

Intermediary Clients - Financial Services Guide

November 2011

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ABN 68 137 978 360
AFSL 341162

Invia Custodian Pty Ltd
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For clients of financial planners, portfolio managers and other licensed financial service providers who use the services of JBWere Pty Ltd.
www.jbwere.com

Part One

The issuer of this Guide

This Financial Services Guide is issued by JBWere Pty Ltd (JBWere) and Invia Custodian Pty Ltd (Invia).

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

In this Guide we refer to these companies collectively as 'the Companies'. 'We', 'us' and 'our' are used to refer to each Company or all of them as the context requires. Invia is a Settlement Participant of ASX Settlement Pty Limited.

The purpose of this Guide

This Guide is for you if your financial services provider* uses our services on your behalf or has referred you to us for the provision of particular services they do not offer (for example, the execution of a share trade on the ASX or other Australian or international stock exchanges or financial markets).

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

We may provide personal advice to you in relation to specific securities if your financial services provider asks us to do this. As a result, in addition to this Guide, you may receive a Statement of Advice and/or a Product Disclosure Statement (PDS) (where relevant) 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 investments;
- superannuation products;
- insurance products;
- retirement savings accounts;
- deposit products;
- derivatives; or
- standard margin lending facilities.

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

The services and products we can provide

JBWere is 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; or
- standard margin lending facilities.

Invia is authorised to provide custodial or depository services (other than an investor directed portfolio service (IDPS)) and deal in government debentures, stocks or bonds, managed funds (including IDPS), securities and a limited range of derivatives. Invia provides custodial or depository services to support a variety of products distributed by JBWere.

Who will give you advice?

JBWere Advisors may give you advice. They are approved representatives of JBWere and we are responsible for the advice they provide to you. Our advice will be delivered to you via your financial services provider.

Giving instructions

We will receive your instructions to deal in financial products via your financial services provider.

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 our Investor Service team on 1300 366 790; or
- writing to:
Privacy Officer
JBWere Pty Ltd
GPO 4370
MELBOURNE VIC 3001

How we handle complaints

If you have a complaint, we encourage you to discuss the matter with your financial services provider, your JBWere Advisor or your local JBWere State Manager.

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

Risk and Compliance Manager
JBWere Pty Ltd
GPO Box 4370
MELBOURNE VIC 3001

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 JBWere Advisor 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 and Invia both hold professional indemnity insurance that satisfies the requirements (Section 912B) of the Corporations Act. This insurance also covers the conduct of advisors 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 Australia Pty Ltd (Goldman Sachs) and National Australia Bank Limited (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 terms of the alliance, both Goldman Sachs 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 Goldman Sachs. Goldman Sachs, 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.

Invia is 100% owned by NAB. JBWere is owned 80.1% by NAB and 19.9% by Goldman Sachs. 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, JBWere Advisors will also recommend appropriate products from a broad range of financial product providers outside of the National Australia Group.

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

Goldman Sachs is a separate legal entity to JBWere. Neither JBWere or NAB is responsible for the financial services provided by Goldman Sachs and other entities within the Goldman Sachs Group.

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. Where the referrer is your financial services provider, we may pay that provider a part of any fees we charge for our services – the amount payable is determined by negotiation with your financial services provider.

JBWere may act as your agent to give instructions to a broker on your behalf to trade on the ASX or on other Australian or international stock exchanges or financial markets. JBWere may also be buying or selling financial products 'as principal' on the ASX or other stock exchanges or financial markets. From time to time, JBWere may be acting as agent for you and 'as principal' in relation to the same financial product. In such cases, JBWere does not have any control or discretion over orders once they are submitted to the broker.

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 JBWere Advisors are paid

JBWere Advisors are paid a salary and a variable component determined by the level of revenue received by JBWere attributable to each advisor. In general, a JBWere advisor can receive up to 75% 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 Goldman Sachs 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 Goldman Sachs under the strategic alliance. All fees specified include GST, if applicable. We (and where applicable, Goldman Sachs) 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 advisor who can give consideration to your particular circumstances.

Generally our remuneration takes the form of:

- fees charged at a fixed rate for services provided;
- if you are a portfolio management services client, we may arrange with the provider of that service to pay us an advisor 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); or
- a combination of the above.

Other remuneration received by JBWere from Goldman Sachs

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

If you receive products or services from Goldman Sachs, Goldman Sachs 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 financial services provider. The types of fees that Goldman Sachs may charge you include:

- brokerage or other transactional fees (which Goldman Sachs 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 Goldman Sachs portfolio management service.

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

(a) Portfolio Management Services

If you receive portfolio management services from Goldman Sachs 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.

Goldman Sachs' 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 JBWere, 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 advisor service fees as agreed between JBWere and your financial services provider.

(b) Investment services

Charges apply when you instruct our advisors to arrange for Goldman Sachs to purchase or sell investments for you. We determine the standard rates to be charged by Goldman Sachs.

(i) Australian listed securities

The standard brokerage rates (including GST) 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

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

The standard fee charged by Goldman Sachs for each off market share transfer is \$55.00.

(iii) Exchange traded options

ASX Clear charges a transaction fee of \$0.13 + GST per option contract.

If your contract is exercised, a fee of \$0.05 + GST per contract applies. For example, exercising 10 contracts would result in a fee of \$0.50 + GST and this charge will appear on the subsequent stock purchase or sale contract note. In the case of index options, \$0.35 + GST per contract for the transaction fee and the exercise fee would be charged.

The brokerage rate for each purchase or sale order for an Exchange Traded Option will be negotiated directly with your JBWere Advisor and will be a rate between the minimum and maximum rates of 0 to 2.20% (inc GST) of the value of the premium payable to the buyer (taker) of the option. For example, for a brokerage rate of 1.10% (inc GST), six option contracts with a total premium of \$12,000 would total \$132.858 (\$120 brokerage + \$12 GST and \$0.78 in ASX Clear fees + \$0.078 GST).

(iv) International share brokerage

If you transact in an international security, we will charge you the standard transaction fee of 2.20% of the Australian dollar value of the trade, or \$250, whichever is the greater, of which up to 75% may be paid to your JBWere Advisor.

Conferences

Our advisors 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.

Corporate directory

Melbourne

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Melbourne Vic 3000
Telephone (03) 9679 1111
Facsimile (03) 9679 1491

Sydney

Level 42, Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000
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Facsimile (02) 9321 8621