Aus Only V2.2

bdhSterling*

Financial Services Guide

Who we are, what we do and how we charge

Purpose of this document

This Financial Services Guide (FSG) is issued by bdhSterling AFSL Pty Ltd (known as bdhSterling).

It provides you with information to help you decide whether to use the financial services we offer. It should be read in full including our Client Agreement (Terms and Conditions) (pages 10 - 13) which we will ask you to execute prior to the delivery of any financial service.

If you would like this document in larger print or in another format, please contact us.

This FSG outlines the following:

- bdhSterling is responsible for the financial services provided by its Representatives
- The financial services and products bdhSterling and its Representatives can offer to you
- How we (and other related persons) are remunerated for these services
- Details of our internal and external complaints handling procedures
- Our terms and conditions, what we will deliver and our expectations of you.

Should you have any queries regarding the information provided please ask – we are here to assist you.

Who is bdhSterling?

bdhSterling is a global financial planning business, focused on assisting our clients understand and plan for their financial future. We provide personalised advice to our clients to ensure that their needs are prioritised. We partner with our clients to assist them in navigating the management, growth and protection of their financial goals and assets throughout their life.

We are committed to superior service delivery and the highest standards of professional conduct. bdhSterling is responsible for the conduct and advice provided by their Representatives. We have outlined below what services or products may be offered.

We have a team of specialists enabling us to provide our clients with seamless service regardless of where they are located and the type of advice they need at the time. Our Advisers are employees of bdhSterling Pty Ltd (a Corporate Authorised Representative No 462704 of bdhSterling AFSL Pty Ltd).

Details of our team are available on our website inclusive of any registration details.

If you have a question or concern about any aspect of our services please contact us at:

Telephone: +61 8 6180 2555

Email: enquiries@bdhsterling.com

Website: www.bdhsterling.com

Our principal office in Australia is in Perth:

Post: bdhSterling, PO Box 28 The Esplanade, Perth, WA, 6000

How are we regulated?

bdhSterling AFSL Pty Ltd (ABN 17 054 918 295), is regulated by the Australian Securities and Investment Commission (ASIC) and is the holder of an Australian Financial Service Licence No. 222266 and has been since 15 August 2002.

What services do we offer?

bdhSterling and its Representatives offer services to meet our clients' broad financial planning requirements throughout their various stages of life – that is, we are a holistic planning business. We offer the following services:

- Holistic Financial Planning
- Savings and cashflow management
- Wealth creation
- Asset protection strategies
- Investment strategies
- Pre-retirement planning
- Post-retirement planning
- Self-managed superannuation funds
- Estate planning
- Basic and non-basic deposit products
- Superannuation & Retirement Savings Account
- Government debentures, stocks and bonds
- Investment life and life risk insurance products
- Securities
- Managed investment funds.

We will not provide advice on classes of financial products other than those detailed above.

bdhSterling supports your bdhSterling Adviser by providing access to financial product research conducted by external researchers. This assists your Adviser in selecting products that will help you reach your financial goals.

We don't provide advice on options, futures and other derivative contracts as we believe that these are unlikely to be suitable for our clients.

Unless we tell you otherwise, we'll treat you as a retail client for investment business. This means that you are given the highest level of protection available under the Australian regulatory system.

Our Advice Process

People seek financial advice for many different reasons so it's important that we understand exactly who you are and what you want to achieve. bdhSterling is obligated to act in your best interest, and this requires us to collect all required information about your financial situation and needs and objectives, make inquiries into the information provided, and investigate appropriate products and strategies that will meet your needs and objectives.

Whatever financial decisions you have to make, the first step towards making the right decisions is to establish a clear understanding of your financial needs.

We will take the time to understand your lifestyle, your ambitions, your key life transitions and, where relevant, the same for those close to you. We will understand your assets, investment/savings, income, and expenses before mapping a financial plan. The aim of this is to meet your goals at each stage and ensure you have protection should something unforeseen happen.

We also help you on key financial decisions. This usually means working with you on an ongoing basis which would involve an ongoing review, relevant adjustments and monitoring your full financial plan and scenarios. We aim to look at your overall financial resources and help you achieve your life and financial ambitions.

