



ARRIVE

WEALTH MANAGEMENT



Financial Services Guide

Arrive Wealth Management MDA Service

Arrive Capital Pty Ltd
ABN 24 641 636 535 | AFSL 525758

Version 1.4 | Date Prepared: 03 October 2023

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This Financial Services Guide (FSG) was prepared on 03 October 2023.

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About this Financial Services Guide

This Financial Services Guide (FSG) contains information that explains the role which Arrive Capital Pty Ltd (**Arrive Capital**) plays as the MDA Provider of our Managed Discretionary Account (MDA) Service. The service is regulated as an MDA under the *ASIC Corporations (Managed Discretionary Account Services) Instrument 2016/968*.

To offer you the service, we work hand in hand with your Arrive Wealth Management adviser who provides Personal Advice to you and the platform, which provides investment, custody and administration services. However, we will remain responsible for providing the MDA Service to you.

This FSG sets out:

- who we are and how we can be contacted;
- the services we are authorised to provide under our Australian Financial Services Licence (AFSL) and which of these we are proposing to offer to you;
- the risks of using an MDA Service;
- our fees and how we, your adviser and other persons are paid in connection with those services;
- how we manage your private information; and
- how you can complain about a matter relating to us.

The information in this guide is intended to assist you in deciding whether to use our services as described in this FSG.

References in this guide to the following words and expressions have the indicated meaning:

- "you" means the person or entity using the service and whose name is on the account.
- "we" or "us" or "our" means Arrive Capital, the provider of the service.
- "Arrive Wealth Management" means Arrive Wealth Management (SEQ) Pty Ltd which is an authorised representative of Arrive Capital.
- "your financial adviser" or "your adviser" means the Arrive Wealth Management adviser who provides you with financial advice based on your personal circumstances, including whether it is appropriate for you to use the service. Your adviser is also an authorised representative of Arrive Capital.
- "your advice document" means the document that your adviser will give to you when they provide you with financial advice. It will usually be in the form of a Statement of Advice, but in some situations it can be in the form of a Record of Advice.
- "the MDA contract" means the contract that you must enter into with us which sets out the terms and conditions of the service and which includes the Investment Program.
- "the platform" means the Investor Directed Portfolio Service (IDPS) or Superannuation Fund which your adviser has recommended you use to administer your investments, and the platform provider which is responsible for providing custodial and administration services which facilitate the management of your investment portfolio and whose name and contact details are provided to you by your adviser.

About our firm

Summary of the business

Name	Arrive Capital Pty Ltd
Australian Business Number	24 641 636 535
AFSL Number	525758

Our office contact details

Address	Level 28, 480 Queen Street, Brisbane, QLD 4000
Phone	07 3001 7000
Email	admin@arrivewealthmanagement.com.au
Website	arrivewealthmanagement.com.au

Our MDA Service

Arrive Capital is the provider of the service, which is a managed discretionary account service. Through this service you allow us to manage your investments for you, using our discretion and without obtaining your instructions before each transaction we undertake on your behalf. However, we do not (and we are not authorised to) open new accounts, withdraw funds or contribute funds to your investment.

The service is designed to allow us to make investment decisions in accordance with an Investment Program that suits your particular needs. Your financial adviser will assess your financial needs and objectives and assist you to decide on which combination of asset classes will suit you best. These are reflected in your Investment Program. The Investment Program may be made up of listed investments, managed funds and deposit products. We are responsible for implementing the Investment Program and for ensuring that your portfolio remains in alignment with your Investment Program.

We will monitor the investments within your portfolio and decide changes as considered necessary. Execution of any required portfolio changes are handled within the guidelines set out in your Investment Program. Investors using the service have the comfort of knowing that their portfolio is being actively managed.

Our AFSL authorises us to issue interests in an MDA Service. It also authorises us to provide financial product advice for, and deal on behalf of retail and wholesale clients in, each of the following classes of financial products:

- basic and non-basic deposit products;
- debentures, stocks or bonds issued or proposed to be issued by a government;
- investment life and life risk insurance products issued by a registered life insurance company that are backed by its statutory fund;
- interests in managed investment schemes including investor directed portfolio services;
- interests in managed investment schemes limited to managed discretionary account services;
- retirement savings accounts products;
- securities;
- standard margin lending facility; and
- superannuation.

