

financial services guide



“A dedicated manager
gives you the freedom
to do what you do best,
or what you enjoy most”

CognitiveWealth Pty Ltd

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cognitivefinancialpartners.com.au

Ph: 07 3337 2900

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Corporate Authorised Representative of

Longhou Capital Markets Pty Ltd

Suite 8B, Level 1, 23 Main St, Varsity Lakes, Qld 4227

Postal Address
PO Box 579, Varsity Lakes, Qld 4227

ABN: 40 114 266 698 ACN: 114 266 698 AFSL: 292464

lcmarkets.com.au

Ph: 1300 882 402

Fax: 07 5555 8555

Throughout this Financial Services Guide, CognitiveWealth Pty Ltd is referred to as “Cognitive”, “we”, “us”, “our” or any such variations. Longhou Capital Markets Pty Ltd is referred to as “Longhou Capital Markets” or “LCM”.

This Financial Services Guide (FSG) is dated 18 July, 2016 and replaces all previous versions. Longhou Capital Markets Pty Ltd ACN 114 266 698 authorises the distribution of this FSG for CognitiveWealth Pty Ltd. The purpose of this FSG is to inform you of the financial services provided by us and to comply with our licensee’s (Longhou Capital Markets) obligations as the holder of an Australian Financial Services Licence (AFSL 292464).

About This Guide

This Financial Services Guide (FSG) is an important document that is designed to tell you about:

- Who is CognitiveWealth Pty Ltd
- The financial services we offer so you can make an informed decision whether to use those services
- How to contact us
- Who my adviser is
- What is my adviser able to provide
- What is General Financial Advice
- What is Personal Financial Advice
- Documents you may receive from us, including Product Disclosure Statements
- Information we need from you and how we use your personal information and your privacy
- What remuneration and other benefits may be paid to us, our employees or others
- How you can engage our service
- Our associations that you need to know about
- What to do if you have a complaint about our services
- Professional Indemnity Insurance

If you need further information on any of these matters, please ask.

Who is CognitiveWealth Pty Ltd

CognitiveWealth Pty Ltd from here on referred to as “Cognitive” is an investment and financial advisory firm. Each of our advisers’ record of achievement and profile can be viewed on our website <http://cognitivefp.com.au/people/>

Cognitive is a Corporate Authorised Representative (CAR No.336959) of Longhou Capital Markets Pty Ltd, holder of Australian Financial Services Licence (AFSL 292464) and is authorised to provide financial services under this licence.

Who is Longhou Capital Markets Pty Ltd

Longhou Capital Markets is an Australian Financial Services Licence Holder (AFSL 292464). Under this licence Longhou Capital Markets has the ability to authorise advisers and advisory firms to operate financial services businesses under this licence. Longhou Capital Markets can authorise individuals and businesses who it views as meeting certain strict educational, experience and competency requirements as described under law, to provide financial product advice and deal in the following instruments under its licence:

- Deposit and Payment Products (including bonds, term deposits & savings accounts)
- Derivatives (including options, warrants, futures & CFD)
- Foreign Exchange Contracts (including currency & currency derivatives)
- Government Securities (including Australian & International)
- Life Products (including Investment life products , Life Insurance Products including TPD, income protection & trauma)
- Interests in Managed Investment Schemes (including managed funds, IDPS syndicates & unit trusts)
- Margin Lending services
- Retirement Savings Accounts
- Securities (including equity, debt & hybrid)
- Superannuation (self-managed superannuation, retail, corporate & industry)

How to contact Longhou Capital Markets

You can contact Longhou Capital Markets on the details outlined below.

OFFICE ADDRESS

Longhou Capital Markets Pty Ltd

Suite 8B, Level 1, 23 Main St,
Varsity Lakes, Qld 4227

Ph: 07 5555 8500 / 1300 882 402

Fax: 07 5555 8555

POSTAL ADDRESS

Longhou Capital Markets Pty Ltd

PO Box 579, Varsity Lakes, Qld 4227

Who is my Adviser?

The details of your nominated adviser can be found as an attachment to this FSG (Adviser Profile), where we outline the adviser's contact details together with the training, education, experience and authorisations for that adviser. All Individual Authorised Representatives have met the educational and regulatory requirements to be a financial adviser.

Your adviser may have referral arrangements with associates to refer clients in need of financial product assistance or advice. Those associates may receive a referral fee for introducing this business.

Cognitive advisers are only able to provide products that appear on the Longhou Capital Markets Approved Product List which can be viewed on our website <http://www.lcmarkets.com.au/about-us/approved-products-list>

You can also search for your adviser's details including where your adviser has worked and what products they can advise on by visiting the ASIC Financial Adviser Register at; www.moneySMART.gov.au/investing/financial-advice/financial-advisers-register

CognitiveWealth Pty Ltd

ABN: 95 136 062 345 CAR No. 336959 authorised by Longhou Capital Markets

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Phone: 07 3337 9200

Fax: 07 3337 2920

Email: mario@cognitivefp.com.au

Website: www.cognitivefinancialpartners.com.au

General Financial Advice

There may be times where Cognitive offers you general financial advice. You should note that general financial advice does not relate specifically to you and therefore may not be appropriate to your particular financial needs, objectives and financial circumstances.

