

Digital Fee Form User Guide

We have launched our new advice fee consent form ('Digital Fee Form') for you and your clients to authorise the deduction of advice fees and provide greater transparency over the ongoing fee arrangements.

Context

As required by the Royal Commission recommendation related amendments to the *Corporations Act 2001 (Cth)* ('Corporations Act'), Macquarie Investment Management Limited ('MIML') will be required to receive consent from financial advisers prior to the deduction of some advice fees. Further, changes to the *Superannuation Industry (Supervision) Act 1993* require MIML, as a trustee of a regulated superannuation fund, to receive consent signed by the member.

As a result, we have developed our Digital Fee Form. This document will provide a guide in accessing and completing the Digital Fee Form. The Digital Fee Form can be used to add or change fees and will replace the paper 'Change of Fee' form. The Digital Fee Form also incorporates the new ASIC requirements into the same form.

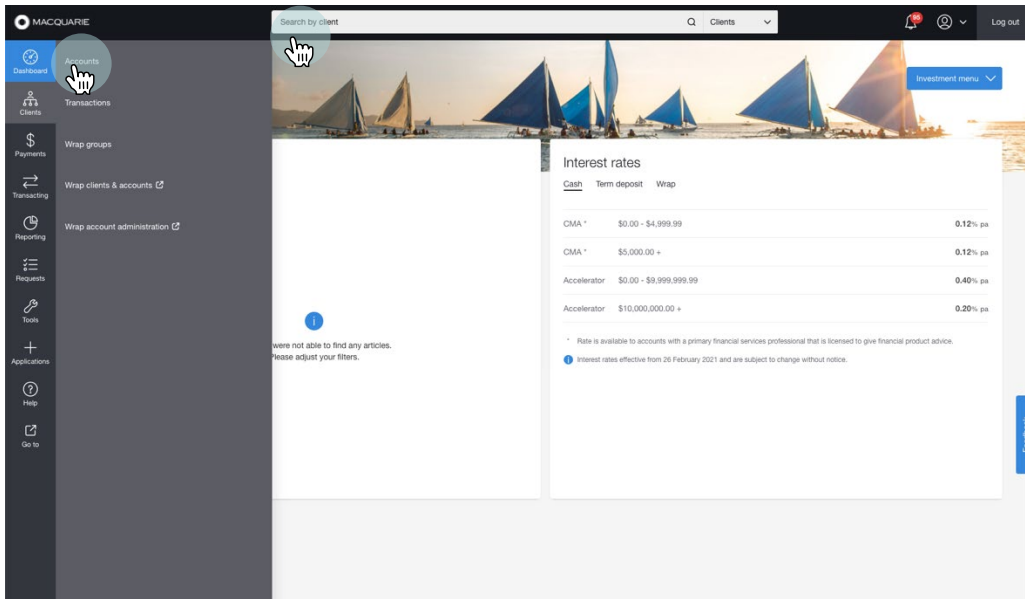
The Digital Fee Form is only suitable for account level fees, any accounts which form part of an 'advice fee group' should be updated using the paper Advice Fee Grouping form available at

<https://www.macquarie.com.au/advisers/tools.html>

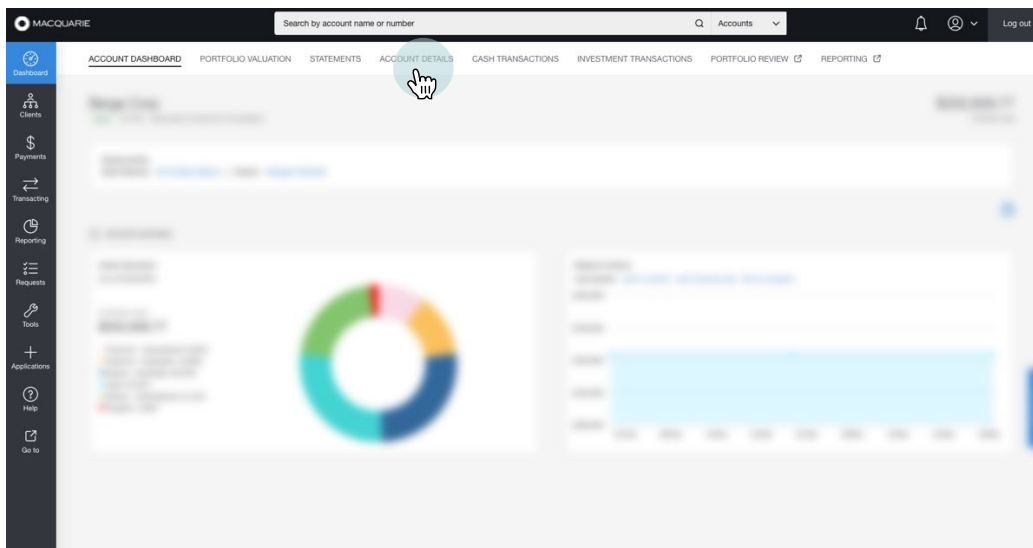
Accessing the new advice fee consent form

