

# National Australia Trustees Limited

## Trustee Services – Financial Services Guide

# A guide to our relationship with you and others

**The financial services referred to in this guide are offered by National Australia Trustees Limited:**

Principal Business Address: Level 5 (UB 2506), 800 Bourke Street, Docklands VIC 3008

Telephone: 1800 036 172

**This guide contains important information about:**

- the services we offer you
- how we and our associates are paid
- any potential conflict of interest we may have
- our internal and external dispute resolution procedures and how you can access them
- the compensation arrangements we have in place.

If you give us an instruction to acquire a particular financial product or if we offer to arrange for the issue of a financial product to you, we will give you a Product Disclosure Statement (PDS). The PDS contains important information about the financial product which will assist you in making an informed decision about the product.

<b>Who is responsible for the financial services provided?</b>	National Australia Trustees Limited ABN 80 007 350 405 (“NAT”), an Australian Financial Services Licensee No: 230703, is responsible for the financial services provided in the course of providing “Trustee Services” including the distribution of this Financial Services Guide (“FSG”). It may provide these financial services on your behalf or on its own behalf.
<b>Do we have any relationships or associations with Financial Product issuers?</b>	NAT is a member of the National Australia Bank group of companies that includes a number of product issuers with which NAT may be associated and whose product we may recommend.
<b>What kinds of financial services are we authorised to provide you and what kinds of Financial Product/s do those services relate to?</b>	<p>NAT is authorised to deal in financial products and provide financial product advice for:</p> <ul style="list-style-type: none"><li>• Deposit and Payment Products (basic deposit, non-basic deposit and non-cash payment);</li><li>• Derivatives;</li><li>• Government Debentures, Stocks or Bonds;</li><li>• Managed Investment Schemes, including Investor Directed Portfolio Services;</li><li>• Securities;</li><li>• Superannuation.</li></ul> <p>NAT is authorised to provide a custodial or depository service, other than an investor directed portfolio service, and is authorised to operate a registered scheme in:</p> <ul style="list-style-type: none"><li>• Derivatives;</li><li>• Direct Real Property;</li><li>• Financial Assets;</li><li>• Mortgages.</li></ul> <p>NAT is also authorised to provide traditional trustee services which include:</p> <ul style="list-style-type: none"><li>• estate planning;</li><li>• estate administration services;</li><li>• executor assistance services;</li><li>• compensation trust services;</li><li>• charitable trusts.</li></ul>
<b>What information do we maintain in your file and can you examine your file?</b>	<p>We maintain a record of your personal information, which may include address details and other related details required in order to provide our financial services to you.</p> <p>We are committed to compliance with our privacy policy, which will ensure the privacy and security of your personal information. A copy of our privacy policy is available on our website at <a href="http://www.nab.com.au">www.nab.com.au</a> or can be obtained by phoning us on 1800 036 172.</p> <p>If you wish to see personal information we hold about you, please contact us.</p>

