



**Loyalty
Financial
Group**

The right partner for delivering the right advice to your clients

Our Business and its Core Philosophy



Loyalty Financial Group (LFG) is a diversified and privately held Financial Services group of companies. It was founded by a group of individual's who come from an advisory and licensee management backgrounds, who know and understand the challenges of advisers and their clients.

As a licensee, LFG Financial Services (LFGFS) Operates without any subsidisation from a product or product manufacturer. Using best practice and embracing technology, LFGFS operates to provide its Authorised Representatives with quality licensee support that is tailored to practice needs and appropriately priced. Where appropriate, LFGFS will utilise the services of other institutions and partners that have been carefully selected to provide quality inputs into our offer.

As we operate independently from product manufacturing, LFGFS remains nimble and can access better solutions as they arise for our advisers and practices. A well run business is profitable so a practice should expect the same from its licensee.

LFG offers ownership structures aligned with Practices we seek to partner – in a relationship that is business-owner to business-owner rather than employees of businesses. This is both unique and valuable as the important discussions are held in partnership, respecting each other's asset (business) – it is not a master servant relationship; it is one of equals, partners.

“LFGFS operates to provide its Authorised Representatives and member firms with quality licensee support...”

Open architecture “come as you are, move forward together”



“A rising tide lifts all boats”

LFG partners with financial services businesses that are established and profitable. You have invested in and established your successful brand in your community and we will support you to access institutional strength solutions, improve efficiency in your practice to deliver better service and free up more time for you to engage with and see more clients.

“Delivering quality advice to more clients”

We support:

- Innovation
- Sustainable growth and
- Better advice conversations against a background of continuous improvement within a collegiate environment of like-minded professionals

Our approach is to embrace what has made you successful to date. LFG has an open architecture in terms of branding, approved products and services, support tools and technology. While a key part of our mandate is to honour continuous improvement and source exceptional services for our member firms, those who join LFG do so on the basis that they already operate a strong business. We invite firms to come as they are without compulsion to use any particular platform or range of funds. LFG will help you improve and develop what you already do well while giving you access to better ways of working within a collegiate environment.

The philosophy of LFG is that we promote excellence and innovation with a high watermark of quality control. Our practices aim to flourish with the support of like-minded business partners.

State-of-the-Art Compliance



If your focus is on delivering exceptional advice and service to clients and maintaining a philosophy of continuous improvement, then compliance becomes a natural part of *“the way we do things around here.”*

Compliance is the operational spine that protects the reputation and value of our businesses. Inviting the right firms to join our network is the first line of defence when it comes to compliance.

Our ongoing commitment to the group is to use technology and quality systems to maintain a compliance regime based on a desire to provide exceptional service to clients and run smart, efficient and robust businesses. Outside of the constraints of traditional vertical integration, compliance moves away from satisfying a larger entity that caters to a lowest common denominator.

“Helping you to earn and maintain your clients’ trust”

Access to Liquidity

As your business partner and having helped you to grow, improve and optimise your business – why wouldn't we want to invest for the long term?

One of the challenges facing financial services business owners is the access to capital for growth and acquisition. Lending using property as security and being marketed as “Business Lending” is now obsolete to a modern business owner..

There are two layers to this.

The first is that liquidity for financial planning firms is historically binary – an all or nothing proposition. Buyer of Last Resort offers are often built on the premise of retirement or exit from the industry.

The second layer is that the opportunity for liquidity is often one dimensional – i.e. financial planners buy financial planning businesses, mortgage brokers buy debt businesses.

This presents a challenge for the business owner who has built a valuable practice, has an ongoing passion for their business but would like to monetise part of their asset. This could be to retire personal debt, pay for their family's lifestyle requirements or to make different investments.

Loyalty Capital offers the scope for liquidity at different levels AND across your entire financial services business. Using appropriate benchmarking and valuation approaches, liquidity is available for any or all parts of your financial planning, mortgage, accounting, legal and property ventures. This can be anything from a part sell down through to a complete succession of your business.

Access to liquidity is optional for member firms and at the discretion of Loyalty Capital.

As your business partner and having helped you to grow, improve and optimise your business – why wouldn't we want to invest for the long term?

