Financial Services Guide

This Financial Services Guide ('FSG') is dated 12 March 2008 and is an important document that we are required to provide to you under the terms of our Australian Financial Services Licence. The purpose of this FSG is to provide you with important information to assist you in deciding whether to use any of the services offered by InvestSMART including:

- how to contact us
- product disclosure and advice
- the financial services and products we offer
- our business relationships
- how we are paid and
- our procedures for dealing with disputes and how you can access those procedures

InvestSMART
A Fairfax Digital company

Who is InvestSMART™?

InvestSMART™ Financial Services Pty Ltd ('InvestSMART') was set up to provide Australian retail investors with low-cost access to quality financial information and products. We are now one of the largest online financial services companies in the country with more than 125,000 subscribers and covering more than 4,000 managed funds and investment products.

InvestSMART is a subsidiary of Fairfax Media Limited. Fairfax is Australasia's largest newspaper publishing group and its mastheads include The Sydney Morning Herald, The Age, The Australian Financial Review, BRW and The Sun-Herald. Fairfax also publishes regional and community newspapers and financial and consumer magazines and provides online, interactive and e-commerce services through Fairfax Digital, it's wholly-owned internet subsidiary.

Our Services

Authorised Services	***Authorised Products***
• General financial product advice • Deal in a financial product	• Deposit Products • Managed Investments • Superannuation and retirement savings account products • Life Insurance • Securities • Government debentures, stocks and bonds

Our staff, directors and associates are authorised to provide general financial advice only. We can not provide you with any personal advice. This means that we will not take into account your objectives, financial situation or needs. Accordingly, a Statement of Advice will not be provided.

Association with Product Issuers

There is no relationship or association between InvestSMART and product issuers for whom InvestSMART distributes products that might reasonably be expected to be capable of influencing InvestSMART's provision of financial services to you.

InvestSMART may receive a commission payment or fees from these product issuers as a result of you investing in one of their products or products they distribute, as outlined below.

In addition, InvestSMART may receive volume-based revenue share payments from product issuers calculated as a percentage of the funds invested with the product issuer through InvestSMART.

How do you do business with us?

You can give us instructions by telephone on 1300 880 160 or through our website www.investsmart.com.au.

Offers of financial products through InvestSMART will be made in, or accompanied by, a copy of the Product Disclosure Statement or prospectus in relation to that product. The purpose of a Product Disclosure Statement or prospectus is to provide detailed information about the nature of the particular financial product, its costs and the risks associated with purchase.

Anyone wishing to acquire financial products will need to read the entire Product Disclosure Statement or prospectus carefully and complete the application form in, or accompanying, the disclosure document. If you have any special instructions with respect to your investment you will need to provide those instructions to InvestSMART in writing via GPO Box 4477, Sydney NSW 2001.

How are we paid for the services we provide?

Commissions paid to us by product providers primarily remunerate InvestSMART. We also receive fees for advertising, marketing and distributing third party products and services. InvestSMART rebates 100% of initial commissions on managed funds paid to them by fund managers as additional units in the fund, or by cheque.

Initial commissions, including entry fees and sales commissions, are a one off payment and are calculated as a percentage of the funds you have invested.

Initial commissions are calculated as follows:

- Investment products – between 0% and 6% (GST inclusive) of your investment amount; or
- Insurance products – between 0% to 122.5% (GST inclusive) of the premium that you pay.

Ongoing commissions (sometimes referred to as trailing commissions) are paid for the length of time you hold the product. They are usually paid directly to InvestSMART by the product provider out of the revenue the product provider earns. In some cases, they may be deducted from your investment, the premium, or management fees you pay to the product provider.

Ongoing commissions and fees are calculated as follows:

- Investment products – between 0% and 1.1% (GST inclusive) of your investment amount; or
- Insurance products – between 0% to 35% (GST inclusive) of the renewal premium.

TrailCap™ provides investors with the means to freely monitor trailing commissions on their managed fund investments. Investors may also receive a cash payment from InvestSMART for a proportion of the trailing commissions we receive from participating fund managers on your investments.

How are we remunerated for referrals made to external specialists?

Should you choose to take up a product or service provided by an external specialist such as online broking services, InvestSMART may earn commission based on the ongoing brokerage or fee you pay. The percentage of commission that will be earned by InvestSMART will range from 0% to 50% of the amount you pay.

How are our representatives remunerated?

Our representatives are remunerated by salary from InvestSMART and do not directly receive any commissions or fees. They may be eligible for an annual bonus payment, which is discretionary and based on performance.

How do we protect your privacy?

We are committed to safeguarding the privacy of your personal information. We collect your personal information for the purposes of providing you with financial services and we will use the information to:

- provide you with the products or services you have requested
- personalise and customise your interaction with InvestSMART
- help InvestSMART manage and enhance its services
- communicate with you
- provide you with ongoing information about products and services available from InvestSMART.

You may view our complete Privacy Policy online at www.fairfax.com.au/privacy. If you would like a copy of our Privacy Policy, you may call us on 1800 047 745 or mail the Privacy Officer at GPO Box 506, Sydney NSW 2001.

What should you do if you have a complaint?

We have established procedures to ensure all enquiries and complaints are properly considered and dealt with. If you have an enquiry or complaint about the operation or management of our products or services, please phone 1300 880 160 and ask for our Dispute Resolution Officer.

InvestSMART is a member of two external complaints solution schemes, the Financial Industry Complaints Service (membership #F-531) and Insurance Brokers Disputes Limited (membership #6010536).

If you are not satisfied with our response, you may lodge a complaint with the Financial Industry Complaints Service (FICS) or with Insurance Brokers Disputes Limited (IBD) on 1300 780 808.

How do you contact us?

To find out more about any of our products or services, please visit our website www.investsmart.com.au, call our friendly client services team on 1300 880 160 or write to us at GPO Box 4477, Sydney NSW 2001.

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