



WORKING WITH LIFE SHERPA

COMBINED FINANCIAL
SERVICES GUIDE
AND CREDIT GUIDE

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A WORD FROM OUR FOUNDER

VINCE SCULLY, FOUNDER OF LIFE SHERPA

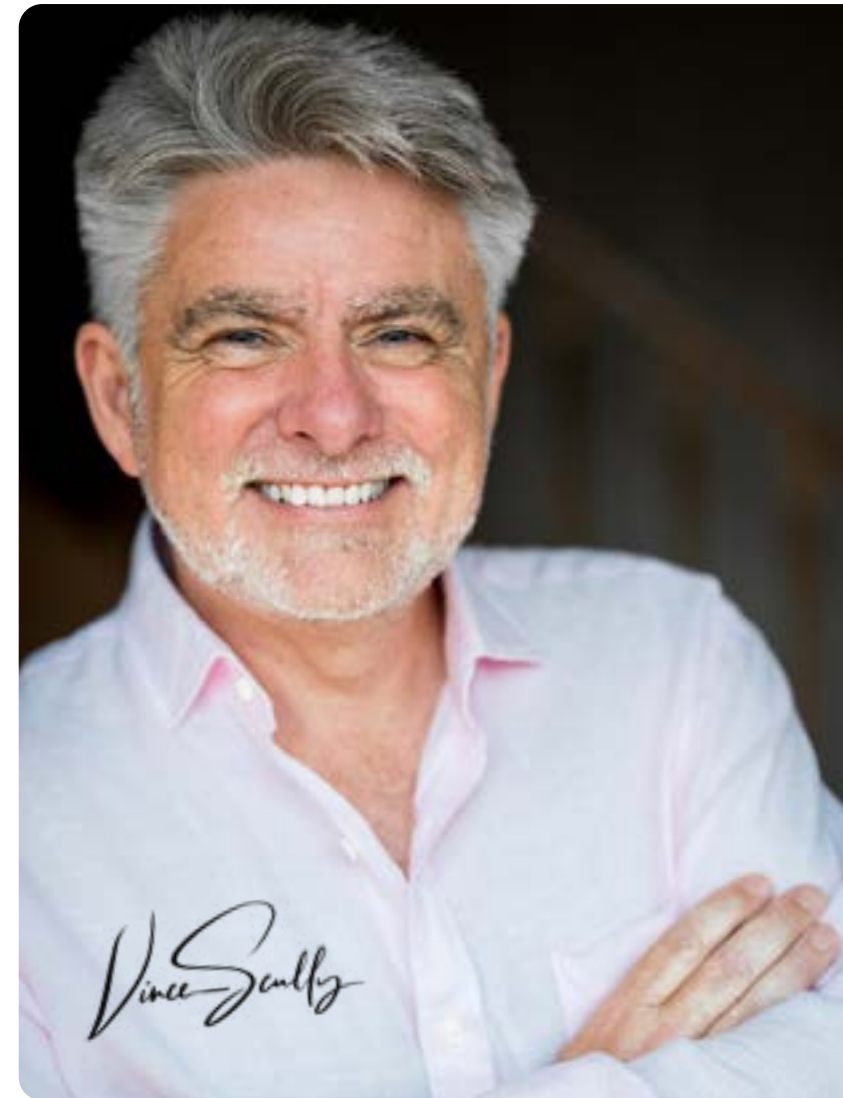
I founded Life Sherpa based on the belief that everyone deserves to live life free of financial stress.

I knew from my 25 years' experience in finance that the level of stress people suffered had very little to do with how much they earned or owned.

I discovered through my personal journey through fitness and weight loss that the thing that truly made the difference was emotional alignment.

When we empower people to build a money and life plan that aligns with their personal values and support them to implement it, stress disappears.

This philosophy is embedded in everything we do at Life Sherpa.



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WHAT IS THIS DOCUMENT?

This document is designed to help you better understand how we can help you get more life from your money and decide if Life Sherpa is right for you. That's why we provide it to you before we provide you with Credit Assistance (help with loans, leases or other credit products) or any Financial Service (help with insurance, super and investments).

It contains important information about our authorisation to provide advice in relation to financial products and debt. It also sets out how we will work with you, how we get paid, and how we deal with complaints.

You should read this document, ensure you understand what it means for you and retain a copy for your records. If anything is unclear — ask your adviser.



WHO IS LIFESHERPA?

Life Sherpa is Australia's favourite online financial advice service. We help Australians from all walks of life achieve their goals and get more life from their money.

When you ask us for advice or become a LifeSherpa Pro Member your adviser ("your Sherpa") will be a registered financial adviser or mortgage broker (or both) and will be an employee of LifeSherpa Pty Limited.