No personal advice

Arrive Capital does not provide personal financial advice to you in relation to the service or your investments.

Rather, your financial adviser will provide you with your personal financial advice, which will include information about the MDA Service and one or more Investment Programs they consider appropriate in your advice document.

The Investment Program forms part of your MDA contract and sets out the nature and scope of the discretions we will be authorised and required to exercise under the MDA contract together with the asset allocation ranges and investment types that will be used to manage your investment portfolio, all based on your financial adviser's assessment of your personal objectives, financial situation and needs and any other discretions you authorise us to exercise. Your Investment Program will be prepared in accordance with the requirements in Div 3 of Part 7.7 and Div 2 of Part 7.7A of the *Corporations Act 2001* (Cth) and will be included with your advice document.

We will manage your portfolio based on your Investment Program, as amended and notified to us in writing, from time to time.

Your financial adviser will include in your advice document the basis on which they consider the service and Investment Program to be suitable for you and any significant risks associated with using the service. There will also be a warning that the service may not be suitable if you have provided limited or incorrect information about your relevant circumstances or may cease to be suitable if your relevant circumstances change.

On an ongoing basis your financial adviser will meet with you at agreed intervals to assess whether your needs or objectives have changed. Following this, your adviser will provide further advice to you at least once every 13 months, advising you whether they consider the service and your Investment Program to remain appropriate or not. We strongly recommend you participate in such reviews. Please also contact your financial adviser in a timely manner if your circumstances change.

Custody

Arrive Capital does not provide custody services for the financial products and cash managed through the service.

To use the service, you must become a member of the platform which will provide custody and administration services for your investments through the custodian appointed by the platform operator. Those will be provided in accordance with the platform's product offer documents and the agreement you enter into with them.

We work hand in hand with the platform to facilitate the execution of transactions in accordance with our instructions.

Your relationship with us and using our services

Generally, we will not require your input for portfolio changes within the limits set out in your agreed Investment Program and we will not contact you in relation to them at the time they are made. We will also not contact you in relation to the exercise of corporate actions such as rights issues and voting at annual general meetings. These corporate actions will generally be exercised by the platform provider.

If you have chosen to customise your portfolio in certain ways such as the inclusion or exclusion of specific investments, any instructions relating to these investments can be relayed to us in writing via your adviser. Portfolio changes may incur fees and trigger taxation consequences. Please refer to your advice document for more information relating to these consequences.

On all other matters, you (and anyone you authorise in writing) may instruct us through your financial adviser.

We will instruct the platform on your behalf regarding the buying or selling of any investments.

Online access and reporting

You and your financial adviser can find out how your portfolio is invested at any time via online reports available through your platform. Valuations online are historical and so the value you are paid on redemption can vary.

The platform will also make available to you details of the transactions that we have undertaken on your behalf as well as an annual report after June each year to assist with your income tax and financial reporting obligations. You will have continuous online access to your portfolio and you will receive an annual statement.

Because the platform operator makes the investments, you will not receive any offer documents for investments represented in your portfolio. Should you have any queries concerning individual investments or the reasons for trades on your account, your adviser can assist you.

Providing information to us

It is important that we understand your circumstances and goals, so that we can provide you with appropriate services. You have the right not to provide us with any personal information. Should you choose to withhold information, or if information you provide is incomplete or inaccurate, the services we provide you may not be appropriate for you.

It is also important that you keep your adviser up to date by informing us of any changes to your circumstances.

Documents you will receive

When the MDA Service is recommended to you via your advice document, you will be required to sign the authority to proceed included in your advice document and any relevant application forms. Your financial adviser will also explain the risks associated with the MDA contract.

The MDA contract will set out the terms and conditions of the authority and includes the Investment Program, which sets out how your money will be invested. Your Investment Program will form part of your MDA contract with us.

If we arrange a financial product for you, your adviser will provide a Product Disclosure Statement (**PDS**) or IDPS guide where relevant. These documents contain the key features of the recommended product, such as its benefits and risks as well as the costs you will pay the product provider to professionally manage that product.

You should read any warnings contained in your advice document, the PDS or IDPS guide carefully before making any decision relating to a financial strategy or product.

What are the risks associated with using the MDA Service?

