

# Financial Services Guide

VERSION 4e (September 2019)

Innovative thinking. Traditional values.  
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# About this guide

This Financial Services Guide (FSG) contains important information about the divisions in Cutcher & Neale which provide certain investment, insurance and superannuation technical services.

This guide summarises:

- What services we can provide to you
- How much these services cost
- The terms of our services
- Our own insurance cover
- Your privacy
- Who else might benefit from the relationship with you
- How we handle complaints

We encourage you to read this guide carefully together with other documents you receive from time to time.

Cutcher & Neale Financial Services Pty Limited ("*Cutcher & Neale Financial Services*"), ABN 22 160 682 879, is an Australian Financial Services Licensee, Licence No. 433814.

Location:

25 Bolton Street  
NEWCASTLE NSW 2300

Phone: (02) 4928 8500

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Your Financial advisor is an Authorised Representative of Cutcher & Neale Financial Services and is authorised to distribute this FSG.

# About us

## What we do

Cutcher & Neale Financial Services can assist you with:

- Investing, wealth creation and asset allocation
- Portfolio management and administration
- Structuring e.g. Self Managed Superannuation Funds
- Personal Insurance placement and review
- Personal and corporate superannuation, retirement and estate planning
- Budgeting and cash flow
- Strategic superannuation advice

Cutcher & Neale Financial Services are licensed to provide advice and arrange transactions on the following financial products:

- Securities, including Australian and internationally listed shares
- Superannuation, including Self Managed Superannuation Funds (SMSFs), public offer superannuation funds, retirement savings accounts and retirement income streams
- Deposit products (e.g. term deposits, cash management accounts)
- Government Debentures, Stocks or Bonds
- Managed Investment Schemes (including Investor Directed Portfolio Services) – Managed Trusts, Tax Effective Investments
- Margin Lending Facilities
- Life Insurance products, including investment life and life risk

## Who does what?

Cutcher & Neale Financial Services comprises two divisions and the advisors who represent them have skills in specialist areas discussed in this guide:

- **Cutcher & Neale Investment Services Pty Limited (“Cutcher & Neale Investment Services”)**  
Financial advice and portfolio management  
Personal Insurances
- **Cutcher & Neale Superannuation Technical Services Pty Limited (“Cutcher & Neale Super Tech Services”)**  
Strategic superannuation advice

This FSG details the services provided by Cutcher & Neale Investment Services.

## Who is my Advisor?

Accompanying this FSG you will find profiles on our advisors which includes their name, contact details, experience and qualifications.

# About advice

## Advice has to be right. For you.

In your initial meeting, and often in further meetings, your circumstances – your individual investment objectives, financial situation and needs – will be assessed.

It's very important that you are full and frank in discussing these. Advice will only be as good as the information on which it is based.

## Making an informed decision

You are entitled to receive a 'Statement of Advice' (SOA) on the first occasion that we provide you with personal advice. This document will:

- Explain the advice and the basis of the advice,
- Provide information about our remuneration, and
- Disclose any associations or relationships that could potentially influence our advice.

If we provide you with further personal advice, that advice will be documented in a further SOA or a Record of Advice (ROA), depending on the nature of the advice.

Copies of any advice documents will be retained on your client file and you may ask us for a copy of these documents at any time.

You are also entitled to receive a Product Disclosure Statement (PDS) whenever you are provided with advice relating to the acquisition, or possible acquisition, of a financial product. The PDS will contain the main features, costs and benefits of the financial product, which you should consider before making a decision whether to acquire that product.

These documents will help you make an informed decision about whether or not you wish to accept our advice.

Always read documents which you are given, and our advice, carefully and in a timely way, and speak to us if you have questions or concerns. These things are your responsibility.

## Communicating

Contact your advisor by phone, email, or in writing, or make an appointment to meet.

We will use the most recent contact details we have about you to communicate with you.

We will use all reasonable endeavours to implement your instructions as soon as is practicable. However, there can be delays for many reasons beyond our reasonable control, and we are not responsible for loss or damage arising from such delays. Of course, if there is any urgency to any action required of us, we need you to let us know.

Often we act for several clients who are associated in some way, for example a husband and wife or de facto partners, or trustees of a super fund. Most clients find it convenient that we act on instructions given by any one of those people, who we have no reason to doubt has authority to bind you or those with whom they have an association. We usually do this (and can do this in good faith) without further enquiry.

We may ask to confirm this authority from time to time, and need not act if we have doubts. If you wish us not to so act or things have changed, it is important that you let us know.

## **Working with other advisors**

We appreciate you will have important relationships with other professional advisors, such as your accountant and lawyer.

Investing almost always has tax consequences and they are invariably particular to each client's circumstances. We will usually consider the general tax implications of any recommendation but our advice will be limited to those matters on which we are competent to advise, and of course will depend on what we know about your individual circumstances.

