

This guide has been authorised by Thornton Group (Australia) Pty Ltd trading as Thornton Group

Before seeking our advice, you probably have a number of questions you would like to ask about Thornton Group (Australia) Pty Ltd (*Thornton Group*). You have the right to ask us about our charges, the type of advice we will give you and what you can do if you have a complaint about our services. Key information is set out in answer to the questions below. If you need more information or clarification, please ask us. This Financial Services Guide is issued with the authority of Thornton Group.

You should also be aware that you are entitled to receive a Statement of Advice (*SOA*) whenever we provide you with any advice which takes into account your objectives, financial situation and needs. The SOA will contain the advice, the basis on which it is given and information about fees, commissions and associations which may have influenced the provision of the advice.

On an ongoing basis, a Record of Advice (*ROA*) will be provided instead of an SOA if there have been no significant changes in your personal circumstances or the basis of the advice has not significantly changed since the last SOA was provided. You have a right to request for a copy of these documents.

In the event we make a recommendation to acquire a particular financial product (other than securities) or offer to issue or arrange the issue of a financial product, we must also provide you with a Product Disclosure Statement containing information about the particular product which will enable you to make an informed decision in relation to the acquisition of that product.

Before you get our advice

Who is my adviser?

Your adviser is Grant Smith

Grant has been in the financial planning industry since 1994 and has many years of experience working with clients who have required solutions in areas such as superannuation, investments, Centrelink and insurance. He has a Diploma in Financial Planning and is also a Certified Financial Planner with the Financial Planning Association.

Grant can be contacted at Thornton Group (Australia) Pty Ltd on 08 8271 5144.

Who will be responsible for the advice given to me?

Grant is an Authorised Representative (No 1002979) of Thornton Group (Australia) Pty Ltd. Thornton Group (Australia) Pty Ltd holds an Australian Financial Services Licence (No 223 670) and is responsible for the advice provided by its representatives. Thornton Group (Australia) Pty Ltd operates under the trading name Thornton Group.

Do any relationships exist which might influence the service or advice I receive?

DKN Stakeholders Pty Ltd has an interest in Thornton Group. DKN is 100% owned by IOOF Holdings Ltd. IOOF provides a co-operative approach to non-aligned financial planners by using its buying power to negotiate favourable access to a range of products and services, for the benefit of our clients. This range includes a suite of investment platforms including BT, AustChoice and Colonial First State First Choice.

Evolution Super is a subsidiary company of Thornton Group, and Evolution Super pays Thornton Group a monthly service fee. Referral arrangements exist between these two entities. Thornton Insurance Services Pty Ltd is a subsidiary company of Thornton Group and referral arrangements exist between these two entities.

Thornton Finance Services Pty Ltd is a corporate credit representative of BLSSA Pty Ltd, Australian Credit Licence Number 391237 (Licensee). Thornton Finance Services Pty Ltd is a subsidiary company of Thornton Group and referral arrangements exist between these two entities.

Thornton Group maintains a Conflict of Interest register which is available on request.

Your adviser may hold an interest in a financial product. Any significant interest/ownership will be recorded in a register of financial product holding and where appropriate, this holding will be disclosed to you in the SOA or ROA.

Thornton Group (Australia) Pty Ltd has a number of joint venture arrangements with other professionals which may receive benefits as a result of referrals. Relevant disclosure details will be provided in our advice documents provided to you.

What advisory services are available to me under the authority of Thornton Group?

- Listed Securities advice;
- Superannuation and Rollover advice and strategies;
- Managed Funds;
- Deposit and payment products;
- Debentures, stocks or bonds issued or proposed to be issued by a government;
- Gearing Strategies;
- Standard Margin Lending;
- Life products, including investment life insurance and life risk insurance;
- Managed investment schemes including investor directed portfolio services;
- Managed investment schemes limited to MDA services;
- Social Security advice;
- Estate Planning advice;
- Derivatives limited to old law securities options contracts and warrants;
- Retirement Savings Accounts ("RSA") products (within the meaning of the Retirement Savings Account Act 1997)

Grant is licenced to offer you all of the above advisory services as an Authorised Representative of Thornton Group (Australia) Pty Ltd with the exception of Managed investment schemes limited to MDA services and Derivatives limited to old law securities options contracts and warrants.

