

## **FINANCIAL SERVICES GUIDE**

### **Introduction**

This Financial Services Guide (“FSG”) is designed to assist you in deciding whether to use any of the services offered by RIM Securities Limited (“RIMsec”).

It contains information about:

- the services offered by RIMsec;
- how RIMsec operates;
- how RIMsec and related persons are paid;
- how RIMsec deals with client’s complaints;
- any interests, associations or relationships that could influence RIMsec.

It also contains RIMsec’s Terms and Conditions and Privacy Policy.

If you require additional information or clarification, please do not hesitate to contact us using the details shown below:

RIM Securities Limited  
GPO Box 6  
BRISBANE QLD 4001  
Telephone: +61 (0) 7 3020 3000  
Facsimile: +61 (0) 7 3020 3070  
Email: [ahealey@rimsec.com](mailto:ahealey@rimsec.com)

## **Our Services**

### **Who is RIMsec?**

RIMsec was established in 2004 and is a public unlisted company with offices in Brisbane, Sydney and Melbourne. Its activities are regulated by the Australian Securities and Investment Commission (“ASIC”).

### **Services offered by RIMsec**

RIMsec is a licensed dealer in fixed income financial products and specialises solely in fixed income financial products such as government and semi-government bonds, corporate debentures and bonds including hybrids, deposit and payment products, and managed investment products.

Under its Australian Financial Services Licence, RIMsec is licensed by ASIC to provide:

- dealing and execution services;
- general financial product advice for fixed income financial products; and
- online term deposit services.

### **Other Information you may receive**

As part of RIMsec’s services, RIMsec may also provide you with a Product Disclosure Statement (“PDS”) for product offerings. You may receive a PDS for the product when it is being sold from the issuer of the product or where you are purchasing the product from a person to whom it was issued during the previous 12 months.

A PDS will provide general information about the product and the issuer, including:

- the terms and conditions of the product;
- the cost of the product;
- the risks associated in acquiring the product.

The PDS will assist you in deciding whether the product is suitable for you to purchase.

### **General Financial Product Advice**

The general financial product advice provided by RIMsec will be provided in the form of suggestions, recommendations or advice about, or a recommended portfolio of, fixed income financial products. It will not be based upon your individual financial circumstances, objectives or needs. As a result, you should, before acting upon any advice from RIMsec, consider whether or not RIMsec’ advice, and any proposed investments in fixed income products, are appropriate for your individual financial circumstances, objectives or needs.



Where applicable, you should obtain and read the PDS for a fixed income product (if any) before deciding whether or not to invest in that product.

### **RIMsec' Business Interests and Associations**

RIMsec is a public unlisted company whose shares are wholly owned by the directors and related parties. It is not owned by, or a division of, any financial institution or product originator, nor does it have any interest, association or relationship with any financial institution or product originator, which could influence RIMsec. This allows, RIMsec to source fixed income products from a very broad range of financial institutions, product providers and originators.

### **RIMsec's Insurance requirements**

We have professional indemnity insurance in place and feel confident that it is a reasonable arrangement to have for compensating our retail clients for any loss or damage they may suffer should we or one of our representatives be found to have caused them to suffer loss or damage due to a breach of a relevant obligation under Chapter 7 of the Corporations Act. Subject to all statutory limitation periods our insurance arrangements cover work done under our AFSL by our representatives even when they cease to be our representatives.

## **How RIMsec Operates**

### **Terms and Conditions**

RIMsec operates as a dealer in fixed income financial products. Its role is to assist you in obtaining the best rates of return on fixed income investments. RIMsec will only deal with you and act upon your instructions on the basis and the terms and conditions set out in this FSG.

RIMsec does not act as the agent of the issuers of fixed income products, or Approved Deposit-Taking Institutions, and is not responsible for any payments to be made by them to you.

### **Providing Instructions**

When using RIMsec' services, you will be assisted by a representative who has been employed by, and acts on behalf of, RIMsec. The representative's name will appear on any contract notes or trade confirmations issued by RIMsec.

You may provide instructions to the representative by telephone, email, facsimile or post using the contact details contained in the introduction to this FSG. RIMsec will act upon those instructions to purchase, rollover or sell fixed income products. In so doing, RIMsec will generally act as the counterparty (that is, the seller or buyer of the product). RIMsec will also



act upon your instructions in relation to making, rolling-over, redeeming or reinvesting term deposit investments.

If you fail to provide RIMsec with written or oral instructions for an existing fixed income, or term deposit investment, then (subject to the policy of the issuer of the fixed income product or the Approved Deposit-Taking Institution) RIMsec will arrange for your investment to be rolled-over until express instructions are received from you. RIMsec acts as your agent when doing these things.

RIMsec will maintain a record of your investments as well as any correspondence relating to these investments. These files are all available for your examination if required.

