

Ascot Securities

# **FINANCIAL SERVICES GUIDE**

April 2019

## Important Information

This combined Financial Services Guide (FSG) dated 8 April 2019 is issued by Ascot Securities Pty Limited (Ascot) and its authorised representatives, (we, us or our, unless otherwise indicated). This FSG is an important document. Its distribution is authorised by Ascot.

We are required to provide you with important information to assist you as you consider whether to use our financial services. This FSG is also designed to provide you with an understanding of what you can expect from a relationship with us.

The purpose of this FSG is to:

- explain who we are and how we can be contacted;
- ensure you receive important information about the type of financial services we are authorised to provide to you;
- assist you in deciding whether to use any of the financial services we are authorised to provide to you;
- provide you with information about the remuneration we or certain other parties may receive in relation to the financial services offered; and
- outline how we will handle any complaints received.

This FSG contains general information about the financial services we provide. If you require any further information on any of the financial services described in this FSG, please contact us.

Where you deal directly with Ascot or its employee Advisers, Ascot will be the providing entity of the financial services you receive. If you deal with an authorised representative of Ascot, they will be the providing entity of the financial services you receive.

You may also receive other important documents from us, such as a Product Disclosure Statement ("PDS") or an FSG from one of our partners or product issuers. A PDS contains important information to assist you to make a decision about a particular product. The PDS contains key features of the proposed product, significant benefits, risks and the fees you pay the product provider to professionally manage your investment. In some cases, you may receive a disclosure document other than a PDS that sets out information relating to a prospective investment.

You should read any warning contained in a PDS or any other disclosure document carefully before making any decision in relation to a financial strategy or product.

# ASCOT SECURITIES

## FINANCIAL SERVICES GUIDE

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### About Ascot

Ascot is a financial services company that provides financial product advice, investment services and corporate assistance to retail, wholesale and listed and unlisted companies. Ascot holds an Australian financial services license (AFSL) which allows it to provide or authorise the provision of the financial services described in this FSG.

Ascot is a Market Participant of the financial market operated by ASX Limited (ASX).

### How may you provide instructions to us?

You can contact us or give us your instructions by:

Phone: (612) 9261 5828  
Email: [info@ascotsecurities.com.au](mailto:info@ascotsecurities.com.au)

Postal address:

Level 13  
124-130 Pitt Street  
Sydney NSW 2000

Generally, you may give us instructions either by telephone or in writing (mail, fax, e-mail or other electronic messaging service) in relation to any of our services and transactions for execution. However, the method by which you provide instructions will vary depending on what type of service and what external trading platform you opt to use.

We reserve the right to request written instructions from you relating to the subject matter of your instructions where necessary and where subject to the terms and conditions of any applicable agreement with you.

Ascot has:

- entered into a third party clearing and settlement arrangement with Pershing Australia Pty Limited;
- an introducing broking relationship with Saxo Capital Markets that enables us to provide our clients access to international products and markets via Saxo; and
- agreements with other Australian Financial Services Licensees that allows them to deliver a broking service to their clients through Ascot.

### Our financial services

Ascot is authorised, among other things, to deal in, and to provide financial product advice to, retail and wholesale clients for the following classes of financial products:

- Deposit products including basic deposit products and other deposit products;
- Derivatives (Exchange Traded Options (ETOs));
- Government debenture stocks or bonds;
- Interests in managed investment schemes, including investor directed portfolio services;
- Securities (shares); and
- Standard margin lending facilities.

The financial services will be provided either by us directly, or through our representatives.

We are authorized to provide both general and personal financial advice. However, in practice we only offer general advice.

Contracts for Difference (CFDs) are considered a high-risk product. Most products of this type are leveraged which means that your exposure to potential loss exceeds your initial investment. In fact, your total trade exposure may be many times greater than your initial investment. These products are not suitable for all investors and you are responsible for ensuring that you only trade in products that you understand and that are suitable for your investment needs.