By authorising us to make changes to your investments, you cannot claim we were not acting on your behalf if we acted within the authority given. Therefore, our acts bind you. It is important you understand what we are authorised to do, and that you carefully read and understand the activities that you are authorising us to do on your behalf.

The following significant risks are associated with investing through the MDA Service:

- **Fair dealing:** the risk of the authorised representative providing preferential treatment to some clients at the expense of other clients. For example, an attractive float is promoted to high net worth clients only and therefore other clients fail to receive an offer;
- **Reasonable basis:** the risk of the MDA operator not exercising diligence and thoroughness when making investment recommendations to the client;
- **Failing to act responsibly and with a reasonable standard of care:** where an MDA operator acts in his or her own interests before the benefit of their clients; and
- **An MDA Service is not suitable for all clients:** if you want to retain control of all investment decisions an MDA Service will not be appropriate for you. However, if you are an experienced investor and understand the risks associated with having someone else make investment decisions on your behalf then it may be suitable for you.

Non-limited recourse products

We may recommend you invest your portfolio in a non-limited recourse product, specifically a margin loan. The amount of borrowing we recommend will be based upon your relevant personal circumstances and goals but only to a maximum of 60% of your investment (for initial margin lending recommendations) or 80% of your investment (for home equity loans).

The following significant risks are associated with non-limited recourse products:

- Gearing can magnify your losses as well as your gains;
- Interest cost may outweigh investment returns and this could potentially have an impact on your cash flow; and
- A non-limited recourse product or facility imposes a legal obligation on you to pay an amount to another person or financial institution in the event of the occurrence or non-occurrence of something where the rights of the other person or financial institution are not limited to any property or asset that you have paid or set aside as security for the agreement.

A margin call occurs when your portfolio drops below the level of security needed to fund the loan.

As part of our ongoing service, we will manage any risks of a margin call on your behalf other than receiving notification of margin calls. The margin lender will directly give you notice of any margin calls. We are not authorised to receive those margin call notices on your behalf.

Your advice document will set out the strategy for a margin call to review the loan to value ratio back to acceptable levels. We prefer that this is managed through cash injection or lodgement of additional securities/collateral rather than a sell down of the investments or crystallising losses.

If the value of the investment is less than the value of the loan, it will be inadequate to clear the associated debt, so more assets may need to be sold. Also, you may incur capital gains tax liability on the sale of your other assets. If in the unfortunate event, that neither of these balances is sufficient, you may be left with a remaining debt that will need to be repaid on an ongoing basis via your cash flow.

In the event of you having to sell your principal residence, note that it is not subject to capital gains tax and whilst the sale would incur selling costs, there would be no additional tax liability.

For example, if you use \$10,000 of your own money and borrow \$90,000 via a margin loan to invest in \$100,000 in shares - if your shares suffer a significant decrease in value to \$80,000 and you are required to meet a margin call from the lender immediately to fully repay your margin loan, you may be forced to sell \$10,000 of your other assets and property to make up the shortfall in value due to the decrease in value of your shares which have been held as security for the margin loan.

Our fees and other costs

Our fees and expenses

The fees for providing the service are set out in the Schedule to this FSG. Your financial adviser will also provide you with detail of all fees by itemising them in your advice document.

There may be other expenses incurred when transactions are made on your account. For example, a brokerage cost will be incurred for any listed security transaction like when a purchase or sale through a stockbroker incurs brokerage adding to the price you pay for a listed security or deducted from the proceeds of sale. Brokerage is incurred on transactions for securities listed on the ASX or any other exchange, including an international exchange. The cost of brokerage for each transaction will be shown in detail in the platform's product offer documents.

We do not anticipate there would be other expenses, but if there are, your financial adviser will provide you with details.

Your adviser, on our behalf, will ask you to sign an authority which authorises the platform to deduct our fees and any properly incurred expenses relating to the service, from your platform account for remittance to us. Our fees are calculated and payable at the end of each month.

Other costs

The costs associated with your underlying investments such as management fees are additional. These costs vary from time to time depending on the investments included in your Investment Program. They are included in the unit price of the investment. There will be fees charged by the platform provider and these are set out in the platform's product offer documents.

Arrive Wealth Management also provides an ongoing service to you as part of our MDA Service. The fees for these ongoing services are disclosed in your advice document.

