

FINANCIAL SERVICES GUIDE

FOR MANAGED DISCRETIONARY ACCOUNT SERVICE

This Financial Services Guide describes our services to assist you in deciding whether to use them. It explains how we are remunerated, our professional indemnity insurance and how we handle any complaints you may have.

OUR AUTHORISATIONS

We Authorised Representatives of Australian Financial Services (AFS) licensee New World Advisers Group.

We are authorised to provide general and personal advice on and deal in the following financial products:

- Deposit and payment products
- Life risk and investment products
- Managed discretionary account services
- Investor directed portfolio services
- Securities
- Managed investment schemes
- Superannuation, including SMSFs
- Government debentures, stocks and bonds
- Retirement savings accounts
- Margin lending

HOW YOU WILL DEAL WITH US

We offer a managed discretionary account (MDA) service. If you choose to use this service, we will manage your investment portfolio on a discretionary basis following an Investment Program recommended by your adviser. This means that we do not need to contact you before making a change to your investments that is within the scope of the agreed Investment Program.

Your financial adviser will recommend our MDA service in a Statement of Advice if they consider it is suitable for you. You will need to enter into an MDA Contract with us before we can provide the service.

Your adviser will also recommend a suitable Investment Program for you. The Investment Program will explain:

- The investment strategy we will implement on your behalf;
- The nature and scope of the discretions you will authorise and require us to exercise when managing your investments;
- Any significant risks associated with the MDA Contract;
- The basis on which your financial adviser believes the MDA Contract is suitable for you; and
- That the MDA Contract may not be suitable for you if you have provided your adviser with limited or inaccurate information about your relevant personal circumstances or if those circumstances change.

Your financial adviser will review the suitability of the Investment Program and the MDA Contract for you at least every 13 months. You can request changes to your Investment Program at any time through your financial adviser, whose contact details can be found in their Statement of Advice.

We will exercise any rights (such as voting rights) relating to the investments in your Investment Program on your behalf.

We act for you when providing this service. You can deal with us in person, by phone or email.

SIGNIFICANT RISKS OF AN MDA SERVICE

The main risk of using our MDA service is that you will not know about the changes we make to your investments before they are made. However, we will only make adjustments which are consistent with our understanding of your relevant personal circumstances and the agreed investment strategy.

You should also be aware that all investments carry risk. Different strategies may carry different levels of risk, depending on the investments that make up the strategy. Investments with the highest long-term returns may also carry the highest level of short-term risk. The level of risk for each person will vary depending on a range of factors, including age, investment time frames, where other parts of their wealth are invested; and their risk tolerance.

The value of investments and the level of returns will vary. Future returns may differ from past returns. Returns are not guaranteed, and investors may lose some of their money.

The laws affecting MDA services may change in the future.

CUSTODY OF YOUR INVESTMENTS

We provide our MDA service through the Netwealth Super Accelerator & Wealth Accelerator products operated by Netwealth Investments Limited ABN 85 090 569 109 AFSL 230975. This means that we only invest in financial products that are available through Netwealth Investments Limited.

Netwealth Investments Limited will arrange to hold your investments on trust for you and will administer and periodically report to you on changes to and the value of your investments.

To better protect your investments, we have appointed a professional custodian, Netwealth Investments Limited ABN 85 090 569 109 AFSL 230975, to hold them on trust for you.

ADMINISTRATION OF YOUR INVESTMENTS

We have appointed a professional administrator, Netwealth Investments Limited ABN 85 090 569 109 AFSL 230975, to administer and periodically report to you on changes to and the value of your investments.

New World Advisers Group has policies and procedures in place when appointing service providers. We regularly review service providers such as custodians. Also, we have full online access to all accounts and can directly check and verify individual accounts if necessary. Netwealth has been operating for over a decade and listed on the Australian Stock Exchange where it is subject to regulatory and market oversight.

We believe that our MDA service has the following features that will be important to you when planning to use the service:

- The MDA service allows us to buy or sell investments within your portfolio quickly and efficiently without having to produce an advice document, get the document to you for signing and returned before we can implement any necessary change.
- We view the MDA service as important for those that travel regularly, are situated outside the local area of our office or have busy lives and are time poor.
- We believe the MDA service allows us to treat every client equally. For instance, in the event we need to make changes we can do everyone's account at once and not prioritise or favour one client over another.
- It is suitable for clients who do not want to be involved in day to day decision making on their portfolio(s).