Ascot representatives are not able to exercise any form of discretion when dealing with third party platform providers on your behalf.

We normally act on your behalf when providing you with financial services. We are also authorised to issue derivatives and securities, in which case we act on our own behalf or in conjunction with another issuer (such as Pershing Australia Pty Ltd).

Ascot is wholly owned by the Amalgamated Australian Investment Group Limited (ABN 81 140 208 288) ("AAIG"). Other related companies operating within AAIG include: Atlantic Pacific Securities Pty Limited trading as ASR Wealth Advisers (ABN: 72 135 187 085. CAR: 339 207), Amalgamated Australian Investment Solutions Pty Limited (ABN: 61 123 680 106. AFSL: 314 614), Australian Stock Report Pty Limited (ABN 94 106 863 978. AFSL 301 682), HC Securities Pty Limited (ABN: 78 117 830 805. CAR 297 316), Australian Investment and Insurance Group Pty Ltd (ABN 93 068 486 126. AFSL 226 405), APSEC Compliance and Administration Pty Limited (ABN 30 152 440 723), APSEC Funds Management Pty Ltd (ABN 48 152 440 723. CAR 411 859) and HALO Technologies Pty Limited (ABN: 54 623 830 866 CAR: 00126191).

### **Other documents you may also receive**

You may also receive other documents when we provide services or products to you.

### **PDS**

A PDS contains general information about a financial product including the terms and conditions for the product, any significant risks associated with holding the product, information about the cost of the product and details of fees and charges the product provider receives from issuing the product. You may receive a PDS when we issue you with a product, offer to issue a product to you, or recommend a product to you. Copies of the relevant PDS documents are available electronically or via our website. Your Adviser will provide you with a PDS if they give you personal advice on a particular product.

### **Client Terms & Conditions**

We will provide you with our Share Trading Terms and Conditions which will contain information about the execution services provided by us and clearing and settlement services provided by third party clearing participant as well as the terms and conditions of those services that allow us to execute transactions on a financial market for you. When handling and executing your orders, we will be required to take reasonable steps to obtain the best outcome for you as required by the ASIC market integrity rules. We will provide you with a copy of our Best Execution Policy, which outlines how we handle and execute your orders, as required by the ASIC Market Integrity Rules. This policy is also available on our website, [www.ascotsecurities.com.au](http://www.ascotsecurities.com.au).

### **Disclosure Statements**

You will receive a disclosure statement with more information about the clearing service provided by third party clearing participant and the terms and conditions of those services where third party clearing participant is to clear transactions executed for you by us.

### **Professional Indemnity Insurance**

Ascot holds a professional indemnity insurance policy that satisfies the regulatory requirements for compensation arrangements under Section 912B of the Corporations Act. Subject to the terms and conditions, the arrangements provide cover for civil liability resulting from third-party claims concerning the professional services provided by Ascot and its employees and representatives.

We are also a member of the Australian Financial Complaints Authority (AFCA). The contact details for AFCA is set out later in this document.

### **Remuneration and benefits we receive**

Ascot is remunerated directly through the fees we charge you. We may also be remunerated or receive benefits from third parties such as product providers, through commissions.

We set out below:

- the applicable fees and charges payable by you, which are subject to change from time to time. All fees and charges quoted below are inclusive of GST and an amount equal to the amount of the GST (currently 10%) is payable by you at the same time as the fee is due; and
- general information about the remuneration or other

benefits received by Ascot or other relevant parties, and their manner of calculation. Where possible we have included a statement of the range of amounts or rates of remuneration or other benefits. Where we have only included general information about the remuneration and benefits and their manner of calculation, you may request particulars of the remuneration (including commission) or other benefits but any such request must be made within a reasonable time after you receive this FSG and before we provide you with any financial service.

