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Australian Financial Services Licence No. 222138

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FINANCIAL SERVICES GUIDE

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ABOUT THIS GUIDE

This guide is designed to tell you about:

- Our advisory services, so you can decide whether to use our services.
- Paying for our advisory services and how we pay our representatives.
- Your rights when you get advice from us.
- Relevant relationships we have with other organisations
- What to do if you have a complaint about our services.
- Statements of Advice and Product Disclosure Statements.

ABOUT US

AAA Shares Pty Ltd is the Licensee and is a fully owned subsidiary of AAA Financial Intelligence Ltd ABN 23 093 616 445. We have authorised Advisers to provide financial services to clients. The extent of these authorisations depends on the training, education and experience of the Adviser and is shown in their Adviser Profile which may accompany this guide.

We are an insurance, superannuation, financial planning and investment advisory firm specialising in securities trading and advice. We offer extensive skills which mirror the different needs of clients with great emphasis placed on research to support the advice.

We recommend products from our approved products list that we feel best suit our client's needs.

OUR SERVICES

We provide advice on and arrange transactions in the following products and services:

Basic deposit products	Managed investment schemes	Retirement planning
Securities and Derivatives	Investment planning	Fixed interest deposits
Standard Margin Loans	Life insurance products	Superannuation
Government debentures, stocks or bonds	Self-managed superannuation	

We can also provide you with access to a retail trading platform through our authorised representative, AAA Capital Securities Pty Ltd. This platform uses Interactive Brokers LLC for both execution and settlement of trades.

RESPONSIBILITY FOR ADVICE GIVEN

AAA Shares Pty Ltd has authorised its representatives to give advice under its Licence and is therefore responsible for the advice you receive from them.

INFORMATION WE NEED FROM YOU

We strive to give our clients the best advice and the right products in order to find out their individual objectives, financial situation and needs, we also must ask our clients to provide certain personal information to their adviser, either in writing or verbally - this may involve a quite detailed process of both qualitative and quantitative data collection. We ask clients to ensure that their adviser becomes aware of any changes that may be relevant when advice is given in the future.

What information do we retain about clients?

We maintain a record of your personal profile which may contain details of your objectives, financial situation and needs. We maintain records of any recommendations made to you, together with summaries of meetings and transactions. All these records are our property and must be retained for production to the regulatory authorities upon their request. If you wish to examine our file, please ask us and we will make arrangements for you to do so.

What are the possible consequences of not providing this information?

You are of course at liberty to decline to provide some or all of this information. If this occurs we may not be able to make any recommendations or the recommendations may not be appropriate to your needs and objectives.

All information is kept strictly confidential.

PRIVACY FOR OUR CLIENTS

We deal on behalf of clients with other licensed dealers, banks and financial institutions and we have obligations to comply with the National Privacy Principles set down by the Federal Privacy Commissioner. We have adopted these Privacy Principles for the treatment of personal information received from clients and others. Our Privacy Policy is available from your adviser.

As a financial service provider, we have an obligation under the Anti Money Laundering and Counter Terrorism Financing Act 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 a driver's licence. We will also retain copies of this information. We assure you that this information will be held securely.

PERSONAL FINANCIAL ADVICE

Personal financial advice is advice which relates specifically to you and your financial goals and circumstances and is tailored accordingly.

Our Representatives may discuss and consider tax, social security and estate planning matters when formulating recommendations. However, they are not professionals in this area and we therefore recommend that you also seek the services of industry professionals if these issues are relevant.

If we have insufficient detail about your financial circumstances, we will not be able to provide personal financial advice but may be able to provide some general advice.

STATEMENTS OF ADVICE

When, or as soon as practicable after Personal Financial Advice is provided, we will give you a Statement of Advice setting out the advice, the basis on which the advice was given and any remuneration or other benefits that we, including our representatives and associates, may receive. We will also include details of any matter that might reasonably be expected to be capable of influencing us in providing the advice.

On an ongoing basis, a Record of Advice will be provided if there have been no significant changes in your personal circumstances or the basis of the advice has not significantly changed since your last Statement of Advice.

GENERAL FINANCIAL ADVICE

We will provide personal financial recommendations if you give us sufficient information about your circumstances to enable us to do so. Alternatively we will provide general financial advice and it is up to you to determine whether the advice is appropriate in light of your particular investment needs, objectives and financial circumstances.

PRODUCT DISCLOSURE STATEMENTS

When advice is given, we will also give you, where appropriate, a Product Disclosure Statement issued by the product provider containing information you would reasonably require for the purpose of making a decision about whether to acquire the financial product.