Loyalty Capital



Loyalty Capital (LC) is an investment vehicle within the Loyalty Financial Group. LC is the entity sitting behind any future offers of liquidity and is a vehicle that owns a diversified portfolio of interests in financial services business that are well-run and profitable.

LFG and LC can support firms within the group in conducting M&A activity. This can be M&A activity with external parties or within the group. While any funding requirements may be facilitated by the member firm's own resources or using LFG arrangements with external funders, LFG may also offer additional support through Loyalty Capital.

Succession Planning

Succession planning is an essential aspect of running a successful business for the long term.

Further to the Loyalty Capital options outlined above, having a robust succession plan is not only for those seeking to retire or exit.

An effective succession plan mitigates risks, such as unexpected life, economic or environmental events, and it can also inform strategic decision making, such as when addressing changes in the marketplace or reviewing goals and milestones.

Business valuations, in today's marketplace, are moving towards EBIT valuation multiples, more in line with comparable professions. With this trend, it is important to have your business properly structured to maximize its value at the time of sale.

LFG and Loyalty Capital stand ready to help you with your succession plan development and execution.

Practice Development Support



Coaching for better outcomes is a central component of the LFG support offer. Accessing experienced and skilled business coaches to improve the delivery of advice is fundamental to both yours and LFG's success.

At LFG we take a personal and hands-on approach in supporting our member firms. With extensive experience in the financial services industry, we can add real value to your business because our success is measured by your success.

We're proud of and committed to our profession – advising clients to help them achieve their financial and lifestyle goals. Our model ensures alignment and support as your success is our success. We have an open and transparent fee structure and also offer a further opportunity to participate in the Group's success, which supports behaviours that will see your practice be successful and relevant to your clients over the long term.

When you join Loyalty Financial you benefit from easy access to quality, experienced and knowledgeable people – when you speak we listen.

That's why our network is a collegiate group of like-minded advisers.

A collegiate environment of like-minded practices and advisers



It's our mission to support financial advisers and their growing practices to achieve success, both personally and professionally. We live by our values of collaboration, commitment and trust. Practices in our network benefit from engaging in rewarding relationships in a community of like-minded peers.

Business development support to grow your business

Our experienced business coaches can assist in developing your skills to build your business for growth. Whether it is the development of Planner capabilities or improving business management, Loyalty has the access to the experience and skill-set required to help you navigate a challenging and changing industry.

Creating disciplines and accountability for your business can be challenging when you are so focused on your clients' needs. Loyalty supports you in implementing better systems and processes to your business and having better advice conversations with your clients.

Depending on where you are at in your business plan, we will support you in your key business drivers:

1. Increase revenue
2. Manage costs
3. Mitigate risks
4. Asset utilisation
5. Improve efficiency
6. Build brand
7. Innovation

Personal attention and access



“...hands-on approach in supporting our practices and advisers.”

We take a personal interest in and have a hands-on approach in supporting our practices and advisers. Our directors and management are accessible and experienced in coaching and mentoring.

They have outstanding track records in business development and supporting businesses, practices and advisers to reach their business goals.

Ongoing Compliance Support

We're all aware of the need and value in a rigorous compliance function. Our reputation and ongoing viability relies upon it. We uphold strict processes which ensure protection for all.

Our Audit, Risk & Compliance Committee is experienced and highly qualified to manage our compliance regime on a day-to-day basis.

The focus of our compliance services is to support best practice within our network. We continue to invest significant effort in ensuring our advisers have the systems, resources and competence required to be fully compliant. Importantly, we take a supportive and proactive approach to compliance rather than waiting for issues to manifest in poor outcomes.

While we manage most of our compliance regime internally, our annual practice site and file and adviser audits are assessed or reviewed independently, which is a process that has received support from ASIC.

Reducing your administration burden



We know that growing a financial planning business requires you spending more time with your current and prospective clients rather than administration functions. Hiring dedicated resources for this is usually too costly. That's why we are focused on developing and providing the best-of-breed in the market place to support your business. That means more time for your clients and more time for growing your business.

At Loyalty you receive access to a full suite of support services which can remove many of your current internal administration functions. Access to quality Review Processes, Statements of Advice (SOA) production and data management will assist in reducing compliance and administrative functions that restrict your time with clients.

