



Financial Services Guide

The financial services referred to in this guide are offered by:

Chapeau Pty Ltd & First Choice Financial Services Group Pty Ltd T/as Mezzanine Financial

Australian Financial Services Licensee Number 240991

ABN 72 365 503 161

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Purpose of this guide:

The main purpose of this document is to ensure you are given adequate information about the financial services being offered.

It contains information about who we are, the services we offer you; how we and our associates are paid; any potential conflict of interest we may have; and our internal and external dispute resolution procedures and how you can access them.

This guide should help you decide whether to use any of the financial services we provide.

What happens when we give advice:

Our advisers will only provide advice to you after considering your individual objectives, financial strategies and needs. You should also be aware that you are entitled to receive a Statement of Advice (SoA) whenever we provide you with any advice. Your SoA will contain personal advice, the basis on which it is given and information about fees, commissions and associations that may have influenced the provision of the advice.

Before any advice strategies are implemented you must be comfortable with the recommendations provided and give us an authorisation to proceed. On an ongoing basis, a Record of Advice (RoA) will be prepared if there have been no significant changes in your personal circumstances or the basis of the advice has not significantly changed since your last Statement of Advice. You have the right to request a copy of your RoA from us at any time at no cost to you.

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.

Please retain this document for your reference and any future dealings with Mezzanine Financial.

A guide to our relationship with you and others

Who is responsible for the financial services provided?



Chapeau Pty Ltd & First Choice Financial Services Group Pty Ltd T/as Mezzanine Financial is responsible for the financial services provided and is an Australian Financial Services Licensee, Licence Number: 240991

Mezzanine Financial is member of the FPA Professional Practice Membership number: 336159.

Mezzanine Financial has adopted the FPA's Code of Ethics and rules of Professional conduct. Mezzanine Financial has approved the distribution of this FSG.

Mezzanine Financial is always seeking to offer the best possible service to their clients. They are always challenging themselves to improve. As a result, Chapeau Pty Ltd and First Choice Financial Services Group Pty Ltd t/a Mezzanine Financial has entered into an agreement with ipac securities limited (ipac) ABN 30 008 587 595, whereby ipac may purchase the shares in the business no later than 30 June 2018.

They are confident this arrangement will benefit their clients now and into the future through the additional services and support ipac is able to bring to Mezzanine Financial.

Mezzanine Financial have agreements in place for professional services with :

- ~ Macquarie Equities Limited
- ~ Aquila Super
- ~ Pro-Super Australia Pty Ltd

Mezzanine Financial is a member of the AMP Group, a leading financial solutions provider and investment manager. The following entities are also part of the AMP Group and as such are affiliated with Mezzanine Financial:

- ~ National Mutual Funds Management Limited
- ~ NMMT Limited
- ~ N.M. Superannuation Pty Limited
- ~ Multiport Pty Limited
- ~ ipac asset management limited
- ~ AMP Bank Limited
- ~ SMSF Administration Solutions Pty Ltd
- ~ AMP Capital Funds Management Limited
- ~ AMP Capital Investors Limited
- ~ AMP Superannuation Limited
- ~ AMP Life Limited
- ~ Cavendish Superannuation Pty Ltd
- ~ Australian Securities Administration Limited (ASAL)
- ~ Super IQ Pty Ltd

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



We can provide you with a tailored Statement of Advice at your request and include advice based on your financial needs, lifestyle goals and objectives.

Advice can be provided on the following financial strategies and financial products.

Financial Strategies

- Guidance on budgeting
- Savings & wealth creation strategies
- Investment planning
- Superannuation planning
- Pre-retirement planning
- Retirement planning
- Risk and insurance analysis
- Estate planning considerations
- Centrelink planning
- Super/Divorce planning
- Salary Packaging advice
- Business succession planning

Financial Products

- Cash management trusts
- Direct fixed interest
- Retail and wholesale managed investment schemes
- Direct shares
- Geared products
- Hedge funds
- Superannuation products
- Self managed super funds
- Retirement income streams
- Personal and group insurance
- Business succession insurance
- Master trust products
- Socially responsible investments
- General Insurance

We offer the Summit and North platforms which includes products issued by ipac and other companies within AMP Group, as well as external companies. Within the Summit and North platforms, you gain access to quality investments, superannuation and retirement income funds.

