

Integrity | Technical Expertise | Professionalism

# Financial Services Guide

Version M-1 | Sequoia Direct

Sequoia Direct provides self-directed investors with a variety of investment opportunities. Our clients use our award-winning, fast and secure services to buy and sell equities and options, or gain access to investment opportunities from IPOs to other capital raising offers.

Sequoia Direct Pty Ltd (Sequoia Direct) ABN 17 090 611 680 utilises the services of related entities including, Bourse Data Pty Ltd ABN 96 101 774 234 (Bourse Data), Morrison Securities Pty Ltd ABN 50 001 430 342 (Morrison Securities) and Finance TV Pty Ltd, trading as Finance News Network (FNN) ABN 31 117 966 328, all to provide its market leading services:

- Bourse Data provides share trading platforms, including mobile trading applications
- Morrison Securities provides ASX execution, settlement and clearing facilities

FNN produces daily finance video news bulletins, updating investors on daily market activities and ASX company news. FNN interviews ASX listed and pre-IPO companies. It also hosts investor events around Australia showcasing ASX listed companies and other investment opportunities.

Sequoia Direct is a Corporate Authorised Representative (No. 1247917) of **Sequoia Asset Management Pty Ltd (AFSL 341506 ABN 70 135 907 550)**. Sequoia Direct ABN 17 090 611 680, Sequoia Asset Management ABN 70 135 907 550, Bourse Data ABN 96 101 774 234, Finance News Network ABN 31 117 966 328 and Morrison Securities ABN 50 001 430 342 are all wholly owned subsidiaries of Sequoia Financial Group Limited (ASX: SEQ) ABN 90 091 744 884. See [www.sequoia.com.au](http://www.sequoia.com.au) for more information.

Sequoia Direct is not a participant of the Australian Securities Exchange Ltd (ASX). Any security market transactions made on your behalf, are executed and cleared by Morrison Securities, who provide CHESS sponsorship services to Sequoia Direct clients.

You should read and ensure you understand the Morrison Securities Financial Services Guide available at <http://www.sequoiadirect.com.au/> or on the Morrison Securities website. Any financial services provided by Sequoia Direct is provided by Sequoia Direct on its own behalf, and as a Corporate Authorised Representative (No. 1247917) of Sequoia Asset Management Pty Ltd.

**Sequoia Asset Management Pty Ltd** AFSL no. 341506

**Sequoia Direct Pty Ltd** Authorised Representative No. 1247917 Level 7, 7 Macquarie Place, Sydney NSW 2000

[www.sequoiaam.com.au](http://www.sequoiaam.com.au)

# Financial Services Guide

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This Financial Services Guide ("FSG") is an important document. You should read it carefully and make sure you understand it. This Guide should assist you in deciding whether to use any financial products or services provided by Sequoia Asset Management and Sequoia Direct and should be read in conjunction with any other documents you may receive from us.

Each of Sequoia Asset Management (AFSL 341506) and its related entity Sequoia Direct (Corporate Authorised Representative No. 1247917) (collectively **Sequoia, we or us**) is required to provide you with this FSG.

This FSG is provided by Sequoia and was prepared on 30 April 2019. The FSG is made up of a number of equally important parts. Each of these parts is listed on the contents page and is intended to inform you of certain basic matters before we provide you with a financial service. This FSG was prepared to provide Sequoia clients who are retail clients information about the financial service provided by us.

## This FSG provides you with information regarding;

1. Sequoia Asset Management and Sequoia Direct
2. What Financial Services we can offer you
3. Documents you may receive from us
4. The Type of Financial Services you will receive
5. Remuneration and other benefits that may be received by us and other relevant persons in relation to the services we offer
6. Representative Remuneration
7. Relationships and associations we have
8. Linked Cash Management Account(s)
9. Your privacy and how we use your personal information
10. Anti Money Laundering
11. Conflicts of Interest
12. Compensation Arrangements
13. How we handle complaints
14. Our fee Schedule

## 1. Information about Sequoia Asset Management and Sequoia Direct

Sequoia Asset Management holds an Australian Financial Services License (AFSL No. 341506) and is a member of the Australian Financial Complaints Authority. Sequoia Asset Management provides its clients general advice on Insurance, SMSF setups and Investments.

