

Financial Services Guide

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GPS WEALTH LTD

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**Australian Financial Services Licence ('AFSL')
Number:** 254544

This Financial Services Guide contains important information, as follows:

Section 1: About this Financial Services Guide

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FINANCIAL ADVICE SERVICES

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1. ABOUT THIS FINANCIAL SERVICES GUIDE

This Financial Services Guide (or '**Guide**') is an important document that GPS Wealth Ltd ('**GPS Wealth**', '**GPS**', '**We/Us**' or '**the Licensee**') are obliged to give retail clients under the requirements of our Australian Financial Services Licence ('**AFSL**'). This Guide is not intended, nor required, for wholesale clients as defined by the Corporations Act, 2001.

This Guide is designed to provide you with an understanding of GPS Wealth, our services offering, and to inform you of important matters relating to our relationships with 3rd parties, prior to you deciding whether to use any of our financial advice services as described in this Guide.

This Guide is provided to you by your Financial Product Adviser with the authority of GPS Wealth.

2. WHO IS GPS WEALTH LTD?

GPS Wealth is a specialist financial services licensee that has been successfully operating under its AFSL since 2012 with offices based in Noosa, Queensland and Sydney, New South Wales. GPS Wealth is an independently-owned public company (registered in August 2011), i.e. GPS Wealth is not owned by a financial services institution. The three GPS Wealth Board members have about 80 years' combined experience in the financial services industry, including the areas of financial planning, risk insurance, credit assistance, superannuation and wealth management.

As the Licensee, GPS Wealth manages financial planners operating as accredited Authorised Representatives of GPS Wealth. Under this arrangement GPS Wealth provides client engagement services, training, licensing, investment advice, and support services. This includes best practice tools and resources for both referral partners and financial advisers (risk, lending and planning) to enable profitable and successful business partnerships to develop.

GPS Wealth is a member of key industry groups and adheres to their high professional standards and code of ethics and rules. GPS Wealth does not provide legal advice and we do not make any representations about the current or future value of any investment that you invest in through us. You should always rely upon your own enquiries.

Before seeking our financial product advice, you probably have a number of questions you would like to ask about us. To assist with this we are required, prior to the provision of any financial product advice, to provide you with this Guide. We recommend that you read it as it includes answers to some questions you might have.

3. WHAT TYPES OF FINANCIAL ADVICE CAN GPS PROVIDE?

GPS Wealth can provide you with financial product advice through talking with our accredited Employees or Authorised Representatives, together referred to as our **Advisers**.

The two types of advice that can be provided by our Advisers are:

- 1. Personal Financial Advice** - under Personal Advice we provide you with advice which takes into account your personal objectives, goals, financial situations and needs. Under this advice you are entitled to receive a Statement of Advice ('**SoA**'), and.
- 2. General Financial Advice** - in certain circumstances we may not provide you with an SoA, such as when we only provide 'General' financial advice. General Advice does **not** take into account your personal objectives, goals, financial situation or needs.

Our Advisers have satisfied at least the minimum ASIC requirements for providing financial planning services and most of them have many years' experience. GPS Wealth will be responsible to you for any financial product advice services that your Adviser provides.

In respect of both Personal and General Advice GPS Wealth does not guarantee the performance of any investment product, nor is GPS Wealth 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.

4. WHAT FINANCIAL PRODUCTS AND SERVICES CAN GPS ASSIST YOU WITH?

GPS Wealth is authorised to provide financial product advice to retail clients, and deal in a financial product for retail clients by applying for, acquiring, varying or disposing of a financial product on behalf of another person, in respect of the following product classes:

Classes of Financial Products	
<ul style="list-style-type: none"> • Deposit and payment products 	<ul style="list-style-type: none"> • Retirement savings accounts
<ul style="list-style-type: none"> • Government debentures, stocks or bonds 	<ul style="list-style-type: none"> • Securities, which includes shares and debentures
<ul style="list-style-type: none"> • Life products, including investment life products and life risk insurance products 	<ul style="list-style-type: none"> • Standard margin lending facilities
<ul style="list-style-type: none"> • Interests in managed investment schemes, including investor directed portfolio services ('IDPS' or 'Wrap') 	<ul style="list-style-type: none"> • Superannuation

GPS Wealth also provides an extensive range of related advice and planning services including:

- retirement planning
- debt planning
- estate planning
- social security
- salary packaging
- wealth creation and protection
- gearing strategies
- share trading facilities
- portfolio review services
- cash-flow and budgeting services

Your Adviser may only be authorised to provide advice in 'some' of the above areas. Please refer to your Adviser's Authorised Representative Certificate, which sets out those areas in which they are authorised to provide advice.

