

Financial Services Guide Part1

1 February 2022

Version 21

A guide to our relationship with you and others

This Financial Services Guide (“Guide”) is intended to inform you of certain basic matters relating to our relationship, prior to us providing you with a financial service.

This Guide contains important information about:

- who we are;
- how we can be contacted;
- what services we are authorised to provide to you;
- how we (and any other relevant parties) are remunerated;
- details of any potential conflicts of interest; and
- details of our internal and external complaint procedures, along with how you can access them.
- Privacy (i.e. collection and handling of your personal information)

It is designed to assist you in deciding whether or not to use any of the services offered in the Guide and also contains information about remuneration paid in relation to the services offered together with information on what to do if you have a complaint about our services.

Our aim is to make you feel totally at ease with the services we offer. In doing so we are providing you with this easy-to-understand Guide, designed to help you understand the financial services we are able to provide and also to answer frequently asked questions. If you would like more information or clarification, please don't hesitate to contact your adviser.

The financial services that you receive from Paragem are provided by our Authorised Representatives (advisers). Information about your adviser, including the services that can be provided, the costs to you for those services and the representative's remuneration, is included in Part 2 of the Guide.

This document is Part 1 of our Guide and should be read in conjunction with 'Part 2 – Authorised Representative Profile', which will be given to you with this Guide. The two parts make up the Guide and the distribution of them has been approved by Paragem Pty Ltd

If we give you personal financial advice we will provide you with a Statement of Advice. To make sure that advice is appropriate to you we must make reasonable enquiries about your current financial situation and future needs.

In the Statement of Advice we will tell you about:

- our fees and commissions
- any associations we have with Financial Product Issuers or other parties which may have influenced the advice we give you.

If we provide further personal advice to you after we have issued an initial Statement of Advice and your circumstances have not significantly changed, we may provide the advice to you orally. We will also tell you about any fees or commissions and any associations with Financial Product Issuers or others who may have influenced that advice. We will record these details in a Record of Advice and keep this for seven years after providing the advice to you and you can request a copy of that Record from your adviser.

If we recommend to you a particular Financial Product we will give you information about the particular Financial Product – a Product Disclosure Statement – to help you make an informed decision about the Financial Product.

Why we are not Independent

Paragem is part of Diverger Limited (Diverger) group of companies. Due to Paragem's receipt of insurance commissions, where insurance policies are placed with various insurance companies and HUB24 Limited (a provider of investment administration platform and technology services) being a material shareholder of Diverger, Paragem Pty Ltd is restricted from referring to ourselves as independent, impartial or unbiased.

Who is Paragem?

Paragem Pty Limited is a financial services business dedicated to providing you with financial consulting services and strategies suited for your personal circumstances and individual needs. We hold an Australian Financial Services Licence (AFSL) that authorises us to operate a financial services business and provide you with financial advice and services. Paragem's AFSL number with ASIC is 297276.

Paragem is distinguished by our commitment to personal service. Whether you've previously received financial advice or not, we can help you develop solutions tailored to your circumstances.

In today's competitive environment business relationships are founded on professionalism, integrity and exceptional client service. These are also the principles upon which our business is founded. In our dealings with clients, as advisers we aim at all times to be professional, honest and fair, and to provide excellent service.

Who is my adviser?

Information about your adviser is detailed in Part 2 (Authorised Representative Profile) of this Guide.

Who is responsible for the advice I receive?

Paragem is responsible for the advice and financial services provided to you, including the distribution of this Guide.

What financial services are you authorised to provide me and what Financial Product/s do those services relate to?

Paragem's AFSL authorises it to provide advice and deal in the following products:

- Deposit products (cash and Term Deposits)
- Debentures, stock and bonds issued by a government
- Life Insurance risk and investment products
- Managed Investment Schemes, including IDPS
- Retirement Savings Accounts
- Securities (shares)
- Standard Margin Lending Facilities
- Superannuation, including Self Managed Superannuation Funds

We can restrict the services or products that an adviser may provide on our behalf. Part 2 of this Guide will include your adviser's authorisations.

Will the advice I receive be appropriate for my personal circumstances?

In order for us to provide personalised advice you need to provide us with a list of your personal objectives, details of your current financial situation and any relevant information, so that we can offer you the most appropriate advice possible.

