

CANACCORD | BGF

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## Financial Services Guide

A guide to our relationship with you and others

# Purpose of this Financial Services Guide (“FSG”)

This FSG has been issued to outline important information to consider in making a decision about using any of the services provided by Canaccord BGF. It contains important information about:

- Who we are;
- The financial services we offer;
- How we and our related companies are remunerated for our services;
- Any potential conflict of interest we may have;
- Our internal and external dispute resolution procedures;
- Our compensation arrangements; and
- Our Privacy Policy Statement.

This FSG contains general information, so please contact us for more information if you require it.

## Who is Canaccord BGF?

Canaccord BGF is licensed under the Corporations Act (Australian Financial Services License No 234666), and is the wholly owned financial advisory arm of Canaccord BGF Capital Group Pty Ltd. The Canaccord BGF group of companies provide a range of financial services including securities advisory and dealing services to retail and wholesale clients including institutional investors.

## What services does Canaccord BGF offer?

As the holder of AFSL No 234666, Canaccord BGF is authorised to provide advice (both general and personal) on the following financial products:

- Securities;
- Managed investment schemes;
- Basic deposit products;
- Non-basic deposit products;
- Derivatives;
- Government debentures, stocks, and bonds;
- Investment life insurance products;
- Life risk insurance products;
- Investor directed portfolio services (Wrap Accounts);
- Retirement savings accounts; and
- Superannuation.

We are also authorised to deal in the financial products listed above by arranging for their acquisition, disposal or variation.

We have authorised the production of this FSG and are responsible for the financial services provided. We are responsible for the financial services provided to you by our Advisers.

## Information you must provide to obtain personal advice

If you seek advice as to whether a particular security or class of securities or investments is suitable for you (personal advice), your Adviser must give consideration to your objectives, financial situation and needs. To give you personal advice, you will be requested to provide information for inclusion in your personal profile. We will retain a copy of this profile. You should inform your Adviser of any changes to this information. All information retained will be kept strictly confidential.

You have the right not to divulge some or all of this information but, should you not provide this information, your ability to make a claim against Canaccord BGF or your Adviser may be limited. Any advice you receive may have limitations in terms of the appropriateness of the recommendation, and you will need to consider whether or not the recommendation is appropriate in light of your particular investment needs, objectives and financial circumstances. You should consider these warnings carefully. This process, however, does not apply in relation to ‘general advice’ (eg. research reports, newsletters, or it may be verbal) which is prepared without consideration of your objectives, financial situation and needs.

## Statement of Advice and Statement of Additional Advice (Retail Clients only)

When we provide you with personal financial advice we will also provide you with a Statement of Advice which records the advice provided, its basis and scope, any commissions, fees and any benefits or associations we may have relevant to the advice provided.

## Record of Advice

When we provide you with further advice about a specific product or products which does not include a recommendation or opinion about those products, we will prepare a Record of Advice instead of a Statement of Advice. This Record of Advice will be retained by us and a copy will be provided to you on request. You must make this request in writing to your Adviser within 90 days of the date of the advice. There may be a charge associated with this.

## Product Disclosure Statement

When we recommend a particular financial product, we will also provide you with a Product Disclosure Statement (PDS) when required. A PDS contains important information about the product, including how it works, its significant benefits and risks and how to invest in it. It is important for you to consider the matters outlined in a PDS, and your current and future financial requirements, before making a decision whether to hold or acquire any financial products.

# Remuneration and providing instructions

## How are we and others remunerated for the financial services we offer?

### Investment security transactions

Canaccord BGF will charge you a fee for facilitating the purchase and/or sale of investment securities. This may be a transaction or asset based fee, or a combination of both.

### Transaction based fee

Under this arrangement, you will be charged a fee for each “buy” and “sell” transaction we arrange on your behalf. In most cases, the amount will be based on the value of the transaction. This fee may change from time to time and you will be advised of any such changes before they take effect. Following the execution of a transaction, you will be sent a trade confirmation outlining the total fee charged by Canaccord BGF as well as any applicable government charges. We have disclosed our maximum rates below. The transaction based fee payable will be arranged between you and your adviser. These rates are negotiable depending on a number of factors including the amount of your investment spending, the frequency of trading and the level of service required. These rates and fees are exclusive of GST.

### Standard charges for security transactions

Value of transaction	Transaction fee (excl of GST)
Up to \$5,000	2.5%, \$90 minimum
Between \$5,001 & \$15,000	2%
Between \$15,001 & \$50,000	1.5%
Over \$50,000	1%

For example, for a transaction valued at \$10,000 we will charge a transaction fee of \$200 plus \$20 in GST.

