



STOCKBROKING | FINANCIAL ADVICE | PERSONAL INSURANCE

## FINANCIAL SERVICES GUIDE

FSG

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This Financial Services Guide (FSG) is issued by Prescott Securities Limited (“Prescott Securities”) ABN No: 12 096 919 603, Australian Financial Services Licensee number 228894 on behalf of the trustee of Vantage Wealth Management Unit Trust (the “**Vantage Unit Trust**”).

Vantage Unit Trust is a Corporate Authorised Representative (Authorised Representative number 337994) of Prescott Securities Limited.

Level 3, 101 St Georges Terrace PERTH WA 6000 T (08) 9215 5000 I F (08) 9215 5011

Vantage Unit Trust has appointed Sub-Authorised Representatives (“Advisers”) of Prescott Securities, who have been authorised to provide advice. These advisers are employees of the Vantage Unit Trust.

## **Purpose of the Financial Services Guide**

This Financial Services Guide (FSG) is designed to help you decide on which services are appropriate for your situation. This Guide contains important information on:

- Who we are and how to contact us;
- The financial services, investments and products we are authorised to provide;
- How we and our representatives (advisers) are paid;
- Any potential conflict of interest we may have;
- Our dispute resolution procedures;
- Our Privacy Policy Statement.

## **Ownership of Prescott Securities Limited**

Prescott Securities is a wholly owned subsidiary of WHK Group Limited. WHK Group is a listed Australian company, (ASX code WHG) and a major integrated financial services group.

## **What we do**

The core business of Prescott Securities is combining excellence in investment portfolio construction and maintenance, financial planning, lending and personal insurance advice.

Prescott Securities is authorised to provide advice on, or transact (ie deal) in, any of the following:

- Interest paying deposits;
- Debentures, stocks or bonds issued or proposed by a government;
- Life insurance products;
- Managed Investments and investment schemes;
- Retirement savings accounts (as per the Retirement Savings Account Act 1997);
- Investments listed on the Australian Securities Exchange (ASX);
- Superannuation;
- Mortgage and lending products and services.

## **Responsibility for Services Provided**

Vantage Unit Trust, through its Corporate Authorised Representative status with Prescott Securities is authorised to provide advice on, or transact (ie deal) in the areas listed above.

Your adviser is a sub-authorised representative of Vantage Unit Trust. Specific information about your adviser is contained in their Adviser Profile, including the type of advice he is authorised to give.

Prescott Securities is responsible for the financial services provided to you by the Vantage Unit Trust.

## Documents You May Receive From Us

In addition to this Guide, you may receive a Statement of Advice and or a Product Disclosure Statement from us.

A **Statement of Advice** (SoA) is a written record of the personal advice we give to you. The SoA will set out:

- Our understanding of your relevant personal circumstances and your investment objectives;
- Our recommendations about strategies, specific investments and financial products;
- The basis of those recommendations (for example, why we think the investments and products are appropriate for you);
- Relevant disclosure about any fees, commission and associations.

In general, we must provide you with the SoA the first time we provide you with personal advice about each type of investment or financial product or when there has been a significant change in your circumstances.

If we provide personal advice in circumstances where we are not required to give you the SoA you may request in writing a record of this advice at any time for a period of seven years after the date the advice was given.

A **Product Disclosure Statement** (PDS) is a type of offer document prepared for financial investments and products. A PDS provides information about a product (for example, its features, benefits, fees and associated risks) to enable you to make an informed investment decision.

A PDS must be given to you in connection with any offer or recommendation to invest in:

- Managed funds;
- Superannuation products;
- Insurance based products.

A prospectus may be issued instead of a PDS for some financial products (for example, shares and debentures).

## How to instruct or contact us

You decide how you would like to give us instructions. Our contact details are on the cover of this Guide. You can use a combination of verbal (including the telephone), normal post, email or fax instructions.

## How we are paid

Below is a description of our current fees and charges. We reserve the right to vary our fees by prior arrangement with you. Any change to this approach will be agreed with you and disclosed in the advice document.

