



**Australia's Oldest Family Owned Investment Advisory and Stockbroking Firm**

**Australian Financial Services Licence no. 247067**

# **JOSEPH PALMER & SONS**

## **Financial Services Guide**

**Dated January 2018**

**JOSEPH PALMER & SONS**

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F Palmer & M E Palmer Trading as Joseph Palmer & Sons  
Australian Financial Services Licence 247067 | ABN 29 548 490 818

**JOSEPH PALMER & SONS (VIC)**

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Trading as Joseph Palmer & Sons (Vic)  
Corporate Authorised Representatives of Joseph Palmer & Sons  
Australian Financial Services Licence 247067

**History • Experience • Foresight**

## ABOUT THIS FINANCIAL SERVICES GUIDE

The purpose of this Financial Services Guide is to provide brief details of the financial products and services that we provide to assist prospective new clients to decide whether to obtain financial services from Joseph Palmer & Sons; it also provides information on remuneration paid to Joseph Palmer & Sons and provides details on how we deal with complaints.

## WHO IS RESPONSIBLE FOR THE FINANCIAL SERVICES PROVIDED?

Your adviser is accredited in accordance with the standards set by the Australian Securities and Investments Commission and holds suitable experience and qualifications to be an Authorised Representative of Joseph Palmer & Sons (ABN 29 548 490 818; AFSL 247067) who is responsible for the financial services provided to you.

## OTHER DOCUMENTS YOU MAY RECEIVE FROM US

If Joseph Palmer & Sons provides you with personal advice you may be issued with a Statement of Advice which includes our advice, the basis of that advice and any commissions, fees, benefits or other associations that are relevant to that advice.

Where specific personal advice is provided such advice will be recorded in a Record of Advice (RoA) document. This RoA will be retained by Joseph Palmer & Sons and made available to you upon request.

If we recommend certain financial products to you, you may receive a PDS or Prospectus prepared by the financial product issuer, providing you with the necessary information to assist you to make an informed decision about the product.

## ASSOCIATIONS WITH PRODUCT PROVIDERS

Joseph Palmer & Sons is not associated with any product providers.

We offer you unbiased and transparent advice.

## INTRODUCTION

Joseph Palmer & Sons is a Stockbroking organisation based in Sydney.

The firm was established in 1872 and since inception has been 100% owned and operated by the Palmer family.

Joseph Palmer & Sons is the oldest Stockbroking partnership in Australia.

Joseph Palmer & Sons was established in 1872 and is now the oldest family-owned Stockbroking and investment advisory business in Australia. Joseph Palmer & Sons have given investment advice and successfully managed investment portfolios for almost 140 years.

Joseph Palmer & Sons has extensive experience in managing and advising on share investments. Analysis and advice on large company share investments is Joseph Palmer & Sons' core competence.

Joseph Palmer & Sons was one of the original Sydney Stock Exchange member organisations in 1872 and intends remaining an Australian Securities Exchange affiliate for generations to come.

Our team of Investment Advisers are well trained and committed to providing our clients with sound advice on quality shares based on their extensive market knowledge.

We do not advise on options, warrants or any other derivatives. All derivatives business is on an execution only basis.

## RESEARCH

Joseph Palmer & Sons produce quality research for our private Clients and Advisers.

We aim to identify quality stocks that will be of benefit to our clients at an acceptable level of risk and is focused mainly on blue-chip industrial stocks.

Our reports include:

- Research reports and stock recommendations
- Daily market reports available via e-mail

All research provided is basically an opinion, so it cannot be guaranteed, is only valid 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.

Joseph Palmer & Sons published Research is general financial product advice only and does not constitute advice to any specific person and therefore cannot be considered as personal advice.

General advice is prepared without consideration of any specific Client's financial situation, specific needs or investment objectives.

Accordingly, in the event of receiving general advice, Clients should consult their Adviser before any investment decisions are made based on such general advice.

## JOSEPH PALMER & SONS FINANCIAL PRODUCTS AND SERVICES

Joseph Palmer & Sons offers a comprehensive range of financial products and services to both wholesale and retail investors.

