

Version 6.1 - current as at 19 September 2016

The Financial Services Guide

The Financial Services Guide ('FSG') is an important document designed to assist you in deciding whether to use any of the services offered by 708 Capital Pty Ltd. It provides you with an understanding of what to expect from your interactions with us.

This FSG explains the services we can offer to you and the types of products we offer. It also explains how we and our Authorised Representatives are remunerated for these services, and includes details of our complaints handling procedures and how you can access them.

Who is 708 Capital Pty Ltd ?

708 Capital Pty Ltd is the holder of an Australian Financial Services Licence ('AFSL') number 386279 and is authorised to provide the financial services detailed below. As a holder of an AFSL, 708 Capital Pty Ltd is required to comply with the provisions of the Corporations Act of 2001 which are administered by the Australian Securities and Investment Commission ('ASIC').

708 Capital Pty Ltd is an Australian registered Propriety Limited company with its ACN 142 319 202. Its Directors are Lawrence Buono and Matthew Lumb. 708 Capital Pty Ltd's principal place of business is at Level 9, 25 Bligh Street, Sydney NSW 2000.

Lawrence Buono and Matthew Lumb are authorised representatives of 708 Capital Pty Ltd. Details in relation to all our authorised representatives are contained in the attached Advisor Profiles.

What financial services can 708 Capital Pty Ltd and its authorised representatives provide?

708 Capital Pty Ltd is authorised to:
Provide financial product advice and deal in the following financial products:

- Basic deposit products;
- Derivatives;
- Interests in managed investment schemes including Investor Directed Portfolio Services;
- Securities;
- Superannuation;
- Standard Margin Lending;
- Underwriting an issue of securities

To both Retail and Wholesale clients.

Whilst 708 Capital Pty Ltd is authorised in its own right to provide the above named services, 708 Capital Pty Ltd advisors may be authorised by 708 Capital Pty Ltd to provide all, or only some of those financial services. The products and services they are authorised to provide will depend on their experience and qualifications with respect to each product or service. Please refer to the Advisor Profile page for important information about your advisor.

General Advice

Unless otherwise specified the advice that we give you is General Advice only. The Advice we prepare or give you is done so without taking into account your personal and financial objectives or your financial situation or needs. It is up to you to consider the appropriateness of the advice to your financial needs and objectives before acting on the advice.

If the advice relates to the acquisition or possible acquisition of a financial product you should obtain a Product Disclosure Statement (PDS) (if any) for the relevant investments before making any decision.

No Advice

Is where you do not require any advice for the execution of your orders. We will not evaluate the merits of your orders or consider your personal or financial circumstances.

Personal Advice

Is advice where we take into consideration your personal and financial objectives. Although we provide this service it is not automatically offered and you should let us know if you require Personal Advice.

The effectiveness of Personal Advice is limited to the information provided by you. Without all necessary information the advice given to you may be inappropriate for your personal circumstances.

We are obliged by law to act in your Best Interests and provide appropriate advice irrespective of the type of financial services we provide you.

Statement of Advice ('SOA') - An SOA is not automatically created when you open an account with us. If you request an SOA one will be prepared for you so long as we obtain a full understanding of your finances; your risk profile and your personal circumstances, that is work; family; plans for retirement. If you receive an SOA it is important that

you notify your Advisor where your circumstances have changed so that your Advisor may consider the impact that your change in circumstance may have on your current investment strategy.

Record of Advice ('ROA') as with an SOA, an ROA will not automatically be sent to you. If we have prepared an SOA for you may receive an ROA if your Advisor gives you advice.

Product Disclosure Statement ('PDS') - this is a document that provides you with information about a financial product and the entity that issues the financial product (the issuer). We may provide you with a PDS about a financial product when:

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

The PDS must contain information about the financial products, for example its features, benefits, fees and associated risks to enable you to make an informed decision, whether or not to acquire it.

We are not required to give you a PDS where you are dealing in ASX listed equity securities and warrants.

[How are any commissions, fees or other benefits calculated for providing the financial services?](#)

708 Capital Pty Ltd is remunerated by retaining part of the brokerage you are charged on your contract note by Share Investing Limited (name changed on 23 May 2016 from ETRADE Australia Securities Ltd) (ABN 93 078 174 973) or other execution agents that we may use from time to time, (**'herein collectively known as the Execution and Settlement Agent'**). The Execution and Settlement Agent retains part of the brokerage and pays the balance to 708 Capital Pty Ltd. Remuneration is also received by 708 Capital Pty Ltd for certain products (such as margin lending products) in the form of commissions (including trailing commissions) paid by product providers.

708 Capital Pty Ltd receives its share of the brokerage, commission and fees from the Execution and Settlement Agent Share Investing Limited or other Agents that we use.

The Execution and Settlement Agent set out the fees, charges and benefits they receive in their FSG.

Your Advisor may be an employee of 708 Capital Pty Ltd. As a result, may receive a fixed salary. They will not receive any part of the broker commissions received by 708. At times the Directors of 708 Capital may pay bonus to staff for outstanding performance. Any bonus payments made will not be linked to any volume based activity.

