

## Wholesale Client Agreement

**Some investors may fall under the category of 'Wholesale Client' or may choose to be defined as such. A wholesale client has fewer rights than a retail client. We encourage you to understand the difference and make a conscious decision about whether or not you wish to be regarded as a wholesale client. (Incurs annual fee of \$495 plus GST)**

Section 5C of the Financial Advisers Act defines 'Who are wholesale clients' in respect of a financial adviser or broking service. We have extracted the following definitions that we think may be relevant to you:

- A person whose principal business is the investment of money or who, in the course of and for the purposes of the person's business, habitually invests money;
- An entity to which at least 1 of the following applied at the end of each of the last 2 completed accounting periods:
  - (i) at the balance date, the net assets of the entity exceeded \$1 million: or
  - (ii) the turnover of the entity for the accounting period exceeded \$1 million:

**NOTE:** An entity is not a natural person. However this section is likely to capture many clients who invest through trusts, partnerships or company structures.

- An eligible investor (explained below)

### **A client is an eligible investor if: (Section 5D of the FAA)**

- (1) The client certifies in writing that:
  - the client has sufficient knowledge, skills, or experience in financial matters to assess the value and risks of financial products and the merits of the service or services to be provided; and
  - the client understands the consequences of certifying himself, herself, or itself to be an eligible investor (including that the competency standards and requirements of the code will not be applicable (if relevant) and that the financial adviser or broker may not be a member of an approved dispute resolution scheme); and
- (2) The client states the reasons for this certification; and
- (3) A financial adviser, or a broker, signs a written acceptance of the certification in accordance with section 5E of FAA.

### **A Wholesale client can opt out of being categorised as such by:**

- (1) A person may opt out of being a wholesale client, in relation to a financial adviser or broker, by giving the financial adviser or broker a signed notification to that effect.
  - A notification may be specific to a particular service, or class of services, or may be general for all services provided by the financial adviser or broker to whom it is given.
  - A person may vary or revoke a notification in the same way as the notification may be given.
  - A notification (or variation or revocation of a notification) under this section is effective only in relation to services provided after it is given.
- (2) This section does not apply if a person is a wholesale client by reason of being an eligible investor.

I declare that I am a wholesale client on the basis of:

**a)** having \$1 million, or more, of assets; **b)** being an Eligible Investor; or **c)** being a Habitual Investor.

**Please make an election (Delete One):** I wish to be served as / I wish to opt out of : wholesale client status

I confirm that I have received, and understand, your Primary and Secondary disclosure statements. I understand the scope and basis of business on offer, that CLP will retain my CSN and FIN (one can opt out of this aspect of the service) and that if I do not pay the fee, when due, that my service level will revert to that of Broker Service.

**Payment of \$569.25 has been arranged to Chris Lee & partners Ltd. (ANZ 01-0731-0182987-00)**

Name of Client: \_\_\_\_\_

Address: \_\_\_\_\_

Email: \_\_\_\_\_

Date: \_\_\_\_\_

Signed: \_\_\_\_\_