## Fees and Benefits Payable to Ascot

Ascot may charge brokerage, commission or a fee depending upon the services that are provided. Ascot may also pay or receive other fees in relation to services supplied to you, but which are not payable by you. All fees are subject to change. All fees are inclusive of GST and an amount equal to the amount of GST is payable by you at the same time as the fee is due (currently 10%).

Fee type	When is it payable?	How much is payable?
<b>Fees payable by you – Australian financial products and services</b>		
Brokerage	When you buy or sell financial products, brokerage is added to the purchase price of a buy transaction and is deducted from the proceeds of a sell transaction. Brokerage is settled on T+1 (being one Business Day after the trade date) for derivatives transactions or T+2 (being two Business Days after the trade date) for share transactions.	<p>Brokerage may be charged at a flat rate or as a percentage of the value of the trade. For example, if you buy or sell \$10,000 worth of shares at 1.1% brokerage, you would be charged brokerage of \$110.</p> <p>The rate of brokerage is usually between 1.1% and 2.2%. All transactions are subject to a minimum charge for brokerage, being \$110 per trade, or such other fee agreed with your adviser.</p> <p>One-off trades where the stock is held on an SRN, incur a minimum fee of \$165 per trade</p> <p>The specific rate of brokerage will depend on factors such as the level of service, whether general advice is provided, the type of financial product, the size of the transaction and the frequency of transactions on your account(s). The actual amount of brokerage payable by you will be agreed between yourself and your Adviser and disclosed in the confirmation for any transaction.</p> <p>When you open or close an ETO position you will be charged a flat fee of \$0 to \$110 or a percentage which may typically range between 0% to 1.1% on each transaction.</p> <p>Contracts for Difference (CFDs) – commission will be based on the full notional value of the CFD and expressed as a percentage of the contract value with a minimum charge. Interest charges may also be payable on long and short CFD positions. Please refer to the detailed Fee Schedule of the relevant platform provider for further information</p>
Search fee	If you wish to sell issuer-sponsored securities and you do not supply an accurate Shareholder Reference Number	\$25 per search
Rebooking Fee	When you request that your transaction be re-booked from one Ascot account to another.	\$35 per re-booking
Off market transfer fee	If you wish to transfer securities other than through a trading facility	\$100 per transfer
Replacement cheque fee	When you require that Ascot re-sends a cheque previously issued to you by Ascot	\$50
Fail fee	If you do not settle a trade or supply holder information within the T+1 or T+2 timeframe (as the case may be), fail fees will be charged to your account	<p>Fail fees are charged as a percentage of the trade value per day. The current rate for a failed sell trade is 0.1% of the trade value per day (subject to a \$110 minimum and a \$5,500 maximum per security and being entirely a fee imposed by ASX, passed on to you), plus an administration fee of \$60.</p> <p>The current rate for a failed buy trade is 0.04% of the trade value per day (due to provision of funding by Ascot), plus an administration fee of \$60.</p>
Posted Trade Confirmation Fee	When you request that Ascot provide you with a posted copy of your trade confirmation.	\$2.50 per trade confirmation
Confirmation re-	When you request that Ascot re-sends you a hard copy of your trade confirmation.	\$5 per confirmation
Early settlement	When you request that Ascot settles your sell transaction prior to the date	Interest at a rate of 0.04% per day on the gross amount of the transaction (due to provision of funding by Ascot), plus an administration fee of \$50.
<b>Fees payable by other parties (Not you)</b>		
Intermediary Broking Fees	Ascot receives a fee from other Australian Financial Service (AFS) Licensees who enter into an arrangement with Ascot for execution services on behalf of their clients.	This fee will be agreed between Ascot and the AFS Licensee. This fee may be calculated as a flat fee per contract executed or it may be agreed the AFS Licensee pays Ascot a flat annual fee for providing execution services.
Cash Management Account (CMA) fees / commissions	Ascot may receive a fee or commission from the relevant bank on amounts deposited in a CMA	Any fees or commissions Ascot receives are calculated as a percentage of the amount deposited in a CMA. The rate of commission is usually between 0.1% and 0.5% per annum.
Commissions from product issuers	Ascot may receive a fee or commission from financial product issuers on amounts invested by you in a financial product.	Any fees or commissions Ascot receives are calculated as percentage of the amount you invest in the financial product. The rate of commission is usually between 0.05% and 1.0% depending on the period of investment.
Third Party platform providers	Ascot has execution, clearing and settlement arrangements with other service providers to conduct trading in financial products which are not available through Ascot's trading platform.	<p>There are costs associated with these external trading platform providers which will be disclosed within the respective terms and conditions, PDS and terms of business.</p> <p>Ascot and your Adviser receive commission where you acquire financial products offered by external trading platform providers. Ascot will receive commission equivalent to the brokerage amount paid by you, after fees and costs incurred by the trading platform provider have been deducted.</p>