You have the right not to tell us, if you do not wish to. However, if you do not, we may not be able to provide you with personal advice or the advice you receive may not be appropriate to your needs, objectives and financial situation.

You should read the warnings contained in the Statement of Advice or listen to any oral warnings carefully before making any decision relating to a Financial Product/s.

Do you have any relationships or associations with Financial Product issuers which could influence your advice?

Paragem is a wholly owned subsidiary of Diverger Limited, an ASX listed company that provides services to financial advisers and accountants in the areas of licensing, training, education and client engagement. Diverger Limited has a material shareholder, HUB24 Limited, which offers a leading investment administration and reporting platform to the Australian marketplace.

Paragem was previously owned by HUB24 and as such if you use the HUB24 platform, some of Paragem's employees and representatives (our advisers) may benefit financially by virtue of being shareholders in the company. This will be disclosed to you in Part 2 of the Financial Services Guide which outlines the specific information relating to your financial adviser and the Statement of Advice if you wish to receive advice.

Our advisers are obliged to always act in a client's best interests and will only recommend the use of the HUB24 platform if it is appropriate to do. We also continue to use other platforms to implement our investment advice and you are free to request your adviser use an alternative platform if you would prefer.

What should I know about any risks associated with the solutions recommended?

Your adviser will explain any significant risks associated with recommended solutions, as well as the risks associated with not acting on the recommended solutions. If they do not, you should ask them to explain the risks to you.

The Statement of Advice, Record of Advice and/or Product Disclosure Statement will contain important information in this regard.

What information do you maintain in my file and can I examine my file?

Your adviser will maintain a record of your personal profile including details of your objectives, financial situation and needs. They also maintain records of any recommendations made to you.

Should you wish to examine these items please contact your adviser and they will make all necessary arrangements to provide you with relevant information.

Your privacy

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

Your privacy is important to us. In general, we collect and verify information about you (and where applicable, persons acting on your behalf) to manage our relationship with you, to ensure that we provide the products and services most appropriate to your needs and to make certain that we comply with our legal obligations.

The information required to be collected and verified by us depends on who you are and the nature of the service to be provided by us. If you fail to provide us with the required information, or if you provide us with incomplete or inaccurate information, we may not be able to provide you with the products or services you are seeking within the time periods contemplated.

Information acquired by us in the course of providing our services may be provided to external service providers (in Australia or overseas), product and platform providers, auditors, taxation and legal advisers, and information technology consultants. If you do not agree to the transfer of your personal information outside Australia, please contact us. We may also use your information to comply with legislative or regulatory requirements in any jurisdiction.

If you think any of the details that we hold are incorrect or out of date, please contact us to correct this. You can always access the personal information held about you by contacting us.

Our privacy policy can be reviewed on our website at paragem.com.au

How do I have to give you instructions about my Financial Product/s?

You need to give us instructions in writing (eg. letter or e-mail) or another method as agreed by us.

Do you have compensation arrangements in place?

Paragem holds appropriate compensation arrangements under the Corporations Act in the form of Professional Indemnity Insurance which includes services provided by both current and former Representatives.

How will I pay for the services provided?

Operating a financial services business involves substantial costs and correctly priced fees assist us to afford the appropriate infrastructure, personnel and systems required to provide you with quality advice. We have an open and honest fee structure, which allows you to choose the payment option that suits you.

Paragem and your adviser are remunerated for the services you receive by the following methods:

- fee for service (means any of the following: a fee for providing a Statement of Advice, a management fee, an ongoing advice or services fee, or any fee that you will pay for the service);
- receipt of commissions from insurance providers
- a combination of any of the above.

We recommend you pay a 'fee for service' which is based on the breadth and complexity of the advice and ongoing management of your affairs. Your adviser will discuss with you what remuneration structure is appropriate.

Fees are paid by you directly and are based on your adviser's fee scale. However, in the case of investment IDPS platforms or wrap accounts the fee agreed on by your adviser and you may be deducted from your investment account on a monthly basis.

Commissions are paid to us by Insurance Providers. The commissions may be initial (upfront) and ongoing or ongoing only. Your adviser will tell you what commissions will be received.

We can only continue to receive commissions for insurance products. No commissions can be paid for investment or superannuation investment products.

In the case of Life Insurance risk products we receive a commission based on the amount of premium you pay each year, which is determined by, among other things, the amount of insurance you take out.