All security trading must be settled within T+3 (trade date plus three business days). The following fees may be imposed against those trades that fail to settle on the designated date: Late Settlements on Buy Transactions – an Administration Service Fee which is based on the outstanding amount multiplied by the Reserve Bank of Australia official cash rate plus 6% subject to a minimum \$50 per day. Late Settlements on Sell Transactions – a Fail Fee, calculated at 2% of the trade value and subject to a minimum of \$50 per day on ‘Sells’ where security references have not been provided or have been rejected due to your error. Settlement deadlines are clearly specified on all transaction confirmations. Canaccord BGF may also charge fees for specific administrative services such as processing dishonoured cheques or making cheques payable to third parties. For further information on these fees please contact your Canaccord BGF Adviser.

## Placement of securities and underwriting of securities and managed investment products by Canaccord BGF

Canaccord BGF may arrange for the placement of securities on behalf of its corporate clients from time to time. Canaccord BGF will receive fees for its advisory, management and distribution role. Canaccord BGF may also underwrite an issue of securities or interests in managed investment schemes from time to time. It will receive an underwriting fee in relation to such transactions.

### Investment Advisory and Administration Services

Under this arrangement, you may be charged a fee annually or in instalments, based on the value of your portfolio or a fixed fee as negotiated with your adviser. This fee will normally be based on the amount of funds under advice.

Standard charges for portfolio advice, management and administration service:

Investment Advisory and Administration Services	
Establishment fee	Negotiated
Ongoing advice and administration fee	Up to 2.5%pa on the value of the portfolio, calculated at the end of each period

If you have any queries regarding remuneration, fees or charges, you may request from your adviser full details of the calculation of a particular commission, fee or other benefit for providing a specific financial service.

### Financial Planning Services

Canaccord BGF may charge you a fee for providing financial planning advice as well as the preparation and implementation of a financial plan. Canaccord BGF can also provide administration services for an investment portfolio in which Canaccord BGF will charge you an annual fee.

### Standard charges for Financial Planning Services

You may be charged a fee based on the amount of time we spend developing a financial plan for you. This fee will be determined in consultation with your adviser but would normally be based on an hourly rate.

Fee Based Services	Applicable fee
Initial consultation	Nil or as agreed at interview
Written report	Negotiated fee **
Ongoing advisory services	Negotiated fee **

\*\* We will advise you of our fees in a Statement of Advice.

For transaction based services recommended in a financial plan the following standard fees could apply:

Transaction Based Services	
Entry fees including commission on any financial products we recommend	0-5% excluding GST
Ongoing commissions	0-1% excluding GST

Alternatively, if you select to have the entry fee and ongoing commission rebated to you, we may also charge you a fee for service commensurate with market rates.

We will advise you of our fees in the Statement of Advice.

#### Remuneration to and from other entities

As a guide, Canaccord BGF may receive the following payments from other entities (all fees are ex GST):

Product	Commission / Payment we may receive
Managed Funds	<ul style="list-style-type: none"> <li>– Upfront commission can range from 0 to 5%</li> <li>– Ongoing commission can range from 0.25% pa to 5% pa</li> <li>– Volume bonuses can range from 0 to 0.43% pa</li> </ul>
Cash Management Trusts	Ongoing commission can range from approximately 0.15% pa to 0.65% pa
Margin Lenders	Ongoing commission can range from 0.25% pa to 0.75% pa of the margin lending facility
Life Insurance	<ul style="list-style-type: none"> <li>– Life company first year commission (upfront) range between 0% and 110%</li> <li>– Renewal commissions on life products range between 0% and 30%</li> </ul>

We will disclose the exact amount of commission, volume bonus and other incentives, Canaccord BGF may receive prior to or at the time we offer to provide you with financial services to which these fees relate. These fees will also be disclosed in the relevant PDS. Your Adviser may receive a proportion of the amount received by Canaccord BGF. Your Adviser may also receive from other product issuers benefits such as complimentary or subsidised attendance at conferences, assistance with marketing expenses, and other rewards such as gift vouchers and complimentary tickets to events.

Our representatives, and the employees and directors of related companies, may be eligible for bonuses based on a percentage of their fixed salary for meeting behavioural and financial performance targets, and may also be eligible to receive shares in various companies in the Canaccord BGF Group.