To provide advice that is in your best interests, bdhSterling needs to find out your individual investment objectives, financial situation and needs before we recommend any investment or risk products to you.

We expect that you will provide us with accurate information, so that we have a reasonable basis on which to provide you with advice. You have the right to withhold personal information, but this may compromise the effectiveness of the advice you receive or whether we can provide any advice. If you do not wish to provide this information, we are required to warn you about the possible consequences of us not having your full personal information. You should read the warnings carefully.

We expect that, where appropriate, you inform your adviser of any changes that may influence your future objectives.

From time to time, where we cannot recommend any appropriate products or where we feel your best interest will not be served, we have the right to refuse provision of advice or services.

Our advice will be provided in writing

When we provide personal financial advice, we will provide this in writing. Personal financial advice is advice that considers one or more of your objectives, financial situation and needs. Each advice document will contain the advice, the basis on which it is given, and information about fees and charges, and any associations, which may have influenced the advice.

Personal advice will be set out initially in a Statement of Advice (SOA). However, ongoing advice may be documented in a shorter form Record of Advice (ROA) where there have not been any significant changes to your personal circumstances of the advice being provided.

To invest in a recommended financial product, you must complete the application form attached to the relevant Product Disclosure Statement (PDS). The PDS contains information about the product and will assist you in making an informed decision about that product. Depending on the nature of the financial product, there may be a 14 day cooling off period. However, this will be advised at the time of recommendations being made.

We will only implement advice with your written authority. It is important to us to know that you have understood the recommendations, therefore we request that you ask any questions you may have before you provide your authority.

Other information we require from you

As a financial service provider, we have obligations to mitigate potential financial crime and money-laundering activity. This requires us to verify your identity and the source of any funds. This means that we will ask you to present identification documents, such as passport and driving licence. We may use electronic identity verification systems and we may conduct these checks from time to time throughout our relationship, not just at the beginning. The check may leave a 'footprint' on your credit file, but it will not affect your credit rating.

We will also retain copies of this information. We assure you that this information will be held securely. We cannot provide you with transactional services if you are unwilling to provide this information.

Independence of Advice

We are **not considered to be independent** on the basis that we do receive commissions on insurance products and that we do not offer every product option available that we are authorised to provide services in.

Where we recommend particular investment strategies and products to you, these will be selected based on your personal circumstances, financial goals and objectives. We will consider a number of factors, including the services that you need, the cost of investing, how much risk you are prepared to accept in an investment product and how much of a drop in its value you could withstand. All products recommended will be subject to our research processes prior to recommendation.

Legal and accounting advice

We are not qualified to provide legal or accounting advice or to prepare any legal or accounting documents. This means that the onus is on you to refer any point of law or accountancy that may arise during the course of discussions with us, to a solicitor or accountant. Please note that we are registered in Australia to provide incidental tax advice/implications when recommending Australian financial products and strategies.

How we charge for our services

It is important to us that you understand, the costs associated with the delivery of our services. We undertake to provide you with an indication of costs prior to you engaging us to deliver a particular service. As the nature and complexity of our services do differ, we utilise a number of different charging methodologies and apply these as appropriate to the engaged services. These include the following:

- Flat fee: This is typically in relation to provision of advice and compilation of an advice document
- Establishment and implementation fee: Receiving advice is the initial step but a considerable amount of work goes into the implementation of the advice itself, whether this is establishing investment structures or undertaking transactions such as purchase of financial products via a third party. The costs of establishment and implementation of advice will be outlined in your advice document
- Percentage of the amount invested: The ongoing management of your financial assets, including adjustments to strategy, review of portfolio holdings and benchmarking to your risk appetite and overall financial objectives may be based on the amount of funds under management, which is used as a measure of the work involved
- Based on an hourly rate: Where work is carried out for a client, which does not fall into the normal range of services for which fees have been set, then the work will be carried out at an hourly rate, this rate will be provided upfront before any work is undertaken
- Commission: We may receive commission in relation to the placement of insurance products. The rate of commission is generally capped and is paid to us by the insurance company. Any commissions will be fully disclosed to you in the relevant advice document.