## **Benefits and Commissions**

RIMsec does not charge its clients a fee or commission for its services. It derives its income from the following three sources:

- Acting as principal** - When RIMsec acts as the counterparty (that is, the seller or purchaser) of a fixed income product, RIMsec will receive a margin on the sale of that product. This may be done by purchasing the product in RIMsec' name at a price and then selling it to you at a slightly higher price, or by purchasing a product from you in RIMsec' name at a price and then selling it at a slightly higher price. The price quoted to you by RIMsec for a product is net of RIMsec' margin. Depending upon the size and duration of the product, this margin is likely to be less than 0.25% of the yield to maturity.
  
- Acting as a broker** - When RIMsec acts as a broker of deposit facilities offered by Approved Deposit-Taking Institutions, RIMsec will receive a margin on the interest rate offered on the deposit. The interest rates quoted to you by RIMsec on deposits, including via [www.bestdeposits.com](http://www.bestdeposits.com) are net of RIMsec's margin. The bank or financial institution providing the deposit facility is responsible for paying RIMsec the margin, which is likely to be less than 0.25% of the yield received on the deposit.

**Distributing new issues or products** - When RIMsec acts as the distributor of new issues and fixed income products originated by third parties, RIMsec will receive a commission from the originator. In these instances, the commission payable differs with each issue. The level of commission will be disclosed in the PDS for the issue and is likely to be in the range of 0.25% to 1.50% of the amount invested.

### **Representatives**

RIMsec does not remunerate its representatives upon individual transactions by RIMsec's clients. Rather, RIMsec remunerates its representatives by a salary, plus a monthly bonus of between 10% and 35% of the net revenue generated by that person during that month if certain key performance indicators are reached. An annual bonus of 10% may also be paid if other key performance indicators are reached. The remuneration to RIMsec's representatives will be paid from (and therefore be less than) the margins or commission paid to RIMsec set out above.

### **Benefits for those who refer clients to RIMsec**

RIMsec may pay a commission or other benefit to an external party who referred you to RIMsec or to someone nominated by the external, if you enter into a transaction. That commission or other benefit will not be a fixed amount or based upon a set formula but will be paid from (and therefore be less than) the margins or commission paid to RIMsec set out above and recorded in the contract note or trade confirmation.

### **Making a Complaint**

RIMsec's goal is client satisfaction and it has established procedures that aim to deal with and resolve disputes, including membership of an ASIC approved independent dispute resolution centre. If you have a complaint about the service provided to you, please take the following steps:

**Step 1 -** Contact your representative and provide him or her with the details of your complaint.

**Step 2 -** If the representative has not satisfactorily resolved your complaint within three days, please contact Alastair Healey who is the Managing Director and responsible officer of RIMsec. Alastair will try to resolve your complaint quickly and fairly. Alastair's contact details are:



Phone: +61 (0) 7 3020 3000  
By post: GPO Box 6  
BRISBANE QLD 4001  
By e-mail: [ahealey@rimsec.com](mailto:ahealey@rimsec.com)

**Step 3** - You may also complain to the Financial Ombudsman Service Limited or to ASIC as shown below:

**Financial Ombudsman Service Limited**

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

GPO Box 3  
MELBOURNE VIC 3001  
RIMsec membership No: 12030

Tel: 1300 78 08 08  
Fax: (03) 9613 6399  
Email: [info@fos.org.au](mailto:info@fos.org.au)

**ASIC**

Free-call Info-line: 1300 300 630

Email: [infoline@asic.gov.au](mailto:infoline@asic.gov.au)



## Terms and Conditions

In consideration of RIMsec dealing with you or on your behalf of, you are deemed to have acknowledged and agreed to the following terms and conditions:

1. You warrant that you have received and read RIMsec' Financial Services Guide (FSG).
2. You acknowledge and agree that RIMsec has warned you that:
  - (a) any advice provided by RIMsec is general financial advice;
  - (b) the advice has been prepared without taking into account your objectives, financial situation or needs;
  - (c) before acting on any advice from RIMsec, you should consider the appropriateness of the advice, having regard to your objectives, financial situation and needs; and
  - (d) if any advice by RIMsec relates to the acquisition, or possible acquisition, of a particular financial product, you should obtain a product disclosure statement relating to the product and consider the statement before deciding whether to acquire the product.
3. You authorise RIMsec to act on your written or oral instructions to purchase, make, rollover, sell, redeem, or reinvest, fixed income product, and term deposit investments.
4. If you fail to provide RIMsec with written or oral instructions for your existing fixed income, or term deposit, investments, then (subject to the policy of the issuer of the fixed income product or the Approved Deposit-Taking Institution) you authorise RIMsec to provide the instructions necessary for the fixed income product, or term deposit, investment, to be rolled-over until RIMsec receives express instructions from you.
5. You acknowledge and agree that RIMsec does not act as the agent of the issuers of fixed income products, or Approved Deposit-Taking Institutions, and is not responsible for any payments to be made by them to you.
6. You acknowledge and agree that RIMsec may act as a principal or counterparty in any purchase or sale of fixed income products by you.
7. You must pay for purchases (including taxes, costs, duties, and charges, in respect thereof) and make good delivery in respect of sales, to enable RIMsec to settle by the due settlement date. If you fail to pay for purchases or make good delivery in respect of sales by the due settlement date, RIMsec may sell all or part of those purchases and pass onto you all costs incurred by it as a result of your failure to settle.
8. You warrant that it is, and at all times during its dealings with RIMsec will be, in a position to meet all commitments on its part arising out of its dealings with, or business conducted on its behalf by, RIMsec.
9. If you comprise more than one person you are jointly and severally bound by this agreement.
10. RIMsec may appropriate credits and all payments received from you or on your behalf to reduce any money owing by you to RIMsec whether on the Account or any other Account.



