

# MCFADDENS SECURITIES

Date: January 2021  
AFSL: 338943

## FINANCIAL SERVICES GUIDE

This is McFaddens Securities Pty Ltd's (**MCF**) Financial Services Guide.

The Corporations Act requires that all Australian financial services licence (**AFSL**) holders (such as **MCF**), provide retail clients with a document known as a financial services guide (**FSG**). This document contains information about MCF's services to assist investors in understanding and comparing the different types of investment advisory services available.

The purpose of this document is to help you consider whether to use MCF' financial services and to provide you with an understanding of what to expect from our relationship.

### 1. Introduction

This FSG contains important information about the following matters:

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

If you choose to use any of our products or services, you may also receive other important documents, such as a Product Disclosure Statement (**PDS**) and if you are a retail client a Statement of Advice (**SOA**). A PDS is a document that sets out the key features of a financial project, including its risk, benefits and cost. An SOA provides advice to retail clients taking into account their personal circumstances and objectives.

### 2. Outline of MCF Securities Services

Under its Australian financial services licence, MCF is authorised to:

- provide advice for the following classes of financial products:
  - deposit and payments products;
  - interests in managed investment schemes (excluding investor directed portfolio services);
  - securities; and
- deal in financial products by:
  - dealing in deposit and payment products;
  - dealing in interests in managed investment schemes (excluding investor directed portfolio services);
  - dealing in securities;
  - the issue of securities; and

- provide advice to retail and wholesale clients; MCF can assist investors in making investments in:

- securities, and ASX quoted securities;
- managed investment schemes, excluding IDPS; and

MCF may provide you with financial product advice that is in the nature of personal advice. That is, MCF will give you financial product advice that considers your objectives, financial situation and needs. If MCF provides such advice they will provide you with a Statement of Advice.

- MCF can provide stockbroking services that include:
  - research in relation to equities;
  - equities dealing and related advice;
  - execution only advice; and
- MCF can provide general advice to investors on:
  - how to set up a share portfolio and the purchase and sale of shares generally;
  - investment in cash, fixed interest and property, via listed property trusts;
  - negative gearing of shares;
- These services may be provided by David Sutton an MCF Securities adviser depending on the nature of products involved:

### **3. How to give instructions**

Instructions can be given to MCF by phone, in writing (including email) or in person.

### **4. Brokerage Rates and Commissions**

In providing a brokerage service MCF will charge a fee. Brokerage will apply on all equity and managed investment scheme transactions. Brokerage is negotiable depending on the level of transactions undertaken. The minimum brokerage for equity transactions is \$ 70.00 per trade. However, the minimum brokerage that applies to the other types of transactions should be confirmed with MCF prior to giving instructions on these transactions.

MCF' employees may receive a proportion of the brokerage charged as a bonus to salary.

When MCF lodges an application for an investment on your behalf, MCF may receive a commission from the product issuer. MCF will disclose all of the commission that it or any of its associates will receive. Where the investment involves general advice the amount of commission will be declared in the Product Disclosure Statement provided to you. Where the investment is a retail investment any commission will be disclosed in a Statement of Advice. You are entitled to request particulars of any remuneration, commission and other benefits that may arise. Commission may vary but will range from 0% to 8%

## **5. Conflict of Interest**

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. When General Advice is provided, the recommendation will not be based on, or take into consideration, any specific information about you and/or your personal investment objectives.

You will be advised about any interest of MCF or its staff and/or the broker that may reasonably be expected to be capable of influencing a securities recommendation made to you at the time of the recommendation.

## **6. Execution related telephone advice**

The general advice provided by MCF will predominantly 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 factual information about 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.

Where MCF gives execution-related telephone advice, it will normally involve general advice only.

Where your personal circumstances are discussed and taken into account, a statement of advice (SoA) setting out advice relating to your personal circumstances will be given to you in relation to the content of any execution-related telephone advice as soon as possible but within 5 days to confirm the transaction relating to the advice.

Your request may be made by telephone, facsimile, email or in person. MCF will keep a record of the advice provided to you and brief details of the recommendations made to you.

## **7. Complaints (Dispute Resolution)**

If you have any complaints, MCF has an internal disputes resolution process in place. You should refer the complaint to David Sutton who is MCF's complaints manager (telephone: (02) 8222 6198). If the matter is still not resolved, then you may refer the matter to the Australian Financial Complaints Authority (AFCA), which is an independent complaints resolution organisation of which MCF is a member (member number: 14774, telephone: 1300 78 08 08) . A copy of the dispute resolution policy is available on request.

## **8. Compensation**

MCF has in place professional indemnity insurance compliant with s912B of the Corporations Act 2001

## **9. Privacy Policy**

MCF 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 safeguard the information that you have provided to us from misuse or loss from unauthorised access, modification, or disclosure.

MCF complies with the Australian Privacy Act 1988, which can be referenced at [www.privacy.gov.au](http://www.privacy.gov.au).

## **10. General Risk Disclosure Statement and Guidance for Investors**

Equity securities, in common with all other asset classes (such as real property and bonds), can decline in price as well as increase in price. The measure of this change in price is often referred to as volatility, that is, the more the price varies over time, the more the price of the asset is volatile and therefore the more risky the investment. On the other hand, in general the less volatile an asset, 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 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.

There are a number of risks in investing in equities. Investors should investigate risks and if appropriate consult a financial adviser prior to making an investment decision.

The information contained in this FSG is up-to-date as at the date it is given.

## **11. Contact Details**

### **McFaddens Securities Pty Ltd**

ABN 19 138 130 328 AFSL 338943

Level 2, 117 Clarence Sydney NSW 2000

GPO Box 5398 Sydney NSW 2001 Australia

[www.mcfaddenssecurities.com](http://www.mcfaddenssecurities.com)

Office: +61 2 8467 2322