If you want to provide consent for an **existing** account, simply follow the steps below.

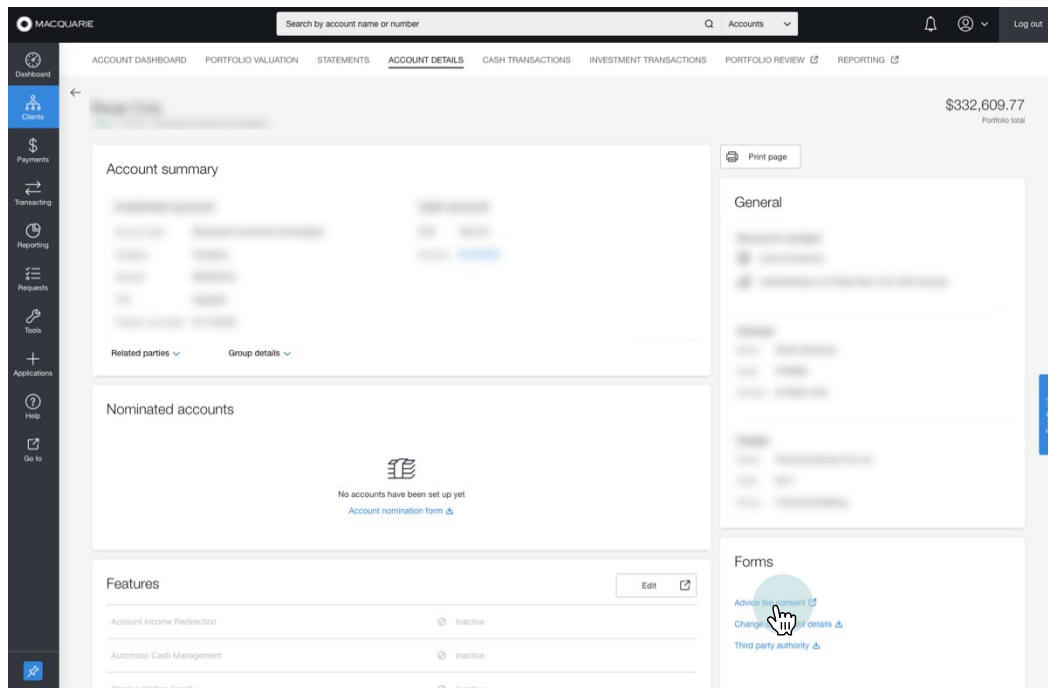
1. Visit online.macquarie.com.au/ao/ and login with your Macquarie ID and password.
2. Select the account you want to obtain advice fee consent from. You can do this by selecting **Clients** from the side navigation and **Accounts** to open the relevant account, or simply searching for the account in the search bar.



3. When you land on the Account Dashboard for the relevant account, select the **Account Details** tab from the sub-navigation menu.



- Once you have landed on the account details page, you will be able to access the **Advice fee consent form** from the **Forms** tile beneath the account details information.



Completing the advice fee consent form

To complete and submit an online consent form for your client, follow the steps below.

1. Once you open the Advice fee consent link, the form will be pre-populated with the account and adviser details from Adviser Online. You can override these details by searching for another account within the **Search for client or account** field.

