Investing in corporate bonds?

This independent guide from the Australian Securities and Investments Commission (ASIC) can help you look past the return and assess the risks of corporate bonds.

AUSTRALIA

ASIC

Australian Securities & Investments Commission

If you're thinking about investing in corporate bonds

- Read this guide together with the prospectus for the corporate bonds.
- The return offered is not the only way to assess this investment: make sure you understand the risks.
- The information in this guide is general in nature. To work out a detailed strategy that meets your individual needs, consider seeking professional advice from a licensed financial adviser.

Remember

Anything you put your money into should meet your goals and suit you.

No one can guarantee the performance of any investment.

You may lose some or all of your money if something goes wrong.

Visit ASIC's website for consumers and investors at www.moneysmart.gov.au for more independent information from ASIC about what to watch out for when investing.

Contents

Your investment checklist

This checklist can help you decide whether corporate bonds are the right investment for you.

Make sure you can answer the following questions before you invest your money in corporate bonds.

If you can't answer these questions, read the relevant sections of this guide.

	Yes	No
Do you know when the bonds mature (the maturity date)?	❍	❍ If 'no', see page 16
Do you know the length of the bonds' term in years?	❍	❍ If 'no', see page 16
Do you know if interest is paid at a fixed rate or floating rate?	❍	❍ If 'no', see page 18
If they are floating rate bonds, do you understand how the interest rate is calculated?	❍	❍ If 'no', see page 18
Do you know how often you will be paid interest?	❍	❍ If 'no', see page 20
Do you know if the company has the financial capacity to pay you interest and return your principal at maturity?	❍	❍ If 'no', see page 22
Do you understand that you may lose money if you sell your bonds in the market?	❍	❍ If 'no', see page 26
Do you know if the bonds are secured or unsecured?	❍	❍ If 'no', see page 28
Do you understand where you would stand in relation to other creditors if the company issuing the bonds couldn't pay its debts?	❍	❍ If 'no', see page 28
Do you know if the company issuing the bonds can buy them back before the maturity date?	❍	❍ If 'no', see page 32
Do you understand the risks of investing in corporate bonds?	❍	❍ If 'no', see page 34

Know what the investment is

What is a 'corporate bond'?

A corporate bond is one way for a company to raise money from investors to finance its business activities.

In return for your money, the company issuing the bonds (the issuer) promises to:

- pay you interest
- pay back the money you've invested (your principal) on a certain date.

By investing in corporate bonds, you are lending your money to a company, with all the risks that this involves. For example, you may not get your money back if the company issuing the bonds goes out of business.

How is a corporate bond different to a debenture?

A debenture is a type of corporate bond. To be called a debenture, a corporate bond must be secured against property. Corporate bonds generally may or may not be secured against property.

A debenture is also always a fixed rate investment, while corporate bonds may be fixed interest or floating rate investments. This means that the interest rate on the money you lend is either set in advance (fixed) or linked to a variable interest rate (floating).

Regardless of the type of interest rate, it's important to remember that with corporate bonds (as with debentures), interest payments on your money and the return of your principal are not certain.

How are corporate bonds different to government bonds, term deposits or shares?

Corporate bonds are completely different to government bonds, term deposits or shares:

- A corporate bond is not the same as a government bond, which is a low-risk investment.
- A corporate bond is not the same as a term deposit, which is currently guaranteed by the Australian Government's deposit insurance scheme (for balances up to $1,000,000).
- A corporate bond is not the same as a share. If you buy a company's shares, you have an ownership interest in the company. If you buy corporate bonds, you are lending money to the company issuing the bonds. As a bond holder, you are considered a 'creditor'.

For a full comparison of corporate bonds with these other products, see Table 1 on pages 8–9.

