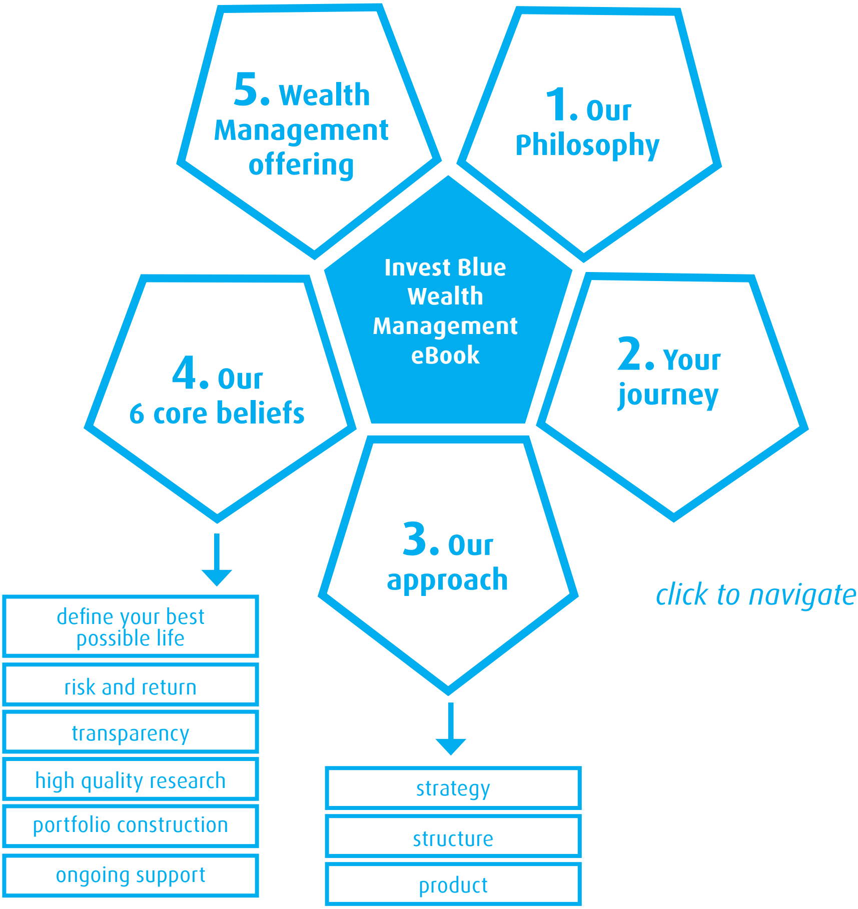
# wealth management

investblue

it's possible.

*We are passionate about empowering our clients to live their best possible life.*

# In this eBook




## Invest Blue's approach to Wealth Management

Our wealth management eBook outlines how your Invest Blue adviser will work with you to determine a tailored approach to the management of your wealth. The management of current and future wealth is one of the core components of any financial plan aimed at helping you live your best possible life.

Your Wealth Management eBook articulates our core beliefs, approach and offer. Your Invest Blue team will support you throughout this process.

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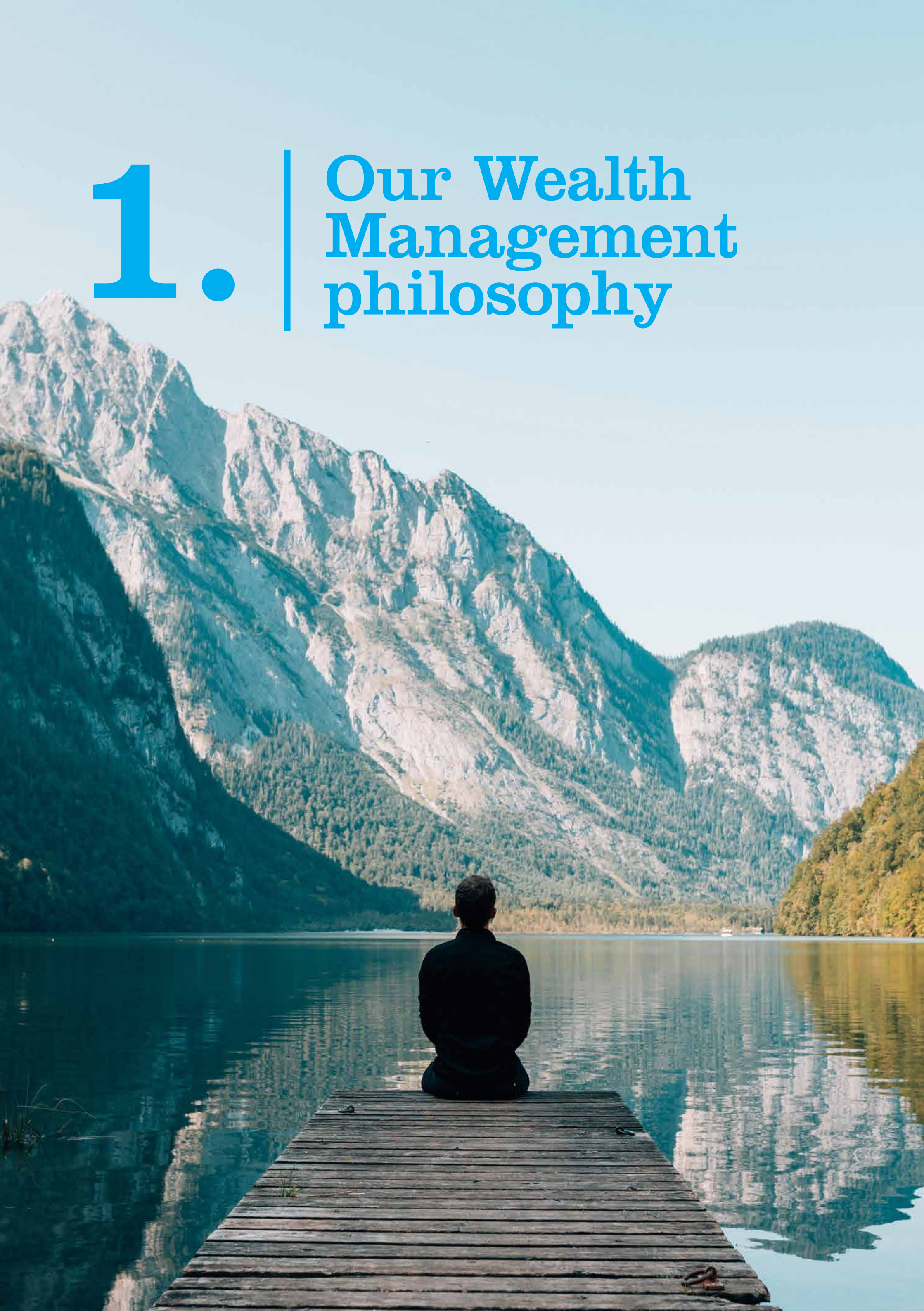
# 1. Our Wealth Management philosophy



# Our Wealth Management philosophy

## *At Invest Blue we assist in the management of our client's wealth to ensure that you maximise the opportunity to live your best possible life.*

We all have an idea of what we want to achieve, but sometimes don't have the time, understanding or the confidence to make it all happen. Working with an Invest Blue Financial Planner is the perfect partnership to ensure that you have the understanding, time and confidence to build your wealth and achieve your short, medium- & long-term dreams and goals. We focus on three key areas in developing your financial plan, built around your goals, objectives and vision of your best possible life.

**Strategy:**

After taking time to understand and define your best possible life, we determine the right strategy for you to maximise your chance of achieving your goals.

**Structure:**

We work with you to structure your affairs in the most effective way to meet your goals. This includes consideration of different tax environments to hold your wealth, loan structures, investment structures, estate planning structure and the like to ensure you have the best chance of achieving your goals.

**Product:**

Where we identify that a product is required, we investigate the right products for you to maximise your chance of achieving your goals across all areas of your situation, including consideration of lending products, wealth protection products and investment products to meet your needs.

## *Our Wealth Management approach is focused on selecting the most appropriate investments for the enhancement and protection of your wealth, based on your personal needs.*

We believe that putting in place a plan to live your best possible life is not a 'set and forget' action, but something that needs to be nurtured, monitored and regularly reviewed. Wealth Management is like running a marathon, just because you have trained and completed a marathon once before does not mean you will be in shape to do it for the rest of your life.

If you want to lose weight, you need an exercise plan, diet and ultimately a fitness coach. If you have an investment property you seek the services of a property manager. Likewise, if you have financial goals, then Wealth Management is a key way of ensuring your investments are fit for purpose, best of breed and regularly reviewed to help meet your unique goals and objectives.

# Our approach to investment

At Invest Blue we take very seriously the responsibility and trust given to us by our clients in helping them to manage their wealth. Our clients give us the responsibility of protecting and enhancing their wealth and as such, we take a risk-based approach to the way we manage money. We aim to maximise the probability of our clients meeting their goals, whilst ensuring we implement a strategy that is consistent with their tolerance towards risk.

We do this by focusing on the two components of performance: risk and return, aiming to achieve maximum returns for the level of risk being undertaken.