If you receive personal advice from us, we will tell you about any fees, commissions and any other benefits, where possible in actual dollar amounts, in the Statement of Advice. or orally when providing further advice to you. Your adviser will give you this Statement of Advice or Record of Advice, before we proceed to act on your instructions.

Where Time Critical Advice is given (where you instruct that the transaction takes place before the Statement of Advice is given to you) we will advise of the fees, commissions and any other benefits applicable and these will be restated in our Statement of Advice to you.

How are any fees, commissions or other benefits calculated for providing the financial services?

Our advisers are permitted to set their own fees. The amount of commission they will receive from Insurance providers are determined by the law.

The fees charged and any commissions received by your adviser are contained in Part 2 of this Guide.

Details of fees, commissions, or other benefits that we are entitled to receive in relation to a specific financial product recommendation will be disclosed to you in dollar and percentage terms in an advice document. In circumstances where an amount or percentage is not known at the time of providing advice, an estimate will be provided. Your Adviser will be able to explain how fees have been calculated.

If you elect to receive ongoing advice services from your Adviser, fees are applied based on the desired frequency of contact with your Adviser and the complexity of your circumstances. These fees may be a fixed dollar amount or an asset-based fee or a combination of the two. Asset-based fees will generally not exceed 1.1% per annum (inclusive of GST) of the total value of your portfolio.

The fee rate ranges may vary, depending on the complexity and nature of the work undertaken and type of advice provided. In some circumstances due to the complexity of the advice being sought, a fee may be charged that falls outside of this range.

All fees and commissions generated by your adviser are paid to Paragem. Paragem will pass up to 100% of those fees onto your Adviser.

Do you have any special remuneration arrangements or conflicts of interest?

Ownership

Whilst there are no special remuneration arrangements it is important to recognise that Paragem is a wholly owned subsidiary of Diverger Limited as mentioned previously in this FSG.

Diverger Limited has a material shareholder in HUB24 Limited. HUB24 Limited offers a leading investment administration and reporting platform to the Australian marketplace and is one of many platforms on the Approved Product List. By nature of this shareholding there may be appear to be a conflict of interest.

Our advice will always be in your best interest so any advice to utilise the HUB24 platform will meet this standard. However, we also continue to use other platforms to implement our investment advice and you are free to request your adviser use the next best alternative platform if you would prefer.

Paragem was previously owned by HUB24 as such if you use the HUB24 platform, some of Paragem's employees and representatives (our advisers) may benefit financially by virtue of being shareholders in the company.

An outline of any such arrangements will be included in Part 2 of the Guide, with more detailed information provided when you receive the advice.

Will anyone be paid for referring me to you?

Where you are referred to us or our adviser by another person, that person may be paid a fee, commission or benefit in relation to that referral. Under the Financial Planners and Advisers Code of Ethics your Adviser is not permitted to directly receive any referral fees for acting on your behalf. Referral fees may, however, be paid to your Adviser's employer, or Paragem. Part 2 of this Guide will disclose if any such payments are made.

What should I do if I have a complaint?

If you have any complaints about the service provided to you, you should take the following steps:

1. Contact your adviser and tell them about your complaint.
2. If your adviser has not satisfactorily resolved your complaint within 5 days, please contact the Responsible Manager on (02) 8036 6490 or put your complaint in writing and send it to:

Complaints Manager
Diverger
GPO Box 4463
Sydney NSW 2001
complaints@diverger.com.au

Once you have contacted Diverger, we will begin the process of investigating and resolving your complaint. We will endeavour to resolve your complaint quickly and fairly, generally within 5 business days. However, some complaints do take more time than others. We expect to resolve all complaints within 30 days.

What if the complaint is not resolved?

If the complaint can't be resolved to your satisfaction within 30 calendar days, you have the right to refer the matter to:

Australian Financial Complaints Authority (AFCA):

Online:	afca.org.au
Email:	info@afca.org.au
Phone:	1800 931 678
Mail:	Australian Financial Services Complaints Authority GPO Box 3 Melbourne VIC 3001

Contact us

If you have any further questions about the financial services Paragem provides, please contact our head office or your adviser. Please retain this document for your reference and any future dealings with Paragem.