MDA FEES AND COSTS

Consumer Advisory Warning

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether the features of an MDA service justify the fees and costs.

You may be able to negotiate to pay lower fees. Ask your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website (www.moneysmart.gov.au) has a [superannuation or managed investment fee] calculator to help you check out different fee options.

This document shows the fees and other costs you may be charged for using our MDA service. These may be deducted from your MDA account or from the returns on your investments, so it is important to understand their impact on your investments.

Our investment decisions may also have capital gains and income tax consequences for you, depending on your personal circumstances. Your tax adviser will be able to advise you about this.

You should read all the information about fees and costs because it is important to understand their impact on your investment.

New World Advisers Group		
Type of Fee or Cost	Amount	How and When Paid
Fees when your money moves in and out of the MDA account		
Establishment fee³ The fee to open your investment	Nil	Not Applicable
Contribution fee³ The fee on each amount contributed to your investment	Nil	Not Applicable
Withdrawal fee³ The fee on each amount you take out of your investment	Nil	Not Applicable

Exit fee³ The fee to close your investment	Nil	Not Applicable																																
Management costs^{2, 3} The fees and costs for managing your investments	<table border="1"> <thead> <tr> <th colspan="2" data-bbox="485 371 1120 405">Portfolio</th> </tr> <tr> <th data-bbox="485 405 954 439">Retail Superannuation</th> <th data-bbox="954 405 1120 439">Total % p.a.</th> </tr> </thead> <tbody> <tr> <td data-bbox="485 439 954 472">Australian Shares Direct Equity Portfolio</td> <td data-bbox="954 439 1120 472">0.25% - 0.66%</td> </tr> <tr> <td data-bbox="485 472 954 506">Defensive Direct Equity Portfolio</td> <td data-bbox="954 472 1120 506">0.54% - 0.95%</td> </tr> <tr> <td data-bbox="485 506 954 539">Conservative Direct Equity Portfolio</td> <td data-bbox="954 506 1120 539">0.52% - 0.93%</td> </tr> <tr> <td data-bbox="485 539 954 573">Balanced Direct Equity Portfolio</td> <td data-bbox="954 539 1120 573">0.50% - 0.91%</td> </tr> <tr> <td data-bbox="485 573 954 607">Growth Direct Equity Portfolio</td> <td data-bbox="954 573 1120 607">0.46% - 0.87%</td> </tr> <tr> <td data-bbox="485 607 954 640">High Growth Direct Equity Portfolio</td> <td data-bbox="954 607 1120 640">0.42% - 0.83%</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="2" data-bbox="485 741 1120 775">Portfolio</th> </tr> <tr> <th data-bbox="485 775 954 864">Ordinary Investments (including SMSF, Trusts, Companies, Jointly and Individually owned portfolios)</th> <th data-bbox="954 775 1120 864">Total % p.a.</th> </tr> </thead> <tbody> <tr> <td data-bbox="485 864 954 898">Australian Shares Direct Equity Portfolio</td> <td data-bbox="954 864 1120 898">0.20% - 0.56%</td> </tr> <tr> <td data-bbox="485 898 954 931">Defensive Direct Equity Portfolio</td> <td data-bbox="954 898 1120 931">0.49% - 0.85%</td> </tr> <tr> <td data-bbox="485 931 954 965">Conservative Direct Equity Portfolio</td> <td data-bbox="954 931 1120 965">0.47% - 0.83%</td> </tr> <tr> <td data-bbox="485 965 954 999">Balanced Direct Equity Portfolio</td> <td data-bbox="954 965 1120 999">0.45% - 0.81%</td> </tr> <tr> <td data-bbox="485 999 954 1032">Growth Direct Equity Portfolio</td> <td data-bbox="954 999 1120 1032">0.41% - 0.77%</td> </tr> <tr> <td data-bbox="485 1032 954 1066">High Growth Direct Equity Portfolio</td> <td data-bbox="954 1032 1120 1066">0.37% - 0.73%</td> </tr> </tbody> </table>	Portfolio		Retail Superannuation	Total % p.a.	Australian Shares Direct Equity Portfolio	0.25% - 0.66%	Defensive Direct Equity Portfolio	0.54% - 0.95%	Conservative Direct Equity Portfolio	0.52% - 0.93%	Balanced Direct Equity Portfolio	0.50% - 0.91%	Growth Direct Equity Portfolio	0.46% - 0.87%	High Growth Direct Equity Portfolio	0.42% - 0.83%	Portfolio		Ordinary Investments (including SMSF, Trusts, Companies, Jointly and Individually owned portfolios)	Total % p.a.	Australian Shares Direct Equity Portfolio	0.20% - 0.56%	Defensive Direct Equity Portfolio	0.49% - 0.85%	Conservative Direct Equity Portfolio	0.47% - 0.83%	Balanced Direct Equity Portfolio	0.45% - 0.81%	Growth Direct Equity Portfolio	0.41% - 0.77%	High Growth Direct Equity Portfolio	0.37% - 0.73%	The fees are either deducted from your investments or your MDA account every month. See below for more information.
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Service fees Not applicable																																		
Switching fee The fee for changing your investment options	There are no switching fees applicable	Not Applicable																																