Table 1: Some advantages and disadvantages of corporate bonds compared to other investments

Product	Advantages	Disadvantages
Corporate bonds	• Regular interest payments • Fixed-term investment (unless you decide to sell your bonds on secondary market, see page 11) • Some security (your bonds generally rank higher than shares if the company can't pay all its debts)	• If the company becomes insolvent (that is, it can't pay its debts), you may not get interest payments and/or your capital back • Risk that no one will want to buy your bonds on the secondary market if you do not want to hold them to the maturity date • Debt security ranking may be low
Term deposits	• Government guaranteed for balances up to $1,000,000 • Easy access to your money	• Lower interest rates • Bank charges and fees

Product	Advantages	Disadvantages
Government bonds	• Regular interest payments • Fixed-term investment • Government guaranteed repayment of debt • Low-risk investment	• Lower interest rates • Hard to access for retail investors
Shares	• Dividend payments • Ownership interest in the company • Easily traded on secondary market	• You rank lower than other investors such as holders of corporate bonds • Dividends subject to company performance

Why invest in corporate bonds?

With corporate bonds, you normally get a regular income and a higher interest rate than may be available on a term deposit or other cash-based product.

However, corporate bonds are not generally designed to give you capital growth (that is, the bonds you buy are unlikely to increase in value during the time you have the investment).

Can you lose money by investing in corporate bonds?

Some investors believe that corporate bonds have little or no risk. But, like any investment, corporate bonds can be risky.

The main risk is that the company issuing the bonds might go out of business. This could mean you lose some or all of your money because the company can't afford to pay all of the money owed to its creditors, including you (this is known as credit risk).

Corporate bonds are also subject to other investment risks like interest rate risk, liquidity risk and prepayment risk, see pages 34–35. The prospectus for the bonds should tell you about these and any other risks.

Corporate bonds are generally less risky than shares.

How can you buy corporate bonds?

There are two main ways to buy corporate bonds:

- through a public offer (the primary market) or
- through a securities exchange (the secondary market).

Primary market (public offer)

Most retail investors buy corporate bonds through a public offer. A company that makes a public offer will issue a prospectus and investors apply directly to buy bonds. Many investors find out about these offers through newspaper advertisements.

The prospectus for an offer of corporate bonds generally specifies a minimum investment parcel (or bundle of bonds). People who invest in corporate bonds when they are first issued pay the face value of the bond (usually $100 each). If you buy corporate bonds through a prospectus, it is very important to read the document thoroughly (see 'Tips for reading a prospectus' on pages 36–39).

Secondary market (securities exchange)

You can buy (and sell) some corporate bonds on the Australian Securities Exchange (ASX), just like you would for shares, after they have already been issued in the primary market. If you buy bonds on the ASX, you will pay the market price, which may be higher or lower than the face value of the bond. You will also pay transaction fees (for example, commission or brokerage fees) to your broker.

Do your own research

Regardless of how you buy corporate bonds, it's important to understand the features and risks of the product before you invest.

A good place to start if you're buying bonds when they are first issued is the prospectus. If you're buying them on the secondary market (see page 11), the prospectus may be out-of-date so the best place to get current information is the issuing company's website or the ASX.

Why is the prospectus important?

The prospectus tells you how the investment works. It should tell you everything you need to know about the company issuing the bonds, what it will do with your money, and the terms of the investment.

Some investors find prospectuses hard to read and understand. It is very important that you carefully read the sections of the prospectus that:

- explain the key features and risks of the investment
- give you information about certain indicators that can help you assess the risks
- tell you about the timing of interest payments and conditions around them.

You should find this information in the first few pages of the prospectus.

A prospectus must be lodged with ASIC before it can be used to raise money from investors. However, this does not mean that ASIC has checked or endorsed the investment in any way.

What information is available through the company's website or the ASX?

Many companies put information on the bonds they have issued on their website. The information is typically found under the 'investor centre' tab.

Listed companies must also give information on their bonds to the ASX as part of their disclosure obligations. You can find this information on the ASX's website at www.asx.com.au under the company name.

Bond basics: Things you need to know before investing

To help you understand what you read in the prospectus, we've put together a quick summary of the key product features and risks of corporate bonds.

Even though this section is called 'bond basics', some of the concepts are fairly complex. The terms and conditions of corporate bonds vary widely and they can be structured in many different ways.

