

30 October 2023

Shop 8/22-32 Gladstone Ave
WOLLONGONG NSW 2500
Tel: 1300975999

Mr M and Mrs V Pitt
1 Golf Links Road
GLENROY Victoria 3046

Record of Advice

Dear Matthew & Veronica

This Record of Advice details additional recommendations that we believe are necessary to ensure our advice continues to remain appropriate based on your needs, goals and objectives.

The Scope of my advice is limited to the following areas:

- Superannuation

After taking into account your needs and objectives, and considering your best interests, our advice does not address any other matters.

Please note that we have not recommended any significant changes to your existing position at this time.

We ask that you review this document and contact us at your earliest convenience with your instructions and approval.

Your circumstances

We have completed a review of your current financial situation, needs, and objectives, and whilst there may have been changes in your circumstances, we do not believe these changes are significant.

The recommendations made in this Record of Advice (RoA) have been on this basis.

Please contact us prior to implementing this advice should you believe there have been any significant changes in your circumstances of which we may not be aware or you feel may impact on the recommendations outlined in your advice.

Our Advice

Superannuation

Reduce Debt

My Advice



Matthew & Veronica, I recommend that you use

- \$45,000 from your Macquarie Cash Management Account and reduce existing debt SMSF Property Loan – North Lakes with \$45,000.

I recommend that you reduce your debt in the following manner:

Financing Resource	Owner	Existing	Transaction	Remaining Value
Macquarie Cash Management Account	Matthew & Veronica	\$64,820	\$45,000	\$19,820
Total		\$64,820	\$45,000	\$19,820

Reduce Debt	Interest Rate	Existing	Recommended	Projected
Matthew & Veronica				
Investment Property Loan - Doreen	0.07%	\$172,165	\$45,000	\$127,165
Total		\$172,165		\$127,165

Why my advice is right for you

Principal and interest repayments

This repayment type ensures you are reducing the loan over time. In addition, by reducing your debt you will be able to save an estimated \$3,000p.a in interest.

Portfolio Rebalance

Recommendation

We recommend you rebalance your investments

Investment Details	Existing	Transaction	Recommended
Mathew and Veronica Pitt SMSF			
Ishares Core S&P/Asx 200 Etf	\$75,010	\$0	\$75,010
Ishares Global 100 Etf	\$32,666	\$0	\$32,666
Ishares Msci Emerging Markets Etf	\$21,202	(\$21,202)	\$0
Ishares S&P Small-Cap Etf	\$26,195	\$0	\$26,195
Betashares India Quality Etf - Betashares India Quality Etf.	\$0	\$11,000	\$11,000
Ishares Msci Japan Etf	\$0	\$10,202	\$10,202
CommSec Total	\$155,073		\$155,073
Macquarie Cash Management Account Total	\$19,820		\$19,820

Reason for my recommendation

- Adjust the investment options within your portfolio to better reflect your investment goals and address current market conditions.
- Adjust the allocation to defensive assets in your portfolio to provide liquidity for your fees/pension payments/insurance premiums.
- Align your portfolio to your risk tolerance - Rebalance the investment options within your retirement savings to a mix that is more closely aligned to your agreed investment strategy.
- By reviewing your investment selection we can identify and replace assets we feel are less suited to meet your needs going forward.
- A considered investment mix enables you to reduce risk and volatility as different investment classes, investment styles, and sectors all perform differently.
- Your fees will be reduced.
- A portion of your portfolio will be moved to cash assets to fund your ongoing liquidity needs.

Proposed Investment Portfolio Summary

To ensure you are invested in line with the recommended investment strategy, we have recommended the following investments

Superannuation Investments

Self Managed Superannuation Fund

Investment	Amount
Mathew and Veronica Pitt SMSF	
Direct Investment	
Betashares India Quality Etf - Betashares India Quality Etf.	\$11,000
Ishares Msci Japan Etf	\$10,202
Ishares Core S&P/Asx 200 Etf	\$75,010
Ishares Global 100 Etf	\$32,666
Ishares S&P Small-Cap Etf	\$26,195
CommSec Total	\$155,073
Direct Investment	
Net Value , North Lakes	\$377,000
Direct Investment Total	\$377,000
Macquarie Cash Management Account	
Macquarie Cash Management Account	\$19,820
Macquarie Cash Management Account Total	\$19,820
SMSF Total	\$5,893

Asset Allocation

Before making an investment decision, it is important that you are comfortable with, and understand the risks associated with investments. Your tolerance to risk, along with the level of return that you desire from your investments, will have an important impact on how we invest your money now and in the future. Asset allocation is the process of allocating funds to investment sectors in a manner consistent with your risk profile.

Your Asset Allocation

Research indicates that consistent long-term returns can be enhanced through a diversified portfolio that contains a selection of asset classes. This section outlines the asset allocation of your portfolio once the recommendations are in place, compared to the benchmark allocation appropriate for your risk profile.