11. You acknowledge that RIMsec may receive fees, commissions, or other benefits or advantages, as a result of you executing a deal with RIMsec or a third party.

12. You acknowledge that RIMsec may pay fees, commissions, or other benefits or advantages, to:

(a) its Representatives as a result of you executing a deal with RIMsec or a third party; and

(b) a third party who referred you to RIMsec or to someone nominated by the third party.

13. RIMsec may, at any time, reissue a Contract Note or Trade Confirmation in order to correct any errors or omissions.

14. You must notify RIMsec in writing within two business days of any change in your name, address, telephone number or other material circumstances affecting the settlement of transactions.

## **Privacy Policy and Collection Statement**

### **Your privacy is important to us**

RIMsec has created this Privacy Policy and Collection Statement ("Privacy Policy") in order to demonstrate RIMsec' firm commitment to your privacy. RIMsec is bound by the Privacy Act 1998 and the National Privacy Principles ("NPP").

RIMsec will update this Privacy Policy as required. If it is changed, the changes will be included in RIMsec' Financial Services Guide and posted on [www.rimsec.com](http://www.rimsec.com) so that you are always aware of the sort of information collected, how the information may be used, and under what circumstances it may be disclosed by RIMsec.

This Privacy Policy does not apply to acts or practices of RIMsec that are directly related to employee records of current or former employees.

### **What sort of information does RIMsec collect?**

RIMsec collects information about you ("Information") in the following ways:

1. RIMsec collects Information about you when you or your agent perform transactions with RIMsec, or with third parties when RIMsec is acting in its capacity as a fixed income dealer, and during the course of RIMsec providing you with its services in its capacity as a licensed dealer in fixed income products.

2. RIMsec collects Information about you when you send RIMsec an email, namely, your email address and any other personal information which you disclose in your email.



3. RIMsec collects Information about you when you register as a client of RIMsec either by telephone, written communications, and email

**What happens if you do not provide the Information?**

If you do not supply sufficient personal information to RIMsec, RIMsec may not be able to carry out your instructions to perform transactions in relation to fixed income products, to ensure that the products and money due to you is able to be transferred to you, or to provide you with information arising out of your business relationship with RIMsec.

**Why does RIMsec collect the Information and how is your Information used by RIMsec?**

RIMsec collects the information to provide you with RIMsec' services as a licensed dealer in fixed income products. For example, RIMsec may use the Information to comply with your instructions relating to transactions in fixed income products.

RIMsec also uses the information to send you information (either by email or post) that you request, such as contract notes. If at any time you receive material that you did not request, or which you no longer wish to receive, please inform RIMsec by correcting and updating your profile as discussed below.

**Who does RIMsec disclose personal information to?**

RIMsec will not sell, rent, trade or otherwise supply to third parties any personal Information obtained from you unless you consent.

RIMsec will supply to third parties (for example financial institutions) personal information obtained from you in order to carry out transactions in fixed income products which you have instructed us to perform. RIMsec may develop aggregate (that is, not individual) reports which incorporate some of the Information. The reports are for use by RIMsec and its business partners, however, these reports do not include any personally identifiable Information.

Please note that if at any time RIMsec is required by law to release information about you or your organisation, RIMsec must cooperate fully.



### **How will RIMsec keep your personal Information secure?**

RIMsec has security measures in place designed to protect against the loss, misuse or alteration of the Information under its control. These security measures are:

1. Access to the Information by employees of RIMsec is restricted to those employees who are required to access the Information in order to carry out your instructions in relation to transactions in fixed income products.
2. RIMsec has clauses in employee contracts requiring confidentiality of RIMsec clients and their information.
3. The Information is stored on computers in RIMsec' lockable offices.

### **Correcting and updating your profile**

RIMsec gives you the following options for accessing and modifying Information previously provided:

1. You may gain access to Information that RIMsec has collected about you, by contacting the person named below. We will not charge you for responding to such a request, unless we incur costs in providing the Information.
2. You may contact the person named below, by telephone, written communications, or email to notify RIMsec of the necessary corrections or updates to the Information.

### **Contact us**

If you have any questions about this Privacy Policy, please contact:

Alastair Healey  
Managing Director  
RIM Securities Limited  
GPO Box 6  
BRISBANE QLD 4001

Telephone: (07) 3020 3000

Facsimile: (07) 3020 3070

Email: [ahealey@rimsec.com](mailto:ahealey@rimsec.com)