

# Financial Services Guide

Effective as at 31 October 2023

This Financial Services Guide (FSG) is dated 31 October 2023 and is an important document that we are required to provide to you and covers the following Australian Financial Services Licences which are part of the InvestSMART Group:

- **InvestSMART Financial Services Pty Ltd** ABN 70 089 038 531 (AFSL # 226435) (AFCA membership #10433)
- **InvestSMART Funds Management Limited** ABN 62 067 751 759 (AFSL # 246441) (AFCA membership #11750)
- **InvestSMART Advice Pty Limited** ABN 81 119 670 334 (AFSL # 334107) (AFCA membership #14404)

And the following Corporate Authorised Representatives:

- **YourShare Financial Services Pty Ltd** ABN 32 122 332 503 (CAR 309028 of InvestSMART Advice Pty Limited)
- **InvestSMART Insurance Pty Ltd** ABN 86 156 522 548 (CAR 419910 of InvestSMART Advice Pty Limited)
- **The Intelligent Investor Holdings Pty Limited** ABN 57 109 360 983 (CAR 001255838 of InvestSMART Financial Services Pty Limited)

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
- Our procedures for dealing with disputes and how you can access those procedures

## Who is the InvestSMART Group?

We seek to be Australia's #1 wealth platform for do-it-yourself investors.

InvestSMART has built Australia's premier direct to investor wealth platform focused on digital investment advice. Our proprietary wealth platform helps clients achieve their financial goals through our low fee funds, content and tools ecosystem.

Today, we interact with over 745,000 Australians who are building investing knowledge by consuming our content, using our tools and growing and protecting their wealth through our investment solutions.

## Our Services

The InvestSMART Group AFSL holders are licenced to provide general financial product advice, and in addition InvestSMART Advice Pty Limited is licensed to provide personal specific 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 and life risk insurance products;
- retirement savings accounts (RSA) products (within the meaning of the Retirement Savings Accounts Act 1997 (Cth));
- 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; and
- securities.

InvestSMART Funds Management Ltd issues and operates registered managed investment schemes and provides custodial services.

## Personal Advice

InvestSMART Advice Pty Limited will provide you with personal advice when you obtain an InvestSMART Statement of Advice (SOA). Our SOA details a number of steps for you to implement in stages to achieve your financial goal.

Our SOA is based on the limited information that you have provided to us. You should consider your overall financial position including your ability to meet future expenses, your financial objectives, financial situation or needs and read our product disclosure statement for the risks involved before investing. Our SOA is limited to InvestSMART products. There may be other products available that may be suitable to your needs and circumstances.

Our staff, directors and associates provide general financial advice only and will not provide any further advice to you other than what is set out in the SOA. If you need further advice in relation to whether the advice in the SOA is suitable for your financial 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.

## Lack of Independence

Our statement of advice will only provide recommendations for InvestSMART products and will exclude other products which may be more suitable to you.

## General Advice

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 consider 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 work. We cannot advise if they are suitable for you. The advice we provide has been prepared without considering 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

The InvestSMART Group is a publicly listed company on the ASX. As such, we are not controlled by any fund managers, insurers or banks so the services we provide are not directly influenced by product issuers.

We have no relationship or association with third parties that might reasonably be expected to be capable of influencing our provision of financial services to you, except for the following:

- Our insurance providers for our insurance comparison tool service (see page 7 for further information)
- Our partnership with Data Distribution & Marketing Pty Limited (ACN 150 515 941, Authorised Representative No.420360 of Canstar Research Pty Limited ACN 114 422 909 (AFSL 437917) (Canstar)) for the referral of customers from Canstar's Investor Hub to our SOA (see page 8 for further information)

## 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, where required, 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.

We have prepared a Target Market Determination document for each of the financial products offered by InvestSMART Group. The Target Market Determination for a particular financial product describes the overall group of consumers that would most likely be suitable for acquiring that particular financial product, plus any conditions around how the financial product can be distributed.

