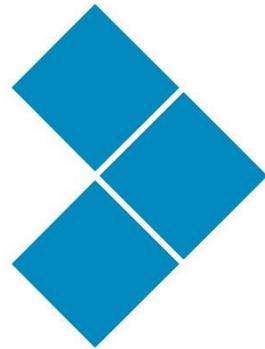


Vinarc



Financial Services Guide Part 1

What you need to know about Vinarc, our financial services and our relationship with you

1st June 2016

Contents

Why do I need to read this guide?	3
Who is Vinarc?	3
Who is my Vinarc adviser?	3
What can Vinarc advise me on?	3
How will my adviser work with me?.....	4
How do I communicate with Vinarc?	4
What do I need to do?	4
How do I pay for Vinarc's advice?.....	4
What arrangements does Vinarc have with product providers?	5
How does Vinarc deal with my personal information?	5
What do I do if I have concerns about Vinarc's services?	6

Why do I need to read this guide?

This guide is designed to provide information about the financial services provided by Vinarc Pty Ltd ABN 92 609 798 683 ASFL 484222 and its authorised representatives and how we work with you if you decide to use these financial services.

This guide gives you information about:

- Who Vinarc is
- Who our advisers are
- What services we offer you
- How we work with you and others
- How we are paid for these services and
- What you can do if you have any concerns

This guide is only complete when the Vinarc adviser's profile is attached.

Vinarc has authorised the distribution of this guide.

Who is Vinarc?

Vinarc is an Australian Financial Services Licensee (**AFSL**) licensed by the Australian Securities & Investment Commission (**ASIC**).

Vinarc is responsible for the advice and conduct of your Vinarc adviser. We are not responsible for any unauthorised services they may offer (to the full extent permitted by law), so please check the services your adviser offers in their profile.

Vinarc has professional indemnity insurance which covers us and our advisers for errors or mistakes relating to our services. The insurance meets the requirements of the Corporations Act 2001 (Corporations Act) and covers claims against our advisers after they cease to be engaged by us, provided that the insurer is notified of the claim when it arises and within the relevant policy period.

Who is my Vinarc adviser?

Your adviser is authorised by Vinarc to provide you with financial advice on our behalf. Vinarc advisers undergo rigorous training and professional development to continue to meet the high professional standards that we set. Your adviser's profile is attached to this guide and forms part of this guide. The adviser profile will provide more detail of their individual experience and the services they offer. If the adviser profile is not attached please ask the

adviser for this profile or contact our head office.

Your adviser will:

- advise you to the best of their ability
- deal with you efficiently, honestly, and fairly
- tailor advice to your individual needs
- recommend products approved by Vinarc and
- implement recommendations only after you have agreed they are appropriate for you.

What can Vinarc advise me on?

As an AFSL, Vinarc is licensed to advise you on and deal in the following classes of financial products to retail and wholesale clients:

- deposit products (including basic deposit and payment products other than basic deposit products)
- debentures, stocks or bonds issued or proposed to be issued by a government
- investment life and life risk insurance products (including any products issued by a Registered Life Insurance Company that are backed by one or more of its statutory funds)
- interest in managed investment schemes (including investor directed portfolio services)
- securities
- superannuation
- margin lending and
- derivatives.

Vinarc can advise you on:

- financial planning
- investment
- superannuation
- retirement planning
- estate planning
- cash management trusts
- gearing strategies
- social security
- wealth creation
- debt management and
- life and disability insurance.

Your adviser may only be authorised to advise you on some of these areas. Please check your adviser's profile for specific details.

Vinarc advisers can recommend investments,

superannuation and risk products on our approved product list (APL). The products on this list are analysed and reviewed regularly and must constantly meet Vinarc's stringent requirements. Vinarc also utilises leading research houses to assist with this analysis. If you have an existing superannuation fund that is not on the APL, we can still advise you on your existing fund.

How will my adviser work with me?

To ensure we understand your financial needs and recommend the most appropriate solutions, your Vinarc adviser will:

1. Provide you with this guide and agree on how we will work with you.
2. Obtain relevant information about your financial needs and objectives and your current financial affairs.
3. Research the solutions that will best satisfy those needs and objectives.
4. If there is consideration of any existing credit product and/or strategies, we will provide you with an assessment of whether your existing product or strategy is unsuitable. Considerations would include (amongst other things) your capacity to repay and compatibility with your objectives.
5. Recommend products approved by Vinarc.
6. Provide you with a written Statement of Advice (SoA) which explains these recommendations, the key issues involved and how we are paid for advising you.
7. Discuss the SoA with you and vary the recommendations if necessary.
8. Provide you with a Product Disclosure Statement (PDS) for each product we recommend in the SoA. The PDS contains information about the product.
9. Implement the agreed recommendations.
10. Review your financial situation as agreed.

If you are an existing Vinarc client, you may have been through this process. If you receive further advice from us, you will receive either a Record of Advice (RoA) or a SoA if the advice is in relation to a

different type of financial product or your circumstances have changed.

How do I communicate with Vinarc?

You can give us instructions or information verbally or in writing. In some cases, we will need your instructions in writing. We will let you know what information we need or what forms we need you to complete and sign.

What do I need to do?

To help us to advise you appropriately and to protect you throughout our relationship, please:

- Provide accurate information about your personal circumstances.
- Update us on any changes to this information.
- Do not make any payments for investments, contracts or fees "made payable" to your adviser.
- Do not sign blank forms.

How do I pay for Vinarc's advice?

