

Financial Services Guide

A guide to our services

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This document should be read in conjunction
with the Adviser profile.

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 **Prime Financial Group**

Purpose of this Financial Services Guide

This Financial Services Guide (FSG) aims to help you make an informed decision whether to use our services and contains information about:

- Who we are
- The services we offer you
- How we are remunerated for our services
- How we handle any complaints you may have

About Primestock Securities Ltd. and Prime Financial Group Ltd.

Primestock Securities Ltd (Primestock) holds an Australian Financial Services Licence (239180) and is part of Prime Financial Group Ltd (Prime), an ASX listed integrated wealth management firm for business owners and family groups.

Our Services

Primestock is authorised to provide advice about and deal in the following financial products:

- Securities;
- Managed investment schemes, including investor directed portfolio services;
- Deposit products;
- Life insurance;
- Derivatives;
- Government debentures, stocks or bonds;
- Standard Margin Lending;
- Retirement savings accounts; and
- Superannuation including Self-Managed Super Funds.

Your Adviser is an Authorised Representative of Primestock. Primestock is responsible for the financial services provided to you by its representatives, and for ensuring you receive appropriate strategic advice, service and product based on your needs. Authorised Representatives of Primestock are required to act in your best interests at all times. Additional information about your Adviser and what services they have been authorised to provide advice on can be found in their Adviser Profile.

What other documents will we give you?

We may give you other documents when we provide our services. These will include:

Statement of Advice

When we provide you with personal advice, we will give you a Statement of Advice (SoA). This will confirm the advice we have given and explain our fees for giving advice and arranging the financial products we have recommended.

Further advice to you will be documented in a new SoA or in certain circumstances this will be recorded using a Record of Advice (RoA). You can request a copy of the RoA by contacting us within a period of seven years from the date the advice was provided.

When you instruct us to place business on your behalf, you can expect to receive an Execution Only letter.

Product Disclosure Statement

If we recommend a financial product to you, we will also provide you with a Product Disclosure Statement containing information about the product such as its features and risks.

Engagement to Provide Ongoing Financial Services

If you engage us to provide ongoing review and advice services, we will provide you with an "Engagement to Provide Ongoing Financial Services" as part of the Statement of Advice. This engagement details the ongoing services you will receive and the fees and charges that you direct us to receive.

Fee Disclosure Statement

If we provide ongoing services to you, we will provide an annual summary of the services we agreed to provide and the services we did provide, as well as the fees you have paid to us in the past 12 months.

What products will my Adviser recommend?

Primestock undertakes due diligence on our products and service providers. We also use external research providers to select a range of offerings for our clients. While other products and services may also be suitable to your needs, your Adviser will generally only provide advice on products and services that are listed on Prime's Approved Product List (APL).

The APL contains both financial products issued by providers external to Prime and products offered within the group. All products must meet our rigorous selection criteria and approval process to be listed on our APL.

Depending on your objectives, financial situation and needs, your Adviser may need to recommend a financial product that is not on our APL. If this happens, any product that your Adviser may recommend needs to meet our selection criteria and approval process.

Important associations

Primestock has established joint ventures with over 30 accounting firms to provide financial services to their clients. These firms or partner shareholders receive dividends in accordance with their shareholding in the joint venture company.

Prime Financial Group Ltd has a Finance and Lending offering provided by Primestock Finance Group Pty Ltd, Australian Credit Licence No. 484101.

Upon settlement of a loan, the lender will pay Primestock Finance Group Pty Ltd an upfront fee between 0.55% and 1.11% (typically 0.715%) of the loan and an ongoing fee between 0.11% and 0.55% (typically 0.165%) of the loan.

Referrers to Primestock Finance Group Pty Ltd may be paid a fee via a formal Referral Agreement equal to 20% of the upfront fee received from the lender.

How we are remunerated for our services?

The fees or other costs that your Adviser may charge for services provided or products recommended, depends on the nature and complexity of your situation and the advice that is provided. The fees and charges for our advice and service may be based on a dollar amount, an hourly rate, a percentage of funds, value based pricing or a combination of these.

Strategic Advice

Where we charge based on the time required to prepare your advice, it will be based on an hourly rate between \$220 - \$495 including GST.

Where we charge a fixed fee, we charge a fee between \$2,200 and \$5,500 including GST. There may be separate associated fees with our recommendations in the form of Trust Deeds, ATO levies, ASIC company fees, etc. These may be incorporated in our flat fee and disbursed to related providers or alternatively these may be charged separately.

Once we understand the scope of advice you seek, we will provide you with an estimate before we provide the advice.

