

FINANCIAL SERVICES GUIDE

HUB24

27 May 2016

About this Financial Services Guide

This Financial Services Guide ('FSG') is an important document we are required to give to you as an Australian Financial Services ('AFS') licensee and contains information about HUB24 Custodial Services Limited (ABN 94 073 633 664, AFSL 239 122) ('HUB24', 'HUB24 Custodial' 'we', 'us' or 'our') and the financial products and services we offer.

This FSG is designed to help you decide whether to use the services and products we provide which are described below.

This FSG also provides information about:

- who we are and how we can be contacted
- what financial services and financial products we're authorised to provide you
- other documents you may receive relating to the financial products or services we offer
- who we act for when providing the financial services
- what remuneration or other benefits we, our staff or other relevant parties receive
- our associations or relationships and potential conflicts of interest
- our Privacy Policy and how you can access these policies and procedures
- our internal and external dispute resolution procedures
- our compensation arrangements.

About HUB24

HUB24 Limited (ABN 87 124 891 685) is a financial services company listed on the Australian Securities Exchange (ASX code: HUB). HUB24 Limited's wholly owned subsidiary HUB24 Custodian Services Limited is the operator, administrator and promoter of the award-winning HUB24 investment and superannuation platform.

HUB24 Custodial does not provide any personal financial advice, but through your chosen adviser gives you access to an array of managed and direct assets, insurers, term deposits and margin lenders. The platform is available to a broad range of investors, including individuals, companies, trusts, associations and self-managed super fund trustees. Through InvestorHUB, the online access to your account, we provide a link between you, your adviser,

and the providers of the products and services selected in your Investment or Super account. These external providers include fund managers who manage your investments, insurers, the brokers who execute listed security trades; and the custodians who hold assets on trust for you through the platform.

We will only accept investors to the platform through a financial adviser, except in the case of certain sophisticated wholesale clients (as defined by the *Corporations Act 2001* (Cth) and as accepted by us at our absolute discretion.

You will be required to have a financial adviser to perform the role of 'adviser' as described in the relevant disclosure documentation for the investment and superannuation product.

HUB24's InvestorHUB and AdviserHUB allows you and your adviser real time access to information and notifications about your investments. It allows you to instruct us (via your adviser) on the execution of any transactions. You can also access a comprehensive selection of reports including consolidated tax and performance reporting.

Your adviser will instruct us on your behalf with regards to all decisions relating to your investments. Through your adviser we will implement and manage your investments in accordance with those instructions.

You retain the discretionary authority to decide what assets will be acquired or disposed of in your account at all times. To make it easier for you, you may also provide standing instructions to us for certain transactions, through your adviser. We can rebalance your investments from time to time within an agreed set of parameters or instructions. We can also maintain an agreed minimum cash balance in your account to assist with fees, charges and regular withdrawals.

External parties

Trustee

The Trust Company (Superannuation) Limited (ABN 49 006 421 638, AFSL 235153, RSE Licence No. L0000635) ('Trustee') is the Trustee and issuer of the HUB24 Super Fund ('the Fund') administered on the platform.

Effective from 1 July 2016 the Trustee will be renamed to Diversa Trustees Limited. HUB24 has been appointed by the Trustee as Promoter of the Fund and provides a range of fund services. These include administration of investments, investment management, client services and custody. The Trustee remunerates HUB24 for providing these services and these costs are paid out of the fees paid by members in the Fund.

Sub - Custodians

We may outsource custodial functions for the platform to third party sub-custodians from time to time. These sub-custodians are currently:

- HSBC Bank Australia Limited (ABN 48 006 434 162, AFSL 232595) (HSBC) level 32 of 580 George Street, Sydney NSW 2000.
- Ausmaq Limited (ABN 53 062 527 575, AFSL 230684) of Level 4, 107 Pitt Street, Sydney NSW 2000.
- BNP Paribas Securities Services (ARBN 149440291) level 6, 60 Castlereagh Street, Sydney.

The sub-custodian holds the assets solely for HUB24 Custodial Services Ltd, as the Operator and primary custodian of the Service and is not obliged to recognise any right or interest of any other person in relation to the assets. This means that there is no direct relationship between you and the sub-custodian, and that the sub-custodian does not provide any services directly to you.