We will only recommend a financial product to you after considering its suitability for your individual needs, objectives and financial situation. The products we recommend are selected from our approved list of products ('Approved Product List', or 'APL') that have been researched by external experts.

In addition, your Adviser is able to offer you an on-going monitoring and review service for your investment portfolio or life insurance program.

5. WHAT HAPPENS WHEN YOU GET GPS FINANCIAL ADVICE?

The GPS Wealth client process for providing financial product advice is conducted in accordance with the Corporations Act, 2001 and the conditions set out under our AFSL.

Generally, our process will include the following steps.

- **Initial Client Meeting(s)** – during this introductory meeting we will outline our services, discuss your expectations and help to identify your needs and goals so we can agree the type and degree of financial product advice that is appropriate in your circumstances. At this stage our Fee for Service structure will be provided and agreed between us before proceeding further.
- **Client Fact Find and Needs Report** – if personal advice is appropriate we will gather all the relevant information including your goals, needs and objectives. We will also help determine your risk appetite using our Risk Profiling Questionnaire tool. If after our initial evaluation of your needs we believe we cannot provide the required advice, we will advise you in writing.
- **Client Advice Meeting(s)** – once the appropriate strategy (or strategies) for you has been formulated in accordance with your requirements this will be presented in a SoA and discussed with you. Changes can be made if required. In the event that under the agreed strategy we make a recommendation to acquire a particular financial product (other than securities) or offer to issue or arrange the issue of a financial product we must also provide you with a Product Disclosure Statement ('PDS') containing information about the particular product which will enable you to make an informed decision in relation to the acquisition of that product.

- **Client Consent to Proceed** once you are comfortable with a recommended course of action, you will provide your formal consent enabling us to proceed to implement them.
- **Keeping You on Track** recognising that your personal situation may change over time we can provide regular reviews (say, annually) to ensure our advice continues to meet your needs and objectives. If you enter into an ongoing fee arrangement for this purpose we must provide you with an annual Fee Disclosure Statement that sets out the agreed services under that arrangement.

Further questions you might have are:

Do I get detailed information about the financial and other benefits my adviser gets from making the recommendations?

Yes, the SoA will provide details of any remuneration to be received by GPS Wealth as a result of the recommendations (including referral fees) as well as the final fees payable by you the client. The SoA will also make reference to any potential Conflicts of Interest that you need to be aware of when deciding whether to rely on our advice. Finally the SoA will outline any risks associated with implementing the recommendations, which our Adviser will further explain to you. Further details of fees, commissions and benefits are in the next section.

Will you give me advice that is suitable to my needs, objectives and financial circumstances?

Yes, however, to do so we need to find out your individual objectives, financial situation and needs before we recommend any financial product to you. You have the right not to divulge this information to us, if you do not wish to do so. In this case we may not be able to provide you with personal advice, or the advice you receive may be general in nature and may not address your particular objectives, financial situation and needs In that case. We are required to warn you about the possible consequences of us not having your full personal information. You should read the warnings carefully.

What should I know about any risks of the investments or investment strategies recommended to me?

We will explain to you any significant risks of investments and strategies that we recommend. If we do not do so, you should ask us for further clarification.

What information do you maintain in my file and can I examine my file?

We maintain a record of your personal profile that includes details of your objectives, financial situation and needs. We also maintain records of any recommendations made to you. If you wish to examine your file, you should ask us and we will make arrangements for you to do so.

Can I tell you how I wish to instruct you to buy or sell my investment?

Yes, you may specify how you would like to give us instructions. For example by telephone, email, fax or other means. But in all cases we must receive a written confirmation of these instructions.

6. WHAT WILL YOU PAY FOR GPS FINANCIAL ADVICE?

Fee for Service - as noted above GPS Wealth may charge fees or charges for providing personal or General Advice, on a 'fee for service' basis, including a SoA preparation fee. Your Adviser will be able to tell you the cost of any such fee and this may depend on the complexity and the time spent. The Fee for Service will be outlined in either a "letter of engagement" where your Adviser provides you with a written quote, or through the provision of our Fee Schedule.