Combination of some or all of the above - depending on the scope of services we are providing you; the charging methodology may include some or all of the charge types above. Rest assured though, you will be advised of any charges prior to engaging our services.

Depending on the services we provide, there may be costs and charges (including taxes), not charged by us, but related to the financial products we arrange for you. These charges may be one-off charges (payable up front) or charges payable on an ongoing basis. For example:

- Investment costs: These are the costs relating to the manufacturing and managing of your investments – for example, fees charged by the investment fund manager, costs relating to investment transactions
- Service costs: If your investments are held on a platform the platform provider will make a charge for administering/managing your investments.

We will always disclose any third-party costs as part of making our recommendations. Before we provide you with our advice, we will add together all the costs and charges payable (including third party costs) so you’re able to understand the overall costs of our services and recommendations. This is referred to as aggregated costs and charges information.

Our ongoing service includes:

* An annual review of your financial goals and objectives
* A report setting out the results of the review and confirming any changes made
* Implementation of agreed changes
* A review of how your investments are invested
* Assessing the potential impact of legislation changes to your plans
* Telephone and email access to our client team.

Our ongoing advice charges are based on a percentage of the funds being managed and will therefore increase as the value of the fund grows.

We charge an ongoing advice fee of up to 1% per annum on funds under our management subject to a minimum fee of $3,700 +GST per annum and a maximum fee of $37,000 +GST per annum. For example, if we were managing $500,000 of your funds we would charge an annual fee of $500,000 x 1% = $5,000 +GST per annum.

Please note, the minimums and maximums quoted are per household, not per individual.

Other benefits

bdhSterling may, from time to time, receive a benefit from preferred product providers by way of sponsorship of educational seminars, conferences, or training days. Other benefits, such as prizes, awards and hospitality events (e.g. sporting events) may also be received.

Details of benefits between $100 and $300 will be maintained on a Register. Benefits over $300 are not allowed to be accepted.

You have a right to request for further information in relation to the remuneration, the range of amounts or rates of remuneration, and soft dollar benefits received by us and/or our authorised representatives.

Relationships which may influence the service or advice we provide

bdhSterling is not owned by any Fund Manager or Institution and there are no product relationships that will influence the advice that you receive from them.

Your adviser may hold an interest in a financial product. Any significant interest/ownership will be recorded in a register of financial product holding and, where material, this holding will be disclosed to you in the SOA or ROA.

bdhSterling may outsource SMSF administration services to a third-party administrator:

- bdhSterling SMSF Tax Pty Ltd

Information may only be shared between our related companies and service providers with your signed permission, this permission forms part of the Terms & Conditions.

What information do we maintain in your file?

We maintain a record of your personal profile that includes details of your investment objectives, financial situation and needs. We also maintain records of any recommendations made to you. If you wish to examine your file, you should ask us and we will arrange for you to do so.

We are committed to implementing and promoting appropriate controls, which will ensure the privacy and security of your personal information.

For further details on how we process personal data, please refer to the section on protecting your personal information on page 14 of this document.

Compensation arrangements

bdhSterling confirms that it has arrangements in place to ensure it continues to maintain professional indemnity insurance in accordance with s.912B of the Corporations Act 2001 (as amended). Our professional indemnity insurance, subject to its terms and conditions, provides indemnity up to the sum insured for bdhSterling and our representatives/employees, in respect of our authorisations and obligations under our Australian Financial Services Licence. This insurance will continue to provide such coverage for any representative/employee, who has ceased work with bdhSterling for a minimum of 7 years from the date of ceasing the relationship.

What should you do if you have a complaint?

If you are unhappy with our advice or any aspect of our services, we encourage you to contact us as soon as possible.

We are committed to providing quality advice to our clients. This commitment extends to providing accessible complaint resolution mechanisms for our clients.

If you have any complaint about the service provided to you, please contact your adviser or email us at complaints@bdhsterling.com.

Your complaint will be reviewed by our relevant Complaints Officer and should we not resolve it satisfactorily you will be advised on how to escalate your complaint to an independent external body.

Should our internal complaints processes not meet your requirements we are also members of an External Dispute Resolution Scheme and abide by their terms and conditions.

