



Financial Services Guide

Lonsec Investment Solutions

9 June 2023

01 Financial Services Guide

This Financial Services Guide (FSG) has been prepared and provided by Lonsec Investment Solutions Pty Ltd ABN 95 608 837 583 (LIS, we, us, our), a Corporate Authorised Representative (CAR) No. 1236821 of Lonsec Research Pty Ltd ABN 11 151 658 561, AFSL No. 421445 (Lonsec Research). Lonsec Research has authorised the distribution of this FSG. This is an important document, and you should read it carefully. The contents of this FSG are general information only and do not take into account your needs or objectives. LIS provides no warranty as to the suitability of the services in this FSG for any particular person.

1.1 What is a Financial Services Guide?

This FSG's purpose is to provide you with important information regarding services offered by LIS. You should read this FSG prior to using our services. This document was prepared to inform you about:

- who we are and our contact details;
- the financial services we provide;
- the remuneration that may be paid to us and other persons in relation to the financial services we provide;
- how we deal with conflicts of interest; and
- how we deal with complaints

1.2 About Our Licensee Lonsec Research, and its related parties

Lonsec Research is a wholly owned subsidiary of Lonsec Holdings Pty Ltd (ABN 41 151 235 406) (Lonsec Holdings). Lonsec Research provides in-depth, investigative investment research across a broad range of listed and unlisted investments. Other subsidiaries of Lonsec Holdings include SuperRatings Pty Ltd (ABN 95 100 192 283) (SuperRatings) and Implemented Portfolios Pty Limited (ABN 36 141 881 147). All employees of the Lonsec group entities, including Lonsec Research, are employed by Lonsec Fiscal Pty Ltd (ABN 94 151 658 534).

Contact Details

Lonsec Research Pty Ltd
Level 39, 25 Martin Place
Sydney NSW 2000
Tel: 1300 826 395

Email: info@lonsec.com.au
www.lonsec.com.au

1.3 About LIS

LIS is a Corporate Authorised Representative of Lonsec Research. We are a specialist model portfolio manager with extensive expertise in portfolio construction, asset allocation and investment selection. Our contact details are:

Contact Details

Lonsec Investment Solutions Pty Ltd
Level 39, 25 Martin Place

Sydney NSW 2000
Tel: 1300 826 395

Email: info@lonsec.com.au
www.lonsec.com.au

1.4 What kind of financial services can LIS provide?

LIS is authorised as a CAR under Lonsec Research's Australian AFSL 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;

LIS is also authorised to arrange for a person to deal in, apply for, acquire, vary, or dispose of the above types of products on behalf of retail and wholesale clients.

We use this authorisation to assist AFSL holders and your representatives with the creation and management of Managed Portfolios and Separately Managed Accounts (SMA). These investments can have different exposures depending on your investment objectives, investing in either direct securities or Managed Funds.

Where the existing options are not suitable for AFSL holders and their representatives, then LIS is able to use our expertise and knowledge to provide you with a Tailored Managed Account Service, which is backed by research from Lonsec Research.

1.5 Provision of general advice

Any advice that LIS provides is of a general nature and does not take into account your personal financial situation, objectives or needs. You should, before acting on the information, consider its appropriateness having regard to your 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, you should obtain and consider a copy of the relevant Product Disclosure Statement or offer document from the financial product issuer.

1.6 How LIS is paid

LIS receives a fee for the management of the investments that make up the Managed Portfolios and Managed Accounts. These fees can range from .01% up to 0.5% of Funds under Management (FUM), depending upon the complexity of the investments, performance of the markets, economic conditions, and level of transaction activity in an endeavour to achieve the purpose of the Portfolio. The individual product profiles for the different Managed Portfolios and Managed Accounts will have the relevant fees disclosed in the Investment Fees section.

Where we provide a tailored solution for an AFSL or it's representative, there will also be a consulting fee charged for the initial work to establish the tailored Managed Portfolios which will be negotiated between LIS and the interested party.

LIS can also receive fees under a separate arrangement for providing investment consulting advice to clients, which includes model portfolios, approved product lists and other consulting advice. These fees are agreed prior to the provision of the services.

We do not have any direct employees as all employees are contracted, for employment purposes, with Lonsec Fiscal, a subsidiary of Lonsec Holdings. All employees of Lonsec are paid a salary and may receive a discretionary bonus which is not guaranteed. Some investment consultants may have a sales commission plan, relevant for sales to Wholesale customers, as offered by LIS from time to time at its discretion.

1.7 How do we manage our compensation arrangements?

LIS is included as an insured party under the Professional Indemnity insurance arrangements that its Licensee, Lonsec Research has in place to compensate clients for loss or damage because of breaches of any relevant legislative obligations by Lonsec Investment Solutions or its representatives which satisfy section 912B of the *Corporations Act 2001*.

1.8 What should you do if you have a complaint?

LIS's internal complaints handling process is designed to ensure that your concerns are treated seriously, addressed promptly and fairly. A complaint may be lodged either verbally or in writing and will be dealt with in strict confidence. If you have a complaint relating to LIS products or it's services, the complaint should be addressed to:

Complaints Manager

Lonsec Research Pty Ltd
Level 39, 25 Martin Place
Sydney NSW 2000

Tel: 1300 826 395

Email: Complaints@lonsec.com.au

You may request further information about Lonsec Research's internal complaints handling procedure at any time. If you are not satisfied with the outcome of your complaint or have not received a response within 30 days from LIS, you 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.

1.9 Conflicts of Interest

LIS is aware of the inherent potential conflicts of interest associated with the use of Lonsec Research research reports in the provision of our services. To manage this conflict, LIS pays Lonsec Research for the research it uses only. There are a comprehensive set of policies, and procedures in place at Lonsec Holdings that apply to its subsidiaries including LIS. Information barriers (both permanent and temporary) consistent with Lonsec Research's regulatory obligations under Regulatory Guide 79, are in place to manage either perceived or actual conflicts of interest. Representatives of LIS also have to abide by Personal Trading and Gifts and Entertainment requirements and are trained on these requirements periodically.

Lonsec Holdings has appointed Australian Retirement Trust Pty Ltd ABN 88 010 720 840, AFSL 228975 as the provider of default superannuation services to its Group employees. Lonsec Holdings' appointment of Australian Retirement Trust is not an endorsement of, or opinion on, the Fund.

Lonsec Research is a related body corporate of LIS and issuing Licensee of this FSG. Lonsec Research is remunerated by Australian Retirement Trust. Australian Retirement Trust has entered into the comprehensive documented ratings process by Lonsec Research. The rating and report is issued by an analyst who is aware of Australian Retirement Trust's appointment as default superannuation provider but who does not have a personal investment in the fund.

Australian Retirement Trust is a subscriber to SuperRatings and pays a fee to SuperRatings for this subscription service. SuperRatings' rating and report is issued by an analyst who is aware of Australian Retirement Trust's appointment as default superannuation fund provider but who does not have a personal investment in the fund.

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