<p><b>How do you have to give us instructions about your Financial Product/s?</b></p>	<p>You need to give us instructions in writing (eg fax, e-mail or letter) or another method as agreed with us.</p>
<p><b>How are any commissions, fees or other benefits calculated for providing the financial services?</b></p>	<p>We will agree with you the amount you pay on either a:</p> <ul style="list-style-type: none"> <li>• percentage basis;</li> <li>• hourly rate;</li> <li>• flat dollar fee; or</li> <li>• combination of the above.</li> </ul> <p>The fee structure for the financial services provided by NAT relating to retail client Trustee Services are fully detailed in the attached Schedule of Fees. All fees are quoted inclusive of Goods and Services Tax (“GST”) unless marked GST exclusive. Please contact us on 1800 036 172 for any queries you may have on our pricing structure.</p> <p>NAT may receive monetary or other benefits from financial products which we may recommend or deal in on your behalf. For example, NAT holds your cash balance in the NAB Cash Manager Account which earns interest on your behalf. NAT receives from NAB a fee of 0.25% per annum on the value of your cash balance that is held within the NAB Cash Manager Account. NAT may pay referral fees where third parties refer clients to us or we may receive referral fees where we refer clients to third parties.</p> <p>NAT staff members are salaried employees of NAB and in most cases do not receive any proportion of any fees or commissions paid to NAB or any other company in the National Group in connection with the financial services or financial products referred to in this FSG.</p> <p>Staff members may be entitled to receive additional monetary or non-monetary benefits and/or rewards resulting from participation in programs conducted by NAB. Monetary benefits or rewards may include an annual bonus, the level of which may depend on the overall performance of the National Group of companies. Non-monetary benefits or rewards for staff members and their partners may include gift vouchers, film tickets, restaurant meals, attendance at an annual conference or other functions.</p> <p>Whether staff members receive any such benefits and rewards depends on a number of performance related factors including the level of remuneration generated for NAB from sales of products as a consequence of the staff member's advice.</p> <p>It is not possible to determine at any given time whether a staff member will receive such benefits or rewards or to quantify them. They are generally not directly attributable to any particular product that the staff member has given advice on.</p>
<p><b>What should you do if you have a complaint?</b></p>	<p>If you have any complaints about the service provided to you, you should take the following steps.</p> <ol style="list-style-type: none"> <li>1. Contact us on 1800 036 172 and tell us about your complaint.</li> <li>2. If your complaint is not satisfactorily resolved over the phone, NAT has formal procedures for dealing with complaints and you will need to write to us. Your correspondence should be addressed to: <ul style="list-style-type: none"> <li>The Manager</li> <li>National Australia Trustees</li> <li>GPO Box 247, Melbourne VIC 3001</li> </ul> <p>Please mark the envelope “Notice of Complaint”. We will try and resolve your complaint quickly and fairly.</p> </li> <li>3. If the complaint can't be resolved to your satisfaction within 45 days, you have the right to refer the matter to an independent complaint resolution scheme, the Financial Ombudsman Service (“FOS”). FOS was set up to provide free assistance to customers of the financial services industry. They can be contacted at: <ul style="list-style-type: none"> <li>Telephone: (03) 9613 7366 or toll free 1300 780 808</li> <li>Facsimile: (03) 9613 6399</li> <li>E-mail: info@fos.org.au</li> <li>Post: GPO 3 Melbourne VIC 3001</li> </ul> <p>NAT holds professional indemnity insurance that satisfies the requirements (Section 912B) of the Corporations Act 2001.</p> </li> </ol>

If you have any further questions about the financial services NAT provides, please contact us.

Please retain this document for your reference and any future dealings with NAT.

# Schedule of fees

## Overview

The schedule of fees and charges for executor and trustee services and estate planning are outlined below. The fees quoted are current as at 25 February 2011, and are inclusive of Goods and Services Tax (GST) unless marked GST exclusive. In certain circumstances the fees may be varied by agreement and we would be pleased to discuss this with you. The services outlined are provided by National Australia Trustees Limited ABN 80 007 350 405 AFSL 230703 (NAT).

## Executor And Trustee Services

Your trust manager will provide you with an estimate of costs for your required services where the administration is commenced on or after 25 February 2011.

### Executor

Executor services include all duties required to prepare for the application for Grant of Probate, collection of assets, payment of debts, satisfaction of all income tax requirements, and distribution of the estate in accordance with the terms of the Will. To act as Executor, our maximum fees (unless otherwise agreed) are comprised of percentage fees and an hourly rate as follows:

- Transfer of jointly held assets: transferred to survivor at a nominal fee.
- Principal place of residence: Where transferred direct to beneficiary and if not jointly held: 1.08% of market value.
- On capital value of other assets: percentage fees are calculated on the gross capital value and will not exceed 4.33% on the first \$250,000, 3.25% on the next \$250,000, 2.16% on the next \$250,000 and 1.08% in excess of \$750,000.
- On gross income collections: 6.47% pa (except for NSW 5.68%pa and NT 5% pa).
- Management of a business: fees will be negotiated.
- Hourly rate: An hourly rate of \$175 to \$275 (depending on complexity) may be charged to cover the time taken to administer the estate.
- We will also recover any disbursements incurred on behalf of the Estate from the Estate if, for example, we engage other entities or third parties to conduct work in the administration of the Estate.

