread).

**Please note:** The fees and costs outlined above are accurate as at the date of this FSG.

# Privacy Statement

## Why we collect your personal information

We collect personal information, including sensitive information (e.g. health information), from you to provide you with services including financial advice.

We may also use your information to comply with legislative or regulatory requirements in any jurisdiction, to prevent fraud, crime or other activity that may cause harm in relation to the products or services provided, and to help us run our business.

If you do not provide all the information we request, we may no longer be able to provide a product or service, including financial advice, to you.

## Collecting and disclosing your personal information

We may disclose your personal information to other members of our organisation, anyone we engage to do something on our behalf such as a service provider, and other organisations that assist us with our business. We may also disclose your personal information to third parties such as a complaints body to whom a complaint relating to a product or service is referred, your past and present employers, any party acquiring an interest in our business and anyone acting on your behalf.

We may also collect from the parties listed above any personal information they may hold about you which relates to our provision of financial advice.

As a provider of financial services, we have obligations to disclose some personal information to government agencies and regulators in Australia, and in some cases offshore. We are not able to ensure that foreign government agencies or regulators will comply with Australian privacy laws, although they may have their own privacy laws. By using our products or services, you consent to these disclosures.

Whittle & Skok is also required, pursuant to the Anti-Money Laundering and Counter-Terrorism Financing Act (AML/CTF Act) and its corresponding rules and regulations to implement certain client identification processes. We may be required to obtain information about you at the time of providing financial services to you, and from time to time in order to meet our legal obligations.

We have certain reporting obligations pursuant to the AML/CTF Act and information obtained from or about you may be provided to external third parties and regulators in accordance with the requirements imposed on us.

## Other important information

We are required or authorised to collect personal information from you by certain laws. Details of these laws are in our privacy policy.

Our privacy policy is available on our website at [www.whittleskok.com.au](http://www.whittleskok.com.au) and covers:

- how you can access the personal information we hold about you and ask for it to be corrected;
- how you may complain about a breach of the Privacy Act 1988 (Cth), or a registered privacy code and how we will deal with your complaint; and;
- how we collect, hold, use and disclose your personal information in more detail.

We will update our privacy policy from time to time.

Where you have provided information about another individual, you must make them aware of that fact and the contents of this privacy statement.

We will use your personal information to contact you or send you information about other products and services offered by us or our preferred suppliers. If you do not wish to receive marketing communications from us, please contact us.

# Are you satisfied?

## What to do if you have any concerns about our services

Whittle & Skok endeavour to provide you with quality financial advice. If you have a complaint or concern about the service provided to you, we encourage you to take the following steps:

Contact your adviser on (03) 9261 8100 or make a complaint as follows, by writing to:

### **The Compliance Manager**

Whittle & Skok Financial Services

Level 1, 260 High Street

Kew Victoria 3101

We will acknowledge your complaint, either verbally or in writing, within 24 hours (or one business day) of receiving it, or as soon as practicable.

We will review your concerns and provide a full written response within 30 days of receipt of your complaint unless the matter is complex or circumstances beyond our control delay the management of your complaint. If this occurs, we will notify you within 30 days of the reason for the delay and provide you the option to escalate the matter if you are dissatisfied.

If your concern is not resolved, or if you disagree with our final response to your complaint, you may also escalate your concerns to the Australian Financial Complaints Authority (AFCA), at no cost to you. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

You may contact AFCA by writing to:

### **Australian Financial Complaints Authority**

GPO Box 3

Melbourne Victoria 3001

Email: [info@afca.org.au](mailto:info@afca.org.au)

Website: [www.afca.org.au](http://www.afca.org.au)

Phone: 1800 931 678



# WHITTLE & SKOK

FINANCIAL SERVICES

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Whittle & Skok Financial Services Pty Ltd ABN 68 006 923 940, Australian Financial Services Licence 232591