

CommSec Adviser Services Financial Services Guide

Issue Date 1 May 2021

The provider of the services described in this Financial Services Guide is the Australian Financial Services Licensee Commonwealth Securities Limited ABN 60 067 254 399 Australian Financial Services Licence Number: 238814

Registered Office: Ground Floor, Tower 1, 201 Sussex Street Sydney NSW 2000.

Contents

Part One	1
Important Information	1
Financial Services Guide	1
Other documents you may receive from us	1
Who are we?	2
What financial services and products do we offer?	2
Placing an order or updating your personal details	2
Personal advice on financial products	2
If we previously provided you with financial product advice	3
How do you pay for our services?	3
How are we remunerated for the services we provide?	3
Initial commissions paid to CommSec	3
Other product offerings resulting in an ongoing commission	3
How are our representatives remunerated?	4
Associations with related Product Issuers	5
How is my customer information dealt with?	6
What should I do if I have a complaint?	6
How do we manage our compensation arrangements?	6
Part Two	7
Important information	7
Financial Services Guide	7
Fees and Charges for Margin Lending	8
Cash Management	8
Trust Account	8

Part one

IMPORTANT INFORMATION

FINANCIAL SERVICES GUIDE

This Financial Services Guide (“FSG”) is an important document.

The FSG provides you with information about Commonwealth Securities Limited ABN 60 067 254 399 (“CommSec”, “we”, “us” or “our”) to help you to decide whether to use the financial services offered by CommSec.

The FSG is divided into two Parts:

Part One of this FSG explains the services and types of products CommSec can offer to you. It also explains how CommSec and our representatives are remunerated and provides details of any potential conflicts of interest and details of our internal and external complaints handling procedures and how you can access them.

Part Two of this FSG details the current list of fees or charges that you will pay for using CommSec’s services.

PRODUCT DISCLOSURE STATEMENT

If you are seeking to acquire a specific financial product, you should obtain a copy of, and consider, the Product Disclosure Statement (PDS) for that product before making any decision. If you use an Adviser, they may provide you with personal advice or recommend financial products. Whilst we do not provide personal advice or recommend financial products, in some circumstances, we or your Adviser, may provide you with a PDS for selected products. The PDS sets out important information about the particular product including the features, benefits, fees and risks associated with it, to assist you in making an informed decision. A PDS for the products provided by us is available either from your Adviser or by contacting us.

WHO ARE WE?

CommSec is licensed under the Corporations Act 2001 (Cth) ("Corporations Act"). Our Australian Financial Services Licence Number is 238814. CommSec is also a market Participant of the Australian Securities Exchange Limited (ASX) and Chi-X Australia Pty Ltd, a clearing participant of ASX Clear Pty Limited and a settlement participant of ASX Settlement Pty Limited.

CommSec is a wholly owned but non-guaranteed subsidiary of the Commonwealth Bank of Australia ABN 48 123 123 124 Australian Financial Services Licence number 234945 ("Commonwealth Bank") which is one of the largest and oldest financial institutions in Australia. Other members of the Commonwealth Bank Group may also be able to provide you with financial services and products.

WHAT FINANCIAL SERVICES AND PRODUCTS DO WE OFFER?

CommSec is authorised to offer the following financial services:

- Deal in financial products
- Provide financial products advice
- Make a market in financial products
- Provide a custodial/depository service

PLACING AN ORDER OR UPDATING YOUR PERSONAL DETAILS (THIRD PARTY REFERRED CLIENTS ONLY)

You can provide your transaction instructions by telephone or through our website. All transactions are governed by our Terms and Conditions which are maintained on our website. In some instances, we may require you to provide us with written confirmation of changes to your personal details for security or regulatory reasons.

PERSONAL ADVICE ON FINANCIAL PRODUCTS

We do not provide personal advice on financial products. We will not give you personal advice in our regular updates or marketing material, or when you visit our website.

Tax advice should be sought from a registered tax agent.

HOW DO YOU PAY FOR OUR SERVICES?

Part Two of the FSG details the current list of fees or charges that you will pay for using our services.

Unless otherwise indicated, prices shown in this FSG are in Australian Dollars (A\$) and include applicable GST.

HOW ARE WE REMUNERATED FOR THE SERVICES WE PROVIDE?

CommSec is remunerated directly through the fees we charge you. With certain products, we may also be remunerated by product providers, including those within the Commonwealth Bank Group and non-related product providers, through commissions where CommSec may refer you to, or provide you with financial services and products from, those product providers.

INITIAL COMMISSIONS PAID TO COMMSEC

Initial commissions may be a one off payment and are calculated as a percentage of the funds you have invested. They may be deducted from the amount invested. Initial commissions may be calculated as follows:

- Investment products – between 0% and 6.5% of your investment amount.
- Insurance products – between 0% and 30% of the premium that you pay.

