



# FINANCIAL SERVICES GUIDE

This financial services guide (FSG), dated 11 June 2021 is issued by OnMarket Investment Management Pty Ltd (ABN 81 614 343 814 | AR No. 1281569) (OIM, we, us, our), an authorised representative of OnMarket BookBuilds Pty Ltd (ABN 31 140 632 024) an Australian financial services holder (AFSL) (No. 421535) (Licensee).

The distribution of this FSG has been authorised by the Licensee.

## 1.1 Purpose of this FSG

This FSG is designed to provide you with important information about the financial services we can provide you, and to assist you in deciding whether to use any of those services. If you need any more information than is contained in this document, please contact us. You have the right to ask us about our charges, the type of advice we will provide you, particulars of remuneration, commission or other benefits and what you can do if you have a complaint about our services.

In particular, this FSG includes information about:

- the financial services we provide;
- the remuneration that may be paid to us, our staff or other relevant persons in connection with the provision of the service to which this FSG relates; and
- how to make a complaint and how complaints are dealt with.

## 1.2 How to contact us

You can contact us to ask for more information or provide us with instructions by mail, phone or email.

<b>Details</b>	OnMarket Investment Management Pty Ltd (ABN 81 614 343 814) OnMarket BookBuilds Pty Ltd (ABN 31 140 632 024)
<b>Email</b>	enquiries@onmarket.com.au
<b>Mail</b>	Client Services OnMarket BookBuilds Pty Ltd Level 31, Tower 2 200 Barangaroo Avenue Sydney NSW 2000 Australia
<b>Web</b>	www.onmarket.com.au
<b>Phone</b>	+61 2 8598 8559

## 1.3 Who will be providing the financial services

OIM will be providing the financial services to you through its website, staff and sub-authorised representatives (if any). OIM is responsible to you for the actions of its staff and representatives. The Licensee is ultimately responsible for the financial services provided to you by OIM. Neither OIM nor the Licensee are responsible to you for services provided to you by any third party, including other financial service providers. You should refer to the FSG of your other financial services provider for further information about the services they offer.

## 1.4 What financial services are we authorised to provide

The Licensee is authorised to:

- provide general financial product advice to retail and wholesale clients, and deal in the following financial services and financial products:
  - securities;
  - interests in managed investment schemes (MIS) (excluding investor directed portfolio services (IDPS));
  - basic deposit products;
  - derivatives; and
  - foreign exchange contracts;
- deal in financial products on our own account by issuing, applying for, acquiring, varying or disposing:
  - securities;
  - interests in MIS (excluding IDPS); and
  - derivatives;
- provide a crowd-funding service; and
- provide a custodial or depository service (excluding IDPS).

We have been authorised by the Licensee to provide the same financial services and financial products as the Licensee is able to provide.

OIM operates the SPP Harvester<sup>TM</sup> service which allows investors to access Share Purchase Plans (SPP) undertaken by Australia's largest entities listed on the Australian Securities Exchange (ASX). We act on behalf of investors to apply and dispose of shares.

The information provided by OIM (via our website, mobile applications or through conversations with OIM executives or employees) is not financial product advice or an express or implied recommendation that SPP Harvester is suitable for you.

We do not provide retail investors with personal financial product advice, being advice that takes into account your particular financial situation, objectives or needs. If you require personal advice about a financial product offered through one of our platforms, you should consider the appropriateness of the information, having regard to their objectives, financial situation and needs and obtain independent financial and tax advice.

## 1.5 Fees

### (a) Initial costs of establishing the SPP300 Pack

The fees associated with establishing the portfolio of shares in approximately 300 ASX listed companies (SPP300 Pack) (of 1 security in each entity), comprises:

- (i) the application fee; and
- (ii) the capped brokerage for the acquisition of the SPP300 Pack.

Together, these fees will be capped at \$3,000 (excluding GST) being equivalent to fees of \$10 per 1-share position in each entity in the SPP300 (excluding GST).

The application fee is not directly referable to the purchase of the SPP300 Pack and you will not be refunded any part of the \$3,000 application fee if less than 300 securities are purchased on behalf of the investor as a result of an entity in the relevant SPP300 Pack being placed into a trading halt, is suspended or is not trading on the ASX for any other reason at the time that OIM purchases the SPP300 Pack.

