

# Financial Services Guide

Part One – 1 August 2023

## Watershed Dealer Services

This Financial Services Guide (“FSG”) is issued with the approval of Watershed Dealer Services, ABN: 29 162 693 272, AFSL Number: 436357

This FSG provides you with important information about Watershed Dealer Services and should be read in conjunction with Part Two (and Appendix 1 – MDA FSG if relevant), to help you decide whether to use the financial services offered by Watershed Dealer Services and its Representatives.

The FSG should be read before we provide you with financial advice and contains information about:

- Watershed Dealer Services and our Authorised Representatives.
- How you can contact us.
- The financial services and products we and our Representatives are Authorised to provide.
- Remuneration, commissions and other benefits we or our Representatives may receive.
- Details of any relevant associations or relationships of Watershed Dealer Services and our Representatives.
- How we deal with your personal information.
- Who to contact if you have a complaint.

This FSG must be read in conjunction with Part Two as it forms part of this FSG.

Part One provides details about the Licensee, Watershed Dealer Services and Part Two provides detailed information about your Adviser such as their contact details, fee structure, referral sources and the types of financial products they can advise and deal in.

Please retain both Part One and Part Two for your reference.

### Information about us

Watershed Dealer Services is the Australian Financial Services Licensee (AFSL) responsible for the advice provided by our Corporate Authorised Representatives and Authorised Representatives.

#### **Not Independent**

We are bound to inform you that the advice provided by our representatives is not independent, impartial and unbiased as our representatives may receive commissions in relation to life insurance products and other financial products. We also operate with restrictions relating to the financial products our representatives are authorised to recommend. i.e. our representatives cannot provide advice on products that are not on our Approved Product List.



## Documents you may receive

If you receive personal financial product advice from our Representatives, they will provide you with a Statement of Advice (SOA). Personal financial advice is advice that considers one or more of your objectives, financial situation and needs. The SOA will contain the advice, the basis on which it is given, and information about fees, commissions and any associations, which may have influenced the advice.

For further advice, a Record of Advice (ROA) may be provided instead of a SOA, if there have been no significant changes in your personal circumstances or the basis of the advice has not significantly changed since the SOA was provided.

If you choose to use our services, you may also receive from us Product Disclosure Statement/s (PDS). A PDS contains information about the product and will assist you in making an informed decision about that product and whether it is appropriate for you.

## Financial Products

Our Representatives can provide you with advice and strategies on the following financial products.

- Deposit products limited to basic deposit products;
- Debentures, stocks or bonds issued or proposed to be issued by a government;
- Derivatives limited to old law securities options contracts and warrants;
- Life insurance products;
- Managed Investment Schemes (including IDPS);
- Retirement Savings Account Products;
- Superannuation;
- Securities;
- Margin Lending.
- Managed Discretionary Account (MDA) Services

Please refer to the FSG Part Two for the products and services your adviser can provide.

## Alternative Remuneration

Watershed Dealer Services and your Representative may from time to time receive a benefit from product providers by way of sponsorship of educational seminars, conferences and training days. Other benefits, such as prizes, awards and hospitality events (e.g. sporting events) may also be received. Details of benefits between \$100 and \$300 will be maintained on a Register. Benefits with a value over \$300 cannot be accepted.

You have a right to request for further information in relation to the remuneration, the range of amounts or rates of remuneration, and soft dollar benefits received by the licensee and/or Authorised Representative.

## Relationships and Associations

Any recommendations you receive will be based on your adviser's assessment of your personal circumstances, needs and objectives. These factors underpin the advice you receive but it is important for you to appreciate from time to time our interests, associations, relationships and the benefits we receive may give rise to an actual or potential conflict of interest. We manage and will clearly disclose any conflicts that we believe may influence our advice.

Your adviser may hold an interest in a financial product. Any significant interest/ownership will be recorded in a register of financial product holding and, where appropriate, this holding will be disclosed to you in the SOA or ROA.

Watershed Dealer Services may have affiliations with some of the investment products on the Approved Product List (APL).

RNB Group Pty Ltd (ABN: 30 162 376 561) wholly owns the following entities:

- Watershed Funds Management ABN: 11 166 324 858
- RNB Financial ABN: 45 138 009 819
- Watershed Dealer Services ABN: 29 162 693 272

Details on any affiliation related to the advice you receive will be disclosed in the Statement of Advice you receive from your adviser.

