

This Financial Services Guide (“FSG”) is a document that we are legally obliged to provide you. It is designed to give you a better understanding of our group before you receive any of our financial services and/or advice. It contains important information about:

- The financial services we provide
- How we and our associates are paid
- Information you need to supply
- Any potential conflicts of interest
- Our compensation arrangements
- How complaints are resolved
- Other information you need to know
- Where to get details on our Privacy Policy

This is a very important document and we recommend that you read it carefully. If you need further explanation or you are unsure about any part of this document we encourage you to ask us any questions you may have.

ABOUT ADVICENET AND YOUR FINANCIAL ADVISER

AdviceNet Pty Ltd (“AdviceNet”) holds an Australian Financial Services Licence No 308200 (“AFSL”). We are licensed to provide financial product advice and deal in the following financial products, including the distribution of this FSG:

- Deposit Products
- Non-Basic Deposit Products
- Government Debentures, Stocks and Bonds
- Life Insurance Investment Products
- Life Insurance Risk Products
- Managed Investments
- Securities
- Retirement Savings Accounts
- Superannuation
- Standard Margin Lending & Geared Investments

Your adviser will be acting on behalf of AdviceNet as an Authorised Representative when providing the financial services offered in this FSG. They will also provide you with their personal Adviser Profile. AdviceNet is therefore responsible for the financial services and advice your adviser provides on behalf of AdviceNet. As an Authorised Representative of AdviceNet, we can provide you with the following services:

- Wealth Creation
- Retirement Planning Advice
- Gearing Strategies
- Personal and Corporate Superannuation
- Tax Effective Investments
- Personal Risk Insurance
- Business Risk Insurance
- MDA Services
- Managed Portfolio Services
- Centrelink Planning Advice
- Cash Flow & Debt Reduction
- Portfolio Review and Ongoing Service

Specific information about your adviser, their experience and specialisation is provided in their Adviser Profile attached to this document.

AdviceNet is only responsible (together with your adviser) for services offered by your adviser as a AdviceNet Authorised Representative and not in any other capacity. It is very important that you are aware that AdviceNet Authorised Representatives are restricted in offering you a range of products and services. This restriction is limited to an Approved Product List (APL) established by approved independent research and endorsed by an internal research team. The ability of your adviser to recommend some of the products on the APL may be limited due to some additional accreditation requirements. Where this is the case, additional information is provided in the attached Adviser Profile.

Some AdviceNet Authorised Representatives also conduct separate business activities such as accounting, legal advice, direct property, general insurance, mortgages, super fund administration and other services not provided under the AdviceNet licence. These services fall outside AdviceNet AFS Licence and Professional Indemnity insurance policy. In all your dealings with your adviser you must satisfy yourself as to who is responsible for the specific advice or service provided. Please discuss any issues with your Authorised Representative or call AdviceNet direct on (07) 3360 7099.

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THE INTERESTS, ASSOCIATIONS AND RELATIONSHIPS THAT MAY INFLUENCE OR AFFECT OUR ADVICE

AdviceNet is not owned by any financial product provider but by a parent company called PHAROS Financial Group Pty Ltd. PHAROS Financial Group shareholders include some AdviceNet Authorised Representatives – these advisers are called Foundation Members. Foundation Members will also be entitled to participate in any distributed AdviceNet profits and may pass on such benefits to their employees and associates.

Related Parties / Entities

Our recommendations to you will be based on our assessment of your personal circumstances, needs and objectives. These factors underpin our advice but it is important for you to appreciate that our interests, associations, relationships and the benefits we receive – such as commissions, sponsorships or marketing allowances – may give rise to an actual or potential conflict of interest. We manage, and will clearly disclose any conflicts that we believe may influence our advice. Our parent company PHAROS has an interest or shareholding in the following:

- Alliance Equity Partners (AEP)
- Australian Money Market Pty Ltd
- OneVue Limited
- Proactive Portfolios Pty Ltd
- RetireSelect Super
- WealthDirect Pty Limited
- WealthPortal Pty Limited

General Relationships

AdviceNet and/or its parent company PHAROS, receives licensee payments from financial institutions based on the average balance of all funds placed by AdviceNet advisers in each relevant institution's investment options. These payments include rebates, value participation schemes, administrative and marketing fees etc from a number of its approved and preferred administrative platform/s or product providers, in terms of percentage basis points on the amount/s individually invested for various marketing and related services. Only arrangements entered into prior to 1 July 2013 are subject to these payments.

