



**InvestSMART**

GROUP LIMITED

# Financial Services Guide

Effective as at 11 August 2017

This Financial Services Guide (FSG) is dated 11 August 2017 and is an important document that we are required to provide to you and covers the following Australian Financial Services Licenced entities which are part of the InvestSMART Group:

- InvestSMART Financial Services Pty Ltd ABN 70 089 038 531 (AFSL # 226435) (FOS membership #10433)
- InvestSMART Funds Management Limited ABN 62 067 751 759 (AFSL # 246441) (FOS membership #11750)
- InvestSMART Publishing Pty Ltd ABN 12 108 915 233 (AFSL # 282288) (FOS membership #11985)
- Ziel Two Pty Ltd ABN 81 119 670 334 (AFSL # 334107) (FOS membership #14404)

And the following Corporate Authorised Representatives:

- Eureka Report Pty Ltd ABN 84 111 063 686 (CAR 001 241 581 of InvestSMART Publishing Pty Ltd)
- YourShare Financial Services Pty Ltd ABN 32 122 332 503 (CAR 309028 of Ziel Two Pty Ltd)
- InvestSMART Insurance Pty Ltd ABN 86 156 522 548 (CAR 419910 of Ziel Two Pty Ltd)
- The Intelligent Investor Holdings Pty Ltd ABN 57 109 360 983 (CAR 001255838 of InvestSMART Financial Services Pty Ltd)

The purpose of this FSG is to provide you with important information to assist you in deciding whether to use any of the services offered by the InvestSMART Group including:

- How to contact us
- Product disclosure and advice
- The financial services and products we offer
- Our business relationships
- How we are paid and
- Our procedures for dealing with disputes and how you can access those procedures.

## **WHO IS THE INVESTSMART GROUP?**

The InvestSMART Group Ltd ABN 62 111 772 359 (ASX: INV) is Australia's leading provider of general financial advice to retail clients and self-managed superfunds. It has a strong track record of providing high quality share research, portfolio management tools, and investment opportunities to private investors. The business offers free investment management tools at [www.investsmart.com.au](http://www.investsmart.com.au), in addition to managed funds, mortgages, and insurance products.

Research is provided through two of Australia's pre-eminent share research and wealth advice services – [www.intelligentinvestor.com.au](http://www.intelligentinvestor.com.au) and [www.eurekareport.com.au](http://www.eurekareport.com.au).

Clients may receive rebates of commissions on certain financial products.

In general, InvestSMART Group companies act on your behalf to assist you with acquiring financial products, and not on behalf of the product issuers.

## OUR SERVICES

The InvestSMART Group AFSL holders are licenced to provide general financial product advice to retail and wholesale clients for the following classes of financial products:

- deposit and payment products limited to: basic deposit products;
- derivatives;
- general insurance products;
- debentures, stocks or bonds issued or proposed to be issued by a government;
- interests in managed investment schemes including investor directed portfolio services;
- life insurance products including: investment life insurance products, total and permanent and disability insurance, and life risk insurance products;
- mortgages;
- retirement savings accounts ("RSA") products (within the meaning of the Retirement Savings Account Act 1997);
- securities; and
- superannuation;

and deal in a financial product in respect of retail and wholesale clients by applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of the following classes of products:

- deposit and payment products limited to: basic deposit products;
- general insurance products;
- life insurance products including: investment life insurance products, total and permanent and disability insurance, and life risk insurance products;
- interests in managed investment schemes excluding investor directed portfolio services;
- mortgages;
- securities;
- and issue and operate registered managed investment schemes, and provide custodial services through InvestSMART Funds Management Limited.

Intelligent Investor Holdings Pty Ltd is the Investment Manager for the InvestSMART Australian Small Companies Fund (ARSN 620 030 819) and the Responsible Entity is InvestSMART Funds Management Limited.

Our staff, directors and associates provide general financial advice only. We will not provide you with any personal advice. This means that we will not take into account your objectives, financial situation or needs. Accordingly, a Statement of Advice will not be provided. General financial advice means that we can only provide advice and information on how financial products works. We cannot advise if they are suitable for you. The advice we provide through has been prepared without taking into account your particular objectives, financial situation or needs. We recommend you consult a financial adviser or stockbroker who is licensed to provide you with personal advice to help you determine your risk profile, objectives and needs.