## Information we need from you

To receive personal financial advice or invest in any of the financial products our Representatives recommend, you will need to complete a fact find and a risk profile questionnaire. We expect that you will provide us with accurate information, so that we have a reasonable basis on which to provide you with advice. You have the right to withhold personal information, but this may compromise the effectiveness of the advice you receive.

We expect that you will use our advice to enable you to make informed financial decisions. We expect that, where appropriate, you will inform your adviser of any changes to your personal circumstances that may influence your future objectives.

As a financial service provider, we have an obligation under the Anti-Money Laundering and Counter Terrorism Finance (AML CTF) Act to verify your identity and the source of any funds. This means that we will ask you to present identification documents, such as passports and driver's licence. We will also retain copies of this information. We assure you that this information will be held securely. We cannot provide you with services if you are unwilling to provide this information.

## Providing advice that is suitable to your relevant needs and financial circumstances.

To do so our Representatives need to find out your individual relevant objectives, financial situation and needs before they can recommend any investment or risk products to you. You have the right not



to divulge this information to us, if you do not wish to do so. In that case, we are required to warn you about the possible consequences of us not having your full personal information. You should read the warnings carefully.

The advice provider is obligated to act in your best interest, and this requires the advice provider to collect all required information about your financial situation and needs and objectives, make inquiries into the information provided, and investigate appropriate products and strategies that will meet your needs and objectives. From time to time, where the advice provider cannot recommend any appropriate products or where the advice provider feels your best interest will not be served by them, the advice provider has a right to refuse provision of advice or services.

Watershed Dealer Services supports their Representatives by providing access to financial product research conducted by external researchers. This assists your Adviser to select products that will help you reach your financial goals.

We will not provide advice on products that are not on our Approved Products List.

We will not provide advice on classes of financial products other than those detailed in the above Financial Products section.

## **How can you give instructions to your Adviser?**

You may specify how you would like to give your adviser instructions. For example, you may nominate to instruct them to act by telephone, e-mail or other.

## **Privacy**

We maintain a record of your personal profile that includes details of your objectives, financial situation and needs. We also maintain records of any recommendations made to you. If you wish to examine your file, you should ask your adviser and they will arrange for you to do so.

We are committed to implementing and promoting a privacy policy, which will ensure the privacy and security of your personal information. Please refer to the Watershed Dealer Services Privacy Policy for further information at <https://www.watershedgroup.com.au/>

## **Compensation Arrangements**

Professional indemnity insurance is maintained by Watershed Dealer Services. The insurance satisfies the requirements imposed by section 912B of the Corporations Act 2001 and related financial services regulations, such as the Australian Securities and Investments Commission's ("ASIC") Regulatory Guide 126. The Professional Indemnity insurance, subject to its terms and conditions, provides indemnity up to the Sum Insured for Watershed Dealer Services and our past and present Representatives/employees up to 7 years, in respect of our authorisations and obligations under our Australian Financial Services Licence.



## What should you do if you have a complaint?

Watershed Dealer Services is committed to providing quality advice to clients. This commitment extends to providing accessible complaint resolution mechanisms for clients. If you have a complaint 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 complaint is not satisfactorily resolved within 30 days, please call us or put your complaint in writing. We will try and resolve your complaint quickly and fairly.

Complaints Officer

Watershed Dealer Services Pty Ltd  
Phone: 03 9614 8899  
Email: [contact@watershedgroup.com.au](mailto:contact@watershedgroup.com.au)

3. If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: [www.afca.org.au](http://www.afca.org.au)  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Telephone: 1800 931 678 (free call)

In writing to:  
Australian Financial Complaints Authority,  
GPO Box 3,  
Melbourne VIC 3001

The Australian Securities & Investments Commission (ASIC) also has a free call Infoline on 1300 300 630, which you may use to make a complaint or obtain information about your rights.

## Contact Details

### Watershed Dealer Services

AFSL: 436357  
ABN: 29 162 693 272

Level 22, North Tower  
459 Collins Street  
Melbourne 3000

Phone: 03 9614 8899  
Email: [contact@watershedgroup.com.au](mailto:contact@watershedgroup.com.au)  
Website: [www.watershedgroup.com.au](http://www.watershedgroup.com.au)

# Financial Services Guide

Part Two – 1 August 2023 Version 1.0

## Kuda Wealth Pty Ltd

This is Part 2 of a Financial Services Guide (FSG) and should be read in conjunction with Part 1. This FSG is issued by Kuda Wealth Pty Ltd on behalf of Watershed Dealer Services (AFSL 436357, ABN: 29 162 693 272).