These payments are paid out of the administrative platform/s or product provider's own administrative fees and are not an additional payment from your investments. AdviceNet constantly reviews the services of the platform/s and providers we actively support to ensure they remain highly competitive across a number of parameters, including pricing, functionality and service delivery.

These licensee payments assist to offset the operational expenses incurred by AdviceNet in maintaining administrative and compliant services to its Authorised Representatives (your Adviser) network, and those businesses that operate under its Australian Financial Services Licence.

Similar to other businesses, the corporate structure of the AdviceNet business affords all Authorised Representatives the opportunity to participate in shareholder dividends where they become payable based on a pre-determined amount. The dividend arrangement is such that up to a maximum of 25% of profits can be allocated to PHAROS and 75-100% to management and AdviceNet advisers.

These licensee payments and sponsorships are received from: **Asgard Personal Choice, Asteron Risk, Australian Money Market, Beacon Wrap, BT, BWA Managed Investments, Charter Hall, Cromwell, First Choice (Colonial First State), Franklin Templeton Investments, Justsuper, LaTrobe Financial, Macquarie Specialists Investments, Macquarie Wrap** and cash products, **Magellan, MLC, MWrap (BT Wrap Badged), OnePath Risk, OneVue, Paratus, RetireSelect, Russell Investments, TAL, WealthDirect, WealthPortal** and **Zurich**.

An example of the maximum licensee payments that we will be entitled to receive are listed below (excluding GST). For example, if you had \$10,000 invested for a year in an investment product for which the licensee payment was 0.40%pa, the annual payment to the AdviceNet group would be \$40 (0.40% of \$10,000) and is paid as long as you hold that product.

Platform/Provider	Additional Payment receivable if \$10,000 was invested
Admin Platform/s	0.52% or \$52
Investment Products	0.50% or \$50
Risk Products	10% or \$1,000
Structured Products	1% or \$100
Tax Effective Products	5% or \$500

In addition to licensee payments, financial institutions will pay AdviceNet a fee to attend AdviceNet's annual training conference and they will also sponsor other functions.

OTHER DOCUMENTS YOU MAY RECEIVE

If we provide you with personal financial services advice, we will confirm our recommendations in writing so that you can make an informed decision about the appropriateness and suitability of our advice. Our recommendations are usually documented in a Statement of Advice (SoA) and will be provided to you. A Record of Advice (RoA) may be used to record any advice where we have provided you with subsequent advice and your personal circumstances have not changed. The RoA will be added to your file and if you would like a copy of this document, we will make it available to you on request. Although your request may be made to your adviser up to seven years after the advice has been provided, we suggest you contact your adviser as early as possible.

If we recommend a particular financial product, we will give you information about that financial product in a document called a Product Disclosure Statement (PDS), which contains specific and important information. It is very important for you to read and understand any PDS that we provide you before you can take any action in relation to a financial product recommendation.

A Fee Disclosure Statement (FDS) will be issued to you in instances where you have entered into an Ongoing Fee Arrangement with your adviser for a period greater than 12 months if you have engaged our service from 1 July 2013. The FDS will contain information about the services you were entitled to receive, the services you actually received and the fees you paid during the period.

An Opt-In Renewal Notice will be issued to you in instances where you have entered into an Ongoing Fee Arrangement with your adviser for a period greater than 12 months if you have engaged our service from 1 July 2013. The Opt-In Renewal Notice requires you to elect to renew or terminate the ongoing fee arrangement for ongoing advice and service provided, and notify your adviser in writing of this election within 30 days.

