

Australian Executor Trustees

Financial Services Guide (dated, 1 May 2010) for:

- Executor
- Trustee
- Agency and Attorney Services

A representative of Australian Executor Trustees Limited (AET) has been authorised to provide you with this Financial Services Guide (FSG).

The FSG contains detailed information about our services, and the applicable fees, to help in your decision to choose AET to:

- act as the executor or administrator of a deceased estate
- act as a trustee of any trust including the financial or other general administration of the trust
- act as an attorney, agent or nominee in the case of legal incapacity or otherwise.

The FSG also contains information about our complaints handling procedures.

Unless otherwise stated, all fees contained in this FSG are effective from, 1 May 2010.

About us

We have been providing trustee services to Australians since 1880 and specialise in the management of executor, trustee and attorney services. With over \$2 billion of assets under management, and offices in Adelaide, Brisbane, Melbourne, Perth, Sydney and Mount Gambier, AET is one of Australia's largest and most experienced providers of trustee services.



Our range of services

As a licensed trustee company, we are able to offer you a range of fiduciary services which include:

- AET acting as the executor or administrator of a deceased estate
- AET acting as a trustee of any trust (which includes the financial as well as general administration of the trust)
- AET acting as an attorney, agent or nominee in the case of legal incapacity or otherwise.

Our fees for the services listed above will be based on either:

- the fees disclosed in this FSG or,
- the fees set out in a written agreement if we enter into a written agreement with you (in which case, the fees disclosed in this FSG will not apply).

Our estate planning services are provided by experienced lawyers while the other services outlined in this FSG (including executor and trustee services, attorney and agency services) are provided by experienced client advisers.

The qualifications and experience of our staff may vary depending on the services you require, however, to ensure your privacy as well as peace of mind, you will have a dedicated point of contact.

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Executor Services

By engaging our Executor Service, AET will act as your executor, co-executor or administrator for the following functions:

- acting as executor in a legal capacity
- confirming the last Will of the deceased
- advising all beneficiaries of their entitlement
- establishing details of the estate (confirming your assets and liabilities)
- arranging for a grant of probate
- selling your estate assets, or transferring them to your beneficiary(s)
- ensuring all taxation matters are finalised
- paying all debts of the estate
- distributing assets to the beneficiaries
- issuing financial statements for the estate.

Executor Fee

Your estate will be charged a fee (an Executor Fee), based on the value of your estate, to perform these functions. Unless agreed otherwise in writing, your estate will be charged the following Executor Fee:

Value of your estate	Executor Fee
Up to \$500,000	3.75% (plus GST)
On the next \$500,000	2.75% (plus GST)
Thereafter	1.75% (plus GST)

The minimum amount charged for the Executor Fee is \$1,875 (plus GST).

Depending on how your estate is structured, we may also be required to perform other estate management functions in addition to those listed above. These may include:

- attending to matters relating to the operation of any business
- attending to all matters relating to assets, entities or arrangements which are not part of your estate

but are under your control, either jointly or solely (for example – family trusts, private companies, self-managed superannuation funds)

- resolving beneficiary disputes of any nature
- resolving legal disputes of any nature
- verifying tax records for the purpose of capital gains tax
- preparing taxation returns or other financial statements for the estate.

In order to perform these additional functions, your estate will be charged an hourly fee (in addition to the Executor Fee).

The hourly fee will vary depending on the complexity of the task. Our hourly fee may increase in accordance with market increases, and will be charged at the rate applicable at the time the function was performed.

As at the date of this FSG our hourly fees are:

Non-complex functions	\$150 per hour (plus GST)
Complex functions	\$300 per hour (plus GST)

Disbursements

Unless otherwise agreed in writing, our Executor Service does not include disbursements such as:

- government charges and stamp duty
- stockbroking
- real estate and conveyancing fees
- legal fees
- taxation and accounting fees (including services provided by AET in our capacity as a registered tax agent)
- investment advice and investment administration.

Acting as agent for an executor

If we are acting in the capacity of an agent for your executor, our fees will be agreed with your executor in writing and will vary depending on the circumstances of your estate.

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Trustee Services

Testamentary Trust (by Will)

The Trustee Service we provide for a Testamentary Trust, involves AET acting as either the sole trustee or co-trustee of a trust created under the Will of a deceased person.

There are several types of Testamentary Trusts, including:

- Testamentary Discretionary Trusts
- Trusts for a minor beneficiary
- Trusts for a disabled beneficiary
- Protective Trusts
- Life interest Trusts.

Inter-vivos Trust

The Trustee Service we provide for an Inter-vivos Trust involves AET acting as either the sole trustee or co-trustee of a trust created by Deed during the lifetime of the Settlor.

It also involves AET acting in any position that controls an Inter-vivos Trust, for example, holding shares in the company that acts as trustee of the trust. Inter-vivos Trusts can have a range of applications.