Our Products and Services include:

- Objective advice and direct trading in Equities, Options, Warrants and Debt securities on ASX;
- Indirect trading via Separately Managed Account (SMA) platforms;
- Access to trading in international securities traded on overseas exchanges;
- Fixed Interest investments;
- Investment strategies and ongoing wealth management;
- Private Asset Management;
- Administration for Self-Managed Superannuation Funds;
- Property Investment through the Joseph Palmer & Sons Property Fund
- Cash Management accounts;
- Access to Floats (IPOs), New-Issues and Placements;
- Provision of extensive information on listed companies;
- Account statements and portfolio valuations;
- Financial and Retirement Planning;
- Superannuation advice and services;
- On-line internet trading;
- Assistance with estate valuations for probate
- Aged Care Services

## INTERNET ACCESS

Joseph Palmer & Sons clients have access to an extensive range of information on our web-site at [www.jpalmers.com.au](http://www.jpalmers.com.au)

Our Internet site provides the following:

- 20 minutes delayed stock prices and news;
- Latest research;
- Graphics for Australian stocks;
- Client CHESS holdings and portfolios;
- Client access for statements and contract notes;
- On-line trading

## CASH MANAGEMENT

All client accounts include a Cash Management Account in the Client's name where interest is accrued daily. Funds held in the Cash Management account may be deposited and withdrawn from the account as share trading occurs, easing the settlement process.

## HOW CAN YOU INSTRUCT US

Telephone is the usual method of instructing Joseph Palmer & Sons in relation to an Equities or derivatives order, although instructions can also be given in person, by mail, facsimile or email. Instructions given by mail, facsimile and email will only be effected once Joseph Palmer & Sons has acknowledged receipt of those written instructions.

All instructions to buy or sell listed equities and derivatives are automatically accepted on a "good til cancelled" basis unless alternate instructions are provided.

All accounts are treated on a non-discretionary basis unless the Client has entered into a written Investment Management contract with Joseph Palmer & Sons. Clients can however give their Adviser discretion as to the price and the time of execution of an order that the Client wants placed into the market.

It is important to note that the ASX has the power to cancel a Market Transaction that has been executed on its market. Any such instruction from the ASX to Joseph Palmer & Sons to cancel a trade will automatically result in cancellation of the transaction by Joseph Palmer & Sons with the Client irrespective of whether the trade has previously been confirmed to the Client.

All transactions will be confirmed to Clients via the issue of a contract note sent either by mail or email.

## REMUNERATION FOR THE SERVICES JOSEPH PALMER & SONS PROVIDE

Joseph Palmer & Sons may charge brokerage or a fee depending upon the services that are provided.

All charges will be discussed and agreed with the Client prior to the specific services and or transactions occurring. Some charges are negotiable and therefore it is important that Clients agree brokerage/fees with their Adviser prior to transacting any business.

Joseph Palmer & Sons is required by law to maintain a trust account and may receive interest on any Trust Account balance maintained in conjunction with its Financial Services business and in most circumstances; Joseph Palmer & Sons will retain all such interest received.

Clients are not charged any brokerage regarding Floats, New-Issues and Placements however; Joseph Palmer & Sons may receive a handling fee/underwriting fee from the Issuer.

Ongoing commissions (commonly referred to as trailing commissions) may be paid to Joseph Palmer & Sons for the length of time you hold the product. They are usually paid directly to Joseph Palmer & Sons by the product provider out of the revenue the product provider earns and can vary between 0% and 1.4% (GST inclusive) of the investment amount.

## HOW ARE OUR REPRESENTATIVES REMUNERATED?

Our representatives are remunerated by salary from Joseph Palmer & Sons and do not directly receive any commissions or fees.

## BROKERAGE

Brokerage is payable on all local and international equities and derivatives trades. Brokerage and GST are added to the purchase price of a Buy transaction and are deducted from the proceeds of a Sale executed on behalf of a client.

Subject to minimum brokerage amounts per transaction detailed below, brokerage is usually calculated as a percentage of total consideration of each trade.

Brokerage rates are subject to negotiation and may be a rate applicable to all transactions or a rate applicable only to a single transaction.

The brokerage rate will depend on the type and level of service required and the size and frequency of trading.

The maximum standard brokerage that a Client will be charged in relation to a trade is 1.5% plus GST subject to a minimum brokerage amount of \$80 plus GST, depending on the level of service agreed between the Client and the Adviser so it is essential that Clients discuss brokerage rates with their Adviser.

Joseph Palmer & Sons Standard Brokerage rates effective July 1<sup>st</sup>, 2012.

<b>Transaction Size</b>	<b>Rate</b>
\$0 to \$4,999.99	\$80.00
\$5,000 to \$9,999.99	1.50%
\$10,000 to \$29,999.99	1.20%
\$30,000 to \$49,999.99	0.90%
\$50,000 to \$99,999.99	0.70%
\$100,000 to \$199,999.99	0.50%
\$200,000 +	0.40%

Internet Brokerage rates are:

<b>Transaction Size</b>	<b>Fee</b>	<b>Transaction Size</b>	<b>Fee</b>
Less than \$6,000	\$60	\$25,000 to \$75,000	0.50%
\$6,000 to \$10,000	1.00%	\$75,000 +	0.40%
\$10,000 to \$25,000	0.75%		

### **International Brokerage/Fees**

Joseph Palmer & Sons may engage stockbrokers in other countries to execute transactions on international exchanges.

