

JBWere Financial Services Guide

ABN 68 137 978 360

AFSL 341162

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Part One

The issuer of this Guide

This Financial Services Guide is issued by JBWere Pty Ltd.

JBWere holds an Australian Financial Services Licence and can be contacted at the addresses in the corporate directory at the back of this Financial Services Guide.

The purpose of this Guide

This Guide is provided to inform you about our services and fees and to assist you when deciding to use our services.

It consists of two parts.

Part One includes information about:

- the financial services we can provide;
- the financial products we can offer;
- your privacy and how we use your personal information; and
- how we handle complaints.

Part Two provides information about:

- the significant relationships and associations that we have; and
- the remuneration that may be paid to us or to other relevant people in connection with the provision of our services.

Documents you may receive from us

In addition to this Guide, you may receive a Statement of Advice and/or a Product Disclosure Statement from us.

A **Statement of Advice (SoA)** is a written record of the personal advice we give to you. The SoA will set out:

- our understanding of your relevant personal circumstances and your investment objectives and preferences;
- our recommendations about specific financial products;
- the basis of those recommendations (for example, why we think the product is appropriate for you); and
- disclosures about any relevant fees, commissions and associations.

In general we are required to provide you with an SoA the first time we provide you with personal advice about each type of financial product or when there has been a significant change in your circumstances.

Where an SoA is required, we must give it to you before we provide any services in connection with the advice documented in the SoA. However, if you instruct us to provide the services immediately, we will give you an SoA within five days of providing the advice.

If we provide personal advice in circumstances where we are not required to give you an SoA, you may request in writing a record of this advice (if we have not already provided a record to you) at any time for a period of seven years after the date the advice was given.

A **Product Disclosure Statement (PDS)** is a type of offer document. A PDS will provide information about a product – for example, its features, benefits, fees and associated risks – to enable you to make an informed investment decision.

A PDS must be given to you in connection with any offer or recommendation to invest in:

- managed funds;
- options;
- derivatives;
- warrants; or
- superannuation products.

A prospectus may be issued instead of a PDS for some financial products – for example, shares and debentures.

The services and products we can provide

We are authorised to provide advice and/or deal in the following financial services and financial products:

- basic deposit products;
- non-basic deposit products;
- derivatives;
- managed funds;
- government debentures, stocks or bonds;
- investment life insurance products;
- life risk insurance products;
- securities;
- superannuation;
- foreign exchange

Who will give you advice?

Our advisers may give you advice. They are representatives of JBWere and we are responsible for the advice they provide to you.

Giving instructions to buy or sell

You may give us instructions in person, by telephone, email, letter, facsimile and – providing you are registered with our website and you qualify for online trading – via our website www.jbwere.com

Your privacy and personal information

We are committed to protecting your personal information. For further details, including how we use and disclose your personal information and how we access and update it, please refer to our Privacy Policy. You can access our Privacy Policy by:

- visiting our website at www.jbwere.com;
- contacting your adviser;
- contacting our Investor Service team on 1300 366 790; or
- writing to:

Privacy officer
JBWere Pty Ltd
GPO Box 2050
Melbourne VIC 3001

How we handle complaints

If you have a complaint, we encourage you to discuss the matter with your adviser or your local JBWere State Manager

If you are not happy with the response you receive, please write to:

Head of Compliance
JBWere Pty Ltd
GPO Box 2050
Melbourne VIC 3000

When dealing with a complaint you have submitted to us in writing:

- we will provide written acknowledgement of our receipt of your complaint in the first instance; and
- we will prepare a response in consultation with your adviser and his/her manager, to ensure all matters are thoroughly investigated and responded to appropriately, and aim to do so within 30 days.

If you are not satisfied with our handling of your complaint, you may have the right to take your complaint to the Financial Ombudsman Service (FOS), an independent complaints resolution body. FOS' contact details are:

Financial Ombudsman Services
GPO Box 3
Melbourne VIC 3001

Telephone 1300 780 808 (free call)

Facsimile (03) 9613 6399

Website www.fos.org.au

Email info@fos.org.au

Services provided by the independent complaints resolution body are free of charge.

