

# **amscot Stockbroking**

A division of State One Stockbroking Ltd  
ABN 95 092 989 083

Participant of the ASX Group, Chi-X Australia & the Sydney Stock Exchange  
Australian Financial Services Licence 247100

## **Financial Services Guide**

**Current as at March 2016**

**[www.amscot.com.au](http://www.amscot.com.au)**

## 1. Introduction and Purpose of the FSG

This Financial Services Guide ("FSG") is an important document.

The FSG is designed to provide you with information about the Financial Services which **amscot Stockbroking ("amscot")**, as the non-advisory division of State One Stockbroking Ltd ("**State One**"), is able to provide and to assist you in deciding whether you wish to use those Financial Services.

State One authorises the distribution of this FSG.

The FSG explains:

- who we are and how we can be contacted;
- the products and services we are authorised to provide to you;
- how we and any other relevant parties are paid for our services;
- how we remunerate our staff;
- any potential conflicts of interest we might have;
- details of our internal and external complaints handling procedures and how you can access them;
- our compensation arrangements;
- how we keep the information you provide to us private; and
- our brokerage rates and fees.

## 2. Who We Are

**amscot** is a division of State One, which is responsible for the Financial Services described in this guide. Any reference in this document to **amscot**, we or us is a reference to State One. All **amscot** financial services offered will be provided by representatives of State One.

State One is a trading, clearing and settlement Participant of the ASX Group and Chi-X Australia. State One holds an Australian Financial Services Licence ("AFSL") (# 247100). State One is a member of the Stockbrokers Association of Australia and is part of the State One Capital Group, which is a wholly Australian-owned enterprise.

All orders placed by you will be executed and cleared by State One Stockbroking Ltd, except that we will arrange for any orders relating to stocks listed on overseas stock exchanges to be executed and cleared by other stockbrokers on your behalf.

## 3. Contacting Us

You can contact us in the following ways:

By telephone:	1300 308 305 or (08) 9288 3333	(overseas: +61 89 288 3333)
By facsimile:	(08) 9321 6997	(overseas: +61 89 321 6997)
By Mail:	<b>amscot</b> Stockbroking PO Box 7669 CLOISTERS SQUARE WA 6850	
Email:	discount@amscot.com.au	
Website:	<a href="http://www.amscot.com.au">www.amscot.com.au</a>	

## 4. Financial Services Offered By Us

State One is authorised under Australian Financial Services Licence #247100 to offer the following services:

- 1 Provide financial product advice to wholesale clients only in relation to a non-standard margin lending facility.
- 2 Deal in a financial product to wholesale clients only by applying for, acquiring, varying, or disposing of a financial product in respect of a non-standard margin lending facility.

- 3 Provide financial product advice to retail and wholesale clients for the following classes of financial products:
  - deposit and payment products limited to basic deposit products and deposit products other than basic deposit products;
  - derivatives;
  - debentures, stocks or bonds issued or proposed to be issued by a government;
  - interests in managed investment schemes, excluding investor directed portfolio services;
  - securities;
  - standard margin lending facility;
  - superannuation; and
  - miscellaneous financial investment products.
- 4 Deal in a financial product to retail and wholesale clients by:
  - issuing, applying for, acquiring, varying or disposing of a financial product in respect of derivatives and securities;
  - applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of:
    - (i) deposit and payment products limited to basic deposit products and deposit products other than basic deposit products;
    - (ii) derivatives
    - (iii) debentures, stocks or bonds issued or proposed to be issued by a government;
    - (iii) interests in managed investment schemes excluding investor directed portfolio services;
    - (iv) securities;
    - (v) standard margin lending facility;
    - (vi) superannuation;
    - (vii) miscellaneous financial investment products; and
    - (viii) underwriting to retail and wholesale clients in respect of interests in managed investment schemes and issues of securities; and
- 5 Operate custodial or depository services other than investor directed portfolio services.

Please note that, whilst under its AFSL State One is authorised to do so, the **amscot** division does not provide any personal financial product advice to clients. This means that we will not provide financial advice which takes account of your personal objectives, financial situation and needs. The only advice that we will provide to you is general financial product advice which is advice, such as that set out in a Research Report, which does not take account of your objectives, financial situation and needs. Before acting on any general advice that has been provided, you should consider whether that advice is appropriate for you taking into account your objectives, financial situation and needs. If appropriate you should consult with your financial advisor.