That's why it's especially important for you to understand what you're putting your money into before you go ahead. For more tips on reading a prospectus and what the jargon really means, see pages 36–39.

1. Maturity date and term

The maturity date is the date on which your investment ends (matures). On this date, the issuer must buy back (or redeem) all of the corporate bonds issued to you. You can expect to get back the face value of the bonds plus any interest that has accrued since the last time interest was paid to you.

The maturity date is usually stated at the front of the prospectus as part of a summary schedule of the terms and conditions of the bonds being offered. For example, for an investment that has a lifespan of five years, under the heading 'Maturity', the prospectus might say: 'The issue matures on the fifth anniversary of the issue date.'

Another way to describe a corporate bond with a lifespan of five years is to say that it has a five-year term. Generally, in the Australian market, corporate bonds are either:

- short-term (maturity dates of up to one year)
- medium-term (maturity dates of one to three years)
- long-term (maturity dates of more than three years).

The issuer may be able to buy back the corporate bonds before the maturity date. This is called early redemption: see page 32.

What's at stake for you?

Check the term of the corporate bonds and make sure it suits your financial needs (for example, do you want to invest in an interest-paying investment over a three-year term?)

Unless you plan to trade listed corporate bonds on the secondary market and can find a buyer for them, you will need to wait for your bonds to mature before you get your money back. In the case of short-term bonds, your money will be tied up for one year. For medium-term and long-term bonds, it will be even longer.

If the issuer can buy back their bonds before the maturity date, this will affect any interest payments that you expect to get over the life of the bond. What would this mean for your income?

2. Interest rates

Corporate bonds can pay interest at a fixed rate or a floating rate.

Fixed rate

The interest rate on fixed rate bonds is set when the bonds are issued and is shown as a percentage of the face value (usually $100) of the bond. The interest rate stays the same for the life of each bond.

For example, a $100 bond with an 8% interest rate will pay investors $8 a year in instalments of $4 every six months or $2 every three months (quarter). These instalments are called coupon payments.

Floating rate

The interest rate for floating rate bonds, as the name suggests, varies or floats, in line with movements in a benchmark interest rate. The benchmark rate is usually the variable interest rate for a bank bill for a three or six-month term. (Bank bills are short-term investments between banks.) A fixed margin is generally added to the benchmark interest rate to get the floating rate.

For example, if the interest rate for a three-month bank bill is 3.5% and the fixed margin is 4%, the floating rate will be 7.5%.

The prospectus should tell you exactly how and when the floating rate will be calculated for coupon payments (this is often at the back of the prospectus under the terms and conditions).

What's at stake for you?

If you invest in fixed interest rate bonds, you'll get the same coupon payment every quarter or six months for the life of the bond. This is important if you're depending on the interest payment for income.

If you invest in floating rate bonds, the coupon payment will vary each time, sometimes quite substantially. You could get higher returns if the benchmark interest rate goes up, but you also risk getting lower returns if the benchmark interest rate goes down.

3. Interest payments

One of the main benefits of corporate bonds is that, up to the maturity date, you will normally get a regular income from interest payments on the money you have invested. How often you can expect to be paid interest is called the payment frequency.

Normally, interest on corporate bonds is paid every three months (quarterly). Specific dates for the payments are shown in a summary schedule at the front of the prospectus, with more detail at the back under the terms and conditions.

Some issuers include an option allowing them to adjust the payment frequency on a cumulative basis. This means that, if the issuer can't pay your interest payment on the scheduled date, they will pay you an accumulated amount including interest on the next scheduled payment date.

Issuers may include this option to give themselves more flexibility with their cash flow. Even though you will still get the money you are owed, it will be worth less to you because inflation will have eaten away some of the payment's real value due to the delay.

What's at stake for you?

Check the prospectus for the schedule of interest payments.

Does the payment frequency suit your needs?

If the issuer can adjust the payment frequency on a cumulative basis, how will this affect your income and cash flow requirements?