Advisers at Mezzanine Financial will only provide advice to you after considering your individual objectives, financial situation and needs. To implement our advice, we will only recommend investments and policies on our Approved Product List (APL). While there may be other products and services also suitable for you, we only advise and deal in products and services that have been researched. A copy of the Approved Product List can be supplied to you upon request.

What kinds of financial services are you NOT authorised to provide me and what kinds of Financial Product/s do those services relate to?



We are unable to provide advice on the following financial products:

Financial Products:

- Direct Property
- Derivatives

We may have referral arrangements in place for a financial strategy or financial product listed above. Please inform us if you wish to receive advice in either of these areas and we will be happy to refer you on to a suitably qualified representative.

It is important for you to understand that we do not endorse, recommend or are responsible for the strategies and/or products promoted by the external referral service providers.

How will I pay for the services provided?



Financial advice fees

1. Initial financial advice fee¹

The sections below outlines all the potential fees that may apply to advice you receive and products recommended by Mezzanine Financial. Not all of these charges will apply to you, it will depend on your individual circumstances. All fees are inclusive of GST.

This fee is based on the time and complexity involved in gathering information about your personal and financial needs, researching and developing the recommendations, preparing Statement of Advice and implementing the recommendations. This fee will be charged at our hourly rate of \$300 per hour and \$180 per hour for support and back office staff.

Example:

- On hourly rate basis, assume you require advice on a comprehensive range of issues. This may occupy (for example) up to 14 hours of office time for a fee of approximately \$3,500.

This fee will be agreed between you and your adviser before any advice is prepared.

2. Private Client Service fee²

(without geared portfolio)

This fee is for ongoing advice services you receive and is deducted from your investments. This will be 1.10% pa of the monthly balance of your funds under management. A minimum fee of \$1,500 pa may apply if the amount you invest is less than \$140,000.

Example:

- Assume you invest \$400,000. Your Private Client Service fee would be a maximum of \$366 per month or \$4,400 per annum.
- Assume you invest \$120,000. Your Private Client Service fee would be \$125 per month (minimum fee of \$1,500 pa).

2.1 Private Client Service fee²

(geared portfolio)

With geared portfolio such as margin lending or home equity lending is implemented, a flat on-going advice fee of up to \$5,500 p.a. over the entire non-super portion of the portfolio will apply.

Example:

- Assume you invest \$400,000 and take up a margin loan facility of additional \$100,000. Your flat ongoing advice fee on the entire geared portfolio of \$500,000 will be \$5,500 p.a.

3. Additional advice fee

A flat fee agreed with your adviser that is deducted from your account. This fee may be charged if you are not a Private Client and you request further advice. This fee may appear on your statement as 'member advice fee – additional advice' or 'client advice fee – additional advice' depending on which financial product you invest in.

4. Contribution fee

This fee may apply to investments established prior to 1 July 2010 if you are not paying a private client service fee. It is deducted from each future contribution you make into an investment and it can be up to a maximum of 5.5%. It is agreed between you and your adviser

¹ For new accounts from 1 July 2010, this may appear on your statement as 'member advice fee – initial' or 'client advice fee – initial' depending on which financial product you invest in.

² For new accounts from 1 July, this may appear on your statement as 'member advice fee' or 'client advice fee' depending on which financial product you invest in.