If your advisor does not know your complete picture, or cannot advise on the detailed tax consequences, then they will recommend that you seek specialist tax advice.

## **Tax Advice**

Since 1 July 2014, regulations require your financial advisor to declare whether they are a registered (tax) advisor or not, hence the tax (financial) advice that they are, or are not, authorised to provide.

Phil Smith, Kristy Smith, Wade Johnson, Craig Semmler, Brad Oldham, Keiran James and Michael Cooney are registered tax (financial) advisors. They are authorised to provide a tax (financial) service, where the advice is:

- provided in the context of the personal advice authorised by Cutcher & Neale Financial Services; &
- part of the financial advice which interprets and applies the tax laws (including tax, superannuation and SMSF laws) to your personal circumstances.

However, they are not authorised to provide tax agent services (i.e. those services in relation to the preparation and filing of tax returns and liaison with the ATO, etc.).

# About the investments we recommend

Things change and investments perform differently over time and can become more or less attractive. Changes can happen quickly. The investments that are recommended are not monitored continuously, but are reviewed regularly. As a consequence, investments we consider meet our standards are added and those that we no longer consider meet those standards are deleted.

## Managed Discretionary Account (MDA)

We recommend our clients hold their portfolios under a Managed Discretionary Account (MDA) structure, which offers them the most efficient, transparent, safe and secure service possible. We work in conjunction with our MDA provider, Mason Stevens, to ensure our advice is implemented as soon as possible and the appropriate outcomes are achieved.

### What is the Mason Steven Managed Discretionary Account Service?

This service provides the Managed Discretionary Account (MDA) and implements your agreed investment program. Once the investment strategy and risk/return target for the portfolio is agreed by you, we manage the investment decisions of the portfolio on your behalf, resulting in an underlying investment portfolio encompassing a high level of rigor and professional management.

You beneficially own the underlying securities and can view the exact position of these investments on a daily basis. The MDA structure simply provides the investment flexibility, transparency, administration and control to effectively manage a portfolio on your behalf.

By agreeing to the MDA contract, and use of the MDA, you delegate the day-to-day investment administrations, i.e. purchasing and redeeming investments on your behalf, to Mason Stevens, who is advised by Cutcher & Neale as the Investment Advisor.

## Review

We cannot promise that your investments remain suitable for you over time or that there will not be better opportunities that become available over time.

From time to time we may contact you with opportunities we consider may be of interest, but please remember we will not contact you each time there is a change in our approved product list or the Cutcher & Neale Model portfolios.

Always think of regular communications as a check-up for your financial health. If you think of it like this, we hope you also remember that if you feel your circumstances or details have changed, you will discuss it with us in a timely manner.

## **What about risks?**

All investments are subject to varying risks, and the value of your investment will rise and fall over time. Changes in value can be significant and they can happen quickly – as a general rule, the higher the potential returns, the higher the level of risk. You can lose, as well as make, money.

Most investments are not guaranteed in any way. Although we may consider particular investments suitable for you when recommended, we do not guarantee the capital invested in any investment, that it will pay a return or that those involved in any investment should. Different types of investments have different risk characteristics which will affect an investment's performance.

## **Some limits**

You may act against or inconsistently with our recommendation. This is entirely at your risk.

Not all investments available to us to recommend will be appropriate for you. We will make recommendations based on your circumstances.

Finally, there are many investments available in Australia. Although we look at many, we cannot, and do not, compare them all.



# About Risk Insurance recommendations

Our Risk Insurance advice is based solely on providing you with the most appropriate and practical solutions.

We are not restricted in any way when it comes to our recommendations, which allows us to compare and contrast various providers and policies and select the one most suitable to your needs.

You will receive a Statement of Advice (SoA) or Record of Advice (RoA) when we provide you with personal advice in relation to Risk Insurance. The advice document will -

- Explain the advice, and the basis on which it is given,
- Provide information about any fees and costs relating to the advice, including our remuneration, and
- Disclose any associations or relationships that could potentially influence us in providing the advice.

If we arrange an insurance policy for you, or if we recommend you buy a particular insurance policy, we will also give you, or give you access to, a Product Disclosure Statement (PDS). The PDS is produced by the insurer and is designed to give you important information about the policy you are considering purchasing.

Together, these documents will help you make an informed decision about whether or not you wish to accept our insurance advice.

You will be asked to consider our advice carefully and confirm whether or not you wish to proceed on that advice.

Always read the documents which you are given, and our advice, carefully and in a timely way, and speak to us if you have questions or concerns. These things are your responsibility.



# About Cutcher & Neale Financial Services

## Time poor?

We understand that for many people, there never seems to be enough time, and investing in a changing world can be stressful, even with a trusted advisor in your life.