You need to take this into account before deciding whether or not to act on it.

Personal Financial Advice

Cognitive and Longhou Capital Markets recommend that you should always seek the advice of a qualified Financial Adviser. If Cognitive provide you with personal financial advice your initial discussions with a Financial Adviser should be treated as a Fact Find and you may be required to complete a questionnaire that includes personal information (Please see the Longhou Capital Markets Privacy Policy (www.lcmarkets.com.au/about-us/privacy-policy/)). This is important as every situation is unique to the individual and the advice you receive should be tailored to your specific needs and at all times be in your best interest.

This information will allow your planner to prepare a Statement of Advice ("SoA") which you will receive at the time or as soon as is practical after the advice is given. This statement will set out the advice, the basis on which the advice was given and any remuneration or other benefit that we, including your financial adviser and associates, may receive. We will also include details of any matter that might reasonably be expected to be capable of influencing us in providing this advice.

If you maintain a personal advice relationship with us, then generally we will not provide a SoA for further advice situations unless there have been significant changes to either your personal circumstances or the basis of the advice since your last SoA was provided. In these circumstances however, we are still required to keep a Record of Advice ("RoA"). You have the right to request a copy of the RoA at any time.

You will receive an annual statement disclosing any ongoing fees that you have paid along with the services provided to you. This is an ideal time to discuss the fees you are paying to your adviser, of course this can be done at any time.

You will also receive a renewal notice every 2 years seeking your consent to continue to provide the financial product service to you (this is the Opt-in requirement).

Documents You May Receive From Us

As well as providing you with a Financial Services Guide (FSG), you may also receive a Statement of Advice (as above) (SoA), a Fee Disclosure Statement (annually), Opt in review (at least every 2 years) and/ or a product Disclosure Statement .

Where appropriate, a Product Disclosure Statement will be issued by the product provider containing information you would reasonably require to make a decision about whether to acquire the financial product. The PDS will disclose details of any fees and charges payable.

Information We Need from You

Depending on the type of service being sought, we may ask you to provide certain personal information to your adviser, either in writing or verbally. This may involve a quite detailed process of both qualitative and quantitative data collection. Please ensure that your adviser becomes aware of any changes that may be relevant when advice is given in the future.

What Information Do We Retain About Clients – We maintain a record of your personal profile which may contain details of your objectives, financial situation and needs. We maintain records of any recommendations made to you, together with summaries of meetings and transactions. All these records are our property and must be retained for production to the regulatory authorities upon their request. If you wish to examine our file, you should ask us and we will make arrangements for you to do so.

What Are The Possible Consequences Of Not Providing This Information – You are of course at liberty to decline to provide some or all of this information. If you do not provide it, any recommendations we make may not be appropriate to your needs and objectives. In certain cases, your failure to provide information may place us in a position where we cannot provide any advice or any financial services to you.

General Advice Warning – When we provide General Advice (whether or not we have a record of your personal details), our advice will not take into account your personal financial objectives, needs or circumstances and may therefore not be appropriate for you. As we indicated above, in such circumstances, you must determine if our advice is appropriate for you.

Privacy

Cognitive and Longhou Capital Markets value client confidentiality and for details of our Privacy Policy and how this relates to your information please visit our website; www.agcapital.com.au/about-us/privacy-policy/

AML/CTF

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 drivers licence. We will also retain copies of this information. We assure you that this information will be held as per our Privacy Policy.

What Do You Pay For Our Services?

We believe the services we offer are valuable and the remuneration received is a fair reward for our expertise and skills. We are committed to being open about any benefits or payments we receive and the costs you will incur for using our services.

Cognitive and your Adviser are remunerated through a combination of fees and commissions that you are charged. To assist you in making an informed decision Cognitive or your Adviser will discuss these fees with you and agree on any fees payable before providing a service.

The Corporations Act requires us to fully disclose all fees and charges and you will receive an annual statement confirming the fees you pay and the services provided, so if you are in doubt please ask us to explain.

You may be charged a fee for the services we provide or we may be paid a commission or brokerage or a combination of the two may apply. All fees and commissions are payable to the Licensee (Longhou Capital Markets) and include the fees we pay for clearing and settlement for share trading where appropriate.

The level will vary with the financial product being traded, the frequency of your trading activity, the type and level of service and the size of the transaction. Fees and commissions are subject to negotiation prior to us providing you with a financial service. As part of our negotiations, all share trades would normally be subject to a minimum dollar cost which would apply if the brokerage calculated by any other method fell below the minimum figure. Once disclosed and agreed, these fees and commissions will be charged at the time your transaction is executed or the service is provided.

Under our arrangements with Authorised Providers for Securities trading the Authorised Provider will retain a maximum fee of 0.15% (including GST) subject to a minimum of \$19.00.