Charitable Trust

The Trustee Service we provide for a Charitable Trust involves AET acting as either the sole trustee or co-trustee of a trust created for charitable purposes. Charitable Trusts can have a range of applications including:

- scholarships and education
- medical research
- religious endeavour
- community giving
- scientific research
- welfare and related support services.

Private Ancillary Funds

The Trustee Service we provide for a Private Ancillary Fund involves AET acting as either the sole trustee or co-trustee of a trust (or Fund) created during the lifetime of the Settlor for philanthropic purposes. Private Ancillary Funds are regulated by the Australian Taxation Office and can have a range of philanthropic applications.

Compensation Trusts

The Trustee Service we provide for a Compensation Trust involves AET acting as either the trustee, financial manager or administrator in relation to an award for damages arising from personal injury, or as appointed by Court Order.

Guardianship Trusts

The Trustee Service we provide for a Guardianship Trust involves AET acting as either the trustee, financial manager or administrator in relation to a Court Order for guardianship of a disabled person.

Our Trustee Service includes AET:

- acting as a trustee – in a legal capacity
- holding the trust assets in our name as trustee (as protection)
- ensuring trust funds are invested prudently
- ensuring any trust property is insured (where necessary)
- ensuring the trust fulfils its taxation obligations
- overseeing the application of funds to the beneficiaries
- ensuring trust records are retained
- ensuring trust accounting is in order
- reporting to the beneficiaries from time to time
- providing a customer service point-of-contact for beneficiaries.

Trust fees – establishment

Upon commencement of a Trust, a Trust Establishment Fee may be charged to cover the following:

- review, settlement and execution of the Trust instrument
- additional documentation (such as affidavits) in support of the establishment of the Trust
- meetings with relevant parties in support of the establishment of the Trust
- dealings with investment advisers regarding the establishment of an investment strategy for the Trust
- compliance review and settlement of the investment proposal for the Trust
- establishment of files and records.

The maximum Trust Establishment Fee charged will be up to 1.5 per cent (plus GST) of the initial Trust capital, unless agreed otherwise in writing, and is capped at \$10,000 (plus GST).

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For Testamentary Trusts where AET is the Executor, an Establishment Fee will not be charged.

Trust fee – ongoing

A Trustee Fee is charged monthly based on the value of the Trust (excluding the value of real estate held in the Trust under a right of occupation provided for in a Will) and can be negotiated, and agreed in writing, when the Trust is established. Unless agreed otherwise in writing, the following Trustee Fee applies:

Monthly Trust Fee	0.083% (plus GST)
(Annualised Fee 1% plus GST)	

If the Trust is a Charitable Trust that commenced after 1 May 2010, the following Trustee Fee applies:

Monthly Trust Fee	0.088% (including GST)
(Annualised Fee 1.056% including GST)	

If the Trust holds real estate under a right of occupation provided for in a Will, the following Trustee Fee will apply based on the value of the real estate:

Monthly Trust Fee (real estate)	0.025% (plus GST)
(Annualised Fee 0.3% plus GST)	

Depending on the nature of the Trust we may also be required to perform Trustee Services in addition to those listed above. These services may include:

- attending to the sale or purchase of real estate
- liaising with advisory committees, attending Board meetings, arranging minutes of meetings and other similar ancillary administration services necessary for the proper management of a charitable or perpetual trust or Private Ancillary Fund
- resolving beneficiary disputes of any nature
- resolve legal disputes of any nature
- taxation advice to the Trust.

If it is necessary to perform these additional duties, the Trust will be charged an hourly fee which will vary depending on the complexity of the task. Our hourly rates may increase in accordance with market increases and will be charged at the rate applicable at the time the function was performed.

As at the date of this FSG our hourly fees are:

Non-complex functions	\$150 per hour (plus GST)
Complex administration	\$300 per hour (plus GST)

All fees for additional trustee services may be taken by us at any time during the continuation of the Trust or at its termination as decided by AET.

Disbursements

Unless otherwise agreed in writing, our Trustee Service does not include disbursements such as:

- government charges and stamp duty
- stockbroking
- real estate and conveyancing fees
- legal fees
- taxation and accounting fees (including services provided by AET in its capacity as a registered tax agent)
- investment advice and investment administration
- superannuation administration expenses (for that component of a Trust invested in superannuation).

As part of our ongoing administration of the Trust we may outsource certain investment administration functions to external parties including related parties. As a result, there may be costs associated with this outsourcing arrangement. These associated costs will be disbursements to the Trust and deducted from the monies held within the Trust fund.

Agency and Attorney Services

Agency Service

By engaging our Agency Service, you choose to appoint AET to act as your agent to manage all, or some, of your financial affairs.

