

# FINANCIAL SERVICES GUIDE

*A guide to our relationship with you*

FSG VERSION 010  
ISSUED 1 JANUARY 2019



## WHAT IS THE PURPOSE OF THIS FINANCIAL SERVICES GUIDE (FSG)

This FSG is an important document to assist you in deciding whether to use any of the financial services we offer. If you are a retail client, by law, we are required to give you a FSG prior to providing any financial services to you. This FSG is not intended nor required for wholesale clients as defined by the Corporations Act 2001.

This FSG is provided by Optimus Financial Advisory Pty Ltd (Optimus) ACN 147 388 574 who holds an Australian Financial Services License (AFSL 389663) and is a wholly owned subsidiary of Optimus Holdings (WA) Pty Ltd (ACN 086 315 620). In this FSG, Optimus is referred to as 'we', 'our' or 'us'.

We are responsible for the financial services provided to you under our Australian Financial Services License (AFSL). This FSG contains important information about:

- what you will receive from us;
- the financial services we are authorised to provide;
- how we operate;
- how we and others are paid;
- your privacy;
- professional indemnity insurance;
- how we deal with complaints; and
- how you can contact us.

## WHAT DOCUMENTS YOU WILL RECEIVE

When providing advice, we are required by law to provide you with a Statement of Advice and/or a Product Disclosure Statement when dealing with a specific product.

## WHAT IS A STATEMENT OF ADVICE (SOA)

When providing clients with personal advice (that is advice that takes into account your objectives, financial situation and needs) we will provide you with a SOA. The SOA will contain the advice, the basis on which it is given and information about fees, commissions and any associations which may have influenced the advice.

## PRODUCT DISCLOSURE STATEMENT (PDS)

Before acquiring any financial product, we may provide you with a PDS, which is designed to assist you to make an informed decision about the product. The PDS will contain information about the product and will usually include the costs and details of other fees and charges (and commissions where permitted under the Corporations Act 2001).

## RECORD OF ADVICE (ROA)

On an ongoing basis, a ROA will be created instead of a SOA where your relevant personal circumstances or the basis of the advice has not significantly changed since the last SOA was provided to you. You have the right to request your ROA up to 7 years after the day on which the advice was provided.

## GENERAL ADVICE WARNING

When we provide general advice, (that is, advice that is not personal advice) we will also provide you with a general advice warning in the same manner (that is, in writing or verbally) as the general advice is provided. When providing general advice, we are obliged to:

- warn you that general advice does not take into account your objectives, financial situation or needs;
- you should, before acting on any general advice provided, consider the appropriateness of the advice, having regard to your own objectives, financial situation and needs; and
- if the advice relates to the acquisition, or possible acquisition, of a financial product, that advice should be accompanied by a PDS. You should consider the appropriateness of the product before making any decision about whether to acquire any financial product.

## FINANCIAL SERVICES WE ARE AUTHORISED TO PROVIDE

We are authorised to provide financial product advice and deal in by applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of basic and non-basic deposit products; government

debentures, stocks or bonds; life insurance products (including risk and investment); managed investment schemes including investor directed portfolio services; retirement savings accounts; securities; standard margin lending facility; and superannuation (including SMSFs).

We do not guarantee the performance of any investment nor is Optimus liable in any way for shortfall or loss of any kind (whether direct or indirect and whether reasonably foreseeable or not) arising out of the default by any other client or dealer, clearer or any other person (whether by contract, indemnity, negligence, fiduciary duty or otherwise) except to the extent required by law.

## HOW WE OPERATE

Before providing any services, we require your written instructions by completion and acknowledgement of our terms of engagement.

When you engage one of our Representatives to provide you with advice, you are engaging a person that is authorised under our authority to provide advice to you. We act on your behalf when providing financial services to you.

For us to provide personal financial advice, we require details of your personal objectives, current financial situation and any other relevant information. If your needs, objectives and financial situation change, you will need to advise us accordingly.

You have the right not to provide the required information however, if you do not, the advice provided may not be appropriate to your needs, objectives and financial situation.

We may provide you with recommendations based on your personal circumstances or alternatively, we may provide general advice. Where general advice is provided, it is up to you to determine whether the advice is appropriate having regard to your particular investment needs, objectives and financial circumstances.