You can lodge a complaint with a complaint with the Australian Financial Complaints Authority, or AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Full details are available at www.afca.org.au. You are also able to contact them by email at info@afca.org.au; by telephone on 1800 931 678 (free call); or by writing to them at Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001.

The Australian Securities & Investments Commission (ASIC) also has a free call Infoline on 1300 300 630, which you may use to make a complaint or obtain information about your rights.

Client Agreement - Terms & Conditions

This agreement sets out the terms under which we will provide our services to you, so it's important that you read these and our **Financial Services Guide (FSG) information** (pages 1- 9) which form part of our overall terms. If there's something you don't understand please ask us to explain it.

The services we have agreed to provide and the cost for these services will be provided in relevant advice documents before you proceed.

Our Obligations

Our recommendations

Before providing advice, we will assess your needs, consider your financial objectives and assess your attitude to any risks that may be involved relevant to the advice that we are providing you. If you do not want to discuss a particular area of financial planning and that area should not form part of the advice given, we can exclude it, if you instruct us to do so. This might of course have a bearing on the advice that we provide. Where appropriate we will advise you of any potential risks in not taking advice in a particular area.

So that we can recommend suitable products or services for you, it is important for us to gather information that is up-to date, accurate and complete from you and any service providers. Prior to making any recommendations, we will undertake a suitability assessment to assist us to act in your best interests.

We will confirm any recommendations we make in writing along with details of any special risks that may be associated with the strategic, product or investment strategies we have recommended.

Where we agree to provide you with a service that includes an ongoing review of the suitability of the investments we have recommended, we will carry out this review at least annually. To do this we will need to make contact with you to assess whether the information we hold about you remains accurate and up to date. We will issue you with a report setting out the results of our assessment and, if relevant, any updated recommendations.

Please be aware that investment values can fall, as well as rise, and that you may not get back the full amount invested. The price of investments we may recommend may depend on fluctuations in the financial markets, or other economic factors, which are outside our control. Past performance is not necessarily a guide to future performance.

Specific warnings relevant to the investments, investment strategies or other products we arrange are provided in the relevant product literature provided. It is important that you take the time to review this information prior to investing.

Best execution

Where we send investment applications on your behalf to third parties (e.g. to put an investment into force), we'll take all sufficient steps to ensure that we obtain the best possible result for you. This is referred to as 'best execution'.

Conflicts of interest

Although we'll always try to act in your best interests there may be situations where we or one of our other clients has some form of interest in the business being transacted for you. If this happens or we become aware that our interests or those of one of our other clients conflict with your own interests, we will provide details to you of any conflicts.

Communicating with you

Our normal ways of communicating with you are by telephone, post, e-mail, SMS text message, or in person. Our communications will be in English.

We may ask you to confirm your instructions to us in writing as this helps to avoid any future misunderstandings.

Your Obligations

This section sets out your obligations in agreeing to receive our services.

Providing information about your circumstances

Our advice will be based on the information that you give so it is important that you provide us with accurate and up to date information when we request details about your circumstances and objectives. This will allow us to provide you with suitable and customised advice. If the information you provide is inaccurate or if you limit the information provided this could affect the suitability of the advice we give.

Payment

The charges for our services will be set out in your advice document. We will advise you if any payments are subject to legislative taxes and charges.

Initial charges can be paid in a number of ways:

- Electronic transfer (unfortunately, we cannot accept payments in cash)
- Payment via deductions from the financial product(s) you invest in.

Our charges for **ongoing** services are payable on a monthly basis if taken as a % of funds under management.

If we agree for your adviser charges to be deducted from your superannuation or investments, we will confirm separately the exact details. You must pay our charges in accordance with the payment terms stated on our invoices. In the absence of payment terms on our invoices, payment will be due within 28 days of the invoice date. Invoices will be raised a month after the delivery of advice if you have not moved to the next stage of the process. Should you cancel this agreement prior to bdhSterling issuing its advice, we reserve the right to charge you for the work undertaken prior to cancellation.

If you fail to pay our charges when they are due, you will be in breach of this agreement, and we may enforce our rights against you.