Professional Indemnity Insurance

JBWere holds professional indemnity insurance that satisfies the requirements (Section 912B) of the Corporations Act. This insurance also covers the conduct of advisers who were authorised by us at the time of your complaint, but are no longer representatives of JBWere.

Part Two

Relationships and associations

Goldman Sachs JBWere Pty Ltd (GSJBW) and National Australia Bank (NAB) have entered into a strategic alliance in relation to the provision of wealth management and investment advice services. JBWere Pty Ltd was established to provide these services under the alliance and inherited the 140 year heritage associated with the JBWere name.

Under the terms of the alliance, both GSJBW and NAB will provide services to JBWere directly, or to clients who are advised by JBWere. JBWere will also provide certain administrative and other support services to GSJBW. GSJBW, JBWere and NAB have made arrangements between themselves in relation to fees, charges and commissions you are charged for services, and the costs associated with the provision of these services.

JBWere is owned 80.1% by NAB and 19.9% by GSJBW. JBWere is a member of the National Australia Group. A number of companies within the National Australia Group – including MLC Investments Ltd, MLC Ltd, NAB Online Trading Ltd, Jana Investment Advisers Pty Ltd, Plum Financial Services Ltd and National Australia Bank Ltd – are financial product providers whose products we may recommend and they pay us commission.

NAB is authorised to issue financial products and to underwrite interests in managed investment schemes and issues of securities. NAB is a non-broker participant in the Australian Stock Exchange Limited, and is also authorised to make a market in foreign exchange contracts, derivatives, debentures, government bonds or stocks and other financial products. It may also operate custodial or depository services (but not Investor Directed Portfolio Services).

From time to time members of the National Australia Group may have an interest in or receive monetary or other benefits from financial products which we may recommend or deal in on your behalf.

Because helping you realise your goals and objectives is of paramount importance to us, our advisers will also recommend appropriate products from a broad range of financial product providers outside of the National Australia Group.

GSJBW is a member of the Goldman Sachs JBWere group of companies (Goldman Sachs JBWere Group). We may recommend products issued by product providers within the Goldman Sachs JBWere Group and they may pay us commission.

GSJBW is a separate legal entity to JBWere. Neither JBWere nor NAB is responsible for the financial services provided by GSJBW and other entities within the Goldman Sachs JBWere Group.

Adelaide Equity Finance Pty Ltd ACN 008 614 122 is a preferred supplier of Margin Lending services to clients of JBWere. JBWere receives a fee of up to 0.55% (inclusive of GST) p.a on all outstanding amounts provided under this margin lending facility.

We may pay referral fees where third parties refer clients to us or we may receive referral fees where we refer clients to third parties.

Remuneration and other benefits

Where we are required to issue you with an SoA in connection with specific advice, that document will provide details of the fees we receive in connection with that advice.

How your adviser is paid

Your adviser is paid a salary and a variable component determined by the level of revenue received by JBWere attributable to your adviser. In general, your adviser can receive up to 60% of the revenue JBWere receives.

How JBWere is paid

The standard fees payable in connection with products and services (including those provided under the strategic alliance between GSJBW and NAB) are as set out in this section of the Guide. It includes how we are generally remunerated as well as the fees we will receive from GSJBW under the strategic alliance. **All fees specified include GST, if applicable.** We (and where applicable, GSJBW) reserve the right to change these fees from time to time.

While some of the fees we charge may be tax deductible, we recommend that you confirm this with a professional taxation adviser who can give consideration to your particular circumstances.

