

Financial advice and custody services

Financial Services Guide

About this document

This Financial Services Guide (FSG) is an important document that provides you with information about Perpetual Trustee Company Limited (PTCo) and our financial advice and custody services, which PTCo is authorised to provide under its Australian Financial Services Licence 236643 (AFSL).

This FSG will help you to understand our financial advice and custody services and determine whether or not you should use them. It includes details about:

- who we are
- the services we are authorised to provide
- other documents you may receive from us, such as a **Statement of Advice (SoA)** and/or **Product Disclosure Statement (PDS)** – see ‘Other documents you may receive’ for further information
- the fees and costs for our services
- how our financial advisers are remunerated
- providing instructions to us
- our procedure for handling complaints
- how you can contact us.

The information contained in this FSG is general information only and has been prepared without taking into account your investment objectives, financial situation or needs.

About us

PTCo (also referred to as ‘we’, ‘us’ and ‘our’ in this FSG) is a wholly owned subsidiary of Perpetual Limited ABN 86 000 431 827 and part of the ‘Perpetual Group’, which means Perpetual Limited and its subsidiaries.

We act for ourselves in providing financial advice and custody services to you. We do not act as a representative of any other licensee in relation to the services we provide you.

Jacaranda Financial Planning

Jacaranda Financial Planning (Jacaranda) is a brand of Jacaranda Financial Planning Pty Ltd, which is also a wholly owned subsidiary of Perpetual Limited and part of the Perpetual Group.

NOT INDEPENDENT

We are part of Perpetual Group which consists of other related entities that are issuers of financial products. Your PTCo financial adviser may recommend financial products issued by a Perpetual Group entity from time to time. In relation to certain life risk products, we may receive commissions as permitted by law. As a result, we are not able to refer to ourselves or our advice as ‘independent’, ‘impartial’ or ‘unbiased’.

Our heritage

Perpetual Limited is an ASX-listed, diversified financial services company which has been serving Australians since 1886 when it was established as a trustee company.

We have been earning the trust of our clients for more than 130 years and pride ourselves on our long-standing client relationships, some of which span five generations.

Our authorised services

Financial advice

We are authorised under our AFSL to provide personal or general advice in relation to the following financial products and services:

- debentures, stocks or bonds issued or proposed to be issued by a government
- deposit and payment products
- derivatives
- foreign exchange contracts
- general insurance products
- investment products issued by life companies
- investor directed portfolio services
- managed discretionary account services
- managed investment schemes
- margin lending facilities
- personal life insurance products
- securities
- superannuation and pensions, including retirement savings accounts.

Custody

We are also authorised under our AFSL to provide custody services. Please refer to 'Custody Service' on page 4 for further information

Financial Advice Services

The advice we offer may be personal advice or general advice. It is important for you to consider the type of financial advice you need.

Our advisers are highly qualified, licenced professionals. Current details about the financial services that your financial adviser is authorised to provide under our AFSL, their qualifications and training and memberships of any professional bodies or industry associations relevant to providing financial services can be found by searching your adviser's name on the financial advisers register provided via the ASIC website at <https://moneysmart.gov.au/financial-advice/financial-advisers-register>. A copy of this information will be provided free of charge on request.

Personal advice

You will be given personal advice if you have requested it or have agreed to use one of our levels of service that includes the provision of this type of advice.

Your financial adviser will only provide you with personal advice about an investment or investment structure where they have considered your objectives, financial situation and needs and the advice is appropriate to you.

You can choose from the following two levels of personal advice depending on your needs and the extent to which you would like to be involved in the ongoing management of your investment portfolio.