² Management costs do not include transactional and operational costs. Please refer to “Transactional and Operational Costs” in the “Additional Explanation of Fees and Costs” for more information.

³All fees and expenses include GST less available reduced input tax credits.

Additional explanation of fees and costs

No other costs are applicable

Management Costs

Management costs include MDA Service Fee and Indirect Costs as shown in the table below:

If retail superannuation money

Portfolio	MDA Service Fees % p.a.	Platform Cost % p.a. ²	Indirect Costs ¹ % p.a.	Total % p.a.
Australian Shares Direct Equity Portfolio	0.00%	Up to 0.66%	0.00%	Up to 0.66%
Defensive Direct Equity Portfolio			0.29%	Up to 0.95%
Conservative Direct Equity Portfolio			0.27%	Up to 0.93%
Balanced Direct Equity Portfolio			0.25%	Up to 0.91%
Growth Direct Equity Portfolio			0.21%	Up to 0.87%
High Growth Direct Equity Portfolio			0.17%	Up to 0.83%

¹ These are estimates and are based on the last financial year or where relevant our reasonable estimate of the particular fee or cost. Actual fees and costs may differ and are subject to change from time to time. See below for more information about how these fees are calculated.

² Platform Costs – are capped at \$4,025.00 per annum.

If ordinary investment money

Portfolio	MDA Service Fees % p.a.	Platform Cost % p.a. ²	Indirect Costs ¹ % p.a.	Total % p.a.
Australian Shares Direct Equity Portfolio	0.00%	Up to 0.56%	0.00%	Up to 0.56%
Defensive Direct Equity Portfolio			0.29%	Up to 0.85%
Conservative Direct Equity Portfolio			0.27%	Up to 0.83%
Balanced Direct Equity Portfolio			0.25%	Up to 0.81%
Growth Direct Equity Portfolio			0.21%	Up to 0.77%
High Growth Direct Equity Portfolio			0.17%	Up to 0.73%

¹ These are estimates and are based on the last financial year or where relevant our reasonable estimate of the particular fee or cost. Actual fees and costs may differ and are subject to change from time to time. See below for more information about how these fees are calculated.

² Platform Costs – are capped at \$3,375.00 per annum.

MDA Service fee – New World Advisers Group does not charge a fee for designing and managing your investment portfolio. The fee is 0.00%.

Platform cost – This is the cost of the technology platform we use to administer and report on your investments.

If your account is retail superannuation the platform charges between 0.25% and 0.59% of the value of the investments in your MDA Account. This is a tiered structure which means the fees reduce as your account balance increases. They do not charge on any balance over \$1,000,000. Also, they charge an annual Account Keeping Fee of \$175.00 in addition to the administration fees.