Cutcher & Neale Financial Services offer services designed to make your financial life easier and reduce the worry.

Clients have a choice of which **investment service** they wish to engage us to perform.

The practical result is that our experienced investment team work with your authority and concentrate on what's important and appropriate to you.

## Expertise

Our services range from a full administration and advice service, to one that provides general investment advice that offers varying levels of service, depending on your needs and risk profile.

Clients who use our full administration and advice service ("PRS") are exposed to a mix of sector portfolios, consistent with the advice their advisor gives them from time to time. The investment portfolios are reviewed by us regularly, using our deep research capability and the experience of our own investment team.

## Appropriateness

Your advisor will deliver the investment service they consider relevant to your circumstances.

They will review your investment portfolio generally and whether or not the investment service remains appropriate for your circumstances whenever you meet.

## Peace of mind

Investing using Cutcher & Neale Investment Services can be far more efficient than investing directly. We manage your portfolio, looking for opportunities we consider optimal and timely, and we take care of corporate actions, like rights issues, as we think best.

We also have access to wholesale or professional markets that provide more beneficial pricing than the retail pricing generally available to the public.

Our IT capability enables you 24 hours, 7 days a week access to your portfolio, to view its balance, cashbook and each transaction.

Detailed portfolio reports are also available online.

## Staying in touch

By using your secure and unique log in to your portfolio, reports are available to be viewed or printed whenever you choose.

We are also readily available for face to face meetings, phone calls or email correspondence.

## About instructions

You, and anyone you authorise in writing, may instruct us.

We prefer all authorisations in writing, however on occasions when this is not practical, your verbal instructions will suffice.

## Accessing cash

Please communicate with us if you require access to cash in your portfolio.

There can sometimes be delays in accessing cash for a variety of reasons, so please give us plenty of notice of impending cash requirements.

## About risks

All investments are subject to varying risks. When recommending the appropriate investment service for you, your advisor will discuss investment risk with you in the advice document they give you.

Risks associated with portfolios include:

- That the investment may not perform as hoped
- The service could change or terminate
- Your advisor, the investment team and fees and expenses may change and our systems, or those on whom we or you rely, could fail.

## Changing

We can change our agreement with you about the service by reasonable notice to you – generally at least one month. If the changes are material, we would send you the new terms or a link to them, and give you the opportunity to cease the service if you wish.

## Are you a superannuation fund trustee?

You must of course act with appropriate authority and be comfortable that your investment program is consistent with the investment strategy of the fund.

## ASIC matters

Cutcher & Neale Financial Services operates under an Australian Financial Services License issued by the Australia Securities and Investment Commission (ASIC). We have ensured that this guide complies with ASIC's requirements. ASIC does not take responsibility for our agreement with you or the service, but we will:

- Act honestly in providing the service to you under this agreement, and exercise the degree of care and diligence that a reasonable person would exercise if they were in our position in providing the service to you,
- Act in your best interests in providing the service to you and, if there is a conflict between our interests and yours, give priority to yours,
- Not use information which we have obtained through providing the service to you to gain an improper advantage for us or any other person or to cause detriment to you,
- Comply with the conditions of ASIC, the investment program and this guide, and
- Compensate you for any loss you suffer because of any act or omission due to any agent or other person engaged by us in connection with the service as if their acts or omissions were ours.

Cutcher & Neale Financial Services has Professional Indemnity Insurance in place to cover itself and its representatives for the financial services we provide. We believe that the cover is adequate to meet our requirements as an Australian Financial Services Licensee.

In your advice document you will find:

- The basis on which your advisor considers the service to be suitable for you
- Statements about the nature and scope of the investment strategy that is to be applied
- Information about any significant risks associated with the service, and warnings that the service may not be suitable for you if you have provided limited or inaccurate information relating to your relevant personal circumstances and may cease to be suitable if your relevant personal circumstances change.

# How are we paid for our work?

## Investment Fees & Costs

We are, for the very large part, a **fee for service** financial services company.

Our predominant source of income is the money you agree to pay us for our services, usually an initial and annual fee.

Simple. Transparent.

The level and structure of fees varies from client to client, depending on factors which often include:

- The complexity of the work
- The time involved
- The resources required
- The size of your portfolio
- The level of attention you require
- Debt levels within the portfolio, and
- Our reporting obligations to you

## What Fees Will You Pay?

The fees you pay will be dependent upon the services you engage us to perform.

Below is the list of the types of services and fees we offer.

Your fee may be one, or a combination of any of these fees, and will be detailed in our Statement of Advice to you.

## Strategy Fees

Commonly there is a **strategy fee** for developing a strategy for you, either initially or at any other time you require us to undertake additional work.

By way of example, this could be a fixed fee of \$10,000 plus GST.