Online:	paragem.com.au
Email:	info@paragem.com.au
Phone:	02 8036 6490
Mail:	GPO Box 4463 Sydney NSW 2001 Level 7, 115 Pitt Street Sydney NSW 2000



Paragem Pty Ltd | AFSL 297 276 | ABN 16 108 571 875

Level 7, 115 Pitt Street, Sydney NSW 2000

E. info@paragem.com.au T. 02 8026 6490 F. 1300 781 689

GPO Box 4463 Sydney NSW 2001

www.paragem.com.au

Privacy Collection Statement

This Privacy Collection Statement is for clients of Paragem Pty Ltd (ABN 16 108 571 875 AFSL; 297276 (Paragem)); Email info@paragem.com.au; Website: <https://www.paragem.com.au/privacy-disclaimer/>

We collect and verify personal information about you (and where applicable, persons acting on your behalf) to manage our relationship with you, to ensure that we provide the products and services most appropriate to your needs and to make certain that we comply with our legal obligations under the Privacy Act 1988 (Cth) and under the Corporations Act 2001 (Cth). This Privacy Collection Notice forms part of our Privacy Policy, and together they form our notice for collecting personal information under Australian Privacy Principle 5.

The information required to be collected and verified by us depends on who you are and the nature of the service to be provided by us. If you fail to provide us with the required information, or if you provide us with incomplete, or inaccurate information we may not be able to provide you with the products or services you are seeking within the time periods contemplated. For a complete list of the information, we may collect and verify please see our Privacy Policy.

If you elect not to provide us with the personal information you may be exposed to higher risks in respect of the recommendations made to you and this may affect the adequacy or appropriateness of advice given to you. Alternatively, we may elect to terminate our relationship with you if we believe we are unable to provide you with adequate service.

Personal information acquired by us while providing our services may be provided to external service providers, product and platform providers, auditors, taxation and legal advisers and information technology consultants. Otherwise, your personal information will not be disclosed unless:

1. Australian law requires us to; or
2. you authorise us to disclose it to a 3rd Party on your behalf, e.g. your tax adviser.

Some of the entities that we share information with may be in, or have operations in, other countries. This means that your information might be stored or accessed in overseas countries, including but not limited to New Zealand, Sri Lanka, Singapore, United Kingdom, Philippines, India and the United States of America. Details of the countries we disclose to you may change from time to time. You can contact us for further details regarding where we may send your personal information.

Personal information may also be processed by staff or by other third parties operating outside Australia who work for us or for one of our suppliers, agents, partners, or related companies.

When we send information overseas, we will take reasonable steps to ensure that overseas providers do not breach the Privacy Act and that any third parties are subject to a similar level of protection or similar obligations that are offered by the Privacy Act. If you do not agree to the transfer of your personal information outside Australia, please contact us.

Some of our financial advisers may enter their own outsourcing arrangements to countries other than those detailed above. Those arrangements will be disclosed separately by the financial adviser to their clients.

If you think any of the details that we hold are incorrect or out of date, please contact us to correct this. You can always access the personal information held about you by contacting us.

A copy of our Privacy Policy is on our website. Otherwise, if you contact us, we can send you a copy.



Financial Services Guide

01/11/2023

Version 1

Part 2

This document is part of a Financial Services Guide ("Guide") and should be read in conjunction with Part 1 (A Guide to Our Relationship with You and Others) **version 21, dated 1 February 2022.**

This section is designed to provide you with enough information to decide whether to obtain financial advice (or any other financial service) from us. It's an important document that will introduce your adviser, Nicholas Schuster (Nick), and provide you with the information you need to consider before you engage us to provide you with advice or services.

This document complements Part 1 that provided information about our Licensee and the types of documents – Statements of Advice, Records of Advice and Product Disclosure Statements – that you will receive if we provide you with personal advice. Part 1 also explained how you can provide information to us, our compensation arrangements and who to contact if you want to provide feedback or complain about our advice or services.

We've tried to be as clear and direct as possible but if you have any questions, we're happy to answer them.

Authorised Representative Profile

Your adviser is Nicholas Schuster (Nick), an Authorised Representative of Paragem.

Nick Schuster's ASIC Authorised Representative number is 333303.

Qualifications

Nick has been working in the financial services industry since 2009 and in accounting and taxation services since 1999. Nick has extensive experience and knowledge in advice and administration for self managed superannuation funds, retirement planning, investment advice and personal insurance.