If you had \$500,000 in your MDA Account, you pay administration costs of \$2,775.00

For all other account types (including personal, joint, self-managed super funds, trusts and companies) the platform charges between 0.20% and 0.49% of the value of the investments in your MDA Account. This is a tiered structure which means the fees reduce as your account balance increases. They do not charge on any balance over \$1,000,000. Also, they charge an annual Account Keeping Fee of \$175.00 in addition to the administration fees.

If you had \$500,000 in your MDA Account, you pay administration costs of \$2,375.00

Indirect Costs - If a model portfolio invests in exchange-traded funds, listed investment companies or managed investment schemes (managed funds), the investment managers of these products will charge a fee (which may include a performance fees) for their services based on the value of your investment (as will the managers of any exchange-traded funds, listed investment companies or managed investment schemes in which they invest and so on.) These indirect costs vary depending on the Portfolio(s) in which your MDA account invests. They are paid from the assets of the Portfolio and are reflected in the value of the asset.

Adviser Remuneration

The Investment Management Fee does not include the fees charged by your financial adviser for their services. Your financial adviser will tell you about their fees in their Financial Services Guide and Statement of Advice.

Transactional and operational costs

The following transactional and operational costs will be incurred in addition to the costs shown in the above table.

Transactional and operational costs are the costs associated with the buying and selling of investments, such as brokerage fees, a buy-sell spread, government charges, settlement costs and clearing costs. These are not included in, or covered by, the management costs described above, they are an additional cost to you. See below for more information about brokerage fees and buy-sell spread.

Based on the last financial year's transactional and operational costs, we estimate these costs will be:

Portfolio	% p.a.
Australian Shares Direct Portfolio	0.10%
Defensive Direct Equity Portfolio	0.10%
Conservative Direct Equity Portfolio	0.10%
Balanced Direct Equity Portfolio	0.10%
Growth Direct Equity Portfolio	0.10%
High Growth Direct Equity Portfolio	0.10%

This assumes a portfolio turnover of approximately 30% (two way) per annum with brokerage at 0.15% plus GST.

Brokerage fees – When we buy or sell shares or other investments that are listed on a stock exchange on your behalf, the stockbroker who arranges the transaction will charge brokerage as follows:

Netwealth Investments Limited

A fee for brokerage services equal to 0.125% of trade value (with a minimum brokerage of \$18.50 per trade) is charged to your account when you purchase or sell ASX listed securities through our nominated broker. This fee is deducted at the time of settlement of the share trade and is paid to Netwealth.

For example, if we buy \$25,000 of listed investments for you through Netwealth, \$31.25 (above the minimum fee) will be added to the cost of the transaction at the time it occurs.

Citi Global Markets

A fee for brokerage services equal to 0.15% of trade value (with a minimum brokerage of \$0.00 per trade) is charged to your account when you purchase or sell ASX listed securities through our nominated broker. This fee is deducted at the time of settlement of the share trade and is paid to Citi Global Markets.

For example, if we buy \$25,000 of listed investments for you through Citi Global Markets, \$37.50 (the minimum fee) will be added to the cost of the transaction at the time it occurs.

Buy-Sell Spread - When a model portfolio invests in managed investment schemes, there will be a difference between the price paid to acquire the investment and the price for which it could be sold at that time. This is called the buy-sell spread.

For Exchange Traded Funds listed on the stock exchange, the estimated buy-sell spread is between 0.00% and 2.00%. It varies due to market volatility and liquidity at the time the trades are placed. On average we estimate the buy-sell spread to be 1.00%. This means that if \$25,000 is invested in an exchange-traded fund, the price paid will be \$250.00 more than the investment could be sold for at that time. The market maker or investment manager retain the buy-sell spread, we do not receive any part of it.

For Managed Funds not listed on the stock exchange, the estimated buy-sell spread is between 0.00% and 0.30%. It varies due to market volatility and liquidity at the time the trades are placed. On average we estimate the buy-sell spread to be 0.15%. This means that if \$25,000 is invested in an exchange-traded fund, the price paid will be \$37.50 more than the investment could be sold for at that time. The investment manager retains the buy-sell spread, we do not receive any part of it.

Fee Changes

We may change our fees at our discretion on 30 days' notice.