4. Financial capacity

When you buy corporate bonds, you are lending money to a company. You need to be sure that the company can pay you interest each quarter and repay your principal at maturity.

One way to assess whether the company can meet its financial obligations is to review the pro forma financial information in the prospectus.

While this may seem daunting given the volume and complexity of this information, you can get some idea by focusing on important financial metrics.

What you need to know is whether you're dealing with a healthy company with low levels of debt and plenty of cash to service it, or a troubled company that is heavily in debt (leveraged) and cash-poor.

Table 2 on page 24, highlights the key pieces of financial information that should help you work this out.

What's at stake for you?

A company is less likely to be able to make interest payments to you and repay your principal if:

- its financial performance over time has been lacklustre
- it has a low interest coverage ratio, or a high debt to equity ratio.

Think about whether you are willing to risk your money with such a company.

Table 2: Key indicators of a company's financial capacity

The company's financial performance over time
Companies with a solid financial performance history—strong earnings, profitability and cash flow—are much better placed to meet their financial obligations.

The company's ability to pay interest on its debts (interest coverage ratio)
A company's earnings should be greater than its interest expenses—that is, the company should earn enough from its business operations to cover interest payments on money it borrows. Two common interest coverage ratios are: • earnings before interest, tax, depreciation and amortisation (EBITDA) divided by net interest expenses • earnings before interest and tax (EBIT) divided by net interest expenses. Regardless of which ratio is used, make sure that the company's earnings are comfortably larger than net interest expenses. For example, if EBIT was $500,000 and net interest expenses were $100,000, the interest coverage ratio would be 5, which means that earnings are five times larger than interest expenses.

The company's level of debt or leverage (gearing ratio)

A good indicator of a company's level of debt is a ratio that measures total liabilities divided by shareholder equity (gearing ratio). The higher this ratio, the more highly leveraged the company.

As with any ratio, what is appropriate can depend on the company's business.

Although the two ratios above are important, you should also take into account other credit indicators such as:

- whether the company has defaulted on any current or previous debt obligations, or has breached any conditions on its loans (loan covenants), and
- whether the company has a significant amount of debt that will be maturing soon, and which may need to be rolled over (its debt maturity profile).

5. Market value

Corporate bonds usually have a face value of $100 each, which is what you would pay if you bought a bond through a prospectus when it was first issued.

If you buy or sell corporate bonds on the secondary market, like shares, their price can vary from day to day.

There may be several reasons for the difference between the market price and the face value of particular bonds: see Table 3.

What's at stake for you?

A rise or fall in the market price of a corporate bond won't affect how much money you'll get back if you hold onto the bonds until the maturity date. In this case, you should be paid the face value of the bonds (that is, what you paid for them when they were first issued) plus any interest due to you since the last interest payment.

If you're buying or selling corporate bonds in the secondary market, though, the market price will affect you. What you pay to buy the bonds or get for selling them may be lower or higher than the face value, depending on the market price at the time you buy or sell.

Table 3: Influences on market value

Interest rates have changed
When interest rates rise, new bonds may be issued into the market with higher returns than older bonds. This means that the older bonds are worth less and their market price falls. When interest rates drop, new bonds may be issued into the market with lower returns than older bonds. This means that the older bonds are worth more and their market price goes up.
The company's credit rating has changed
A credit rating agency may decide to lower the credit rating for a company's bonds (for example, if the company isn't doing as well as it was when the bond was issued). Details of any significant changes should be announced to the ASX. If this happens, the market price of the bond might fall. On the other hand, the credit rating might increase, leading to a higher market price.
There are fewer potential buyers
If there are fewer potential buyers for corporate bonds, it may take longer to sell your bonds at the price you want. This can be a problem if you need to get your money back quickly.

6. Security and ranking

If you're thinking of investing your money in corporate bonds, it's important to be aware of how likely you are to get your money back if the company that issued the bonds becomes insolvent (that is, if it can't pay its debts).

When a company becomes insolvent, its assets may have to be liquidated, with the proceeds being distributed to everyone who has a stake in the company. This means all the creditors (including bond holders) and shareholders.