OTHER PRODUCT OFFERINGS RESULTING IN AN ONGOING COMMISSION

In some cases we may refer you to a product provider whose product may compliment ours. In these instances we may receive a referral fee or commission ranging from 0.25% to 3%, depending on the nature and amount of business being referred. Further information about each product is shown in the appropriate PDS.

If we have referred you to a third party who has a vested interest in maintaining an ongoing relationship with you, a referral fee may be paid. If a third party refers you to us, we may earn a referral fee.

If you are referred to us by another approved party, we may share with them our commissions, revenues or fees. These may vary depending on the nature of the agreement, the products being offered, and the extent of business you have with us that is being referred.

Typically, a referral fee may be in the form of a percentage of your loan or account balance. You can request from us at any time the particulars of the remuneration (including commission) or other benefits that CommSec has agreed to pay third party referrers with respect to your account/loan.

Your transaction instruction details may be provided by your Australian Financial Services licensee adviser over the telephone or through electronic means. If we receive your instructions by telephone or facsimile, your transaction will be governed by our standard telephone and facsimile Terms and Conditions. If your instruction is provided through electronic means, you should review the Terms and Conditions for such. Your Australian Financial Service Licensee adviser can provide you with the appropriate Terms and Conditions, or contact us if you would like to review a copy.

Specialist Service Providers

CommSec may receive referrals from other third party referrals. CommSec may pay a commission of up to 50% of any revenue generated by such referrals.

HOW ARE OUR REPRESENTATIVES REMUNERATED?

CommSec is remunerated directly through the fees we charge you. Our representatives are remunerated by salary that include superannuation benefits from CommSec or the Commonwealth Bank and do not directly receive any commissions or fees. They may be eligible for a bonus payment relating to their overall performance during the year. Some representatives' bonus payments may be up to 45% of the fees and commissions that CommSec receives from the placement of a financial product.

These bonus payments are discretionary, and based on achievement of predetermined business objectives and may include but are not limited to:

- Business
- Customer
- People
- Productivity
- Risks

Our representatives may also be eligible to:

- Share in incentives (both monetary and non-monetary) rewarded for outstanding service;
- Receive a free grant of Commonwealth Bank shares under the Commonwealth Bank's Employee Share Acquisition Plan (ESAP);
- Receive indirect benefits stemming from advice provided to you. Indirect benefits include such things as business lunches, tickets to sporting and cultural events (including overseas study tours), corporate promotional merchandise and other similar benefits from product providers whose products they recommend.

ASSOCIATIONS WITH RELATED PRODUCT ISSUERS

As a member of the Commonwealth Bank Group, we deal in and advise on products provided from related Commonwealth Bank Group companies or we may refer you to these Commonwealth Bank Group companies, which include, but are not limited to, the Commonwealth Bank, Colonial First State Investments Limited, Commonwealth Insurance Limited and Commonwealth Managed Investments Limited.

CommSec may receive a commission payment from related Commonwealth Bank Group companies as a result of you investing in one of their products or services.

Referrals to Commonwealth Financial Planning, CommInsure, Commonwealth Private and other Commonwealth Bank Group Companies

Should you take up a product as part of a referral to Commonwealth Financial Planning, CommInsure, Commonwealth Private or other Commonwealth Bank Group companies, then CommSec may receive a commission of up to 100% of the revenue generated by any fees or premiums you pay to them.

Should you take up a product as part of a referral to CommSec from Commonwealth Financial Planning, CommInsure, Commonwealth Private or other Commonwealth Bank Group companies, then CommSec may pay them a commission of up to 100% of any revenue generated by fees or premiums you pay to CommSec.

Margin Lending Remuneration

CommSec Adviser Services Investment Loan Facilities are provided by the Commonwealth Bank and administered by CommSec. If you take out a CommSec Adviser Services Investment Loan, the Commonwealth Bank (or its nominated related entity) will receive the interest payable on the outstanding balance of your margin lending facility.

For example, if the outstanding balance on your margin lending facility is \$100,000 and the current variable interest rate is 9.25% p.a., you will pay \$9,250 per year, or \$770.83 per month, in interest to the Commonwealth Bank.

Please refer to the CommSec Adviser Services website at www.commssecadviserservices.com.au or call 13 15 20 to enquire about the current prevailing available interest rates and options. There are no application fees, establishment fees or account keeping fees unless you are applying as a company or trustee. A default (higher) interest rate may apply if you do not pay on time.

In consideration for its services in administering CommSec Adviser Services Investment Loan Facilities, the Commonwealth Bank pays a management fee to CommSec on a cost-recovery and compensation basis being 150% of actual costs incurred by CommSec.