Example of annual fees and costs

This table gives an example of how the fees and costs of the Balanced Direct Equity Portfolio in our MDA service can affect your investment over 1 year. You should use this table to compare this service with other MDA services.

Example – Retail Superannuation invested in the Balanced Direct Equity Portfolio		Balance of \$250,000 with a contribution of \$5,000 during the year
Plus Management costs	0.66% pa or \$1,650.00 deducted from your account directly each year or \$137.50 per month. Plus 0.25% pa or \$625.00 deducted annually indirectly	And, for every \$250,000 you have in the Balanced Direct Equity Portfolio, you will be charged \$2,275.00 each year or 0.91% of your account balance.
Equals Cost of Balanced Direct Equity Portfolio		If you invested \$250,000 at the beginning of the year and put in an additional \$5,000 during that year, you would be charged fees of between: \$2,275.00 - \$2,310.00² What it costs you will depend on the investment option you choose and the fees you negotiate.

² Also, transactional and operational costs will be incurred. For every \$250,000 you have invested, we estimate these at \$375.00.

IMPORTANT ASSOCIATIONS

Dealing Services Benefit

As part of our non-exclusive arrangement to trade securities via Citigroup Australia, they provide us with access to Bloomberg Trading & Market Data Terminal to place our trades directly into their order pads as well as access to live market information, market data intelligence and other research and analytical tools. The value of this benefit is approximately US\$24,000 per annum. There are no fixed obligations for Libero Capital to place security trades through Citigroup as part of this agreement.

OUR PROFESSIONAL INDEMNITY INSURANCE

Our AFS licensee has professional indemnity insurance in place which covers us for any errors or mistakes relating to our MDA service. This insurance meets the requirements of the Corporations Act and covers the services provided by our employees including after they cease working with us provided we notify the insurer of the claim when it arises and this is done within the relevant policy period.

WHAT TO DO IF YOU HAVE A COMPLAINT?

If you wish to complain about our services, you can contact our Complaints Officer on 02 6674 5007. We will acknowledge receipt of your complaint immediately, and attempt to resolve it within 21 days.

We are a member of the Australian Financial Complaints Authority (AFCA), an external dispute resolution scheme. If you are not satisfied with how we handle your complaint, you are entitled to take your complaint to them. Their contact details:

Website: www.afca.org.au

Email: info@afca.org.au

Telephone: 1800 931 678 (free call)

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

You can access this scheme free. Any decision they make is binding on us, but not on you.

HOW CAN YOU CONTACT US?

We can be contacted at:

<p>Your financial planner Paul Cox AR No: 236918 Level 3, 7 Macquarie Place, Sydney 2000 Ph: 02 9119 3696 Email: paul@liberocapital.com.au www. https://liberocapital.com.au</p>	<p>Your financial planner Glen Holder AR No: 464236 Level 3, 7 Macquarie Place, Sydney 2000 Ph: 02 9119 3696 Email: glen@liberocapital.com.au www. https://liberocapital.com.au</p>	<p>Our AFS licensee New World Advisers Group ABN: 81 160 243 649 AFS Licence No: 428451 PO Box 1292, Kingscliff NSW 2487 Ph: 02 6674 5007 Email: admin@newworld_ag.com.au</p>
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HOW WE PROTECT YOUR PRIVACY?

We are committed to protecting your privacy. As the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 requires us to verify your identity before we provide MDA services to you, we will need you to provide documentary proof of your identity.

We will use this and all other personal information you provide to us to provide our MDA service. We provide your information to the financial product providers with whom we deal (and their representatives). We do not trade, rent or sell your information. We may disclose your information to overseas recipients when we invest in international investments. We will ensure the recipient is either regulated by laws which protect your information in a way that is similar to the Privacy Act 1988 (Cth) or require them to agree to do so.

If you don't provide us with full information, we can't properly provide our MDA service. For information about how to access the information we hold about you, how to have it corrected and how to complain if you think we have breached the privacy laws, you can obtain a copy of our New World Advisers Group Privacy Policy by visiting our website at <https://liberocapital.com.au/privacy-policy/>.

This FSG was prepared on 13th August 2019 V3.2