**Our Wealth Management Philosophy is driven to maximise the probability of you achieving your dreams and goals and living your best possible life and is underpinned by six core beliefs.**

1. Understanding your vision for your best possible life with a clear definition of your goals and tolerance to risk is the first step in building a robust Wealth Management strategy.
2. Both components of performance, risk and return, are equally important considerations.
3. Transparency is critical to managing risk and return in your portfolios, whilst ensuring you have all of the relevant information to make the right decisions at the right time.
4. High quality research provided by independent experts, regularly monitored and reviewed is more likely to lead to better results.
5. Taking an active approach to portfolio construction, asset allocation and stock selection can add value in managing risk and return, where there is clear evidence that the benefit outweighs the cost.
6. Once a Wealth Management strategy is implemented, it is not a set-and-forget proposition. To live your best possible life, your Wealth Management strategy will require ongoing monitoring and review, in partnership with you and your adviser.

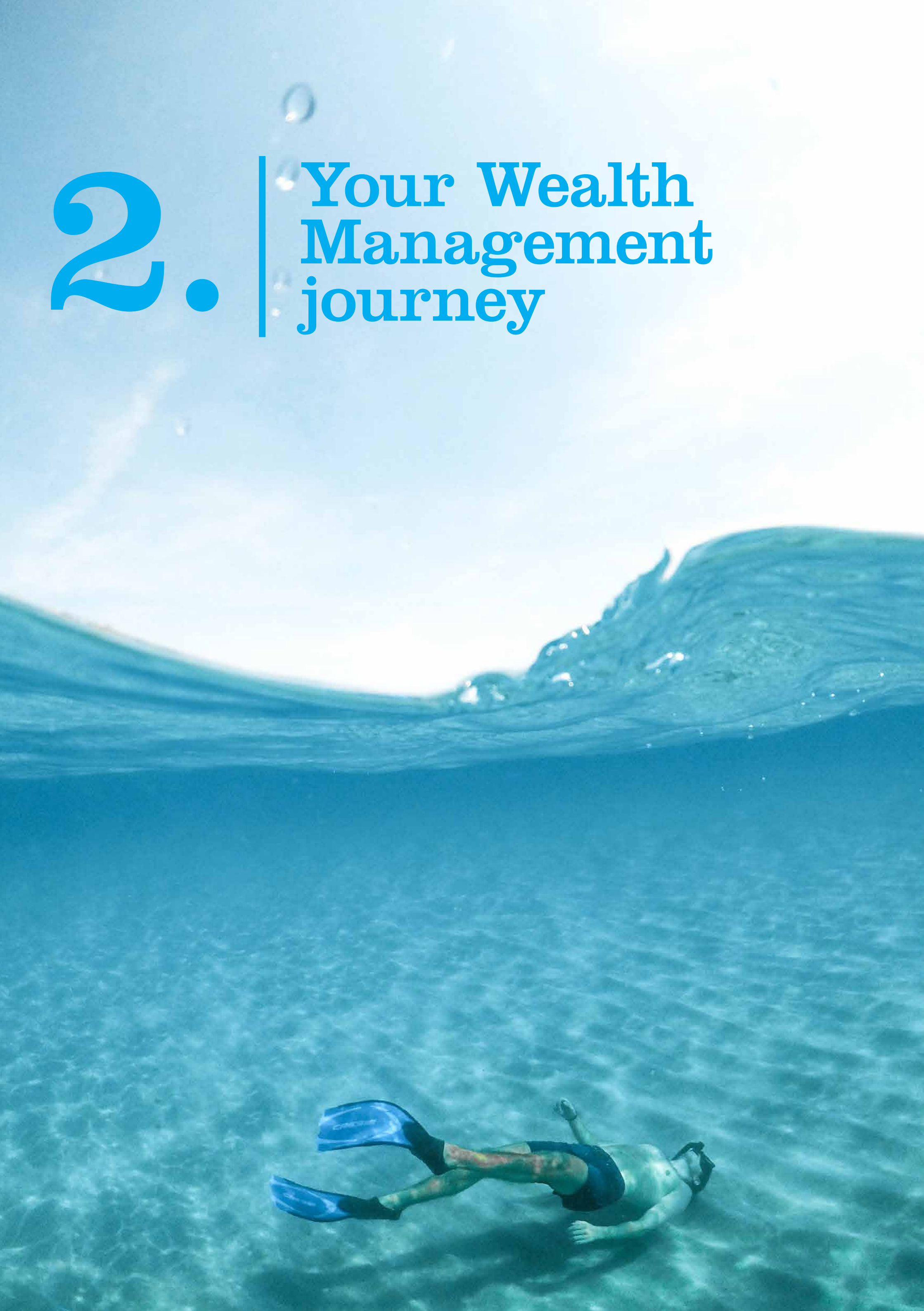
## How do we measure success?

Ultimately the success of your Wealth Management Strategy is best exhibited when it allows you to achieve your goals and dreams so that you can live your best possible life.

However, we believe it is also important to track and measure the risk and return outcomes of your investment portfolio against independent benchmarks to ensure it is achieving the risk and return objectives of your portfolios and make proactive adjustments as necessary. At Invest Blue we do this by assessing the returns generated by our portfolios, against the risk taken to earn those returns, and we benchmark ourselves against the returns generated for each unit of risk taken on, rather than just comparing on returns alone.

Additionally, when making comparisons, we focus on the medium (3 years) to long term (5-7 years) achievement of objectives, as we believe that investing is a long-term proposition. Whilst we monitor the short-term performance, we accept that there can be periods in the short term where performance outcomes may vary widely. When you take a medium to long term view, focus on quality and stick to well laid plans we believe you achieve better results

# 2. Your Wealth Management journey



# Your Wealth Management journey

As a client of Invest Blue, we will always start with getting to know you well before we recommend a Wealth Management Strategy. This important foundation helps us both to clarify what is most important to you, your dreams and goals, your current situation and what your best possible life might look like. We will also undertake a risk preference analysis so we can understand your tolerances.

From there, we need to take you on a journey to understand your options and be aware of the trade-offs each choice inherently holds. To do this we will explain your options, outline our beliefs about Wealth Management, discuss your preferences, and then make recommendations that we believe best suit your needs.

## Your journey

# 3. Our approach

# Our approach

Working with an Invest Blue Financial Planner is the perfect partnership to ensure that you have the understanding, time and confidence to build wealth and achieve your short, medium & long term goals and objectives. We focus on three key areas when developing your financial plan, built around your goals, objectives and vision of your best possible life: strategy, structure and product. Let us explore these areas a little further now.

## Strategy

**What is the right strategy for you to maximise your chance of achieving your goals?**

***Once we understand clearly your goals and vision for your best possible life, we will work with you to define a strategy that holistically maximises your chance of achieving this. Our preference is to provide a solution focusing on all aspects of your financial situation so that we can have confidence we can assist you live your best possible life.***

As part of this process we consider strategies to maximise outcomes in relation to your personal needs from the following key advice areas, asking a range of questions:

**Budgeting and Cashflow Management:** How do we maximise your free cashflow to be able to direct to your short, medium- and long-term savings goals?

**Debt Management:** How do we help you manage your debt in the most effective way possible to meet your debt, wealth creation and other objectives?

**Wealth Protection:** What is the right amount of wealth protection (either through insurance, self-insurance or savings) to ensure the achievement of your goals and objectives aren't jeopardised in the event of the unforeseen?

**Wealth Management (pre-retirement):** How do we build and protect your wealth in the most tax effective manner during your working life to ensure it grows over time to be able to meet your needs now and in the future?

**Retirement Planning:** What is the best strategy to ensure you have sufficient funds to maximise the chance of you achieving your retirement and estate planning objectives?

**Maximisation of Government Benefits**: What is the most effective strategy to ensure you maximise your entitlement to any government support payments, in order to help you achieve your goals?

**Estate Planning:** How do we ensure the right assets go to the right people at the right time?

# Our approach

## Structure

**How do we work with you to structure your wealth in the most effective way to meet your goals?**

***Once we've defined your goals and best possible life, and determined strategies designed to help you achieve these, we consider structural elements to enhance your strategy.***

This includes consideration of:

The different **tax environments and ownership structures** to hold your wealth, including the benefits of superannuation vs holding your assets outside of the superannuation environment.

Your **wealth protection needs** and the most effective structure to hold your insurances from a tax, cashflow and cover perspective.

Your **lending and banking needs** and the best way to structure your day to day banking arrangements for cashflow management and the best way to structure your loans to manage your interest payments and maximise tax deductibility of any investment loans.

Your **estate planning** needs and the best way to structure how your wealth flows from you to your dependents and beneficiaries.

## Product

***After defining your strategy and appropriate structure, the next step is to determine the right investment solution and products, where necessary, to provide practical solutions to support these requirements.***

Where we identify that a product solution is required, what are the **right products** for you to maximise your chance of achieving your goals across all areas of your situation, including consideration of lending products, wealth protection products and investment products to meet your needs?

Our Wealth Management approach is focused on determining the right investment solution for you and your needs. The remainder of this e-book is designed to outline our philosophy and approach to managing your wealth. For information on our approach to other elements mentioned, please see the relevant philosophy documents for those services here:

Our philosophy on debt and lending

Our philosophy on wealth protection

Our philosophy on Self-Managed Super Funds

The facilitation of the above financial planning process is conducted via our Invest Blue Advice Process.