There are two factors that determine how likely you are to get your money back:

- whether the corporate bonds are secured or unsecured and
- your ranking in the list of creditors.

These things should be clearly described in the prospectus.

Figure 1 on page 30 explains the security and rankings that usually apply to corporate bonds. We have included term deposits and shares for a comparison.

What's at stake for you?

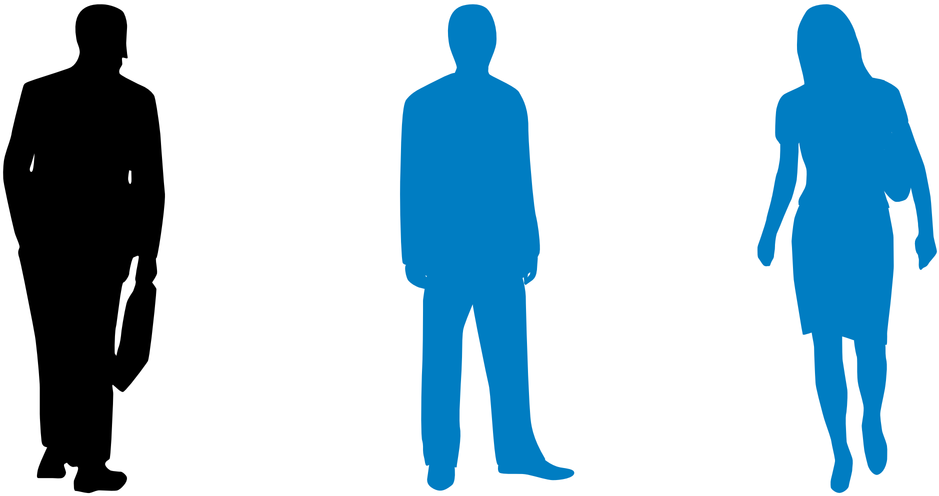
Check what the bonds are secured against and what your ranking is if the issuing company becomes insolvent.

Think about whether you can afford to lose some or all of your money if things go wrong.

As a rule of thumb, the holder of an unsecured and subordinated corporate bond is ranked higher than the holder of shares in a company, but lower than a secured creditor (for example, the issuer's bank).

This means that, generally, if the issuing company becomes insolvent and its assets are liquidated, you may only get back your money after all the secured creditors have been paid. Even then, you may only get back part of your money, depending on what is left over.

Figure 1: Security and ranking for corporate bonds compared to other investments



Term deposits

Security/ranking: Your deposit is secured against the current government guarantee (for amounts up to $1,000,000).

What it means: You will get all your money back if the bank or other institution becomes insolvent, regardless of other debts it has.

Corporate bonds—Senior secured

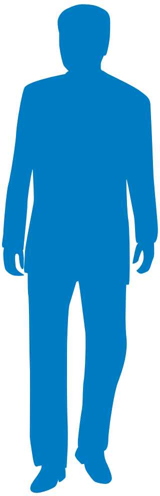
Security/ranking: The corporate bond is secured against company property and you are ranked ahead of other secured creditors.

What it means: You may get some of your money back before other secured creditors are paid.

Corporate bonds—Senior unsecured

Security/ranking: The corporate bond is not secured against company property but you are ranked ahead of other unsecured creditors.

What it means: You may get some of your money back after secured creditors are paid, but before other unsecured creditors are paid.



Corporate bonds—Subordinated

Security/ranking: The corporate bond is not secured against company property and you are not ranked ahead of other unsecured creditors.

What it means: You may get some of your money back after secured and senior unsecured creditors are paid, but before other company debts are paid.

Shares

Security/ranking: You are ranked below all other creditors.

What it means: You may get some of your money back after all the company's creditors have been paid.

7. Early redemption

Early redemption means that the issuer can buy back the corporate bonds before the maturity date. If the issuer redeems the bonds early, they will usually pay you the face value of the bond with any accrued interest to date since your last interest payment.