Relationships and associations

It is important that you are aware of the relationships that we have with providers of financial services and products as they could be seen to influence the advice you receive.

If we recommend a product issued by a third-party product issuer such as the platform provider, they will benefit from our recommendation by receiving product, administration and investment fees, as well as fees paid by fund managers to distribute their product. These fees are all disclosed in the relevant PDS or IDPS guide.

Arrive Capital and Arrive Wealth Management are related entities in that they share common ownership. This ownership is held by entities associated with several of the individual advisers employed by Arrive Wealth Management.

Your privacy

Our Privacy Policy explains our commitment to the protection of your personal information. To view our Privacy Policy please visit: arrivewealthmanagement.com.au/privacy-policy.

If you think our records about you are incorrect or out of date, it is important that you contact us, and we will correct them. You must give to us, in a timely manner, all information under your control which we or your financial adviser may request to meet our legal obligations.

Confidence in the quality of our service

If at any time you feel like you are not satisfied with our services, the following will help you understand your options and find a resolution.

In the first instance, we recommend that you contact your adviser and tell them about your complaint.

If your complaint is not satisfactorily resolved within three business days, then please contact one of our Responsible Managers using any of the contact details at the start of this FSG.

We will try to resolve your complaint quickly and fairly. We will provide you with a decision in respect to your complaint within 30 days of us receiving it.

We note that in some circumstances, it may not be possible for us to completely resolve a complaint within the 30 days. If we are unable to resolve a complaint within the 30 day timeframe, we will give you an IDR delay notification, which will include the reasons for any delay.

If you do not agree with our decision in respect of your complaint or are otherwise unsatisfied with our response after the 30 day period, you may escalate your complaint to one of the following External Dispute Resolution Schemes listed below.

Any issues relating to financial advice, investments, superannuation or insurance matters	Australian Financial Complaints Authority (AFCA) GPO Box 3 Melbourne VIC 3001 1800 931 678 www.afca.org.au info@afca.org.au
Any issue relating to your personal information	Office of the Australian Information Commissioner GPO Box 5218 Sydney NSW 2001 1300 363 992 www.oaic.gov.au enquiries@oaic.gov.au

You may also contact the Australian Securities and Investments Commission (ASIC) on 1300 300 630 (free call info line) to make a complaint and obtain information about your rights.

Professional indemnity insurance

We maintain professional indemnity insurance to cover our advice and the recommendations provided by your adviser. The insurance covers claims arising from the actions of our former employees or representatives, even where subsequent to these actions they have ceased to be employed by or act for us.

Managed Discretionary Account fees and other costs

Did you know?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns. For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example reduce it from \$100 000 to \$80 000). You should consider whether features such as superior investment performance or the provision of better member services justify higher fees and costs. You may be able to negotiate to pay lower contribution fees and management costs where applicable.

To find out more

If you would like to find out more or see the impact of the fees based on your own circumstances, the ASIC website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

This document shows fees and other costs that you may be charged. These fees and costs may be deducted from your money, from the returns on your investment or from your assets held under our MDA Service.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

Type of fee or cost	Amount	How and when paid
Fees when your money moves in or out of the managed investment product		
Establishment fee The fee to open your investment	Nil	Not applicable
Contribution fee The fee on each amount contributed to your investment	Nil	Not applicable
Withdrawal fee The fee on each amount you take out of your investment	Nil	Not applicable
Exit fee The fee to close your investment	Nil	Not applicable
Management costs		
The fees and costs for managing your investment¹ MDA Service fee	Nil	Not applicable
Indirect costs External managed funds fees	The fees vary depending on the Investment Program.	The fees are deducted from the managed fund unit price by the product issuer. This fee is not directly paid by you, but does impact the portfolio performance. Your advice document will contain the specific indirect costs applying to your Investment Program.
Service Fees¹		
Switching fee The fee for changing investment options	Varies depending on the platform. Please refer to the relevant PDS or IDPS Guide for fee information.	Varies depending on the platform. Please refer to the relevant PDS or IDPS Guide for fee information.

¹ Refer to the **Additional explanation of fees and costs** section for an explanation of other fees and costs.

Additional explanation of fees and costs

Ongoing advice fees

Arrive Wealth Management provides ongoing service as part of our MDA Service. The fees for that ongoing service are set out in the documents which Arrive Wealth Management gives to you.