## Initial Meeting Fees

A brief summary of our initial meeting detailing the most pertinent points and probable course(s) of action will be provided. This report will not contain specific advice, but will address the most pertinent points raised during our meeting.

Fee: Generally no more than \$1,500 plus GST, subject to complexity and scope.

Payment Method: Prior to commencing the report.

## Financial Plan and implementation

A Statement of Advice (SOA) detailing our advice and specific course(s) of action will be prepared and discussed with you. When the appropriate strategy has been agreed, we will attend to all necessary steps required to successfully implement this on your behalf.

Fee: The Fee will be dependent upon the scope of work and its complexity and may range from \$1,500 to \$10,000, plus GST. This will be discussed with you prior to any work being carried out.

Payment Method: 50% prior to commencement and 50% after final discussion and completion.

## Portfolio Review Service

This ongoing service is a full administration and advice service. You will receive regular communication detailing the performance of your strategy in the context of local and international economic markets, superannuation and taxation laws, and your own personal circumstances.

Our Portfolio Review Service (PRS) fees are as follows:

Net Portfolio Value (Excludes Property, Unusual Items e.g. Artworks, & Liabilities)	Fee as %-age of the amount invested p.a. (GST Incl.)	Minimum fee per annum (GST Incl.)	Example of Fees per annum (GST incl.)
\$0 – \$2,000,000	1.1%	\$1,650	\$100,000 invested: Greater of (\$100,000 x 1.1% = \$1,100) and \$1,650 = \$1,650  \$1,200,000 invested: (\$1,200,000 x 1.1%) = \$13,200
\$2,000,001 and over	Up to 0.55%		\$2,500,000 invested: Maximum = (\$2,000,000x1.1%) + (\$500,000x0.55%) = \$24,750

\* The fee applicable will be quoted in your Statement of Advice at the time that advice is provided.

Payment Method: The PRS fee is calculated annually and payable monthly by direct debit.

## Share Transaction Costs

We undertake Australian share transactions through Mason Stevens or FinEx Ltd and International share transactions through Mason Stevens. Mason Stevens and FinEx will charge brokerage, to pay for their research, settlement and administration functions.

**Mason Stevens:** Refer table on page 14.

**FinEx Domestic Shares:** 0.55% incl. GST, Minimum \$55

FinEx may pay us a portion of the brokerage they collect on domestic transactions, at no additional cost to you, due to the volume of transactions we process with them.

## Mason Stevens Fees

If we recommend you open a facility with Mason Stevens, they will charge Administration and Custodial Fees on the value of any domestic and international investments. Refer table on Page 14 for details.

## Debt Administration Fee

Where we recommend a gearing strategy as part of our advice recommendations to you, we will charge a Debt Administration Fee, as part of your monthly Portfolio Review Service fee.

The fee that will be applied to the management of the debt component of the recommendations is calculated on a fixed dollar basis, depending on the amount of gearing that has been recommended. The scale that applies to these arrangements is as follows:

Debt	Fee p.a.(GST Incl.)
Up to \$50,000	\$550
\$50,000 - \$75,000	\$825
\$75,000 - \$100,000	\$1,100
\$100,000 - \$125,000	\$1,375
\$125,000 - \$150,000	\$1,650
\$150,000 - \$175,000	\$1,925
\$175,000 - \$200,000	\$2,200
\$200,000 and above	By negotiation

The debt administration fee covers the following services:

- Preparation and lodgement of application forms associated with the debt/gearing strategy.
- Ongoing management of the administration aspects of the gearing arrangement, including interest and repayment reporting with the service provider and ensuring this information flows through to your regular investment reports and online portfolio records with CNIS.
- CNIS acting as mailing address and primary contact for matters relating to the gearing arrangement.
- Arranging quotations and payment of pre-paid interest, including comparison analysis between providers to ensure the most competitive products are sourced on your behalf.

The specific fee related to the debt administration component of any recommendations we provide to you will be outlined in your personalised Statement of Advice (SoA).

We will generally only provide advice which includes a component of gearing where your attitude to investment risk, coupled with your long term needs and objectives, warrants such a strategy.

## Underwriting or Placement Fees

From time to time, we may be offered unique opportunities to participate in corporate actions, such as Initial Public Offerings ('IPO's) and other capital raisings.

Such corporate actions often involve an underwriting or placement fee, which is a cost incurred by the issuing company and imbedded in the pricing of their offer. This fee is payable to intermediaries like us, to compensate us for the time we spend on researching and determining the appropriateness of such offers, and is at no cost to you.

## Mason Stevens Fees

If we open a facility with Mason Stevens, they may charge the following fees on your account.

Neither Cutcher & Neale Investment Services or your advisor receive any of the fees charged by Mason Stevens. We have included this information only so that you are aware of some of the product fees that may apply, if we recommend you open a Mason Stevens account.

