

Viridian Select Pty Ltd

Financial Services Guide

Part 1 (General)

Version 2.1

Issue date: Oct 1, 2021



VIRIDIAN
SELECT

Financial Services Guide

Part 1

About this document

This FSG provides you with important information about Viridian Select Pty Ltd (Viridian Select or Licensee) and its Corporate and Authorised Representatives, who will provide you with the financial services described in this FSG. It is designed to help you evaluate and make an informed decision about whether to use the financial services described in this FSG. We suggest you retain this FSG for future reference. If any part of this FSG is not clear, please speak to your advisor.

It sets out the circumstances in which we are required to provide you with a Statement of Advice (**SOA**) in relation to any personal advice you may receive from us in the provision of services that we offer, when we will provide you with a Record of Advice (**ROA**), and the circumstances in which we will provide you with a Product Disclosure Statement (**PDS**). The SOA describes the basis upon which we have made a specific recommendation, and the PDS (which may relate to the personal advice that we provide) provides information about the products that we may recommend to you. The ROA relates to further advice being provided post the provision of a SOA.

Should you wish to request a copy of the ROA you may obtain this by contacting us on any of the contact details provided to you for a period of seven years from when the further advice was first provided to you. If you would like further information about these matters, please contact us.

This Financial Services Guide (FSG) has been authorised for distribution to retail clients by the authorising licensee:

Viridian Select Pty Ltd
ABN 41 621 447 345
Australian Financial Services Licence 515 762 (AFSL)
Level 17, 120 Collins Street
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This FSG consists of two documents:

- Financial Services Guide Part 1 (General), Version 2.1, dated 1 October 2021 (**Part 1**); and
- Financial Services Guide Part 2 (Advisor Profile) (**Part 2**).

Part 1 of this FSG contains important information about:

- › The financial services we offer as Authorised Representatives or Corporate Authorised Representatives of Viridian Select as the holder of an AFSL.
- › The financial services that Viridian Select offers
- › The process we follow to provide financial services
- › How we, our associates, and Viridian Select are paid
- › Any arrangements which may influence our advice to you
- › How we and Viridian Select protect your privacy, and
- › Who you can contact if you have a complaint if you are not satisfied with the services or advice provided.

Part 2 of this FSG is an Advisor Profile and includes information on the services we are authorised to provide on behalf of Viridian Select, the Advisor's experience, qualifications, and professional memberships.

References in this FSG to 'me', 'I', 'us', 'we' and/or 'our' should be read as either Viridian Select or its Authorised Representatives or Corporate Authorised Representatives, as the context requires.

Lack of Independence

We are not independent, impartial, or unbiased in relation to the provision of personal advice because:

- We may receive commissions when you purchase life risk insurance products that we have recommended.
- We benefit indirectly from fees paid to Infinity Asset Management when you invest in Separately Managed Funds we recommend which are managed by IAM, due to our corporate structure.
- We only provide advice in relation to products on our Approved Product List, unless we consider it in your best interests to use a different product to meet your needs and objectives.

Financial Services Guide

Part 1

Who provides the financial services described in this FSG?

The financial services described in this FSG are provided by us as either a Corporate Authorised Representative or an Authorised Representative of Viridian Select. Part 2 of this Guide contains further details about your financial advisor, including experience, qualifications and professional memberships.

Who is responsible for the financial services described in this FSG?

As the holder of an AFSL, Viridian Select is responsible for the financial services we provide to you. The law requires Viridian Select to have arrangements in place to compensate affected persons for loss or damage they suffer from certain breaches of the Corporations Act by Viridian Select and/or its Authorised Representatives. Viridian Select has internal compensation arrangements as well as Professional Indemnity insurance that satisfy these requirements.

About Viridian Select

Viridian Select is a wholly owned subsidiary of the Viridian Financial Group Limited (ABN 83 605 280 797, AFS Representative Number 001235324) (VFGL). VFGL is made up of a number of entities that provide financial advice and financial services.

Viridian Group

The Viridian Group provide financial services such as financial advice, funds management, insurance, superannuation, investment and administrative services.