Legal title to the assets will generally be held on trust, except where the assets are located in a place outside of Australia and either the law in that place does not recognise trusts or it is not reasonable for the assets to be held on trust in accordance with the law in that place. In all cases, the Operator must ensure that it is satisfied that the assets are held in a manner that, having regard to the relevant laws, provides reasonably effective protection in case of insolvency of the person holding the property. The Operator holds its beneficial interest in these assets on trust for you.

We and the sub-custodians are obliged to use your assets only for the purposes permitted under the terms of the Service.

The sub-custodian will generally be entitled to be indemnified out of the assets of your account for expenses legitimately incurred by the sub-custodian in the exercise of its custodial functions. The sub-custodian may also hold a lien over assets in your account in respect of such expenses (but not unpaid sub-custodial fees). This may delay the return of your account's assets or, in limited circumstances, could mean that a portion of your accounts assets may be sold by the sub-custodian to enable it to recover expenses legitimately incurred by it.

The Operator also maintains a register of the underlying holdings for each investor in the Service. Your Australian, International and cash holdings are held on your behalf by us as your custodian, or by any sub-custodian we may appoint, while you retain beneficial ownership. The Service will reconcile its records with the sub-custodian's records on a daily basis.

We reserve the right to change the sub-custodians or custodial structure of the Service from time to time without notice, including by appointing or removing custodians or sub-custodians to hold your assets. In the event of any such change, you will remain the beneficial owner of the assets.

The sub-custodian may use an omnibus bank account which means that your monies can be co-mingled with other beneficial owners within the Service. HUB24 at all times maintains records showing your entitlement to your monies within this omnibus account.

Other service providers

We appoint various service providers including portfolio managers to construct and manage the managed portfolios available through the platform, broker(s) to carry out trades made in client accounts and various other service providers. Full details of all investment choices including applicable fees are available via InvestorHUB or from your adviser.

How to contact us

We may be contacted on:

Telephone	1300 854 994 (8.30am–5.30pm, Sydney time)
Mail	HUB24 Custodial Services Limited GPO Box 529 Sydney NSW 2001
Email	admin@hub24.com.au

Our financial services and products

HUB24 holds an AFS Licence that authorises us to provide the following financial services to wholesale and retail clients.

Financial service	Classes of financial products
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Provide general financial advice	<ul style="list-style-type: none">• interests in Managed Investment Schemes including investor directed portfolio services• Superannuation• Deposit and payment products• Derivatives• Government debentures, stocks or bonds• Life products• Securities• Margin lending facilities
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Deal in a financial product by issuing, applying for, acquiring, varying or disposing of a financial product	<ul style="list-style-type: none">• Interests in Managed Investment Schemes including investor directed portfolio services• Derivatives• Securities
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Deal in a financial product by applying for, acquiring, varying or disposing of a financial product on behalf of another person	<ul style="list-style-type: none">• Interests in Managed Investment Schemes including investor directed portfolio services• Superannuation• Deposit and payment products• Derivatives• Government debentures, stocks or bonds
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- Life products
 - Securities
 - Margin lending facilities
 - Miscellaneous financial investment products

Custody	<ul style="list-style-type: none">• Operate investor directed portfolio services• Operate other custodial or depository services
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General financial advice

HUB24 Custodial provides general financial advice only for the products and services offered. This advice is not personal advice as it doesn't take into account your individual circumstances and objectives.

The suitability of investments available via our investment and superannuation platform will depend on your individual circumstances, objectives and needs and must be discussed in detail with your adviser before investing with us.

Statement of advice

Your adviser must provide you with a Statement of Advice ('SOA') which (amongst other things), will generally include:

- the name and contact details of your adviser
- advice for the investment options available through our investment and superannuation platform (as relevant) and whether they're suitable for your relevant personal circumstances and objectives, as well as the basis of the advice
- information on the nature and scope of discretion you authorise your adviser to exercise on your behalf
- information on fees and/or commissions
- any other interests or associations that might reasonably be taken to have an influence on the advice provided by your adviser, and
- warnings that the products recommended may not be suitable for you if you have provided limited or inaccurate information regarding your relevant personal circumstances, or if these circumstances change.

Other documents you may receive

In addition to the SOA, your adviser will provide you with the Guide and/or a Product Disclosure Statement ('PDS') as well as any relevant disclosure documents.

It's important you read these documents as they contain information to help you make an informed decision about the Investment services and/or HUB24 Super, such as:

- terms and conditions
- any associated costs, fees and charges that we may receive, and
- any significant associated benefits and risks.

Please contact your adviser for more information.

Providing instructions to us

We can receive instructions by:

- email
- telephone
- mail
- online via InvestorHUB and/or AdviserHUB.