## Our approach

### Selecting a product for your Wealth Management strategy

Once we have determined the right strategy and structure to meet your Wealth Management needs, via our Wealth Management approach, we will work with you to select the most appropriate platforms, investment structures and investments to **manage your wealth in a manner that maximises your chance of achieving your Wealth Management objectives.**

### Platforms

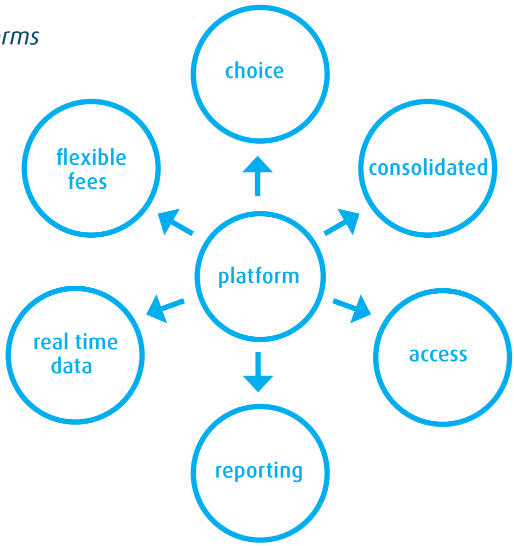
#### What is an investment platform and what does it do?

In simple terms, a platform is an administration service for your investments.

Platforms (also labeled as 'wraps'), master trusts or investor directed portfolio services (IDPSs) are all designed for one purpose: to simplify the administration, management and reporting of the increasingly complex portfolios investors are accumulating. Essentially, platforms are administration facilities for investment and superannuation money and in the case of superannuation they also allow you to co-ordinate your wealth protection needs within the fund. When you are ready to start to draw an income from your superannuation, platforms allow for the administration and payment of your income streams.

They simplify the investment process because they consolidate all the investment reporting and administration for you and send you regular portfolio valuations and tax statements.

*Benefits of the platforms*



# Our approach

**Choice:** A platform will give you access to a range of investments across all the major asset classes – shares, property, cash and fixed interest. Depending on the product you choose, you may have anything from a limited choice of managed funds, right up to a choice of hundreds of managed funds, exchange traded funds (ETFs) shares and cash options.

**Your investments are in one place without compromising on diversity:** platforms can combine your investments under a single administration facility. You receive consolidated reports (simplifying your tax reporting), regular updates, and often 24-hour online access to your portfolio. In addition, the use of a consistent reporting style enables you to compare 'apples with apples' when analyzing the performance of your investments.

**Access to specialist and/or wholesale funds** which may otherwise be outside your reach. For example, many wholesale funds have lower management fees but higher entry levels, such as a minimum investment of $500,000. While this puts the fund out of the reach for most individual investors, by using a platform, the minimum investment amount is generally a lot lower.

**Reporting:** One major difference between investing through a platform and investing directly is the comprehensive and consolidated reporting provided. You can have 20 managed funds and 15 share investments yet receive just one regular report detailing and summarising all your financial information. This is particularly useful when it comes to calculating your tax. Your capital gains tax liabilities and your franking credits will be consolidated and calculated for you.

**Online access:** Most platforms give you online access to your account, so you can see how your portfolio is performing and access other information 24/7.

**Flexible fees:** some platforms provide flexible fee structures and certain fees may even be tax deductible.

**Platforms in Australia tend to be offered by two distinct providers:**

1. Industry based or Union provided not for profit Investment Managers, known as Industry funds.
2. Banks and Professional Wealth Management firms known as Retail funds.

# Our approach

## Things to consider

If your money remains invested through the platform, you can instruct your adviser to switch investments or change your strategy at any time, online or over the telephone. As a result of these added services and functionalities, however, you may incur an administration fee for using the platform.

A Platform is suitable for those investors looking for a cost effective, comprehensive all in one solution wanting to hold all their investments in one place. The responsibility for compliance, administration and reporting is outsourced to a third party as they are not prepared to take on the legal liability and accountability for compliance with the regulatory framework and relevant penalties for non-compliance.

If you're thinking about investing through a platform, it's important to consider your circumstances. In terms of the fees/benefits trade off, you should consider whether you will be better-off using a platform or investing directly in the individual funds.

## Directly held investments

An alternate to holding your investments through a platform, you also have the ability to hold Investments directly, though it can often be difficult to attain significant diversification cost effectively by doing this. Direct investment would usually suit those that either have significant wealth, (greater than $1,000,000), those that have the time and inclination to co-ordinate and manager their affairs, conducting their own reporting and analysis or those that would prefer to invest in single large assets, like a direct property, rather than a diversified portfolio.

When investing your superannuation monies, if you wish to hold your assets directly, this needs to be done via an SMSF. Under an SMSF you take on the administration, auditing, tax management and reporting obligations. Whilst you are able outsource these tasks to accountants and other professionals, the cost means that unless you have a significant amount to invest, this can be expensive.

Additionally, under an SMSF you take full legal liability for the compliance of your funds with relevant tax and legislative requirements. An SMSF suits those who wish to invest in direct assets, business premises, or assets not usually held on platforms like artwork and other collectables. Additionally, it would suit those with unique estate planning needs or those that want to manage their own affairs and are willing to take on the legal accountability to manage compliance or are prepared to outsource this and willing to pay the cost of doing so.

# Our approach

## How we select most appropriate platform

When reviewing the type of platform that would work best for your personal circumstances, there are a range of considerations that factor into our decision. Questions such as, will your current platform provide you with an outcome that will support you overarching goals? Is there another platform on the market that would be more beneficial to your situation? Do we need to use a range of platforms in order to deliver the best possible outcome for you?

### Generally speaking, our process to guide these considerations are noted below:

Review and compare your existing platform. During this process we engage in several tools and resources to assist us to complete an analysis of your situation. If we deem that your current platform is suitable, appropriate and is benefiting your position, there may not be a reason to change.

Where a we believe that a change in platform is the best thing for you to achieve your Wealth Management goals, we will consider alternative platforms and compare their functionality, performance, accessibility, and cost, to determine the best solution for you.

We will continue to monitor and assess your Platform's appropriateness , where you have engaged in an ongoing relationship with an Adviser.

## Understanding types of investment options available either directly or on platform

### Direct Assets:

An asset is 'direct' when you transact directly and therefore hold either shares or property title.

### Investor Suitability:

This suits a highly engaged and educated investor who wants more control over the asset they are purchasing and is prepared to do the research to understand the value of their investment opportunities and ongoing performance.

# Our approach

## Managed Fund

A managed asset or fund involves pooling together money from different investors into one fund that is invested by the fund manager. These funds allow an investor to participate in a diversified way, but do not offer a great deal of control over specific investment selection. They often have low minimum investment requirements which means they are accessible to many investors. When you use a professional you will benefit from their knowledge and skills to make informed investment decisions but you will incur costs including entry and exit fees, as well as management and administration fees. Additionally, in a managed fund, you share the costs and tax consequences of the entire pool of investors and often have limited transparency as to the underlying holdings.

### Investor Suitability

This suits an investor who wants to participate in a broad range of investment opportunities and who values the expertise of a professional Fund Manager who does the research into what to buy or sell and is prepared to pay for that.

## Model Portfolio

A model portfolio is a group of investments or funds that are designed to meet expected returns within corresponding amounts of risk. A Model Portfolio will blend a combination of asset classes, investment managers and investment strategies to achieve a rich level of diversification. As values in particular asset classes increase or decrease, a rebalance will ensure that the overall portfolio remains within its designated asset allocation. An investor using this strategy will pay more for the research and management of their portfolio.

### Investor Suitability

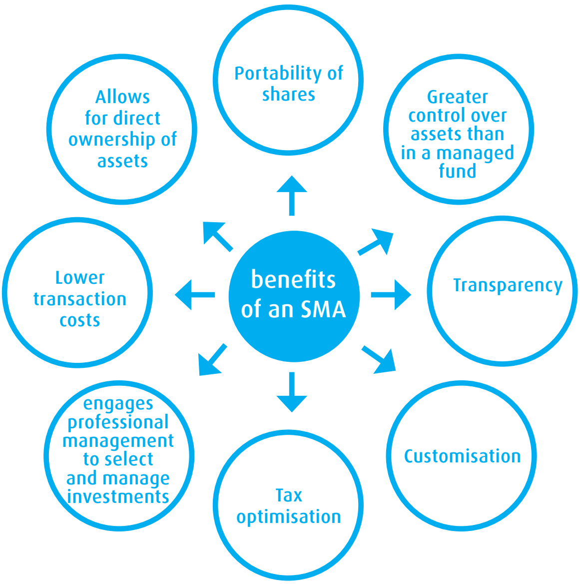
This suits an investor who wants to participate in a broad range of investment opportunities and is prepared to invest in professional expertise to participate. These investors don’t have control over underlying investment selection and are comfortable allowing Qualified Investment Professionals to make those decisions on their behalf, within the predefined asset allocation mix.

# Our approach

## What is an SMA?

A Separately Managed Account (SMA) is a unique investment structure. While it comprises of shares, bonds, cash or other individual securities and is overseen by a professional money manager, it is flexible enough to be customised to our personal preferences and goals.

The SMA structure provides some significant benefits compared to managed funds. It is more transparent, which helps manage risk and it is also more tax effective, which leads to higher return then a managed fund portfolio via a range of tax methodologies and minimisation of Buy-sell spreads and transaction costs. Thus, the SMA structure given it can help minimise risk, tax and transaction costs will provide a better risk/return outcome then the equivalent portfolio built in a model or in a diversified fund, again meaning the clients chances of achieving their goals are higher under this approach.