You may also instruct us to buy/sell financial product(s) on your behalf. If, however, you do not obtain our advice or provide us with limited information, you risk that your decisions may not fully take into account your objectives, financial situation or needs. Instructions can be provided by telephone, facsimile, email or other means.

All information collected or received from you will be maintained as a record in your personal file. All of these records remain our property and must be retained for production to any regulatory authorities upon their request. We are committed to implementing and promoting a privacy policy which will ensure the privacy and security of your personal information. Our privacy policy contains information on how we collect and maintain your personal information and who we disclose your personal information to. A copy of our privacy policy is available upon request.

## HOW WE AND OTHERS ARE PAID

Generally, we charge a fee for the services we provide. In lieu of or in addition to the fees we charge, we may also receive commissions and/or other benefits from product providers. The fees charged for our advice and service may be based upon:

- A dollar amount;
- A percentage of the amount you invest;
- An hourly rate; or
- A combination of some or all of the above.

Where we receive commissions and/or other benefits from product providers, these are generally set out in the PDS for the product and are separately and additionally disclosed in detail in our SOA provided to you. It is important that you read the PDS and SOA before investing in a financial product or buying insurance policy.

As a guide in terms of commissions, for transactions arising after 1 January 2018, commissions are generally only received on insurance products. Standard up-front (hybrid) commission can be up to 77% (including GST) of the first year's premium. We may also receive trailing or ongoing service commissions from product providers each time you renew your insurance product. This can be up to 22% (including GST) of the premium paid.

By way of illustration, for an insurance product with an annual premium of \$2,000, where the insurer pays us an upfront commission of 77% and annual renewal commission of 22% per annum, we will receive \$1,540 up-front, and \$440 per year for as long as you renew the insurance policy (assuming the premium rates are level for the life of the contract).

Where the insurance policy pays level commissions Optimus can receive up to 30%.

## INITIAL CONSULTATION

We typically provide an initial consultation at no charge. Where a charge is applied, it will be based on a fee per hour, the rate which is dependent upon the experience of the Representative involved and which will be discussed and agreed with you prior to your consultation. Our rates range between \$220ph and \$440ph (incl GST).

## PREPARATION OF AN ADVICE DOCUMENT (SOA)

Preparing an advice document will vary depending upon a client's particular circumstances. We will charge a minimum fee of \$1,100 (incl GST) for the preparation of the SOA. Estimation of our fee will be provided and agreed with you in an engagement letter for the preparation of the SOA. Fees are charged on the basis of the complexity of a person's financial position, strategy requirements, research requirements and complexity to prepare.

## ADVICE IMPLEMENTATION

Implementing a SOA or ROA varies depending on the size, number and complexity of the advice given, along with the number of institutions and organisations that have to be coordinated in facilitating your transactions, and their responsiveness to our requests. These fees and charges cover our time expenses and will be detailed in a SOA/ROA for the Implementation of our advice and agreed with you before we proceed, with a minimum of \$550 (incl GST).

## GENERAL ADVICE

For any service not specified, we reserve the right to charge an additional fee on a per hour basis, which is dependent upon the experience of the Representative involved and which will be discussed and agreed with you prior to commencement of any work.

## ON-GOING ADVISOR FEE

Fees are charged monthly in arrears based upon:

- An agreed fixed fee; or
- A fee based on the average portfolio balance up to 2.2% p.a. (incl GST).

For example, if the average portfolio balance is \$100,000 the Advisor Fee will be \$2,200 p.a.

The ongoing advisor fee is to manage and advise on the portfolio and total funds invested with us.

## TRANSACTION COSTS

All transactions will incur a minimum fee of \$110 (incl GST) up to a maximum of 3.3% (incl GST) per transaction value. Transaction charges can include and will apply to:

- Buying or selling listed financial products on the ASX
- Any new investment
- Any additional or top up of an existing portfolio

As an example, the transaction cost of 1.5% for purchase of listed shares valued at \$50,000 will be \$750.

## ADDITIONAL ADVICE FEE

We reserve the rights to charge additional advice fees if there have been changes to your personal circumstances, market or investment events or other factors, which require further strategy research, preparation and subsequent implementation of our advice and/or your instructions. Estimations of our fee will be provided and agreed with you before we proceed.

## HOW ARE OUR REPRESENTATIVES PAID

Our Representatives are employees of Optimus. They are remunerated by a combination of salary and bonuses.

The Directors are shareholders of Optimus and may be entitled to profit distributions by way of priority drawing.