Any fees applicable to you will be detailed in our Statement of Advice.

## MDA Service

Mason Stevens will charge Administration and Custodial Fees on the value of any domestic and international investments held to manage custodianship, annual income distributions, tax reporting and other administration associated with the holdings.

	Net Portfolio Value (Excludes Property, Unusual Items e.g. Artworks, & Liabilities)	Fee as %age of amount invested (GST Incl.)	
Administration Fee	\$0 – \$2,000,000	0.120% p.a.	Capped at \$4,050 p.a. (incl. GST)
	\$2,000,001 and over	0.055% p.a.	
Custodial Fee	\$0 – \$2,000,000	0.085% p.a.	Capped at \$2,660 p.a. (incl. GST)
	\$2,000,001 and over	0.032% p.a.	
Brokerage	Domestic Shares	0.22%	
	International Shares	0.33%	
	Fixed Income	0.55% (Minimum \$33)	

## Mason Stevens Retail Super Service

		Fee (GST Incl.)
Investment Fee		0 - 3% p.a. for Managed Portfolios. E.g. Up to 1.1% for CNIS Portfolios
Administration Fee (Min. \$27.50/month)	Balance under \$250,000	0.44%
	Balance \$250 - \$750,000	0.22%
	Balance \$750,000 - \$2mill	0.11%
	Balance \$2mill - \$3mill	0.055%
	Balance over \$3mill	Nil
Account Keeping Fee	Flat Rate	\$120 p.a.
Expense Recovery Fee		0.05% p.a
Indirect Cost Ratio		0 – 5% depending on portfolio. E.g. 0% - 0.17% for CNIS Portfolios
Switching Fee		Nil
Share Brokerage within Managed Portfolios  (Minimum's apply if within Self Directed - refer PDS)	Australian listed	0.22%
	International listed	0.33%
	Fixed Income	0.55%
	Managed Funds	\$5.50
	Foreign Exchange	0.55%



## **NON-PRS Clients – Share Transactions**

We can buy and sell shares for you on your instruction, or we can recommend a share portfolio for you.

### **Brokerage**

Fees: Up to 2.0% per transaction, with a minimum fee of \$250 plus GST.

(This applies to Non-Portfolio Review Service clients – Implementation Only no advice. Advice is subject to additional negotiated fee depending on scope).

Payment Method: Brokerage is collected at time of transaction and deducted from the proceeds, or added to the amount payable, respectively.

### **Mason Stevens Custody & Administration Fees**

If you request we purchase shares for you via a Mason Stevens MDA account, Mason Stevens will also charge ongoing Administration and Custodial Fees on the value of all domestic and international holdings. Please refer to the MDA Service table on the previous page for details.

## Risk Insurance Fees

The fees and brokerage we receive in relation to Risk Insurance, remunerate us for the role we play in –

- Analysing your personal and financial details,
- Considering your future goals and desires,
- Researching the various insurance providers,
- Considering the most appropriate structure within which to place your insurances,
- Attending to the application process, and
- Ensuring you and your family's entitlements are taken care of, in the unfortunate event of a claim.

## Preliminary Review

It may be appropriate for us to prepare a preliminary review of your existing insurance arrangements before proceeding with preparation of a full Statement of Advice. This review will not contain specific advice, but will summarise the most pertinent issues, identify areas where your existing arrangements do not meet your needs, and outline possible course(s) of action.

This Fee will be discussed and agreed with you prior to the review being carried out, but will generally not exceed \$1,500 (plus GST). If you proceed with implementation of insurance recommendations, this fee will be rebated against future brokerage commissions we receive on your behalf.

Payment Method: Prior to commencing the review.

## Statement of Advice

A SoA detailing our advice and specific recommendations will be prepared and discussed with you.

This Fee will depend on the scope of work required and its complexity, however will generally not exceed \$3,000 (plus GST). The fee will be discussed and agreed with you prior to the SOA being prepared. If you proceed with implementation of insurance recommendations, this fee will be rebated against future brokerage commissions we receive on your behalf.

Payment Method: Prior to commencing the report.

## Initial and Ongoing Brokerage

There are two types of brokerage commission paid, Initial (or Upfront) and Ongoing.

The initial commission relates to the first year the policy is in place, and can range from 0-125% (excluding GST) of the 1<sup>st</sup> year's premium.

The ongoing commission relates to every subsequent year's premium and ranges between 0-33% (excluding GST) of the annual premium.

For example, if the annual premium for the life insurance product you acquire as a result of our advice is \$1,000, then we could receive up to \$1,250 in the first year and up to \$330 every year thereafter, while the policy remains in force through us.

## Your Fees

In some instances, we may negotiate payment by a combination of the above options.