LifeSherpa is an Authorised Representative (no. 468922) and Authorised Credit Representative (no. 469526) of MoneySherpa Pty Limited (ACN: 164 927 708) which holds Australian Financial Services Licence (AFSL No. 451289) and Australian Credit Licence (ACL No. 451289) issued by the Australian Securities and Investment Commission (ASIC) which govern how we provide these services.

LifeSherpa does not act on behalf of anyone else.



HOW WE CAN HELP YOU

HELP WITH ACHIEVING YOUR GOALS

Life Sherpa can help you achieve your goals and get more life from your money by helping you manage your cash flow, pay off your debts, protect your family, invest your money, prepare for retirement and buy a home or investment property.

We base our recommendations on your circumstances, goals and objectives.

In order to do this we will need to ask you questions about your family and life circumstances, your income, assets and liabilities as well as your goals and aspirations.

Our advice is only as good as the information you share with us.

If the information is incomplete or inaccurate we may not be able to provide an appropriate recommendation.

We collect and maintain all of the information you provide in accordance with our Privacy Policy [\(available online here\)](#).

Where we need to share this with product providers we will do so only with your prior consent.

HELP WITH YOUR DEBTS

We can help you with your borrowings by:

- ◆ Helping you manage your existing debts
- ◆ Recommending the right loan or lease for your needs and helping you through the application process.

To do this, we assess whether the particular loan or other credit product is suitable for you. That is, the loan or lease or limit increase will meet your requirements and objectives and you can afford the proposed repayments.

We do this by asking you for information about your objectives and financial situation and for supporting documentation.

We won't recommend a product or course of action if our assessment shows that the loan, lease or limit increase won't

meet your requirements or objectives or we conclude that meeting the proposed repayments will cause you substantial hardship.

We will document our advice and the basis for it together with details of any costs you will incur and any amounts we will receive in a document called a "Credit Proposal" which we will provide to you before you commit to an application.

We will also retain more detailed work papers showing how we assessed your ability to make the payments under the loan. This is called a "preliminary assessment" and you can ask us for a copy of this assessment any time up to 7 years after we prepare it. If you ask us within 2 years of the date we provided the assistance, we will provide you with a copy within 7 business days. Otherwise it might take up to 21 business days.



HELP WITH INSURANCE, SUPER, SAVINGS AND INVESTMENT

We can also help you choose the life insurance, superannuation or savings and investment (including bonds, shares and managed investment schemes) product that meets your requirements taking into account your specific circumstances and goals. We can also help you through the process of applying for or selling these products.

Importantly, your adviser will be there for you when it comes time to claim which can be a stressful time for many people.

Where we provide you with advice in this area, we will document our advice and the basis for it together with details of how the advice can be implemented and how it will help achieve your goals in a document

called a “Statement of Advice” which we will provide to you before you commit to proceeding. This document will also set out any costs you will incur and how much and when we will be paid.

Sometimes, for simpler advice or further advice, we may use a simpler document called a “Record of Advice”.

We will provide you these documents before you commit to a course of action, but you may also request a copy of any advice document up to seven years after the advice has been given.

If you have any questions about this document or the financial advice, investment or risk insurance products or services provided, please ask your Sherpa.

HELP WITH IMPROVING YOUR MONEY SKILLS AND KNOWLEDGE

The LifeSherpa website also includes financial information and content that is more general in nature and does not take into account your personal goals and circumstances.

This content includes courses on specific areas such as budgeting, dealing with money as a couple, investing, paying off your debts and buying a home or investment property.

WHAT PRODUCTS AND PROVIDERS DO WE DEAL WITH?

LifeSherpa does not offer its own products, nor do we have any relationships with product issuers or lenders which would influence our choice of products. This means that we can act in your best interests.

We act on your behalf to source the most appropriate product for your needs from among the products and providers we have reviewed and included on our Approved Product List (APL) and Lender Panel.

Our APL is based on our review (and that of our licensee) of available products. Only those products which we deem suitable for LifeSherpa members are included. There are no relationships with other entities which limit the products selected for review or included on the APL.

Where we recommend the acquisition of a product based on your needs we will generally select from this list only. However, if you already hold a product not on the APL we may, based on our review of that product at the time, recommend that in the circumstances retaining this product or acquiring more of it is the most appropriate solution for you.

The mortgage market is very competitive and consists of a large number of lenders. Membership of our Lender Panel changes from time to time and its members do not necessarily represent all the lenders who offer credit of the nature that you seek. Subject to you meeting their credit criteria,

we are able to arrange credit for you from those lenders.

Where your needs cannot be met by lenders on our lender panel, we may source off-panel lenders and loans.

We expect that the top 6 lenders are: ING, AMP, ME Bank, Macquarie, Westpac/St George, and Connective.