Implementation and Transaction Fee

If you instruct us to implement our strategic advice, we may charge up to 1.65% including GST of the funds we invest on your behalf. For any ASX listed securities or managed investments we trade on your behalf, there may be a minimum charge of

\$110 per trade including GST. This includes the fees of the stockbroker which are:

- Patersons - 0.055% (minimum \$22) of the value of the trade including GST.
- ANZ Share Investing - \$20 including GST for trades up to \$40,000, 0.06% for trades between \$40,001 and \$200,000 and 0.05% for trades between \$200,001 and \$500,000.
- CommSec Adviser Services - 0.08% (minimum of \$20) of the value of the trade including GST if settling to a Commonwealth Bank Accelerator Cash Account (ACA), 0.09% (minimum of \$20) of the value of the trade including GST if settling to any other cash account and 0.09% (minimum of \$22) if settling through an administration platform (DVP Account).

Ongoing Service Program

If you ask us to provide ongoing review and advice services, we may charge up to 1.65% p.a. of funds that we review and manage for you. For example, if we charge you 1.65%, the annual fee on a portfolio of \$200,000 would be \$3,300 including GST.

Please note that our minimum ongoing service fee is \$2,200 including GST.

This fee will vary according to the size and complexity of your portfolio and the services you ask us to provide to you. We will confirm this fee with you when you engage us to provide ongoing services.

We may charge for any additional services outside your ongoing service program at an hourly rate of between \$220 - \$495 including GST.

Insurance Advice

If we arrange life insurance for you, we will receive commission from the insurers with whom we place your insurance. The amount will vary depending upon the type of insurance and can be between 0% and 124% of the first year's premium (excluding taxes and statutory charges).

We will also receive an ongoing commission from the insurer during the life of your policy and these can be between 0% and 33% of the premium (excluding taxes and statutory charges). These commissions are included in the premium for the policy.

Other

We may also receive the following additional remuneration, which is paid by the product providers:

- A commission of 0.24% for investments

administered using the BT Wrap provided by BT Portfolio Services;

- A commission of between 0.33% - 0.385% p.a. in respect of money held in Cash Management Accounts; and
- Stamping fees on initial public offerings and issue of hybrid securities, subordinated notes or similar like securities.

How is my Adviser paid?

At Primestock, we have salaried employees, contractors and Accountants as our Authorised Representatives.

If your Adviser is a salaried employee, they will receive an annual salary and may be eligible to receive up to 40% of the revenue they generate over and above their financial targets. This can be paid in both short-term and long-term incentives. If your Adviser works as a contractor, they may receive a base remuneration or retainer each month and may be eligible to receive up to 60% of the revenue they generate over and above their financial targets. This can be paid in both short-term and long-term incentives.

The bonus incentives the Adviser will receive are based on the non-financial standards set by the firm which include client servicing, training and compliance.

Our Accountant Authorised Representatives are paid a base remuneration in the form of a salary or notional salary. If they are also a shareholder in their company or in a partnership, they may be entitled to receive dividends or alternately distributions from a trust depending on their structure.

Please refer to the Adviser Profile for further details on how your Adviser is paid.

How can I give you instructions?

You can contact us in person, by phone, fax, text or email. For some matters, we can only implement your wishes if you provide written instructions. We will always tell you if this is needed.

It is important that you provide us with complete and accurate information about your circumstances and you take the time to check any assumptions we make and the basis for our advice. If you don't, our advice may not be appropriate for your needs.

Naturally, your circumstances may change over time. When this happens, our initial advice and recommendations may no longer be appropriate

for you. We can periodically review your financial position, personal circumstances, financial goals and investment strategies to decide whether those strategies and goals and the financial products you hold continue to be appropriate for you. Or, you can contact us for a review when your circumstances change.

Professional indemnity insurance

Primestock has professional indemnity insurance which covers us for any errors or mistakes relating to our financial advisory services. This insurance meets the requirements of the Corporations Act and covers the services provided by our Advisers after they cease working with us, provided we notify the insurer of the claim when it arises and this is done within the relevant policy period.

What should I do if I have a complaint?

If you have a complaint or are not satisfied with the advice or services provided to you, you should contact your Adviser in the first instance and discuss your concerns with them. Most complaints can be resolved quickly and fairly at this stage.

If your complaint has not been resolved within five (5) business days to your satisfaction, you can lodge a complaint with our Complaints Officer on 1800 064 959. We may ask you to put your complaint in writing. We will try and resolve your complaint quickly and fairly within 45 days.

If the complaint cannot be resolved to your satisfaction within 45 days, you have the right to refer the matter to the Financial Ombudsman Services. They can be contacted on 1300 780 808, or you can write to them at GPO Box 3, Melbourne, VIC 3001. Their services are free of charge to you.

Our privacy policy

We collect and verify information about you to ensure that we provide the products and services most appropriate to your needs and to make certain that we comply with our legal obligations.

If you fail to provide us with the required information, or if you provide us with incomplete, or inaccurate information we may not be able to provide you with the products or services you are seeking within the time periods contemplated.

The protection of your personal information is something we take very seriously.

To obtain a copy of our privacy policy please visit www.primefinancial.com.au or contact our Client Services team on 1800 064 959.