

FINANCIAL SERVICES GUIDE

The Corporations Act required that all Australian financial service license (AFSL) holders provide to retail clients a document known as a financial services guide (FSG). This document contains information about the licensee's services to assist investors in understanding and comparing the different types of investment advisory services available.

This is Martin Place Securities Pty Ltd's (MPS) Financial Services Guide.

Outline of Martin Place Securities' Services

Martin Place Securities and its authorised representatives can assist investors in making investments in:

- Securities, including NSW and ASX quoted securities
- Government and semi-government bonds, corporate debentures and bank bills
- Managed investment schemes, excluding IDPS
- Derivatives

Martin Place Securities is a trading only participant of the National Stock Exchange.

Martin Place Securities is not a financial advisor and will not provide you with specific financial advice. Martin Place Securities will assist you in identifying what Martin Place Securities believes are good investment opportunities in quoted and unlisted securities, but Martin Place Securities will not give you any advice on whether the investment opportunities are appropriate for you. If you require such advice, you should engage a financial planner or other investment adviser.

Martin Place Securities provides stockbroking services that can include:

- Research in relation to equities
- Wholesale equities dealing and related advice
- Retail equities dealing and related advice
- Execution only advice and
- Derivatives dealing and related advice

Martin Place Securities can provide general advice to investors on:

- How to set up a share portfolio and the purchase of sale of shares generally
- Investment in cash, fixed interest and property, via listed property trusts
- Negative gearing of shares
- Do it yourself superannuation and
- Tax effective investment advice

Martin Place Securities also reviews investments on a regular basis, and may (but is not obliged to) make appropriate recommendations based on changing circumstances in various markets. Through the provision of a wide range of facilities and through ongoing services, our aim is to enable investors to manage and control their own investments.

Martin Place Securities is familiar with the requirements for dealing with equities related estate matters, having acted over the years for a number of solicitors in the valuation of estate assets and the transmission and/or sale of securities held by estates.

Who is my Broker?

Where you require general investment advice and Martin Place Securities agrees to provide investment advice, a qualified and experienced broker will be chosen to provide the general advice to you. Instructions can be given to your broker by phone, in writing or in person. Your broker's contact details will be confirmed to you once you become a client.

Brokerage Rates and Commissions

Brokerage is negotiable depending on the level of transactions undertaken. The minimum brokerage per trade is \$75.00 a trade.

Part of the brokerage charged is retained by E*trade as disclosed in the E*trade FSG.

Martin Place Securities' brokers may receive a proportion of the brokerage charged.

When Martin Place Securities lodges an application for an investment on your behalf, Martin Place Securities may receive a commission from the product issuer. The commission may be received by Martin Place Securities or one of its brokers. Martin Place Securities will disclose all of the commission that it will receive or will be entitled to be received by a broker or any of its associates.

Investors' Rights

Where you receive a securities recommendation, your broker is obliged to have a reasonable basis for making that recommendation. That recommendation will be based on the adviser's research of the relevant securities and the relevant market. The recommendation will not be based on, or take into consideration, any specific information about you and/or your investment objectives.

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

Your broker's name will be included on your contract note.

Associations

Martin Place Securities does not have any associations or relationships that might reasonably be expected to influence any of its authorised services.

Execution related telephone advice

As stated, Martin Place Securities' advice predominantly will be execution-related telephone advice in relation to products quoted on markets. Execution-related telephone advice is advice which is given by telephone, that relates to financial products that are able to be traded on a financial market and is given as part of an execution, transfer or order for financial products.

In order for Martin Place Securities to give execution-related telephone advice, you agree that a statement of advice (SoA) setting out advice relating to your personal circumstances will not be given to you in relation to the content of any execution-related telephone advice before a transaction relating to that advice takes place.

You may, however, request a copy of the advice from your broker following the provision of advice unless you decide to hold or no action is taken in relation to that advice. Your request may be made by telephone, facsimile, email or in person. Martin Place Securities will keep a record of the advice provided to you and brief details of the recommendations made to you.

Should you wish to request a written copy of your advice you should do so within 90 days.

Complaints

Should you have any complaint you should refer the complaint in the first place to your broker. If the complaint is not dealt with satisfactorily, you should speak to Rosemary Courtney who is Martin Place Securities' complaints manager. If the matter is still not resolved you may refer the matter to the Financial Ombudsman Services (FOS), an independent complaints resolution organisation of which Martin Place Securities is a member. A copy of the dispute resolution policy is available on request.

Privacy Policy

MPS must obtain and collect certain information about you in order to provide you with financial services as per your client agreement. Information collected about you is used only for the purposes for which it was collected, or for related purposes for which you would reasonably expect us to use this information.

Any information about you will not be released to any third party without your consent. We will take all reasonable steps to safe-guard the information that you have provided us to from misuse or loss from unauthorised access, modification or disclosure.

MPS complies with the Australian Privacy Act 1988, which can be referenced at www.privacy.gov.au The MPS Privacy Policy can be accessed at www.mpsecurities.com.au

General Risk Disclosure Statement and Guidance for Investors

Equity securities, in common with all other asset classes (such as real property and bond), 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 generally more volatile than the prices of other asset classes. This is because the share market is highly liquid, that is, shares are able to be converted into cash quickly and easily. Liquidity of an investment is paramount but it does not 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, 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 particular contracts, competition from within the sector and whether the company already has a profitable business.

Limitation of Research

The research undertaken by stockbrokers is basically 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 financial adviser before acting on any research report.

Martin Place Securities uses its own research analyst to provide research. In addition, Martin Place Securities conducts research using the Estimates Directory (which has access to the earnings estimates and recommendations of Australia’s largest brokers, IRESS market information systems and several professional research publications).