

FINANCIAL SERVICES GUIDE

HUB24.COM.AU



Financial Services Guide

About this Financial Services Guide

This Financial Services Guide (FSG) is an important document we're required to give to you as an Australian Financial Services ('AFS') licensee and contains information about HUB24 Custodial Services Limited (ABN 94 073 633 664) ('HUB24', 'we', 'us' or 'our') and the financial products and services we offer.

This FSG is designed to help you decide whether to use the services and products we provide which are described below.

This FSG also provides information about:

- who we are and how we can be contacted
- what financial services and financial products we're authorised to provide you
- other documents you may receive relating to the financial products or services we offer
- who we act for when providing the financial services
- what remuneration or other benefits we, our staff or other relevant parties receive
- our associations or relationships and potential conflicts of interest
- our Privacy Policy and how you can access these policies and procedures
- our internal and external dispute resolution procedures
- our compensation arrangements.

About HUB24

HUB24 is a financial services company listed on the Australian Securities Exchange (ASX code: HUB) and is the operator and administrator of the wrap platform which offers the Investor Directed Portfolio Service (IDPS) and Super products.

HUB24 doesn't provide any personal financial advice, but through your chosen adviser gives you access to a huge universe of managed and direct assets, and an array of insurers, term deposits and margin lenders. The wrap platform is available to a broad range of investors, including individuals, companies, trusts, associations and self-managed super fund trustees. Through InvestorHub, the online access to your account, we provide a 24 hour link between you, your adviser, and the providers of the products and services selected in your IDPS or Super account. These external providers include fund managers who manage your investments, insurers, the brokers who execute listed security trades; and the custodians who hold assets on trust for you through the wrap platform.

We'll only accept investors to the wrap platform through a financial adviser, except in the case of certain sophisticated wholesale clients (as defined by the *Corporations Act 2001* (Cth) and as accepted by us at our absolute discretion.

You'll be required to have a financial adviser to perform the role of 'adviser' as described in the relevant disclosure documentation for the IDPS and/or Super product.

HUB24's proprietary advanced trading and reporting system allows you and your adviser to view all your investments and instruct us (via your adviser) on the execution of any transactions. It also provides consolidated tax and performance reporting from a single account.

Your adviser will instruct us on your behalf with regards to all decisions relating to your investments. Through your adviser we'll implement and manage your investments in accordance with those instructions.

You retain the discretionary authority to decide what assets will be acquired or disposed of in your account at all times. To make it easier for you, you may also provide standing instructions to us for certain transactions, through your adviser. We can rebalance your investments from time to time within an agreed set of parameters or instructions. We can also maintain an agreed minimum cash balance in your account to assist with fees, charges and regular withdrawals.

External parties

Trustee

The Trust Company (Superannuation) Limited (ABN 49 006 421 638, RSE Licence Number L0000635) ('Trust Company', 'Trustee') is the Trustee and issuer of the Super product. HUB24 is the Promoter of the Super product and has been appointed by the Trustee to provide various services in relation to the Super product, including investment administration, investment management, client services and custody services. The Trustee remunerates HUB24 for providing these services and these costs are paid out of the fees paid by members in the Super product.

Custody

We may outsource custodial functions for the wrap platform to third party custodians from time to time. We have engaged HSBC Bank Australia Limited (ABN 48 006 434 162, AFSL 232595) ('HSBC') of 580 George Street, Sydney NSW 2000 and Ausmaq Limited (ABN 53 062 527 575, AFSL 230684) of Level 4, 107 Pitt Street, Sydney, as third party custodians to hold the assets in your account within the IDPS and Super product and may also appoint additional or replacement custodians.

Other service providers

We appoint various service providers including portfolio managers to construct and manage the managed portfolios available through the wrap platform, broker(s) to carry out trades made in client accounts and various other service providers. Full details of all investment choices including applicable fees are available via InvestorHub or from your adviser.

