

## NCS-Nicholls, Banking & Finance: Points of Differentiation

There are 3 types of originators of banking products in the market. The first deals in home loans, the 2<sup>nd</sup> also offers limited commercial banking products (under very strict guidelines). These are both commonly known as “Brokers”.

NCS-Nicholls sees itself in a relatively niche market as an experienced Adviser to the consumer, business (commercial) and corporate market.

We differentiate ourselves as follows:

	Home Loan Broker	Home Loan Broker – Commercial	NCS Nicholls Banking & Finance
<b>Services offered</b>	<ul style="list-style-type: none"> <li>➤ Mainly Home Loans</li> </ul>	<ul style="list-style-type: none"> <li>➤ Home Loans with some Commercial Loans secured by residential &amp; or security.</li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>Specialises in commercial and corporate banking advisory work <u>in addition</u> to home finance;</b></li> <li>➤ <b>Advises in respect to all products and services offered by financial institutions to provide a total banking solution for their clients;</b></li> <li>➤ <b>Does not just advise on “traditional banking products”. Includes all aspects of cash management, balance sheet funding as well as Credit, Interest &amp; Foreign Exchange Risk Management for companies.</b></li> </ul>

	Home Loan Broker	Home Loan Broker – Commercial	NCS Nicholls Banking & Finance
<b>Fee Generation</b>	<ul style="list-style-type: none"> <li>➤ Earns upfront commissions and trailing fees for the life of the loan.</li> <li>➤ Occasionally charges upfront fee to the client <u>in addition</u> to commissions received from the banks.</li> <li>➤ Commissions are expected to be disclosed by law to the client, however these are only disclosed on the bank product recommended. (The client needs to ask whether there were better products available to suit their needs – and what commission structure was attached to those products?)</li> </ul>	<ul style="list-style-type: none"> <li>➤ Earns upfront commissions and trailing fees for the life of the loan.</li> <li>➤ Occasionally charges upfront fee to the client <u>in addition</u> to commissions received from the banks.</li> <li>➤ Commissions are expected to be disclosed by law to the client, however these are only disclosed on the bank product recommended. (The client needs to ask whether there were better products available to suit their needs – and what commission structure was attached to those products?)</li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>Works <u>for</u> the client, and therefore charges a fee to the client for its professional services and expertise;</b></li> <li>➤ <b>Does not accept commissions* - if these are offered by the financial institutions to NCS-Nicholls, they will be rebated to the client either by way of cash refund, or reduced pricing on the client’s banking arrangements;</b></li> <li>➤ <b>*Some home loan clients still prefer the commission arrangement. In these instances, NCS-Nicholls will not only disclose its panel of lenders but also the full details of commissions received by <u>all lenders</u> on the panel, <u>in addition to</u> the commission structure applying to the recommended product.</b></li> </ul>
<b>Independent?</b>	<ul style="list-style-type: none"> <li>➤ Realistically subject to commission structures offered by the lenders.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Realistically subject to commission structures offered by the lenders.</li> </ul>	<ul style="list-style-type: none"> <li>➤ <b>As this is a fee for service arrangement, NCS-Nicholls truly works for the client and therefore has access to all financial institutions in Australia and Overseas, not just the ones that offer commissions.</b></li> </ul>

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			<ul style="list-style-type: none"> <li>➤ In instances where home loan clients prefer the commission structure, NCS discloses all commissions received to demonstrate to the client that the product serves their needs (not the financial needs of the broker!).</li> </ul>
<b>Industry Experience</b>	<ul style="list-style-type: none"> <li>➤ At best, a little experience gained in the industry, although a few are ex-bankers.</li> </ul>	<ul style="list-style-type: none"> <li>➤ At best, a little experience gained in the industry, although a few are ex-bankers.</li> </ul>	<ul style="list-style-type: none"> <li>➤ Andrew Nicholls has over 20 years experience in banking and finance at senior levels in Consumer, Business &amp; Corporate banking both here in Australia and off-shore.</li> </ul>
<b>Other services</b>	?	?	<ul style="list-style-type: none"> <li>➤ NCS-Nicholls is a firm of Chartered Accountants (CA), one of the best recognised professional accounting bodies in Australia.</li> <li>➤ The CA brand's international recognition derives from steadfast commitment to the highest standards of integrity, professionalism and education.</li> <li>➤ NCS-Nicholls can also assist with a wide range of accounting, taxation and business strategic direction.</li> </ul>