Investment Product fees	<p>Example: Assume you contribute \$1,000 a month into your superannuation and your agreed contribution fee is the maximum 5.5%. The amount deducted would be \$55.</p>
1. Investment management fees	<p>This fee is received by the product provider for the day-to-day management of your investments. It is calculated as a percentage of each investment in your portfolio and is included in the unit price. You should refer to relevant Product disclosure Statement which details these fees.</p>
2. Portfolio management fee	<p>This fee is received by the product provider for the day-to-day administration of your investments. It is calculated as a percentage of your total portfolio and is deducted monthly from your account. You should refer to the relevant Product disclosure Statement which details these fees.</p>
3. Guarantee fee	<p>This fee is charged through the North product where protection of the portfolio is available as an option. The fee charged will depend on the protection term and your investment strategy. You should refer to the relevant Product disclosure Statement which details these fees.</p>
4. Brokerage	<p>Mezzanine Financial does not have a shared brokerage arrangement with any broker. We will detail brokerage payable in the Statement of Advice.</p> <p><i>Brokerage – Direct Shares:</i> Brokerage is payable for the purchase and/or sale of direct shares. We have acquired the services of a broker to facilitate the purchase and sale of direct shares.</p>
5. Other fee	<p>You may incur other fees relating to your products, such as performance fees, buy/sell spreads, trustee fees, switching fees and withdrawal fees. The relevant Product Disclosure Statement details these fees. These payments are additional cost to you but are paid to Mezzanine Financial by the product provider.</p>

What payments do you receive from product providers?



Mezzanine Financial will not receive any initial or ongoing commissions on investment products for accounts established after 1 July 2010.

1. Investment products

If we have previously recommended an investment product we may receive an initial payment of up to 5.5% of the amount invested and an ongoing service fee of up to 0.80% pa of the investment amount.

Example:

Assume you invested \$20,000 in an existing product with an entry fee option. Mezzanine Financial may receive up to \$1,100 as in initial payment and \$160 pa on ongoing basis.

2. Insurance products

An insurance product may pay an initial commission of up to 130% of the premium and ongoing commission of up to 33% pa of the annual premium. From 1 January 2018, commission on new policies will be limited to 88% of the first year's premium. Commissions on policies applied for prior to 1 January 2018 and issued before 31 March 2018 will not be subject to this limit.

Example:

In 2018, if your insurance premium was \$1,000, Mezzanine Financial may receive an initial commission of up to \$880 and up to \$330 for each year that you hold the product.

3. Referral Arrangements

If you have been referred to us, we may pay the referrer a fee or we may receive a referral fee when we refer you to another service provider. This is not an additional cost to you. Any referral fee will be detailed in your Statement of Advice.

Are there any other benefits paid to you?



AMP and its related entities

We will not receive any additional benefits or participate in Value Participation Scheme (VPS) on investments with AMP Group for accounts established after 1 July 2013.

If we have previously recommended an AMP Group product, we may participate in the VPS. VPS is a cash payment based on total funds under management for AMP Group products. VPS benefits will be detailed in your Statement of Advice

Alternative Remuneration and the Public Register

In addition to salary and bonus, your adviser may receive other benefits, including product discounts, from product providers in relation to products recommended to you. Any material benefit that your adviser receives as a result of Mezzanine Financial's relationship with the provider will be outlined in your advice document and also in the Mezzanine Financial Public Register of Alternative Remuneration. A copy of this register is available to you on request.

What information should I provide to receive personalised advice?



We will complete a Client Questionnaire with you, which will record your personal objectives, lifestyle goals, details of your current financial situation and any relevant information, so that you receive the most appropriate advice.

You have the right to withhold private information, but this may compromise the effectiveness of your Statement of Advice. In that case, we will warn you about the possible consequences of us not having your full personal information and the impact on our recommendations.

You should read the warnings contained in the Client Questionnaire and Statement of Advice carefully before making any decision relating to a financial strategy or product.

How can I give you instructions about my Financial Product/s?