The screenshot shows the 'Advice Fee Consent Form' interface. At the top, there is a blue header with the text 'Advice Fee Consent Form'. Below this, the form is divided into sections. The first section is 'Stage 1 Client details'. It contains a search field labeled 'Search for client or account' with a dropdown arrow. Below the search field are input fields for 'Name', 'Product name' (with 'Investment Consolidator' entered), and 'How would you like to submit this application?' with two radio button options: 'Email your client/s' and 'Print, sign and upload'. To the right of the form is a vertical navigation menu titled 'Fee Consent Form' with three items: 'Stage 1 Client details' (selected), 'Stage 2 Advice fee details', and 'Stage 3 Submit'.

2. You will be required to select the preferred method for submitting the form.

How would you like to submit this application?

Two buttons are shown: 'Email your client/s' (highlighted with a blue border and a hand cursor) and 'Print, sign and upload'.

Each of your clients will receive an email asking them to log in (using their email and DOB), review the application you have created, agree to terms and conditions and submit the application to us digitally.

3. If you choose the option to email your client, you must select their preferred email address before continuing. It is important to ensure that all your client's contact details including their email address are up to date before completing the Digital Fee Form.

Select email address

A dropdown menu is shown with the selected email address 'email6669811@test.com'. The dropdown list contains the following options: 'Select...', 'email6669811@test.com' (highlighted in blue), 'email6894481@test.com', and 'email860860@test.com'. A hand cursor is pointing at the selected option.

Exit

This information is provided by Macquarie Wrap Solutions, a registered business of Macquarie Investment Management (MIML). It contains general information only and is provided for the use of licensed financial advisers only. In no way should it be used as a basis for making a decision about a financial product or class of products.

- 4. Once you have reviewed and submitted your clients' details, you will be presented with the existing fees which are currently deducted. **Note: In instances where the account is part of a group, fees will be calculated based on grouping rates. You cannot update grouped advice fees using the Digital Fee Form and the paper account grouping form should be used.**

Stage 2 Advice fee details

Current fee details

Account Group ID	Account Group Name
Account ID	Account Name
Consent Expiry	N/A

Fee Consent Form

- Stage 1 Client details Product: Investment
- Stage 2 Advice fee details
- Stage 3 Submit

Account Group Level Fees

Adviser Service Fee

Tiered Fee

YOUR EXISTING ADVISER SERVICE FEE

All Investments including Cash

Account balance from	Account balance to	% Fee (ex GST)	% Fee (incl 10% GST)*
\$0.00	\$1,000,000.00	0.88000	0.90000
\$1,000,000.00	\$1,000,000,000.00	0.40000	0.41000

- 5. After reviewing the existing fees, there will be an option to update the fee details if required. All Adviser fees available for your account will be made available for amendment. If you choose to update the fee arrangement, see **Step 6**.

Otherwise, if you are not looking to update the existing fee arrangement, then the following is required.

IDPS accounts

If you are updating an IDPS account and you do not wish to update the fee arrangement, you will be prompted to specify whether the client is currently a wholesale client (as defined under the Corporations Act). If they are a wholesale client, you must specify the start and end date of the fee arrangement, whereby the end date must be no greater than two years from the start date. If they are not a wholesale client, you will be prompted to specify whether the current fees are charged on an **Ongoing** or **Fixed term** basis (see Step 7).

Super and Pension accounts

If you are updating a Super/Pension account and you do not wish to update the fee arrangement, you will be prompted to specify whether the current fees are charged on an **Ongoing** or **Fixed term** basis (see Step 7).

6. If you choose to update the adviser fees, the following is required.

IDPS accounts

For IDPS accounts, you will be asked to specify whether the client is a wholesale client and whether the funds will be invested from a borrowed source.

For both IDPS and Super or Pension accounts, you will be further asked to specify whether the following fee types will be applicable for the client:

1. **Ad hoc fees**

If there are ad hoc fees, you must enter the dollar value ad hoc fee amount (excluding GST). Otherwise, if ad hoc fees do not apply, select No.

Are there any adhoc fees being charged?