The Viridian Group includes:

- › Viridian Portfolio Management Ltd (ABN 67 605 994 741, AFS Representative Number 001235325) (VPM) and
- › Viridian Financial Group Limited (ABN 83 605 280 797, AFS Representative Number 001235324) (VFGL),

who are authorised representatives of Viridian Advisory Pty Ltd (ABN 34 605 438 042) (AFSL 476223) (VA). VPM, VFGL, VS and VA are associated entities, and are part of the Viridian Group.

Our advisors meet strict education, training and skills standards and are supported by teams of specialists in investment research and product solutions. The strength of the specialist teams upon which our advisors can call, at any time, means you have access to the latest financial strategies and technical knowhow and a diverse range of quality investment products.

What financial products and services are we authorised to provide advice on?

We are authorised on behalf of Viridian Select, to provide financial product advice and to deal in a wide range of products (unless otherwise stated in Part 2 of this Guide) including:

- › Basic and non-basic deposit and payment products
- › Derivatives (including warrants)
- › Debentures, stocks or bonds issued or proposed to be issued by a government
- › Life products
- › Interests in managed investment schemes (including investor directed portfolio services and MDA services)
- › Retirement savings accounts
- › Superannuation (including Self-Managed Superannuation Funds (SMSFs))
- › Securities
- › Standard margin lending facilities (including structured investments).

Some of the services we can provide you (unless otherwise stated in Part 2 of this Guide) are:

- › Financial planning advice
- › Wealth accumulation advice
- › Superannuation advice, including advice to establish self-managed superannuation funds
- › Redundancy advice
- › Retirement advice
- › Gearing strategies
- › Cash flow advice
- › Social security benefits advice
- › Life and disability insurance advice
- › MDA services; and estate planning services (financial planning).

When we provide these services to you, we will be providing financial product advice and dealing in the classes of financial products listed above as authorised representatives of Viridian Select. When we provide financial products and services, we and Viridian Select will act for you (and not for product issuers or other Viridian Group entities).

How we select the products we recommend

Internal and external experts provide financial product research, which is used to carefully select and maintain an extensive list of approved products (APL) for authorised representatives under the Viridian Select licence to choose from. We conduct due diligence on external experts that provide us with research.

When providing personal advice, we'll only recommend a product if we're satisfied it is in your best interests, and it is appropriate for you. In doing so, we'll conduct a reasonable investigation into products, depending on your personal circumstances, which may include investigating and recommending products which are not on the APL.

How do we ensure that the personal advice we give you suits your needs and objectives

To ensure your advisor provides personal advice that is appropriate, we firstly need to understand your objectives, financial situation and needs. Your advisor (referred to as 'we' below) will follow a step-by-step process as outlined below:

1. We will meet with you for an initial consultation. During this meeting we will discuss your expectations and provide you with details of the services we can offer
2. We will collect all the information we need from you, including your objectives, financial situation and needs. If you do not wish to provide the information we require, we will advise you of the possible consequences of not disclosing all of this information and the impact on the recommendations given. This may include not being able to provide advice on the subject matter you request.
3. We will help you identify your goals and may discuss your attitude towards investment risk
4. We may consider strategies and areas such as income, social security, insurance, cash and estate planning requirements. Where we recommend a financial product, we will also conduct a reasonable investigation of the financial products that may be suitable to implement the strategies as part of the recommendations. Based on these and other considerations, we will prepare and present you with a written SoA, or in some cases depending on the circumstances, an RoA. We will explain in the SoA (or RoA) the basis for the advice, and any remuneration, benefits or associations which could have influenced the advice. Where we recommend financial products, we will provide you with a product disclosure statement (PDS) or other disclosure document containing information about each product recommended, to help you make an informed decision about whether to invest in or acquire that product.
5. We will discuss our recommendations with you, make any changes you require and ask you whether you would like us to implement those recommendations on your behalf.
6. If you agree, we will then implement those recommendations
7. In line with your needs, we can track your progress towards your goals and objectives, including updating your goals and circumstances, the type of services you may need and providing access to your advisor. This may include assisting with changes to policy and regulations, allowing us to keep your strategy up to date and effective for you. Should you elect to use this service, we will enter into a Fixed Term Service Agreement with you for a period of up to 12 months, which will set out the terms of the fixed term service agreement.