An Agency Service usually involves:

- the payment of your bills, including utilities, medical expenses and retirement or nursing home costs
- managing your banking
- helping you to sell your house and find other accommodation, including a retirement or nursing home

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- managing your pensions, including Centrelink
- managing all insurances, including medical and hospital
- overseeing the management of your investments
- ensuring your taxation affairs are looked after
- keeping records and accounts.

Attorney Service

By engaging our Attorney Service, you choose to appoint AET (via an Enduring Power of Attorney) to look after all of your affairs in the event that you become incapable of doing so yourself.

An Attorney Service usually involves:

- the payment of your bills, including utilities, medical expenses and retirement or nursing home costs
- managing your banking
- the sale of your house and helping to find retirement or nursing home accommodation
- managing your pensions, including Centrelink
- managing all insurances, including medical and hospital
- overseeing the management of your investments
- ensuring your taxation affairs are looked after
- keeping records and accounts.

Agency and Attorney Services – Establishment Fee

Upon commencement of an Agency or an Attorney Service, an Establishment Fee may be charged to cover the following:

- writing to your service providers (including utilities) directing all correspondence to our office
- meetings with you or your carers / family to ensure your needs are fully understood
- dealings with investment advisers regarding the establishment of an investment strategy
- compliance review and settlement of the investment proposal
- establishment of files and records
- attending to the sale of your house property where this occurs at the commencement of the service.

The maximum Establishment Fee charged for Agency or Attorney Services is 1.5 per cent (plus GST) of the value of your assets and is capped at \$10,000 (plus GST), unless otherwise agreed in writing.

Agency and Attorney Services – ongoing fees

A monthly Management Fee is charged based on the value of your assets (excluding the value of residential real estate) and can be negotiated and agreed in writing when the service is established.

In the case of an Agency Service, 'Establishment' is when you choose to engage AET.

In the case of an Attorney Service, 'Establishment' is when you sign your Enduring Power of Attorney, appointing AET as your Attorney.

Unless agreed otherwise writing, the following Management Fee applies:

Monthly Management Fee	0.083% (plus GST)
(Annualised Fee 1% plus GST)	

If you own residential real estate, an additional monthly Management Fee is payable and will be based on the value of the residential real estate as follows:

Monthly Management Fee	0.025% (plus GST)
(residential real estate)	
(Annualised Fee 0.3% plus GST)	

At times, we may also be required to perform management services in addition to those listed above, which may include:

- attending to the sale or purchase of real estate (other than at the establishment of the service)
- legal disputes of any nature
- taxation advice.

For these additional services, an hourly fee will be charged which will vary depending on the complexity of the task. Our hourly fees may rise in accordance with market increases, and will be charged at the rate applicable at the time the service was performed.

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As at the date of this FSG our hourly fees are:

Non-complex functions	\$150 per hour (plus GST)
Complex functions	\$300 per hour (plus GST)

Disbursements

Unless otherwise agreed in writing, our Management Fee does not include disbursements such as:

- government charges and stamp duty
- stockbroking
- real estate and conveyancing fees
- legal fees
- taxation and accounting fees (including services provided by AET in its capacity as a registered tax agent)
- investment advice and investment administration.

As part of the ongoing administration of your affairs we may outsource certain investment administration functions to external parties including related parties. As a result, there may be costs associated with this outsourcing arrangement. These associated costs will be charged as disbursements.

Common fund

Where funds are held in a Common Fund as part of any of the services provided, a monthly management fee of 1/12 of 1.1 per cent of the capital value of the fund (inclusive of GST) as at the first day of each month, will be charged against the income of the fund. For further information relating to Common Fund fees, please refer to the Common Fund PDS available from our website www.aetlimited.com.au

Fees for acting as Director

Where it is necessary for an AET officer to act as a Director of any private company as part of its administration of your estate or trust, a Director Fee may be charged in addition to any other fees that are disclosed in this FSG.

Our fees for acting in this capacity will vary from year to year. Current Director Fees are available from our website, www.aetlimited.com.au, however, in the absence of a specific Director Fee being disclosed, the hourly fee referred to in the 'Trust fees – ongoing' section of this FSG for 'complex' matters will be the relevant Director Fee.

The hourly fee for acting as a Director will include the following duties:

- performing all functions that by law are necessary to be performed by Directors
- preparation for, and attending, all Board meetings that the company holds
- attending to all administrative functions that a Director must reasonably attend to.

Complaint Resolution

If you have a complaint about any aspect of the services provided to you, please contact us on (08) 8127 1600 or write to our Complaints Officer (Private Client Services) at GPO Box 546, Adelaide SA 5001.

Within 28 days of receiving your complaint we will provide a written response, however, please note that some matters are more complex and may take a little longer to resolve, and if that is the case, we will keep you informed.

Further Information

If you would like to receive further information about any of our services listed in this FSG, please contact us on 08 8127 1600 or visit our website www.aetlimited.com.au