



Financial Services Guide

Date of issue 1 June 2021

About this guide

This Financial Services Guide (FSG) explains the financial services provided by Lonsdale and your adviser (who is authorised through Lonsdale). It is designed to help you make a fully informed decision about whether you want to use our services.

Please take the time to read this guide carefully. Sound financial advice is based on open communication. Understanding our services and our fees is the cornerstone of this communication. It's also important that you know who authorises your adviser, the nature of their associations and relationships and what to do if you have a complaint. If you have further questions, or if there is anything that isn't clear, please talk to your adviser or contact us.

This guide must be accompanied by an Adviser Profile which outlines your adviser's skills, qualifications and the services they are authorised to provide.

About us

Our advisers offer professional integrated financial advice strategies to achieve peace of mind and help you achieve your life goals.

Lonsdale is a boutique integrated financial planning group with origins tracing back over 30 years. Lonsdale works closely with accountants and financial planners to help build their aligned financial planning and strategic advice businesses.

Lonsdale has a network of qualified financial advisers across Australia. Your Lonsdale adviser is either a self-employed practice owner or employed by the practice as an adviser. All Lonsdale financial advisers have a legal obligation and an ethical duty to act with integrity and in the best interests of you, their clients.

Lonsdale is a wholly owned subsidiary of IOOF Holdings Limited (IOOF) which is listed on the Australian Securities Exchange (ASX: IFL).

Lonsdale Financial Group Ltd
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Level 6, 161 Collins Street, Melbourne VIC 3000

Phone: 1300 566 732

Email: office@lonsdale.com.au

Website: lonsdale.com.au

Products and services we provide

Our network of advisers provide a range of financial services including investing, superannuation, retirement and insurance. Specific information about the services your adviser is authorised to provide and their qualifications are contained in the attached Adviser Profile. Lonsdale is not responsible for any accountancy or other services that you may receive from our financial advisers or their related entities.

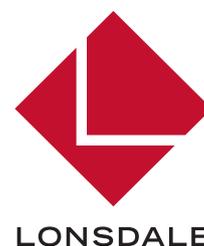
Important documents you can expect to receive

When your adviser provides personal financial advice for the first time, you will generally be given a Statement of Advice (SoA). The SoA sets out your personal advice, the basis on which it is given, the cost of the advice, and information about any associations or relationships that could influence the advice.

If you require further advice at a later time, providing your circumstances have not changed significantly since your previous SoA, your adviser may be able to provide the further advice verbally or via a shorter Record of Advice (RoA). If you are given

Not independent

We are a wholly owned subsidiary of IOOF Holdings Limited (IOOF) and part of the IOOF group of companies (IOOF Group). The IOOF Group is an issuer of financial products, some of which are included in our Approved Product List. In addition, we may receive commission on life insurance products as explained in this FSG under the heading 'How we are paid'. For these reasons, we do not refer to ourselves or our advice as independent, impartial or unbiased.



verbal advice, your adviser will document the discussion and a copy of this record can be made available to you on request. If you are given further advice and your circumstances have changed significantly since your previous SoA, you will generally be given another SoA.

To help you make an informed decision about a financial product, you will generally be given a Product Disclosure Statement (PDS) which outlines the product features and costs in detail. In certain circumstances, there is no requirement to provide a PDS (including, for example, where you already have one).

If you ask your adviser to undertake a transaction without receiving advice from that adviser, you may be given a letter confirming your instructions and disclosing any costs payable by you in relation to that transaction.

Our Approved Products List

Only products and services that have been examined by Lonsec Research Pty Ltd (Lonsec) and IOOF's experienced research team are placed on our Approved Products List (APL). Products and services on the APL include those offered, managed or administered by our related companies, including Australian Executor Trustees Limited, IOOF Investment Management Limited, IOOF Investment Services Limited, IOOF Limited and Managed Portfolio Services Limited. Our related companies also include:

- OnePath Funds Management Limited, OnePath Custodians Pty Limited and Oasis Funds Management Limited which IOOF purchased from ANZ Banking Group Limited in 2020. As part of the acquisition, our APL includes certain ANZ banking products and insurance products issued by OnePath Life Limited where those products continue to be suitable for our clients' needs and providing they comply with our legal obligations. OnePath Life Limited is part of the Zurich Financial Services group and is not part of the IOOF group.
- MLC Investment Limited, JANA Investment Advisers Pty Ltd, NULIS Nominees (Australia) Limited, Navigator Australia Limited, Antares Capital Partners Ltd, Fairview Equity Partners Pty Ltd, Intermede Investment Partners Limited, MLC Asset Management Services Limited and Presima Inc which IOOF acquired as part of the purchase of MLC Wealth Limited from National Australia Bank Limited (NAB) in 2021. As part of the acquisition, our APL includes certain products issued by NAB or its related entities and insurance products issued by MLC Limited, provided those products are suitable for our clients' needs and providing they comply with our legal obligations. MLC Limited is part of the Nippon Life Insurance group and is not part of the IOOF group.