708 does not have any commission based advisors.

[How can you transact with us?](#)

You may place orders with your Advisor, either in person or by telephone. If you choose to use email, posted letter or facsimile for orders you must call your advisor to confirm such orders to avoid any confusion. Emails, facsimiles and letters can be delayed, mislaid or missed completely. We cannot accept liability for any unexecuted orders sent via these methods where they were unconfirmed by your advisor.

Your order will be executed and settled through our Execution and Settlement Agent, Share Investing Limited or another Agent that we may use. The method by which the Execution and Settlement Agent will accept your or 708 Capital Pty Ltd instructions, will be subject to the terms and conditions of trading between 708 Capital Pty Ltd, the Execution and Settlement Agent and you. This also provides your authorisation for 708 Capital Pty Ltd to open an account with the Execution and Settlement Agent (which will result in the opening of a bank account in the Execution and Settlement Agent's name, as trustee, which identifies you as a beneficiary). To use the sponsorship services, you will need to enter into a CHESSE Sponsorship Agreement with 708 Capital Pty Ltd (which forms part of your account opening documentation with 708 Capital Pty Ltd). The Execution and Settlement Agent will provide instructions on your behalf to 708 Capital Pty Ltd.

[Brokerage Rates](#)

Brokerage rates are subject to negotiation by the client with the Advisor and may be a rate applicable to all transactions or a rate applicable to a single transaction.

The brokerage rate will be dependent on the type and level of service required and provided and the size and frequency of the transaction. Brokerage is payable on all local and international securities, options and warrant transactions and as a payment for services, such brokerage attracts GST.

As a guide, the minimum brokerage that a client will be charged may range between \$100 and 2% of the transaction value plus GST. It is essential that clients discuss brokerage rates with their Advisor.

Generally, the brokerage paid by you is shared by the Execution & Settlement Agent and 708 Capital Pty Ltd. 708 will use this brokerage payment to cover general operating expenses and will also be used to pay the salaries of its Advisors.

[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, 708 Capital Pty Ltd may receive handling or placement fees, underwriting fees from the issuer. This fee will be disclosed in the prospectus or other documentation relating to the

issue. If an issuer offers any incentive then it will be disclosed to the client.

Example

If you apply for \$20,000 worth of securities in an initial public offering and the issuer is paying a 3% handling fee, then 708 Capital Pty Ltd will receive a \$600 placement fee.

Cash Management

708 Capital Pty Ltd will receive a trailing commission ranging between 0 and 0.5% per annum, on the total funds invested. These may include funds lodged by you into your ANZ Cash Management Account linked to your shares trading account with us.

Financial Planning

A fee may be payable for the preparation and/or review of a Financial Plan. The fee is subject to negotiation with the Client's Advisor; however, it is likely to be a fee based on the complexity of the Plan. The details of any fee will be disclosed at the time that the Financial Plan is prepared or reviewed.

Fail-Fees/Interest

These charges are detailed in the Execution and Settlement Agent's FSG. Suffice to say these fees will be passed onto you.

Self Managed Superannuation Funds

We are happy to assist you with managing your Self Managed Superannuation Fund. However, before establishing an account with us and on an annual basis you should seek independent professional taxation and financial planning advice to ensure your Superannuation Fund is compliant and that share investments either current or planned are in line with the Superannuation Funds documented Investment Strategy. We do not offer personal advice for self-managed superannuation's funds unless specifically requested.

Margin Lending Facilities

We are able to assist you in establishing a Margin Lending facility with a number of industry providers. However before doing so you will need independent professional taxation and financial planning advice to ensure that all of the risks associated with Margin Lending have been explained to you and that your financial goals can be met by entering into a Margin Lending facility. We do not offer personal advice for Margin Lending facilities unless specifically requested. 708 Capital Pty Ltd may receive a trailing commission ranging from 0 to 0.25% per annum on the total funds borrowed by you from the margin lender.

Your privacy

We are committed to safeguarding your privacy and the confidentiality of your personal information. We will only collect personal information from or about you, which is relevant to the financial services we provide to you. We will limit the release of personal information and will share information only when

necessary to administer your account or when required to by law. If you have been referred to 708 Capital by a third party, we may be required to share your information with the referring party pursuant to an agreement that we enter into with them. This information may include but not limited to trading activity, size and frequency; commissions generated and what products are traded. We maintain strong security controls to ensure that the personal information in our files and computers is protected.

708 Capital abides by the Australian Privacy Principles which is a part of the Privacy Amendments (Enhancing Privacy Protection) Act 2012, which amends the Privacy Act of 1988. A full copy of our privacy policy is available on request.

As a result of the Anti-Money Laundering and Counter-Terrorism Financing Act there is now more onus on us to collect more information about you especially when we first establish an account for you. This information is kept by us and is reviewed by our Execution and Settlement Agent who establishes a bank account for you.