How to contact us

We may be contacted on:

Telephone	1300 854 994 (8.30am–5.30pm, Sydney time)
Mail	HUB24 Custodial Services Limited GPO Box 529 Sydney NSW 2001
Email	admin@hub24.com.au

Our financial services and products

HUB24 holds an AFS Licence (AFSL 239 122) that authorises us to provide the following financial services to wholesale and retail clients.

Financial Service	Classes of financial products
Provide general financial product advice	<ul style="list-style-type: none">• Interests in Managed Investment Schemes including investor directed portfolio services• Superannuation• Deposit and payment products• Derivatives• Government debentures, stocks or bonds• Life products• Securities• Margin lending facilities
Deal in a financial product by issuing, applying for, acquiring, varying or disposing of a financial product	<ul style="list-style-type: none">• Interests in Managed Investment Schemes including investor directed portfolio services• Derivatives• Securities
Deal in a financial product by applying for, acquiring, varying or disposing of a financial product on behalf of another person	<ul style="list-style-type: none">• Interests in Managed Investment Schemes including investor directed portfolio services• Superannuation• Deposit and payment products• Derivatives• Government debentures, stocks or bonds• Life products• Securities• Margin lending facilities• Miscellaneous financial investment products
Custody	<ul style="list-style-type: none">• Operate investor directed portfolio services• Operate other custodial or depository services

General financial advice

HUB24 provides general financial advice only for the products and services offered. This advice is not personal advice as it doesn't take into account your individual circumstances and objectives.

The suitability of investments available via our IDPS or Super product will depend on your individual circumstances, objectives and needs and must be discussed in detail with your adviser before investing with us.

Statement of advice

Your adviser must provide you with a Statement of Advice (SOA) which (amongst other things), will generally include:

- the name and contact details of your adviser
- advice for the investment options available through our IDPS and Super products (as relevant) and whether they're suitable for your relevant personal circumstances and objectives, as well as the basis of the advice
- information on the nature and scope of discretions you authorise your adviser to exercise on your behalf
- information on fees and/or commissions
- any other interests or associations that might reasonably be taken to have an influence on the advice provided by your adviser, and
- warnings that the products recommended may not be suitable for you if you've provided limited or inaccurate information regarding your relevant personal circumstances, or if these circumstances change.

Other documents you may receive

In addition to the SOA, your adviser will provide you with the IDPS Guide and/or Super Product Disclosure Statement (PDS) as well as any other relevant disclosure documents.

It's important you read these documents as they contain information to help you make an informed decision about the IDPS and/or Super product, such as:

- terms and conditions
- any associated costs, fees and charges that we may receive, and
- any significant associated benefits and risks.

Please contact your adviser for more information.

Providing instructions to us

We can receive instructions by:

- email
- telephone
- mail
- online via InvestorHub and/or AdviserHub (for adviser use).

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Your adviser must instruct us on your behalf in relation to your investment instructions which must be authorised and directed by you at the time.

The way in which we will accept instructions is subject to our Terms and Conditions.

Remuneration and other benefits we receive

We'll receive remuneration for the provision of financial services to you. This includes remuneration from the fees you pay for investing in either the IDPS or Super product and other remuneration that we may receive from third parties in connection with your investment.

Fees

As operator of the IDPS product, we're entitled to the fees charged in respect of the IDPS product. Trust Company, as trustee of the Super product, is entitled to the fees charged in respect of the Super product. However as a

service provider to Trust Company, we receive a payment from Trust Company equal to the amount of the fees, less an amount that is retained by Trust Company, as explained further in the table below.

The types of fees we're entitled to include investment management fees, administration fees, account keeping fees and transaction fees for your investment.

The fees may vary depending on the arrangement agreed between your adviser and HUB24. All fees quoted in this FSG, the IDPS Guide or the Super PDS are inclusive of GST. If eligible, HUB24 will claim the benefits of GST income tax credits in relation to certain fees received.