Fees are detailed in your advice documents and your advisor will make sure you understand what is proposed.

## How is your Advisor remunerated?

All fees received by Cutcher & Neale Investment Services are paid to Cutcher & Neale. From these fees, Cutcher & Neale pays salaries and associated overheads in relation to the running costs of Cutcher & Neale Investment Services.

Kristy Smith, Wade Johnson, Craig Semmler, Brad Oldham, Keiran James and Michael Cooney are employees of Cutcher & Neale and are remunerated by way of a fixed salary.

Phillip Smith is a Partner of Cutcher & Neale and shares in the revenues of Cutcher & Neale.

## Other benefits

Occasionally advisors receive non-money benefits like training or entertainment. The value of such benefits cannot exceed \$300.

Non-money benefits of \$100 - \$300 in value are recorded in a register which meets the Financial Planning Association's Code of Practice on Alternative Remuneration. This register is publicly available and we can provide you with a copy if you wish.

## Termination of Our Services

If you wish to terminate your relationship with us, please notify us in writing.

If you terminate your relationship with us during the first 12 months, the full 12 month's ongoing fees may be payable.

After the first 12 months, if you are a Portfolio Review Service client, you will need to give us 3 months notice in writing should you wish to terminate your relationship. During this time, we will continue to provide our services to you, so that your records are satisfactorily transferred from us. It can take time to implement alternate arrangements for your investment portfolio and the usual fees and relevant expenses are payable throughout this period.

# Relationships

## Business Interests and Associations

This FSG is issued by Cutcher & Neale Investment Services (ABN 38 107 536 783).

Cutcher & Neale Investment Services is a subsidiary of Cutcher & Neale Pty Limited and an Authorised Representative of Cutcher & Neale Financial Services.

## Related Entities

Where you have been referred to us by Cutcher & Neale or Cutcher & Neale Super Tech Services, we disclose that Cutcher & Neale Investment Services and Cutcher & Neale Super Tech Services are both 100% owned by Cutcher & Neale Pty Ltd.

As a result, Cutcher & Neale Pty Limited will benefit from revenues generated by these client referrals.

## Other Referral Relationships

We have a referral arrangement in place with Australian Financial Risk Management (AFRM).

Where you hold an insurance policy recommended by AFRM, we may receive up to 30% of the total commissions received by AFRM, for as long as the policy remains in force.

Where applicable, the exact amount of any commissions receivable by us will be disclosed in the Statement of Advice provided by AFRM.

# Our relationship with you

Our terms of business are outlined in our FSG, together with the documents which relate to our work for you (such as your advice documents), as current from time to time. You can always ask your advisor for a copy of our latest FSG.

Where our advice recommends an ongoing service, we will continue to provide those services until you ask us to stop.

To the extent permitted by law, if we act in good faith and without gross negligence, we are not liable to you for any loss suffered in any way relating to our services and all obligation which may be implied or imposed on us by law or equity are excluded.

We are entitled to be indemnified out of any investments we control for you for any liability incurred by us for you.

In no case are we liable to you for special, indirect or consequential loss or damage (for example, the cost of a missed investment opportunity), or loss or damage arising from anything beyond our reasonable control.

Trustees of self-managed super funds should be aware that we do not expect that we will be acting as an “investment manager” for the purposes of the Superannuation Industry (Supervision) Act 1993. We may advise, and if directed, initiate investments, but we do not act as an investment manager.

Provided you have paid for all services you may inspect and copy any part of your client file over which we do not claim privilege, but must pay our reasonable copying costs if asked. The file is our property.

When we communicate with you, we will often ask you about your circumstances and about what may have changed. It is important that you keep your details up to date and give us all reasonable information about you and monies you are using when we request.

Of course you can withhold information from us if you wish to do so. However, we are required by law to warn you that if you choose to withhold information (at the beginning or as things change), the advice we provide to you may not be appropriate to your circumstances. By accepting our advice, you acknowledge and agree that we are not liable for inappropriate advice provided to you if you have not provided us with accurate current and complete information.

We can amend our agreement with you by letting you know in writing or providing you with a copy of our revised FSG.

We can assign this agreement if we choose. You may not assign this agreement unless we agree. Our agreement with you is governed by NSW law, and you and we unconditionally submit to the non-exclusive jurisdiction of the courts of NSW.

You or we may terminate our relationship at any time by providing at least one month’s written notice. We can terminate this agreement by written notice if you breach our agreements with us.

# Making a complaint

Your satisfaction is important to us and we will endeavour to resolve your complaint quickly and fairly.