We will only recommend an investment to you after considering its suitability for your individual investment needs, objectives and financial circumstances.

The products we recommend are all selected from an approved list of products carefully researched by independent research experts.

How will I pay for the service?

We choose to be flexible in earning our fees and offer you the flexibility to select the fee payment method most suitable to you.

For investment portfolio and strategy advice, Thornton Group offers fee for service for new clients. Existing service clients may have been offered a range of payment options and arrangements will be reviewed each year in the Annual Review conducted.

Please refer to the Fee Schedules in this Financial Services Guide for more information regarding fees. Your adviser will explain these options to you and help you select the option that is most suitable for your personal situation.

When you get our advice

What do we expect from you?

We expect that you will provide us with accurate information that we request so that we can provide advice that is in your best interests.

Do I get detailed information about actual commissions and other benefits my adviser gets from making the recommendations?

Yes. You have the right to know about details of commissions and other benefits your adviser receives for recommending investments. We will provide this information to you when we make specific recommendations.

Will my adviser give me advice that is suitable to my investment needs and financial circumstances?

Yes. However, to do so we need to find out your individual investment objectives, financial situation and needs before we recommend any investment to you.

You have the right not to divulge this information to us. In that case, we are required to warn you about the possible consequences of us not having your full personal information. You should read the warnings carefully.

What should I know about any risks associated with the investments or investment strategies that my adviser recommends to me?

We will explain to you any significant risks of investments and strategies that we recommend to you. If we do not do so, you should ask us for further clarification.

What information do you maintain in my file and can I examine my file?

We maintain a record of your personal profile that includes details of your investment objectives, financial situation and needs. We also maintain records of any recommendations made to you. If you wish to examine your file, you should ask us and we will make arrangements for you to do so.

We are committed to implementing and promoting a privacy policy, which will ensure the privacy and security of your personal information.

Can I tell you how I wish to instruct you to buy or sell my investment?

Yes. You may specify how you would like to give us instructions. For example, by telephone, fax or other means. But in all cases we must receive a written confirmation of these instructions.

What compensation arrangements are in place and are these arrangements complying?

Thornton Group 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 (as amended). In particular our Professional Indemnity insurance, subject to its terms and conditions, provides indemnity up to the Sum insured for Thornton Group and our authorised representatives / representatives / 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 representatives / representatives / employees who have ceased work with Thornton Group for work done whilst engaged with us.

Privacy Policy

Thornton Group has a privacy policy. This policy is available upon request or may be viewed in full on our website at www.thorntongroup.com.au.

Anti Money Laundering

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

If you have any complaints

Who can I speak to if I have a complaint about the advisory service?

We are committed to providing quality advice to our clients. This commitment extends to providing accessible complaint resolution mechanisms for our clients. If you have any complaint about the service provided to you, you should take the following steps:

1. Contact your adviser and tell your adviser about your complaint.
2. If your complaint is not satisfactorily resolved within 7 days please contact our General Manager on (08)82715144, or put your complaint in writing and send it to:
Thornton Group
Att: General Manager
182 Fullarton Road
DULWICH SA 5065
Email: dlolicato@thorntongroup.com.au

We will try and resolve your complaint quickly and fairly.

3. If we cannot reach a satisfactory resolution, you can lodge a complaint with the Australian Financial Complaints Authority, or AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers. They can be contacted either on 1800 931 678 (free call) – select option 1 or in writing to GPO Box 3, Melbourne VIC 3001, or you can email them at info@afca.org.au.

Thornton Group is a member of this complaint's resolution service.