The fee rate ranges vary depending on the complexity and nature of the work undertaken and type of advice provided. You may request particulars of the benefits related to this 'fee for service'; however that request must be made within a reasonable time after you are given this Guide and before any financial service identified in this Guide is provided to you.

Generally, you can expect to pay a fee for service that ranges between \$0 and \$15,000 per annum, plus GST. Your Adviser will be able to explain how this fee has been calculated. However, in some circumstances and depending on the complexity of the advice being sought, a fee may be charged that falls outside of this range. Any fee for service must be paid within seven (7) days of the date of the tax invoice issued to you.

Other fees and charges may be payable by you to the product provider depending on the recommendations in the SoA. These fees might include administration fees, establishment fees and/or Management Expense Ratio (or Indirect Cost Ratio) charges that are calculated by the product provider and will be outlined in their PDS or other documents provided to you.

General Advice Fees - GPS Wealth may receive fees for the provision of investment advice in respect to its role as Investment Advisor to the CARE investment process (please contact your Adviser for more details of our CARE investment process). Any such

fee will be outlined in the SoA, should it be applicable and relates to the work done by GPS Wealth's Investment Committee in maintaining the CARE portfolios.

7. WHAT OTHER REMUNERATION MAY BE PAID TO GPS?

GPS Wealth and our Advisers may receive some or all of the following types of remuneration, in addition to the Fee for Service mentioned above in recommending strategies which will be outlined in your SoA:

1 Initial and On-going Commissions or Payments for Investments

Commission based remuneration for the placement of investment products is no longer allowed. All remuneration for new clients post 1st July 2013 must be fee based and agreed between you and the Adviser.

For those existing clients of GPS Wealth as at 30 June 2013, our Advisers may continue to receive ongoing commissions from some product providers on their investments, including any subsequent top-ups of these investments. Furthermore prior to 30 June 2013 GPS Wealth had established commercial arrangements with a number of product providers, where GPS receive a payment based on the total volume of funds invested or placed through the relevant product provider's administration platforms/services, for clients. These payments are usually paid by product providers on a quarterly basis and are not an additional cost to the client. For a list of product providers GPS Wealth currently has percentage fee arrangements with, please contact GPS Wealth Head Office.

2 Initial and On-going Commissions or Payments for Insurance

If you take up an insurance product as a result of our advice and recommendations, we can receive from the product provider commission payments calculated as follows:

- A single upfront commission for risk insurance financial products which can range between 0% and 132% depending on the product provider, and
- On-going commissions which may range between 0% and 32%.

For example, on an insurance premium of \$1,000 paying 100% initial commission and 10% on-going commission, the upfront commission would be \$1,000 and the on-going commission \$100 per year.

GPS Wealth may receive volume payments from insurance companies as well up to maximum of 12% of the first year's premium. For a list of insurance companies GPS Wealth currently has volume premium arrangements with, please contact GPS Wealth Head Office.

Referral Arrangements - should you be referred to your Adviser by a third party, such as an Accountant or Mortgage Broker, the third party may receive a fee or other benefit for the referral. This fee comes out of the fees received by GPS Wealth and your Adviser and does not represent an additional cost to you.

Other Relationships which might influence GPS Wealth in providing financial advice services

1. **Active Sponsors** - GPS Wealth receives payments or benefits from certain product providers in return for GPS Wealth granting rights such as being recognised as a sponsor and the right to promote their product and give presentations at conferences or training days.
2. **Alternative Remuneration** - in accordance with industry requirements, and as outlined in the Financial Services Council / Financial Planning Association of Australia Industry Code of Practice on Alternative Forms of Remuneration in the wealth management industry, GPS Wealth and your Adviser each maintain an Alternative Remuneration register that contains information about any alternative forms of payments or benefits over a specified dollar amount that may be received, (e.g. tickets to events and conferences). If you wish to inspect the Alternative Remuneration register or ask any questions about this, please ask your Adviser.
3. **Professional Development Conference Sponsorship** - GPS Wealth may receive conference sponsorships from various product providers. Fees associated with these sponsorships help GPS Wealth offset the organisational and running costs of its conferences and serves as a valuable education and training tool for our Advisers.