Our related companies will receive fees and benefits as disclosed in the relevant disclosure document if you purchase the product or use the service.

Your adviser will first source from the APL before providing any recommendations. This means any product or service your adviser recommends has been thoroughly researched. They will only recommend a product or service after considering its appropriateness in relation to your individual objectives, financial situation, needs and best interests. Where your strategy requires products and services other than those on the APL to act in your

best interests, the IOOF research team will be consulted and we will seek to find an alternative solution.

Important relationships and other benefits

In addition to the related companies listed above (under the heading 'Our Approved Products List') you should also be aware of the following relationships and benefits that we may receive. Any payments noted below are not an additional cost to you and will only be made to the extent permitted by law. Any other arrangements you need to be aware of will be set out in the Adviser Profile attached to this document. Arrangements that are relevant to the advice being provided to you will also be disclosed in your written advice.

Product and service provider benefits

Lonsdale may receive sponsorship payments from product and service providers to fund technical and professional development training for our advisers. Our practice owners or advisers may also apply for and may qualify to receive commercial terms on a range of banking products and services such as interest rates and limited recourse terms.

Distribution fees

Related companies of Lonsdale may receive fees for acting as the distributor of financial products which your adviser may recommend. Any fee is paid by the product issuer or administrator of the product out of its own funds. Neither your adviser nor Lonsdale receive any of these fees.

Advisory fees

Product providers may pay advisory fees to Lonsdale or an investment management entity associated with Lonsdale. This fee is for the provision of portfolio management advisory services where Lonsdale model portfolios are utilised via managed accounts or separately managed accounts. In the event of this occurring, the fee is calculated as a percentage, likely to be up to 0.15% of the managed account or separately managed account portfolio balance. Your adviser will not receive any of this fee.

Referral partners

Your adviser may have referral relationships with third parties. These third parties may include accountants, mortgage brokers, general insurance brokers, solicitors, real estate agents and other third parties who specialise in a specific field.

If you are referred to your adviser by one of these third parties, that third party may receive a referral fee, commission or non-monetary benefit. These referral fees can vary and may be up to 40% of revenue received by your adviser's practice or an equivalent or lesser value non-monetary benefit. Advisers can change their referral relationships over time and, as such, the referral fee ranges may also vary over time. Where you are referred to a third party (including to other financial advisers) by your adviser, your adviser does not receive any payment for that referral. We also do not approve or endorse their advice. You must assess the merits of their advice in the light of your own circumstances and objectives.

Associated businesses

Your adviser may have associations with other related businesses, such as an accountancy firm.

Other payments

We keep a full register of any benefits received by advisers of between \$100 to \$300. By law, your adviser is not permitted to receive benefits in excess of \$300 per year from a product issuer. In addition, Lonsdale keeps a register of any other non-monetary benefits your adviser may receive in relation to education, training, technology support or software that is relevant to the provision of financial advice. If you would like a copy of either register, please ask your adviser and one will be made available to you.

How we are paid

We receive remuneration from:

- Advice and service fees paid by you (fee for service)
- Commissions from insurance providers
- Other payments and benefits as outlined above under the heading 'Important relationships and other benefits'

As the licensee, Lonsdale collects all fees and commissions which are paid on to your adviser's practice. The Adviser Profile explains how your adviser is paid. Lonsdale receives a licensee fee from your adviser's practice of up to \$165,000 per annum, which is in part based on remuneration paid to your adviser's practice.

Advice and service fees paid by you

Before providing personal advice, your adviser will agree the fees and payment options with you. These fees will be based on your individual circumstances, the complexity of your situation and the time it takes to prepare your personal financial advice. Fees and commissions that are relevant to the advice being provided will also be disclosed in the written advice provided to you.

The types of fees you may be asked to pay can include:

- **Statement of Advice (SoA) fee** – a fee to gather information, analyse your situation and prepare your SoA.
- **Implementation fee** – a fee to implement the recommendations contained in your SoA.
- **Review service fee** – a fee for the provision of review services if you enter into a service agreement with your adviser.

Your adviser may also charge other fees for the ad hoc provision of advice or services, including if you instruct your adviser to complete a transaction on your behalf such as buying or selling specific financial products.

Commissions from insurance providers

Insurance providers may pay us commissions if your adviser recommends insurance products to you. Commissions are based on a percentage of your insurance premium. On all commission arrangements where the commission in the first year is greater than that payable in later years, the maximum upfront (year 1) commission is 66% and the maximum ongoing (years 2+) commission is 22% (inclusive of GST). Where upfront and ongoing commissions are the same, there is no legislated maximum however product providers generally pay up to 33%.