Financial Services are provided to you on behalf of Watershed Dealer Services by:

Corporate Authorised Representative Name	Kuda Wealth Pty Ltd
Corporate Authorised Representative Number	1261193
Australian Business Number (ABN)	62 622 602 046
Business & Postal Address	Suite 107, 84 Hotham Street PRESTON VIC 3072 P.O Box 1642, PRESTON SOUTH VIC 3072
Phone Number:	1300 KUDAWEALTH (1300 583 293)
Website	<a href="http://www.kudawealth.com">www.kudawealth.com</a>

## Michael (Mick) Davie

Authorised Representative Number	443519
Business & Postal Address	Suite 107, 84 Hotham Street PRESTON VIC 3072 P.O Box 1642, PRESTON SOUTH VIC 3072
Phone Number:	03 9863 6716
Email:	<a href="mailto:clientservices@kudawealth.com.au">clientservices@kudawealth.com.au</a>

Michael is an Authorised Representative of Watershed Dealer Services since 15<sup>th</sup> January 2018 and is authorised to provide financial product advice and deal in the following financial products:

- Deposit and Payment Products;
- Debentures, stocks or bonds issued or proposed to be issued by a government;
- Life insurance products;
- Managed Investment Schemes (including IDPS);
- Retirement Savings Account Products;
- Superannuation;
- Securities;
- Margin Lending;
- Tax (Financial) Advice

Michael has the following qualifications and professional memberships:

**Qualifications:**

SSA - SMSF Specialist Adviser: SMSF Association of Australia

ADFS - Advanced Diploma of Financial Services (Financial Planning). KAPLAN Australia

**Associations:**

SMSF Association

Michael “Mick” Davie has worked in financial services across direct advice, client-facing and staff management roles since 1999.

In 2013, Mick left his leadership ambitions and corporate life behind for the more rewarding, fulfilling and flexible endeavours associated with self-employment.

Mick solely owns and operates his wealth advisory business known as Kuda Wealth. The business provides advice across all areas of financial management, including superannuation, insurance, estate planning, business succession, wealth creation, portfolio management and retirement planning strategies.

Mick spent time achieving qualifications in Financial Planning through Kaplan Australia and obtained professional designations issued by the Financial Planning Association (FPA). He was the first member in Australia to achieve all three designations with the professional body being Certified Financial Planner (CFP), Life Risk Specialist (LRS), and Accredited Estate Planning Strategist (AEPS).

Mick has ceased designations and no longer holds membership with the FPA. He now prefers to dedicate his professional support to the extended breadth provided by the SMSF Association, where he currently holds the SMSF Specialist Advisor (SSA) designation.

Mick is supported within the office by his decade-long relationship with the overwhelmingly crowd-pleasing and warmly trusted business services manager in Kellie McLaughlin. At home, he is supported by his wife Milly and their four children Ruby, James, Tom, and Belle.

Simplicity, freedom and flexibility are traits often sought by clients in relation to their financial goals. Mick applies these in equal measure to his client engagement, ongoing advice relationships and day to day approach to work and home life.

## **Fees, Remuneration and Commissions**

Kuda Wealth Pty Ltd's calculation of fees is dependent on the level of service appropriate to the needs of the client. All levels of service, their associated calculations for fees and charges including upfront and ongoing services are discussed in the first meeting. These fees and charges are agreed with you and disclosed in a Letter of Engagement signed by you, prior to the representative commencing any work for you.

When the Statement of Advice is presented to you, you can choose to engage Kuda Wealth Pty Ltd to implement the recommendations at the cost disclosed in the SOA, or to pay for the SOA and not proceed any further. All fees and charges are provided in writing as a part of the SOA.

Kuda Wealth Pty Ltd is paid through a combination of fees and commissions. All payments are made directly to Watershed Dealer Services, who then pass up to 100% of these fees to Kuda Wealth Pty Ltd.

Michael Davie is a director of Kuda Wealth Pty Ltd and receives a salary, he also receives payment in the form of revenue, profit and distributions. Michael does not receive volume-based incentives for providing financial services to you.

