

Financial Services Guide



FORWARD thinking

This Financial Services Guide ("FSG") is an important document which Macquarie Equities Limited ("MEL", "we", "us" or "our") as an Australian Financial Services Licensee is required to provide to you. This FSG is designed to help you consider whether to use our financial services and provide you with an understanding of what to expect from our relationship.

About this document

The FSG contains important information about:

- who we are and how we can be contacted
- the services and types of products we are authorised to provide
- how we (and any other relevant parties) are remunerated
- potential conflicts of interest
- internal and external dispute resolution procedures and how you can access them.

Other documents you may receive

If you choose to use any of our products or services you may also receive other important documents. These include:

Product Disclosure Statement (PDS)

A PDS is a document (or group of documents) that describes a financial product. A PDS contains important information to assist you to make a decision about the product. You may receive a PDS if an offer is made to issue or arrange the issue of a financial product.

Providing instructions to MEL

You can give us instructions by telephone, mail, email, fax or via our website. There may be special instruction arrangements for some products and services. Any special instructions are explained in the relevant PDS (or other offer document).

Telephone conversations with MEL may be recorded.

Payments to MEL for the services provided

MEL may charge fees for services and products it provides. These fees may be charged in various ways, including:

- funds under management
- brokerage on share trades
- commission and/or
- subscription or service fees.

If you invest in a product through Macquarie, MEL may receive fees and/or commissions based on the value of your holding, and the total value of MEL's client holdings from the product issuer. These fees may include upfront fees, management fees (which includes transaction, ongoing and, if applicable, any borrowing costs) and/or brokerage. In some situations exit fees, account fees and transaction fees may apply. In addition, where you place funds in our trust account MEL will retain accrued interest from its trust account.

What commissions are paid to MEL by product issuers and others

Investment product commissions

Macquarie Group products

When we deal in products offered by another member of the Macquarie Group and you acquire that product, we may receive commission up to a maximum of 12 per cent of the investment amount.

For example for an investment of \$100,000 in a product with an initial commission of 12 per cent, MEL will receive an upfront commission of \$12,000.

Trail commission – This will vary depending on the product and will be disclosed to you in the relevant PDS (or other offer document).

For example for an investment of \$100,000 in a product with a trail commission of 1 per cent, MEL will receive \$1,000.

Non Macquarie Group products

Below is a summary of the range of commissions we may receive from product issuers where you purchase their investment products:

Upfront commission – 0 per cent to 6.60 per cent of the amount you invest.

For example for an investment of \$100,000 in a product with an initial commission of 6.6 per cent, MEL will receive an upfront commission of \$6,600.

Trail commission – 0 per cent to 1 per cent (per annum) of the ongoing value of your investment.

For example for an investment of \$100,000 in a product with a trail commission of 1 per cent, MEL will receive \$1,000.

MEL may also receive a range of commissions in respect of other products in which we may deal, now or in the future. Some of these commissions may not be currently ascertainable but may include an upfront and/or an ongoing commission calculated as a percentage of the amount you invest. You may request particulars of such remuneration payable to MEL provided that you request this information within a reasonable time after you receive this FSG and before any financial service is provided to you. You may also find this information in a Product Disclosure Statement for the relevant product, where one is available.

Personal risk insurance product commissions

Where we recommend and you accept a personal risk insurance product, we will be entitled to commission from the product issuer. We will retain the commission relating to that product. Below is a summary of the range of commissions we may receive from the product issuer where you purchase their insurance products:

Upfront commission – 0 per cent up to 134.75 per cent of the first year's premium.

For example for a first year premium of \$1000 with an annual commission of 134.75 per cent, MEL will receive \$1,347.50.

Trail/Renewal commission – 0 per cent up to 30 per cent (per annum) of the ongoing annual premium.

For example for a renewal premium of \$500 on an insurance product with an ongoing commission of 30 per cent, MEL will receive \$150.

Fees paid to MEL

Macquarie Edge (online execution only service) fees

When you trade online, you pay the following brokerage fees:

	FEE PER TRADE (INC GST)	UP TO AND INCLUDING	FEE PER TRADE OVER
Regular Client	\$28.95	\$24,000	0.12%
Frequent Client (at least one trade or an average Macquarie Edge Cash Account balance of at least \$5,000 in the previous calendar month)	\$23.95	\$21,000	0.11%
Preferred Client (five or more trades or an average Macquarie Edge Cash Account balance of at least \$25,000 in the previous calendar month)	\$18.95	\$19,000	0.10%

Phone order fees

When you trade over the phone, you pay the following brokerage fees:

TRADE VALUE	BROKERAGE (INC GST)
\$500 – \$15,000	\$59.95
\$15,001 – \$75,000	0.40%
\$75,001 – \$1,000,000	0.35%
\$1,000,001 and above	0.12%

Online research fees

Macquarie Research available through the Macquarie Edge online service is issued by Macquarie Securities (Australia) Limited ABN 58 002 832 126 ("MSAL"), and distributed by MEL. MEL may charge you a subscription fee per month for accessing the MSAL research. The amount of the monthly fee will not exceed \$75 per month (inclusive of GST), payable monthly in advance, although MEL may in its discretion choose to reduce or not charge the amount of this fee, for example, for Frequent or Preferred Clients (refer to the table above) or in connection with other promotions. For further information about the provision of services by MSAL, you should read MSAL's FSG available

at macquarie.com.au/msg/prime/macquarie_securities_limited_fsg.pdf. MEL will pay MSAL for preparing Macquarie Research and this amount will depend upon the extent to which clients of MEL generally access the research on a monthly basis. This is not an additional cost to you, but payable by MEL from its own funds. You may, within seven days of receiving this FSG and before we provide any financial service to you, request particulars of the amounts payable by MEL to MSAL.