The actual fees payable by you will depend on the financial product you're invested in and any related costs, which are set out in the relevant disclosure documents. Please ensure you read all relevant disclosure documents associated with your product.

The following table provides an overview of the fees and charges you may pay in respect of the IDPS and/or Super product. HUB24 is entitled to the total amount of each fee, except where otherwise stated.

Fees and charges received	Fee description
Account keeping/ administration fee	<p>These fees may include a percentage based component and/or a flat dollar based component, as set out in the relevant disclosure documentation for the IDPS and/or Super product.</p> <p>The percentage based component may be charged on either the total funds under administration in your account; or on the value of each investment held in your account. These fees may be tiered and the amount we receive depends on the product you acquire, whether or not we are the issuer of the product, and the arrangements we have agreed between your adviser/adviser group.</p> <p>Applicable to the Super product only: Of the percentage based component we may collect a fee of up to 0.08% p.a., applicable to the first \$1,000,000 of your account balance only, which includes fees paid to the Trustee as remuneration for its services.</p>
Investment management fees	<p>If you select a managed portfolio, we may deduct the following fees (as set out in the IDPS Guide and/or Super PDS, as well as the relevant managed portfolio disclosure documents) from your account on a monthly basis:</p> <p>Investment management fee: This is a percentage based investment management fee calculated by reference to the amount invested in the managed portfolio, calculated daily; and</p> <p>Investment performance fee: This is a percentage based investment performance fee calculated by reference to the amount invested in the managed portfolio and determined on the outperformance of a managed portfolio against a benchmark.</p>
Brokerage (including exchange traded options)	<p>A percentage based brokerage fee may be charged (as set out in the relevant disclosure documentation) on buy and sell transactions and deducted from your account. A minimum brokerage fee may also apply.</p>
Corporate actions fee	<p>You may be charged a transaction fee of up to 0.22% of the transaction amount for corporate actions that require settlement from your cash account.</p> <p>This fee is paid to HUB24 and deducted from your cash account.</p>
Transaction fees for managed funds and term deposits	<p>You may be charged a transaction fee of up to \$22 (buy and sell transactions) for certain managed fund and term deposit transactions.</p> <p>This fee is paid to HUB24 and deducted from your cash account. A portion of this fee may be paid to a custodian or sub-custodian.</p>

Fees and charges received	Fee description
External broker trading fee	If this feature is made available to you then you may be charged a transaction fee of up to \$22 for trades placed through an external broker. This fee is paid to HUB24 and deducted from your cash account.
Term deposit break fee	A fee of \$55 may be payable if you decide to terminate your investment in a term deposit.
Reconstruction fees	A fee of \$110/hour may be charged if we're required to re-construct a CGT parcel history in respect of any in specie investment transfers.
Dishonour fee	A fee of \$55 may be payable where payment has been dishonoured.
In specie transfer fees for direct securities	Up to \$27.50 per security. Part of this fee may be paid to one or more of the custodians.
In specie transfer fees for managed funds	Up to \$38.50 per managed fund. Part of this fee may be paid to one or more of the custodians.
Insurance administration fee	<p>For retail insurance: HUB24 may receive an administration fee of up to \$120 p.a. payable by clients holding a retail insurance policy.</p> <p>For group insurance (Super product only): HUB24 may receive an insurance establishment fee of up to \$66 when your insurance starts or when the insurer approves an application to change your cover. We may also receive an insurance administration fee of up to 24.75% of the insurance cost. This is payable by clients holding a group insurance policy through the Super product.</p>
Other account fees	Any additional expenses incurred by HUB24 in the administration of your IDPS and Super products will be passed on to you, such as bank fees and stamp duty. Unless otherwise arranged between you and HUB24 these expenses will be deducted from your cash account.

Please refer to the disclosure documents for details of all fee structures which may be updated from time to time. However we will not change fees without providing at least 30 days' notice to you.

