



Strategic Review Service Agreement

This charter outlines the key elements to the performance of our Strategic Review Service in an environment of trust and respect.

Core Components

As your Advisers, Financial Life Balance commits to an ongoing partnership with you providing balanced Financial and Lifestyle Advice applying our extensive Experience.

As our Clients, you commit to full and continued disclosure of Financial and Personal Goals & Objectives of your Family Unit.

This "Ongoing advice agreement" replaces any existing "Ongoing Advice agreement" previously in place.

Review

We jointly agree to communicate with each other and discuss substantial changes to circumstances, proposed strategies and regulations whenever possible, prior to them occurring.

We jointly agree that it is in our mutual best interest to request and provide as broad a range of trusted professional services as possible to support our existing relationship. This should assist in avoiding unnecessary duplication of information and unproductive use of our valuable times. We understand however, that at times it may be necessary to honour client's existing professional relationships or to source these services externally.

Financial Life Balance additionally commits to offer the same high standard of service to members of your broader Family Unit, and to colleagues and friends you introduce. Naturally, total confidentiality is the hallmark of our integrity as professional Financial Advisers.

As a guide to the breadth of Available Advice Services and Operational Functions we may call on in fulfilling this agreement, please refer to the following or our Financial Services & Credit Guide (FSCG) available at financiallifebalance.com.au.

Client acknowledgment

We agree:

We have been provided with a copy of the Strategic Review Services Agreement. Financial Life Balance has provided details of Available Advice Services and Operational Functions that may be called on to assist in fulfilling this agreement which supersedes all previous ongoing advice agreements.

- Financial Life Balance may help us to complete necessary paperwork to open accounts or buy and sell investments and draft letters of instruction for our signature.
- We are not under any obligation to follow, either wholly or in part, any recommendation or suggestion provided by Financial Life Balance, but if we do not proceed with the recommended advice, Financial Life Balance is not responsible for any financial decisions we make.

- The cost of the Strategic Review Services Agreement, including the payment method and frequency, has been fully disclosed to us within my Financial Plan and this Agreement. If the ongoing advice fee is deducted in instalments from our investment balance, and the investment is ceased, we will be provided with an invoice for all outstanding fees payable immediately.
- Either party may terminate this Agreement at any time by giving 30 days written notice to the other party. If the Agreement is terminated, all advice fees due at the time of termination will be due and payable by us immediately. Financial Life Balance will refund any unearned, prepaid advice fees to us, within 30 days of receiving a written request to terminate the Agreement.
- Financial Life Balance is authorised to accept a written instruction from any party listed on this Agreement and the instruction will be binding on all parties unless otherwise stated.

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Adviser acknowledgement

We agree:

- We will contact you to discuss a Strategic Review and to discuss any new recommendations required.
- If you accept our invitation for a review, you can request a written copy of our recommendations.
- We will not implement any recommendations without your authority to do so.
- We will submit any request(s) to the relevant product providers within three business days of it being received at our office. The subsequent processing of the request will be completed within the timeframes and service standards prescribed by the relevant product provider.

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To varying degrees the above Strategic Review Service options may call on some or all of the following.

Available Advice Services & Operational Functions:

Access to Professional Advice – Just when you need it

The scope of services offered through our Premier Service includes direct and regular access to your Financial Adviser. At your request we will meet with you annually (or more regularly by agreement) not only to review your existing portfolios and insurances, but also to refine our Strategies to meet your specific Goal & Objectives, so that they continue to be carefully focussed.

Personal Administration Services – Saving you time

FLB's Administration team is the first contact point for our Select Service. They have extensive experience in most aspects of the Financial Services Industry and are supported by carefully chosen product and information platforms which enables our FLB Team to deliver an exceptional standard of personalised service.

Knowledge and Experience – Getting the Balance Right

One of the great benefits to flow from our many years of professional practice and tested approaches; is the reassurance we can offer when you are on the right track. We can draw on the experience of dealing with hundreds of clients' financial and lifestyle choices to provide you with educated value judgements where changes need to be made to your Strategies, but these always need to be driven by your own expressed priorities.