If you have a complaint about the financial services provided to you, you should take the following action:

- Call your CNIS Advisor, or Philip Smith, and speak frankly about your concerns.
  - Phone: 02 4928 8500
- If, after speaking to us, your complaint is not resolved within 5 business days, please put your complaint in writing, in reasonable detail, to:

The Compliance Manager  
Cutcher & Neale Financial Services  
PO Box 749  
NEWCASTLE NSW 2300

- You can take your complaint to the Australian Financial Complaints Authority (AFCA).

Web: [www.afca.org.au](http://www.afca.org.au)  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Phone: 1800 931 678  
Mail: GPO Box 3, Melbourne VIC 3001

AFCA provides consumers with fair, free and independent dispute resolution for financial complaints.

# Privacy Policy

Cutcher & Neale Financial Services and its representatives are bound by the Australian Privacy Principles established under the Privacy Amendment (Enhancing Privacy Protection) Act 2012. The provisions in the Act provide certain minimum standards of privacy protection set out in ten Australian Privacy Principles. These principles are the core of the private sector regime and essentially they:

- Limit the extent to which organisations can collect, use and disclose personal information without the consent of the individual concerned;
- Require that the personal information held by organisations is kept secure and that it is accurate and up to date; and
- Confer on individuals the right to know what personal information is kept about them, to view that information and have it corrected if it is wrong.

As a Financial Services provider, we have an obligation under the Anti-Money Laundering & Counter-Terrorism Finance Act 2006 to verify your identity and the source of any funds. This means we will ask you to present identification documents, such as a passport and driver's licence, and we will retain copies of this information.

Cutcher & Neale Financial Services has established a Privacy Policy based on the Australian Privacy Principles. As Authorised Representatives of Cutcher & Neale Financial Services, we are required to adopt this Privacy Policy. Accordingly, we are required to make available to all clients a copy of our Privacy Policy.

Cutcher & Neale always treats client information confidentially and ethically and in accordance with the Australian Privacy Principles. For the full version of our Privacy Policy, please refer to the Cutcher & Neale website at [www.cutcher.com.au](http://www.cutcher.com.au)

Should you have any concerns or wish to discuss the Privacy Policy in further detail, please do not hesitate to contact Phillip Smith or your CNIS Advisor on (02) 4928 8500. For more detailed information on the legislation you can contact the Australian Privacy Commissioner – the website is [www.privacy.gov.au](http://www.privacy.gov.au)



# Financial Advisor Profiles

These Financial Advisor Profiles (Version 4c) are a part of the Cutcher & Neale Financial Services Pty Ltd (AFSL No. 433814) Financial Services Guide and should be read in conjunction with this document.

## Who is my Financial Advisor?

The Authorised Representative entity is Cutcher & Neale Investment Services Pty Limited, ABN 38 107 536 783, Authorised Representative number 260696.

<b>Business Address:</b>	25 Bolton Street, Newcastle NSW 2300
<b>Postal Address:</b>	PO Box 749, Newcastle NSW 2300
<b>Telephone:</b>	(02) 4928 8500
<b>Facsimile:</b>	(02) 4926 1971
<b>Email:</b>	<a href="mailto:cnismail@cutcher.com.au">cnismail@cutcher.com.au</a>

Cutcher & Neale Investment Services will appoint one or more of our team members to service your account.



## **Phillip Smith**

Partner

*Authorised Representative  
Number: 264234*



### **Phillip oversees the Investment Services division.**

He is a commerce graduate from The University of Newcastle and a Chartered Accountant since 1986.

Phillip first joined the firm in 1986 before moving to London in 1988 where he worked as a manager in the Treasury division of leading Merchant Bank, Hill Samuel.

From 1990 he worked as a senior treasury consultant in Australia and South-East Asia.

In 1994 Phillip re-joined Cutcher & Neale as Partner in charge of the newly created Investment Services division.

His hands-on experience and breadth of financial market knowledge, coupled with Chartered Accountancy skills, are unique.

Phillip regularly presents at information briefings and seminars on economic and investment market issues.

### **Qualifications and memberships:**

- Bachelor of Commerce
- Chartered Accountant
- Graduate Diploma of Applied Finance & Investments
- Certified Financial Planner®
- Fellow of the Financial Services Institute of Australasia (FINSIA)
- SMSF Association – SMSF Specialist Adviser™
- Member of the Financial Planning Association of Australia
- Fellow of the Institute of Chartered Accountants of Australia and Accredited Financial Planning Specialist
- Margin Lending & Geared Investments Accreditation (Kaplan)
- RG146 Tier 1 Specialist Risk Management
- Tier 1 Foreign Exchange – Personal Advice (Kaplan)
- Certificate IV in Finance and Mortgage Broking



### **Wade Johnson**

Associate

*Authorised Representative  
Number: 421457*

#### **Wade joined Cutcher & Neale Investment Services in 2014.**

He is a Commerce graduate from the University of Newcastle and also holds a Diploma of Financial Services (Financial Planning).