You have the right to correct your personal information and obtain access to it.

Complaints

If you are not happy with the service you receive from 708 Capital Pty Ltd, you are entitled to lodge a complaint. In the first instance, contact 708 Capital Pty Ltd and advise us of your complaint.

You may contact us on 02 9112 2500 or write to us at:

The Compliance Manager
708 Capital Pty Ltd
Level 9 25 Bligh Street
Sydney NSW 2000

If you are still not satisfied with the resolution of any complaint, you may refer your complaint to the Financial Ombudsman Service (FOS), of which 708 Capital Pty Ltd is a member. FOS can be contacted at:

Financial Ombudsman Service

GPO Box 3, Melbourne VIC 3001
Telephone: 1300 780 808
Facsimile: (03) 9613 6399
Email: info@fos.org.au
Web: www.fos.org.au

You may also make a complaint to ASIC via their free call Infoline on 1300 300 630.

Compensation arrangements

We hold a professional indemnity insurance policy suitable for our business. This seeks to ensure that we are able to compensate you if you suffer any loss as a result of the service we (or any of our representatives) provide which is in breach of certain legal obligations to you. These arrangements satisfy the requirements set out under section 912B of the Corporations Act.

The policy includes coverage for claims made in relation to the conduct of representative/employees who no longer work for us but who did at the time of the relevant conduct.

Advisor Profiles

Matthew Lumb

Equities & Derivatives Advisor

Director | 708 Capital Pty Ltd - Authorised Representative No. 268288

Matthew commenced broking in 2000 servicing high net worth clients, Self-Managed Superannuation Funds and small institutions.

Today, Matthew continues to service these clients as well as broadening his scope to include a range of international clients, participation in company capital raisings along with being instrumental in many initial public offerings.

On the 18th January 2011, 708 Capital Pty Ltd was granted an AFSL 386279 of which Matthew is a Director.

Matthew is remunerated by way of a base salary plus a performance based bonus arrangement

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

- Securities;
- Investments in Managed Investment schemes including IDPS;
- Basic deposit products;
- Derivatives Level 2
- Superannuation.

Larry Buono

Equities & Derivatives Advisor

Director | 708 Capital Pty Ltd - Authorised Representative No. 297286

Larry commenced broking in 2001 predominantly servicing high net worth clients and Self-Managed Superannuation Funds. In January 2002, Larry joined Shaw Stockbroking where he continued to develop a private client, SMSF and small investment company stockbroking business.

Prior to broking, Larry had a background in retail, commercial and international banking with Westpac Banking Corporation.

In May 2003, Larry completed the RMIT/SDIA Superannuation Module satisfying ASIC PS 146 Superannuation requirements.

On the 18th January 2011, 708 Capital Pty Ltd was granted an AFSL 386279 of which Larry is a Director.

Larry is remunerated by way of a base salary plus a performance based bonus arrangement

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

- Securities;
- Interests in Managed Investment schemes including IDPS;
- Basic deposit products;
- Derivatives Level 2;
- Superannuation and;
- Standard Margin Lending.

Nicholas Worrall

Equities & Derivatives Advisor

708 Capital Pty Ltd - Authorised Representative No. 319258

Nicholas commenced broking in 2007 with a non-advisory role at E*Trade Australia Limited. Late in 2007, Nick joined HC Securities where he undertook studies to acquire necessary accreditations to provide financial advice on both Equity and Derivative products in both the Australian and US Stock markets. Nick worked at HC Securities up until March 2013 in the role of client advisor before commencing his employment at 708 Capital in April of 2013.

Prior to working in broking, Nick worked at VLC partners which is a chartered accountancy firm based in North Sydney in the role of Graduate Accountant. In order to obtain this role, Nick had previously obtained and Advanced Diploma of Accounting as well as a Bachelor of Business (majoring in accounting).

Nick is remunerated by way of a base salary plus a performance based bonus arrangement.

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

- Securities;
- Interests in Managed Investment schemes including IDPS;
- Basic Deposit Products;
- Derivatives level 2;
- Superannuation and;
- Standard Margin Lending.

Max Ludowici

Equities and derivatives Advisor

Authorised Representative No. 345375

Max has been actively trading and researching the ASX for more than 15 years. He takes a highly analytical approach to company research and has an in-depth knowledge and interest in the mining and resources sector. Max has deferred a B.Bus degree majoring in Economics and Accounting.

Max began working with 708 Capital in October 2009 as an Analyst and completed his RG146 certification in January 2010. Max left the Financial Services Industry in 2013 to join a private industrial business in a senior managerial capacity and then worked in a number of private equity opportunities internationally.

Max re-joined 708 Capital in 2016 and currently services high-net-worth and institutional clients. He completed his ADA1 (Accredited Derivatives Advisor Course) certification in late 2010 to offer clients advice in a variety of derivative products.

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

- Securities;
- Interests in Managed Investment schemes including IDPS;
- Basic Deposit Products;
- Derivatives level 1;
- Superannuation.