We will also explain to you any significant risks of the financial products and strategies which we recommend to you. If you are unclear of the risks, do not hesitate to question us further.

In certain circumstances, we may not provide you with personal advice via a SoA or RoA, as outlined above. These circumstances may include:

1. Where we provide you with only general advice, such as through seminars and newsletters
2. When we are acting under a managed discretionary account (MDA) service which allows us to manage investments on your behalf, once you have accepted this service in an SoA.

How are we paid for our services

This section sets out the remuneration and fees payable in relation to the provision of the services set out in this FSG, who they are paid to, and when. It is important that you read the information in this section alongside the advisor information in Part Two of this document. All amounts quoted are inclusive of GST.

We will discuss and agree to the fee structure with you before we provide you with services. The types of fees you can be charged are listed below. You may be charged a combination, or part of, any of these fees.

All fees and insurance commissions are payable to Viridian Select. Viridian Select pays all fees and commissions to your Advisor and/or their Corporate Authorised Representative.

Where fees, commissions or other benefits are not calculable at the time we provide personal advice, we will describe how they are calculated at the time the advice is given, or as soon as practicable after.

Advisor remuneration

Details about how your Advisor and Corporate Authorised Representative are paid are contained within Part Two of this FSG.

How we collect Fees

Depending on the services you require the following fees can apply:

Fees for advice

We may charge fees for the preparation, presentation and implementation of our advice. These fees will be based on your individual circumstances, the complexity involved in your situation and the time it takes to prepare personal financial advice for you. We will discuss these fees with you and gain your agreement to the fees before we provide you with advice.

Fixed Term Service Agreement advice fees

If you elect to enter into a Fixed Term Service Agreement, we will work with you to identify and deliver the agreed services over the period of the contract. The fees for this service will be detailed in the Fixed Term Service Agreement, calculated as a set fee, an amount based on the value of funds under our advice, and/or the time involved in reviewing your portfolio and circumstances.

Examples of the fees you may pay for these services can be found in Part 2 of this FSG.

Remuneration in relation to Life Insurance products

If we recommend that you acquire a personal or business life insurance product, and you acquire that product, we will receive initial and ongoing commissions. The initial commission is paid in the first year by the product issuer to us. Ongoing commissions are payments paid by product issuers to us in the years after the first year.

If you initiate an increase to your cover, we may receive initial and ongoing commissions on the increase to your policy cost. The maximum commission we may receive as a result of a client-initiated increase is 66% of the total annual policy cost calculated over the 12 months after the increase. Any ongoing commission on a client-initiated increase is subject to a maximum rate of 22% of the total annual policy cost and is only paid in respect of the period that starts from the first anniversary of the increase.

If the initial commission is higher than the ongoing commissions, the maximum commission that we may receive is set out in the table below.

| Date a new product is issued | Initial commission (% of annual policy cost or increase incl. GST) | Ongoing commission pa (% of annual policy cost or increase incl. GST) |
|--|--|---|
| Before 1 January 2018 or before 1 April 2018 when the application was received prior to 1 January 2018 | 0 – 121% | 0 – 33% |
| 1 January 2018 - 31 December 2018* | 0 – 88% | 0 – 22% |
| 1 January 2019 - 31 December 2019* | 0 – 77% | 0 – 22% |
| From 1 January 2020* | 0 - 66% | 0 – 22% |

* We may receive the pre-1 January 2018 commission rates above from the product issuer if:

- › Your policy was issued before 1 January 2018 and you exercise an option to establish new or additional cover under your policy after 1 January 2018; or
- › Your policy was issued before 1 January 2018 and is replaced after 1 January 2018 to correct an administrative error.