| Level of personal advice | Description |
|------------------------------|---|
| Advisory Service | <p>Your advice needs may be straightforward or complex, so we tailor the scope of our service to meet your needs annually or as your circumstances require.</p> <p>Strategic Advice Changes to your circumstances, in addition to regulatory or other changes, can impact the level and complexity of strategic advice you need. We will assess your requirements on an ongoing basis to ensure those needs are met.</p> <p>Portfolio Recommendations We will assist you in the establishment and ongoing review of an investment portfolio that is appropriate for your circumstances and you will take part in making investment decisions with your adviser.</p> <p>If you do not wish to have an active role in choosing investments, the Discretionary Service may be appropriate for you. If you choose the Discretionary Service for your portfolio, the Advisory Service will be limited to an Advisory (Strategic Only) Service.</p> |
| Discretionary Service | <p>This service may be provided in addition to the Advisory (Strategic Only) Service or as a stand-alone service. You must read and consider the Jacaranda Financial Planning Discretionary Service FSG before considering whether the Discretionary Service is appropriate for you. Your adviser will also consider whether this service is appropriate for you before making any recommendation about this service.</p> <p>In this service, we apply the same expertise to recommend a portfolio of investments that is appropriate for you and you will provide us with the discretion to make investment decisions about your portfolio on your behalf.</p> |

Arranging transactions for you

Regardless of the level of service you choose, you may still instruct us to arrange execution only (no advice) transactions on your behalf from time to time. However, if we feel that not receiving personal advice would not be in your best interests before making that transaction, we reserve the right to decline that transaction request.

Other documents you may receive

Statement of Advice

When we provide you with personal financial advice, we will generally document this advice in a SoA.

Personal financial advice is advice that takes into account one or more of your objectives, financial situation or needs.

Your SoA is a record of the personal financial advice we provide to you and why it is appropriate to you. It includes:

- the information on which the advice is based
- information about fees and remuneration
- information about any interests or associations with product issuers or other parties which may have influenced the advice.

You should read the information contained in your SoA carefully before making any decision relating to a financial product.

Where we provide you with further advice and your circumstances and the basis of the advice are not significantly different, we will keep this as a Record of Advice (RoA).

Copies of all your SoAs and RoAs are available from your financial adviser for at least seven years after the advice is provided.

Extent of our personal advice

Our personal advice will cover an agreed scope and will address your individual investment objectives, financial situation and needs.

Your financial adviser will make reasonable enquiries to work out your financial needs and objectives.

Your obligations

You need to keep us fully informed of your circumstances and any changes to your personal situation, financial needs and objectives.

Product Disclosure Statement

If we make a recommendation for you to acquire a particular financial product (other than listed securities) or offer to issue, or arrange the issue of, a financial product to you, we will make the relevant PDS or offer document available to you.

This will contain information, including the specific risks that apply, to help you to make an informed decision about that product.

You should read this document carefully before making any investment decision.

Fees and costs for personal advice

General

Specific details of our personal advice services to be provided to you, together with their related fees and costs, will be confirmed to you in a letter of engagement and/or SoA.

Our fees and charges may be varied with 30 days' prior notice to you.

All fees and costs for our financial advice services generally will be charged to your relevant product and/or service resulting from these services.

Fees for initial advice

We will charge a financial plan fee for our initial advice, which is generally based on the scope and complexity of the advice to be provided. This fee, as agreed between you and your financial adviser, is for the work involved in the research and preparation of our strategic and investment advice and we may also charge an agreed fee for the implementation of our advice.

Annual fees for ongoing/fixed term advice

Fees for ongoing/fixed term advice depend on:

- the value of your portfolio under advice
- the scope of the advice you elect to receive from us
- the complexity of the advice to be provided
- whether you require any ad hoc advice.

These fees and the way we charge them (eg flat dollar or percentage-based fees – either fixed or tiered) will be discussed and agreed with your financial adviser.

Please also refer to the separate financial services guide for Jacaranda Financial Planning Discretionary Service for details about fees applicable to that service.

Fees and costs for ad hoc financial advice

Fees and costs for any other ad hoc financial advice we may provide will be as agreed with your financial adviser and confirmed to you in a letter of engagement and/or SoA.

Annual fees and costs for asset administration or other services

Details of the additional fees and costs associated with asset administration or other services (where relevant) are contained in the corresponding disclosure document(s) that your adviser will also provide to you.

General advice

We may from time to time provide general advice to you, where we will not take into account any of your objectives, financial situation or needs. No additional fees apply where general advice only is provided.

