

# CANACCORD | Genuity

## Wealth Management

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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 by Canaccord Genuity (Australia) Limited (Canaccord Genuity, We, Us). This FSG provides important information for retail investors to help you decide whether to use our services. 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, please contact us for more specific information if you require it.

## Who is Canaccord Genuity?

Canaccord Genuity holds Australian Financial Services License Number 234666 (AFSL) which authorises it to provide a range of financial services including securities advisory and dealing services to retail and wholesale clients. Canaccord Genuity provides financial services to retail clients through its internal division, Canaccord Genuity Wealth Management. Canaccord Genuity is also a market participant of the ASX Limited, Chi-X Limited and SSX Limited markets.

Canaccord Genuity is a member of the Canaccord Genuity global group of companies led by Canaccord Genuity Group Inc, an independent full service financial services business, listed on the Toronto Stock Exchange. The group has offices across 7 countries worldwide.

## What financial services does Canaccord Genuity offer?

Canaccord Genuity is authorised to provide advice (both general and personal) on the following financial products to retail and wholesale clients:

- 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;
- Retirement savings accounts; and
- Superannuation.

We are authorised to deal in the financial products listed above by arranging for their acquisition, disposal or variation and issue securities, derivatives and interests in managed investment schemes. We are also authorised to issue securities, interests in managed investment schemes and derivatives, and underwrite the issue of securities and interests in managed investment schemes. Underwriting services are not offered to retail clients.

As a market participant of ASX Ltd, Chi-X Ltd and SSX Ltd we execute trades on the markets operated by these companies, but do not

provide any clearing or settlement services. We use a third party licensed clearing and settlement provider for this purpose.

We have authorised the production of this FSG and are responsible for the financial services provided to you by our Advisors, who are employed by us.

## What advice do we offer you?

As a retail client you can receive the following services from us:

a) No advice – we provide no advice where you instruct us to simply execute a trade on your behalf. This means that our staff will not give an opinion on whether you should buy or sell a particular stock.

b) General advice – when we offer general advice we will give you information about the merits of buying, selling or varying your interest in a particular financial product. We also provide this when we share our research reports with you covering particular ASX listed equities. However we will not take into account your objectives, financial situation or needs when providing this type of advice. We will not be able to advise you if the investment is right for you. You will need to decide that for yourself, knowing your own objectives, financial situation or needs.

c) Limited Personal Advice – we offer personal advice when we consider your needs and circumstances in relation to a particular investment. However, we generally limit our advice to investments on our Approved Product List. Unlike a traditional financial planning service we do not prepare a holistic financial plan for you which covers all your needs.

If the advice we provide relates to the acquisition or possible acquisition of a particular financial product from a product issuer, you will receive a copy of a relevant disclosure document for the particular product which you should consider before making any decision.

## Who do we work with to provide financial services to you?

We work together with other service providers to offer financial services to you. These may include your accountant, lawyer and/or financial planner, as well as our third party providers.

## Information you must provide to obtain limited personal advice

If you seek any personal advice from us, your Advisor must act in your best interest and consider your personal objectives, current financial situation and investment needs. You will be requested to provide these details in your client profile. We will retain a copy of this profile. You should inform your Advisor of any changes to this information. All information retained will be kept strictly confidential subject to our Privacy Policy outlined in this FSG.

If you choose not to provide some or all of this information, any advice you receive may be compromised in terms of the appropriateness of the recommendation, and you will need to consider whether or not the recommendation is appropriate for your particular investment needs, objectives and financial circumstances. You should consider these warnings carefully. In addition, your ability to make a claim against Canaccord Genuity or your Advisor may also be limited. This process does not apply in relation to 'general advice', as may be contained in research reports, newsletters, or

# Remuneration and providing instructions

provided verbally, which is prepared without consideration of your objectives, financial situation and needs.

## Statement of Advice and Statement of Additional Advice

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

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

### Investment security transactions traded on ASX & Chi-X

Canaccord Genuity is a market participant of the markets operated by ASX Limited, Chi-X Limited and SSX Limited. Canaccord Genuity will charge you a fee for facilitating the purchase and/or sale of investment securities traded on these markets. This may be a transaction or asset based fee, or a combination of both.

### Asset based fee

Asset based fees vary depending on the value of your portfolio and the services Canaccord Genuity provides. Fees are calculated on the net value of your portfolio excluding any geared amounts, unless you borrowed funds and used these to acquire financial products before 1 July 2013. Your advisor will inform you of the details and amount of your asset based fee prior to entering into any transactions with Canaccord Genuity.

### 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 Genuity 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 Advisor. 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.

If you fail to settle any trades, we may also charge you interest on the amount outstanding, as set out in our Terms & Conditions.

### Standard charges for security transactions

For example, for a transaction valued at \$10,000, the maximum charge would be a transaction fee of \$200 plus \$20 in GST.