We may receive fees, normally determined as a percentage of revenue, from external parties where we have referred you to them for expert advice (eg. insurance or mortgage brokers). We may also receive payments or benefits from financial product issuers to assist in training of advisers or marketing of their product. We may be paid volume bonuses and other incentives directly from financial product issuers. This amount or percentage will vary from issuer to issuer.

A referral fee may be paid to a third party such as a financial planner. Any third party payments will depend on the particular circumstances and the particular arrangements we have in place with the referrer. We will fully disclose any referral fees and referral arrangements to you at the time of transacting business.

#### Canaccord BGF's association with financial product issuers – any potential conflict of interest

Currently, we do not have any associations with financial product issuers.

#### How you may give instructions

You may specify how you would like to give instructions to us (for example: by telephone, fax, email or through a third party). If you wish to give instructions via a third party, you must complete the Third Party Authority contained in the Client Services Agreement Form. You can obtain this form from your Adviser or from Canaccord BGF, or download a copy from [www.canaccordbfg.com](http://www.canaccordbfg.com)

# General advice, dispute resolution and your privacy

## General advice

From time to time Canaccord BGF may only provide general advice to you. General advice is not personal financial advice. It has been prepared without taking into account your objectives, financial situation or needs. You should therefore consider the appropriateness of the advice in light of your own objectives, financial situation or needs, before acting on the advice. If the advice relates to the acquisition or possible acquisition of a particular financial product from a product issuer, you should obtain a copy of and consider the PDS for that product before making any decision.

## Our dispute resolution procedures

To let us know about any complaints or concerns you may have, please take the following steps: Contact the Canaccord BGF Adviser with whom you have been speaking and explain your concerns.

If your complaint is not satisfactorily resolved within three business days, then contact our Complaints Officer by:

Phone: 03 8688 9100  
 Fax: 03 8688 9155  
 Email: [contact@canaccordbgf.com](mailto:contact@canaccordbgf.com)  
 Write to: Canaccord BGF Limited, Level 4, 60 Collins Street, Melbourne VIC 3000 Australia

We will provide you with full details of our internal and external complaints resolution procedures, and will endeavor to resolve your complaint quickly and fairly.

If you still do not get a satisfactory outcome you can contact the Financial Ombudsman Service Limited (FOS), of which Canaccord BGF is a member. FOS is an external dispute resolution scheme approved by the Australian Securities & Investments Commission (ASIC).

FOS contact details are:  
 Freecall: 1300 780 808  
 Phone: 03 9629 7050  
 Fax: 03 9621 2291

Write to: Financial Ombudsman Service Limited  
 GPO Box 3, Melbourne VIC 3001

ASIC has an Info-line on 1300 300 630, which you may use to make a complaint or to obtain further information about your rights.

## Enquiries

For further enquiries please contact:  
 Mr Marcus Freeman  
 Email: [marcus.freeman@canaccordbgf.com](mailto:marcus.freeman@canaccordbgf.com)  
 Phone: 03 8688 9100  
 Fax: 03 8688 9155

## Our compensation arrangements

We are required by the Corporations Act and ASX Market Rules to have adequate compensation arrangements in place. Canaccord BGF has a comprehensive Professional Indemnity Insurance policy in place which satisfies the compensation requirements under legislative requirements and that is appropriate for its business. Our Professional Indemnity Insurance policy covers claims in relation to its business and its representatives.

## Privacy statement

### Our commitment to privacy

Canaccord BGF recognises that it is important for you to know how we deal with your personal information and for that reason this statement provides details in relation to our current Privacy Policy. This Privacy Statement has been developed to comply with the relevant provisions of the Privacy Act 1988 (Cth) about how and when personal information is collected, stored and distributed by Canaccord BGF.

### Collection of personal information

To provide the highest quality service and advice, Canaccord BGF is required to obtain certain personal information about you. Canaccord BGF is subject to certain legislative and regulatory requirements which necessitate us obtaining and holding detailed information which personally identifies you and/or contains information or an opinion about you ("personal information"). Personal information is defined under the Act as information or an opinion that can identify a person. In addition, our ability to provide you with a comprehensive financial advice is dependent on us obtaining certain personal information about you. Therefore Canaccord BGF, its representatives and staff may request personal information from you which will generally comprise, but not be limited to, the following:

- Personal details eg. name, address, contact details (phone, fax, email), date of birth;
- Employment details and employment history;
- Details of your financial needs and objectives;
- Financial details including your assets and liabilities (both actual and potential), income and expenditure;
- Details of your current investments, insurance cover and superannuation including amounts, investor numbers and bank account details;
- Details of your personal goals and objectives;
- Details of your investment preferences and aversion or tolerance to risk;
- Health information including current health, smoker status and historical medical records;
- Centrelink details including your benefit type and reference number;
- Taxation information including your tax file number; and
- Estate planning details including status of wills, beneficiaries and powers of attorney.