Such transactions will incur the current brokerage rate of these overseas stockbrokers, in addition to Joseph Palmer & Sons' current rate of brokerage as shown above.

There may also be other associated costs including (but not limited to) bank fees, stamp duty, local exchange fees, custody fees, registration fees etc.

## **INVESTMENT ADMINISTRATION**

Fees for Investment Administration services are calculated at 0.15% (plus GST) of the portfolio size with a minimum fee of \$750.00 (plus GST) per annum or part thereof.

The Investment Administration fee is calculated on the applicable portfolio value on the last day of the months of March, June, September and December and is payable in arrears.

Further information on this service is available from the Client's Adviser.

## **INVESTMENT MANAGEMENT (MANAGED DISCRETIONARY ACCOUNT)**

This Service incorporates individually managed discretionary portfolios and is only ever offered subject to a separate written agreement which includes an additional supplementary service for associated administration.

As this service is a personalised service tailored to meet the Client's specific needs, so is the fee structure pertaining to it. Fees are negotiable with the Client's Adviser.

Joseph Palmer & Sons Standard Investment Management fees are:

1.0% per annum (plus GST) on the first \$500,000 of your portfolio value (\$1,000 per \$100,000 invested).

0.75% per annum (plus GST) on the value of your portfolio over \$500,000 and up to \$2,000,000 (\$750 per \$100,000 invested).

0.5% per annum (plus GST) on the value of your portfolio over \$2,000,000 (\$500 per \$100,000 invested).

The Investment Management fee is calculated on the applicable portfolio value on the last day of the months of March, June, September and December and is payable in arrears.

A minimum \$4,000 per annum (plus GST) Investment Management fee applies.

Joseph Palmer & Sons Standard Brokerage rates for MDA clients is 0.4% (\$40.00 for each \$10,000.00) of the trade value with a \$25.00 minimum.

Joseph Palmer & Sons' Managed Discretionary Account (MDA) service complies with the requirements of ASIC Managed Discretionary Account Services Instrument 2016/968.

Under an MDA Service, you authorise Joseph Palmer & Sons to manage your portfolio in accordance with an agreed Investment Program and you will receive a Statement of Advice (SOA).

Joseph Palmer & Sons will make investment decisions on your behalf and report to you quarterly about your investments and you will also be given internet access to view your account online.

Joseph Palmer & Sons do not provide custodial or depository services. Assets will wherever possible be registered directly in the clients' names however some asset types will need to be held by external custodians.

If a client's assets are held in custody, they are held in the name of a custodian on behalf of the client. The client remains the beneficial owner of the assets and upon termination of the MDA Service the assets are transferred into the client's own name once all costs have been met.

Before we can provide these services to you, you must first enter an MDA Agreement with us that complies with ASIC Class Order (CO 14/1252), but before doing so it is essential that you understand the characteristics of a MDA service and consider the risks associated with investing through an MDA service.

There are inherent risks associated with any investment in the stock market, these include, but are not limited to, movements in domestic and international markets, the current and future economic environment, company liquidity, investor sentiment, interest rates, market volatility and other factors that are beyond the control of Joseph Palmer & Sons.

Because of these risks, a MDA client should be prepared for falls in the market and the possibility of a negative return on their investment.

Your Adviser may make investment decisions that you disagree with however provided your Adviser acts within the scope of his or her authority, and has done so efficiently, honestly and fairly; the fact that you disagree with an investment decision does not mean that you have any right to recourse.

You are obliged to accept any tax consequences, transaction costs and any capital loss resulting from any transactions validly executed by your Adviser.

When you open an MDA Account your adviser will prepare an Investment Program and Statement of Advice (SoA) based on your personal circumstances, as well as your financial situation, needs and objectives.

Any Statement of Advice (SoA) provided in relation to a MDA service will comply with the requirements of Division 3 of Part 7.7, Division 2 of Pt 7.7A of the Corporations Act and ASIC RG 179 and will include information about;

- The nature and scope of your Adviser's discretion;
- Any significant risks associated with the MDA service;
- The basis upon which entering an MDA Agreement is considered suitable for you;
- A warning that the program may not be suitable for you if you have provided us with limited or inaccurate information about your personal circumstances;
- A warning that the program may cease to be suitable for you if your relevant personal circumstances change;
- Warnings about the importance of any limitations relating to the MDA service which you must consider before signing the MDA Agreement.
- Any other information that could reasonably be expected to have a material influence on your decision whether to use the MDA service.

If you have instructions in relation to takeover offers, rights issues, share purchase plans etc for investments held under the MDA Agreement, you should direct these to your adviser in writing. We do not send voting forms to clients unless requested.