Value of transaction	Transaction fee (ex. 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%

All security trading must be settled within T+2 (trade date plus two business days). The following fees may be imposed against those trades that fail to settle on the designated date (GST is payable on all fees):

**Late Settlements on Buy Transactions** – an initial fail fee of \$50 and a dishonour fee of \$50. Canaccord Genuity may charge a default fee equal to 12.5% p.a. of the outstanding amount calculated daily, subject to a minimum of \$50.

**Late Settlements on Sell Transactions** – an initial fail fee of \$50, a borrow fee of \$100 per borrow. In addition, the ASX imposes fail fees

# Remuneration and providing instructions (cont.)

which may be passed on to you. ASX fail fees are currently charged at \$100 per day for trades valued less than \$100,000, or 0.10% of the value of the outstanding amount up to \$5,000 per day.

Settlement deadlines are clearly specified on all transaction confirmations. Canaccord Genuity may also charge fees for specific administrative services such as international bank transfers, cheque cancellations, replacement cheques, registry transfers and re-bookings. For further information on these fees please contact your Canaccord Genuity Advisor.

Off Market Transfers – we charge the following fees exclusive of GST for transfers:

- HIN to HIN \$20 per transfer
- Issuer to HIN \$30 per transfer
- HIN to issuer \$40 per transfer
- Deceased Estate Transfers \$50 per transfer.

## Research, Placement and Underwriting of securities and managed investment products by Canaccord Genuity

We conduct independent research and issue research reports on securities, including those which our Advisors may advise you on. From time to time we may arrange for the placement of securities on behalf of its clients, and will receive fees for our advisory, management and distribution role. Canaccord Genuity may also underwrite an issue of securities or interests in managed investment schemes from time to time and will receive an underwriting fee in relation to such transactions. We also act as a trader and dealer, both as principal and agent, in major financial markets and, as such, may hold long or short positions in any securities which our Advisors may advise you on.

## Remuneration to and from other entities

**New Clients:** As a guide, if you have become a client of Canaccord Genuity from 1 July 2013 onwards, Canaccord Genuity may not receive commission payments in relation to financial advice provided to you, except in certain circumstances permitted by law, including:

- Life Insurance Products: Canaccord Genuity may receive commission in relation to products which are not related to a group life risk policy inside superannuation fund whether for a default or other type of superannuation fund, or an individual life insurance policy for the benefit of a member of a default fund.

In such circumstances, commissions will generally fall within the range set out in the table below and a Statement of Advice will be provided where applicable.

**Existing Client:** If you were a client of Canaccord Genuity before 1 July 2013, and your engagement arrangement included any commissions payable to Canaccord Genuity, Canaccord Genuity will continue to receive these commissions from financial product providers. In such circumstances, commissions will generally fall within the range set out in the table below.

For further details about any commissions which Canaccord Genuity may receive in relation to your investments please contact your Advisor.

Product	Commission/Payment we may receive (ex. GST)
Managed Funds	- Upfront commission can range from 0 to 5% - Ongoing commission can range from 0 % p.a. to 5% p.a. - Volume bonuses can range from 0 to 0.43%
Cash Management Trusts / Accounts	Ongoing commission can range from approximately 0% p.a. to 0.65% p.a.
Margin Lenders	Ongoing commission can range from 0% p.a. to 0.75% p.a. of the margin lending facility
Life Insurance	- Life Insurance first year commission (upfront) range between 0% and 60% - Renewal commissions on life products range between 0% and 30%

We will disclose the payment amount due by you or any payment which Canaccord Genuity is legally entitled to receive, prior to, or at the time we offer to provide you with financial services to which these fees relate. Where applicable these fees will also be disclosed in the relevant Product Disclosure Statement and/or a Statement of Advice.

Where it is permitted by law, your Advisor may receive a proportion of the fees received by Canaccord Genuity from the financial services provided to you. The amount of the fees will depend on the services provided and will be disclosed to you prior to or at the time the services are provided, in a Statement of Advice or other documentation.

Your Advisor may also receive alternative forms of remunerations such as attendance at conferences wholly or partly subsidised by product providers, assistance with marketing expenses, and other nonmonetary benefits such as gift vouchers or complimentary tickets to events. Canaccord Genuity keeps a register detailing certain nonmonetary benefits that the Advisor receives.

Our advisors, and the employees and directors of related companies, may be eligible for bonuses by meeting their behavioural and financial performance targets, and may also be eligible to receive shares in various companies in the global Canaccord Genuity 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 (e.g. insurance or mortgage brokers) where permitted by law.

We may also receive payments or benefits from financial product issuers to assist in training of Advisors or marketing of their product. We may be paid volume bonuses and/or other incentives directly from financial product issuers where this is permitted by law. 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 where this is permitted by law. Any third party payments will depend on the particular circumstances and the particular arrangements we have in place with the referrer. We will disclose any referral fees and referral arrangements in full to you at the time of transacting business.