Remuneration received

Our remuneration

In the majority of cases we recommend the use of wholesale financial products and direct investments, which have no upfront or ongoing commissions. Where we receive commissions (normally calculated as a percentage of the amount invested) from a particular product, we will return these to the product provider.

To the extent permitted by law, we may receive commissions in relation to life risk insurance products. The commission rate will be affected by the commencement date of your policy, as follows:

- After 1 January 2020:
 - upfront commission of up to 60%¹ of the first year's premium for new insurance policies
 - upfront commission of up to 60%¹ of the first year's premium increase associated with any client-initiated increases in cover on an existing insurance policy
 - ongoing commissions of up to 30%¹ of the renewal premium for each year the insurance policy is continued
- Between 1 January 2018 and 1 January 2020:
 - upfront commission of up to 80%¹ of the first year's premium increase associated with any client-initiated increases in cover on an existing insurance policy
 - ongoing commissions of up to 30%¹ of the renewal premium for each year the insurance policy is continued
- Prior to 1 January 2018:
 - upfront commission of up to 120%¹ of the first year's premium increase associated with any client-initiated increases in cover
 - ongoing commissions in excess of 30%¹ of the renewal premium for each year the insurance policy is continued.

1 Percentages exclude goods and services tax (GST).

Any insurance commission we receive will be retained by us. This commission is not an additional cost to you. Full details of any upfront and ongoing insurance commission we receive will be contained in your SoA or RoA.

We may receive stamping fees for facilitating a capital raising for certain financial products, such as for initial public offerings and other listed financial products or rights to acquire such products. These are one-off payments which are generally based on a percentage of the funds you invest. You will be advised of any stamping fees we may receive when we provide you with advice.

For certain investment placements relating to wholesale clients (as defined by the Corporations Act), we may also receive a fee from the issuer, which will be disclosed to you in any relevant advice documents we provide.

Financial adviser remuneration

All of our financial advisers are salaried employees of the Perpetual Group. Your financial adviser may receive bonuses that are determined by their performance against a balanced scorecard of performance measures, including:

- client satisfaction
- quality of advice
- risk-related measures
- revenue PTCO receives, including:
 - the fees charged for the advice and other services provided
 - fees charged for managing custodial arrangements for investments on your behalf where we do not provide you with personal advice (see 'Custody only service' for further information), or for arranging execution only (no advice) transactions
 - any relevant life risk insurance commissions.

These bonuses are not an additional cost to you. The level of bonus is not affected by the choice of financial products recommended.

All employees may also receive an annual allocation of shares (or, in some instances, performance rights) in Perpetual Limited based upon the overall performance of Perpetual Limited.

New advisers who introduce their existing clients to us may be granted additional shares in Perpetual Limited, up to the value of the first year's revenue PTCO receives in relation to those new clients to PTCO, as part of their long-term incentives.

Perpetual Group remuneration

Any remuneration that a Perpetual Group entity will receive for products and services provided following the implementation of any of our financial advice or custody services will be detailed in the SoA and PDS or other relevant disclosure document you will receive for the relevant product or service.

Custody Service

Under our Custody Service, we manage only the administration of your assets and arrange the execution of trades on your instruction. We may from time to time also provide general advice to you as a Custody Service client.

We do not provide ongoing personal advice to you under the Custody Service. However, you may wish to consider from time to time whether you may require ad hoc personal advice that takes into account your objectives, financial situation or needs.

The current standard annual fees if you choose the Custody Service are shown in the following table.

| Account balance | Annual fee |
|--------------------------|------------|
| First \$2 million | 0.55% pa |
| Next \$8 million | 0.25% pa |
| Amount over \$10 million | 0.18% pa |

Fee amounts are inclusive of the net effect of GST.

Additional information

Other specialist services

Your financial adviser can also arrange access to the following specialist services if you request them:

- property services
- tax planning, advice, return preparation and accounting services
- trust and estate management
- Health and Personal Injury administration services
- estate planning, including general estate planning advice and establishment of trusts
- Lifestyle Assist.

If any of these services are provided, you will receive a separate financial services guide(s), where applicable, providing further information, including details of relevant fees and charges.

From time to time, we may engage your professional providers to assist us in providing services to you. If this is the case, we will be invoiced separately in an itemised format and the costs will be borne by us.