BUYING AND SELLING SHARES

Acting as your agent, we will buy and sell securities on Australian stock exchanges for you. Once your securities have been bought or sold, you will receive a contract note from us or the executing broker setting out the details and costs of the transaction.

In respect of ASX listed securities, we predominantly use either ETRADE Australia Securities Ltd for both third party execution and settlement of trades or we use D2MX Pty Ltd for third party execution and Penson Financial Services Australia Limited for settlement of those trades. We also have an agreement with Commonwealth Securities Limited (Commsec) to provide these services.

You may specify how you would like to give us instructions to trade, e.g. by telephone, fax, email or other means. However for transactions greater than \$25,000 we may require instructions to be confirmed in writing.

Where we provide you with execution-related telephone advice, you may request in writing a record of that advice within 90 days of the date the advice is given.

If you are buying, we require you to provide the funds in advance. Please note that in accordance with industry practice and regulation, we cannot accept cash.

Penalties

Fees will be charged on accounts not settled in accordance with industry practice. If you owe us money, we reserve the right to charge interest on any amounts outstanding. Default in payment may result in sale of the securities, including any securities held on a client's account, to recover costs.

WHAT ARE THE RISKS?

All investments have varying degrees of risk and varying rates of return. With most investments, the higher the potential returns the higher the level of risk. We will explain to you any significant risks of investments and strategies that we recommend to you. If you are unsure of the potential effects of these risks, you should ask us for further clarification.

RESEARCH

Insurance and Investment product recommendations are drawn from our fully researched list that is regularly reviewed. We subscribe to world class research services. The research undertaken by analysts is basically their opinion. It can never be guaranteed, is only valid for a limited time and is often subject to market movements.

The mere fact that any product is recommended by an analyst does not necessarily mean that it is suitable for you and you should consult with your adviser before acting on any research report.

REMUNERATION & BENEFITS FOR OUR SERVICES

To assist you in making an informed decision we will discuss with you and agree on any fees payable. The Corporations Act requires us to fully disclose all fees and charges, if you are in doubt please ask us to explain.

The specific fees and charges for our financial advice will be set out in a Statement of Advice to you when you receive Personal Advice. We may charge you a fee for preparation of the Statement of Advice.

You may be charged a fee for the services we provide or we may be paid a commission or brokerage or a combination of the two may apply.

Fees

When applicable, our fee can be either an agreed amount for a particular service or a time based fee of up to \$330 per hour.

Commissions

We may receive commissions from dealers, fund managers or life insurers when acting on your behalf. These may be calculated as a percentage of the amount invested or paid as a premium and may be deducted from the amount you invest.

Additionally, we may receive trailing commissions from a product issuer payable from the fees charged throughout the term of the investment by the fund manager as disclosed in the PDS.

Typically commissions are in the following ranges: *(These figures include GST)*

Listed Securities	Brokerage of 1.1% of the value of the transaction subject to a minimum of up to \$99.
Other Investments and Superannuation	Initial commission of up to 6.6% of the amount invested, and Trailing commission of up to 1.1% per annum of the balance in the account.
Life Insurance (Risk)	Initial commission of between 20% and 130% of the first years premium, and Renewal commission of up to 35% of premiums in subsequent years.

For example, if the brokerage rate is 1.1% and you trade shares to the value of \$10,000, our brokerage charge would be \$110. Your settlement costs or proceeds would be adjusted by this figure.

The minimum dollar cost would apply if the brokerage calculated by the above method fell below the minimum figure.

When providing you with a recommendation, your adviser will provide you with details of how the specific charges are calculated and whether you can pay for them separately. Our authorised representatives are paid a salary or commission based on the business they complete or a combination of both.

Referrals

We may also pay a fee or commissions to persons who introduce or refer you to us.

Initial Public Offerings

Where we are involved in the placement of securities for an initial public offering we can receive up to 5.5% brokerage paid by the issuing company. For other share placements the commission can be up to 6.6%. In these cases we do not usually charge a brokerage to the client.

OUR ASSOCIATIONS

Ownerships

AAA Financial Intelligence Ltd

AAA Shares Pty Ltd is a fully owned subsidiary of AAA Financial Intelligence Ltd. Tower Distribution Pty Ltd holds a non-controlling interest in both AAA Financial Intelligence Ltd and a subsidiary company, AAA Wealth Intelligence Pty Ltd. Lifestyle Private Equity Pty Ltd holds a non-controlling interest in AA Financial Intelligence Ltd.