WHAT YOU PAY

MEMBERSHIP

Access to the LifeSherpa website is available free of charge (LifeSherpa Lite). LifeSherpa Pro members, for which a fee is payable, get access to premium features and are assigned a personal adviser (Sherpa). We will collect your membership fees from the account you advise us when you register.

You may choose a month to month membership at \$15/month or an annual membership for \$150.

You may cancel your membership at any time.

If you do cancel your membership, you will no longer be able to access any premium features nor will you be entitled to any further CashBack payments.

In most cases, where you acquired an insurance, a product or home loan based on our advice, your CashBack payments will exceed your monthly subscription fee.

You may also choose to buy other services, such as courses or educational materials, through the website for an additional fee.

SUPERANNUATION AND INVESTMENT ADVICE

We do not receive commissions in relation to superannuation or investment products.

Where we provide you with Personal Advice in relation to any one of these products, we will charge you \$499 for the initial advice and an ongoing fixed monthly management fee of \$40.

We will waive the \$40 monthly fee where the relevant balance is less than \$50,000 and either you or your partner remains a paid Life Sherpa member.

You can usually pay these fees from your superannuation fund or investment fund. For this fee, we will assess your goals, objectives and time frame, determine your risk profile and design an asset allocation suited to your needs. We will then review your existing super or investments to establish if they cost effectively meet your needs or recommend an alternative

which better meets your needs. We will document this advice and discuss it with you. If you choose to accept this advice we will help you implement it and provide ongoing monitoring and review.

Occasionally, we may identify that your needs are more complex (for example if you have more than one existing super or investment fund) and additional charges may apply. We will advise you in advance if such charges will apply in your case.

Where we agree with you to provide advice for a fee based on hours worked, we will base this on a rate of \$300 per hour (GST inclusive). Before we commence we will advise you of a fixed fee for the additional work.

All of our fees will be clearly set out in our advice document.



INSURANCE AND HOME LOAN ADVICE

Where we provide you with advice in relation to insurance or home loans, we do not charge you. We will, instead, receive commission from the lender or insurer. These are paid by the provider from their own resources and do not affect the price of the loan or insurance policy.

We are committed to fair and transparent payments, so we will tell you how much this will be in our advice to you and we will pass on any excess over our capped fee for service to you under our Un-hidden Commission Rebate Policy – see below for more details.

The amount of commission we may receive in relation to your product, loan or lease may vary depending on the provider and product you ultimately choose as well as the amount and timing of the payments that you make.

Even if the commission we receive is less than our capped fee you will not pay us for this advice.

WHAT YOU PAY THE PRODUCT PROVIDER

You may have to pay fees and charges (such as an application fees, valuation fees and other fees) to the product provider, lender, lessor or other parties. The disclosure documents, policy document and your loan contract or lease will include further details of any such fees and charges.





OUR 'UN-HIDDEN' COMMISSIONS REBATE POLICY

We believe that all payments should be fair and transparent. So, when we receive an upfront or trailing commission, we'll pass it on to you (less our capped fee for the service we've provided). Essentially this means you know exactly what you're paying us, and what you'll get in return.

WHAT WE PAY YOU

Insurance companies and lenders pay us commissions when you acquire a policy or take out a loan using our service. These do not affect the price you pay.

We do not charge you a fee for advising on, or arranging for you to acquire, life insurance products or for helping you take out or refinance a home loan or other credit product.

We deduct our low flat fee from the commissions we receive and pay the remainder to you (CashBack), both upfront when you take out the loan or policy and monthly for as long as you hold the product and maintain a LifeSherpa paid membership.

We calculate how much to pay you by deducting a capped amount (\$2,275) from the amount of commission we actually receive from the lender or product provider (less GST and the amount retained by our licensee).

A higher threshold (of \$3,500) will apply where your home loan is more complex. This includes self-employed or credit-impaired borrowers, low or alternative documentation loans and jumbo loans (borrowing greater than \$1 million). We will advise you in your Credit Proposal if this will apply to your circumstances.

Details of the actual commission and the amount of your CashBack will be included in the Credit Proposal, Statement of Advice or other disclosure document we will give you at the same time as we provide you with advice.

You can also request information from us about the fees that we are likely to

receive, how those fees are calculated, and our reasonable estimate of the fees or commissions that will be payable.