Bachelor of Arts – Accountancy
Graduate Certificate in Financial Planning
Graduate Diploma of Applied Finance

Nick Schuster's employer is Vector Wealth Pty Ltd, which is a Corporate Authorised Representative (CAR no. 1251405) of Paragem.

Phone: 08 8166 1389
Email: admin@vectorwealth.com.au
Office address: 23 Gawler Street, Nuriootpa SA 5355
Postal address: PO Box 218, Nuriootpa SA 5355

Nick Schuster is authorised by Paragem to advise and deal in the following financial products:

- Deposit products (cash and Term Deposits)
- Debentures, stock and bonds issued by a government
- Life Insurance risk products
- Life Insurance investment products
- Managed Investment Schemes (Unit Trusts)
- Securities (shares)
- Superannuation
- Retirement Savings Accounts
- Self-managed Superannuation Funds
- Standard Margin Lending Facility
- Direct Equities

Nick Schuster is not authorised to recommend any strategy that involves an agricultural scheme investment, a specific direct property, derivatives and unregistered managed investment schemes.

Remuneration

Financial advice has value, but it also involves fees and charges. We are committed to transparency because we believe it's important that you're able to make an informed decision about our advice and its benefits. You may pay a fee for a service, and we may also receive commissions from product issuers, if you engage us to provide advice, implement our recommendations or act on your instructions. Rest assured that the relevant costs or fees will be discussed with you by your adviser before any services are provided.

Paragem will pay Vector Wealth 100% of the fees and/or commissions detailed in this schedule. Paragem will charge Vector Wealth for licensee services and is not linked to client revenue.

Nick Schuster is a director of Vector Wealth and is remunerated by salary and bonus/dividends from Vector Wealth.

Employees may receive a performance bonus from Vector Wealth, determined by a balanced scorecard which includes reference to client feedback, effectiveness, their provision of ongoing service and various compliance measures. There is no remuneration, or rewards, for recommending particular products or strategies.

Advice Fees

These fees should be used as a guide only. We will discuss your individual needs and agree our fees with you before we provide advice. The actual agreed fees will depend on the complexity of your circumstances, goals and needs and the scope of advice we provide. Our fees are set out below:

Advice Preparation/Statement of Advice and Implementation Fees: These are the fees you pay when you have agreed to receive our advice and will be between \$3,850.00 and \$5,500.00, inclusive of GST, depending on complexity and scope of advice.

Ongoing Advice Fees /

These are the fees you pay when you agree to receive our ongoing advice, and will be between \$1,700.00 pa and \$13,200.00 pa, inclusive of GST. Our ongoing services will be agreed with you in an ongoing services agreement.

Commissions

Insurance Products

Commissions can be received for life insurance products with the exception of life insurance implemented after 1 July 2014 for a member in a default superannuation or a group life policy in a superannuation fund.

There will be a 100% clawback of commission where the life insurance policy is cancelled, not continued or the policy cost is reduced in the first year and 60% clawback of commission in the second year.

If you choose to pay fee for service, we can rebate to you part or all of the commission we would otherwise receive for insurance arrangements.

In the interests of transparency, please understand that I will receive an upfront commission from the product issuer if you decide to buy a life risk insurance product I recommend to you. Commissions, whether up-front or ongoing, are paid to us by the Insurer.

I will receive an upfront commission of between 0% and 66% of the first year's annual premium, and then an annual ongoing commission of between 0% and 22% of the annual premium.

For example, for an insurance product with an annual premium of \$2,000, where the issuer pays me an upfront commission of 66%, I will receive \$1,320. The issuer will pay me 22% of the annual premium as ongoing commission for as long as you hold the product. Assuming an annual premium of \$2,000, this equates to \$440 per year.

Potential Conflicts of Interest

Ownership

Paragem is a wholly owned subsidiary of Diverger Limited, an ASX listed company that provides services to financial advisers and accountants in the areas of licensing, training, education and client engagement. Diverger Limited has a material shareholder, HUB24 Limited, which offers a leading investment administration and reporting platform to the Australian marketplace.

Paragem was previously owned by HUB24 as such if you use the HUB24 platform, some of Paragem's employees and representatives (our advisers) may benefit financially by virtue of being shareholders in the company. This will be disclosed to you below and in

the Statement of Advice if you wish to receive advice, where applicable.