4. The Australian Securities & Investments Commission (ASIC) also has a free call Infoline on 1300 300 630 which you may use to make a complaint or obtain information about your rights. Alternatively, you can email your complaint to infoline@asic.gov.au.

General Fee Schedule

(all fees inclusive of GST)

Following is a comprehensive list of all of the possible fees that Thornton Group charges for the provision of advice. Additional fees may also be charged depending on the product or products that you may invest in. These fees will be fully disclosed to you in the written Statement of Advice that will be provided to you at the time that specific product recommendations are made. Your Authorised Representative, Grant Smith, is paid a salary.

Initial Consultation – New Client

Free of charge

Statement of Advice (SOA) Preparation Fee

This covers the preparation of a written Statement of Advice. The fee is determined and agreed on prior to the commencement of the preparation of the SOA and is based on complexity.

Minimum Base Plan Fee: \$550

In addition to the plan fee, an implementation fee may be charged to cover administration costs incurred in finalising the recommendations agreed upon.

Investment Advice

Placement Fee

Thornton Group charges the following on placing investments:

Initial Investment:

Minimum \$1,100

Additional New Money: up to 2.2% as agreed with you

Thornton Group (Australia) Pty Ltd

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Ongoing Advice Fee

Minimum base fee \$1,100.

If we have an ongoing fee arrangement with you which exceeds 12 months, then you will receive from us a Fee Disclosure Statement annually setting out the fees you have paid to us, the services that we contracted to provide and what we did provide to you over that period.

A service agreement will be supplied clearly defining the services provided and the fees involved at time of engagement. The ongoing service fee is calculated on the funds under advice at the time of appointment and updated at each Annual Review.

This fee will be fully disclosed to you in any written Statement of Advice provided.

Other Fees

Direct Shares & Warrants

Up to 1.10% per trade with a minimum of \$88.

Risk Insurance

We are remunerated by way of brokerage from the relevant insurer. The brokerage paid to us is utilized to cover our ongoing administration, research costs, strategy and implementation costs in relation to the insurances we recommend. The brokerage is paid by the product provider and is not an additional charge to you.

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

Initial commission payable under an upfront structure will be capped at 88 per cent, then reduce 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.

Increases to existing issued before 1 January 2018

There may be an initial commission payable of up to 130 per cent of the first year's annual premium and then ongoing commission of up to 37 per cent of the annual premium paid.

Centrelink Service

Joining Fee \$660

Renewal Fee p.a. \$440

Hourly rates

Where appropriate, Thornton Group may elect (with your permission) to charge an hourly rate for its services.

Certified Financial Planner	\$264	Paraplanner	\$150
Authorised Representative	\$220	Adviser Assistant	\$90

Other Benefits

As a result of placing an investment in an AustChoice or Portfolio Administrator product, Thornton Group is entitled to participate in the IOOF Partner Program. By recommending that you invest in the Symetry Portfolio Services, Colonial First State FirstChoice or IOOF Pursuit Focus platforms, Thornton Group may be entitled to a rebate under a rebate plan. The payment's Thornton Group may receive are determined by their clients' total funds under administration in the above mentioned products. A description of the rules of the programs is available upon request.

Participation in these programs does not represent an additional cost to you and is only applicable to existing Thornton Group clients up to and including 30th June 2014. Any monies received from these programs will be absorbed into our business to assist in reducing the administration costs and ongoing provision of our services to you.

Further details will be contained within your Statement of Advice, should Thornton Group qualify for any specific rebate.

Soft Dollar Benefits

Thornton Group maintains a Soft Dollar Benefits register. Soft Dollar benefits means non-monetary payments received up to a limit of \$300. Types of soft dollar benefits include but are not limited to educational and training support, information technology and software support. Should you wish to view this register at any point in time please speak with your Adviser.

You have a right to request for further information in relation to the remuneration, the range of amounts or rates of remuneration, and soft dollar benefits received by the licensee and/or representative.