As a result of the business that we place with fund managers and other product providers, Optimus and/or your Representative may also receive additional benefits relating to:

- the provision of training, technical advice and other information to assist us in keeping up to date with industry and market trends; and
- monetary incentives or other benefits related to professional development conferences or workshops.

We maintain a register of non-monetary benefits that we receive. If you would like to review our register, please contact us.

## REFERRAL FEES

We may also pay referral fees or other non-monetary benefits to third parties for referring us clients. These fees are paid from the commissions we receive, or fees we charge you, and do not affect the performance of your investment and/ or product or the premiums you pay. In terms of remuneration and benefits that we may obtain for the making of referrals, referral fees can be up to 15% of any remuneration that we earn as a consequence of business arising from the referral. In addition, we may obtain equity in, or profits from the underlying assets of financial products which we recommend.

Should any referral fees or benefits be received or paid in respect of your arrangements with us, details of these fees and benefits will be disclosed to you in writing.

In addition, Optimus has arrangements with a variety of credit providers and may receive referral fees for referring clients that successfully apply for:

- Business lines of credit;
- Home and investment loans; and
- Leasing and asset finance.

As a guide, referral fees in respect of credit arrangements are generally calculated as a percentage of the amount financed and are comprised of an upfront component ranging between 0 - 0.5% of the amount financed, and ongoing referral fees ranging between 0-0.25% per annum of the loan/drawn balance. By way of illustration, an upfront referral fee of 0.25% and an ongoing referral fee of 0.1% per annum on a loan balance of \$25,000 will amount to \$62.50 upfront and \$25 per annum on an ongoing basis for as long as you retain the loan at the relevant loan/drawn balance.

## CONFLICTS OF INTEREST

The Directors of Optimus Holdings (WA) Pty Ltd, which owns Optimus, are also Directors of:

- Optimus Private Clients Pty Ltd (ACN 159 191 143)
- CompleteAssetManager Pty Ltd (ACN 129 748 787)

The Directors of Optimus are also the Directors of CompleteAssetManager ("CAM") therefore the Directors may derive remuneration and benefits based on fees charged by CAM.

Should any advice provided by Optimus recommend a financial services product or refer you to a company where a conflict of interest could arise, this will be fully disclosed in the SOA provided to you.

We may from time to time hold interests in any financial products that were recommended to you. We may have associations with or have interests in the issuer of financial products that we recommend. In addition, we may obtain equity in, or profits from, the underlying assets of financial products which we recommend. Any material or relevant interest or ownership will be disclosed to you in the SOA, or at the time of advice.

## PROFESSIONAL INDEMNITY INSURANCE

We confirm that we have professional indemnity insurance cover (PI Policy) which is consistent with our regulatory obligations under section 912B of the Corporations Act 2001. Our PI Policy covers us for claims made against us and our representatives as a result of our conduct in the provision of financial services, including conduct of representatives who no longer work for us, but who did at that time of the relevant conduct.

## HOW WE DEAL WITH COMPLAINTS

We have an internal complaint handling process to resolve any complaints or concerns you may have in relation to your dealings with us.

With this in mind, we request that where you are not satisfied with the services provided that you, in the first instance, forward the details of your complaint in writing direct to the Compliance Manager of Optimus, PO Box 1255, Subiaco WA 6904 or call the Compliance Manager on (08) 9322 9222.

If you are dissatisfied with the process we have taken to resolve your complaint or with the result of our investigation, you may be able to escalate your complaint to an external dispute resolution scheme. Our external dispute resolution scheme is the:

## AUSTRALIAN FINANCIAL COMPLAINTS AUTHORITY

TEL: 1800 931 678 | POST: GPO Box 3 Melbourne VIC 3001

WEB: [www.afca.org.au](http://www.afca.org.au)

The Australian Securities & Investments Commission (ASIC) can be contacted on 1300 300 630 to obtain information about your rights.

## HOW TO CONTACT US

ADDRESS Ground Floor, Cnr Barker Rd & Denis St, Subiaco WA 6008  
POST PO Box 1255, Subiaco WA 6904  
TEL +61 8 9322 9222 | FAX +61 8 9322 9220  
EMAIL [financialadvisory@optimus.com.au](mailto:financialadvisory@optimus.com.au)  
WEB [www.optimus.com.au](http://www.optimus.com.au)