We don't charge you additional fees for any factual information or general advice we may provide. Where you request written information or written reports, you may be charged an additional fee.

Your adviser may also charge you initial and ongoing fees for providing financial product advice and other services to you. These fees are paid to your adviser directly from your IDPS and/or Super account and not to us. Such fees will be set out in a separate Financial Services Guide and/or SOA you receive from your adviser.

Please refer to your adviser for more detail.

Other remuneration

Alternative forms of remuneration

From time to time and subject to applicable law, there may be other direct or indirect benefits that we may receive from providers of some of the financial products available through the wrap platform. We may also be entitled to remuneration from financial institutions (including banks, fund managers,

investment managers and insurers) that provide certain services to investors in our IDPS and Super products.

You may request details of any alternative forms of remuneration we may receive. Any alternative forms of remuneration are recorded by us.

Cash account remuneration

HUB24 may receive remuneration of up to 1.0% on amounts invested in the cash account within the IDPS or Super product from Australian Authorised Deposit Taking Institutions (ADIs) with which those funds are invested. This is not an additional cost to you.

Fund manager and investment manager service fees

Where permitted by law, HUB24 may receive fees from responsible entities, fund managers and investment managers whose funds are made available to you through the IDPS and Super products, as set out below:

- Service fees of up to \$30,000 p.a. per responsible entity (or in some cases per fund manager) and investment manager, plus

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- Up to \$10,000 per managed fund or managed portfolio available to you through the IDPS and Super products.

We receive these payments on an annual basis and they relate to the payment for services that we provide to fund managers and investment managers for the establishment, review, maintenance and administration of the managed fund or managed portfolio investment options available through the IDPS and Super products. This is not an additional cost to you.

Insurance remuneration

HUB24 may receive remuneration of up to 5% of each insurance premium made under your retail insurance policy. This is not an additional cost to you.

Investment management fees for managed portfolios

HUB24 may receive a management fee of up to 2% on the management of portfolios within the IDPS or Super products. From this fee, we pay asset consultants or sub-contractors (which may form part of financial services groups that also provide financial advisory services related to HUB24) for the services they provide to us. We will not pay such fees where we are aware that such fees could influence financial product advice given to retail clients.

Product providers

If you invest in an underlying financial product or service, the product issuer or operator will receive remuneration in relation to your investment. The fees and costs applicable to the products and services will generally be set out in the relevant Product Disclosure Statement or other disclosure document for that product or service.

Payments to advisers or third parties

In some cases, we and/or our related body corporates may pay commissions or provide other benefits to third parties who have referred you or your adviser to us. These payments will not be an additional cost to you but will be paid by us. Details of any remuneration or commission they receive must be provided to you by the referrer.

Staff remuneration and benefits

HUB24 Management Services Limited (ACN 135 332 320), a subsidiary of our parent entity HUB24 Limited (ABN 87 124 891 685), is the services company providing personnel and other resources in connection with HUB24. Other subsidiaries within the HUB24 Limited group of companies may also provide services in connection with HUB24.

Staff are remunerated based on salary (including bonuses) and may own equity and therefore participate in profits

earned in relation to the HUB24 Limited group of companies. No fees or commissions are paid to staff of HUB24 Management Services Limited or other subsidiaries within the HUB24 Limited group of companies for any investments in the IDPS or Super products. Staff may receive other benefits including, for example, reduced administration fees in connection with using the IDPS or Super products. The benefits may also be influenced by meeting certain sales, compliance and other targets.

General information

Associations and relationships within the HUB24 Limited group

HUB24 is a wholly owned subsidiary of HUB24 Limited.

No subsidiaries of HUB24 Limited have a direct interest in the IDPS or Super product or any other relationship which may influence our provision of financial services under the IDPS or Super product to you.

Other than HUB24, no other subsidiary of HUB24 Limited is responsible for any statements or representations made in this FSG.