8. WHAT COMPENSATION ARRANGEMENTS DOES GPS WEALTH HAVE IN PLACE?

GPS Wealth confirms that it has arrangements in place to ensure it continues to maintain Professional Indemnity ('PI') insurance in accordance with its obligations as the holder of an AFSL.. GPS Wealth insurance arrangements cover claims relating to the services and products it offers to retail clients and the conduct of current and former GPS Wealth Advisers, where GPS Wealth is responsible for their conduct at the time of the relevant conduct. These compensation arrangements meet the requirements specified by the Corporations Act, 2001.

9. HOW IS YOUR PERSONAL INFORMATION DEALT WITH?

Your privacy is important to us. In general, we collect and verify information about you (and where applicable, persons acting on your behalf) to manage our relationship with you, to ensure that we provide the products and services most appropriate to your needs and to make certain that we comply with our legal obligations.

The information required to be collected and verified by us depends on who you are and the nature of the service to be provided by us. If you fail to provide us with the required information, or if you provide us with incomplete, or inaccurate information we may not be able to provide you with the products or services you are seeking within the time periods contemplated.

Information acquired by us in the course of providing our services may be provided to external service providers, including our fund's custodian, auditors, taxation and legal advisers and information technology consultants. Otherwise your personal information will not be disclosed unless:

- the law requires us, e.g. Anti-Money Laundering and Counter-Terrorism Financing Act 2006; or
- you ask us to disclose it to a 3rd Party, e.g. your tax adviser.

If you think any of the details that we hold are wrong or out of date contact us and will correct the details. You can always access the personal information held about you by contacting us on (07) 5408 4100. For further information, please refer to our Privacy Statement on www.gpswealth.com.au/privacy-policy

10. WHAT SHOULD YOU DO IF YOU HAVE A COMPLAINT?

We are committed to providing quality advice to our clients. This commitment extends to providing accessible complaint resolution mechanisms for our clients. If you have a complaint about any of our Advice, you should take the following steps:

Contact your GPS Wealth Representative:

In the first instance please contact the GPS representative who provided you with the particular service and tell them about your complaint and they will try to resolve your complaint quickly and fairly.

Internal Dispute Resolution:

If you have raised your concern with a GPS Wealth representative and the matter has not been resolved to your satisfaction, our Dispute Resolution Department can assist. There are three ways you can lodge your complaint:

By telephone:	Call 07 5408 4100, between 8.30am - 5.00pm Monday to Friday (AEST).
In writing (by mail):	Mail your written complaint to: Complaints Resolution Officer GPS Wealth Ltd PO Box 946 Noosa Heads, Queensland 4567
In writing (by fax):	07 5474 8831
By email:	info@gpswealth.com.au

Once you have contacted GPS Wealth we will begin the process of investigating and resolving your complaint. We will try to resolve your complaint quickly and fairly. We will endeavour to resolve your complaint within 5 business days however some complaints do take more time than others. If we anticipate that your complaint will take longer than 21 days to resolve, we will contact you within this time to provide you with an update on our progress. Should it take longer than 45 days, we will contact you in writing to provide an explanation of the reason for the delay.

External Dispute Resolution

If you do not feel your complaint has been resolved in a satisfactory manner, or if you have not received a response after 45 days, you can contact the following organisations who offer an independent alternative dispute resolution service to customers who have been through GPS Wealth's internal complaint process.

If your complaint is in regards to a financial planning or advice matter you can contact the Financial Ombudsman Service Ltd ('FOS').

How to contact FOS

By telephone:	1300 78 08 08 between 9am - 5pm AEST.
In writing (by mail):	GPO Box 3, Melbourne VIC 3001
In writing (by fax):	03 9613 6399
By email:	info@fos.org.au
Website	www.fos.org.au

ASIC also has a free call Info line on 1300 300 630 which you may use to make a complaint or obtain information about your rights.

11. HOW TO CONTACT GPS WEALTH?

Please contact your Adviser in the first instance if you have any questions about this Guide or the advice we provide. This Guide should be retained by you in a safe place for future reference. Alternatively you can contact GPS Wealth directly at:

Address: GPS Wealth Ltd 28 Hastings Street (PO Box 946) Noosa Heads QLD 4567	
Phone: (07) 5408 4100	Fax: (07) 5474 8831
Email info@gpswealth.com.au	