Although it's less common, you may also be allowed to ask the issuer to redeem your bonds before the maturity date.

The prospectus should tell you the circumstances under which early redemption is possible. This will be either unlimited redemption or specified redemption.

Specified redemption

This means that the issuer can only redeem the bonds before the maturity date if certain events occur as specified in the prospectus.

An example of a specified event might be if the project the bond was issued to raise money for is a joint venture and a key partner pulls out.

Unlimited redemption

This means that the issuer can redeem the bonds at any time.

What's at stake for you?

If the issuer redeems the bonds early, you will miss out on any potential interest you would have earned.

You may also end up paying extra costs if you decide to re-invest your money in something else.

If you bought the corporate bonds on the secondary market, you could also lose money if the issuer redeems the bonds early. This is because you will probably be paid the face value of the bonds, which may be lower than the market price you paid for them.

8. Investment risks

Some investors think that corporate bonds are about as risky as government bonds. This is not the case.

They are more risky than government bonds. The prospectus should tell you about the risks that apply to corporate bonds generally (see Table 4) and any other risks that may apply to the particular bonds.

What's at stake for you?

Although corporate bonds are less risky than shares, you could still lose some or all of the money you've invested.

Make sure you understand what the risks are and whether you can afford to take them with your money.

Table 4: Types of risk and what they mean

Credit risk
This is the risk that the issuer may not be able to pay back the money they owe on the bonds they have issued (that is, they may 'default' on interest payments to you, or not be able to pay back the money you originally invested).
Interest rate risk
This is the risk that the market value of the bonds will go up and down as interest rates go up and down. For example, if interest rates go up, the market value of corporate bonds will generally go down (this means you may get less money for your bonds if you're planning to sell them on the secondary market than what you initially paid for them).
Liquidity risk
This is the risk that you won't be able to sell your bonds when you want to at the price you want to because there aren't many buyers for the bonds.
Prepayment (or early redemption) risk
This is the risk that the issuer will redeem the bonds early if interest rates fall and the market price goes up. If this happens, you will be paid the face value of the bonds (you may have paid more for them or they may be worth more on the secondary market).

Tips for reading a prospectus

Figure 2: Key features of the corporate bonds (presented in a prospectus)

1	**Issuer**	XYZ Limited
2	**Issue price**	$100 per XYZ corporate bond
3	**Minimum application**	$5,000 (being 50 XYZ bonds)
4	**Offer size**	XYZ Limited is seeking to raise approximately $200 million through XYZ bonds. However it is not a condition of the offer that XYZ Limited receives applications for a minimum number of XYZ bonds or that a minimum amount is raised and XYZ Limited has the right to raise more or less than the above amount.
5	**Maturity date**	The fifth anniversary of the issue date (expected to be 1 May 2014). XYZ Limited must redeem all outstanding XYZ bonds on the maturity date for $100 cash per XYZ bond and accrued interest.
6	**Interest rate**	XYZ bonds will accrue interest in arrears at a variable rate. The interest rate for each interest period will be the market rate on the first business day of that interest period plus the margin.
6	**Market rate**	The 3-month bank bill rate
6	**Margin**	The margin is 4.25% p.a. and will be fixed for the term of XYZ bonds.
7	**Bonus interest**	Holders who: • receive an allocation of at least 100 XYZ bonds; and • continuously hold in their holding a number of XYZ bonds at least equal to their allocation until the first anniversary of the issue date, will be entitled to bonus interest at a rate of 0.25% p.a. on those XYZ bonds until the first anniversary of the issue date (up to a maximum of 500 XYZ bonds per holding).
8	**Interest payment dates**	The interest payment dates are 15 August, 15 November, 15 February and 15 May each year and the maturity date and any redemption date.

What information will you usually see in a prospectus?

Figure 2 highlights the most important issues and risks for you to check in a prospectus. To find out what the jargon really means, see the explanations below.

Prospectuses for corporate bonds vary depending on the company issuing the bonds. So this is only an indication of the information to look for.

What does it mean?