Quality Advice – Offering Peace of Mind

Both Principals of Financial Life Balance hold CPA designations as Certified Practising Accountants with Specialisations in Financial Planning. As a Certified Quality Advice Practice (CQAP), you can have great confidence in Financial Life Balance as its Comprehensive Advisers have committed to the highest standards of education and operational process in delivering quality services to you and your Family.

Dealing with Government – We speak your language

Often we find clients are very hesitant to access benefits and services they are rightly entitled to from Government (or regulatory bodies) purely due to the difficulty of understanding the paperwork or technical language that is so common. For example, where we are established as a "Correspondence Nominee" for Centrelink clients, we will receive a copy of all mail sent to you and we are therefore able and willing to discuss any concerns or queries you may have, person to person, in English (or Italian as the case may be).

Regular Communications and Updates – The comfort of knowing

We recognise that time is in short supply and the volume of correspondence and marketing material we all receive each week can be overbearing. For that reason we plan to only provide you with newsletters and client updates, or conduct seminars when we feel it is in your best interests to be offered them through a collective forum. We are always available via phone – 1300 667 352 and find that emails to ask@flb.net.au are often the most efficient and timely means through which you can raise important issues.

Professional Liaison – Explain yourself just once

We are regularly called on to co-ordinate and drive solutions to challenges that can arise in clients' lives, and often we find these issues cross a number of professional disciplines. Sensitive but efficient management and resolution can be required and as necessary, "briefings" can be prepared for Lawyers, Accountants, Mortgage Brokers, Stock Brokers, General Insurers and Real Estate Agents on your behalf, saving you the time and trouble of repeating your Goals, Objectives and our agreed Strategies, to more than one professional.

Strategic Review – Keeping you on track

In the process of establishing our initial recommendations for you, it is vital that we demonstrate that we “know our client” and therefore extensive collection of information is required. Similarly, it is extremely important that you provide us with a regular update of these details so that we can use your Goals & Objectives to refine our agreed Strategies for you and your Family.

We would normally meet with you to discuss your total financial position, and to assess the relative importance of changes to any of the following:

- Government payment entitlements & Tax Legislation
- Superannuation and/or insurances
- Economic and investment cycles
- Fund manager and investment performance
- Estate planning

Where these types of changes occur, we may recommend that you taking advantage of various opportunities, such as improvements or refinements to superannuation or taxation strategies. We will prepare an Annual Report to document any variations to Strategies that we feel are necessary or to purely reconfirm your current financial and personal situation.

Asset Allocation – The secret to success?

Over time, market fluctuations, contributions and withdrawals from your investments cause the Asset Allocation of your fund to change. The Asset Allocation plays a key role in determining the investment return achieved by your portfolio and is critical in managing your chosen Investment Risk Profile. Where additional contributions and distributions received build up the Cash in your account, we will normally re-align your investments with the recommended investment strategy for your short and long-term goals, on a periodic basis. Over time, we may recommend you change investment strategies to suit your revised Goals, Objectives or Timeframes.

Investment Manager Review – Are they performing?

We analyse research provided by Charter Financial Planning Limited to ensure that any fund managers or direct investments we have recommended remain appropriate to your use. Wherever possible, costs associated with making changes to your investment will be minimised. As an example, we also seek to identify any implications of capital gains so that you are not paying more tax than is necessary.

Cash Flow Management – Plan the Future – Live Today

Ensuring you have adequate Cashflow to meet your defined living expenses is normally the most important Goal or Objective to establish. Whether you are just starting out, or in retirement, your assets and income need to meet this objective as your first priority.

Managing your Cash Flow, for example to redirect income to your Superannuation fund rather than receiving it directly into your bank account can often be more tax effective. However there are limits to how much you can contribute to superannuation. Such a “salary sacrifice” strategy must be continually monitored to ensure you do not exceed these limits or erode the tax effectiveness of the strategy.