Your adviser must instruct us on your behalf in relation to your investment instructions which must be authorised and directed by you at the time.

The way in which we will accept instructions is subject to our Terms and Conditions.

Remuneration and other benefits we receive

We will receive remuneration for the provision of financial services to you. This includes remuneration from the fees you pay for investing in either the investment or superannuation platform or other remuneration that we may receive from third parties in connection with your investment.

The fees, charges and other benefits ('Fees') that we receive depend on the financial product you select and the underlying investments that you choose to get exposure to through the platform.

As Operator of the investment services, we are entitled to the fees charged in respect of that service. The Trustee is entitled to the fees charged in respect of the Fund. As a service provider to the Trustee, we receive a payment from the Trustee equal to the amount of the fees we collect, less an amount that is retained by the Trustee.

Detailed information on the Fees payable in respect of each product are set out in the relevant IDPS Guide or PDS.

Your adviser may also charge you initial and ongoing fees for providing financial product advice and other services to you. These fees are paid to your adviser directly from your investment and/or superannuation account and not to us. Such fees will be set out in a separate Financial Services Guide and/or SOA you receive from your adviser.

Please refer to your adviser for more detail.

Other remuneration

Alternative forms of remuneration

From time to time and subject to applicable law, there may be other direct or indirect benefits that we may receive from providers of some of the financial products available through the platform. We may also be entitled to remuneration from financial institutions (including banks, fund managers, investment managers and insurers) that provide certain services to investors in our IDPS and Super products.

You may request details of any alternative forms of remuneration we may receive. Any alternative forms of remuneration are recorded by us.

Product providers

If you invest in an underlying financial product or service, the product issuer or operator will receive remuneration in relation to your investment. The fees and costs applicable to the products and services will generally be set out in the relevant Product Disclosure Statement or other disclosure document for that product or service. We may receive

rebates or other benefits from those third parties. However, any such remuneration is payable at no additional cost to you and is paid by the third party product issuer or service provider.

Payments to advisers or third parties

In some cases, we and/or our related body corporates may pay commissions or provide other benefits to third parties who have referred you or your adviser to us. These payments will not be an additional cost to you but will be paid by us. Details of any remuneration or commission they receive must be provided to you by the referrer.

Staff remuneration and benefits

HUB24 Management Services Limited (ACN 135 332 320), a subsidiary of our parent entity HUB24 Limited (ABN 87 124 891 685), is the services company providing personnel and other resources in connection with HUB24. Other subsidiaries within the HUB24 Limited group of companies may also provide services in connection with HUB24.

Staff are remunerated based on salary (including bonuses) and may own equity and therefore participate in profits earned in relation to the HUB24 Limited group of companies. No fees or commissions are paid to staff of HUB24 Management Services Limited or other subsidiaries within the HUB24 Limited group of companies for any investments in the investment and superannuation platform.

Staff may receive other benefits including, for example, reduced administration fees in connection with using the IDPS or Super products. The benefits may also be influenced by meeting certain sales, compliance and other targets.

General information

Associations and relationships within the HUB24 Limited group

HUB24 is the parent company of HUB24 Custodial Services Limited, the operator, administrator and promoter of the award-

winning HUB24 investment and superannuation platform. Paragem Pty Limited provides licensing for financial planning practises.

Paragem offers financial product and services including the HUB24 investment and superannuation platform. Paragem advisers operate under a model where no financial product advice is provided in relation to the products administered on the HUB24 investments and superannuation platform.

No subsidiaries of HUB24 Limited have a direct interest in the Investment or Superannuation platform or any other relationship which may influence our provision of financial services to you.

HUB24 Custodial has no direct relationship with Paragem advisers, thus the relationship are on 'arms-length' terms and no way influence the provision of financial services by HUB24 Custodial to you.

Other than HUB24, no other subsidiary of HUB24 Limited is responsible for any statements or representations made in this FSG.

We may enter into arrangements with other financial services providers to offer our products or services badged under a name other than 'HUB24' with the same or similar terms.

Potential conflicts of interest

Potential conflicts may occasionally arise between the interests of investors, ourselves and our related parties and other parties (including service providers appointed by us). HUB24 Limited ('HUB24') including its subsidiaries; their associates, officers and employees are strongly committed to identifying and managing personal and corporate conflicts of interest that may arise in the course of providing a financial service. To ensure ongoing compliance with our statutory obligations HUB24 have a Conflicts of Interest (Management) Policy, Managing Conflicts of Interest Process and management oversight that also includes ongoing monitoring and mandatory staff training.