## How the Authorised Representative and Advisers are paid

Your adviser is an employee of the Vantage Unit Trust. Vantage Unit Trust is paid 40% of the revenue for business written. This amount is paid to the Vantage Unit Trust by Prescott Securities on a monthly basis. Vantage Unit Trust pays its sub-authorised representatives (ie advisers) a fixed salary (inclusive of superannuation) out of this revenue. Vantage Unit Trust may also distribute profits to its unit holders based on their pro-rata unit holding in the Vantage Unit Trust. Unit Holders of the Vantage Unit Trust are associates of the advisers.

The maximum dollar amount that the Vantage Unit Trust may receive will be set out in the SoA or RoA.

## **Free Initial Consultation**

The purpose of the initial consultation is to seek specific information regarding your relevant personal circumstances so that personal advice can be provided and tailored for you.

You should not act on any representations made during the initial consultation.

The personal advice relevant to you will be set out in a Statement of Advice.

There is no charge for an initial discussion which allows you and your adviser to assess the merits of working together and to consider the services that best meet your needs.

Prior to commencing any work, we will discuss with you the most suitable ongoing review service for your personal circumstances and the fee structure applicable.

## **Fees**

Please note that GST is payable and included in the fees quoted. While some fees we charge may be tax deductible, we recommend that you confirm this with a professional tax adviser who can give consideration to your particular circumstances.

### **Plan preparation fee**

A fee will be charged for the preparation of a Financial Plan an (SoA). This cost will be a minimum of \$1,650 with the fee depending upon the complexity of your situation. We will give you a fixed price quote before work commences.

### **Financial planning & portfolio advisory services**

Clients can be provided with market valuations, a review and administration of their fixed interest and equities portfolios, as requested. In some cases, a fee may be charged for regular reviews and valuations of portfolios and will be agreed with your adviser.

We may charge a flat fee for implementation or on-going reviews, each depending on the size and complexity of your portfolio and for our self-managed superannuation fund services (with additional administration fees at hourly rates). You are able to discuss these fee options with your adviser.

### **Other Fees**

*Buying or Selling investments listed on the Australian Stock Exchange.*

The brokerage cost for share trades is a minimum of \$93.50 per order or 0.55% of the amount transacted whichever is greater.

*Unlisted investments*

These investments may attract commission as outlined in the relevant PDS.

For other investment transactions facilitated outside of our portfolio advisory services ie funds under advice, the cost will be discussed and agreed with you prior to execution and recorded in an applicable advice document.

### **Initial Public Offering and capital raising**

Irrespective of the client service level, brokerage, handling and placement fees may also be earned on Initial Public Offerings or other off market activities. These will be disclosed to you at the time of advice, if known.

## **Product Issuer and Wrap Provider Fees**

Most investments have ongoing fees and costs associated with them. These vary depending on what our investment recommendations are. All these costs are outlined fully in each investment's PDS.

Prescott Securities may receive Initial or Ongoing commission from the provider of a particular product paid directly from these fees. This will vary depending on the product/wrap provider and will be disclosed to you in the relevant PDS (or other offer document). Initial commission can range between 0% to 6.6%. Ongoing commission can range between 0% to 1.21% per annum.

For investments held within a Wrap platform a transaction fee charged by the platform provider may also apply. This will be detailed in the relevant PDS.

## **Life Insurance**

When we arrange life insurance policies on your behalf we will receive commission on the establishment of these products. The commission will vary between different insurance companies. Commissions paid in the first year will vary between 0% and 124% of the first year's premium depending on the type of product recommended. Upon renewal of your insurance in subsequent years we receive commission between 0% and 35% of the yearly premium.

Your adviser can provide you with full details of the calculation of a particular commission, fee or other benefit for providing advice.

## **Lending**

Prescott Securities have a dedicated Lending division which can offer specialised lending advice. We aim to meet the borrowing needs of our clients in a way which is complementary to their long term wealth creation goals.

Our Lending Advisers are full members of the Mortgage and Finance Association of Australia and are accredited with the Professional Lenders Association Network of Australia.

