

# CBC's Ongoing Advice Packages for Individuals

194456v14

## How does it work?

From January 2010 **CBC Financial Advisers** moved to a **Fee for Service** pricing structure in. What this means is we do not accept any commissions on any Investment, Super, Pension or Annuity account we may recommend to you. Any commissions (if applicable) on these products are rebated back to your account. A separate 'Ongoing adviser Fee' is charged for the ongoing services we provide.

Once you have received **initial advice** from us in the form of a '**Statement of Advice**', you are able to **select the level of ongoing advice that you wish to receive**. These packages have been separated so you can be clear on what you are paying in respect of each particular service we offer.

## What are our Packages?

**Service Package 1** is a full service package in which we provide ongoing **comprehensive advice on your portfolio and investment options PLUS ongoing advice and reviews of your personal circumstances and goals and objectives** (i.e. **both options** below). Essentially help, advice & assistance all year round on anything that relates to your financial life.

**Service Package 2** is where you would like to **limit our ongoing advice to the Investment portfolio** we originally tailored for you. CBC will review the quality of the underlying investment options and also review your strategic asset allocation utilising the latest research, plus implement any changes if/when required.

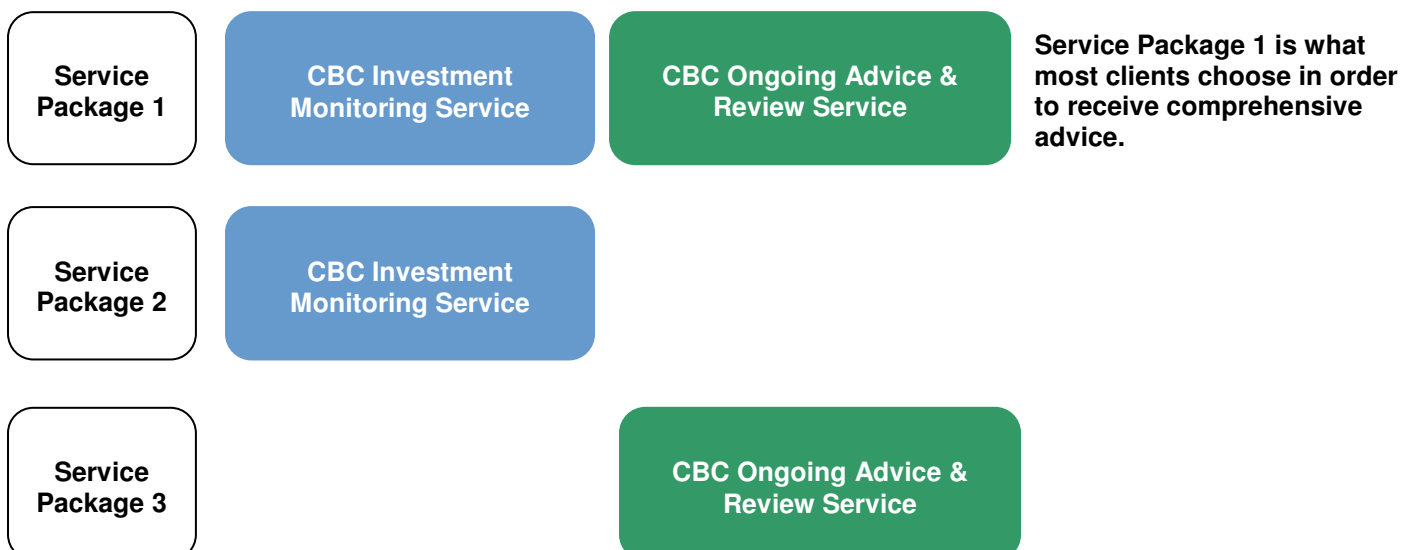
**Service Package 3** is where you would like to **limit your ongoing advice to reviews of your personal circumstances** only (the goals and objectives that were part of your original plan), including assistance with areas such as saving strategies, cash-flow management, the Government Co-Contribution, financial modelling, technical and legislative changes and how they affect you, plus your own personal retirement planning needs and questions such as 'can I afford to retire' and 'can I/should I do this'?