When you request personal advice a Statement of Advice will be presented outlining the recommendations. We will explain any significant risks of the strategies, insurance and investments that we recommend to you in your Statement of Advice. If you are unclear of the risks, do not hesitate to ask your adviser to explain the risks to you.

Once you are comfortable with the recommendations, we can assist you to implement the advice. In order to assist with the implementation, your authorisation is required by signing the 'Authority to Proceed' located in the Statement of Advice.

In any instance you can contact us directly with any instructions relating to your financial products. Contact details are located on the first page of this document.

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

We maintain a record of your personal details, objectives, and financial situation. We also maintain records of any recommendations provided to you.

If you wish to examine your file, it is available upon request.

Do you have a Privacy Policy Statement?

Your privacy is important to Mezzanine Financial. To learn more about our collection and handling of your personal information and for details on how to access our Privacy Policy please refer to the **Appendix: Privacy Collection Statement** of this Financial Services Guide.

Mezzanine Financial reserve the right to appoint another authorised representative to service you. In these circumstances we will write to you advising you of the change.

Do you have any Professional Indemnity Insurance?

Mezzanine Financial maintains Professional Indemnity insurance policies on behalf of your adviser. These policies cover advice, action and recommendations which your adviser has been authorised by Mezzanine Financial to provide you. These arrangements satisfy the requirements imposed by the Corporations Act 2001 and financial services regulations. The insurance will continue to provide such coverage for any adviser who is no longer authorised by Mezzanine Financial.

What should I do if I have a complaint?



If you have any complaints about the services provided to you or about personal information held you should take the following steps:

1. Contact your adviser and we'll try to resolve your complaint quickly and fairly.
2. If your complaint is not satisfactorily resolved within 3 days, please contact our Mezzanine Financial office on (02) 6257 7606 or put your complaint in writing and send it to us at PO Box 3686 MANUKA ACT 2603. We will try to resolve your complaint within 20 business days.
3. If you do not get a satisfactory outcome you may escalate your complaint by contacting the Financial Ombudsman Service Limited ("FOS") on GPO Box 3, Melbourne VIC 3001 or 1300 780 808. Mezzanine Financial is a member of Financial Ombudsman Service Limited (Member number 11672).
 - If your complaint relates to General Insurance advice you can contact Insurance Brokering Division of the Financial Ombudsman Service Limited on 1300 780 808.
 - If your complaint relates to personal information held you can contact the Office of the Privacy Commissioner on 1300 363 992.

If you still do not get a satisfactory outcome you can contact Australian Securities and Investments Commission (ASIC) at their free call information line on 1300 300 630 to find out which complaints scheme may be available to assist you to settle your complaint.

Appendix: Privacy Collection Statement

As part of the financial planning process, we need to collect information about you. Where possible we will obtain that information directly from you, but if authorised by you we may also obtain it from other sources such as your employer or accountant. If that information is incomplete or inaccurate, this could affect our ability to fully or properly analyse your needs, objectives and financial situation, so our recommendations may not be completely appropriate or suitable for you.

We are also required under the Anti-Money-Laundering and Counter-Terrorism Financing Act (AML/CTF) 2006 to implement client identification processes. We will need you to present identification documents such as passports and driver's licences in order to meet our obligations.

We keep your personal information confidential, and only use it in accordance with our Privacy Policy. Some of the ways we may use this information are set out below:

- Your adviser and Mezzanine Financial may have access to this information when providing financial advice or services to you;
- Your adviser may, in the future, disclose information to other financial advisers, brokers and those who are authorised by Mezzanine Financial to review customers' needs and circumstances from time to time, including other companies within the group;
- Your information may be disclosed to external service suppliers both here and overseas who supply administrative, financial or other services to assist your adviser and the group in providing financial advice and services to you. A list of countries where these service providers are located can be accessed via our Privacy Policy;
- Your information may be used to provide ongoing information about opportunities that may be useful or relevant to your financial needs through direct marketing (subject to your ability to opt-out as set out in our Privacy Policy);
- Your information may be disclosed as required or authorised by law and to anyone authorised by you.