For insurance products purchased prior to 1 January 2018, we may continue to be paid commissions in the same manner as what would have previously been advised to you at the time of obtaining the product(s).

If you have a complaint

If you have a complaint about financial services provided to you, your complaint can be directed to your adviser in the first instance. You can also raise your complaint at any time by contacting us at:

Email: advicecomplaints@ioof.com.au

In writing to: IOOF Advice Complaints
Level 3, 30 Hickson Road,
Millers Point NSW 2000

Phone: 1800 271 147

We will investigate and endeavour to resolve your complaint promptly and fairly. Until 5 October 2021, if your complaint has not been resolved to your satisfaction within 45 days, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). From 5 October 2021 this timeframe reduces to 30 days.

AFCA is an external dispute resolution scheme which provides fair and independent financial services complaint resolution that is free to consumers. AFCA's contact details are:

Email: info@afca.org.au

Website: www.afca.org.au

In writing to: Australian Financial Complaints Authority
GPO Box 3, Melbourne VIC 3001

Phone: 1800 931 678

The Australian Securities and Investment Commission (ASIC) has an information line 1300 300 630 which you may use to obtain information about your rights, and to make a complaint. For more information, please visit their website www.asic.gov.au

Professional indemnity insurance

Lonsdale is covered by professional indemnity insurance satisfying the requirements under the Corporations Act for compensation arrangements. Our insurance arrangements cover claims made against us as the licensee and both our current and former authorised representatives.

Our privacy policy

Australian Privacy Principles apply to the collection of personal or sensitive information. This means that information provided by you in the course of receiving financial planning services must only be used:

- to provide you with information, products or services that you might reasonably expect or request
- to fully understand or anticipate your needs during our relationship
- to manage rights and obligations under any laws applying to the services provided, or
- to conduct research, or planning and marketing, which includes direct marketing, although you do have the right to specifically instruct that your details aren't used for these purposes.

The type of information which will usually be requested will include details about your financial, taxation, health, employment and estate planning matters. This may include details relating to your partner or family members.

As a financial service provider, we have an obligation under the Anti-Money Laundering and Counter-Terrorism Finance Act 2006 to verify your identity and the source of any funds.

This means that we will ask you to present identification documents such as passports and driver's licence and we will retain copies of this information.

You are entitled to request access to your file for the purpose of reviewing and correcting the information held. However, you cannot access information where it would have an unreasonable impact on the privacy of another person or if the information is relevant to legal obligations or legal proceedings.

In providing services to you, from time-to-time we will disclose information about you to our Authorised Representatives and other professionals, including insurance providers, superannuation trustees, product issuers as well as our service providers. It is generally unlikely that we will disclose your personal information to overseas recipients.

However, any overseas disclosure does not affect our commitment to safeguarding your personal information and we will take reasonable steps to ensure any overseas recipient of your personal information complies with Australian privacy law. Should your adviser utilise an overseas service provider, these arrangements will be detailed in their Planner Profile.

If your financial planner leaves our Lonsdale licence and starts to provide financial services under another licensee, your information may be transferred to the new licensee. You will be advised of any such transfer before it takes place.

You are entitled to obtain access to the information we hold about you by contacting the Privacy Officer on 1300 566 732 or by writing to:

Privacy Officer, Lonsdale Financial Group Ltd
GPO Box 264, Melbourne VIC 3001

For more information about how we collect, use, store and disclose your personal information, our Privacy Policy can be accessed on our website www.lonsdale.com.au

Financial Planner Profile

This Financial Planner Profile is part of the Lonsdale Financial Group Ltd (Lonsdale) Financial Services Guide (FSG) and these documents should be read together.

Introducing your financial planner

The Authorised Entity is Capital Focused Pty Ltd, Corporate Authorised Representative of Lonsdale, Number 410974.

Company name:	Capital Focused Pty Ltd
Business address:	Level 8, 241 Adelaide Street, Brisbane QLD 4001
Postal address:	GPO Box 809, Brisbane QLD 4001
Telephone:	07 3177 1191
Facsimile:	07 3112 3952
Email:	admin@capfocus.com.au
Web address:	www.capitalfocused.com.au

The individual financial planner appointed by this practice to provide the service is:

Michael Kennedy

Authorised Representative of Lonsdale, Number 411079

Michael has the following qualifications, memberships and experience:

- Master of Financial Planning
- Advanced Diploma of Financial Services (Financial Planning)
- Financial Planner AFP®
- SMSF Specialist Advisor (SSA™) – SMSF Association

Michael Kennedy has been helping individuals, their families and businesses achieve their financial goals in Australia since 2002. Michael previously was a senior financial planner with National Australia Bank and prior to that worked with Macquarie Bank.