Our Directors and many of our Advisers are shareholders in AAA Financial Intelligence Ltd and therefore may benefit from the distribution of profits or any increase in value of the company.

Imagine Wealth

Imagine Wealth Investments Pty Ltd (IWI) receives management fees from the Imagine Wealth products which are distributed through us. AAA Financial Intelligence Ltd currently hold 30% of the IWI shares and our Advisers can be beneficiaries of a discretionary trust which holds 40% of IWI.

Lifestyle Asset Management Group Pty Ltd

Lifestyle Asset Management Group Pty Ltd together with AAA Financial Intelligence Ltd, jointly owns AAA Capital Securities Pty Ltd.

Other Companies

Our Directors, Employees or Advisers may either directly or indirectly hold an interest in one or more product providers as part of their personal investments. No product provider exercises control over our activities. If a conflict of interest should arise, it will be appropriately disclosed and the interests of clients will prevail in any situation.

Benefits

We have arrangements in place with some product providers which can result in additional income or benefits to us. These arrangements are based on the volume of business our advisers place with the providers and the benefits are generally scaled to increase with the volume.

In respect of Life Insurance Companies the arrangements are:

Life Company	Additional Benefit
AXA Tower Australia Comminsure	An additional payment of between Nil and 5% of premiums in force based on the total amount of premiums in force and the retention rate of those premiums.
OnePath	An additional payment of between Nil and 14% of premiums in force based on the total amount of premiums in force and the retention rate of those premiums.

In respect of Superannuation and Investment providers the arrangements are:

Provider	Additional benefit
Asgard Superannuation Tower ARC	An additional payment of between Nil and 0.2% of the funds under management.
Skandia	An additional payment of between Nil and 0.1% of the funds under management.

If an additional amount of 0.1% was payable on funds under management of \$25 million, the additional amount would be \$25,000.

In respect of Investment Platforms which aggregate and report on investments, the arrangements are

Provider	Additional benefit
Imagine Wealth	We may receive dividends appropriate to our shareholding in Imagine Wealth Investments and our Advisers may also receive distributions, based on the volume of IWI products they sell, from a discretionary trust which holds 40% of IWI.
NetWealth Investments	An additional payment 0.2% of the funds under management and a rebate of \$500 for each Self Managed Superannuation Fund set up through them.

Unless otherwise indicated, any payments from these sources are paid to and retained by the AAA Financial Intelligence Ltd. Advisers who are shareholders in that company may ultimately benefit through increased dividends and share value.

There are other arrangements in place with product providers which provide benefits to us if we meet certain thresholds with those organisations: -

- MLC provide discounted education and training facilities to our advisers and provide sponsorship for our conferences and training days.
- Asteron and Tower also provide sponsorships for conferences, training or similar matters.

We invite all of the above companies (and others) to sponsor sessions or present product and strategy updates (at no cost to us) at our Advisers’ Professional Development days and Annual Conferences.

OUR COMPENSATION ARRANGEMENTS

AAA Shares Pty Ltd confirms that it has arrangements in place to ensure it continues to maintain Professional Indemnity insurance in accordance with s.912B of the Corporations Act 2001.

In particular our Professional Indemnity insurance, subject to its terms and conditions, provides indemnity up to the Sum Insured for AAA Shares Pty Ltd and our authorised representatives and other representatives and employees in respect of our authorisations and obligations under our Australian Financial Services Licence.

This insurance will continue to provide such coverage for any authorised representative, other representative or employee who has ceased work with us, for work done whilst engaged with us.

IF YOU HAVE A COMPLAINT

We are all aware that circumstances may arise where a client wishes to express an opinion, seek clarification of an issue or simply inform us that expectations were not met.

Our Directors will take client complaints as a serious reflection on our standard of service and will attempt to personally resolve all issues. Where necessary a written reply or explanation will be provided to any client.

The steps to lodge a complaint are:

1. Contact your adviser and tell your adviser about your complaint.
2. If your complaint is not satisfactorily resolved within 7 days please contact the Complaints Officer (08) 8232 3833 or put your complaint in writing and send it to us at, AAA Shares Pty Ltd, Unit 2, 465 Pulteney St, Adelaide SA 5000. We will try and resolve your complaint quickly and fairly.
3. If we cannot reach a satisfactory resolution, you can raise your concerns with the Financial Ombudsman Service (FOS) on 1300 780 808. FOS is the external dispute resolution service to which we subscribe.

The Australian Securities & Investments Commission (ASIC) also has a freecall Infoline on 1300 300 630 which you may use to make a complaint or obtain information about your rights.