Ancillary services

We can also offer the following services:

- providing tax advice and compliance services as a registered tax agent
- arranging the preparation of a power of attorney or an agency arrangement
- arranging or performing administrative services.

These services are not provided under our AFSL.

Should you decide to use them, you will receive a separate letter of engagement about these services and how much they will cost.

Providing instructions to us

You can typically provide us instructions by telephone, mail, email or other secure digital methods. There may be special instruction arrangements for some financial products and financial services – details of which will be explained in the relevant PDS (or other offer document).

Personal information

We collect personal information from you to be able to establish your account(s) and comply with any relevant laws. If you do not provide us with your relevant personal information, we will not be able to do so. In some circumstances we may disclose your personal information to Perpetual Limited's related entities or service providers that perform a range of services on our behalf and which may be located overseas.

Privacy laws apply to our handling of personal information and we will collect, use and disclose your personal information in accordance with our privacy policy, which includes details about the following matters:

- the kinds of personal information we collect and hold
- how we collect and hold personal information
- the purposes for which we collect, hold, use and disclose personal information
- the types of entities we usually disclose personal information to and the countries where they are likely to be located if it is practicable for us to specify those countries
- how you may access personal information that we hold about you and seek correction of such information (note that exceptions apply in some circumstances)
- how you may complain about a breach of the Australian Privacy Principles (APP), or a registered APP code (if any) that binds us, and how we will deal with such a complaint.

Our privacy policy is publicly available at our website or you can obtain a copy free of charge by contacting us.

Conflicts of interest

As we are part of the Perpetual Group, which is a diversified financial services organisation, both real and perceived conflicts of interest may arise when providing financial advice and custody services. We have policies as to how we manage conflicts of interest and these policies apply to our financial advice and custody services.

We may recommend that you invest in a product that is issued by one of the Perpetual Group companies.

We may also recommend that you invest in a product where one of the Perpetual Group companies acts as a trustee, custodian or outsourced compliance service provider.

Professional indemnity insurance

Perpetual Limited holds a professional indemnity insurance policy, which satisfies the requirements for compensation arrangements under section 912B of the Corporations Act. Subject to its terms and conditions, the policy provides cover for civil liability resulting from third party claims concerning the professional services provided by Perpetual Limited, its subsidiaries and its employees and representatives.

This policy covers professional services provided by employees and representatives of Perpetual Limited and its subsidiaries while they are in our employ, even where that employee or representative has subsequently left our employ.

Complaints

If you have a complaint about the financial advice or custody services provided, you should take one of the following steps:

1. Contact your financial adviser and tell them about your complaint.
2. Email your complaint to admin@jacarandafp.com.au
3. Put your complaint in writing and mail it to:
Jacaranda Financial Planning – Complaints
Locked Bag 3020
Australia Square NSW 1215

We will endeavour to respond to your complaint fairly and as quickly as we can and by no later than the maximum response timeframe of 30 days. If we have not had a reasonable opportunity to respond to your complaint before the maximum response timeframe ends, we will write to you to let you know.

If, before the maximum response timeframe for your complaint has passed, you don't feel as though your concerns are being heard or have received our response and are not satisfied with the resolution that has been proposed, our Client Advocacy Team may be able to assist you. Please see www.perpetual.com.au/about/client-advocacy for information on how to get in touch with our Client Advocacy Team members.

If, at any time you are not satisfied with our response to your complaint, any aspect of our complaints handling process or if you have not received a response within the maximum response timeframe, the Australian Financial Complaints Authority (AFCA) might be able to assist you.

Australian Financial Complaints Authority

We are members of the AFCA external dispute resolution scheme.

AFCA has been established by the Commonwealth Government to deal with complaints from consumers and small businesses about financial services firms. AFCA service is free of charge to you.

Contact details for AFCA are as follows:

Phone 1800 931 678

Email info@afca.org.au

Website www.afca.org.au

Mail Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001

Contact details

Website

www.jacarandafp.com.au

Email

admin@jacarandafp.com.au

Phone

During business hours (Sydney time)
1800 40 26 10

Mail

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