Wade has over 8 years experience working in financial services, across a range of accounting and investment advisory roles.

Combining technical and fundamental analysis skills, his particular areas of interest are portfolio management, stock selection, investment research and analysis for both Australian and International equities markets.

#### **Wade has the following qualifications:**

- Bachelor of Commerce
- Diploma of Financial Services (Financial Planning)
- Margin Lending Accreditation (Deakin Prime)
- Derivatives Adviser Accreditation (Kaplan)
- Tier 1 Foreign Exchange – Personal Advice (Kaplan)
- Certificate IV in Finance and Mortgage Broking
- Member of Financial Planning Association of Australia



### **Kristy Smith**

Associate

*Authorised Representative  
Number: 316801*

#### **Kristy joined Cutcher & Neale Investment Services in 2000.**

She graduated from The University of Newcastle in 2002 and was the recipient of the Cutcher & Neale award for highest ranking student in the Bachelor of Finance degree.

Her technical abilities, commitment and people skills quickly proved a valuable asset to the firm.

Kristy was instrumental in establishing the international equity and foreign currency capabilities of the division, and driving their efficient integration across the client base.

#### **Kristy has the following qualifications and memberships:**

- Bachelor of Finance
- Advanced Diploma of Financial Services (Financial Planning)
- SMSF Association – SMSF Specialist Adviser™
- Margin Lending & Geared Investments Accreditation (Kaplan)
- Tier 1 Foreign Exchange – Personal Advice (Kaplan)
- Certificate IV in Finance and Mortgage Broking
- Member of Financial Planning Association of Australia



### **Craig Semmler**

Senior Investment Advisor

*Authorised Representative  
Number: 404350*

#### **Craig joined Cutcher & Neale Investment Services in 2014.**

He is a Commerce graduate from the University of Newcastle and also holds an Advanced Diploma of Financial Services (Financial Planning).

He has 10 years of experience working in the financial services industry, across a range of financial advisory roles.

Craig has specialist skills to assist clients in setting their investment strategies, building a plan to maximise and protect wealth and planning for retirement. He enjoys developing an ongoing relationship with his clients and assisting them to realise their lifestyle goals and objectives with a suitable investment approach.

#### **Craig has the following qualifications:**

- Bachelor of Commerce
- Advanced Diploma of Financial Services (Financial Planning)
- Margin Lending & Geared Investments Accreditation (Kaplan)
- Self Managed Super Fund Accreditation (Kaplan)
- Certificate IV in Finance and Mortgage Broking
- Member of Financial Planning Association of Australia



### **Michael Cooney**

Senior Investment Advisor

*Authorised Representative  
Number: 1252919*

#### **Mike joined Cutcher & Neale Investment Services in 2019.**

He holds a Master of Financial Planning and a Graduate Certificate in Financial Planning from Griffith University, achieving an award for academic excellence.

He has more than 25 years of experience working in financial markets and financial services in London, Sydney and Hong Kong.

Mike has specialist skills gained from his time abroad working in global investment banks, with significant experience in Asian and derivative markets. He enjoys building long term relationships with clients through ongoing education to help demystify financial markets.

#### **Mike has the following qualifications:**

- Master of Financial Planning
- Graduate Certificate in Financial Planning
- Diploma of Financial Services (Financial Planning)
- Self Managed Super Fund Accreditation (Kaplan)
- Member of Financial Planning Association of Australia



**Brad Oldham**

Risk Insurance Manager

*Authorised Representative*

*Number: 460360*

**Brad joined Cutcher & Neale Investment Services in 2014 to head up the Risk Insurance division, working closely with Phillip Smith, Partner of the division.**

He holds a Graduate Certificate of Business Administration from the University of Newcastle, along with ASIC accreditation encompassing Risk Insurance Brokerage.

With 25 years Operational and General Management experience across a range of industries, Brad brings a real world understanding to clients' Risk Insurance needs. This, coupled with his determination to provide the best possible outcome for our clients, ensures the most practical and appropriate advice is delivered.

**Brad has the following qualifications:**

- Graduate Certificate of Business Administration
- RG146 Tier 1 Specialist Risk Management
- Justice of the Peace (NSW)
- Member of Financial Planning Association of Australia

## Client Acknowledgement

I/We acknowledge that I/we have received a copy of Cutcher & Neale Investment Services Pty Limited Financial Services Guide (FSG) Version 4e, dated September 2019, including the Financial Advisor Profiles Version 4c.

I/We acknowledge that I/we have been informed that Cutcher & Neale Financial Services Pty Ltd is only responsible for authorised financial services of the Authorised Representatives as set out in this FSG and Advisor Profiles.

<b>Client Name(s):</b>		
<b>Client Signature(s):</b>		
<b>Date:</b>		





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