In addition to the above, there may be incidental fees charged for other administrative services. Details of additional fees are set out on the Macquarie Edge website. Visit macquarie.com.au/edge/products/rates-and-fees/.

Remuneration or other benefits received by Macquarie staff

Our employees and directors receive salaries, bonuses, commission and other benefits from us. The benefits may be influenced by meeting certain sales, compliance and other targets.

Remuneration or benefits paid to those who refer clients to us

Where you have been referred to us by someone else, if we pay them a fee or commission in relation to that referral, we will make a separate disclosure to you. Additionally, we may receive payments to refer you to other professionals. These referral fees will be disclosed to you at the time of referral.

Alternative Remuneration Register

Alternative forms of remuneration, also called 'soft dollar benefits', are recorded by MEL. The Register outlines all alternative forms of remuneration received by MEL representatives. The Register is publicly available upon request.

Personal information

At Macquarie the privacy of your personal information is important to us. Any personal information collected will be handled in accordance with our Privacy Policy. Our Privacy Policy details how we comply with the requirements of the Privacy Act in the handling of your personal information. A copy of that policy can be obtained by visiting the Macquarie website at macquarie.com.au.

If you would like a copy of the information we hold, please contact Macquarie. We may charge you our reasonable costs of accessing and/or photocopying personal information that you request.

Compensation arrangements

Macquarie holds a Professional Indemnity Insurance Policy, which satisfies the requirements for compensation arrangements under section 912B of the Corporations Act. Subject to the terms and conditions, the Policy provides cover for civil liability resulting from third party claims concerning the professional services provided by Macquarie and its employees and representatives. This policy continues to provide coverage for past employees and representatives in respect of professional services performed whilst engaged by Macquarie.

Making a complaint

Macquarie is committed to providing a high standard of client service and to maintaining our reputation for honesty and integrity. If our level of service or quality of products has failed to meet your expectations, we would like you to tell us about your concerns. Macquarie's complaint handling process is designed to ensure that your concerns are treated seriously and that your complaint is addressed promptly and fairly. Your complaint may be lodged either verbally or in writing and will be dealt with in strict confidence.

If you are a retail client and have a complaint about the service provided to you, you should take the following steps:

- Contact Macquarie and discuss your concerns
- Contact our Client Service Centre on 1800 264 331, or
- If your complaint is not satisfactorily resolved within 3 days, you can contact the Complaints Manager, Macquarie, PO Box 192, Australia Square NSW 1215.

If you are not satisfied with how your complaint is handled you may direct your concerns to:

Financial Ombudsman Service (FOS)
GPO Box 3
Melbourne VIC 3001

Tel 1300 780 808
Fax 03 9613 6399
Web www.fos.org.au
Email info@fos.org.au

Information about Macquarie Equities Limited

Any financial services offered are provided by representatives of Macquarie Equities Ltd ABN 41 002 574 923 ("MEL"). MEL is part of the Macquarie Group of companies and as such is associated with other Macquarie Group companies that issue financial products.

The Macquarie companies that MEL is associated with include Macquarie Private Portfolio Management Limited ABN 26 089 987 388 ("MPPM"), Macquarie Investment



Visit macquarie.com.au/personal or email macquarie@macquarie.com for more information about Macquarie.

Management Limited ABN 66 002 867 003 ("MIML"), Macquarie Bank Limited ABN 46 008 583 542 ("MBL"), Macquarie Financial Products Management Limited ABN 38 095 135 694 ("MFPM"), Macquarie Mortgages Pty Limited ABN 23 057 760 175 ("MMPL"), Macquarie Life Limited ABN 56 003 963 773 ("MLL"), Macquarie Securites (Australia) Limited ABN 58 002 832 126 ("MSAL"), and Macquarie Direct Property Management Limited ABN 56 073 623 784 ("MDPML").

MEL is a Participant of ASX Limited ("ASX"), Australian Clearing House Pty Limited ("ACH") and ASX Settlement and Transfer Corporation Pty Limited ("ASTC").

MEL is not an authorised deposit-taking institution for the purposes of the Banking Act (Cth) 1959, and MEL obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542 ("MBL"). MBL does not guarantee or otherwise provide assurance in respect of the obligations of MEL.

Our financial services and financial products

MEL is authorised to provide financial product advice and deal in the following financial services and financial products:

- basic deposit products
- non-basic deposit products
- non-cash payment products
- derivatives
- government debentures, stocks or bonds
- investment life insurance products
- life risk insurance products
- managed investment schemes
- managed investment warrants
- retirement savings account products

- securities
- superannuation
- foreign exchange
- custodial or depository services.

Who we act for when providing you our financial services and financial products

When providing financial services that relate to Macquarie products, we are generally acting on our own behalf or on behalf of the Macquarie Group. However we may also act for other product issuers where we sell their products. You can find out the name of the issuer of a product and therefore who Macquarie acts for when it sells you that product, by referring to the relevant PDS (or other offer document) or by contacting us.

Any advice which we give you will be of a general nature only and will not take account of your objectives, financial situation or needs. If you want personal financial product advice that takes into account your objectives, financial situation or needs, you will be referred to a Macquarie financial adviser who will provide you with a different FSG detailing the financial services available from Macquarie financial advisers.

We can also assist you in relation to many products offered by members of the Macquarie Group and other financial institutions.

If you have any questions about our products or services you can:

- Call the number shown on either the letter enclosed with this document or the back of the Product Disclosure Statement
- Visit our website at macquarie.com.au/personal
- Email macquarie@macquarie.com