We may enter into arrangements with other financial services providers to offer our products or services badged under a name other than 'HUB24' with the same or similar terms.

Potential conflicts of interest

Potential conflicts may occasionally arise between the interests of investors, ourselves and our related parties and other parties (including service providers appointed by us). HUB24 Limited (HUB24) including its subsidiaries; their associates, officers and employees are strongly committed to identifying and managing personal and corporate conflicts of interest that may arise in the course of providing a financial service. To ensure ongoing compliance with our statutory obligations HUB24 have a Conflicts of Interest (Management) Policy, Managing Conflicts of Interest Process and management oversight that also includes ongoing monitoring and mandatory staff training.

Privacy Policy

In order to provide you with services, products and assess your application, we will need to obtain personal information about you such as your name, address and telephone number. We'll collect, hold and use your personal information in order to service your needs as an investor, provide facilities and for other purposes permitted under the *Privacy Act 1988* (Cth).

Other laws also require or allow some of the information to be collected in connection with your application.

Any personal information collected about you will be handled in accordance with our Privacy Policy.

Your information may be disclosed to our related body corporates and their affiliates, delegates, agents and service providers on the basis that they deal with such information in accordance with our Privacy Policy.

We may also need to disclose information about you to government entities and regulators as required by law. If you wish to examine your file or to get access to your personal information, please call us.

If you wish to access your personal information or if you have concerns about the accuracy you may request access to this information by writing to us.

Please refer to our Privacy Policy available on the HUB24 website hub24.com.au/privacy for more information.

How to make a complaint

How we deal with complaints

We take complaints seriously, as they give us information about how we can improve our services to you. We have an internal Complaints Handling Policy that you can access free of charge.

Internal Dispute Resolution (IDR) process

We will try to resolve your complaint as quickly as possible. Each complaint or dispute is recorded in our Complaints Register and assigned to an appropriate person to resolve.

We aim to resolve most complaints within 21 business days, although the Financial Ombudsman Service permits 45 days. Where it is considered a complex complaint and may take longer than 45 days to address, we will keep you updated regularly on your complaint's progress.

Should you wish to raise a complaint please contact our Complaints Officer at:

Email complaints@hub24.com.au

Mail HUB24 Custodial Services Limited
GPO Box 529
Sydney NSW 2001

Trustee's complaints process

The Trustee has a complaints handling process. If you have a complaint you should firstly contact HUB24 (refer to IDR process). For more complex issues, the Trustee will keep you updated regularly as to the progress of your complaint however reasonable efforts will be made to resolve your complaint within the required 90 day timeframe.

External Dispute Resolution (EDR) processes

IDPS

If you don't receive a satisfactory outcome from our IDR process, you can contact the Financial Ombudsman Service (FOS). This is an independent service that provides assistance in resolving disputes between consumers and financial services providers that are FOS members.

Financial Ombudsman Service Limited

Mail GPO Box 3
Melbourne VIC 3001

Phone 1300 780 808

Fax 03 9613 6399

Email info@fos.org.au

Website fos.org.au

You can also contact ASIC on 1300 300 630 to make a complaint and to obtain further information about your rights.

Super

For superannuation members, if you are not satisfied with the handling of your complaint, or the complaint is not dealt with within 90 days, you can contact the Superannuation Complaints Tribunal (SCT).

Contact details for SCT are:

Mail Superannuation Complaints Tribunal
Locked Bag 3060
Melbourne VIC 3001

Email info@sct.gov.au

Website sct.gov.au

If your complaint relates to services provided to you by your adviser, refer to the adviser's Financial Services Guide for information about the relevant complaints handling process.

Our compensation arrangements

A professional indemnity insurance policy, which satisfies the requirements for compensation arrangements under Section 912B of the *Corporations Act 2001* (Cth), is in place to cover the professional services provided by the current and former employees and representatives of HUB24.



HUB24

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