Privacy Policy

Your personal information is important to us.

We collect your personal information for the primary purpose of establishing and administering your investments with us, communicating with you and giving you access to customer areas of our websites. We also collect some personal information to meet our obligations, under the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (AML/CTF Act) and the Corporations Act.

We may use and disclose your personal information to administer your investment, conduct product and other research, and discuss issues with you. We collect this information through our interactions with you, as well as in some instances from your financial adviser or other authorised representative, your organisation, public sources and information brokers such as electronic identity services. We also may verify information collected.

We cannot process your application without your personal information. It is important that you advise us as soon as possible of any changes. If you give us personal information about any other individuals (e.g. directors or trust beneficiaries) you must ensure that they are aware of this privacy section.

Our Privacy Policy contains information on how your personal information is collected and handled, the people with whom we may exchange your information and where they are located, and your right to request access, correct the information we hold and how to make a complaint about a breach of the Australian Privacy Principles. Our Privacy Policy is available upon request or from our website at www.hub24.com.au/privacy.

We may disclose your information to our related bodies corporate and to our service providers who assist us with, among other things, but not limited to, custody, data storage and archiving, auditing, accounting, customer contact, legal, business consulting,

banking, information technology services, data analysis, information broking, or research.

Your personal information may be disclosed to Australian and overseas regulatory authorities on reasonable request by those authorities. We may also disclose your information to external parties on your behalf, unless you have instructed otherwise. Your information may be shared with

overseas parties through our electronic identity service.

We take reasonable steps to ensure that any recipients of your personal information do not breach the privacy obligations relating to your personal information.

We may use your information to tell you by telephone, electronic messages (like email), online and other means, about other services or products offered by us or them.

We may do this on an ongoing basis, but you may opt out at any time.

If you wish to opt out, update or request access to your information, obtain a copy of our Privacy Policy or raise any queries or concerns regarding privacy, you may contact our Privacy Officer by contacting our Client Services Centre on 1300 854 994 or by email privacy@hub24.com.au.

How to make a complaint

How we deal with complaints

We take complaints seriously, as they give us information about how we can improve our services to you. We have an internal Complaints Handling Policy that you can access free of charge.

Internal Dispute Resolution (IDR) process

We will try to resolve your complaint as quickly as possible. Each complaint or dispute is recorded in our Complaints Register and assigned to an appropriate person to resolve.

We aim to resolve most complaints within 21 business days, although the Financial Ombudsman Service permits 45 days. Where it is considered a complex complaint and may take longer than 45 days to address, we will keep you updated regularly on your complaint's progress.

Should you wish to raise a complaint please contact our Complaints Officer at:

Email complaints@hub24.com.au

Mail HUB24 Custodial Services Limited
GPO Box 529
Sydney NSW 2001

Trustee's complaints process The Trustee has a complaints handling process. If you have a complaint you should firstly contact HUB24 (refer to IDR process). For more complex issues, the Trustee will keep you updated regularly as to the progress of your complaint however reasonable efforts will be made to resolve your complaint within the required 90 day timeframe.

External Dispute Resolution (EDR) processes

IDPS

If you don't receive a satisfactory outcome from our IDR process, you can contact the Financial Ombudsman Service (FOS). This is an independent service that provides assistance in resolving disputes between consumers and financial services providers that are FOS members.

Financial Ombudsman Service Limited

Mail GPO Box 3, Melbourne VIC 3001
Phone 1300 780 808
Fax 03 9613 6399
Email info@fos.org.au
Website fos.org.au

You can also contact ASIC on 1300 300 630 to make a complaint and to obtain further information about your rights.

Super

For superannuation members, if you are not satisfied with the handling of your complaint, or the complaint is not dealt with within 90 days, you can contact the Superannuation Complaints Tribunal (SCT).

Contact details for SCT are:

Mail Superannuation Complaints Tribunal
Locked Bag 3060
Melbourne VIC 3001

Email info@sct.gov.au

Website sct.gov.au

If your complaint relates to services provided to you by your adviser, refer to the adviser's Financial Services Guide for information about the relevant complaints handling process.

Our compensation arrangements

A professional indemnity insurance policy, which satisfies the requirements for compensation arrangements under Section 912B of the *Corporations Act 2001* (Cth), is in place to cover the professional services provided by the current and former employees and representatives of HUB24.

HUB24

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