HOW IS MY CUSTOMER INFORMATION DEALT WITH?

At CommSec, the privacy of your customer information is important to us. We collect your customer information to ensure that we are able to provide you with the products and services most appropriate to your needs.

Telephone conversations with CommSec may be recorded to ensure our service standards are met or exceeded and to allow records to be kept of the advice given and orders taken.

CommSec has adopted the principles set out in the Privacy Act 1998 (Cth) as part of our continuing commitment to client service and maintenance of client confidentiality. Further details are contained in the terms and conditions for each product. Please also refer to our Privacy Policy at www.commsecadviserservices.com.au or ask your representative for a copy.

Australian Investment Exchange Limited (AUSIEX) continues to provide certain services in relation to the CommSec Adviser Services Investment Loan; noting that effective 1 May 2021 AUSIEX is no longer a member of the Commonwealth Bank Group.

WHAT SHOULD I DO IF I HAVE A COMPLAINT?

If you are not satisfied with the service or advice you receive from us, you are entitled to complain. We have established procedures to ensure that all enquiries and complaints are properly dealt with.

To save yourself valuable time, gather all the facts and documents about your complaint, think about the questions you want answered and decide what you want us to do.

Next, contact the department that handled the matter and explain the problem. A quick call is all that is required to resolve most issues. If you are unsure which department to contact, please call CommSec Adviser Services on 13 15 20.

If your complaint is not satisfactorily resolved within 3 business days after you first notified us, please put your complaint in writing addressed to CBA Group Client Relations:

By fax: 1800 025 542
By email: www.commbank.com.au/feedback
By mail: CBA Group Customer Relations
Reply Paid 41,
Sydney NSW 2001

If, after giving CBA Group Client Relations the opportunity to resolve your complaint, you feel we have not resolved it satisfactorily, you may also lodge a written complaint with the Australian Financial Complaints Authority ("AFCA"):

For further information please contact AFCA at:

Online: www.afca.org.au
Email: info@afca.org.au
Phone: 1800 931 678 (free call)
Mail: Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001

HOW DO WE MANAGE OUR COMPENSATION ARRANGEMENTS?

Where we are liable to meet a claim, payment will generally be paid from our cash flows and available resources. For claims, we may rely on and claim under the professional indemnity insurances that we hold. These insurances are between us and the insurer and are intended to respond to civil liability resulting from significant claims for compensation made against us for financial services provided by us or our representatives. These insurances provide cover even if one of our representatives has ceased to act or work for us. Our compensation arrangements comply with the arrangements required by Australian Securities and Investments Commission.

Part two

IMPORTANT INFORMATION

FINANCIAL SERVICES GUIDE

Part Two of this FSG details the current list of fees or charges that you will pay for using our services. Any fees and charges relating to specific products can be found in the relevant Product Disclosure Statement.

Unless otherwise indicated, prices shown in this FSG are in Australian Dollars (A\$) and include applicable GST.

FEES AND CHARGES FOR MARGIN LENDING

The following fees apply to CommSec Adviser Services Investment Loan.

You can obtain current interest rates for the CommSec Adviser Services Investment Loan* on the CommSec Adviser Services website at CommSecAdviserServices.com.au.

*You should obtain and consider the CommSec Adviser Services Investment Loan Product Disclosure Statement, available from the Commonwealth Bank of Australia (ABN 48 123 123 124 AFSL 234945) as the product issuer, at CommSecAdviserServices.com.au or by calling 13 15 20 before making any decision about the product.

Dishonoured cheque or direct debit/direct credit fee	\$30
Personal Property Securities Register (PPSR) registration fee	The government fee may be payable to register or amend the registration of the Security Interest on the PPSR.
Trust investigation fee	A minimum fee of approximately \$200 will apply for Trust Deed Investigation if a Trust is the borrower or security provider to the loan and the Trust's total loan exposure to the Bank will be greater than \$500,000. The fee will be charged to the loan, unless there is insufficient collateral, in which case we will debit the nominated bank account.
Early repayment adjustment	An early repayment adjustment may be payable after allowing for a refund of any interest paid in advance. The fee is calculated using the criteria in the Margin Lending Terms and Conditions.
Additional statement fee	\$10 per statement

CASH MANAGEMENT

Cash management, money market and fixed interest products are issued by the Commonwealth Bank. These products charge a variety of fees and varying rates of interest, which will be disclosed in any PDS or Terms and Conditions provided.

TRUST ACCOUNT

We are required to maintain a trust account on your behalf to hold funds that are used for your share trading account. We will retain any interest that may be earned on this account.

13 15 20

CommSecAdviserServices.com.au