We do not collect information about anyone's political or religious beliefs, ethnic background or sexual preferences.

# Your privacy

## Use and disclosure of personal information

Any personal information about you collected by Canaccord BGF will be used for the following purposes:

- To provide recommendations suitable to your personal situation and prepare the Statement of Advice;
- To give effect to the recommendations made to you;
- To provide you with agreed services to assist in meeting your goals and objectives;
- Reviewing the recommendations made in relation to various financial products;
- Providing you with information about issues that may affect your personal and financial situation including details of alternative financial products.

The organisations we may be required to disclose information include, but are not limited to:

- Related entities and internal divisions of Canaccord BGF;
- Any financial institution (including fund managers, share brokers) with whom you will be investing, are invested in or have previously invested in;
- Government departments eg. Australian Taxation Office, RBL Office and Centrelink;
- Your professional advisers such as solicitor, accountant and medical practitioner;
- Your executor or power of attorney if required;
- External mail house for bulk mail-outs;
- IT contractors working on our systems;
- Any other external party as authorised by you at the time.

We will not use or disclose information collected about you otherwise than for a purpose made known to you unless the disclosure is:

- Required by law (eg. the Australian Tax Office and the Australian Securities and Investments Commission have the power to order us to disclose information about your situation);
- Authorised by law (eg. to protect our interests or where we have a duty to the public to disclose); or
- You have consented to our disclosing the information about you.

Canaccord BGF does not sell, rent or trade your personal information.

## Storage and security

Canaccord BGF recognises how important the privacy of your personal information is to you and has undertaken to store such information in a secure environment. Your personal information may be stored both in hard copy and electronically. Canaccord BGF restricts access to your information by maintaining login and password control on the computer systems and has in place a secure, lockable filing cabinet to store hard copies of personal information.

## Collection of information on our website

The Canaccord BGF website may contain links to other websites whose operator may or may not adhere to a privacy policy or be governed by the National Privacy Principles. While it is not necessary to register your personal details to use our Website, we may offer a registration service in the future which will enable you to obtain information on your current portfolio and update your personal contact details. In the event you do register with us in the future, it will be our intention to collect personal information from you including your name, e-mail address and other necessary details. If you do register with us and decide, at any time that you do not wish to receive any further information from us, you can send an e-mail to the e-mail address noted below requesting to be removed from our online registration database. Please allow 2 weeks for your request to be actioned. While our website does not currently use cookies to allow us to identify your browser while you are using our site, we may adopt this procedure in the future. Cookies do not identify you, they simply allow us to track usage patterns so that we can measure the level of interest in various areas of our site. All browsers allow you to be notified when you receive a cookie and elect to either accept it or not. Your internet service provider should be able to assist you to set your preferences.

## Quality of the personal information

Canaccord BGF is committed to ensuring that the personal information that we hold about you is accurate, complete and up to date and has implemented a review service to aid the process. To assist us with this, please contact us if any of the details you have provided, have changed or you become aware of any information which needs to be updated.

## Access to your information

You may request details of the information we hold about you, at any time by contacting the Privacy Officer:

Privacy Officer – Mr David Barlow  
 Canaccord BGF Limited  
 Email: david.barlow@canaccordbfg.com  
 Phone: 03 8688 9100 Fax: 03 8688 9155  
 www.canaccordbfg.com

In this Financial Services Guide, the terms: "Canaccord BGF" is used refer to Canaccord BGF Limited ABN 19 075 071 466, holder of Australian Financial Services License No. 234666.

"Canaccord BGF Capital Group" is used to refer to Canaccord BGF Capital Group Pty Limited ABN 53 128 279 336. "Canaccord BGF Group" is used to refer to Canaccord BGF, Canaccord BGF Capital Group, and their related bodies corporate, which are involved in the provision of financial services outlined in this FSG. "We", "our" and "us" is used to refer to Canaccord BGF and its representatives. "You" and "your" is used to refer to retail clients, as the term is defined in the Corporations Act 2001 (Cth).