



Financial Services Guide

The Corporations Act requires that all Australian financial service licence (**AFSL**) holders provide to retail clients a document known as a Financial Services Guide (**FSG**) containing information about the licensee's services to assist investors in understanding and comparing the different types of investment advisory services available. This document is the FSG of CCZ Equities Australia Pty Ltd (**CCZEA**).

CCZEA is a trading only participant of the Australian Stock Exchange and a participant of Cboe (previously Chi-X).

CCZEA can assist investors in making investments in:

- securities, including ASX quoted securities
- Overseas securities
- managed investment schemes
- derivatives and
- Superannuation

CCZEA provides stockbroking services which will include:

- research in relation to equities
- wholesale equities dealing and related general advice
- retail equities dealing and related general advice
- execution only advice; and
- warrants dealing.

CCZEA can provide general advice only to investors on:

- the purchase and sale of shares generally
- investment in cash, fixed interest and property, via listed property trusts
- negative gearing of shares
- superannuation, including Self- Managed Superannuation Funds

How CCZEA will give Advice

Investor Rights

CCZEA does NOT give personal advice, only general advice. In giving you general advice, we must keep a record of any general advice given and must provide you with a copy of that general advice if you request it within 7 years of the general advice being given. Any such requests should be directed to your adviser.

You will be advised about any interest of CCZEA and/or the adviser that may reasonably be expected to be capable of influencing a securities recommendation made to you.

Associations

CCZEA does not have any associations or relationships which might reasonably be expected to influence any of its authorised services.

About your adviser

Your adviser acts on behalf of CCZEA who is the holder of Australian Financial Services licence no 239946. Under the Corporations Act, our primary responsibility is to you, our client.

How can you communicate with us or give instructions?

You may communicate with us by phone or email whichever is the most convenient.

Email Orders

CCZEA accepts no responsibility for orders placed by email. If you do place an order by email and the adviser has not responded within 30 minutes, then ring the adviser.

Brokerage Rates

Brokerage is negotiable depending on the size of the transactions undertaken and in line with industry practice.

Initial Public Offering and New Issues

Clients are not usually charged brokerage in connection with subscriptions for shares in floats, new issues and placements. However, CCZEA will receive placement fees/underwriting fees from the issuer. This fee will be disclosed in the prospectus in the case of an IPO. In the case of a placement, CCZ will also be receiving a fee. This may be disclosed, or you can request details.

Example.

If you apply for \$20,000 worth of securities in an initial public offering and the issuer is paying a 3% placement fee, then CCZEA will receive a fee of \$600.

Clearing and Settlement

CCZEA will utilise the services of FinClear Services Pty Ltd (FinClear) for all clearing and settlement purposes. FinClear is a specialist provider of clearing services.

Address: Level 5, 53 Walker Street, North Sydney, NSW, 2001
Telephone No: (02) 8039 6000

FinClear carries the settlement obligations for all transactions carried out by CCZEA and therefore your settlement obligations are owed directly to FinClear. This means you pay FinClear for share purchases and receive money from FinClear for share sales. When CCZEA accepts an order on your behalf you are deemed to have entered into an agreement with FinClear.

Under this agreement, if you fail to pay for shares you have bought or fail to deliver shares you have sold, FinClear will have direct rights against you, including rights of sale or purchase under the ASX Business Rules.

Trade Cancellation by ASX

Please note that ASX has the power, in circumstances where market integrity is at stake, to cancel or amend market transactions which have been executed.

Complaints

Should you have any complaint you should refer the complaint in the first place to your adviser. If the complaint is not dealt with satisfactorily, you should speak to the Compliance Officer who is also CCZEA's complaints manager. If the matter is still not resolved you may refer the matter to the Australian Financial Complaints Authority (**AFCA**), an independent complaints resolution organisation of which CCZEA is a member. A copy of the dispute resolution policy is available on request.

Professional Indemnity Insurance

CCZEA has Professional Indemnity Insurance cover which we believe is adequate to cover our financial services business. The insurance covers claims in relation to the conduct of our advisers even if they subsequently leave the firm.

General Risk Disclosure Statement and Guidance for Investors

Equity securities, in common with all the other asset classes (such as real property and bonds), can decline in price as well as appreciate. The measure of this change in price is often referred to as volatility, that is, the more the price varies over time, the more volatile the asset is and therefore the more risk involved in investing in it. On the other hand, in general, the less volatile an asset is, the less likelihood there is for any significant capital gain or loss from investing in that asset.

Share prices are more volatile than the prices of other asset classes. This is because the share market is highly liquid, that is, shares can be converted into cash quickly and easily. Liquidity of an investment is paramount, but it does mean that shares fluctuate in price more than other assets. In contrast, the markets for other asset classes are not as liquid as the stock market, nor are they as efficient or as transparent. For this reason, the real volatility of those assets is often not fully appreciated.

In general, the risks of investing in equities can be categorised in the following manner. Please note that the lists below do not purport to be complete, as it would not be feasible to list all the possible risks in each category.

- **Overall Market Risks:** The risk of loss by reason of movements in the share market generally. These can be caused by any number of factors including political, economic, taxation or legislative factors. Specific examples include changes in interest rates, quantitative easing or tightening by the Reserve Bank, political changes, changes in taxation or superannuation laws, international crises and natural disasters.
- **Domestic versus International factors:** The vulnerability of the company that issued the securities to international events or market factors. These would include movements in exchange rates, changes in trade or tariff policies and changes in other stock or bond markets.

- **Sector Specific Factors:** These would include demand for the product the company that issued the securities produces, commodity prices, the economic cycle of industry, changes in consumer demands, lifestyle changes and changes in technology.
- **Stock Specific Factors:** In relation to the company that issued the securities, these would include the company's directors, the strength of the company's management and the significance of any key personnel, the company's profit history, the company's tangible asset base, debt level and fixed cost structure, litigation, profits or losses on contracts, competition from within the sector and whether the company already has a profitable business.

Limitations of Research

The research undertaken by stockbrokers is the opinion of specialist analysts. It can never be guaranteed, is appropriate only for a limited time and is often subject to market movements.

For example, for short term investors a buy recommendation could turn into a sell recommendation where the market price of a stock appreciated by a small amount. For a prospective longer-term investor this market movement may not be significant, although a larger movement might be.

The mere fact that stock is recommended by an analyst as a "Buy" does not necessarily mean that the stock is a suitable investment **for you**, and you should consult with your own adviser before acting on any research report. CCZEA employs several research analysts to cover and provide research in relation to many different companies.

In addition to self-generated research, CCZEA has access to the earnings estimates and recommendations of Australia's largest brokers as published in Bloomberg and FactSet.

Who is My Adviser?

The following advisers are authorised to provide general advice to you: Scott Hildebrand, Adrian Scott, Ian Cameron, David Hofman, John Zemek, John Peisley, Charlie Caskey, Alastair Campbell and Scott Calcraft.