We are obliged to always act in a client's best interests and will only recommend the use of the HUB24 platform if it is appropriate to do. We also continue to use other platforms to implement our investment advice and you are free to request your adviser use an alternative platform if you would prefer.

Associations

Nick Schuster is a Director / Shareholder of Barossa Accounting & Tax and has an indirect ownership in Equity Flare Accountants & Business Advisors. These businesses provide Accounting / SMSF Administration / Tax Advice services and may therefore benefit from you using their services. We will only recommend you use these services where we believe it is in your best interest to do so, and with your agreement.

Referral Payments

Vector Wealth Pty Ltd may have referral arrangements with other professional service providers. If a client is referred to us, we may pay the referrer a fee or other benefit. We will record the details of any referral fees in the Statement of Advice we prepare for you. If we refer a client to another service provider they may pay us a referrer fee. We will only refer you to third party professionals, where we believe it is in your best interest to do so.

All fees and commissions are paid to Vector Wealth Pty Ltd.



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01/11/2023

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Part 2

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This section is designed to provide you with enough information to decide whether to obtain financial advice (or any other financial service) from us. It's an important document that will introduce your adviser, Alan Birchard, and provide you with the information you need to consider before you engage us to provide you with advice or services.

This document complements Part 1 that provided information about our Licensee and the types of documents – Statements of Advice, Records of Advice and Product Disclosure Statements – that you will receive if we provide you with personal advice. Part 1 also explained how you can provide information to us, our compensation arrangements and who to contact if you want to provide feedback or complain about our advice or services.

We've tried to be as clear and direct as possible but if you have any questions, we're happy to answer them.

Authorised Representative Profile

Your adviser is Alan Birchard (Alan), an Authorised Representative of Paragem.

Alan Birchard's ASIC Authorised Representative number is 239341.

Qualifications

Alan has been an adviser in financial services since 2003. Alan has extensive experience and knowledge in advice for superannuation, retirement planning, investment advice and personal insurance.

Graduate Diploma of Financial Planning
Accredited Aged Care Professional

Alan Birchard's employer is Vector Wealth Pty Ltd, which is a Corporate Authorised Representative (CAR no. 1251405) of Paragem.

Phone: 08 8166 1389
Email: admin@vectorwealth.com.au
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Alan Birchard is not authorised to recommend any strategy that involves an agricultural scheme investment, a specific direct property, derivatives and unregistered managed investment schemes.

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There will be a 100% clawback of commission where the life insurance policy is cancelled, not continued or the policy cost is reduced in the first year and 60% clawback of commission in the second year.

If you choose to pay fee for service, we can rebate to you part or all of the commission we would otherwise receive for insurance arrangements.

In the interests of transparency, please understand that I will receive an upfront commission from the product issuer if you decide to buy a life risk insurance product I recommend to you. Commissions, whether up-front or ongoing, are paid to us by the Insurer.

I will receive an upfront commission of between 0% and 66% of the first year's annual premium, and then an annual ongoing commission of between 0% and 22% of the annual premium.

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We've tried to be as clear and direct as possible but if you have any questions, we're happy to answer them.

Authorised Representative Profile

Your adviser is Lisa Redmon (Lisa), an Authorised Representative of Paragem.

Lisa Redmon's ASIC Authorised Representative number is 1269855.

Qualifications

Lisa has been working in the financial services industry since 2016. She specialises in providing comprehensive financial advice and money coaching to all clients to help them create a life they love.

Bachelor of International Business Finance & Trade, Finance & Economics
Bachelor of Business (Honours)
Graduate Diploma in Applied Economics
Diploma in Financial Planning
Certificate of Completion in DFP5v5 Tax for Financial Planning
Accredited Listed Product Adviser Program
Member of the Financial Advice Association (FAAA)

Lisa Redmon's employer is Vector Wealth Pty Ltd, which is a Corporate Authorised Representative (CAR no. 1251405) of Paragem.