Adhoc adviser service fee		
Fee type	Fee (ex GST)	Fee (incl 10% GST)*
Dollar (\$)	<input type="text"/>	<input type="text"/>

2. **Adviser transaction fees**

If there are adviser transaction fees, you must select the fee type. Adviser transaction fees can be structure either as a fixed dollar amount per buy transaction (dollar value) or as a percentage of the value of buy transactions (percentage). You must then enter the fee amount.

Otherwise, if adviser transaction fees do not apply, select No.

Are there any adviser transaction fees being charged (applies to buy transactions only)?

Online transactions		
Fee type	Fee (ex GST)	Fee (incl 10% GST)*
Select...	<input type="text"/>	<input type="text"/>

3. **Monthly adviser service fees**

If there are monthly adviser service fees, these can be structured in 4 ways:

- 1. tiered structure, specifying a percentage to apply at different account values, or
- 2. flat percentage structure, specifying a percentage to apply to the total value of the account, or
- 3. flat dollar structure, specifying a flat (fixed) dollar amount, or
- 4. flat dollar structure together with either a tiered structure or a flat percentage structure.

For percentage based monthly adviser fees (options 1, 2 or 4 above), you will be able to enter the fee split amount for different investment types (all investments, Australian listed securities, Managed investments, SMA assets and fixed income securities), and provide additional tiers within the investment type. **If you are not charging a percentage based advice fee, you must enter zero as a value.**

You will also be able to provide a flat dollar adviser service fee per month (options 3 or 4 above). If yes, you must enter the dollar value service fee amount **per annum** (excluding GST). This flat dollar amount will be apportioned across the year (or the term of your arrangement if it is less than 12 months).

Will you be charging a monthly adviser service fee?

Fee split

All Investments including Cash

Account balance from	Account balance to	% Fee (ex GST)	% Fee (incl 10% GST)*
\$0.00	\$999,999,999.99		

+ Add a tier

+ Add another split

Is there a flat dollar adviser service fee?

7. Once all the relevant fees are entered and reviewed, you will be prompted to select or confirm whether the fee arrangement is **fixed term** or **ongoing**.

1. **Fixed Term**

If you select a **fixed term arrangement**, you will be required to enter a start and end date for the **fee term**.

Note: For a **fixed term arrangement**, the **fee end date cannot be more than 12 months after the fee start date**¹. An end date greater than 12 months would represent an ongoing arrangement. Where a fee reaches its end date and a new arrangement is not recorded, fees will cease to be deducted and paid.

2. **Ongoing**

If you select an **ongoing fee arrangement**, you will be required to enter the date that you entered into the ongoing fee arrangement with your client. For continuing ongoing fee arrangements, this date is the anniversary day of your ongoing fee arrangement (this date must be the same as the anniversary day in the fee disclosure statement provided to your client). This may be a date in the past however fees will only be paid after the client approval is processed. We are not able to pay retrospective fees however you can also charge an ad-hoc fee as part of the same Digital Fee Form.

You are also required to enter the expiry date of your fee arrangement. **Note:** The **consent expiry date cannot be more than 150 days after the date you entered into the arrangement / the anniversary day**².

¹ If you are completing this form for a wholesale client holding an IDPS account, the **fee end date** can be within 24 months from the start date.

² If you are completing this form for a wholesale client holding an IDPS account, the **consent expiry** date can be within 24 months from the start date.

Where a fee reaches the consent expiry date and no new consent is provided, fees will cease to be deducted and paid.

8. If you have previously selected **Yes** for **adviser transaction fees** and/or **monthly adviser service fees** you will have to calculate and provide an estimate of the monthly fee to be deducted on the account. Where a percentage based fee is being applied, you are also required to provide the expected average balance which you have used to calculate the fee estimate.

Frequency and amount of payment of adviser service fees

Relevant expected average balance on which the fee estimate is based

Monthly fee estimate (including GST) to be deducted on the first day of the month

Further you will need to specify the structure (percentage-based fee structure, flat dollar fee structure or a combination of both).