## Remuneration and benefits to advisers or authorised representatives

Directors, employees and contractors are remunerated by way of set salaries and contract fees. Directors, employees and contractors may receive bonuses based on overall company, team and personal performance.

Employee Advisers and authorised representatives may receive up to 65% of any brokerage that we receive. They may also receive a commission of up to 1% for any monies invested in a managed fund. Your employee Adviser or authorised representative will disclose the details of any commissions payable with respect to a decision to invest in a managed fund. Employee Advisers and authorised representatives may also receive between 50% and 65% of commission that Ascot receives from external trading platform providers. Your employee Adviser or authorised representative may share their remuneration with another employee Adviser or authorised representative. Ascot will not vary any brokerage or any fee from what you have agreed to without your prior consent.

## Associations and Relationships

Ascot provides trade execution services for clients of Atlantic Pacific Australian Equity Fund and intermediary broking services to clients of Amalgamated Australian Investment Solutions Pty Limited / Atlantic Pacific Securities Pty Limited trading as ASR Wealth Advisers.

Ascot may receive payments from HALO Technologies Pty Limited as a commission on sales of subscriptions for the HALO products.

Ascot may also receive payments from companies for undertaking various corporate finance activities including but not limited to underwriting, sub-underwriting, placements and initial public offerings of securities. Ascot and its advisers may earn fees, commission or income from such corporate finance activities and have interests directly or indirectly in the securities involved in these activities.

## Privacy

The privacy of your personal information is important to us. Your personal information is handled in accordance with our Privacy Policy, which can be obtained on our website at [www.ascotsecurities.com.au](http://www.ascotsecurities.com.au) or by contacting us.

The Privacy Policy contains the following information:

- The types of personal information we may collect and hold;
- How we use personal information;
- How we collect and hold personal information;
- Who we disclose personal information to;
- How you can get access to the personal information we hold about you;
- How you can correct your personal information; and
- How you can make a complaint.

## What should you do if you have a complaint?

If you have any complaints about our products or services, we have established complaints resolution procedures that aim to deal with and resolve your complaint quickly and effectively.

Please contact us on 02 9261 5828 and ask for the Compliance Manager or put your complaint in writing and send it to:

Complaints  
Ascot Securities Pty Ltd  
Level 13, 124-130 Pitt Street, Sydney NSW 2000

Alternatively, you may raise your complaint with your adviser. We will work to address and / or resolve your complaint fairly and within a reasonable timeframe. If your complaint has not been resolved satisfactorily, you are entitled to refer the complaint to the Australian Financial Complaints Authority (AFCA) you may lodge your complaint online at [www.afca.org.au](http://www.afca.org.au)

The contact details for AFCA are:

Web: [www.afca.org.au](http://www.afca.org.au)  
Ph: 1 800 931 678  
Mail: GPO Box 3  
MELBOURNE VIC 3001

## Further information

If you have any further questions about the financial services which we provide, please contact [info@ascotsecurities.com.au](mailto:info@ascotsecurities.com.au)  
Please retain this document for your reference and any future dealings with us.

# CONTACT US

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## Sydney Office

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