The income earned by Longhou Capital Markets may come from:

- Brokerage paid by the Authorised Provider
- Commissions (including ongoing commissions) from product providers; and/or
- Fees based on the value of your assets
- Fee for service (non-asset value related)

Any such brokerage, fee or commission is receivable by Longhou Capital Markets as the AFS Licensee. For share trades, Longhou Capital Markets receives the brokerage you are charged after retention of a portion by the Authorised Provider as set out above. The brokerage fees are confirmed with you in writing at the time when your account is opened. The fee is charged at a rate of up to 2.2% (includes GST) of the market value of the transaction, subject to a minimum fee of \$93.50 (includes GST).

Alternatively, you may minimize brokerage costs, and choose to enter into a combined brokerage and fee based arrangement whereby we will invoice you a per annum fee up to 2.2% (includes GST), based on the value of your assets that we manage on your behalf. This fee will be negotiated by you and us, and will be agreed in writing at the time when your account is opened and reviewed annually. The fee is calculated on a per annum basis and is charged monthly in arrears.

How You Can Engage Our Services

Strategic Financial Advice

Cognitive offers a comprehensive strategic financial advice service where we provide an in-depth analysis of your current financial position, financial needs, aims and objectives. It will cover all relevant areas of our advisory services. We will assess your tolerance for risk and advise you on the most appropriate strategies and structures to ensure that you have every chance of securing your financial future.

Preparation of the Statement of Advice fees start at \$1,500 including GST.

Before providing the advice to you, your adviser will provide you with an estimate of the cost of the advice.

Speak to your adviser about how they may be able to structure your charges so that some or all of your fees may become tax deductible.

Other Fees and Charges

Fee for Service Tasks

Investment and advisory services provided in the absence of any formal Advice or Administration agreement are charged at an hourly rate per hour including GST as follows:

- Senior Adviser \$550/hr
- Adviser \$330/hr
- Administration \$165/hr

Cognitive may receive fees and commissions paid by promoters and managers of investment products or securities. These fees will be disclosed at the time of the advice being provided.

Public share offers

Cognitive may receive placement fees when its clients participate in initial public offers. Any such fees will be disclosed at the time but will generally range between 0% and 3.0 %. These fees will not be an additional cost to you.

Insurance Commissions

Cognitive will receive commission of between 0% and 80% of the value of the premium that you pay and will be dependent on the specific product that you purchase and whether or not the premium is an initial premium or renewal premium. All commission rates will be disclosed at the time the advice is provided.

Other Fees

We may also receive commission or rebates for services referred or brokered for other services and these will be disclosed to the client at the time of the advice or referral.

Soft Dollar Benefits

CognitiveWealth and its Representatives may from time to time receive non-cash benefits with a cash value less than \$300. Details of benefits between \$100 and \$300 will be maintained on a register. These benefits will normally be one off and will not be received from a product provider on a regular basis.

How We Pay Our Advisers

Cognitive advisers are not salaried and may receive up to 80% of all fees and commissions generated from their clients.

You have a right to request 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.

Our Associations That You Need To Know About

Cognitive is a Corporate Authorised Representative of Longhou Capital Markets Pty Ltd, which is part of the AG Financial Group. Cognitive and Longhou Capital Markets Pty Ltd are associated with the following companies:

- Avestra Asset Management Limited
- AGF Funds Management Pty Ltd

These companies may receive a percentage of the brokerage and other income generated by us relating to transactions carried out for clients, as well as refer potential clients to us.

Our advisers are aware of their obligations to disclose the extent and nature of this relationship at the time the advisers provide a financial service in those products. A full list of products provided is available on Longhou Capital Markets's website. <http://www.lcmarkets.com.au/about-us/approved-products-list/>

Dispute Resolution

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

- Contact your adviser and tell your adviser about your complaint. The majority of complaints can be resolved this way.
- If you do not have an adviser, or your complaint is not acknowledged within 7 days, please contact the Complaints Manager at our licensee, Longhou Capital Markets on 07 5555 8500 or 1300 882 402
- You can also put your complaint in writing and send it to Longhou Capital Markets at:

Longhou Capital Markets Pty Ltd
PO Box 579, Varsity Lakes, Qld 4227

Cognitive and Longhou Capital Markets will try and resolve your complaint quickly and fairly. You should receive written acknowledgement of your complaint within 5 business days after it is received.

If your complaint is not satisfactorily resolved within a further 45 days, you can raise your concerns with the Financial Ombudsman Service on 1300 780 808. Longhou Capital Markets is a member of this complaints resolution service.

The Australian Securities & Investments Commissions (ASIC) has a freecall Infoline 1300 300 630 which you may use to make a complaint and obtain information about your rights.

Professional Indemnity Insurance

Cognitive and Longhou Capital Markets confirm that arrangements are 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 for Longhou Capital Markets and its authorised representatives / representatives / employees in respect of its authorisations and obligations under its Australian Financial Services Licence. The insurance will continue to provide such coverage for any authorised representative / representative / employee who has ceased, for work done whilst engaged with it.

Feedback

Longhou Capital Markets welcomes your feedback. If you have a comment about the service you have received or have any questions regarding this FSG please let us know via;

admin@lcmarkets.com.au

The preparation of this FSG was completed on 18th July 2016.