- PERCENTAGE BASED FEE STRUCTURE:** The monthly estimate above was arrived at by applying the fee rates that apply per annum on your account to the expected average balance of your account and dividing by 12, plus any estimated transaction based advice fees (if applicable). Your expected average account balance takes into account, any known large withdrawals or deposits, and for super/pension accounts, contributions that are expected to be made (either employer contributions or personal contributions).
- FLAT DOLLAR FEE STRUCTURE:** The monthly estimate above was arrived at by using the annual flat dollar fee, divided by 12 (or the term of your arrangement if it is less than 12 months), plus any estimated transaction based advice fees (if applicable). The actual monthly fee amount is calculated by converting the annual fee to an equivalent daily fee, multiplied by the number of days during the month of deduction and will vary each month based on the number of days that month.
- COMBINED PERCENTAGE BASED FEE AND FLAT DOLLAR FEE STRUCTURE:** The monthly estimate above was arrived at by combining the estimated percentage based fees and the flat dollar amount that will be deducted monthly from your account, plus any estimated transaction based advice fees (if applicable). The percentage based portion has been estimated by applying the fee rates that apply per annum on your account to the expected average balance of your account and dividing by 12. Your expected average account balance takes into account, any known large withdrawals or deposits, and for super/pension accounts, contributions that are expected to be made (either employer contributions or personal contributions).

9. For **Super or Pension accounts** you must also select the required services from the menu provided. These are categories of services which relate to superannuation and pension accounts. These services are general in nature to support advisers in mapping appropriate activities set out in the Statement of Advice or Fee Disclosure Statement.

Menu of services

- Pension establishment and commencement
- Periodic review of your pension account
- Pension management strategy
- Management and administration of your pension account
- Pension investment portfolio - establishment and implementation
- Pension investment portfolio - review and maintenance
- Pension investment portfolio - corporate actions

10. In the final stage of the process, you will need to enter a business name and preferred work number under the **Work number** field. Once you have reviewed the details, you may submit the form by clicking **Finish application**. Otherwise, you can **Save to continue later** if you need to complete later.

Stage 3 Submit

Application contact details

Adviser name

Business name

Adviser email address

Work number

Fee Consent Form

- Stage 1 Client details
Product: Investment
- Stage 2 Advice fee details
- Stage 3 Submit

By submitting this form, you confirm that:

- any ongoing fees set out within the Advice Fee Deduction Consent are consistent with an ongoing fee arrangement that has been agreed as between you and your client;
- the ongoing fees set out within the Advice Fee Deduction Consent covers a period of 12 months beginning on a day within 30 days after making this document available to your client;
- and where your client holds a super or pension account, the advice fees are only being deducted for advice and/or services provided in relation to superannuation or retirement.

11. Once completed, you will be able to view the application under the **Submitted** side-navigation menu in the dashboard. You can edit the application details or download a PDF with the application details.

Submitted applications

Application search

Client Name Create by

Application number Create Date From

My submitted applications

CREATED DATE	SUBMITTED DATE	CREATED BY	APPLICATION NUMBER	ADVISER CODE	FORM TYPE	PRODUCT NAME	ACCOUNT TY
26-Apr-21	26-Apr-2021	Turner	OAMQ100025732	9411-PPMRM	Fee Consent	Investment Consolidator II	
23-Apr-21	23-Apr-2021	Turner	OAMQ100025709	9411-PPMRM	Super/Pension Switch	Super Consolidator II - Elevate	Individual
23-Apr-21	23-Apr-2021	Turner	OAMQ100025711	9411-PPMRM	Super/Pension Switch	Pension Consolidator II - Engage	Individual
22-Apr-20	23-Apr-2021	Turner	OAMQ100025695	9411-GCOLLO	Wrap Application	Investment Manager II	Individual
21-Apr-2021	21-Apr-2021		OAMQ100025668	9411-PPMRM	Fee Consent	Investment Consolidator II	
21-Apr-21	21-Apr-2021	Turner	OAMQ100025634	9411-PPMRM	Product Conversion	Investment Consolidator II - Elevate	
21-Apr-21	21-Apr-2021	Turner	OAMQ100025633	9411-PPMRM	Product Conversion	Investment Consolidator II - Elevate	
16-Apr-21	19-Apr-2021	Turner	OAMQ100025620	9411-PPMRM	Fee Consent	Super Consolidator II	Individual