As any advice which **amscot** may provide to you will only ever be general advice you will at no stage receive a Statement of Advice from us. From time to time we may deal on your behalf in circumstances where we are required to provide a Product Disclosure Statement to you before you purchase a particular financial product such as an interest in a managed investment scheme. The purpose of the Product Disclosure Statement is to provide you with information about the financial product concerned so as to assist you in making a decision about whether you wish to buy that financial product.

- 6 Access to purchasing and selling units in unlisted managed funds through the ASX mFund Settlement service.

## 5. How to Transact With Us?

Before transacting you need to have opened an account with **us**.

You can then give us instructions by telephone, in person, fax, or email.

**amscot will take all reasonable steps to obtain the best possible outcome whenever an order is transmitted or executed on your behalf. A copy of our Best Execution Policy is available on our website at [www.amscot.com.au](http://www.amscot.com.au) or by obtaining a copy by calling 1300 308 305.**

You may choose to establish an online trading account with us. This will enable you to place your orders directly into the market (subject to the Client Agreement - as outlined in the Account Application Form).

## 6. Buying and Selling Financial Products

Acting as your agent, **we** will either access the relevant market on your behalf to buy or sell financial products or, in the case of online-trading, facilitate your directly accessing the market.

When you open an account with us a contract is created between you, as client, and us, acting as your broker. When **we** trade on your behalf, a further binding contract is made by us, on your behalf, with another party. You will receive a confirmation note (contract note), by post or email, once your shares have been bought or sold.

### How are transactions settled?

If you buy shares we require payment on or before T+2 (i.e. transaction date plus two business days).

Typically we require authority from you or your licensee enabling us to directly debit a savings or cheque account. In some circumstances you can alternatively pay us via electronic funds transfer/direct deposit, BPay® or cheque. We do not accept cash or credit card payments.

If you sell shares, we will send you the proceeds via electronic funds transfer to a bank account nominated by you or via cheque.

Trading via online or phone requires you to be CHESS sponsored by State One. For online trading accounts you are also required to have sufficient cleared funds in a Cash Management Account prior to the purchase of securities. Sales proceeds for an online trading account will be transferred directly to your Cash Management Account.

State One charges administration and fail fees with respect to trades which are not settled on or before T+2. For clients buying shares we reserve the right to charge interest on the unsettled amount after T+2. Extended delays in payment for buys may result in us selling out the stock, and action being taken to recover from you the costs involved, including any loss on such transactions.

### Short Selling

**amscot** does not permit the short selling of financial products (as defined in the Corporations Act) in any form. You will be required, when placing a sell instruction with us, to confirm that the stock you are requesting to sell is indeed stock which you hold (a long sale) (i.e. that you own the stock and it is not a short sale). Clients are obligated to inform us as their broker if a sale is a short sale. When trading Online, our software will typically not permit you to dispose of stocks which are not visible on your account as being held by you. You should however be aware that mistakes can happen, and you should be vigilant to avoid duplicating any sell order, be it placed online or by phone.

## 7. Referral Fee

We have entered into an arrangement with your financial adviser whereby part of the brokerage paid by you will be rebated to your financial adviser as a fee for directing orders to us for execution. This fee will typically be 50 - 90% of the brokerage paid by you.

## 8. How Do We Charge You For Services Provided?

**We** will charge you a fee for stockbroking services provided to you. This fee will normally be transaction-based.

### 8.1 Transaction Based Fees

**We** charge brokerage and fees on each 'buy' and 'sell' transaction executed on your behalf. The brokerage charged will be based on the value of the financial products you buy or sell. You will be advised of the brokerage rates at the time that you open your account with us. These rates can change from time to time and you will be advised of these changes when they occur. A confirmation (contract note) will be sent to you upon completing each transaction. This will show the brokerage and any other fees charged, together with applicable government taxes and duties.

Late settlement fees are imposed against those trades that are not settled on or before due settlement date – typically T+2 for equities. Please see the "Other Fees" section at the end of this FSG for more information.