## **Other Services and Fees**

While we encourage clients to engage us for ongoing advice, we understand that some clients may not require or wish to receive ongoing service. Therefore, we offer general advice, execution only and/or placement facilities.

*How the fee is calculated and charged for these services may be:*

- A fixed dollar amount;
- A percentage of the amount invested;
- Based on an hourly rate;
- A combination of some or all of the above.

These fees will be discussed and agreed with you prior to the transaction.

### *Investments listed on the ASX*

Brokerage per share trade is a minimum of \$110 per order or 1.1% of the amount transacted whichever is greater (Brokerage costs). The maximum brokerage charged by us is 2.75% of the amount transacted.

### *Unlisted investments*

These investments may attract commission as outlined in the relevant PDS.

## **Investment Risk**

Investment values can never be guaranteed and the value of most investments can drop in value as well as appreciate. This can often result from broad market movements but it can also apply to specific investments regardless of the market conditions. Investment markets can suffer as a result of political, economic, taxation, environmental or legislative changes.

Understanding the level and the type of risk involved in different investments is important and the portfolio needs to reflect your objectives and need for income. While your adviser will take care in recommending adequate diversification and quality investments, neither Prescott Securities nor our advisers guarantee the performance or the return of capital from any investments recommended.

## **Knowing you is important**

When providing specific personal advice, we are required by law to have a reasonable basis for making recommendations. This means we require information about your situation, your objectives and individual needs. Where accurate information is not available or our understanding of the information is incorrect, the advice provided may be compromised.

You must ensure your adviser fully understands your situation and requirements when asking us to prepare advice. You should also make us aware of any changes that will impact future advice.

## **Potential conflicts of interest**

Prescott Securities and your adviser are required by law to maintain a register listing all material forms of alternative remuneration (ie other than commissions). This register is publicly available and a copy can be obtained by asking your financial adviser or contacting our Compliance Officer.

The manner in which an Adviser is paid should not affect the quality of the advice provided. Our Advisers may receive salaries, bonuses, a share of revenue and other benefits.

From time to time, Fund Managers and Platform providers may provide training assistance and resources to your adviser.

These administrative platforms (eg WealthWrap and Accumulus) pay a bonus for funds invested; this figure ranges up to 0.44% per annum. These fees are paid by platform providers out of their own resources and are not additional fees to you.

Please note: any interests of WHK Group, Prescott Securities, your adviser or their associates have in these or other administrative platforms recommended to you will be disclosed to you.

If Prescott Securities pays any referral fee to a third party this will be disclosed to you who will receive that fee or commission and the amount.

In order to manage a potential conflict, we do not provide advice on WHK Group Limited (WHG) securities.

The management of Prescott Securities and its advisers may be shareholders in and/or have options to buy shares in, or hold Performance Rights to shares in WHK Group Limited. They may also participate in profit sharing arrangements based on the achievement of business objectives.

## **Anti Money Laundering Requirements**

As a financial service provider, we have an obligation under the Anti Money Laundering and Counter Terrorism Finance Act to verify your identity as an individual client and also the identity of a company or trust which you would act on behalf of.

This means that we will ask you to present identification documents such as passports, driver's license, trust deeds and or company certificates. We are required under the act to retain copies of information gathered and also pass this information to third parties through which you would be investing in or through such product providers as fund managers and share brokers. We assure you that this information will be held securely in line with our Privacy Policy.

## **Complaints**

If you have a complaint please tell us. We are always striving to improve the services we offer and rely on feedback from our clients to help us in this regard. If you have concerns, please contact your adviser to discuss them. If you are not satisfied with the response received you should either write to:

Head of Compliance  
Prescott Securities Limited  
245 Fullarton Road  
Eastwood SA 5063

or Phone (08) 8372 1300 and talk with our Compliance Officer.

We will endeavour to resolve your complaint fairly and quickly. All complaints will be dealt with within 45 days.

## **Independent Complaints Service**

We are members of the Financial Ombudsman Service (FOS) and if the complaint cannot be resolved to your satisfaction you have the right to complain directly to FOS. FOS can be contacted on 1300 780 808 or at GPO Box 3, Melbourne, Victoria, 3001 or via Website: [www.fos.org.au](http://www.fos.org.au). This service is provided to you free of charge.