### Executor Assist

Where NAT acts as the agent of the Executor a maximum hourly rate of \$275 applies with a minimum fee of \$1,650.

## Private Trust Services (excluding charitable trusts), Asset Management and Personal Custody Services

NAT also provides the following services for the maximum fees shown in the table below (unless otherwise agreed).

An establishment fee of 0.50% on the gross value of initial assets (minimum fee of \$1,650) applies. There is a minimum annual management fee of \$1,650. This is not in addition to the fees shown in the table below – the annual fee is \$1,650 or the percentage amount, whichever is greater. As an example, after initial establishment, a Private Trust with a portfolio value of \$2,000,000 would be charged an annual fee of \$28,500 per annum. We will also recover any disbursements incurred on behalf of the Estate from the Estate. These fees are subject to specific requirements imposed by relevant legislation governing Trust Companies. In addition to these fees, the following fees may apply:

### NSW

In NSW, we may also charge an additional service fee of up to \$275 per hour for services including:

- Administration of assets located interstate or overseas.
- Inspection of and report on real or personal estate.
- Arranging for and supervising repairs to real estate.
- Valuation of assets.
- Preparation and lodgement of returns for:
  - income tax, or
  - land tax, or death and estate duties (other than for original grant of probate or letters of admin).
- Furnishing information for the purpose of any proposed dealing with a beneficial interest or for registering a notice of charge or other dealings.
- Rearrangements of transactions necessary as a result of requests or deeds entered into by beneficiaries.
- Engagement in litigation (other than arising from any default or neglect by us).
- Keeping books of account of any business, except where we also carry on the business.
- Applying, in good faith, for grant of probate or letters of admin if application not granted due to circumstance beyond our control.

Service	Description of Service	Percentage fee per annum on the gross value of the Trust		
		First \$1,000,000	\$1,000,000 - \$5,000,000	Greater than \$5,000,000
Private Trust Services	<ul style="list-style-type: none"> <li>• Includes acting as trustee for Testamentary Trusts, Family Trusts, Minor Trusts</li> </ul>	1.60%	1.25%	1.00%
Asset Management	<ul style="list-style-type: none"> <li>• Maintaining ongoing management of investments and collection of income</li> <li>• Settlement of transactions and processing of corporate actions</li> </ul>	1.25%	1.00%	0.85%
Personal Custody	<ul style="list-style-type: none"> <li>• Separate and/or consolidated portfolio valuation reports</li> <li>• Capital gains (realised and unrealised) and income tax reporting</li> <li>• Financial transaction reports covering all receipts and payments</li> </ul>	0.70%	0.55%	0.30%

Service	Description of Service		First \$1,000,000	\$1,000,000 - \$2,000,000	\$2,000,000 - \$3,000,000	Greater than \$3,000,000
Compensation Trusts	• For compensation awards/settlements acting as trustee, appointed financial manager or administrator	WA, SA and NT	1.00%	0.62%	0.42%	
		All other Australian States and Territories	1.00%	0.80%	0.60%	0.35%
		In all States and Territories, an establishment fee of up to a maximum of \$15,000 may apply.				

### NSW continued

- Forming companies or restructuring companies for benefit of existing beneficiaries.
- Duties involved in joint tenancies.
- Attendances outside offices of trustee company (other than for making inquiries re probate).
- Inquiries for missing or unnamed beneficiaries.
- Passing of accounts with Registrar in Probate where we are acting as co-executor or co-administrator.
- Collecting rent on behalf of estate.
- Carrying on a business which belongs wholly to estate or in which estate has interest as partner.

### QLD

In Qld, we may also charge an additional service fee from or out of the estate of up to \$275 per hour for services including:

- Preparation of income tax or land tax returns.
- Carrying on a business which belongs wholly to estate or in which estate has interest as partner.
- Keeping books of account in respect of any business.
- Arranging insurance.
- Acting as auctioneer of property.
- Preparing succession accounts and estate duty returns.
- Inspecting and reporting upon real and personal estate.