Example

You have an existing policy with us with an annual premium of \$500, issued in 2017, and in 2019 you accept our advice to increase the cover on that policy with a corresponding increase in policy cost of \$100 pa. We may receive up to \$121 (121% incl. GST) as initial commission on that increase. If the existing ongoing commission payable on the existing policy is less than \$99, the additional ongoing commission payable to us in respect of this increased policy cost may be up to an additional \$33 (33% incl. GST) (i.e. the total ongoing commission is capped at \$132 (22% including GST of \$600)).

Or, we recommend an insurance product to you and it is issued on 2 January 2019. The first year's insurance premium is \$10,000, the commission will generally be no more than \$7,700 (77% incl. GST). In subsequent years with this example the commissions will be between \$0 to \$2,200 (22% incl. GST).

If the initial commission is equal to the ongoing commissions (as a percentage of your policy cost), Viridian Select may receive up to 35% (incl. GST) of your annual policy cost. This percentage may differ depending on the product issuer and the individual insurance contract. This will be discussed and disclosed to you at the time we provide you with advice.

Generally, such commission is paid to us on a monthly basis by the insurer and is not charged as separate fee to you.

Further details on remuneration and benefits

Fees we pay to referrers

If you have been referred to us by a person or company within or outside the Viridian Group, we may pay the referrer a fee. This fee may be up to 100% of our fees, a percentage of the total amount invested or paid through the referrer, or a flat fee. This will be disclosed to you in your SoA or RoA.

Fees we receive from referrals

Your advisor may have a referral arrangement with various professional service providers, and if we consider it in your interests or you request details of such a provider, we will put you in contact with them. If you subsequently obtain advice from them, they may pay us a referral fee. This fee will be disclosed to you by us at the time of the referral.

Other

Viridian Select and/or your advisor may also receive non-financial benefits from product providers or similar parties. These are valued at under \$300 and might be gift vouchers, tickets to sporting events or invitations to social events. Any benefits received with a value between \$100 and \$300 are recorded in a register by us, together with any other benefits relating to information technology software or support provided by a product issuer, or any education and training benefits provided. To see this register, just ask your advisor.

Product fees that may be applicable to you

Product providers may charge fees for investing in their products. These fees may be initial fees or ongoing fees that include management, account-keeping or performance-based fees. These are generally calculated as a percentage of the value of your investment and are paid out of your funds invested in the product or the money you use to acquire the product. These fees will be described in detail in the PDS or other disclosure document for that product that will be provided to you. We will also include detailed information about applicable product fees in our SOA.

How can you instruct us

You may specify how you would like to give us instructions, for example, by phone, fax, or email, using any of the contact details set out in this FSG. Alternatively, you may provide instructions to us in person. Where instructions are provided by telephone, these must be confirmed in writing.

What relationships do we have?

VFGL owns 100% of Viridian Select, Viridian Private Wealth Pty Ltd (ABN 83 605 280 797), authorised representative number 001235324 (VPW), and Viridian Advisory; 50% of Cornerstone Super Solutions Pty Ltd (ACN 156 560 002), and is the majority shareholder of Infinity Asset Management Pty Ltd (ABN 50 618 545 172), authorised representative number 001254429 (IAM).

These shareholdings entitle VFGL to corresponding percentages of the annual profits generated by each of these entities. VFGL also owns 100% of Super Wealth Truth, a Self-Managed Super Fund administration service.

The remaining equity in IAM is owned by entities directly controlled by VFGL employees including VFGL's Chief Investment Officer (CIO). This entitles VFGL employees, including VFGL's CIO, to corresponding percentages of the annual profits generated by their shareholdings in IAM. The remaining 50% of Cornerstone is not owned by an entity associated with the Viridian Group.

Cornerstone is a specialist provider of SMSF services including:

- › Fund establishment
- › General SMSF compliance and administration
- › Pension services
- › Limited recourse borrowings
- › Online access to live investment data

We may refer you to Cornerstone for specialist SMSF advice or services. Viridian Select or VFGL may benefit from any services you obtain from Cornerstone as a result of VFGL's part ownership of Cornerstone. This entitles VFGL to participate in 50% of any profit Cornerstone generates for the relevant financial year. VFGL does not otherwise benefit from the referral.