Your adviser and Mezzanine Financial will continue to take reasonable steps to protect your information from misuse, loss, and unauthorised access, modification or improper disclosure. You can request access to the information your adviser or Mezzanine Financial holds about you at any time to correct or update it as set out in our Privacy Policy. Our Privacy Policy also contains information about how to make a complaint about a breach of the Australian Privacy Principles. For a copy of our Privacy Policy visit www.mezzaninefinancial.com.au or you can contact us.

We have the following experienced advisers at Mezzanine Financial

Keiran Murphy



Keiran is a Representative of Chapeau Pty Ltd & First Choice Financial Services Group Pty Ltd T/as Mezzanine Financial and has obtained the following Educational Qualifications and Experience:

Education:

Keiran holds a Bachelor Degree in Science from the Australian National University. He has completed the Diploma of Financial Planning from Deakin University and has completed ipac Securities Limited Advanced Financial Planning. Keiran is a member of the Financial Planning Association and a Certified Financial Planner (CFP®). CFP® is an internationally recognised qualification and the highest level of certification that a financial.



Experience:

Keiran has been in the financial services industry since 1989. Keiran's areas of interest are financial strategy, self managed superannuation funds and personal wealth creation.

How will Keiran Murphy be paid for the services provided?

Keiran Murphy is a Principal of Mezzanine Financial and is remunerated by means of wages and revenue from the business. Keiran Murphy does not earn any commissions or brokerage, but may receive bonuses and other benefits. Details of remuneration will be disclosed in your Statement of Advice.

Gary Greenaway



Gary is a Representative of Chapeau Pty Ltd & First Choice Financial Services Group Pty Ltd t/a as Mezzanine Financial and has obtained the following Educational Qualifications and Experience:

Education:

- Gary completed Diploma of Financial Planning from Tribeca (now Kaplan) in 2005. Gary is a member of the Financial Planning Association.

Experience:

- Gary has been in the Financial Services Industry since 1975. Gary's areas of interest are financial planning, corporate superannuation, all forms of insurance protection and personal wealth creation.

How will Gary Greenaway be paid for the services provided?

Gary Greenaway is a Principal of Mezzanine Financial and is remunerated by means of wages and revenue from the business. Gary does not earn any commissions or brokerage, but may receive bonuses and other benefits. Details of remuneration will be disclosed in your Statement of Advice.

Jian Yi (Andrew) Lao



Andrew is a Representative of Chapeau Pty Ltd & First Choice Financial Services Group Pty Ltd T/as Mezzanine Financial and has obtained the following Educational Qualifications and Experience:

The Australian Securities and Investment Commission (ASIC) has granted Andrew authority to provide financial services on behalf of Chapeau Pty Ltd & First Choice Financial Services Group Pty Ltd T/as Mezzanine Financial.

Education:

Andrew holds a Bachelor of Commerce from the Australian National University. He has completed the Advanced Diploma of Financial Services (Financial Planning). Andrew is a member of the Financial Planning Association and a Certified Financial Planner (CFP®). CFP® is an internationally recognised qualification and the highest level of certification that a financial.



Experience:

- Andrew has been in the Financial Services Industry since 2001. Prior to joining Mezzanine Financial Andrew operated businesses in the retail and hospitality industry. Andrew's areas of interest are financial strategy, tax minimisation, self managed superannuation funds, wealth creation and personal risk protection.

How will Jian Yi (Andrew) Lao be paid for the services provided?

Andrew Lao is a salaried employee of Mezzanine Financial and may be eligible for a minimum performance bonus of 17% of revenue earned from funds under advice by Andrew. Andrew Lao does not earn any brokerage, but may receive bonuses and other benefits. Details of remuneration will be disclosed in your Statement of Advice.