Generally our remuneration takes the form of:

- fees charged at a fixed rate for services provided – for example, for Strategic Financial Planning services, we will charge an hourly rate as agreed with your adviser before the advice is given;
- if you are a portfolio management services client, we may arrange with the provider of that service to pay us an adviser service fee based on the value of your portfolio. We will agree this fee with you before you invest. This is in addition to any fees you pay the provider of the service;
- initial and ongoing commission paid to us, by product and service providers – we may receive fees and commissions from issuers of managed funds and other financial products, including related entities, when you choose to invest in one of their products. Generally, the relevant fund manager or product issuer may pay us initial commission of up to 4.4%, and ongoing commission of up to 0.55% per annum, of the value of your investment. Commissions and fees will vary for each product and will be set out in the relevant offer document (if applicable) and/or provided to you at the time advice is given or the financial service is provided (or as soon as practical thereafter);
- a combination of the above; or
- referral fees for referring clients to other professionals, such as accountants. We may also pay referral fees if we receive referrals. We will disclose these fees to you, if applicable. These fees are generally in the form of:
 - a fixed fee;
 - a proportion of the initial and/or ongoing fees or commissions we disclose to you; or
 - a combination of both.

Other remuneration received by JBWere from GSJBW

As a client of JBWere, both GSJBW and JBWere may provide you with products and services. (References in this section to GSJBW should be read as including other members of the Goldman Sachs JBWere Group).

If you receive products or services from GSJBW, GSJBW will charge you fees for providing those products or services as determined by us. The fees you will pay will be set out in the terms and conditions (including, where relevant, the fee schedules) for those products or services, or will otherwise be notified to you by your JBWere adviser.

The types of fees that GSJBW may charge you include:

- brokerage or other transactional fees (which GSJBW will charge when they purchase or sell securities for you at the request of JBWere);
- fees charged at a fixed rate for services provided;
- fees based on the value of funds under management in a GSJBW portfolio management service.

In consideration of services provided by JBWere to GSJBW, JBWere will receive from GSJBW fees of amounts equivalent or similar to (or otherwise receive the benefit of) the fees GSJBW charges you, net of GSJBW's costs. These amounts include the management fees paid in respect of the Goldman Sachs JBWere Cash Trust, net of GSJBW's costs. In addition, GSJBW will pay JBWere an amount equal to 0.50% per annum of the value of funds invested from time to time in Goldman Sachs JBWere Investment Notes.¹

(a) Portfolio Management Services

If you receive portfolio management services from GSJBW they will charge you fees in connection with this service, subject to such minimum amounts, as determined by us. This includes the Premium and Portfolio Advantage Shares services.

GSJBW's portfolio management services have a sliding scale of rates which depend on the value of your portfolio and level of services provided to you.

The standard fees range up to 1.85% p.a of the value of your portfolio.

In addition, you will pay:

- brokerage on individual transactions above the number of brokerage free transactions agreed with your JBWere adviser (if any), at the rates specified below; and
- an excess holding fee of \$13.75 per quarter for each security held in the Premium service above 40 securities; and
- any adviser service fees as agreed with your JBWere adviser.

(b) Investment services

Charges apply when you instruct our advisers to arrange for GSJBW to purchase or sell investments for you. We determine the standard rates to be charged by GSJBW for each of our investment service options.

Our service options are:

- Private Wealth Management
- Personal Advice
- Investment Services (which includes our General Advice and Internet-transaction services)

The following are the standard rates that we have determined are to be charged by GSJBW for each of our investment options:

(i) Australian listed securities

For **Private Wealth Management clients** the standard brokerage rates for each purchase or sale order are:

| Minimum | Percentage rate |
|----------|-------------------------------|
| \$137.50 | 2.20% - first \$15,000 |
| | 1.65% - next \$35,000 |
| | 1.10% - amount above \$50,000 |

For **JBWere Personal Advice clients** the standard brokerage rates for each purchase or sale order are:

| Minimum | Percentage rate |
|---------|------------------------------|
| \$99.00 | 1.25% - first \$20,000 |
| | 0.85% amounts above \$20,000 |

