

WHOLESALE INVESTORS

The Wholesale Investor's Guide

More doors open. Choose them well.

What wholesale status is, how people qualify, what it can open up for you, and the questions worth asking before you walk through any of those doors.

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You may have crossed a line without noticing.

Somewhere along the way, through a business you built, a property portfolio that kept compounding, or years of quiet discipline with your super, your balance sheet may have moved into a different category.

Australian law treats some investors as able to look after themselves. Once you are in that group, investments that are never offered to the general public start to land in your inbox. Private credit funds. Pre-IPO rounds. Wholesale classes of managed funds. Corporate bonds that trade between institutions.

That access is real, and used well it can broaden a portfolio in ways a retail investor simply can't. It also comes with fewer guardrails. This guide is here so you understand both sides before anyone asks you to sign.

2001

The year the wholesale dollar thresholds were written into the Corporations Act. They have never been indexed.

1 in 6

Australian adults who may now meet a wholesale test, up from fewer than one in fifty when the rules began.¹

\$2.5m

The net assets test. It can include your family home and assets held in companies or trusts you control.

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1. ANU Centre for Social Research and Methods (2021). Estimates are indicative only.

Five ways in. You only need one.

The first two are the ones most private clients use. Both need a certificate from a qualified accountant that is no more than two years old.

TEST	WHAT YOU NEED	WORTH KNOWING
Net assets	Net assets of at least \$2.5 million	Your home counts, less any debt against it. So can assets held by companies or trusts you control.
Income	Gross income of at least \$250,000 in each of the last two financial years	Both years have to clear the bar. Income through companies or trusts you control can count.
Product value	Investing at least \$500,000 in a single financial product	Applies to that one investment only. It doesn't make you wholesale across the board.
Professional investor	Gross assets of at least \$10 million, held or controlled, or holding an AFS licence	Often relevant to larger family groups, family offices and foundations.
Sophisticated investor	A licensee is satisfied, on reasonable grounds, that you have the experience to judge the merits, value and risks of an offer	A documented judgement, not a dollar test. You sign an acknowledgement of what you are giving up. We apply it sparingly.

Families, trusts and SMSFs

Companies and trusts can qualify in their own right, or in some cases through the person who controls them. That is often where a family group qualifies when an individual on paper does not.

Superannuation is treated differently. The individual wealth tests don't apply to super products, and an SMSF has its own fund-level test. Insurance products have their own rules too. The detail matters, so we check it case by case.

Access the public doesn't get.

Wholesale status won't make a poor investment a good one. What it does is widen the set of opportunities you can choose from, and some of them can do jobs in a portfolio that listed markets struggle to.

01

Private credit

Loans to businesses and property developers, packaged into funds. Typically aimed at steady income, with returns that depend heavily on security, borrower quality and the manager's discipline when things go wrong.

02

Direct corporate bonds

Bonds issued by companies and traded over the counter in parcels usually reserved for wholesale investors. A way to build a defined income stream with a known maturity.

03

Private equity and property

Ownership stakes in unlisted businesses and commercial property funds or syndicates. Longer horizons, less day-to-day noise, and returns that come from what the manager actually does with the asset.

04

Placements and pre-IPO rounds

Capital raisings by listed and unlisted companies, often before the wider market has a chance. Also the wholesale classes of managed funds, which can carry lower fees than the retail version.

For a family whose wealth is concentrated in a business or residential property, the real value is usually diversification. Assets that behave differently from what you already own.

Fewer guardrails. Know which ones.

The law assumes a wholesale client can look after themselves. In practice that means several protections retail investors take for granted no longer apply.

No regulated disclosure document

Offers can be made without a Product Disclosure Statement or prospectus. You may get an information memorandum instead, and its content isn't prescribed by law.

No target market check

Issuers don't have to apply design and distribution obligations or a target market determination to you. Nobody is required to ask whether the product suits you.

No Statement of Advice

Advice given to a wholesale client doesn't need to come with a Statement of Advice or a Financial Services Guide.

Thinner safety nets

Some complaint and compensation arrangements that protect retail clients may not be available if something goes wrong.

Qualifying is easy. Choosing well is the hard part. And you can always ask to be treated as a retail client.

At WE Private we will still give you full retail advice and a Statement of Advice wherever you would rather keep those protections. It's your choice, and you can change your mind.

Six questions to ask about any wholesale offer.

Keep these beside you when the next information memorandum arrives. If the answers are vague, hard to find, or take more than one follow-up to get, that is an answer in itself.

01 How and when do I get my money back?

Lock-ups, redemption gates and notice periods. Ask what happens if many investors want out at the same time.

02 What secures my money, and who ranks ahead of me?

First mortgage or second? Senior or subordinated? Security is only as good as the process to enforce it.

03 Who is on both sides of the deal?

Related-party lending, fees paid to associates, and the manager's own money in the fund, or lack of it.

04 What does it really cost?

Management fees, performance fees, establishment and line fees, and margins retained by the manager before you see a return.

05 What happens if it goes wrong?

Who carries the first loss, how defaults have been handled in the past, and how often you will receive independent reporting.

06 How much of my wealth should this be?

The right investment at the wrong size can still damage a plan. Illiquid holdings need to sit inside the whole picture.

Your certificate, step by step.

1

Confirm the test

Work out whether you, your company, your trust or your SMSF is the investor, and which test fits. We can do this with you in one conversation.

2

Ask your accountant

A qualified accountant, generally a member of CPA Australia, Chartered Accountants ANZ or the Institute of Public Accountants, signs a certificate confirming the net assets or income test.

3

Keep it current

The certificate lasts two years. Diarise the renewal, and keep a copy with your investment records so offers aren't held up.

REFORM WATCH · POSITION AS AT OCTOBER 2026

The thresholds have been reviewed several times. In February 2025 the Parliamentary Joint Committee on Corporations and Financial Services recommended no immediate increase to the dollar thresholds, a regular review with industry consultation, and a more objective sophisticated investor test.

Those were recommendations, not law. At the date of this guide the tests on page 3 remain in force. Any change would need legislation or regulations, and could include transitional rules for existing investors.

We confirm the tests that apply at the time we assess you, and we will let our clients know if the rules change.

A certificate is a key, not an instruction

Being certified doesn't oblige you to invest in anything, and it doesn't mean every wholesale offer suits you. It simply gives you the option. The decision on each investment is still yours, and it deserves the same scrutiny as any other.



HOW WE PRIVATE HELPS

Make the extra doors work for the whole plan.

- We tell you which tests you meet, through which entity, and what that means in practice before anything is signed.
- We review wholesale offers you have been sent and tell you what we would want to know before investing.
- We size private market investments as part of your whole portfolio, so one illiquid holding can't sink the plan.
- We coordinate with your accountant on the certificate and with your structures, super and estate plan.

BOOK A CONVERSATION

CALL 1300 459 101

Important information. This guide is general information only and does not take into account your objectives, financial situation or needs. It is not a certificate and does not make you a wholesale client; status is assessed individually. Before acting, consider whether the information is appropriate for you, read any relevant offer document, and seek personal advice. The law and thresholds described are current as at October 2026 and may change. Some products mentioned are available only to wholesale clients. WE Private is a division of Wealth Effect Group, ABN 18 697 023 795. Wealth Effect Group (CAR 424768) and Andre Dirckze (AR 395157) are Authorised Representatives of Boston Reed Pty Ltd, ABN 89 091 004 885, AFSL 225738. weprivate.com.au · admin@wealththeeffect.com.au