1. This is the company issuing the bonds.
2. Each bond costs $100.
3. You must buy at least 50 bonds.
4. We want to borrow $200 million but reserve the right to borrow more or less.
5. We will pay you $100 per bond plus accrued interest on 1 May 2014.
6. The interest rate on these corporate bonds is a 'floating rate' based on a market-determined rate (the variable rate for a three-month bank bill) plus a fixed interest margin of 4.25%. This means that your interest payments will vary.
7. If you buy and hold 100 or more bonds (up to a maximum of 500 bonds), the interest rate on your bonds will be 0.25% higher in the first year.
8. You can expect your interest payments on these dates. (This is a sample only. The schedule of payments will vary depending on the issuer).

9	**Interest period**	Interest periods run from (and including) an interest payment date to (but excluding) the next interest payment date. The first interest period will commence on the settlement date.
10	**ASX listing**	XYZ Limited has applied for XYZ bonds to be quoted on ASX. And they are expected to trade under the code 'XYZHA'.
11	**Ranking**	XYZ bonds rank at least equally with all other unsecured obligations of XYZ Limited (other than obligations mandatorily preferred by law) in relation to interest payments and the repayment of the issue price. XYZ Limited's obligations under XYZ bonds will not be subordinated to any other unsecured debt obligations of XYZ Limited (other than those obligations mandatorily preferred by law). It is possible that certain obligations of XYZ Limited may rank ahead of XYZ bonds.
12	Guarantee	If at any time any member of the XYZ Limited group guarantees the obligations of any other member of the XYZ Limited group in respect of financial indebtedness, that guarantor will also guarantee the obligations of XYZ Limited under XYZ bonds (for so long as the first-mentioned guarantee by that member of the XYZ Limited group remains in place).
13	**Early redemption rights**	XYZ Limited will have no right to redeem XYZ bonds prior to the maturity date unless: • a tax event occurs; or • at any time the aggregate face value of XYZ bonds that have not been redeemed is less than 10% of the aggregate face value of the XYZ bonds originally issued. Holders of XYZ bonds will have no right to require redemption prior to the maturity date except where there is a change of control or XYZ bonds cease to be quoted on ASX. On redemption, holders will be entitled to be paid $100 cash per XYZ bond and any accrued interest.
14	**Risks**	There are risks associated with an investment in XYZ bonds, as well as risks associated with an investment in XYZ Limited generally.

9 This is the period of time during which interest will accrue on the money you've invested. If interest payments are made every quarter, the interest period would be roughly three months.

10 You should be able to buy or sell these corporate bonds on the ASX.

11 The corporate bonds are unsecured (that is, they are not secured against company property).

If you invest in these corporate bonds, your ranking will be 'Senior unsecured'. If the issuer becomes insolvent (that is, can't pay its debts), you may get some of your money back after secured creditors (like the issuer's bank) are paid but before other unsecured creditors are paid.

A ranking of 'Subordinated' is lower and is usually unsecured.

12 The group of companies that the issuer belongs to will guarantee the issuer's obligations including paying you interest and paying back the money you invested (your principal) if and when necessary.

13 The issuer can buy back these corporate bonds early (that is, before the maturity date) and may do so if any of these events occurs. With most corporate bonds, you will not have the same right.

14 Like any investment, corporate bonds can be risky (for example, the company may become insolvent or you may not be able to sell your bonds in the secondary market). Make sure you understand and carefully weigh up the risks set out in the prospectus before you invest your money.

Misleading advertising? Hard sell?

Have you come across an advertisement for a financial product that you think is misleading?

Or have you been pressured by a sales person to make a decision when you didn't have enough information, or weren't sure that the product was right for you?

Phone ASIC on 1300 300 630 to tell us about it. You can lodge a formal complaint at moneysmart.gov.au.

See moneysmart.gov.au for some strategies to help you resist pressure selling, so you don't end up investing in a financial product that doesn't suit your needs.

For more information on what to look out for in general investing, go to moneysmart.gov.au.

ISBN 978-0-9805780-7-2