### 8.2 Commissions, Remuneration and other benefits received by State One

We may receive remuneration from product issuers e.g. Cash Management Account providers, Corporate Issuers, Managed Funds and Margin Lenders in the form of upfront and/or trailing commissions. As a guide, State One may receive the following payments:

Type of Product	Commission/Payments we may receive
Managed Funds (remuneration is based on the amount invested)	<ul style="list-style-type: none"><li>– Upfront commission can range from 0 to 5%</li><li>– Ongoing commission can range from 0.25% to 5% pa</li><li>– Volume bonuses can range from 0 to 0.5%</li></ul>
Corporate Issuers	<ul style="list-style-type: none"><li>– Upfront commission for IPO's, Placements and Share Purchase Plans can range from 0% to 7%.</li></ul>
Margin Lenders	<ul style="list-style-type: none"><li>– Ongoing commission can be in the range of 0.25% to 0.75% pa of the margin lending facility</li></ul>
Cash Management Accounts	<ul style="list-style-type: none"><li>– Ongoing commission can be in the range of 0.25% to 0.4% pa of the funds under management</li></ul>

We receive interest on client funds held in the State One Stockbroking Ltd Client Trust Account at prevailing market rates.

Goods and Services Tax (GST) is levied on the fees charged to Australian Residents.

## 9. How are our Employees Remunerated?

Our directors and employees are remunerated on a salary basis which is not directly attributable to brokerage and other charges that will be paid by you.

In addition to salary they may be entitled to periodical bonuses and/or profit share based on State One's performance. Some of the measures employed in assessing each director's and employee's performance include contribution to the firm, attaining or exceeding targets and budgets, meeting compliance and training requirements, contribution to team development and meeting management and risk objectives. Such payments are discretionary and are generally made in the form of monetary benefits or the issuance of shares in the State One Capital Group.

## 10. Potential Conflicts of Interest We May Have

State One is part of the State One Capital Group of Companies. Conflicts of Interest may occur from time to time, within the ongoing operational structure of the State One Capital Group. You have the right to be advised of any material interest that the State One Capital Group or any of their associates may have in financial products.

Material interests are those that could be reasonably expected to be capable of influencing the general financial product advice that may be provided to you.

In particular you should be aware that:

- State One Stockbroking Ltd is related to State One Equities Pty Ltd ("SOE"), AFSL 233129. From time to time SOE may provide financial services to State One Stockbroking and/or its clients;
- State One Stockbroking Ltd will trade in financial products on its own account;
- Companies within the State One Capital Group, and directors and employees of those companies may have material interests in companies from time to time. These may be companies for which the State One Capital Group has raised capital for through IPOs, placements or Share Purchase Plans, or provided corporate advice to or produced research on.

For an updated review of corporate relationships which may present a potential conflict of interest for State One you should refer to the State One Stockbroking Ltd website: [www.stateone.com.au](http://www.stateone.com.au) – including the Important Disclosures in the website footer.

## 11. What You Should Do If You Have A Complaint?

If you have a complaint about any of our services, we have established complaints resolution procedures that aim to deal with and resolve your complaint as quickly as possible. Our management is committed to a high level of client service, and as such regards all complaints as serious and you are entitled to be dealt with fairly, promptly, consistently and in a professional manner.

To try and resolve your complaint in the fastest possible manner, please do the following:

Call us on 1300 308 305 or 08 9288 3333 or for overseas parties +61 8 9288 3333 and discuss your complaint with a dealer or the Compliance Director. In most cases the dealer should be able to resolve the issue for you.

If it cannot be resolved, have the matter referred to the Compliance Director, who will investigate the complaint and call back within two business days with either a proposed remedy or feedback that further investigation is required.

If further investigation is required, it will be carried out and then you will be notified of a proposed remedy. This will be confirmed to you in writing.