### (b) Application fee

The SPP Harvester application fee comprises:

Description	\$
Application fee	\$2,727.27
GST	\$272.73
Total	\$3,000

### (c) Capped brokerage for acquisition of SPP Pack

The brokerage, including any exchange or regulatory fees, associated with the acquisition of the SPP300 Pack will be capped as follows (and may be less).

Description	\$
Capped brokerage for acquisition of SPP300	\$272.73
GST	\$27.27
Total	\$300.00

### (d) Annual account keeping fee

OIM will charge a monthly account keeping fee of \$99 (excluding GST) which will be deducted from your account each month.

### (e) Trading Costs

- (i) Excluding the acquisition of the SPP300, on executing a trade on behalf of the investor, OIM will charge the lesser of:

- (A) \$30 plus 0.4%, plus any exchange and clearing fees (Standard Brokerage); or
- (B) 1.28% of sale proceeds, subject to a minimum of \$0.40c per trade (Concessional Small Trade Fee), multiplied by the value traded of securities acquired or disposed of under these terms and conditions (Trading Costs).
- (ii) Any increase or decrease to regulatory and exchange fees (as updated from time to time) will be passed through to you as follows:
  - (A) in the case of the Standard Brokerage, passed through directly; and
  - (B) in the case of the Concessional Small Trade Fee, passed through at a rate of 15x the change.
- (iii) If a trade is partially, but not completely, executed within a day (for example, as a result of the liquidity and/or other market impact constraints limiting the number of securities that can be traded without having a material impact on the market price), then the Trading Costs will apply on each additional day as a separate trade.
- (iv) SPP Harvester does not require OIM to buy securities for you, other than:
  - (A) the initial acquisition of the SPP Pack;
  - (B) the application for SPP securities (for which you will not incur a separate trading fee); and
  - (C) following the sale of all securities in a company that has undertaken an SPP, irrespective of whether you participated in that SPP, the repurchase of 1 share in that company.
- (v) If a circumstance arises where you instruct OIM to acquire additional securities, and OIM agrees, the Trading Cost will apply as set out above.
- (vi) The current regulatory and exchange fees can be found on OIM's website at <https://www.onmarket.com.au/help-faq/spp-harvester/current-regulatory-and-exchange-fees/>.

#### **(f) Profit based fee**

Subject to the high-water marking, a fixed 20% percent fee will be applied to the mark-to-market P&L (positive or negative) at the end of each quarter (31 March, 30 June, 30 September and 31 December).

Any changes made to the specified percent during a period will only be applied on a forward-looking basis and will not be applied retroactively. If fees are changed during a period, then the period is broken into two parts and fees applied accordingly.

If at the end of the billing period the accumulated profit-based fee calculation is negative, no fee will be charged. Profit-based fees payable will be deducted from each investor's within 10 business days after the close of a quarter.

#### **High water marking**

High-water marking is applied to prevent the profit-based fee from being applied where a cumulative loss exists for the look-back period as at the quarterly billing dates.

High-water marking keeps track of cumulative losses per billing period taking into account the balances on the previous 4 quarter look-back dates. A loss in any of the 4 quarterly periods will be added to the look-back period's cumulative losses. A gain in any period will decrease the cumulative loss recorded to date.

The 4-quarter look-back continues, on a rolling basis, for the life of your account. This means that if a loss is incurred in a quarter 'x', then you will not be charged a profit based fee for the billing dates for quarters x, x+1, x+2, x+3, or x+4 unless those losses have been recouped (and any losses in the intervening periods).

However, the calculation of the profit-based fee in a quarter 'x+5' will not take into account any losses incurred in quarter 'x' (because it occurred prior to the 4 quarter look back period).

Withdrawals in the current period reduce any cumulative losses that are carried over from previous periods. The losses are reduced in proportion to the percentage of equity that was withdrawn. Current period losses are never adjusted by current period withdrawals, gains are not pro-rated, and deposits are not used to pro-rate losses.

Gains are applied to the oldest losses first. High water marking is effective on the day the onboarding process is approved by the custodian.

On termination of a Member's participation in SPP Harvester in accordance with clause 5 of the terms and conditions, the Member's SPP Pack securities will be sold, and brokerage will be charged at \$5 (excluding GST) per share sold plus any associated exchange or regulatory fees.