## SEPARATELY MANAGED ACCOUNTS (SMA)

A SMA provides you with a professionally managed investment portfolio of shares and other listed and unlisted securities, whereby you (or the trustee of your superannuation fund) are the beneficial owner/s of the underlying securities and investments held within your portfolio. You are also the beneficial owner/s of any dividends and franking credits received from these underlying securities and investments. Accountant ready tax reports are included as part of the SMA service.

The Product Disclosure Statements (PDSs) and Investment Menu for the SMA is available from your adviser and contains all details regarding the various available Model Portfolios, including all fees and charges that you should consider when considering investment into Joseph Palmer & Sons' SMA.

Investment fees for all SMA Portfolios are currently 0.275% p.a. (\$275 per \$100,000 invested).  
Indirect Cost Ratio fees\* currently range between 0.04% up to 0.20% p.a. (\$40 to \$200 per \$100,000 invested).  
Performance fees are not charged.

\* Indirect Cost Ratio (approx.) does not include Cash Holding Fee; refer to the Scheme PDS for further information on all Model Portfolios.

## JOSEPH PALMER & SONS PROPERTY FUND

Investment in the Joseph Palmer & Sons Property Fund is via a Product Disclosure Statement.

### EXAMPLE OF ANNUAL FEES AND COSTS FOR THE FUND

This table gives an example of how the fees and costs of the Fund can affect your investment over a 1-year period. You should use this table to compare this product with other managed investment products.

EXAMPLE		BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING YEAR
Contribution fees	0%	For every additional \$5,000 you put in, you will be charged \$0.
<b>PLUS</b> , Management costs	1.07125% <sup>1&amp;2</sup>	And, for every \$50,000 you have in the fund it is estimated that you will be charged \$535.63 each year.
<b>EQUALS</b> Cost of fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during this year, you would be charged fees of \$535.633 <b>This example does not include any fees agreed between the investor and their financial advisor.</b>

<sup>1</sup> The total annual management costs for the Fund are 1.07125% p.a. on a gross assets basis (assuming expense recoveries of 0.2% p.a.) and includes the Investment Manager's fee of 0.615% p.a. of gross asset value.

<sup>2</sup> Responsible Entity due diligence fees may also be incurred where direct property assets are acquired. These fees are not included in the management costs for this example, because they will only be incurred when acquisitions occur and are therefore not typical ongoing management costs.

<sup>3</sup> The annual management costs are incurred progressively throughout the year, but for the above fee example we have not included any annual management fees incurred on the \$5,000 contributed during the year.

### ENQUIRIES

If you have any queries regarding this Offer, please write to, phone or email the Responsible Entity (details shown below):

DDH Graham Limited  
GPO Box 330  
Brisbane QLD 4001

Phone: (07) 3210 2277

Fax: (07) 3210 6986

Email: [jpalmer@ddhgraham.com.au](mailto:jpalmer@ddhgraham.com.au)

Alternatively, contact your licensed or authorised financial advisor.

## DID YOU KNOW?

Slight differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your Account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better services justify higher fees and costs.

You may be able to negotiate to pay lower fees and management costs where applicable. Ask your financial adviser.

### To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website, [www.moneySMART.gov.au](http://www.moneySMART.gov.au) has a managed investment fee calculator to help you check out different fee options.

## ADMINISTRATIVE FEES

- Clients are obliged to settle sale transactions by the specified time, by the delivery of securities and failure to effect settlement on time could result in fail fees imposed by the ASX of 0.1% of the settlement consideration with a minimum \$100.00 and a maximum \$5,000.00 per day.
- If funds are not received to cover purchases by the specified times you may be charged interest at overdraft rates.
- Failure of a DVP Buy settlement will incur a fail fee of \$100.00 minimum per day.
- If a shareholding is not sponsored by Joseph Palmer & Sons, and you do not have the Shareholder Reference Number (SRN), we can obtain it from the Share Registry \$30.00.
- Off Market Transfers \$40.00.
- ASIC company extract \$30.00.
- If you want a trade transferred to a different account to the one it was originally placed into we can re-book the contract to your other account (time limitations allowing) \$25.00.
- Non-settlement related cheque requests may incur a charge of \$20.00
- Requests to cancel a cheque may incur a charge of \$20.00
- If a cheque of yours is dishonoured by your bank a fee of \$25.00 may be charged.
- If a Direct Debit is dishonoured by your bank a fee of \$25.00 may be charged.
- The fees levied by Joseph Palmer & Sons' Aged Care Service are up to \$300 per hour with a minimum of \$1,500 for each client project. Aged Care Services are not personal financial advice.
- We reserve the right to pass on any third-party fees including cheque drawing fees, transactional fees and Telegraphic Transfer fees.
- Additional service can be arranged at a rate as agreed between the Client and the Adviser.
- Joseph Palmer & Sons reserves the right to pass through to your account any additional charges, or changes to existing charges that Joseph Palmer & Sons may incur because of changes in industry practices or through the course of normal business operations. You will be notified of any of these changes prior to their implementation.
- **PLEASE NOTE: ALL FEES ARE GST EXCLUSIVE**

## CLIENTS' RIGHTS AND RESPONSIBILITIES

Clients of Joseph Palmer & Sons have the right to receive advice that is appropriate to their investment objectives, which is in turn appropriate having regard to the Client's financial situation and specific needs, and the circumstances of the security that is the subject matter of the advice.