Self Managed Super Fund

Asset Allocation	Existing		Recommended		Target	Variance
Defensive Assets						
Australian Fixed Interest	\$0	0.00%	\$0	0.00%	4.00%	-4.00%
International Fixed Interest	\$0	0.00%	\$0	0.00%	3.00%	-3.00%
Cash	\$64,853	10.86%	\$19,820	3.59%	3.00%	0.59%
Defensive Assets Total	\$64,853	10.86%	\$19,820	3.59%	10.00%	-6.41%
Growth Assets						
Australian Shares	\$70,784	11.86%	\$70,784	12.82%	30.00%	-17.18%
International Shares	\$80,037	13.41%	\$79,898	14.49%	45.00%	-30.51%
Listed Property	\$4,219	0.71%	\$4,219	0.76%	4.00%	-3.24%
Direct Property	\$377,000	63.16%	\$377,000	68.35%	0.00%	68.35%
International Property	\$0	0.00%	\$0	0.00%	11.00%	-11.00%
Other	(\$0)	0.00%	(\$0)	0.00%	0.00%	0.00%
Growth Assets Total	\$532,040	89.13%	\$531,900	96.41%	90.00%	6.41%
Total	\$596,893		\$551,720			

Product Cost Comparison

SMSF

Current Investment Costs

Investment	Code	Amount	Investment Fee	
Mathew and Veronica Pitt SMSF				
CommSec				
Ishares Msci Emerging Markets Etf	IEM	\$21,202	0.69%	\$146.29
Ishares S&P Small-Cap Etf	IJR	\$26,195	0.07%	\$18.34
Ishares Global 100 Etf	IOO	\$32,666	0.40%	\$130.67
Ishares Core S&P/Asx 200 Etf	IOZ	\$75,010	0.05%	\$37.50
CommSec Total		\$155,073		\$333
Macquarie Cash Management Account				
Macquarie Cash Management Account	CMH	\$19,820	0.00%	\$0.00
Macquarie Cash Management Account Total		\$19,820		\$0

Proposed Investment Costs

Investment	Code	Amount	Investment Fee
Mathew and Veronica Pitt SMSF			
CommSec			
Ishares S&P Small-Cap Etf	IJR	\$26,195	0.07% \$18.34
Ishares Global 100 Etf	IOO	\$32,666	0.40% \$130.67
Ishares Core S&P/Asx 200 Etf	IOZ	\$75,010	0.05% \$37.50
Betashares India Quality Etf - Betashares India Quality Etf.	IIND	\$11,000	0.80% \$88.00
Ishares Msci Japan Etf	IJP	\$10,202	0.50% \$51.01
CommSec Total		\$155,073	\$325.52
Macquarie Cash Management Account			
Macquarie Cash Management Account	CMH	\$19,820	0.00% \$0.00
Macquarie Cash Management Account Total		\$19,820	\$0

Transaction Costs

**\$44 per trade or 0.15% of trade value.*

The Cost of My Advice

This section explains the advice fees and product fees that you will pay as well as the remuneration that we will receive together with what our Licensee will receive.

Upfront Fees

There are no upfront fees applicable for this advice.

Ongoing Fees

We charge an ongoing advice fee based on the level of service you have selected. This is for the ongoing management and review of your strategies and needs. We will review this with you during your Annual Review each year to ensure you are receiving the appropriate level of service for your needs.

Ongoing Fee	Owner	Amount		Licensee		Adviser
Adviser Service Fee	Mathew and Veronica Pitt SMSF	\$3,600	100.00%	\$3,600	0.00%	\$0
Total		\$3,600		\$3,600		\$0

Full details of our Ongoing Services are included in your Ongoing Service Agreement as well as in our Financial Services Guide (FSG) (Version 9.1).

All fees and commissions disclosed are inclusive of GST and are estimates based on the investment amounts detailed throughout this Record of Advice (RoA). The actual commission received may vary depending on the initial investment amounts received and the influence of market movements on the value of your investments.

Authority to Proceed

This is your agreement in allowing me to assist you with advice and implementation of recommendations to achieve your goals. By signing below we confirm that we:

- have received, read and understood the Blue Chip Super Pty Ltd (FSG) 9.1.
- have received, read and understood this RoA dated 30 October 2023 including the benefits, disclosure of fees; commission and charges; and the costs and risks associated with this advice.
- understand that the advice contained within the RoA is based on information provided by us. It is our responsibility to advise Troy if there are any errors or omissions in the information in this RoA prior to implementing any part of the proposed strategy.
- understand that if incomplete or inaccurate information has been provided there is a risk that the recommended advice may not be fully appropriate to the stated needs.
- understand that partial implementation of and/or amendments to recommendations contained within this RoA may not produce the desired outcomes.
- understand that this RoA is solely for the use of those to whom it is addressed and neither Blue Chip Super Pty Ltd nor any of its Authorised Representatives or employees accept liability to third parties who use or rely on all or any part of the content.
- understand all recommendations in this RoA are based solely on current interpretations of applicable laws and regulations.
- understand that certain assumptions have been made, the value of the recommended investment(s) may rise and fall in line with market conditions and that projected returns (where used), are only used as an estimate based on historical data and no guarantee is given as to future performance.
- have read and understood the fees payable by us and the remuneration received by Blue Chip Super Pty Ltd as outlined in 'The cost of my advice' section of this RoA.
- have received, read and understood all Product Disclosure Statements (PDS) about each financial product that has been recommended within this advice.
- understand that this advice does not contain information on financial services products for which Blue Chip Super Pty Ltd is not authorised to deal and advise under its Australian Financial Services Licence (Prohibited Products). Advice on financial services products that fall outside Blue Chip Super Pty Ltd Approved Product List will also not be provided.
- will advise as soon as possible if we wish to cease implementation of this RoA and understand that we may still be liable for outstanding fees.

By signing below we hereby authorise Troy Mojsoski to:

- ☒ **Proceed with the implementation**
of the strategy detailed in this RoA and all of the financial product recommendations made within it; or
- ☐ **Proceed with the implementation - in part only**
of the strategy / or the product recommendations made within this RoA with the below amendments:

Client Acknowledgement

Matthew Pitt	_____	Date	_____
Veronica Pitt	_____	Date	_____

Adviser Acknowledgement

Troy Mojsoski	_____	Date	_____
Authorised Representative (245074)			
Blue Chip Super Pty Ltd (AFSL 453296)			