Cancellation and Amendments

Ending this agreement

* We may terminate this agreement by giving you at least 20 business days' written notice
* You may terminate this agreement at any time, without penalty. Notice of termination must be given in writing and will take effect from the date of receipt
* We will keep a copy of this agreement on our files so that we have a copy of the terms on which we acted for you
* We will have no authority to act for you after this agreement has ended
* Any transactions already initiated will be completed according to this agreement unless otherwise agreed in writing
* You will be liable to pay for any services we have provided before cancellation and any outstanding fees, if applicable.

Amendments

From time to time, it may be necessary to amend the terms set out in this agreement where it's not necessary to issue a new agreement. If this is the case, we'll write to you with details of the changes at least 28 business days before they are due to take effect.

Product cancellation rights

Full details of any financial products we recommend to you will be provided in the relevant product information you will receive. This will include information about any product cancellation rights along with any other early termination rights and penalties.

Declaration

I/We acknowledge that the client agreement will come into effect once it has been signed by all parties and will remain in force until terminated.

Date of Issue

Client Name(s)
Client Signature(s)
Date

Protecting your personal information

* To provide our services properly we will need to collect information about your personal and financial circumstances. We take your privacy seriously and will only use your personal information to deliver our services
* Processing of your personal data is necessary for the performance of our contract for services with you and in meeting our obligations to preventing money laundering or terrorist financing. Generally, this is the lawful basis on which we intend to rely for the processing of your data. (Please see the reference to special categories of data below). Our policy is to gather and process only that personal data ,which is necessary for us to conduct our services appropriately with you and to prevent money laundering or terrorist financing
* We adopt a transparent approach to the processing of your personal data. Sometimes, we may need to pass your personal information to other organisations. If you apply to take out a financial product or service we will need to pass certain personal details to the product or service provider
* We may engage the services of third-party providers of professional services in order to enhance the service we provide to you. These parties may also need to process your personal data in the performance of their contract with us. Your personal information may be transferred electronically (e.g. by email or over the internet) and we, or any relevant third party, may contact you in future by what we believe to be the most appropriate means of communication at the time (e.g. telephone/email/letter etc)
* The organisations to whom we may pass your details also have their own obligations to deal with your personal information appropriately
* We will issue you with our Privacy Policy. This is a separate document which provides more information about the nature of our personal data processing activities and includes details of our retention and deletion policies as well as your rights of access to the personal information that we hold on you
* As part of this agreement, we will ask you to consent to the transfer of personal information in accordance with the protections outlined above.

Special categories of personal data: there are certain categories of personal data that are sensitive by nature. The categories include: data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, trade union membership and data concerning health. Depending on the nature of the products and services that you engage us for we may need to obtain your sensitive personal data particularly in relation to health. Our policy is that should we require any special category of personal data we will only gather this with your explicit consent.

If you are concerned about any aspect of our privacy arrangements, please speak to us or contact privacy@bdhsterling.com

Consent

Sensitive personal data

The primary basis on which we intend to process your personal data is for the performance of our contract with you. In the case where we need to process special category (sensitive) data as described above we require your consent by indicating your agreement to the following statement:

I / we consent to the processing of sensitive personal data as far as it is necessary for the services I / we require from bdhSterling Pty Ltd

Client Name(s)
Client Signature(s)
Date

Please note that you may withdraw this consent at any time by notifying us at our main business address.

We may also engage the services of third party providers of professional services in order to enhance the service we provide to you. These parties may also need to process your personal data in the performance of their contract with us. If you wish to know the names of these third parties please contact us for further information.

Marketing

From time to time we may wish to contact you to offer additional products or services which may be of interest to you. In order to do this we require your consent by agreeing to one or all of the options:

I / we consent to be contacted for marketing purposes by:

- ☐ Email
- ☐ Telephone
- ☐ Text Message
- ☐ Post

Client Name(s)
Client Signature(s)
Date

Please note that you may withdraw this consent at any time by notifying us at our main business address.

Australia

Sydney

Level 17, Angel Place, 123 Pitt Street, Sydney, NSW 2000

Melbourne

Level 23, 500 Collins Street, GPO Box 4347, VIC 3000

Perth

28 The Esplanade, Perth WA, 6000

Tel: 1300 365 291

enquiries@bdhsterling.com