## Remuneration and providing instructions (cont.)

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

Aside from our work in capital markets, we do not advise or deal in any financial products for retail clients where we have an association with a financial product issuer.

### 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 Advisor.

## Dispute resolution and your privacy

### Our dispute resolution procedures

To let us know about any complaints or concerns you may have, please take the following steps:

Contact the Advisor with whom you have been speaking and explain your concerns.

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

**Phone:** (03) 8688 9100  
**Fax:** (03) 8688 9155  
**Email:** [compliance@canaccord.com.au](mailto:compliance@canaccord.com.au)  
**Write to:** Attn: Complaints Officer  
Canaccord Genuity (Australia) Limited  
Level 4, 60 Collins Street  
Melbourne VIC 3000  
Australia

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

If you are still not satisfied with the outcome you can contact the Financial Ombudsman Service Limited (FOS), of which Canaccord Genuity 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 Infoline 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:

**Email:** [contact@canaccord.com.au](mailto:contact@canaccord.com.au)  
**Phone:** (03) 8688 9100  
**Fax:** (03) 8688 9155

### Our compensation arrangements

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

# Privacy Statement

## Our Commitment to Privacy

Canaccord Genuity 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) as amended by the Privacy Amendment (Enhancing Privacy Protection) Act, 2012 ("Privacy Laws") setting out a number of Australian Privacy Principles including about how and when personal information can be collected, stored and distributed by Canaccord Genuity.

## Personal Information that we collect and hold

To provide the highest quality service and advice, Canaccord Genuity is required to obtain certain personal information about you. Canaccord Genuity is subject to certain legislative and regulatory requirements under s961B of the Corporations Act 2001 (for retail clients) and the Anti-Money Laundering and Counter Terrorism Financing Act 2006 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 Privacy Laws as information or an opinion that can identify a person. In addition, our ability to provide you with comprehensive financial advice is dependent on us obtaining certain personal information about you.

Therefore Canaccord Genuity, its representatives and staff may request personal information from you which will generally comprise, but not be limited to the following:

- Personal details e.g. 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.

Failure to provide the personal information referred to above may affect the adequacy or appropriateness of advice we give to you and expose you to higher risks in respect of the recommendations made to you.

## Collection of Personal Information

In most circumstances, the information that we hold about you has been provided to us by you or under your authority. We might collect your information when you fill out a form with us, when you've

given us a call, used our website or dropped into one of our offices. We also find using electronic means, such as email or SMS, a convenient way to communicate with you and to verify your details. As electronic communication becomes more and more part of our daily business lives Canaccord Genuity will use your email address that you have provided to contact you when necessary or to provide you with information you have requested.

Sometimes we'll have to collect your information from other sources; however we won't do this if it's not necessary. Instances when we may need to use other sources include:

- where we can't get hold of you, so we may need to look to publicly available information to update your contact details; and
- where we exchange information with your representatives at your request, such as your accountant and legal advisors.

You have the right to refuse us to collect your information from a third party. Should Canaccord Genuity refuse the request by you we will provide a written notice that explains the reasons for the refusal except to the extent that it would be unreasonable to do so; the mechanisms available to complain about the refusal; and any other matter prescribed by the regulations.

## Use of Personal Information

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

- identifying you or verifying your authority to act on behalf of a client;
- providing you with agreed services to assist in meeting your goals and objectives;
- giving effect to the recommendations made to you;
- 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; and
- allowing us to run our business and perform administrative and operational tasks, such as risk management (including but not limited to preventing or investing suspected fraud or crime), systems development and testing (including our website and other online channels),undertaking planning, research and statistical analysis; determining whether a beneficiary will be paid a benefit.

We may also use your email address to alert you to marketing initiatives, newsletters, or events that may interest you. If at any time you decide you do not wish to receive such marketing information you have the right to ask us not to send you any further such material. You may do this by informing your adviser or by sending us an email with "Unsubscribe" in the subject line.

Please allow two weeks for this instruction to take effect. We maintain a Register for those individuals not wanting direct marketing material.

## Disclosure of Personal Information

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

- Related entities and internal divisions of Canaccord Genuity;
- Any financial institution (including fund managers, share brokers,

# Privacy Statement (cont.)

clearing and settlement providers) with whom you will be investing, are invested in or have previously invested in. This may include companies based outside of Australia;

- Government departments e.g. Australian Taxation Office "ATO" and Centrelink;
- Your professional Advisors 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.

The organisations receiving this information are not permitted to use your information for any purpose other than for the specific purpose that it was provided.

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 (e.g. the Australian Tax Office "ATO", Australian Transaction Reports Analysis Centre "AUSTRAC" and Australian Securities and Investments Commission "ASIC" have the power to order us to disclose information about your situation);
- Authorised by law (e.g. 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 Genuity does not sell, rent or trade its client's personal information.