Your advice document will disclose any benefits or fees received by Kuda Wealth Pty Ltd and/or your adviser.

## **Relationships and Associations**

Your adviser does not currently have any interests, associations and relationships that may give rise to an actual or potential conflict of interest. If this changes, we will disclose any conflicts that we believe may influence our advice.



## Calculation of Service Fees

This table is an indicator of possible fees Kuda Wealth Pty Ltd may charge:

Service	Description	Price Range
<b>Initial consultation</b>	<p>Our first meeting with you to understand your needs and the services that may be appropriate for you.</p> <p>\$0 for remote, online, phone or in-person meetings held at the Kuda Wealth office.</p> <p><b>However, a call out fee of \$165 inc GST may be charged if prospective clients seek face to face initial discovery meetings outside Kuda Wealth's office premises.</b></p>	\$0 – \$165 inc GST.
<b>Preparation of Advice / Upfront Advice Fee</b>	<p>To consider your situation and needs and formulate personal financial advice strategies to meet your objectives. Preparation of Advice includes conducting research on suitable products and preparing an advice document.</p> <p>Upfront advice fee will be dependant upon number of entities seeking advice, complexity of advice and nature of strategy-based considerations.</p> <p>This fee will vary based on the complexity of your situation and advice required and disclosed to you in a Letter of Engagement.</p>	From \$2,200 to \$5,500 inc GST.
<b>Ongoing service and advice fee</b>	<p>The fee to engage us for ongoing advice and service will depend on the time required, complexity of your situation and the potential for us to add value.</p> <p>This fee will be charged either as a flat dollar or a percentage of funds under management.</p> <p>This fee may vary based on the complexity of the advice, the frequency of contact and the level of funds under management Kuda Wealth is responsible for.</p> <p>We will recommend a level of service appropriate to your situation in either our Letter of Engagement, Statement of Advice or Ongoing Fee Agreement.</p>	<ul style="list-style-type: none"> <li>• \$0 - \$1,000,000 of total funds under management: 1.10%</li> <li>• Next \$1,000,001 - \$2,000,000 funds under management: 0.88%</li> <li>• Next \$2,000,001 - \$3,000,000 funds under management: 0.66%</li> <li>• Next \$3,000,001 - \$5,000,000 of funds under management: 0.44%</li> <li>• \$5,000,001 plus funds under management: By negotiation with a fee capping of \$49,500 inc GST</li> </ul>



<p><b>Implementation fee</b></p>	<p>For implementing the recommendations provided to you in your Statement of Advice.</p> <p><b>Usually covered in Preparation of Advice Fee. However, if substantial and excessive implementation is required, we may charge a processing fee of up to \$330 per hour.</b></p> <p>This will vary based on the complexity of your situation and advice required and disclosed to you in your Statement of Advice.</p>	<p>\$0 - \$330 per hour inc GST</p>
<p><b>Buy or sell shares</b></p>	<p><b>Kuda Wealth does not apply a margin to standard broking fees.</b></p> <p>However, if we encounter significant or excessive trade requirements as part of our strategy or ongoing/one-off advice requirements, we reserve the right to charge up to \$330 per hour for excessive administration processing. This fee is charged in addition to the brokerage charged by your stockbroker/product provider.</p>	<p>\$0 - \$330 per hour inc GST</p>
<p><b>Incidental work</b></p>	<p>Where work is carried out, which does not fall into the normal range of services for which fees have been set.</p> <p>This fee will be discussed with you and you will be provided with a total estimate based on your requirements prior to any work being undertaken. This fee is additional to any of the fees outlined earlier in this document that relate to providing advice.</p>	<p>\$330 per hour, inc GST.</p>

\*All fees include GST unless otherwise advised.

## Commission

Please note that in relation to life insurance products we recommend, Kuda Wealth Pty Ltd is eligible to receive the following terms of payment:

Premium Type	Upfront % of premium (incl GST)	Trail Commission % of Premium where there is no increase in benefit of the policy (incl GST)
Stepped	66%	22%
Level	30%	30%

Note: There are clawback of commission provisions where policies are cancelled, dependant on the age of the policy.

## Referral Fees

Michael Davie or Kuda Wealth Pty Ltd may have arrangements in place with referral partners. Should a referral fee apply to you, details on any benefits received or paid will be provided to you.