Clients of Joseph Palmer & Sons have the right not to divulge personal financial information however if they do not wish to do so, or if Clients do not provide sufficient detailed information to their Adviser, Joseph Palmer & Sons is obliged to warn Clients about the possible consequences of not having a Client's full personal financial information.

If Clients do not provide full information, they must understand that they may receive advice that is inappropriate for them, as it does not consider their particular financial situation, needs and investment objectives.

In such circumstances, it is the Client's responsibility to assess whether the advice is appropriate for them.

These warnings relate to any personal financial product advice provided by an Adviser with limited knowledge of a Client's personal financial circumstances whether such advice is provided verbally or in writing.



If no information is provided then only general advice may be provided and the Client is responsible for assessing whether the advice is suitable for them.

To preserve the integrity of the Clients personal financial information that Joseph Palmer & Sons holds, Clients should maintain regular contact with their Adviser at Joseph Palmer & Sons and keep them abreast of any material changes in their financial circumstances.

Clients have the right to be advised about any interest that Joseph Palmer & Sons, or the Client's Adviser, may have in a security that may reasonably be expected to influence their recommendation to the Client.

The mere existence of an account with Joseph Palmer & Sons or the acquisition of a financial product through Joseph Palmer & Sons does not mean that Joseph Palmer & Sons or one of its Advisers is responsible for monitoring a Client's portfolio.

When a Client Adviser contacts a client with recommendations, it is not an indication that the account is being managed by the Adviser.

Unless an Investment Management Contract is entered in writing, Clients remain responsible for monitoring their own portfolios and contacting their Adviser if they have any queries relating to their investments.

## BEST EXECUTION POLICY

We are required to take all reasonable steps to obtain the best outcome for clients when handling and executing client orders. This requirement is outlined in the ASIC Market Integrity Rules (Competition in Exchange Markets) 2011.

If you give us an instruction to refrain from obtaining the best outcome for you (where for example you place an "At Limit" order), we will follow your instructions, however please note that the effect of this may be that you will not obtain the best outcome or the best price.

To meet our obligations to clients, all valid orders received will be sent to a market router which will consider available execution venues and determine which execution venue will provide the best outcome for the client.

For retail clients, the best outcome refers to total consideration. Execution venues considered with respect to achieving best execution on each order are ASX TradeMatch, ASX PureMatch, ASX CentrePoint, Chi-X Australia, and the Share Investing Limited Crossing Engine. During Auction Phases of ASX TradeMatch, orders will be sent directly to ASX TradeMatch for participation within the Opening or Closing Price Auction so long as this venue provides the client with the best outcome.

Under the ASIC Market Integrity Rules 2010 and the Corporations Act, you have certain obligations when you trade in Financial Products, for example to not manipulate the markets, and to refrain from insider trading.

We use order entry filters to vet all your orders before we place them to market with a view to ensuring that your orders are consistent with these laws.

As a result, we may reject your order or refer it for manual review by a specialist Designated Trading Representatives as set out in the Terms and conditions.

Orders will be executed in the Share Investing Limited Crossing Engine only where the price that the order is executed at is equal to or better than the available price in other execution venues that are available at the time of order placement.

Orders are placed in time priority, which means the first valid order that is received at a given price for a specific security will be the first order that is submitted to the market router. Amendments to an existing order may adjust the order priority.

We will respond to all reasonable requests from clients for verification that we have executed an order in accordance with this Policy. If you are seeking such verification, please contact us and we will provide you with this information.

We will review this policy and its effectiveness regularly, and inform you (in accordance with these Terms) of any changes to it.

## RISKS

Equity securities (including shares) in common with all other asset classes (e.g. property and government bonds) can decline in value as well as appreciate.

The measure of this change in value is often referred to as volatility, i.e. the more the value 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.

Equity securities are generally more volatile than other asset classes, but over the longer term a balanced portfolio of equities has proved to be a better investment in most cases.

The markets for other asset classes are not as efficient or transparent as the stock market in terms of the information available to investors and the process for continuously determining and making public the real market value of the asset. For this reason, the real volatility of those assets is often not fully appreciated.