In most cases personal advice will be provided, however if you do not require personal advice, general advice is available. We can also take your specific instructions to transact on your behalf and place a financial product (that AdviceNet is able to offer) without providing any financial advice. After you engage us as your adviser, we can act on your instructions whether you provide them by telephone, email, fax or other means of communication agreed to.

YOUR PRIVACY

AdviceNet is required to collect personal information about you to provide you with our financial advice and services. We collect personal information so that we can:

- Identify you,
- Establish your requirements and provide products and services,
- Set up and manage your investment and insurance needs,
- Assess and manage your ongoing financial requirements,
- Understand your needs to improve our products and services.

If you give information to us about another person (like your partner) in relation to the services we provide, you have an obligation to let the other person know that we hold their information. We collect the following personal information:

- Full name, address, contact details,
- Employment details and financial circumstances,
- Details of your financial needs and objectives ,
- Information about government assistance and medical history for insurance needs,
- Anything else relevant to the financial services you are seeking from us.

We are also legally required to store this information and records of any advice and services we provide to you. Information acquired by us in the course of providing our services will not be disclosed to any other party without your express consent, except as required by law or professional obligation. We may use your information for purposes including:

- other companies within the our group,
- information technology providers,
- assisting you to prepare an application for a financial product,
- telling you about other products or services we make available unless you tell us not to,
- allowing us to perform administrative tasks including outsourcing paraplanning services,
- as required by law, regulation or codes binding us such as Credit and Investments Ombudsman Limited, and
- any purpose to which you have consented.

We are not likely to disclose your information to organisations overseas. However, we may store your information in cloud or other types of networked or electronic storage. As electronic or networked storage can be accessed from various countries via an internet connection, it's not always practicable to know in which country your information may be held.

If we ask for your personal information and you do not give it to us, we may not be able to provide you with any financial services. For detailed information on how we handle your personal information, please see our Privacy Policy located on www.advicenet.com.au. If you wish to review your personal information held by AdviceNet please contact your adviser or call AdviceNet direct on (07) 3360 7000.

ADVICENET AND YOUR ADVISER'S REMUNERATION

The cost of providing our service to you will depend upon the nature of the service provided. AdviceNet and your adviser will receive some or all of the following types of remuneration:

Financial Planning Advice Fee	Before the provision of any advice or service, your adviser may charge you an upfront fee for services based on either: <ul style="list-style-type: none">• The time they spend developing your advice• A fixed dollar amount• A percentage of funds invested; or• A combination of some or all of these methods
Commissions	Commission can be paid to AdviceNet by the provider of the financial products which your adviser has recommended and the percentage varies depending on the product: <ul style="list-style-type: none">• Ongoing commission (also known as trail commission) is a percentage of the total investment balance (Only applies to advice provided before 1 July 2013).• Commission on insurance products are based on a percentage of the premium.
Adviser Service Fee	An Adviser Service Fee (also known as Ongoing Fee Arrangement) can be payable where you have agreed with your adviser in writing. This fee is an additional cost to you and can be deducted from your investments or paid directly.
Referrals	Should you be referred to your adviser by a third party, (e.g. accountant) the third party may receive a fee or other benefit for the referral. This fee comes out of the fees received by AdviceNet and your adviser, and does not represent an additional cost to you.
Alternative Remuneration	AdviceNet and your adviser may receive non-monetary remuneration, such as entertainment and gifts, from financial institutions. In accordance with the Industry Code of Practice, both AdviceNet and your adviser must maintain a register of these benefits received. Copies of these registers are available on request.
Performance Credits	Your adviser is free to recommend to you any product on the AdviceNet Approved Product List; however AdviceNet advisers may receive some additional benefits for recommending certain financial products and platforms to you. For example, where your adviser accumulates and maintains pre-determined objectives in compliance with <i>The Corporations Act 2001</i> with certain associated platform/products, the adviser can accumulate performance credits from AdviceNet's parent company PHAROS which may give rise to dividends or equity benefits only after achieving certain business revenue, productivity and business retention. A list of the associated products/platforms is listed on page 2 above.