*Benefit of an SMA*

- Allows you to invest and hold your asset directly rather than be in a pool of other investors
- Combines the benefits of direct and managed
- But still take advantage of professional management
- In equities or other assets
- You can then control your tax benefits

## Our approach

*This table compares the features available in the investment options explained above*

| Feature | Managed Funds | ETFs | SMAs | Directly Held |
|---|---|---|---|---|
| **Tax Efficiency** | Poor | Good | Good | Good |
| **Portability** | None | None | Good | None |
| **Managed to Particular Tax Outcome** | No | No | No | Yes |
| **Transparency** | Poor | Good | Excellent | Excellent |
| **Direct Ownership** | No | No | Yes | Yes |
| **Embedded Tax Liability** | Often | Sometimes | No | No |
| **Capital Losses can be applied to:** | Future gains within structure | Future gains within structure | Any current or future gains | Any current or future gains |
| **Access to Diversification and professional Management** | Excellent | Excellent | Excellent | Limited |
| **Variety of Investment Options** | Excellent | Moderate | Excellent | Limited by capital |
| **Portfolio Construction** | Manager's discretion | Manager's discretion | Model portfolio | Done by the investor |
| **Tailored Management** | No | No | No | No |
| **Management Fee Tax Deductibility** | No | No | No | No |

# 4. Our core beliefs

# Understanding Investing – Our philosophy explained

## Belief 1: Defining your best possible life

We believe that understanding your vision for your best possible life with a clear definition of your goals and tolerance to risk is the first step in building your Wealth Management strategy.

The first step to building an appropriate Wealth Management strategy for you is to clearly articulate what is most important to you and what you want to achieve. When we understand the underlying values behind your goals, we can be more confident in defining both your tolerance for risk and the need for risk taking.

Your appetite for risk is a combination of your personal preferences, objectives and the timeframe you have available to achieve your goals. Once we have determined your appropriate level of risk, our objective is to build a Wealth Management strategy for you that maximises return within that level of risk, in a manner that provides increased consistency throughout the market cycle.

What is important about money, to you? What are your big dreams?

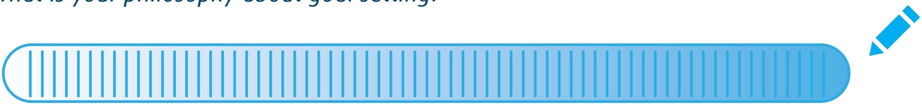
### Role of your adviser

The role of the adviser in this step is to work with you to define your vision for your best possible life, based on your goals and objectives as well as affordability, working with you to understand the trade-offs required to help you prioritise what's important to you.

Additionally, your adviser will provide and guide you through series of questions and trade-off discussions to understand your tolerance to risk, and help you set your risk and return objectives. .

# Our core beliefs

*What is your philosophy about goal setting?*



You know exactly what you want to achieve. You don’t require an adviser to assist in prioritising your goals and putting in a place a Wealth Management strategy to achieve your goals and dreams.

You would like to work with an adviser to help define your best possible life and implement a Wealth Management strategy to achieve your goals and dreams.

# Belief 2: Risk and return

We believe that both components of performance, risk and return, are equally important considerations when determining a Wealth Management strategy that can meet your goals and maximise the probability of living your best possible life.

## What is tolerance to risk?

Risk tolerance is the amount of variability in investment returns that you are willing to withstand within the investments in your Wealth Management strategy. Risk tolerance is an important element of any Wealth Management strategy. You should have a realistic understanding of your ability and willingness to "stomach swings" in the value of your investments; if you take on too much risk, you might panic and sell at the wrong time, whereas if you don't take on enough risk, you may not achieve the growth required from your portfolio to meet your goals.

Age is often a significant contributor to your personal risk tolerance, though it is not the only defining factor. Generally speaking, people who are younger and have a longer time horizon to invest, are often able to (and often encouraged to) take on greater risk, than older people with a shorter-term horizon. In addition to age, current net worth (consideration of assets and liabilities), as well as your opportunity to earn and save, must be considered.

We believe in making sure our clients are exposed to the right amount of risk, based on their personal situation. Investors want 'return on their investment', however, to seek a return to meet your goals, you have to take on an element of risk. This trade-off is an import discussion in any wealth building exercise. Understanding this relationship is the foundation of any wealth building approach and your Invest Blue Financial Planner will provide and guide you through the tools and resources, to help you make an informed decision together.

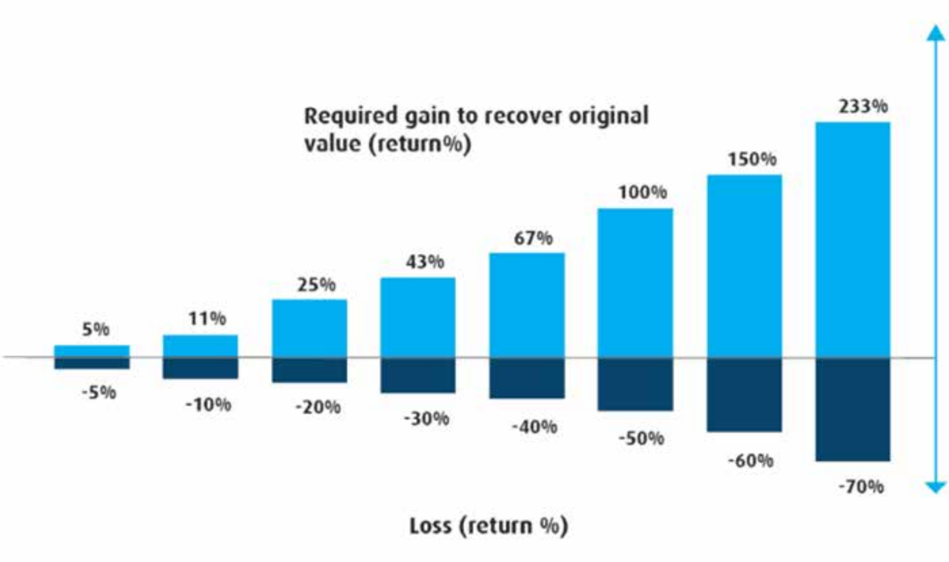
How comfortable are you when markets drop?

# The trade-off between risk and return

We understand that for most people, risk isn't a theoretical variance from a random benchmark, but is far more practical and can take on many forms. It could be; the risk of losing your hard-earned money and consequently not achieving your goals, the frequency of rises and falls in the market, investing (or making poor decisions) at the wrong time, or, choosing an investment you don't understand.

Regardless of the form risk comes in for you, in order to manage some or all of these risks, we believe that taking an active approach to risk management is critical, in order to in maximise the chances of achieving your goals and objectives, so that ultimately you are able to live your best possible life. As such, we believe that it is just as important to focus on the risks to your Wealth Management strategy, as it is to focus on returns.

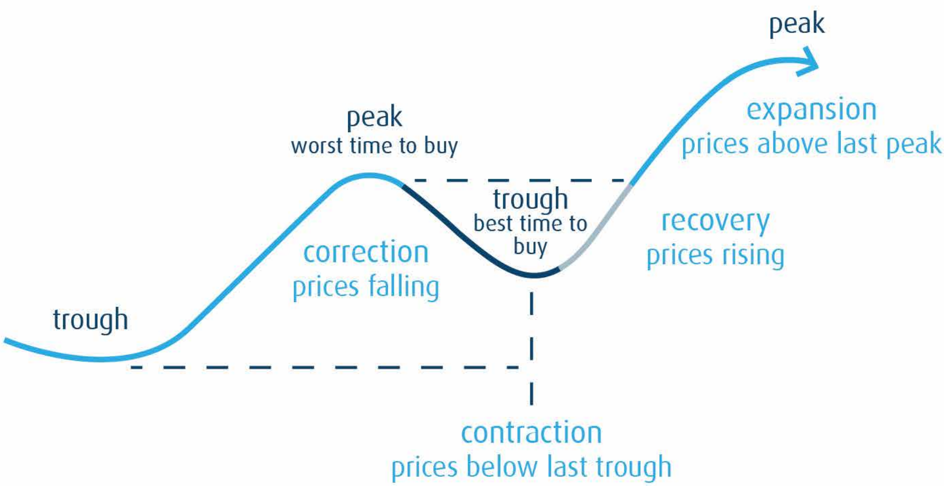
Another reason why we focus on risk minimisation, is because recovering (while still allowing your funds to grow) from a financial loss, requires a significantly greater gain to recover your funds. For example, if your portfolio were to lose 50% of its value, it would take double that in returns (100%) to recover the lost value.




Reducing losses to maximise returns: loss and subsequent gain necessary for full recovery.

# Market cycle

Another key component to understanding risk and return, is to understand what is referred to as the "market cycle".




When it comes to markets and valuations, it is important to note that they are as much social institutions as they are products of facts and figures. Essentially markets operate in two modes: fear and greed. Market prices increase when demand does. We often see cycles where the price for certain investments increases purely because the demand has increased – investors see others investing in it and the price goes up, therefore they believe it is a good investment and buy in as well: greed. If something happens to unsettle the demand, values can fall, it creates uncertainty and the selling can intensify. The share price goes down: fear. This is the emotional product of investing and why we recommend separating investment selection from personal emotion and putting it in the hands of an objective and skilled fund manager.

Warren Buffet, a renowned and successful investor is famous for quoting that you should be "fearful when others are greedy, and greedy when others are fearful."