**Most of our clients select Service Package 1** as they realise it is just as important for CBC to review their personal circumstances as well as for CBC to provide them with regular reviews on the performance and suitability of their actual investments or superannuation. This is because leaving out even just a small part of your overall circumstances from the scope of our ongoing advice can affect the outcome of our original advice to you. Service Package 1 provides you with peace of mind in all financial matters and puts us in the role of your full time financial coach, project manager and also investment & technical Adviser.

Remember that your investment portfolio may be performing above average but things change over time and if your investments are not held in the correct tax structure (for example) this outperformance may not ultimately give you the best outcome. A simple legislative change may also change the direction your original plan is headed. This is where our Ongoing Advice & Review Service adds substantial value to you.

You have the opportunity to take up either of the packages at any time depending on your ongoing needs.

**Please turn over for full details of what each package includes. Our Ongoing Advice Package fees may also be tax deductible (depending on how they are paid).**



## CBC Investment Monitoring Service (IMS)

We will formally review your portfolio\* on an annual, bi-annual or quarterly basis to ensure that:

- The quality of your underlying investment options are constructed for long-term consistent performance with well diversified funds to ensure a robust and continually tailored portfolio
- Your underlying investment options remain highly rated by our research house – Lonsec\*\*
- Your asset Allocation remains in line with your stated risk profile and stated investment timeframe

\*managed funds and in some cases direct shares \*\*note that Lonsec and Count Research do not conduct their reviews on any set dates. The timing of any recommended change will depend on the frequency of review and may not be when an actual research rating change is made. However if a 'Sell' rating occurs our recommended changes will be put to you within 1 month of the research change.

When recommending a change to your portfolio, we will:

- Outline the reasons for the recommendation
- Inform you of any tax or transactional costs
- Organise the required paperwork
- Implement all the changes

In addition to this, we will provide the following to you with our recommendations:

- Fund Performance Information – this gives you performance data and other fund information
- An 'Economic Update' – this gives you market developments plus a future outlook
- A 'Count Report' – provides topical reading and case studies within the Financial Planning Industry

Finally, as part of this service you will also have:

- Access during business hours to CBC's Financial Planning Team for any queries that relate to your portfolio and general enquiries on any issues and topics that do not relate to your actual portfolio

### Advice Fee

A maximum of 1.10% p.a. of your average monthly portfolio balance (including GST) paid monthly.

The actual fee is dependent on the review frequency and complexity of the portfolio

## CBC Ongoing Advice & Review Service (OARS)

We will provide you with year-round advice to ensure that you are on track to meet your own personal financial goals and objectives as set out in your initial Financial Plan (Statement of Advice).

CBC's Ongoing Advice & Review Service is designed to ensure you have financial 'Peace of Mind'.

This means that you have confidence in your full financial affairs moving forward, plus the security of knowing that someone expert is taking care of your needs. In short, you know all your financial needs are covered and that there is always someone available to advise you not only what to do, but in many cases what not to do when it comes to financial decision making – a financial 'Coach' & 'Project Manager' put another way.

This service is ultimately designed to ensure you meet your financial objectives (such as a comfortable retirement for example), so it incorporates an annual review in which we discuss your current situation and determine whether there have been any significant changes since our last advice to you.

CBC's Ongoing Advice & Review Service includes the following services:

- An annual review where we revisit your personal financial goals & objectives
- Provision of further advice and recommendations for any changes that are required to continue to meet these goals and objectives into the future
- Unlimited phone contact with our Advisers (during business hours)
- Access to our in-house Technical Specialists in regard to any financial issues
- Assistance with miscellaneous paperwork e.g. Centrelink or employer related issues etc
- Access to our Estate Planning partners for on assistance re: Wills, Trusts, Powers of Attorney etc

The following service will incur an additional one-off fixed fee:

- Preparation of an additional 'Statement of Advice' (where there have been significant changes to your financial position or circumstances and a more detailed written review is required). We will explain why and this fee will be quoted to you prior to the commencement of any work.

### Advice Fee

A minimum annual flat fee of \$1,650\* (including GST) and can be paid monthly (\$137 pm)

\*Additional work if required (depending on the services provided) will be quoted as a fixed fee

## CBC One-Off Assistance

This service includes work such as supplementary services (outside of any agreement between you and CBC or the services listed above), such as research or comparison studies. Our fee will be calculated on a time basis. You will be advised of the hours required for your particular needs prior to the commencement of work. Our minimum one-off fee is \$550 (inclusive of GST)

\$275 per hour (including GST)