### WHAT ARE THESE RISKS?

In general, the risks of investing in equities can be categorised in the following manner. (Please note that the list below does 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 are changes in interest rates, political changes, changes in taxation or superannuation laws, international crises or natural disasters.

#### DOMESTIC VERSUS INTERNATIONAL FACTORS

The vulnerability of the company 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 produces, commodity prices, the economic cycle of the industry, changes in consumer demands, lifestyle changes and changes in technology.

#### STOCK SPECIFIC FACTORS

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 specific contracts, drill results, competition from within the sector, and whether the company already has a profitable business or whether it is exploring for recoverable resources or is developing a new product.

#### LIMITATIONS OF RESEARCH

The research undertaken by stockbrokers is basically the opinion of analysts. It can never be guaranteed, is only valid 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.

## WHAT SHOULD I DO IF I HAVE A COMPLAINT

Joseph Palmer & Sons is committed to a high-level of client service and to maintaining its reputation for honesty and integrity by responding to any concerns or complaints promptly, fairly, consistently and in a professional manner.

If you have any concerns about the products or services provided to you, we encourage you to discuss the matter with your Adviser or their Manager.

We have established procedures to ensure that all enquiries and complaints are properly and efficiently dealt with.

To save yourself valuable time, gather all the facts and documentation about your complaint, think about the questions you want answered and then contact your adviser and tell them about your complaint.

If your complaint is not satisfactorily resolved within 3 days, please contact Barry Schebella, General Manager of Joseph Palmer & Sons on (02) 9233 2433, [bschebella@jpalmer.com.au](mailto:bschebella@jpalmer.com.au) or put your complaint in writing and mail it to GPO Box 895 SYDNEY NSW 2001. We will endeavour to resolve your complaint quickly and fairly.

If you are not satisfied with the response you receive, you have the right to complain to the Financial Ombudsman Service (FOS) at GPO Box 3 Melbourne VIC 3001. Telephone (03) 9613 7366 Toll free: 1300 367 287 Fax: (03) 9613 6399 Email: [info@fos.org.au](mailto:info@fos.org.au)

The Australian Securities and Investment Commission (ASIC) also have a free call Info line and can be contacted on 1300 300 630 which you may use to make a complaint and obtain information about your rights.

#### WHAT COMPENSATION ARRANGEMENTS DO WE HAVE?

Joseph Palmer & Sons holds a professional indemnity insurance policy that satisfies the requirements of Section 912B of the Corporations Act.

The policy provides coverage for the provision of products and services under AFSL 247067 held by Joseph Palmer & Sons and its Authorised Representatives, including the conduct of former representatives whilst they were representatives of Joseph Palmer & Sons.

Joseph Palmer & Sons is also a member of the Financial Ombudsman Service.

#### PRIVACY

Joseph Palmer & Sons abides by the National Privacy Principles established under the Privacy Amendment (Private Sector) Act, 2001. We will only collect, maintain and use Personal Information about you if it is necessary for us to adequately provide to you the services you have requested and to comply with our legislative and regulatory requirements.

The privacy of your personal information is important to us and any personal information collected will be handled in accordance with our Privacy Policy which can be viewed in full on our website.

#### ANTI-MONEY LAUNDERING REQUIREMENTS

As a financial services provider, we have an obligation under the Anti-Money Laundering and Counter Terrorism Finance Act to verify your identity and the identity of a Company or Trust which you may act on behalf of.

You will be required to produce original or certified copies of documents such as driver's licence, current company extracts and trust deeds.

#### JOSEPH PALMER & SONS AND ANZ SHARE INVESTING LIMITED

Joseph Palmer & Sons has entered into an agreement with ANZ Share Investing Limited AFS Licence 238277 (ABN 93 078 174 973) ("Share Investing") to settle and clear all ASX transactions executed by Joseph Palmer & Sons.

#### JOSEPH PALMER & SONS AND PRAEMIUM AUSTRALIA LIMITED

Joseph Palmer & Sons has entered into an agreement with Praemium Australia Limited (ABN 92 117 611 784, AFSL 297956) for SMA platform services using Joseph Palmer & Sons Model Portfolios.

**PARTNERS**

Malcolm Palmer  
[mpalmer@jpalmer.com.au](mailto:mpalmer@jpalmer.com.au)

Fotine Palmer  
[jps@jpalmer.com.au](mailto:jps@jpalmer.com.au)

**COMPLIANCE MANAGER**

Barry Schebella  
[bschebella@jpalmer.com.au](mailto:bschebella@jpalmer.com.au)

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# APPENDIX 1

## ANZ SI FINANCIAL SERVICES GUIDE

ISSUE DATE 21 OCTOBER 2016

### ABOUT THIS DOCUMENT

This Financial Services Guide (FSG) is an important document in which we (Share Investing Limited) – referred to throughout this FSG as “we”, “us”, “our” – outline:

- who we are and how we can be contacted;
  - what services and types of products we are authorised to provide to you;
  - how we and other relevant persons are remunerated;
- and
- how complaints are dealt with.