# Understanding your risk tolerance - your risk profile

Risk tolerance is a combination of your personal preferences, objectives, and investment horizon; that is the timeframe you have available to achieve your goals.

Once we have determined the appropriate level of risk, our objective is to achieve a consistent return throughout the investment cycle within the level of risk being taken.

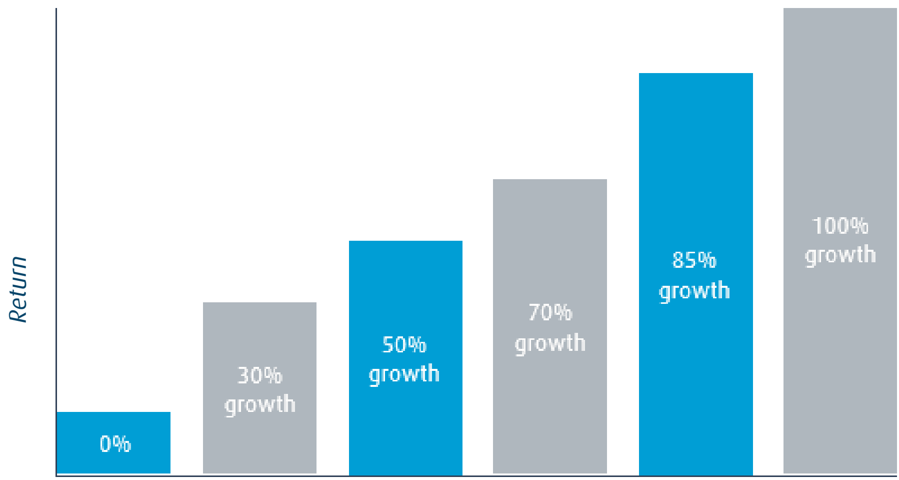
For each significant goal, it is important to understand what your timeframe is. If you have a short time frame, your risk profile should be low. If you have a long time frame, your risk profile can be higher.

## What is your timeframe?

*Years:*

| | | | | | |
|---|---|---|---|---|---|
| <12 months | 12-24 months | 2-3 | 3-5 | 5-7 | >7 |

## Understanding risk vs. return



# The difference between long-term averages and returns

For any given investment portfolio, the longer frame of time you view the more accurate you can estimate the return. That is because you are taking performance and averaging it out over time. In any one year, however, the actual return could be above or below the average. This means that even the best investments will have 'bad' years. But when invested over the long-term, there will also be good years.

*What is your philosophy regarding risk and return?*

Managing risk is not important to you. You are more concerned with getting the highest return when markets are rising and accept that this may come with significant losses when markets are falling.

You prefer this to achieving a consistent return throughout the market cycle.

You are not prepared to pay for risk management.

Managing risk is as important to you as achieving the highest return. You understand that this might mean lower returns when markets are rising in order to protect from losses when markets are falling. You would prefer to achieve a more consistent return throughout the market cycle.

Having an active approach to risk management is so important to me that I am prepared to pay higher investment management costs to manage my risk.

# Summary of profiles

For any given investment portfolio, the longer frame of time you view the more accurate you can estimate the return. That is because you are taking performance and averaging it out over time. In any one year, however, the actual return could be above or below the average. This means that even the best investments will have ‘bad’ years. But when invested over the long-term, there will also be good years.

## 0% growth risk profile

**About you:** Protection of capital or certainty of income is your only objective. You do not wish to attain higher returns if your capital is at risk.

**The approach:** As a very conservative investor we allocate between 0% and 15% of your portfolio to growth assets. Your investment benchmark is the RBA cash rate. There is no recommended minimum timeframe for an investment strategy aligned to this risk profile.

## 30% growth risk profile

**About you:** You are a defensive investor. You are willing to consider less risky assets; mainly cash only and some fixed interest investments. You are prepared to accept lower returns to protect the value of your capital.

**The approach:** As a conservative investor we allocate between 15% and 45% of your portfolio to growth assets. Your investment benchmark is CPI +1%. There is a recommend minimum timeframe of 2 years for an investment strategy aligned to this risk profile.

## 50% growth risk profile

**About you:** You are an investor seeking a combination of income and growth from your investment portfolio. Generally, you are willing to chase medium to long-term goals while accepting the risk of short to medium-term negative returns. Your investment mix is likely to include an equal mix of the defensive assets and growth assets such as equities and property.

**The approach:** As a moderate investor we allocate between 35% and 65% of your portfolio to growth assets. Your investment benchmark is CPI +2%. There is a recommend minimum timeframe of 4 years for an investment strategy aligned to this risk profile.

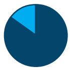
## Our core beliefs

### 70% growth risk profile

**About you:** You are a growth investor. You are willing to consider assets with higher volatility in the short-term (such as equities and property) to achieve capital growth over the medium to longer term. Your investment mix will comprise a greater share of growth assets.

**The approach:** As a moderate investors we allocate between 55% and 85% of your portfolio to growth assets. Your investment benchmark is CPI +3%. There is a recommend minimum timeframe of 5 years for an investment strategy aligned to this risk profile.

### 85% growth risk profile



**About you:** You are a growth investor. Prepared to accept higher volatility in the short to medium term, your primary concern is to accumulate growth assets over the long term. Your investment mix will spread across a wide variety of asset sectors but will mainly consist of more aggressive investments.

**The approach:** As a moderate investor we allocate between 85% and 100% of your portfolio to growth assets. Your investment benchmark is CPI +3.75%. There is a recommend minimum timeframe of 6 years for an investment strategy aligned to this risk profile.

### 100% growth risk profile

**About you:** Your primary objective is capital growth. You are an aggressive growth investor and are prepared to compromise your portfolio balance to pursue greater long-term returns. You are willing to accept higher levels of risk. Fluctuation in capital is acceptable in the short- medium term for the greater potential for wealth accumulation. With the exception of a minimal level of cash for liquidity purposes, your investment mix will only consist of growth assets such as international and domestic equities and property.

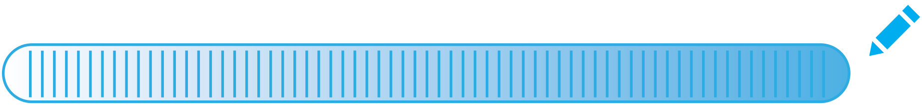
**The approach:** As a moderate investor we allocate between 85% and 100% of your portfolio to growth assets. Your investment benchmark is CPI +4.50%. There is a recommend minimum timeframe of 7 years for an investment strategy aligned to this risk profile.

# Role of your adviser

Your adviser will work with you to help you understand the trade-offs between risk and return, and the potential impact that risks can have on the probability of you achieving your objectives and work with you to define your risk profile.

Your adviser will help you design a Wealth Management strategy meets your own tolerances towards risk and return, and provide ongoing monitoring and support, to ensure your objectives are being met.

*What is your risk profile?*



0% Growth Assets 50% Growth Assets 100% Growth Assets

# Notes

# Belief 3: Transparency

We believe that transparency is critical to managing your portfolios.

Transparency is important; not just in terms of understanding your underlying holdings of your portfolio, but also the inherent risks, fees, and transaction costs associated with your portfolio.

In today's global economy, understanding financial markets and the impact on asset values is extraordinarily complex.

We believe that transparency is critical to managing the risk and return in your portfolios, as it allows for a full understanding of the inherent risks, fees and other costs associated with your investments, as well as for a clear understanding of when your investments will perform well and when they may not.

Based on the above, when managing your money, we believe it is essential to have full transparency over all the underlying allocations and holdings in your portfolio and to understand how the portfolio has been constructed. This is we can understand the embedded risks and return expectations, allowing us to design a Wealth Management strategy that will meet your goals and help you make the right financial decisions at the right time.

How clear are you about your current investment fees, risks and costs?

## Taxes & costs

In addition to having transparency over the underlying holdings in your portfolio, it is also important to fully understand the impact of costs and taxes on your Wealth Management strategy. By transparently understanding each of these factors, we can help you weigh up the benefits of your Wealth Management strategy against the costs and taxes incurred, to ensure we are maximising your position and providing the highest probability of achieving your goals.

While understanding the costs and taxes of an investment are important, we also consider after-fee/tax risk and return outcomes in building our portfolios. Fees and taxes alone, should not drive decisions, but are an important factor in assessing cost vs benefit.

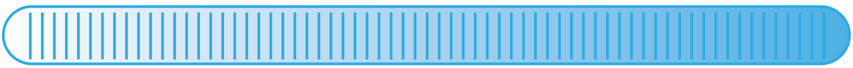
Our scale allows us to actively pursue more cost-effective wholesale strategies and negotiate fees on behalf of our clients, to provide the best possible outcomes at a competitive price.

# Role of your adviser

By clearly understanding the underlying holdings, costs and taxes within your Wealth Management Solution, your adviser can guide you on the underlying risks and return expectations of your portfolio. They can also help you undertake strategies to maximise the probability of achieving your goals through tax minimisation, risk management and understanding of costs.

Additionally, by transparently understanding how your portfolio has been constructed, your adviser can guide you through the journey of the market cycle, and via education and regular support, can help ensure you don't make the wrong decisions at the wrong time.

*What is you philosophy about transparency and information?*



You do not believe that it is important for you or your adviser to fully understand the underlying holdings, positions, costs and taxes of your investment portfolio. You do not believe that having this information improves the chances of achieving your goals.

You are not prepared to pay for Investment transparency.