Products and services

Your financial planner is authorised by Lonsdale to provide you with general and personal financial product advice on the following class and types of products and can help you buy and sell these financial products.

- **Life products, including:**
 - Investment life insurance products
 - Life risk insurance products
- **Superannuation products, including:**
 - Public offer superannuation funds
 - Account-based pensions and complying annuities
 - Corporate superannuation funds
 - Self-managed superannuation funds
- **Margin lending facilities (standard)**
- **Retirement savings accounts**
- **Managed investment products, including:**
 - Master trusts, wrap facilities
 - Property funds
 - Tax-effective investments
 - Managed trusts
 - Investor directed portfolio services (IDPS)
 - Managed Discretionary Accounts (MDA) investment programs
- **Government bonds, stocks or debentures securities:**
 - ASX listed shares, instalment warrants and fixed interest

How will you pay for the financial services?

At the initial meeting, your financial planner will explain the services that are available to you, what you can expect and the payment options that are available.

Before you become a client of Capital Focused, remuneration and payment will be agreed and the details of any fees and commissions payable, and any other relevant remuneration and benefits, will be disclosed to you in the Statement of Advice (SoA). For any financial product that is recommended, the Product Disclosure Statement (PDS) for that product will outline the fees payable to the product provider. Any of the payments listed below will be made as agreed with you.

A summary of the way Capital Focused is paid is outlined below and all fees quoted are inclusive of GST.

Financial planning advice fee

You may be charged a fee that is based on either the standard service fee that applies or the time spent developing the plan. The plan based fees (ie SoA) start from \$550 for a limited advice plan and vary, depending on scope and complexity of the advice provided.

During your initial discussion with your financial planner, they should be in a position to provide you with a reasonable estimate of the financial planning advice fee and you are encouraged to discuss this during the meeting.

Financial planning implementation fee

You may be charged a fee based on the time spent implementing the recommendations and strategies. The current hourly base rate is \$330 per hour.

The implementation fee starts at \$1,100 but will vary depending on the complexity of advice and facilitation required, as well as the process to check and confirm that the correct action has been undertaken on your behalf.

You have a choice of how you can pay the implementation fee – it can either be invoiced directly or debited directly from funds invested.

Please note, should you choose not to proceed with the advice provided to you in your SoA, you will be invoiced for the cost of preparing your SoA.

Financial planner service fee – ongoing

This fee may be charged depending on the type of ongoing review service provided to you.

This will be agreed in advance with your financial planner and may be paid annually, monthly or as per your agreement. This fee is a fixed dollar amount that is based on a combination of factors such as the amount you elect to invest, the complexity of the structure involved, the number and types of investments and the level of ongoing service that is required.

To ensure that your situation is reviewed on an ongoing basis, clients are encouraged to take up an ongoing review service. A regular review will compare the performance of your strategy to the performance of local and international markets, provide an overview of the current superannuation and taxation laws, as well as the impact that any changes to your own personal and financial circumstances may have on your overall plan. Generally, if you agree to an ongoing financial planner service fee, you will sign a client service agreement which sets out the services that will be provided together with the cost. At all times, Capital Focused reserves the right to adjust the ongoing financial planner service fee depending on the services used.

You have a choice of how you can pay the financial planning service fee – it can either be invoiced directly or debited directly from funds invested.

The minimum ongoing fee payable is \$550 per annum. Please note that the amount charged will be set out in your SoA.

Financial planning service fee once-off

If you are not on an ongoing review service, but would like to engage Capital Focused to provide you with once-off strategic or placement advice only, you may be charged an hourly rate of \$330 per hour.

Commission for life risk insurance products – Policies issued from 1 January 2018

When risk insurance products are recommended, the insurance provider may pay your adviser an initial commission based on the value of your premium, which under an upfront structure will be capped at 88 per cent, reducing to 77 per cent from 1 January 2019, before settling at 66 per cent from 1 January 2020. Ongoing commission under an upfront structure will be capped at 22 per cent of the annual premium paid. Both initial and ongoing commission under a level structure will continue to be capped at 37 per cent.

Lonsdale will retain 5 per cent of this premium before paying the balance to Capital Focused. Where this occurs, any commissions retained by Lonsdale will be disclosed in your SoA.

Overseas Disclosures

In order to facilitate the provision of financial services, para-planning and other administrative services for you, your financial adviser utilises a service provider located in the Philippines.

Accordingly, your personal information will likely be accessed from this overseas location. Any overseas disclosure of your personal information to enable these services to be provided does not affect our commitment to safeguarding your privacy, and we will take reasonable steps to ensure that any overseas recipient complies with Australian privacy law.