We provide limited financial services to you as a client of another Australian financial services licensee (referred to in this FSG as your “Authorised Agent”) that utilises our execution, settlement and, where appropriate, our CHESS sponsorship services. This FSG will therefore only cover the services we provide. Your Authorised Agent provides other services to you and will be providing you with its own FSG covering the services it provides to you.

This FSG contains information that has been prepared without taking into account your particular objectives, financial situation and needs, and a statement of advice will not be provided. Accordingly, you will need to consider the appropriateness of the information contained herein having regard to your particular circumstances.

This FSG is designed to assist you in deciding whether to use any of our products or services. If you choose to use any of our products and services you may also receive other documents, such as an offer document or Product Disclosure Statement (PDS) about those products or services, which you should read carefully.

We may also have to provide you with a PDS if:

- we recommend that you acquire a financial product; or
- we offer to issue or arrange to issue a financial product to you.

A PDS is a document (or group of documents) that describes a financial product. A PDS (or other offer document) contains important information to assist you to make a decision about the product it describes. You should receive and review the PDS (or other offer document) provided by us before you make an investment decision about a specific product.

### INFORMATION ABOUT SHARE INVESTING LIMITED

Share Investing Limited (ABN 93 078 174 973 AFSL 238277) is a subsidiary of Australia and New Zealand Banking Group Limited (ABN 11 005 357 522) (ANZ). ANZ is the issuer of the ANZ Share Investment Loan and the ANZ Cash Investment Account.

We are an ASX and Chi-X Australia market participant, a clearing participant of ASX Clear Pty Limited and a settlement participant of ASX Settlement Pty Limited.

ANZ is an authorised deposit taking institution (ADI) under the *Banking Act 1959* (Cwlth). We are not an ADI and our obligations do not represent deposits or other liabilities of ANZ. ANZ does not stand behind or guarantee us.

### SERVICES WE PROVIDE

We are authorised to:

- provide financial product advice and deal in the following financial products:
  - basic deposit products;
  - securities and derivatives;
  - government debentures, stocks or bonds;
  - standard margin loans;
  - interests in managed investment schemes;
  - miscellaneous financial investment products; and
  - foreign exchange contracts.
- underwrite interests in managed investment schemes and issues of securities; and
- provide custodial and depository services.

We may act on your behalf, on our own behalf or on behalf of other clients in providing financial services.

## FEES AND CHARGES

All values shown include GST and are in Australian dollars unless otherwise stated. Fees and charges relating to specific products can be found in the relevant PDS.

### Global Shares

We charge you the following rates and fees when trading international securities:

Electronic transfer (in)	\$10.00 per holding
Physical transfer (in)	\$50.00 per holding
Transfer (out)	\$100.00 per holding

If you trade international securities you may be required to settle your obligations in a foreign currency or may receive foreign currency. We will arrange for that foreign currency obligation to be met or for the foreign currency to be converted into Australian dollars. We will charge you up to 0.60% of the foreign currency exchange rate applicable to your international trades as our fee for arranging the foreign currency exchange for you. Any foreign currency exchange dealings facilitated by us will be conducted with ANZ or another foreign exchange service provider at its current rates of dealing for such transactions.

### Custody fee

The custody fee is 0.10% per annum. Custody fees are calculated based on the market value of your Global Shares portfolio as at calendar month end, and are charged to you each calendar month. If you place one or more trades through Global Shares in a calendar month, the custody fee for that month will be waived.

### Active Trader Services

Your Authorised Agent may give you access to our Active Trader Services.

Active trader subscription	\$49.95 per calendar month
plus International market data	\$7.70 per calendar month

### Other Fees

#### Debit Interest

If an ANZ Cash Investment Account becomes overdrawn, ANZ will charge interest on the overdrawn amount at the ANZ Retail Index Rate plus a margin of 2% p.a. The ANZ Retail Index Rate is published on the ANZ website and each week in the Australian Financial Review.

### ANZ Cash Investment Account

The following fees correspond to the requests below in connection with the account:

Telegraphic transfer to an ANZ account*	\$27.50
Telegraphic transfer to a non-ANZ account*	\$38.50
Direct debit dishonour fee	\$6.60
Cheque drawing fee	\$13.20
Stop cheque fee	\$16.50
BPAY® for corporate actions	\$10.00

\* Bank fees may be applicable. A minimum withdrawal amount of \$500 applies per transfer.