You believe that it is important for you or your adviser to fully understand the underlying holdings, positions, costs and taxes of your investment portfolio in order to maximise the chances of achieving your goals.

Achieving this is more important to you than sourcing lower cost non transparent investment options.

# Belief 4: High quality research

We believe that high quality research provided by independent experts, that is regularly reviewed and monitored, is more likely to lead to better results

We believe in utilising professional, external and specialist independent research firms to build and recommend investments for our clients, including managed funds, direct equities, property or any other investment class. We believe their expertise will provide better risk and return outcomes for our clients. We believe that if we are going to take a more active approach in developing a client's Wealth Management strategy, then this should be based on independent, high quality research, that is constantly monitored and reviewed to ensure that prior to being entrusted to manage your money, we have the highest confidence that they can achieve the objectives sought, and that through regular monitoring, we ensure they either maintain (or exceed) their standards or are replaced with managers who can.

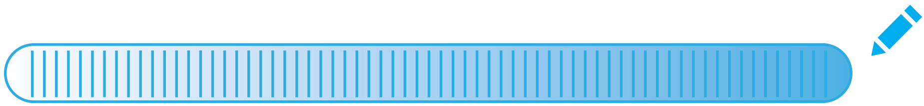
We periodically assess our independent research partners to ensure they are continuing to provide high quality, independent research. As such, our choice of research partner may change from time to time.

# Role of your adviser

Unless you are willing to undertake extensive research to choose your investment manager, are happy to appoint a manager without research, or unless you have the expertise to research and build your portfolios yourself, we believe an Adviser should work on your behalf to find appropriate, independent experts to conduct research into the Investment Managers, who will be responsible for the management of your wealth.

Additionally, we believe it is critical that the quality of the research is reviewed periodically (at least annually), based on the desired Risk and Return outcomes, so that should your managers not be performing to expectation, or the research drops in quality, a new research provider can be found to take over.

*What is your philosophy on high quality research?*



You  do not believe that high quality research regularly monitored and provided by experts generates better performance outcomes.

You are not prepared to pay for High Quality Research.

You believe that high quality research provided by experts that is regularly monitored and reviewed leads to be better performance (risk or return) outcomes over the medium to long term.

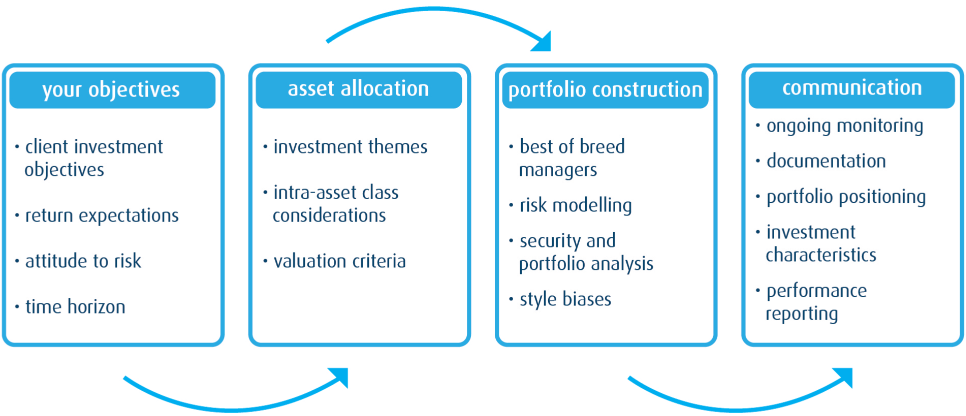
Obtaining this is more important to you than sourcing lower cost investment options without regular review and research.

# Belief 5: Portfolio construction

We believe that taking an active approach to portfolio construction and the management of risk and return in our clients' portfolios adds value in many situations.

The main objective for portfolio construction is to build a suite of investments, from a range of asset classes, that balances the needs for cash, protection from market downturns and consistency in returns with your long-term growth objectives.

We believe this is best done through via a rigorous systematic, dynamic process, represented in the diagram below.




## Diversification & asset allocation

Because it is extremely difficult to pick cycles, a less risky way of investing is to diversify your investments across a range of asset classes, both in Australia and globally, generally over the medium to long term. This is better than trying to pick cycles and jump from one asset class to another. This is often called the 'don't put all your eggs in one basket' rule.

# What are the key asset classes we invest in?

**In Building a portfolio, the major asset types utilised are:**

| Defensive Assets | |
|---|---|
| **Cash** | Bank accounts, cash fund |
| **Fixed Interest** | Term deposits, Australian and international government bonds, corporate bonds |

| Growth Assets | |
|---|---|
| **Property and Infrastructure** | Australian and international listed and direct |
| **Shares (Equities)** | Australian and international large and small companies, with a mixture of hedged and unhedged currency exposures |
| **Alternative Investments*** | Managed futures, real return, currency, derivatives, and market neutral |

*A note on Alternative Investments: "alternative" investments are typically highly specialised investments used specifically to diversify returns and risk in a way that is unrelated to market cycles. Their ability to invest in many different financial and commodity markets around the world, in a manner that allows them to profit in both rising and falling markets makes them suitable vehicles to take advantage of shorter-term market trends. They can also exploit opportunities in financial markets not available to traditional portfolios.

The key to diversification is accessing a sufficiently wide variety of investments across a range of asset classes that enables a "smoothing" of returns at a portfolio level through various market cycles. This process is called "asset allocation".

# What is Asset Allocation?

Asset Allocation is simply defined as the approach taken and process of determining the mix of asset classes that make up your Investment portfolio.

It is the role of the Portfolio Constructor and/or Investment Manager, to determine which are the best investments to fill your asset allocations with. For diversification benefits, a range of investments are combined to provide the optimum risk verses return result for you. This usually comprises a range of managed funds and/or direct investments. Again, to diversify, this may be a combination of some low-risk funds, such as fixed interest and cash funds, and some higher risk share funds, both from Australia and internationally.

We believe that unless you are professionally qualified with significant experience in portfolio construction and Investment Management, then Portfolio Construction and Asset Allocation decisions when building your portfolios should be undertaken by independent, specialist and experienced Investment Professionals.

# Approaches to Asset Allocation

We believe that building an investment portfolio shouldn't be a set and forget proposition and that a more active approach to Asset Allocation can add significant value over time, by actively being able to tilt portfolio allocations to either manage risk (smoothing returns), or by taking advantage of market opportunities when they present themselves, thus increasing the probability our clients will achieve their goals.

**The main Asset Allocation approaches we consider when building a portfolio are outlined below:**

**Strategic Asset Allocation:**

Strategic Asset Allocation (SAA) is strategy, where portfolio managers set their target allocations for various asset classes and rebalances the portfolio periodically (at least annually) to the original allocations when they deviate significantly from the initial settings, due to differing returns from the various assets.

In SAA, the target allocations depend on several factors: the investor's risk tolerance, time horizon, and investment objectives. Also, the allocations may change over time as the parameters change.

# Our core beliefs

Strategic Asset Allocation is compatible with a buy-and-hold strategy as opposed to Tactical Asset Allocation, which is more suited to an active trading approach. Strategic and Tactical Asset Allocation styles are based on modern portfolio theories, which emphasises diversification to reduce risk and improve portfolio returns.

A SAA approach is often more cost effective than a Tactical or Dynamic approach to Asset Allocation and given its buy-and-hold nature requires less monitoring then other forms of Asset Allocation.

### Investor Suitability

**An SAA approach is more suited to those who:**

- Prefer a buy-and-hold approach to investing,
- Would like a simple solution that requires little ongoing monitoring,
- Are more cost conscious and thus more focused on costs, rather than risk and return outcomes,
- For cost concerns and/or other reasons do not wish to engage regularly with an adviser, and
- Do not wish to constantly personally monitor their investments.

### Tactical and Dynamic Asset Allocation:

Tactical and Dynamic Asset Allocation approaches are active management portfolio strategies where an investment manager is engaged take a more active approach to portfolio construction, in order to enhance either risk and/or return outcomes by taking advantage of market opportunities where they believe there is value to do so.

### Tactical Asset Allocation:

Tactical Asset Allocation (TAA) is an active management portfolio strategy, that starts with an SAA,  and actively shifts the percentage of assets held in various categories to take advantage of market pricing anomalies or strong market sectors. This strategy allows portfolio managers to create extra value (either through risk minimisation or return maximisation) by taking advantage of certain situations in the marketplace. It is considered a moderately active strategy, since managers return to the portfolio's original strategic asset mix once reaching the desired short-term profits.

### The Usefulness of Tactical Asset Allocation:

Tactical Asset Allocation is the process of taking an active stance on the strategic asset allocation itself and adjusting long-term target weights for a short period, to capitalise on the market or economic opportunities.

Usually, tactical shifts range from 5% to 10%, though they may be lower. In practice, it is unusual to adjust any asset class by more than 10% tactically. This large adjustment would show a fundamental problem with the construction of the strategic asset allocation.

### Dynamic Asset Allocation

Dynamic Asset Allocation (DAA) is an active portfolio management strategy that frequently adjusts the mix of asset classes to suit market conditions. Adjustments usually involve reducing positions in the worst performing asset classes, while adding to positions in the best performing assets.

The general premise of DAA is to respond to current risks and downturns and take advantage of trends to achieve returns that exceed a targeted benchmark. There is typically no target asset mix, as investment managers can adjust portfolio allocations as they see fit. The success of dynamic asset allocation depends on the portfolio manager making good investment decisions at the right time.