Further information on remuneration details and actual 'splits' between AdviceNet and your adviser is provided in the attached Adviser Profile. All fees are payable to AdviceNet Pty Ltd. The basis and amount of all fees, commissions, adviser service fees and any referrals fees will be fully disclosed in your SoA and explained by your adviser prior to the implementation of any advice. An explanation of the fees and charges of the product provider will also be outlined in the relevant PDS.

OUR SERVICES FOR MANAGED DISCRETIONARY ACCOUNTS

We offer limited types of Managed Discretionary Account Services (MDA Services) within approved investment platforms. Through these services, you allow us to manage your investments for you, using our discretion and without obtaining your instructions before each transaction we undertake on your behalf. However, we do not (and we are not authorised to) open new accounts, withdraw funds or contribute funds to your investment.

What are the Risks associated with using the MDA Service? By authorising us to make changes to your investments, you cannot claim we were not acting on your behalf if we acted within the authority given. Therefore, our acts bind you. It is important you understand what we are authorised to do and that you carefully read and understand the activities that you are authorising us to do on your behalf.

How can you instruct us to exercise Rights relating to the financial products in your portfolio? Generally, the financial products that we invest in on your behalf do not have any additional rights or entitlements attached to them. However, if there are, we can let you know. You can then instruct us how you wish us to proceed.

Do you have to enter into a Contract for us to provide MDA Services? Yes. This MDA contract will set out the terms and conditions of the authority and also the investment program, which sets out how your money will be invested. We will agree and prepare the investment program for you based on your relevant personal circumstances, your financial objectives and your needs and review the program by your adviser every 12 months.

Will the Investment Program in the MDA Contract comply with the law? If this is relevant, then the investment program set out in the MDA contract will comply with the law. The relevant law is Division 3 of Part 7.7 of the Corporations Act. The contract and supporting documents will also contain:

- Statements about the nature and scope of the discretions we will be authorised and required to exercise under the MDA contract,
- Any investment strategy that is to be applied in exercising those discretions,
- Information about any significant risks associated with the MDA contract,
- The basis on which we consider the MDA contract to be suitable for you,
- Warnings that the MDA contract may not be suitable to you if you have provided us with limited or inaccurate information. It will also specify that the MDA Service may cease to be suitable for you if your relevant personal circumstances changes.

Do we provide Custodial or Depository Services for your portfolio? We do not provide custodial or depository services. So you will either hold the investments in the portfolio, or the custodian nominated for that financial product. This Financial Services Guide complies with the ASIC Class Order 04/194.

REPORTING YOUR CONCERNS

AdviceNet is committed to providing a high level of client satisfaction and maintaining our reputation for honesty and integrity. If we have failed to achieve this we would like you to tell us about your concerns. AdviceNet is committed to resolving any client concerns and aim to deal with any complaints quickly and fairly. If you have a complaint, it may be lodged either verbally or in writing and will be dealt with in the strictest of confidence. Should you have a complaint please contact your adviser to discuss your complaint or our Risk & Professional Standards Manager on (07) 3360 7000, or put your complaint in writing and send it to PO Box 12017 George Street Post Shop, Brisbane, QLD, 4003.

We will then investigate your complaint and respond to you within 45 days. Some complex matters may require an extension to thoroughly investigate. If a complaint cannot be resolved to your satisfaction, you have the right to make a complaint, free of charge, to the Credit and Investments Ombudsman Limited on 1800 138 422.

PROFESSIONAL INDEMNITY INSURANCE

AdviceNet has Professional Indemnity Insurance in place which covers both AdviceNet and our advisers (including the conduct of those advisers who are no longer authorised by AdviceNet but were so at the time of the relevant conduct). This insurance satisfies the requirement imposed by *The Corporations Act 2001* and financial services regulations.

Note: The FSG is only complete when accompanied by an Adviser Profile.

FSG026 10 August 2015