A Member's liability for brokerage on termination of their participation in SPP Harvester is limited to the value of the Member's portfolio of securities at the Termination Date.

Realised Profits on the Sale of SPPs means the proceeds of sales net of any brokerage paid of any securities issued pursuant to SPPs, less the price paid to acquire such SPP securities.

Termination Date has the meaning given in clause 5.1(b) of the terms and conditions.

## 1.6 Other benefits to us

OIM's employees, representatives and directors are remunerated by way of salary and other employee benefits. A discretionary cash bonus may be paid to employees and directors as part of their remuneration, based on their performance, and/or the performance of OIM as a whole.

OIM's employees, representatives and directors do not receive commissions or benefits calculated by reference to the quantity or value of financial products they sell.

## 1.7 Benefits for those who refer customers to OIM

Under our referral program we may offer to pay a commission to parties who refer customers to us which is calculated as 1% of the application fee including GST. You can request particulars of any referral fees payable in respect of a particular offering by writing to us. We have no obligation to identify the identity, or identities of any referred member(s), to whom a referral payment, or non-payment, relates. Any such payments are not an additional cost to you. We will not pay any commission where the making or receipt of such payment would breach the Corporations Act 2001 (Cth) (Corporations Act) or regulatory guidance.

## 1.8 Relationships and associations

OIM is a related body corporate of the Licensee. OIM solely conducts the SPP Harvester service and is a wholly owned subsidiary within the OnMarket Group (along with the Licensee).

From time to time OIM or the Licensee may underwrite a SPP offer for which they may receive underwriting fees or other benefits from the SPP issuer or other parties.

## 1.9 Record of instructions

If you use the SPP Harvester service or instruct us to apply for securities or a specific number of securities in accordance with our terms and conditions ([www.onmarket.com.au/offers/spp-harvester/](http://www.onmarket.com.au/offers/spp-harvester/)), we will record that instruction, which may be a standing instruction. You may request a copy of the instruction relating to

the application. You must make the request to our email or mail address within seven years after the date of the instruction.

## 1.10 Your privacy

The privacy of your personal information is important to us. We ensure privacy and security of your personal information in accordance with our privacy policy. You can obtain a copy of the policy on request or it is available on our website: <https://www.onmarket.com.au/general/privacy/>

## 1.11 Complaints

If you have any complaint about the services provided to you, you should take the following steps.

1. Contact us and tell us about your complaint. Usually problems can be quickly rectified and the sooner you refer an issue to us the better. This can be done by emailing [enquiries@onmarket.com.au](mailto:enquiries@onmarket.com.au) or calling us on +61 2 8598 8559.
2. If your complaint is not resolved within a reasonable time by one of our staff, please contact the Complaints Officer of the Licensee, directly. We will update you regularly until the matter is resolved.

Complaints Officer  
On-Market BookBuilds Pty Ltd  
Level 31, Tower 2  
200 Barangaroo Avenue  
Sydney NSW 200

3. If you are not satisfied with the resolution offered by our Complaints Officer, you may lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA is an external independent dispute resolution scheme of which the Licensee is a member. Please note that before AFCA can investigate your complaint, they generally require you to have first given us the opportunity to address the complaint. There are various time limits that apply to an AFCA complaint. For example, you must make the complaint within two years after you get a final response from the internal dispute resolution process. We recommend you look at the AFCA website for details.

Email: [info@afca.org.au](mailto:info@afca.org.au)

Mail: Australian Financial Complaints Authority  
GPO Box 3  
Melbourne VIC 3001

Website: [www.afca.org.au](http://www.afca.org.au)

Phone: 1800 931 678

## 1.12 Compensation arrangements

The Licensee has professional indemnity insurance in place which satisfies the requirements for compensation arrangements pursuant to s912B of the Corporations Act and ASIC policy guidance. This policy is subject to terms and exclusions and covers claims made against the Licensee in relation to financial services provided by our current and former employees.

Neither the Licensee, nor any of its directors, authorised representatives, employees, or agents, makes any representation or warranty as to the reliability, accuracy, or completeness, of any advice. Nor do they accept any liability or responsibility arising in any way (including negligence) for errors in, or omissions from, this document or advice.

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