### Advantages of Dynamic Asset Allocation

- Performance: Investing in the best performing asset classes ensures investors' portfolios have the highest exposure to momentum and reap returns if the trend continues. Conversely, portfolios that use DAA reduce asset classes that are trending lower, to help minimise losses.
- Diversification: DAA exposes a portfolio to multiple asset classes to help manage risk. Portfolio managers may make investments in; equities, fixed interest, mutual funds, index funds, currencies and derivatives. Top performing asset classes can help offset under performing assets, if the manager makes a bad call.

### Limitations of Dynamic Asset Allocation

**Active Management:** Actively adjusting portfolio allocations to meet changing market conditions takes time and resources. Investment managers need to keep up-to-date with breaking macro- and company-specific news, to determine its impact on various asset classes. Additional research analysts may need to be hired to help ensure the correct investment decisions get made.

**Transaction Costs:** DAA involves frequently buying and selling different assets. This increases transaction costs that reduce the portfolio's overall return. If most holdings in the portfolio are trending higher, a management strategy that favors buy-and-hold investing, such as constant-weighted asset allocation, may outperform dynamic asset allocation over certain periods due to fewer transaction costs.

Both TAA and DAA approaches require more frequent monitoring and adjustment than a more static SAA approach.

### Investor Suitability

**Active Approaches to Asset Allocation (TAA and DAA) are more suited to investors who:**

- Would like their Investment Manager to actively adjust the of mix of asset classes as they see fit, with the intent of increasing returns or reducing risk, when compared to a more static approach.
- Believe that high quality Investment Managers have the skills and expertise to do this effectively,
- Are more focused on risk and return outcomes than cost,
- Are willing to engage regularly with an adviser to select, monitor and review their Investment Managers

# Our philosophy about Asset Allocation

Given the highly active nature of dynamic asset allocation and the ability for risk and return outcomes to vary significantly, potentially outside of a client's risk profile, we believe that a dynamic approach should only be used for a portion of a client's portfolio and that the overall portfolio should still be built and regularly monitored to fit within relevant strategic and tactical asset allocation weightings.

As outlined above, Tactical and Dynamic Asset Allocation approaches are often more expensive and require significant skill and experience to implement, in order to gain the benefits (when compared to a strategic asset allocation approach).

Therefore, our philosophies of transparency, research and ongoing monitoring are critical when utilising these approaches. Since these approaches require more active oversight, we believe they are best used in consultation with an Adviser so that strategies, allocations and managers can be monitored to ensure they are adding value.

Where Tactical and/or Dynamic Asset Allocation can be provided by a high quality independent Investment Manager for a similar price to Strategic Asset Allocation and where it is suitable (as outlined above); it is our belief this approach is preferable to a Strategic Asset Allocation approach, given the ability to actively manage risk and return, maximising the chance our clients will achieve their goals.

| Strategic Asset Allocation | Tactical & Dynamic Asset Allocation |
|---|---|
| Prefer a buy-and-hold approach to Investing | Would like their Investment Manager to actively adjust the of mix of asset classes as they see fit, with the intent of increasing returns or reducing risk, when compared to a more static approach |
| Would like a simple solution that requires little ongoing monitoring | Believe that high quality Investment Managers have the skills and expertise to do this effectively |
| Are more cost conscious and thus more focused on costs, rather than risk and return outcomes | Are more focused on risk and return outcomes than cost |
| For cost concerns and/or other reasons do not wish to engage regularly with an adviser | Are more concerned with set risk and return outcomes, then having their assets allocated within a set or range bound Asset Allocation framework |
| Do not wish to constantly monitor their investments themselves | Are willing to engage regularly with an adviser to select, monitor and review their Investment Managers |

# Manager and stock selection

Once the asset allocation methodology has been determined, there are two main approaches that can be taken when selecting and monitoring the underlying investments, that will make up the portfolio in each asset class. These are active selection and passive (index) selection.

### Active management

Active investment is a dynamic, hands-on approach to investing, typically managed by a professional money manager or investment firm. This approach means decisions are constantly made about the appropriateness and performance of the assets being held within the portfolio. This approach tends to attract higher costs as you are paying for expertise in asset selection and the effort required in keeping an eye on things day in and day out. Participants here value a custom approach to suit their personal values and goals and believe that the flexibility and adaptability add value over the long term.

### Advantages of active management

An Investment Manager's expertise, experience, skill and judgment is being utilised, when investing in an actively managed fund. Active Fund Managers have flexibility and freedom in the stock selection process, as performance is not tracked to an index. Actively managed funds also allow for benefits in tax and transaction fee management. The ability to buy and sell when deemed necessary, makes it possible to offset losing investments with wining investments, to produce better outcomes than a more static approach.

Additionally, by not being compelled to follow specific benchmarks, active Fund Managers can manage risk more proficiently by adjusting holdings to sectors, industries or stocks that they believe will underperform, due to economic, industry or stock specific issues (poor management, governance, benchmarks, targets, funds available, etc...). Active Managers can also mitigate risk by using various hedging strategies (risk management strategies that offset losses in investments by taking an opposite position in a related asset) such as short selling and using derivatives to protect portfolios.

An active approach relies on the skill of the Investment Manager, where the investor is paying for a manager and is essentially taking on the risk of the manager underperforming when compared to the benchmark, for the potential for enhanced risk and return outcomes specific to their needs.

### Investor Suitability

Active approach would be more suited to someone who is focused more on risk and return outcomes than cost and who believes that managers can add value (either by reducing risk or enhancing returns) through active stock selection based on research and market insight.

# Our core beliefs

We believe that an active approach should only be undertaken where either, the investor is willing to actively research the managers selected in their portfolio and monitor and assess their performance on a regular basis, or where the investor is willing to engage an Adviser to undertake these roles.

## Passive management

Passive management is a style of management where a fund's portfolio mirrors a market index, like the ASX 200 or Dow Jones Industrial Index, whereby the portfolio holds all stocks in the index, in the same manner as the index. In this way, the Investor will receive the risk and return outcomes of the index and market being invested in, with no potential to outperform and with no risk (excluding fees and costs) of underperforming that market index.

Passive investment tends to be a more 'set and forget' approach to investing, and tends to involve more index-based funds. This approach tends to have lower costs but is less tailored to a person's values and goals. Participants here are more beholden to the market's movements.

## Advantages of Passive Investing

Passive management approaches tend to have lower management costs than active approaches. Many of these funds focus on index funds which use the guiding index philosophy to determine when to buy or sell underlying assets. For example, the ASX200 is a grouping of the top 200 companies listed on the Australian Stock Exchange. Buying into a fund that models that would give you a percentage holding in each of those 200 companies. At the end of the year, the list would be revised to determine the new top 200 and holdings would be sold or bought to keep up to date. Passive approaches tend to have fewer transactions and therefore lower investment-related taxes like capital gains. Investing under a passive model puts distance between you and the buy/sell decision, reducing the temptation to allow emotional responses to market variations influence your decisions.

### Investor Suitability

A passive approach would suit an investor who either has a strong belief in market efficiency with a philosophical belief that active management doesn't add value; or for investors who are solely focused on cost, wanting to achieve the market return at the lowest cost, with no consideration of after fee performance and no adjustment for the consideration of the risks inherent in the market.

# Our philosophy about management

We believe that an active approach should only be undertaken where there is a clear benefit, when weighed against the cost. In certain markets or sectors, a passive approach may be best in order to gain the return of the market, at the lowest cost. As such, it is common for a portfolio to consist of a mix between active and passive investments.

We believe these decisions are best left to an Investment Manager building and maintaining the portfolio and where an adviser is not being engaged to assist with this, or where the Investor isn't qualified to make these decisions, a Manager should be selected that can undertake these decisions within a single fund structure, in line with the investors risk profile.

## Role of your adviser

We believe that the role of the adviser in this stage is critical. As discussed previously, an Active Approach relies on the skill and expertise of a manager to deliver on its objectives throughout the Investment Cycle.

By taking a more Active approach, the investor does take on the "human element" risks, should their Investment and/or fund manager not perform by way of lower market returns or Increased Risk, and thus the Investor ends up paying more for an inferior outcome, when compared to a cheaper "set and forget" strategy..

As such, we believe that where an investor is going to take a more active approach, it is important to engage an adviser to monitor the performance of the various managers on behalf of the clients, to ensure the client is receiving value for the cost.

*What is your philosophy about the approach to investing?*

You believe Investment Managers are unable to add value by taking an Active approach to the management and monitoring of your investment portfolio as you believe that the market ultimately provides the best return.

You are not prepared to pay for an Active approach.

You believe that by taking an Active approach to managing and monitoring your investment portfolio, Investment Managers can add value through enhanced risk and return outcomes.

Taking an active approach is more important to you than seeking lower cost passive options.