Anyone wishing to acquire financial products will need to read the entire Product Disclosure Statement or prospectus carefully, consider the Target Market Determination for the financial product 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 744, QVB, Sydney NSW 1230. You can provide us with instructions as follows:

- For InvestSMART by telephone on 1300 880 160 or through our 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 InvestSMART Insurance by telephone on 1300 880 160 or through our website [www.investsmart.com.au](http://www.investsmart.com.au),
- For Yourshare by telephone on 1300 554 774 or through the website [www.yourshare.com.au](http://www.yourshare.com.au),
- For InvestSMART Funds Management on 1300 880 160 or through the website [www.investsmart.com.au](http://www.investsmart.com.au).

## How are we paid for the services we provide?

The InvestSMART Group is primarily remunerated by investment management fees earned on products issued by InvestSMART Funds Management Ltd, commissions paid to us by product issuers and subscriptions to Intelligent Investor. We may also receive fees for advertising, marketing and distributing third party products and services.

There are a number of plans available for subscribers to Intelligent Investor. Subscribers typically pay on a monthly or annual basis. Plans and offers for subscriptions are updated on our websites from time to time.

We will receive a facility fee if you invest in one of our products through “fundlater”, as detailed on our website from time to time. We also receive fees for a subscription investment course, “Bootcamp”, as detailed on our websites from time to time.

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.

## Insurance Products

Upfront commissions are paid to InvestSMART on insurance products.

### Initial commissions are calculated as follows:

- Between 0% to 60% (GST inclusive) of the premium that you pay.

Ongoing commissions are paid to InvestSMART on insurance products only 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 premium.

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

- Between 0% to 35% (GST inclusive) of the renewal premium.

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

## Funds management services

### Exchange traded funds

We receive investment management fees of 0.97% of net asset value on the following actively managed funds issued by InvestSMART Funds Management Ltd:

- Intelligent Investor Australian Equity Income Fund (ASX:INIF)
- Intelligent Investor Ethical Share Fund (ASX:INES)
- Intelligent Investor Australian Equity Growth Fund (ASX:IIGF)
- Intelligence Investor Select Value Share Fund (ASX:IISV).

For IISV, we may also receive a performance fee that is calculated as 15% of returns greater than the higher of S&P ASX 200 Accumulation Index and RBA Cash Rate.

### Professionally Managed Accounts

We receive investment management fees as the Responsible Entity to cover the costs of managing and administering the Professionally Managed Accounts. The fee is based on your total account balance, including any cash and other assets that are not part of a Model Portfolio. The fee is calculated daily and paid monthly in arrears from the cash holding in your account. The investment management fee does not apply to exchange traded funds issued by InvestSMART held in a Professionally Managed Account.

Account balance	Investment management fees p.a.
\$0 to \$100,000	0.55%
More than \$100,000	\$550

### Eureka Asset-backed Loan Fund

We receive investment management fees of 0.97% per annum as the Responsible Entity of the Eureka Asset-backed Loan Fund. This management fee will be reduced if the unitholder quarterly distribution is less than the hurdle return divided by 4. Any reduction of the management fee for a given quarter will not be

carried forward to a subsequent quarter. The hurdle return may change from time to time with notice.

### **Canstar Investor Hub (Canstar)**

We have an arrangement with Canstar under which Canstar customers who wish to obtain online personal specific financial advice are referred to our SOA to obtain such advice. We pay Canstar a referral fee of between \$25 - \$300, depending on the size of the investment, for each referred user that invests in our financial products.

### **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, mortgage broking or term deposits, the InvestSMART Group may earn a 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 several different criteria.

### **What insurance arrangements do we have in place?**

Each Australian Financial Services Licence 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 744, 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 Australian Financial Complaints Authority, 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 Australian Financial Complaints Authority (AFCA), GPO Box 3, Melbourne VIC 3001. You can contact them through their website [www.afca.org.au](http://www.afca.org.au) or you can call them on 1800 931 678. .

## 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), or [www.yourshare.com.au](http://www.yourshare.com.au). Otherwise, call our client services team on 1300 880 160 or write to us at:

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Registered Office for all entities:

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