The method and the specific amount you will pay for Vinarc's advice will be explained in your SoA, the recommended product's PDS, and your adviser will discuss these with you.

For investment advice, you pay for Vinarc's advice in one or a combination of these four ways: upfront, ongoing, adviser service fee, or fee for service.

1. **Upfront** – Vinarc may be paid a commission upfront (between 0% and 5%) by the company issuing the product. This is taken from the amount you invest. For example, commission on a \$50,000 investment is between \$0 and \$2,500.
2. **Ongoing** – Vinarc may be paid an ongoing commission (between 0% and 2%) by the company issuing the product. This may be included in the cost of the product you invest. For example, commission on a \$50,000 investment is between \$0 and \$1,000 per annum.
3. **Adviser service fee** – Vinarc may be paid a fee (between 0% and 4%) by the company issuing the product. This is usually taken directly from the amount you invest. For example, fees on a \$50,000 investment is between \$0 and \$2,000.
4. **Fee for service** – You agree upfront with your adviser to pay for the services you

receive either on an hourly rate, a set fee per year, a percentage of funds invested, or a combination of these

For life risk insurance advice, Vinarc may be paid in one of these three ways: upfront, hybrid, or level. The way the adviser is paid does not affect your premiums.

1. **Upfront** – Vinarc may be paid a commission of up to 120% of the first year's premium and 20% of ongoing year's premiums. For example, commission on a premium of \$1,000 is up to \$1,200 upfront and up to \$200 each year thereafter.
2. **Hybrid** – Vinarc may be paid a commission of up to 90% of the first year's premium and 30% of ongoing year's premiums. For example, commission on a premium of \$1,000 is up to \$900 upfront and up to \$300 each year thereafter.
3. **Level** – Vinarc may be paid a commission of up to 40% of both the first year's premium and ongoing year's premiums. For example, commission on a premium of \$1,000 is up to \$400 per year from inception.

Vinarc may pass between 96% and 100% of these commissions and fees to the adviser. For example, where Vinarc receives \$1,000, your adviser may receive between \$960 to \$1,000. Details of these payments will be disclosed in the SOA you receive.

The basis and amount of all commissions and fees for service will be set out in the SOA and explained by your adviser.

What arrangements does Vinarc have with product providers?

Vinarc has commercial arrangements with certain investment and superannuation product providers.

This arrangement involves these product providers paying Vinarc bonus commission. This bonus may be based on the total volume of funds invested by our advisers' clients in these products, or it may be a percentage of the administration fee that they charge you. **It does not increase the commission or fee that you pay.**

Vinarc also has commercial arrangements with certain life insurance product providers.

The arrangement involves these product providers paying Vinarc a bonus commission. This bonus is a percentage of the total growth of in-force premiums that our advisers' clients pay to the product provider

over an agreed period. It does not increase the commission or fee that you pay.

The bonus commissions are paid to Vinarc and form part of a pool maintained by Vinarc. Vinarc then distributes the bonus commission to its advisers based on their number of years service and/or amount of revenue generated over an agreed period of time. This is known as the adviser Loyalty and Production Bonus. If your adviser participates in these arrangements, the method of calculating the bonus will be outlined in their Adviser Profile and Statement of Advice provided to you.

Product providers may also provide other benefits to Vinarc and Vinarc advisers including but not limited to:

- Entertainment such as lunches or sporting events etc
- Sponsorship of Vinarc professional development events

These benefits are outlined in our Alternative Forms of Remuneration Register. Please ask your Vinarc adviser if you would like to see this Register or learn more about the Financial Planning Associations Alternative Remuneration Code of Practice.

How does Vinarc deal with my personal information?

Vinarc holds personal information about you. We hold this information in accordance with our obligations under the Privacy Act. The information has been and will continue to be collected by us for the purposes of providing you with the financial services outlined in this guide.

Any personal information you give us will be maintained in a secure personal file. Please ask us if you want a copy of anything in this file, and we'll give it to you free of charge. You may request a copy of any advice records we keep. Any request for a copy of an advice document must be made within 7 years of the advice being provided.

We are required by the Corporations Act and the ASIC, to ask for this information about you for the purpose of providing you with our services.

If you do not provide us with the information requested by us, we may not be able to provide you with the services you require.

We may be required from time to time to disclose information about you to representatives of Vinarc and to other

professionals, insurance providers, superannuation trustees and product issuers in order to provide our services and arrange for the issue of financial products.

In the event that the adviser proposes to sell their business we may disclose your personal information to potential purchasers for the purpose of their conducting due diligence investigations any such disclosure will be made in confidence and it will be a condition of that disclosure that no personal information will be used or disclosed to them. In the event that a sale of the adviser's business is affected, we may transfer your personal information to the purchaser of the business. You will be advised if a transfer such as this takes place.

What do I do if I have concerns about Vinarc's services?

You have the right to express your concerns about Vinarc's services either verbally or in writing. Vinarc has established procedures to consider and deal with your concerns.

First, please contact your Vinarc adviser to discuss your concerns.

If your adviser has not satisfactorily resolved your concerns or if you do not wish to contact your adviser, please contact:

Executive Manager Governance
Vinarc
Level 10, 53 Walker Street
North Sydney NSW 2060

Telephone: 02 9922 3866

If we have not been able to satisfactorily resolve your concerns, you may lodge a complaint with:

Financial Ombudsman Service Limited
GPO Box 3
Melbourne VIC 3001

Telephone: 1300 780 808

Email: info@fos.org.au

Website: www.fos.org.au



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