Protecting you, your business and your clients with regular audits and reports

We help you ensure that your business is robust and compliant. Authorised Representatives generally have an initial audit within six months of joining us, with annual audits thereafter. If any issues need addressing, we can schedule additional audits to support you through the process. With the right SOA and review process, desk-based audits can be completed remotely and are used as enhanced coaching to continually improve the quality of advice.

Easy access and Support

All of our manuals and reference material are available online 24/7, whether you're in the office or on the road with a tablet or smartphone. You have instant and easy access to all our supporting documentation.

Providing Choice in Investments



We have a broad Approved Product List (APL) featuring a range of platforms and products. Additional research is also available to our Investment Committee from a range of trusted organisations, experts and asset consultants for quality assurance and risk management.

Our Investment Committee is open to suggestions from within the network of additional products to be considered for our recommended list.

By having access to a suite of master trusts, IDPS and other platforms, our advisers have a broad choice of options available to them to suit their and their clients' needs while increasing the value of their business.

Professional Development and Training

We see professional development and training as fundamental to success. To ensure you reach your CPD points requirements and stay up-to-date in the current environment, we provide regular and formal training.

We host an annual conference each year to be attended by all Authorised Representatives. The conference program is balanced between a strong technical focus and a strong business and practice development focus. This provides a significant opportunity to access professional development and training, while further strengthening the relationships and collaboration across the LFG group of practices over a few days.

Our Authorised Representatives can be confident that all recognised training requirements are met. We provide online training via Kaplan, which ensures optimised professional development and training specific to the Authorised Representative's market and situation.

Paraplanning



We provide full Paraplanning services if required. The pricing of this is competitive, offers great flexibility and is customisable to meet your needs.

Online presence

We are supportive of you developing and promoting your own online presence, including your own website and branding. In fact, the support for your business and your branding without the interference of an institution is a key differentiator that LFG prides itself upon. Our website can link to your website and provide readers with more material and content providing you with even more opportunities to engage and interest your clients.

Fees and Commission collection

Our fee collection and remuneration management services follows a defined schedule and payments are made bi-monthly.

Confidence of Professional Membership and Accreditation



“Technology and Support that is adaptive and nimble”

We believe that membership of a professional association is critical to building a stronger industry and evolving it into a true profession. Importantly, we see such professional membership as critical to building trust and confidence with clients and we encourage our member practices and their advisers to also seek membership of a recognised industry association.

Technology and Support

You benefit from having the flexibility to choose the software that is best suited to your business. When you adopt our preferred solutions, you will benefit from some additional economies of scale through the Group’s relationships. We support any transition with training.

We also have a range of technological support and consulting available both internally and through preferred partners.

Key Contacts

David Mazengarb

Board and Committee Chair

B.Com., FCA, FAICD Dip FS (Financial Planning)

David is a Chartered Accountant, a Fellow of the Australian Institute of Company Directors, and is a Registered Company Auditor. He has had 18 years' experience in Australia and overseas with both Price Waterhouse and KPMG (Director) in the areas of corporate finance and corporate strategy. He has been involved in the financial services sector as a Director, Responsible Manager and Board member in a range of strategic capacities since 1998 and has a detailed knowledge of this sector in Australia. He is respected for his strategic industry knowledge and his contribution to successful development of emerging financial services businesses.

Ivan Jones

Executive Director and Responsible Manager

CFP®, MBA, M.Com., JP

With over 30 years' experience in the financial services industry, Ivan is a proven executive and leader who has developed and executed strategy to overcome complex business challenges focusing on delivering improved commercial outcomes. He has a consistent record of delivering results in operational improvement, project outcomes, revenue growth, and improved efficiency, productivity and profitability. He has a proven ability to motivate and lead professional and cross-functional staff and to engage and manage a diverse range of stakeholders.

Andrew Whelan

Executive Director

MA., Adv Dip FS (Financial Planning), JP

Highly successful people leader with over 30 years experience within the legal and financial services industries. Andrew has built a career with some of the leading businesses within Australia. His experience has been built through a disciplined approach in applying his strengths and passion for M&A and driving efficiency within businesses. He has successful track record in leading and creating shareholder value as a business owner, Company Director and change manager.

Contact Us

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A choice for professionals



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