For **JBWere Investment Advice clients** who are CHES sponsored and have a direct debit facility with GSJBW for settlement of securities transactions executed by GSJBW the standard brokerage rates for each purchase or sale order are:

| Minimum | Percentage rate |
|---------|------------------------------|
| \$99.00 | 1.25% - first \$20,000 |
| | 0.85% amounts above \$20,000 |

For **JBWere Investment Advice clients who are not CHES sponsored with GSJBW or do not have a direct debit facility with GSJBW for settlement of securities transactions** the standard brokerage rates for each purchase or sale order are:

| Minimum | Percentage rate |
|----------|-------------------------------|
| \$137.50 | 2.20% - first \$15,000 |
| | 1.65% - next \$35,000 |
| | 1.10% - amount above \$50,000 |

For **JBWere Investment Advice -Online** clients who are CHES sponsored and settle their transactions via a Goldman Sachs JBWere cash account, the standard brokerage rates for each purchase or sale order are:

| Minimum | Percentage rate |
|---------|-------------------------------|
| \$50.00 | 0.75% - first \$15,000 |
| | 0.65% - next \$35,000 |
| | 0.60% - amount above \$50,000 |

(ii) Off market share transfers (Australian listed securities)

The standard fee charged by GSJBW for each off market share transfer is \$192.50.

(iii) Exchange traded options

The Australian Clearing House charges a contract registration fee of \$1.12 per option contract.

If your contract is exercised, a fee of \$0.55 per contract applies. For example, exercising 10 contracts would result in a fee of \$5.50 and this charge will appear on the subsequent stock purchase or sale contract note. In the case of index options, \$0.39 per contract for the transaction fee and the exercise fee would be charged.

Generally the commission on Index Options is an amount between \$1.00 and \$2.50 per contract depending on the dealer.

The standard brokerage rate for each purchase or sale ETO order is a minimum of \$110 or 1.10%. For example, six option contracts with a total premium of \$12,000 would total \$138.72 (\$120 brokerage + \$12 GST + \$6.72 Australian Options Clearing House fees).

(iv) International share brokerage

If you transact in an international security, GSJBW will charge you the relevant standard brokerage rates of up to 2.20% of the value of the transaction.

(v) Custody Services

If you wish to use GSJBW's custody service, GSJBW will charge you a flat fee per annum at the rate determined by us, depending on the nature of the asset held in custody.

(vi) Fixed interest products (for example, debentures and negotiable certificates of deposit).

If you ask your adviser to arrange with GSJBW to buy or sell fixed interest securities for you, GSJBW may deal in these products 'as principal' with you and may make a margin. GSJBW may pay us commission out of this amount.

Conferences

Our advisers may attend conferences subsidised in whole or part by product providers. Eligibility to attend may be based on business revenue targets as well as achieving our internal quality standards and accreditations. JBWere may also receive sponsorship payments from product providers to subsidise our own conferences and professional development events.

¹ Formerly known as the Goldman Sachs JBWere Deposit Notes

Corporate directory

Melbourne

Level 16, 101 Collins Street
Melbourne Vic 3000
Telephone (03) 9679 1111
Facsimile (03) 9679 1493

Sydney

Level 42, Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
Telephone (02) 9321 8777
Facsimile (02) 9321 8640

Adelaide

Level 13, 45 Pirie Street
Adelaide SA 5000
Telephone (08) 8407 1111
Facsimile (08) 8407 1112

Brisbane

37th Floor, Riverside Centre
123 Eagle Street
Brisbane Qld 4000
Telephone (07) 3258 1111
Facsimile (07) 3258 1112

Canberra

Level 3, 60 Marcus Clarke Street
Canberra ACT 2600
Telephone (02) 6218 2000
Facsimile (02) 6218 2001

Perth

Level 44, BankWest Tower 108
St George's Terrace
Perth WA 6000
Telephone (08) 9422 3333
Facsimile (08) 9422 3399