	COMMISSION	AMOUNT WE DEDUCT	EXAMPLE
Insurance Policies — Upfront	0% - 66% of the premium paid	\$1,500	On an annual premium of \$3,000 this would be up to \$2,310. Up to \$285 CashBack would be paid to you.
Insurance Policies — Ongoing	0% - 22% of the renewal premium paid	\$25/month or \$300 annually	On a renewal premium of \$3,000 this would be up to \$660. Your CashBack payment would be up to \$210.
Home Loan — Upfront	0.55% - 0.715% of the load amount	\$2,275	For a \$500,000 loan this would be up to \$3,575. Your CashBack payment would be up to \$487.
Home Loan — Ongoing	0.165% - 0.275% p.a. of the loan balance (some don't pay trail in the first year)	\$33/month or \$396 annually	On a \$500,000 home loan this would be up to \$114.58 monthly. Your CashBack payment would be up to \$55.54 monthly.
Leases — Upfront	1-3% of the lease amount	\$1,500	For a \$50,000 motor lease, this would be \$500 - \$1,500. No CashBack amount will be payable to you because the amount we receive is less than our flat fee.
CashBack	Similar to the above	\$300 annually per member for each class of product registered	Depends on the product you have registered. We will advise you of the amount when you register your product.



CLAW BACK

If you cancel your insurance policy (or allow it to lapse, for example by not paying the premium) or repay your loan in full within 24 months of issue or settlement, the insurer or lender will claw back the upfront commissions paid to us.

If this happens, you will have to repay your share of the commissions we have paid you.

This amount is payable within 30 days from the date you cancel your policy (or it lapses) or you discharge or repay your loan in full.

OTHER LIFESHERPA REVENUE

Occasionally, we may receive minor benefits from insurers, lenders or lessors. These may be by way of low value gifts or entertainment, or more commonly, by way of training, professional development days or other activities with an educational component.

Further details of any applicable benefit we are likely to receive will be included in the credit proposal or other disclosure document we will provide to you at the same time as we provide you with credit assistance or financial advice.

PAYMENTS WE MAKE TO OTHERS

We believe that the best endorsement you can give us is to refer LifeSherpa to your friends, family and colleagues. From time to time we run promotions to encourage referrals. We may also obtain referrals from professionals such as accountants or other financial planners.

Further information about referral rewards, including our reasonable estimate of the amount of any amount payable and how it is calculated is available from us on request and will be included in the credit proposal, statement of advice or other disclosure document we provide you when we give you financial advice or credit assistance.

We pay a number of providers to assist us in delivering the services to you. We pay most of these as a fixed or periodic fee. We pay some of these, such as Google and Facebook, based on actions you take (such as clicking a link in an ad or internet post) and others, such as our credit card merchant facility as a percentage of the revenue we receive.



DISPUTES OR COMPLAINTS

WHAT TO DO IF YOU HAVE A DISPUTE OR COMPLAINT

We are committed to providing you with the best possible service. If at any time we have not met your expectations — or you have a complaint about any of our services — please inform us so we can work towards a resolution. We will endeavour to deal with your complaint promptly, thoroughly and fairly.

HOW TO MAKE A COMPLAINT

If you have a complaint, we request you follow these steps:

1. Tell your personal adviser
2. If this does not resolve your concern

write or email the complaints officer
complaints@lifesharpa.com.au

3. We will respond to you and seek to resolve the issue
4. If you are still not satisfied, you may contact our External Dispute Resolution Service (it's free)

If your complaint relates to a product or service acquired through a third party (for example, a lender) we may ask you to contact the relevant third party. They will deal with your complaint under their complaints resolution process. We will help you. If you are not satisfied with the resolution of your complaint by the third party, you are entitled to have your dispute considered by their External Dispute Resolution Scheme.

STILL NOT SATISFIED?

If you do not think we have resolved your complaint to your satisfaction, you may

request our External Dispute Resolution Scheme to help you. You do this at any time, but they may ask you to wait until our internal processes are complete before they will consider your complaint further.

Our External Dispute Resolution Scheme is the Australian Financial Complaints Authority (AFCA) which can be contacted by:

- ◆ Telephone: 1800 931 678 (It's free)
- ◆ Membership number: 34698 (MoneySherpa Pty Limited)
- ◆ Website: www.afca.org.au
- ◆ Mail: GPO Box 3, Melbourne VIC 3001
- ◆ Fax: 03 9613 6399

LifeSherpa has the benefit of a Professional Indemnity Insurance policy maintained by MoneySherpa which meets ASIC's requirements.

HOW TO CONTACT LIFESHERPA

CONTACT DETAILS:

3 Eden Street, North Sydney, NSW 2060

1300 MY SHERPA (1300 6974 3772)

mysherpa@lifesharpa.com.au

www.lifesharpa.com.au

HOW YOU MAY INSTRUCT US

Generally you can instruct your Sherpa using the LifeSherpa website. When we give you a Statement of Advice or other document, it will generally include an authority to proceed which you will need to sign and return.



WWW.LIFESHERPA.COM.AU

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Your Advisor is an employee of LifeSherpa Pty Limited who will provide the service on behalf of the licensee.