### Fail fees

The following fees may be charged against your account, in respect of a failure to settle transactions

## Sell transactions

When securities are not available to meet a market settlement obligation, a fail fee is calculated and charged per day at the higher of 0.11% of the settlement consideration or \$110 per day (capped at \$5,500 per day) plus any other fees or charges we incur and advise you of from time to time.

## Buy transactions

When cash is not available to pay for securities purchased, a fee is calculated and charged per day at the higher of the current ANZ bank overdraft rate on the settlement consideration or \$110 per day (capped at \$5,500 per day).

## Buy transactions (Late Payment Fee)

When your ANZ Cash Investment Account goes into overdraft after settlement, due to insufficient funds:

- debit interest.

## General

Off Market Transfers	\$22.00
CHESS Statement Reprints	\$16.50
Request Lost SRN	\$16.50
Rebooking Fee	\$27.50

## Other benefits We May Receive

We are remunerated directly through the fees we charge you. In addition, we receive commissions or other benefits from other entities in respect of or attributable to the provision of the financial services we provide, including:

- a payment from ANZ in relation to the ANZ Cash Investment Account and other basic deposit products;
  - if you have an ANZ Share Investment Loan:
    - a payment from ANZ which is the difference between the ANZ funding rate and the interest rate on your ANZ Share Investment Loan;
    - monthly account keeping fee of \$20.00 in relation to your ANZ Share Investment Loan as outlined in the ANZ Share Investment Loan Product Disclosure Statement; and
    - we may also receive other fees and charges in relation to this product;
  - up to 5% of an investment in an initial public offering or other corporate actions;
  - interest earned on the trust account we maintain, among other things, for the purpose of holding funds used for trading;
  - interest earned on accounts held with the custodian of the Global Shares service for settlement purposes;
  - portfolio fees as instructed from your Authorised Agent;
- and
- benefits we may receive from product issuers with whom we have an association, where you invest in one of their products or services.

The amount paid to us from product issuers and service providers will vary from time to time.

Our representatives are remunerated by salary. They may also be eligible for bonus payments relating to their overall performance during the year and other benefits.

We have entered into an agreement with your Authorised Agent, under which the Authorised Agent determines the rate at which we will charge you brokerage on any trades.

We may retain part or all of the brokerage as per our agreement with your Authorised Agent.

You can request from us at any time any particulars of the remuneration and benefits we receive and we will provide it to you where possible.

## MAKING A COMPLAINT AND CONTACT DETAILS

If you have a complaint about our services or wish to contact us, please use the details below so that we may endeavour to resolve your query/complaint as soon as possible.

Phone: 1300 363 241

Post: Share Investing Limited  
Reply Paid 1346  
Royal Exchange NSW 1224

Email: [service@anzshareinvesting.com](mailto:service@anzshareinvesting.com)

If you are not satisfied with the resolution of your complaint, you can contact the following bodies to escalate your issue:

ANZ Customer Advocate

Phone: 03 8654 1000

Post: ANZ Customer Advocate

Level 7, 833 Collins St

Melbourne VIC 3000

Email: [customeradvocate@anz.com](mailto:customeradvocate@anz.com)

Financial Ombudsman Service

Phone: 1300 367 287

Post: Financial Ombudsman Service

GPO Box 3

Melbourne VIC 3001

Email: [info@fos.org.au](mailto:info@fos.org.au)

Fax: (03) 9613 6399

Website: [www.fos.org.au](http://www.fos.org.au)

### CLAIMS FOR COMPENSATION

We have professional indemnity insurance arrangements in place to meet our obligations as an Australian financial services license holder under section 912B of the *Corporations Act 2001* (Cwlth). Our insurance arrangements cover claims relating to the services and conduct of current and former staff.

Chi-X and ASX operate different compensation funds that provide protection for retail investors in the circumstances defined in the Corporations Act and Regulations. The Chi-X compensation fund covers losses resulting from defalcation or fraudulent misuse of your money, property or authority by us, subject to certain exceptions. Since we are also an ASX participant, the following applies in relation to such a loss. If you do not expressly or impliedly instruct us, to execute your trading instructions on the Chi-X market, and it is not reasonably apparent from our usual business practice which of the ASX or Chi-X we would use when acting for you, the Chi-X fund will not apply. In this case, the National Guarantee Fund (NGF) may apply, provided the loss is connected to the ASX market and is covered by the NGF claims provisions. The NGF claims provisions are set out in Division 4 of Part 7.5 of the Corporations Act and Regulations (for further information see the legislation and the NGF Information Booklet available at [segc.com.au](http://segc.com.au)). Note that if your broker is not an ASX participant, the NGF will not apply in any circumstance.