Also, your Cash Flow should be monitored to ensure you are not sacrificing or spending more income than you can comfortably afford to.

Product Services – Use our skills

As when dealing with Government Departments, it is difficult enough to get through to an Insurer or an Investment Manager far less actually resolve your issue of concern. Where we are nominated as your advisers and contact point for the various personal insurances, supers or investments you hold, we are prepared to act on your behalf and raise your areas of concern directly. This may include notifying changes to contact details or payment details, queries regarding premiums or account balances and enquiries as to the impact of alterations to your plan or benefit payment requests. It is also more efficient in most cases for you to direct correspondence through our office as we can record information and monitor progress on your behalf.

Personal Insurances – How much is enough?

Your need for insurance changes as you move through different stages of your life. The amount and types of insurance you require will be influenced by changes to your personal and financial situation. Over time, as your net wealth increases, we can investigate opportunities to decrease your insurance cover and provide you with cost savings. Alternatively, changes to your income, your cost of living, your relationships, number of dependants or increased borrowings, may justify an increase to your level of insurance cover.

We investigate various other opportunities on your behalf including:

- With your insurance provider, to have any premium loadings or policy exclusions reassessed by taking into account decisions you have made to improve your habits or health;
- Through analysing market research to ensure your insurances continue to represent value for money;
- The implications of changes to your situation, employment conditions or occupation;
- Your scope to access tax effective benefit proceeds for you or your beneficiaries;
- Better cash flow management through alternative premium payment options.

Any of the above may result in substantial premium savings or enable you to obtain more comprehensive insurance cover to suit your needs.

Professional Services through Referral* – Trusted and Tested

- Personal Taxation Services
- Legal Advice
- Mortgage Broking
- Stock Broking

*These services are offered through our professional network and distinctly separate to FLB Adviser's authority to operate as Financial Planning Advisers.

Fee Structure & Service Offering:

Initial services for new clients

Research, strategy formulation and establishment of client relationship:	\$1,584
Preparation of Statement of Advice:	\$1,980
Implementation of strategies and administration:	\$990
Total Initial fee:	(GST-Inclusive) \$4,554
External Portfolio Fee/Insurance Implementation Fee (may apply)	(GST-Inclusive) \$990

Transactional Service

This is based on an hourly rate of \$396 (GST-Inclusive).

This option allows clients to access purely "Transactional" Advice to address issues they need to deal with where no further support is required from our practice.

Strategic Review Services (for clients with an ongoing relationship with FLB).

We offer the following Strategic Review Service options to support our ongoing relationship with clients.

Select Service Package

Our Basic Ongoing fee is 1.1% of Funds Under Advice.

This basis is often used at a client's request where they have a smaller amount of funds invested or their service requirements are relatively straight forward.

Premier Service Package

Our most common service package allows for open ended flexibility via:

- i. **A scaled flat fee based on total Funds Under Advice (FUA);**
 - Tier 1:** \$250,000 to \$500,000 - \$2,772 (GST-Inclusive) or 0.9% of FUA
 - Tier 2:** \$500,000 to \$1,000,000 - \$4,356 (GST-Inclusive) or 0.7% of FUA

- ii. **Additional charges for added complexity, based on two hours per year (currently \$792), including services such as:**
 - use of the FLB Model Portfolio
 - management of additional client Portfolios
 - additional funds under advice (in increments \$500,000)
 - coordination of direct investments
 - Budgeting and Cashflow management
 - use of loan and gearing strategies
 - provision of advice to a Self-Managed Superannuation Fund
 - Superannuation contribution strategy management
 - external portfolio management
 - Estate and Asset Management.

To acknowledge their commitment to FLB's Premier Strategic Review Service offer, our Clients or their immediate family are normally entitled to other Advice Services we can offer at a discounted rate of \$264/hour (GST-Inclusive).

There is strong logic and practical experience in this approach, as while every client's Goals & Objectives are different, family can have a significant impact on their affairs. We have confidence in the consistency, standard and frequency of our response in order to be of greatest value.