## **ASSOCIATION WITH PRODUCT ISSUERS**

There is no relationship or association between the InvestSMART Group and product issuers for whom the InvestSMART Group distributes products that might reasonably be expected to be capable of influencing our provision of financial services to you. InvestSMART Financial Services is the investment manager on the InvestSMART Diversified Portfolios issued by Praemium Australia Limited (ABN 92 117 611 784, AFSL 297956), and will receive up to 0.60% from the investment fees charged on Investments in those portfolios.

We receive commission payments within the ranges noted below from the Insurance providers noted on our website at [www.investsmart.com.au/life-insurance](http://www.investsmart.com.au/life-insurance).

Mortgages are written through Outsource Financial Pty Ltd (ABN 42 131 090 705, Australian Credit Licence 384 324).

## **HOW DO YOU DO BUSINESS WITH US?**

Offers of financial products through InvestSMART will be made in, or accompanied by, a copy of the Product Disclosure Statement or prospectus in relation to that product. The purpose of a Product Disclosure Statement or prospectus is to provide detailed information about the nature of the particular financial product, its costs and the risks associated with purchase.

Anyone wishing to acquire financial products will need to read the entire Product Disclosure Statement or prospectus carefully and complete the application form in, or accompanying, the disclosure document. If you have any special instructions with respect to your investment you will need to provide those instructions in writing via **PO Box Q744, QVB, Sydney NSW 1230**.

You can provide us with instructions as follows:

For InvestSMART by telephone on **1300 880 160** or through the website **[www.investsmart.com.au](http://www.investsmart.com.au)**,

For Intelligent Investor by telephone on **1800 620 414** or through the website **[www.intelligentinvestor.com.au](http://www.intelligentinvestor.com.au)**,

For Eureka Report by telephone on **1800 458 656** or through the website **[www.eurekareport.com.au](http://www.eurekareport.com.au)**,

For InvestSMART Insurance by telephone on **1300 880 160** or through the website **www.investsmart.com.au/life-insurance**,

For YourShare by telephone on **1300 554 774** or through the website **www.YourShare.com.au**.

For InvestSMART Funds Management by telephone on **1300 880 160** or through the website **www.investsmart.com.au**

## HOW ARE WE PAID FOR THE SERVICES WE PROVIDE?

Fees earned on the InvestSMART Diversified Portfolios and commissions paid to us by product providers, and subscriptions to Intelligent Investor and Eureka Report primarily remunerate the InvestSMART Group. We may also receive fees for advertising, marketing and distributing third party products and services. The InvestSMART Group, through InvestSMART Financial Services, InvestSMART Insurance and YourShare, will rebate 100% of initial commissions on managed funds paid by fund managers as additional units in the fund, but will not rebate initial commissions on managed funds paid by the product provider in cash.

Initial commissions, including entry fees and sales commissions, are a one off payment and are calculated as a percentage of the funds you have invested.

### Initial commissions are calculated as follows:

- **Investment products** — between 0% and 5% (GST inclusive) of your investment amount; or
- **Insurance products** — between 0% to 90% (GST inclusive) of the premium that you pay.

Ongoing commissions (sometimes referred to as trailing commissions) are paid for the length of time you hold the product. They are usually paid directly to InvestSMART by the product provider out of the revenue the product provider earns. In some cases, they may be deducted from your investment, or the premium, or management fees you pay to the product provider.

### Ongoing commissions and fees are calculated as follows:

- **Investment products** — between 0% and 1.1% (GST inclusive) of your investment amount; or
- **Insurance products** — between 0% to 35% (GST inclusive) of the renewal premium.

The InvestSMART Group may rebate a portion of these ongoing commissions.

The InvestSMART Group receives an investment management fee of up to 0.6% (GST inclusive) on any amounts invested in the InvestSMART Diversified Portfolios, and up to 0.97% plus performance fees on the managed funds issues by InvestSMART Funds Management Ltd.

The InvestSMART Group may receive commissions for investment products acquired by retail clients from 1 July 2014, in particular for certain managed

fund products where the client had an interest in the managed fund prior to 1 July 2014, or for financial products where the remuneration paid to the InvestSMART Group is not conflicted. Clients may request particulars of the remuneration we receive within a reasonable time after the client has been provided with this FSG and before any financial service identified in the FSG is provided to the client.

