



Financial Services Guide

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01 Financial Services Guide

This Financial Services Guide (FSG) has been prepared and issued by Lonsec Research Pty Ltd ABN 11 151 658 651 (Lonsec Research), holder of Australian Financial Services Licence No. 421445, to assist you in determining whether to use our financial services and products. This is an important document and you should read it carefully.

1.1 What is a Financial Services Guide?

This document has as its main purpose to:

- Tell you more about us;
- Help you to decide whether to use any of the financial services we provide;
- Inform you of how we are paid;
- Compensation arrangements; and
- How we manage complaints

1.2 About Lonsec Research and the Services Provided

Lonsec Research provides in-depth, investigative investment research across a broad range of listed and unlisted investments. Lonsec Research is a wholly owned subsidiary of Lonsec Holdings Pty Ltd (ABN 41 151 235 406) (Lonsec Holdings). Lonsec Investment Solutions Pty Ltd (ABN 95 608 837 583) (LIS) is a wholly owned subsidiary and acts as a corporate authorised representative 123682 of Lonsec Research Pty Ltd. Other subsidiaries of Lonsec Holdings include SuperRatings Pty Ltd (ABN 95 100 192 283) and Lonsec Investment Solutions Pty Ltd (ABN 95 608 837 583).

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1.3 What kind of financial services can Lonsec Research provide?

Lonsec Research is authorised under its Australian Financial Services Licence to provide general financial product advice to retail and wholesale clients on the following types of financial products:

- Securities
- Deposit and payment products limited to basic product products
- Derivatives
- Interests in managed investment schemes including investor directed portfolio services

- Superannuation and Retirement savings products
- Foreign exchange products
- Life products including:
 - investment life insurance products as well as any products issued by a Registered Life Insurance Company that are backed by one or more of its statutory funds; and
 - life risk insurance products as well as any products issued by a Registered Life Insurance Company that are backed by one or more of its statutory funds;

Lonsec Research is also authorised to deal in a financial product by: arranging for another person to apply for, acquire, vary or dispose the above types of products for or by retail and wholesale clients.

1.4 Provision of general advice

Any advice that Lonsec Research provides is of a general nature and does not take into account an individual's financial situation, objectives or needs. Individuals should, before acting on the information, consider its appropriateness having regard to their own financial objectives, situation and needs and if appropriate, obtain personal financial advice on the matter from a financial adviser. Before making a decision regarding any financial product, individuals should obtain and consider a copy of the relevant Product Disclosure Statement from the financial product issuer.

1.5 How Lonsec Research is paid

Lonsec Research receives fees from fund managers or financial product issuers for researching their financial product(s) using comprehensive and objective criteria. Lonsec receives subscriptions for providing research content to subscribers including fund managers and financial product issuers. Lonsec's fees are not linked to the financial product rating outcome or the inclusion of financial products in model portfolios, or in approved product lists. Lonsec Research fees are determined by private agreement with its clients depending on a number of criteria including the number of financial advisors who access Lonsec Research publications, the range of publications accessed and the complexity of a specific research assignment. Because of the specific nature of its charges, disclosure of Lonsec Research fees are not ascertainable.

Lonsec Research analysts are paid a salary and do not receive any commissions or fees. Sales staff may have a sales commission plan, relevant to sales to Wholesale customers, as offered by Lonsec from time to time at its discretion. Staff may be eligible for a bonus payment in certain circumstances. Bonus payments are discretionary and are not guaranteed.

If you are introduced to the SMSF Investor website and agree to subscribe to the member research portal LSR may pay a portion of your subscription fee to that introducer.

If you choose to invest in a LIS Managed Portfolio through any third party platform, LIS will receive a fee. The fees can range from .01% up to 0.5% of the value of your investment depending upon the complexity of the investments, performance of the markets, economic conditions and activity of transactions in an endeavour to achieve the purpose of the Portfolio. The individual product profiles for the different Managed Portfolios will have the relevant fees disclosed in the Investment Fees Section.

If you choose to invest in LIS Managed Portfolios via Netwealth Pty Ltd LIS receives a fee of 0.20% p.a. of the amount invested. For example, if you choose to invest \$100,000 LIS will receive \$200 p.a. If you express an interest in portfolios created by LIS, you may request Lonsec Research to provide your details to a third-party platform such as Netwealth Pty Ltd, neither Lonsec Research nor LIS receives any additional fee for passing on your information.

1.6 How do we manage our compensation arrangements?

Lonsec Research has Professional Indemnity insurance arrangements in place to compensate clients for loss or damage because of breaches of any relevant legislative obligations by Lonsec Research or its representatives which satisfy section 912B of the *Corporations Act 2001*.

1.7 What should you do if you have a complaint?

Lonsec Research's internal complaints handling process is designed to ensure that an individual's concerns are treated seriously, and that the complaint is addressed promptly and fairly. A complaint may be lodged either verbally or in writing and will be dealt with in strict confidence. If an individual has a complaint about the service provided by Lonsec Research, the complaint should be notified to::

Complaints Manager

Lonsec Research Pty Ltd
L 7, 90 Collins Street, Melbourne Vic 3000

Tel: 1300 826 395

Email: Complaints@lonsec.com.au

An individual may request further information about Lonsec Research's internal complaints handling procedure at any time. If an individual is not satisfied with the outcome of their complaint or has not received a response within 45 days, the individual can complain to the Australian Financial Complaints Authority (AFCA).

AFCA provides an independent dispute resolution service and can be contacted on:

Online: www.afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678

Mail:

Australian Financial Complaints Authority
GPO Box 3
Melbourne, Victoria, 3001.

ASIC also has a free call info line: **1300 300 630**, which you can use to make a complaint about us.

This FSG was prepared on 27 March 2020.