If you wish to make a written complaint you should write to:

**The Complaints Manager  
State One Stockbroking Ltd  
PO Box 7669  
CLOISTERS SQUARE WA 6850**

If the complaint cannot be resolved to your satisfaction within 45 days and you wish to proceed further, you may refer the matter to the Financial Ombudsman Service Ltd via the following means:

Mail:	Financial Ombudsman Service Ltd GPO Box 3 MELBOURNE VIC 3001
Telephone:	1300 780 808
Facsimile:	03 9613 6399
Email:	<a href="mailto:info@fos.org.au">info@fos.org.au</a>
Internet:	<a href="http://www.fos.org.au">www.fos.org.au</a>

## 12. Compensation Arrangements

As required by the Corporations Act and ASIC Market Integrity Rules, State One has Professional Indemnity Insurance arrangements in place which satisfy the requirements for compensation arrangements under s912B of the Corporations Act.

## 13. Privacy

### 13.1 What Personal Information does State One maintain in my file and can I examine my file?

We maintain a record of your personal profile on our files, which will include information such as your name, address, contact details and other information required in order for us to provide financial services to you.

The privacy of your personal information is important to us. We collect and store your personal information in accordance with our Privacy Policy which can be found on our website at <http://www.amscot.com.au/privacy.html> Personal information is gathered only in order for us to provide the financial services to you.

Telephone calls with us may be recorded to allow for a record to be kept of orders taken and to ensure that our service standards are met or exceeded.

If you wish to examine your file, we ask that you make a request in writing and allow up to 10 working days for the information to be forwarded.

We may charge a fee to cover the cost of verifying the application and locating, retrieving, reviewing and copying any material requested. If the information sought is extensive we will advise you of the likely cost in advance and can help to refine your request if required.

### 13.2 Organisations to whom information may be disclosed

We may disclose your information on a confidential basis to unrelated organisations for the purposes set out below:

Mailhouse:	Statement production and mail related services.
Administration Services:	Data entry, documentation, backup, archiving, account maintenance, settlement and payment.
Fund Managers, Margin Lenders and similar organisations:	Administration of your accounts.
Professional Advisors:	Assistance with Administration of your investments.

### 13.3 Any Law that requires the particular information to be collected

As a financial service provider, we have an obligation under the Anti-Money Laundering and Counter Terrorism Finance Act to verify your identity and the source of any funds. This means that we will ask you to present identification documents such as your passport and driver's licence. We will also retain copies of this information. We assure you that this information will be held securely.

### 13.4 Main consequences of not providing the information

If we are unable to collect all information requested in the account opening process or requested during the subsequent operation of the account, we may be unable to provide or continue to provide operation of the account.

## 14. Brokerage Rates

As determined by your financial advisor.  
An amount up to \$33 or 0.15% will be retained by us.

## 15. Schedule of Other Fees & Charges (all prices are Inclusive of GST)

Online access for trading - webIRESS	\$99 per month debited from your trading account.
Fail fees (failure to settle trade in the required time)	Greater of \$165 per day or 0.16% (maximum cap fee is \$5,000 per security)
Late Settlement Fee	Greater of \$110 per day or % at Amscot's Discretion
SRN (Issuer Sponsored Shares) Request	\$27.50 per holding
Direct Credit/Cheque dishonour fee	\$55.00 per cheque
Cancellation of cheque fee	\$27.50 per cheque
Direct Debit dishonour fee	\$55.00
Mailed Contract Note	\$2.20 per contract note within Australia
Cheque Issue Fee	\$5.50 per cheque
Emailed Contract Note	\$NIL
Off market transfer fee	\$33.00 per stock
International Funds transfer fee	\$30.00 per transfer excl. GST
Invalid or Rejected SRN Fee	\$27.50
Rebooking Fee	\$27.50
Rejected Direct Credit Fee	\$27.50
BPay® Deposits from savings or cheque a/c	\$NIL
ASX Royalties	\$NIL

### Terms and Conditions

1. "month" means the period from the first day in a calendar month to the last day in that calendar month, inclusive.
2. "trade" is a fully filled order or the first trade of a partially filled order.
3. "order" is defined as an instruction to purchase or sell a particular class of securities or an instruction to amend or cancel a prior instruction to purchase or sell a particular class of securities to the extent that the instruction has not been executed in part or in full.
4. "on-line trading" is the facility offered by **amscot** Stockbroking to place orders directly in to the market via the **amscot** website. This service is subject to the client agreement details as stated in the trading rules of the **amscot** Online Account Application Form.