Phone: 08 8166 1389

Email: admin@vectorwealth.com.au

Office address: 23 Gawler Street, Nuriootpa SA 5355

Postal address: PO Box 218, Nuriootpa SA 5355

Lisa Redmon is authorised by Paragem to advise and deal in the following financial products:

- Deposit products (cash and Term Deposits)
- Debentures, stock and bonds issued by a government
- Life Insurance risk products
- Life Insurance investment products
- Managed Investment Schemes (Unit Trusts)
- Securities (shares)
- Superannuation
- Retirement Savings Accounts
- Self-managed Superannuation Funds
- Direct Equities

Lisa Redmon is not authorised to recommend any strategy that involves an agricultural scheme investment, a specific direct property, derivatives and unregistered managed investment schemes.

Remuneration

Financial advice has value, but it also involves fees and charges. We are committed to transparency because we believe it's important that you're able to make an informed decision about our advice and its benefits. You may pay a fee for a service, and we may also receive commissions from product issuers, if you engage us to provide advice, implement our recommendations or act on your instructions. Rest assured that the relevant costs or fees will be discussed with you by your adviser before any services are provided.

Paragem will pay Vector Wealth 100% of the fees and/or commissions detailed in this schedule. Paragem will charge Vector Wealth for licensee services and is not linked to client revenue.

Lisa Redmon is an employee of Vector Wealth and is remunerated by salary and bonus from Vector Wealth.

Employees may receive a performance bonus from Vector Wealth, determined by a balanced scorecard which includes reference to client feedback, effectiveness, their provision of ongoing service and various compliance measures. There is no remuneration, or rewards, for recommending particular products or strategies.

Advice Fees

These fees should be used as a guide only. We will discuss your individual needs and agree our fees with you before we provide advice. The actual agreed fees will depend on the complexity of your circumstances, goals and needs and the scope of advice we provide. Our fees are set out below:

Advice Preparation/Statement of Advice and Implementation Fees: These are the fees you pay when you have agreed to receive our advice and will be between \$3,850.00 and \$5,500.00, inclusive of GST, depending on complexity and scope of advice.

Ongoing Advice Fees /

These are the fees you pay when you agree to receive our ongoing advice, and will be between \$1,700.00 pa and \$13,200.00 pa, inclusive of GST. Our ongoing services will be agreed with you in an ongoing services agreement.

Commissions

Insurance Products

Commissions can be received for life insurance products with the exception of life insurance implemented after 1 July 2014 for a member in a default superannuation or a group life policy in a superannuation fund.

There will be a 100% clawback of commission where the life insurance policy is cancelled, not continued or the policy cost is reduced in the first year and 60% clawback of commission in the second year.

If you choose to pay fee for service, we can rebate to you part or all of the commission we would otherwise receive for insurance arrangements.

In the interests of transparency, please understand that I will receive an upfront commission from the product issuer if you decide to buy a life risk insurance product I recommend to you. Commissions, whether up-front or ongoing, are paid to us by the Insurer.

I will receive an upfront commission of between 0% and 66% of the first year's annual premium, and then an annual ongoing commission of between 0% and 22% of the annual premium.

For example, for an insurance product with an annual premium of \$2,000, where the issuer pays me an upfront commission of 66%, I will receive \$1,320. The issuer will pay me 22% of the annual premium as ongoing commission for as long as you hold the product. Assuming an annual premium of \$2,000, this equates to \$440 per year.

Potential Conflicts of Interest

Ownership

Paragem is a wholly owned subsidiary of Diverger Limited, an ASX listed company that provides services to financial advisers and accountants in the areas of licensing, training, education and client engagement. Diverger Limited has a material shareholder, HUB24 Limited, which offers a leading investment administration and reporting platform to the Australian marketplace.

Paragem was previously owned by HUB24 as such if you use the HUB24 platform, some of Paragem's employees and representatives (our advisers) may benefit financially by

virtue of being shareholders in the company. This will be disclosed to you below and in the Statement of Advice if you wish to receive advice, where applicable.

We are obliged to always act in a client's best interests and will only recommend the use of the HUB24 platform if it is appropriate to do. We also continue to use other platforms to implement our investment advice and you are free to request your adviser use an alternative platform if you would prefer.

Referral Payments

Vector Wealth Pty Ltd may have referral arrangements with other professional service providers. If a client is referred to us, we may pay the referrer a fee or other benefit. We will record the details of any referral fees in the Statement of Advice we prepare for you. If we refer a client to another service provider they may pay us a referrer fee. We will only refer you to third party professionals, where we believe it is in your best interest to do so.

All fees and commissions are paid to Vector Wealth Pty Ltd.