## Overseas Companies

Canaccord Genuity is part of the global Canaccord Genuity group of companies with offices in 7 countries worldwide.

In providing our services or as otherwise required by law, we may need to share your personal information with a company based overseas. By providing us with your personal information you consent to us disclosing your personal information to overseas companies, and acknowledge that we will not be required to use reasonable steps to ensure that the overseas recipient conducts itself in compliance with the Australian Privacy Laws. Companies based overseas are predominantly located in the United Kingdom, Canada, the United States and Hong Kong.

## Storage and Security

Canaccord Genuity recognises how important the privacy of your personal information is to you and has arranged to store such information in a secure environment. Your personal information may be stored both in hard copy and/or electronically. Canaccord Genuity also utilises cloud based computing systems and as such data maintained on our system will be stored in Australia and Singapore. At all times our personal information is treated as confidential and sensitive. Canaccord Genuity restricts access to your information by maintaining login and password control on all computer systems and has in place secure, lockable filing cabinets to store hard copies of personal information.

It is a legislative requirement that we keep all personal information and records for a period of 7 years. Should you cease to be a client of ours, we will maintain your personal information on or off site in a secure manner for 7 years. After this, the information will be

destroyed in a secure manner.

## Integrity of Your Personal Information

Canaccord Genuity takes all reasonable precaution to ensure that the personal information we collect, use and disclose is accurate, complete and up to date. To ensure we can maintain this level of accuracy and completeness, we recommend that you inform us of any errors in your personal information and update us with any changes to your personal information as soon as possible.

If you provide us with inaccurate or incomplete information we may not be able to:-

- provide you with information about products and services;
- consider your request for products and services, including your eligibility;
- process your application and provide you with products and services;
- manage or administer your products and services;
- verify your identity or protect against fraud; or
- let you know about other products or services that might better meet your financial and lifestyle needs.

We want our records to be accurate, complete and up to date and we rely on the accuracy of the information to provide you with appropriate recommendations.

Unless we disagree with you about the accuracy, currency or completeness of a record, we will generally correct it if requested (or suggest alternative arrangements for updating our records). If we disagree with you, we will give you our reasons and record your objections on file.

Where we have provided personal information about you to a third party provider and you instruct us to notify the third party provider with the updated information, Canaccord Genuity will take reasonable steps to provide notification unless it is impractical or unlawful to do so.

## Access to Your Personal Information

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

Under the Australian Privacy Principles you are generally entitled to access the information we hold about you unless there are certain legal reasons that prevent you from doing so. Where you are entitled to access, the time we require to give you access will depend on the type of information requested. We endeavour to respond to your request as soon as practical and we may also ask you to identify yourself to our satisfaction.

We will also try to answer you in the same way that you ask, for example; if you telephone to ask for the information we will, if practicable, give you that information over the telephone. We will generally respond to a written request in writing.

Sometimes we will ask that you put your request in writing to The Privacy Officer, for example; where you want copies of material, access to older information, or files which are not current, or it is necessary for us to retain record of your request.

# Privacy Statement

There are certain conditions under which we may refuse you access to your personal information, such as when your request may unreasonably impact upon another person's right to privacy. If we are entitled under the Australian Privacy Principles to refuse to give you access, we will tell you and provide reasons for our decision.

We will not charge a fee for making a request to access your personal information however we may charge a fee for accessing your personal information. If a fee is applicable, we will disclose this to you prior to providing you with the information.

## Complaints

If you wish to complain about any breach or potential breach of this privacy policy or the Australian Privacy Principles, you should contact us and direct your complaint to the Privacy Officer. We will respond to your complaint within 7 days. We will use our best endeavours to resolve any complaint to your satisfaction; however, if you are unhappy with our response, you are entitled to contact the Office of the Privacy Commissioner who may investigate your complaint further.

## Contacting Canaccord Genuity

**Write to:** Attn: Privacy Officer  
Canaccord Genuity (Australia) Limited  
Level 4, 60 Collins Street  
Melbourne VIC 3000  
Australia

**Phone:** (03) 8688 9100

**Fax:** (03) 8688 9155

**Email:** [compliance@canaccord.com.au](mailto:compliance@canaccord.com.au)

## Changes to our Privacy Policy

We reserve the right to review and amend our Privacy Policy and this Privacy Statement from time to time, but will advise you of any material changes.

[www.canaccordwealth.com.au](http://www.canaccordwealth.com.au)

[www.canaccordgenuity.com](http://www.canaccordgenuity.com)

In this privacy statement the term "Canaccord Genuity" is used to refer to Canaccord Genuity (Australia) Limited ABN 19 075 071 355, holder of Australian Financial Services License No.234666.