

Financial Services Guide (FSG - Nov 2018)

Purpose of this guide

This guide is designed to assist you in deciding whether to use our financial services and contains important information on:

- Who we are and what we do
- What services and types of products we are authorised to offer to you
- How we and our representatives (Advisers) are paid
- Any potential conflict of interest
- Our dispute resolution procedures

Who we are and what we do

We are a boutique business providing proactive financial advice for those looking to plan astutely to achieve financial independence. Much of our advice focuses on utilising the superannuation system to tax effectively accumulate assets and invest wisely to provide income in retirement.

Using our extensive skills and experience we thoroughly address a client's unique circumstances and create a tailor-made strategy to enable them to reach their goal. Importance is placed on flexibility and control so that the plan can be adapted as things change to maintain desired outcome.

We take pride in clearly communicating with our clients. This removes any uncertainty and leads to sensible, informed, decision-making that achieves satisfactory results which have formed the basis of rewarding relationships we have enjoyed over many years. We are also committed to providing ongoing service that is personalised and prompt.

We are 100% privately owned and hold our own Australian Financial Services License.

The services and types of products we are authorised to offer you

We are authorised to carry on a financial services business to provide financial product advice on and deal (transact) in the following classes of financial products:

- Basic deposit products
- Life insurance (investment & risk) products
- Managed investments schemes; including investor directed portfolio services (IDPS)
- Retirement savings accounts
- Securities
- Standard margin lending facilities
- Superannuation

Responsibility for advice given

Tonglee Financial Services Pty Ltd authorises its representatives (Advisers) to give advice and is responsible for the advice you receive.

Your Advisers are Craig Mellors and Ray Tonglee.

Statements of advice (SOA)

Before we provide you with specific (not general) advice we need to collect certain information in order to have a reasonable basis for making recommendations.

We require information such as your personal circumstances, financial situation, investment objectives and other relevant details that might reasonably be expected to be capable of influencing our advice. Whilst you are not obliged to provide us with this information, choosing not to do so may result in the advice you receive being inappropriate or unsuitable for your situation.

We will then prepare a tailored SOA which we will give you. This document sets out the basis and scope of our advice, our particular strategy and investment recommendations to enable you to achieve your objectives and details on fees.

Product disclosure statement (PDS) and research

When we recommend a particular product we will give you a PDS issued by the product provider and a research report prepared by an external research provider. These documents contain important information to enable you to make an informed decision about whether to acquire that product.

Investment risk

All investments have varying degrees of risk and varying rates of return. With most investments, the higher the expected return, the higher the level of risk. We will explain the risks involved in adopting the particular strategies and products we recommend to you.

Please note that we do not guarantee the performance of any investments we recommend or the return of capital. Also, forecast returns are not guaranteed and past performance is not a reliable indicator of future performance.

Protecting your privacy

We keep a record of your personal details including recommendations made to you on file. This information will remain confidential at all times.

Giving us instructions

You can give us instructions by using any of our contact details shown on this FSG (i.e. letter, email or verbally).

How we and our representatives (Advisers) are paid

Our fee structure is very simple and transparent and is discussed at our initial meeting and also set out in our SOA. We will give you an estimate before beginning any work.

We charge two types of fees by invoice; an initial advice fee (once only) and an ongoing review service fee (annually).

Our initial advice fee covers the work involved in analysing your situation, formulating a strategy and making recommendations which will be presented in a detailed SOA. It will also include implementation of our recommendations if you decide to proceed. The cost is usually set at a flat rate of \$2,420 (incl GST) however, in some instances we may charge a higher fee to cover extra work required for more complex issues. Please note that the initial advice fee will be due even if you decide not to go ahead.

Our review service fee covers ongoing contact, advice and service and includes active management, monitoring and administration of your portfolio and regular reporting on your investments. It is based on a percentage of the value of your portfolio at the commencement of each annual review period and is charged in advance. The review service fee may be claimed as a tax deduction in certain situations. Our review fee scale (incl GST) is shown below:

0	- \$1,000,000	0.66 % pa + \$1,100
\$1,000,001	- \$2,000,000	0.55 % pa
\$2,000,001	and above	0.275% pa

In limited circumstances we could receive commission from some older products you may already own.

There may be some clients who require advice but not ongoing service and in these situations our fee may be based on either a flat rate, a percentage of the value of your portfolio or an hourly rate. We will give you an idea of costs before commencing work.

Our terms are net 7 days.

Review service (ongoing contact, advice and service)

It is important that we review your progress on an ongoing basis. This is to ensure that as changes occur in the economy, financial markets, legislation and tax, adjustments can be made to enable your financial plan to stay on track and to benefit from new conditions and take advantage of new opportunities. The review cycle is six monthly; Half Yearly + Annual. Our review service provides (at least) the following:

- Access to your Adviser either in person or by other means. We are available to answer your questions and attend to issues regarding your plan and investment activities.
- Active management, monitoring and administration of your portfolio.
- Regular reviews; Half Yearly + Annual. These include detailed discussion of your strategy and comprehensive reporting on the performance of your investments and any changes we recommend.
- Information on new strategic and investment opportunities that may be appropriate.

You will be asked to sign a "Review Service Agreement" which shows the services we will provide and the fees you will be charged (above). Please note that cancellation must be provided in writing and that refunds will not be given.

Any potential conflict of interest

We are not aligned with any financial institutions or product providers and have no relationships or associations with any other organisations that could be expected to influence our advice.

Our dispute resolution procedures

We take complaints very seriously. If you have a complaint you should speak to your Adviser. If your complaint has not been resolved you should write to:

Tonglee Financial Services Pty Ltd
PO Box 331
KENT TOWN SA 5071
ray@tongleemellors.com.au

We have 45 days to deal with your complaint.

If you are still dissatisfied you may refer the matter to the external dispute resolution body. We are a member of the Australian Financial Complaints Authority (AFCA). They can be contacted at:

AFCA
GPO Box 3
MELBOURNE VIC 3001
1300 565562
www.afca.org.au
info@afca.org.au

Free first appointment

We extend an invitation to potential new clients by offering a complimentary initial meeting to discuss your situation and determine whether we can be of service.

Referrals

If you are happy with our service and think we may also be able to help other people you know we would be grateful if you would recommend us to them.