The Australian Securities & Investments Commission (ASIC) also operates a free call information line on 1300 300 630 which you may use to make a complaint and obtain information about your rights

## **Professional Indemnity Insurance (Compensation Requirement)**

We confirm that we have arrangements in place to ensure we continue to maintain Professional Indemnity insurance in accordance with s.912B of the Corporations Act 2001. In particular, our Professional Indemnity insurance, subject to its terms and conditions, provides indemnity up to the "Sum Insured" for our authorised representatives/representatives/advisers in respect of our authorisations and obligations under our Australian Financial Services Licence. This insurance will continue to provide such coverage for any authorised presentative/representative/adviser who have ceased employment for work done whilst engaged with us.

## **National Guarantee Fund (NGF) - Protection for Securities**

The NGF provides a guarantee that transactions will be completed and settled when you buy or sell through us any securities traded on the Australian Securities Exchange (ASX) Limited. "Securities" include shares, debt instruments, interests in managed investment schemes and warrants admitted to trading status on the ASX.

The Securities Exchanges Guarantee Corporation Limited (SEGC) as trustee, administers the NGF.

Further information about the types of claim that can be made is detailed in the NGF Information Booklet available from [www.segc.com.au](http://www.segc.com.au) or call SEGC on (02) 9227 0424.

## **Personal information we keep on file**

We keep a record of your personal information including; details of your investment objectives, financial situation and needs; records of any discussions of significance we may have had with you and recommendations made. If you wish to look at your file, please ask your Adviser.

## **Privacy Policy Statement**

Prescott Securities is committed to complying with the Privacy Act of December 2001.

We may collect information from you for the following purposes:

- Provision of wealth management, financial planning, stockbroking, personal insurance and loans/mortgages initially and on an ongoing basis;
- Completion of associated documentation and application forms including; anti money laundering requirements;
- To provide agreed services to assist in meeting your requirements, goals and objectives;
- To market services that may be supplied by Prescott Securities or by other suppliers which may be of interest to you, unless informed not to do so.

Prescott Securities is required to collect certain information from you in order to provide the range of services noted above. This requirement is included in but is not limited to, the Corporations Act, Superannuation Guarantee Act, Income Tax Assessment Act, certain regulations issued by the Australian Securities and Investments Commission, as well as, the Rules of Professional Conduct of the Financial Planning Association.

Whilst you are not obliged to provide us with the information requested, if you decline to do so, we may be unable to provide the level of service and advice required and expected of us. In connection with the provision of services, it may be necessary for us to disclose your personal information to other professionals and organisations such as:

- Financial institutions (including fund managers, life companies, superannuation trustees and share brokers, etc);
- Government departments eg Australian Taxation Office and Centrelink;
- Associated companies and internal divisions of the WHK Group, to assist in the provision of client services;
- External service providers and auditors.

We undertake not to use or disclose information collected, for purposes other than those detailed above or related purposes, unless the law requires the disclosure or you have provided us with consent to do so.

Prescott Securities recognises how important the privacy of your personal information is to you. We will therefore, at all times, seek to ensure that the personal information collected and held by us is protected from misuse, loss, unauthorised access, modification or disclosure.

Prescott Securities is committed to ensuring that the personal information we hold about you is accurate, complete and up to date and that it remains confidential. If you believe that the personal information we hold about you is incorrect, we request that you contact us and we will take all reasonable steps to correct the information.

If at any time, you wish to have access to the information we hold, you are welcome to request this by telephoning the Head of Compliance on: (08) 8372 1300.

Prescott Securities detailed Privacy Policy is available on the Prescott Securities website [www.prescottsecurities.com.au](http://www.prescottsecurities.com.au) or by contacting your adviser or the Head of Compliance.

### **Disclaimer:**

The information contained in this Privacy Policy Statement is a summary only and is based on the requirements of the Privacy Act (Private Sector) 1998 and the National Privacy Principles issued September 2001.