# Belief 6: once a Wealth Management strategy is implemented, it is not a "set-and-forget" proposition.

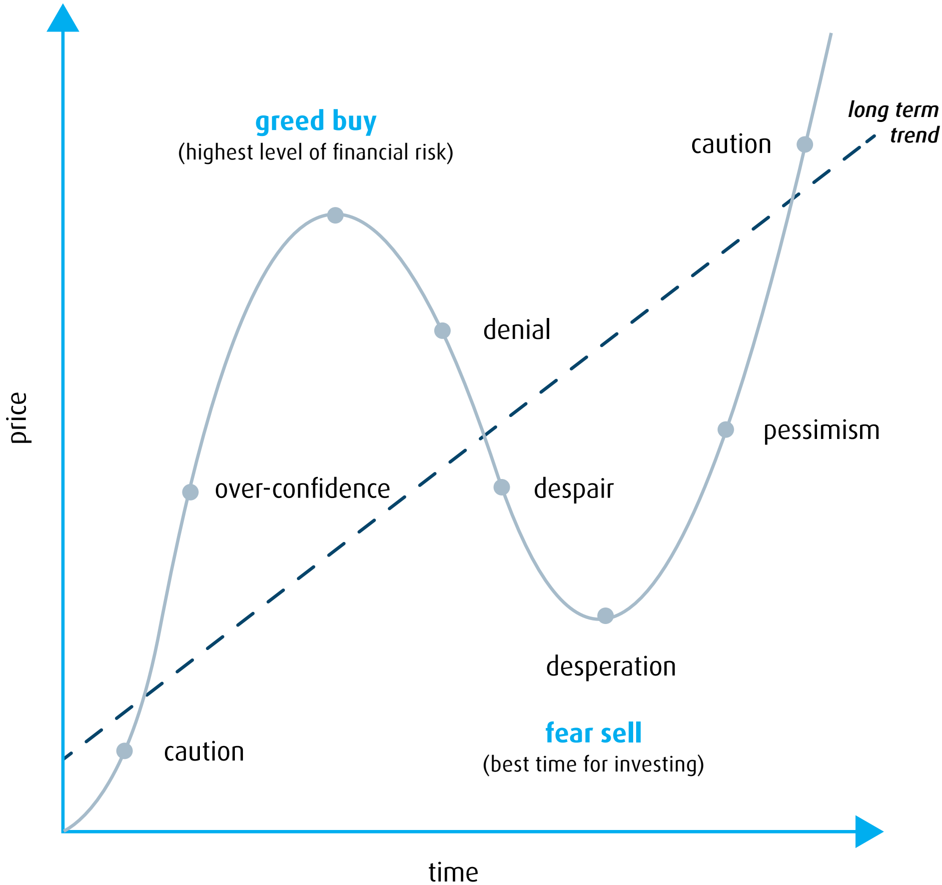
We believe that once a Wealth Management strategy is implemented, it is not a "set-and-forget" proposition. To live your best possible life, your Wealth Management strategy will require ongoing monitoring and assessment, in partnership with you and your adviser to continue to ensure your strategy meets your needs.

A key part of any Wealth Management strategy is reviewing your strategy and portfolio periodically against your objectives and adjusting accordingly. As your goals and objectives change and your risk profile or time horizon changes, it is important to assess your Wealth Management strategy and make any required adjustments, to ensure we continue to maximise the probability of you achieving your goals and objectives, within your predetermined tolerance to risk.

An integral component of the monitoring and review process is providing support to you throughout the market cycle, to manage your emotions through the ups and the downs of the investor sentiment cycle in order to ensure you don't make the wrong decisions at the wrong time.

**Have you ever sold in a panic or bought at the top?**

## investor sentimental cycle




A recent Vanguard study estimates that an Advisor adds about 3% of "advisor alpha" annually. That is, working with a Financial Advisor adds an average of 3% to a client's portfolio over time. The majority of this value is added during periods of heightened greed and fear in the markets, when Advisors can step in and help their clients stick with their investment plan, even when their emotions are driving them to do something else. About half of this extra return comes from the behavioural coaching, that top advisors routinely provide to their clients.

# Role of your adviser

We believe Financial Advisors who bring a process-oriented approach to a Wealth Management plan, are helping to shape their clients' behavior. Systematic reviews, periodic rebalancing, proper asset location and spending plans are all examples of behavioural coaching. These and other strategies help clients make financial decisions in an ordered, rational fashion, rather than putting them in a position to react to news about the stock market or the economy.

Behavioural finance teaches that people can make costly mistakes when it comes to financial decisions due to emotional biases, cognitive errors, and a lack of discipline. As such, your adviser will work with you to be able to understand how these can get in the way of financial success and intervene as a behavioural  coach where required show and coach you towards a correct course that realigns with your goals and objectives.

*What is your philosophy about ongoing Wealth Management support?*

Once you have established your Wealth Management strategy, you prefer a more "set and forget" approach and do not believe that having an ongoing partnership with an adviser increases your chances of achieving your objectives.

You are not prepared to pay for ongoing adviser support.

Once you have established your Wealth management strategy, you believe that having an ongoing relationship with an adviser, to monitor and review your situation and ensure you're making the right decisions at the right time will increase your chances of achieving your goals.

Having this support and advice is sufficiently important to you to justify paying for this service.

# Our core beliefs

# 5. Wealth Management offering

## Meeting frequency

Once we have worked with you to understand your dreams and goals, and the ways in which we can support you to meet your objectives, we will provide you with our recommendation as to how frequently we should meet to track progression of your goals and adjust for changes as they arise.

The complexity of your situation and your desire to meet to discuss your financial goals, will be factors in determining how often we come together to undertake a formal review. Generall we like to meet with you at least once per year.

## Initial portfolio selection

We offer a number of portfolio selection options to suit your needs and preferences. Ranging from low cost and low intervention through to options that come with management costs but offer active solutions, there is something for most investor types. The Foundation, Comprehensive, Dynamic and Bespoke options are described below.

## What you will pay

There is no cost for your first meeting with us. If after that first meeting you would like to progress to the next research stage, yyou will be charged to recover some of the costs incurred in reaching this stage. If you agree to the strategy presented, your initial advice and establishment costs will typically fall in a range of $3,000 to $10,000 depending on the nature, complexity and size of the advice and implementation required. For future years, there is an ongoing advice cost for working with our team. This cost varies based on the type of ongoing advice, its complexity as well as the time and resources we need to bring to meet your ongoing requirements. Our ongoing advice packages start at $2,400 plus GST pa.

# Wealth Management offering

**We have four support packages based on complexity. Your package will be determined by your situation and preferences. These are as follows:**

| Access | Enhance | Elevate | Exceed |
|---|---|---|---|
| This is a portfolio review service only, and is for clients with who have less than $150,000 to invest, and are not seeking a review on their situation outside of their risk profile and investment portfolio.<br><br>This package includes an annual review over the phone or through video chat per year. | This is an entry level package that suits those who have relatively simple financial affairs and less than $500,000 to invest.<br><br>This will suit those just starting out on their financial journey or are later in their retirement years.<br><br>This package includes one formal annual review with an adviser per year. | The elevate package is our standard package that suits the majority of our families that we work with. You may have a slightly more complex financial situation, multiple goals and a combined wealth of more than $500,000 to be managed.<br><br>This package includes one formal annual review with an adviser per year. | The exceed package is designed for those who have a more complex financial situation and may have multiple investments such as a SMSF, Trust or multiple entities.<br><br>This package includes one formal annual review with an adviser per year. |

Your Adviser will recommend the most suitable ongoing package for you based on the complexity of your situation, the amount of support required and your stage in life.

# Wealth Management offering

**Our range of portfolio solutions are designed to meet the unique needs of our clients.**

| Bespoke | Dynamic | Foundation (Passive or Active) |
|---|---|---|
| This is designed for those who want to review their financial situation, help plan for their future, and build a Wealth Management solution in a bespoke fashion, tailored only to them.<br><br>This will result in a highly tailored and bespoke portfolio. This typically suits a more sophisticated investor and requires a research specialist which comes with a higher cost. | For those who want to work with a financial adviser to review their financial situation, help plan for their future and build a Wealth Management solution.<br><br>This involves high quality research and a more defined approach around risk vs return. The investment is managed by our third party investment specialists and monitored by your Adviser. | This is for those who in conjunction with their ongoing financial advice would like build a Wealth Management solution that utilises a set and forget approach.<br><br>This is generally managed as a single fund that can be either passive or active.<br><br>This portfolio solution isn't as tailored as Dynamic or Bespoke and therefore is a cheaper investment alternative for some. |

Before work commences, you will be told what costs we will apply to your situation. Each year we will review and discuss your support needs, determine appropriate costs and provide you with a quote in your Annual Advice Agreement.

# Exit – how, what happens?

*What happens if I want to cease being a client of Invest Blue?*

Our driving purpose is to empower people to realise their dreams and goals to live their best possible life. We partner with you on an ongoing basis in order to support you to make better financial decisions and manage your strategy, structure and products. However, we understand you have choice in who you partner with, and should you wish to terminate our engagement, the following process is encouraged:

1. Please call us to discuss your options and the changes to your situation and we can discuss options with you to manage this change. If you wish to proceed with ending our support agreement, following your instructions, we will terminate our adviser costs.

2. If you have engaged us to manage your Wealth Management strategy, the termination of this service will impact your investments. Where you have an Active Portfolio solution (either dynamic or bespoke) we will discuss the implications (there may be increases in Platform or product fees or other costs) and the risks of turning off adviser costs and maintaining an active portfolio solution without advice - that is, one that should not be retained without an adviser actively managing on your behalf.

3. We will offer you with a final complimentary piece of advice on a more suitable investment solution. This advice and the subsequent implementation is at no additional cost to you. If you take up the offer for further advice, we will review your investments, provide advice and implement these recommendations.

If you don't take up the offer, and intend to self-manage your investment structure, we will send you a letter outlining and disclosing risks of your decision, confirming you have declined advice and are comfortable with the risks of doing so.

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it's possible.