Super Wealth Truth (SWT) is an online provider of SMSF services and is used in limited circumstances depending on the specific needs of clients. VFGL does not receive any fees in relation to SWT.

Product disclosure documents

When your advisor recommends a financial product, we will provide you with the relevant disclosure statement for that product which will generally be called a Product Disclosure Statement (PDS). A PDS contains information about the recommended financial product including the key features, fees, benefits, and risks associated with the financial product. It is important that you read any PDS or disclosure document that is provided to you in relation to your SOA.

Privacy Statement

We comply with the *Privacy Act 1988* (Cth) and the Australian Privacy Principles.

We collect personal information, including sensitive information (e.g. health information), from you to provide you with products and services including financial advice. We may also use your information to comply with legislative or regulatory requirements in any jurisdiction, prevent fraud, crime or other activity that may cause harm in relation to our products or services, and help us run our business. If you do not provide all the information we request, we may not be able to provide a product or service, including financial advice, to you.

We may disclose your personal information to any company within the Viridian Group of companies as well as third parties we engage to do something on our behalf such as our agents, contractors and external service providers, that assist us with our business in creating or implementing your financial plan. This will include external product issuers and complaints bodies to whom a complaint relating to a product or service is referred to, any party acquiring an interest in our business and anyone acting on your behalf.

We disclose your personal information to third parties overseas who provide services to us. The countries in which they are located include the Philippines. We will use reasonable efforts to ensure that the recipient company is subject to a law or scheme that protects your information in a way that is substantially similar to our Privacy Policy and Australian law.

For further details of how we use and disclose your personal information and how you can access and update it, or to lodge a complaint about how we may have handled your personal information, please refer to our Privacy Policy which is available to download from our website at www.viridiansselect.com.au or ask your advisor for a copy.

Professional Indemnity (PI) Insurance

We confirm that Viridian Select has appropriate Professional Indemnity insurance in place, which satisfies the requirements of section 912B of the *Corporations Act 2001* (Cth) for compensation arrangements. The insurance is subject to the terms and conditions of the policy. The insurance includes cover for claims made in relation to the conduct of authorised representatives/employees, including those who are no longer employees, but who were at the time of the relevant conduct.

Complaints process

If you have a complaint or concern about the service provided to you, we encourage you to take the following steps:

1. Contact your advisor first about your concern
2. If your concern is not resolved to your satisfaction, you may contact us:

Advice Complaints, Viridian Select
Level 17, 120 Collins Street
Melbourne VIC 3000
Phone: 03 8559 3301
Email: complaints@viridiansselect.com.au

We aim to resolve complaints within five business days, but some complaints take longer to resolve. If your complaint is taking longer, we will let you know what is happening and a date by which you can reasonably expect a response – this date will not exceed 30 days from the date you told us about your complaint.

3. If the complaint has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority (AFCA). AFCA provides fair and independent financial services complaint resolution that is free to consumers.

Website: www.afca.org.au
Email: info@afca.org.au
Telephone: 1800 931 678 (free call)

In writing to:

Australian Financial Complaints Authority,
PO Box 3,
Melbourne VIC 3001

4. Australia's corporate, markets and financial services regulator, the Australian Securities and Investments Commission (ASIC), also has a free call information line on 1300 300 630 which you may use to obtain information about your rights.

You may also contact ASIC by writing to:
Australian Securities & Investments Commission
GPO Box 9827, Sydney NSW 2001
Website: www.asic.gov.au

Full details of our complaints policy are available on our website at www.viridiansselect.com.au or ask your adviser for a copy.

Our Contact Details

Viridian Select Pty Ltd
ABN 41 621 447 345

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17, 120 Collins Street
Melbourne VIC 3000,

Phone: 1300 84 74 34
Email: enquiries@viridianselect.com.au
Website: viridianselect.com.au

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Viridian Private Wealth Pty Ltd

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Website: www.viridianadvisory.com.au

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