Intelligent Investor Holdings Pty Ltd may be paid a share of management and performance fees by InvestSMART Funds Management Limited.

## **HOW ARE WE REMUNERATED FOR REFERRALS MADE TO EXTERNAL SPECIALISTS?**

Should you choose to take up a product or service provided by an external specialist such as online broking services, or mortgage broking, the InvestSMART Group may earn commission based on the ongoing brokerage or fee you pay. The percentage of commission that will be earned by us will range from 0% to 50% of the amount you pay.

## **HOW ARE OUR REPRESENTATIVES REMUNERATED?**

Our representatives are remunerated by salary from the InvestSMART Group and do not directly receive any commissions or fees. They may be eligible for bonus payments, which are discretionary and based on performance measured by a number of different criteria.

## **WHAT INSURANCE ARRANGEMENTS DO WE HAVE IN PLACE?**

Each Australian Financial Services Licencee in the InvestSMART Group holds professional indemnity insurance in place in respect of the financial services we provide to retail clients which complies with section 912B Corporations Act. The professional indemnity insurances cover work done by our representatives or employees during the period of their employment, even if they cease to be employed by us. It does not cover work done by representatives or employees after they cease to be employed by us.

## **HOW DO WE PROTECT YOUR PRIVACY?**

We are committed to safeguarding the privacy of your personal information. We collect your personal information for the purposes of providing you with financial services and we will use the information to

- Provide you with the products or services you have requested
- Personalise and customise your interaction with the InvestSMART Group
- Help the InvestSMART Group manage and enhance its services
- Communicate with you, and
- Provide you with ongoing information about products and services available from the InvestSMART Group, and other purposes set out in our Privacy Policy.

If the personal information you provide is incomplete or inaccurate, we may not be able to provide you with the services you seek.

We store your personal information in Australia and some of our multinational service suppliers may store this information overseas. We are unable to determine in which countries this information may be held. We are unlikely to disclose your personal information overseas.

Our Privacy Policy contains details of how you can access and ask for correction of your personal information, and how you can complain about privacy-related matters.

You may view our complete InvestSMART Group Privacy Policy online at [www.investsmart.com.au/privacypolicy](http://www.investsmart.com.au/privacypolicy).

If you would like a copy of our Privacy Policy, you may call us or mail the Compliance Officer at **PO Box Q744, QVB, Sydney NSW 1230**.

## **WHAT SHOULD YOU DO IF YOU HAVE A COMPLAINT?**

We have established procedures to ensure all enquiries and complaints are properly considered and dealt with. If you have an enquiry or complaint about the operation or management of our products or services, please phone us and ask for our Compliance Officer.

Each AFSL in the InvestSMART Group is a member the Financial Ombudsman Service, an external complaints resolution scheme, with membership numbers shown on page 2 of this document.

If you are not satisfied with our response to a complaint, you may refer the complaint (at no cost) to **Financial Ombudsman Service (FOS), GPO Box 3, Melbourne VIC 3001**. You can contact them through their website at [www.fos.org.au](http://www.fos.org.au) or you can call them on 1800 367 287.

## **HOW DO YOU CONTACT US?**

To find out more about any of our products or services, please visit our websites [www.investsmart.com.au](http://www.investsmart.com.au), [www.intelligentinvestor.com.au](http://www.intelligentinvestor.com.au), [www.eurekareport.com.au](http://www.eurekareport.com.au), or [www.YourShare.com.au](http://www.YourShare.com.au). Otherwise, call our client services team or write to us at:

**InvestSMART Group Ltd**

**PO Box Q744, QVB, Sydney NSW 1230.**

ABN 62 111 772 359

Registered Office for all entities:

**Level 9, 37 York St**

**Sydney NSW 2000**



InvestSMART Group Ltd  
PO Box Q 744  
QVB, Sydney  
NSW 1230

Phone: 1300 880 160  
Fax: 1300 880 260  
Email: [admin@investsmart.com.au](mailto:admin@investsmart.com.au)

[www.investsmart.com.au](http://www.investsmart.com.au)