### Victoria

In Victoria, we may also charge an additional service fee from or out of the estate of up to \$275 per hour for services including:

- Preparation and lodgement of returns for income tax.
- Carrying on a business which belongs wholly to estate or in which estate has interest as partner, if approved by the Court.

### Charitable trusts

The services provided under charitable trusts are subject to an annual management fee only. The maximum fee charged for the provision of these services is 1.056% on the gross value of assets under administration.

### Estate Planning and Powers of Attorney

Our fees for estate planning are shown in the table below.

### Corporate Custodian Accounts

Due to the specific nature of each Corporate Trust, fees are determined on a case by case basis. There are 3 categories of fees that may apply as follows:

- Establishment Fee: \$5,000 to \$20,000 based on the costs of setting up operational activities, the reviewing and execution of the governing documents.
- Annual Fee: \$20,000 to \$75,000 based on the ongoing costs on maintaining the trust or other arrangement.
- Exit or Discharge Fee: \$5,000 to \$30,000 based on whether there will be documents to execute at the end of the legal relationship such as leases.

Estate Planning and Powers of Attorney	Victoria		NSW & ACT		QLD		SA		WA	
	Single	Couple	Single	Couple	Single	Couple	Single	Couple	Single	Couple

#### Individual Administration/Guardianship Documents

Enduring Financial Power of Attorney	250	400	250	400	275	450	165	260	250	400
Enduring Medical Power of Attorney	150	275	NA	NA	NA	NA	110	200	NA	NA
Enduring Power of Guardianship	150	275	150	275	NA	NA	110	200	250	400
Living Will/Advance Health Directive	250	300	250	300	275	450	250	300	250	300

#### Will and Power of Attorney Packages

Enduring Power of Attorney Package	400	700	400	700	350	600	300	500	400	700
Testamentary Discretionary Trust Will + All Enduring Powers of Attorney	2,500	3,500	3,600	4,800	2,300	3,300	1,800	2,300	2,300	3,300
Standard Will + All Enduring Powers of Attorney	1,000	1,500	1,320	1,870	800	1,200	750	1,050	800	1,200

#### Other Services

Reviews of wills or simple codicils are charged at an hourly rate of \$300–350 per hour. The extent of revisions required to an existing document will determine whether a revision is appropriate or a new will is required. Please discuss this with your solicitor.

In relation to business succession protection deeds our fees are:

- Establishment Fee: \$2,100 (plus GST);
- Fee for paying the Benefits received under an Insurance Policy: \$1,000 (plus GST);
- Administration Fee for the ongoing management of all policy documentation and correspondence payable annually on the anniversary of the deed: \$150 (plus GST); and
- Hourly Rate for making amendments to the deed and for activities conducted in relation to any actions or claims relating to any Insurance Policy: \$300 (plus GST) per hour.

Our fees in relation to establishment of superannuation funded business buy/sell deeds not containing any bare trusts is \$2,100 (plus GST).

Important Notes: The fees set out above are minimum fees. If solicitor consultation(s), travel and extensive professional work is required then an additional fee of \$300–\$350 per hour may be incurred. All fees will be agreed with clients prior to being charged. All documents are prepared by solicitors in Melbourne. Charges are authorised pursuant to Section 20A of the Trustee Companies Act 1984 (Vic).

# Corporate directory

**Mailing Address:**

The Manager  
National Australia Trustees  
GPO Box 247  
Melbourne VIC 3001

**National (toll free) number: 1800 036 172**

**Fax number: 1300 117 996**

**Places of business:****Victoria**

Level 5, (UB2506)  
800 Bourke Street  
Docklands VIC 3008

**Queensland**

Level 13  
100 Creek Street  
Brisbane QLD 4001

**South Australia**

Level 1  
22-28 King William Street  
Adelaide SA 5000

**New South Wales**

Level 20  
255 George Street  
Sydney NSW 2000

**Western Australia**

Level 14  
100 St Georges Terrace  
Perth WA 6000