Sequoia Direct is a boutique online trading company, providing general advice and arranging execution-only services for self-directed investors wishing to buy or sell ASX equities, warrants and options. Sequoia Direct is a Corporate Authorised Representative (No. 1247917) of Sequoia Asset Management Pty Ltd (Sequoia Asset Management) ABN 70 135 907 550.

Each of Sequoia Direct and Sequoia Asset Management are wholly owned subsidiaries of Sequoia Financial Group Limited (ASX: SEQ) ABN 90 091 744 884 and are related entities. See [www.sequoia.com.au](http://www.sequoia.com.au) for more information. Our service is complemented by our related entities, Morrison Securities Pty Ltd (Morrison Securities) ABN 50 001 430 342 for trading services, Bourse Data Pty Ltd (Bourse Data) ABN 96 101 774 234 for trading tools and software solutions and Finance TV Pty Ltd (trading as Finance News Network) for media and news content.

Sequoia Direct is not a participant of the Australian Securities Exchange Ltd (ASX) or ChiX. Any ASX or ChiX transactions entered into on your behalf will be executed by Morrison Securities or any clearing participant that Sequoia Direct may appoint from time to time. The Clearer will provide CHESSE sponsorship services to Sequoia Direct clients. You should read and ensure you understand the Morrison Securities Financial Services Guide available from our website (<https://www.morrisonsecurities.com/>). Any financial services provided by Sequoia Direct will be provided by Sequoia Direct on its own behalf.

Sequoia Asset Management has authorised the issuance of this FSG and is responsible for the financial services provided. Each of Sequoia Asset Management and Sequoia Direct has authorised the distribution of the FSG.

### Sequoia may be contacted at:

Street: Level 7, 7 Macquarie Place, SYDNEY NSW 2000  
 Postal: PO Box R1837, Royal Exchange NSW 1225  
 Telephone: (02) 8114 2222  
 Website: [www.sequoiaam.com.au](http://www.sequoiaam.com.au)

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## 2. What financial services can we offer you

Sequoia Asset Management is authorised to:

(a) provide general advice and deal in relation to the following classes of financial products by acquiring, varying or disposing of such products on behalf of another person:

- i. Basic and non-basic deposit products
- ii. Derivatives
- iii. Retirement savings accounts
- iv. Securities
- v. Superannuation
- vi. Standard Margin Lending Facilities
- vii. Government debentures, stocks or bonds
- viii. Life Risk Insurance
- ix. Interests in Managed investment schemes including investor directed portfolio services;

(b) deal in a financial product by issuing, applying for, acquiring, varying or disposing of derivatives and securities financial products; and

(c) provide custodial or depository services; to retail and wholesale clients.

While Sequoia Asset Management holds a licence that allows it to provide General Advice financial services for the above mentioned financial products, Sequoia Direct is only authorised to:

(a) provide general advice and deal in relation to the following classes of financial products by acquiring, varying or disposing of such products on behalf of another person:

- i. Basic and non-basic deposit products
- ii. Derivatives
- iii. Securities
- iv. Standard Margin Lending Facilities
- v. Government debentures, stocks or bonds
- vi. Interests in Managed investment schemes including investor directed portfolio services

(b) deal in a financial product by issuing, applying for, acquiring, varying or disposing of derivatives and securities financial products; to retail and wholesale clients.

## 3. Documents you may receive from us

If you choose to use our services, you will receive the current FSG and Product Disclosure Statement ("PDS") where applicable for the relevant financial products.

If we provide you with services that involve arranging to issue a financial product, such as exchange trade options (**ETOs**) or securities, you will be provided with a Product Disclosure Statement (**PDS**). The PDS will contain information that might reasonably be expected to have a material influence on your decision whether to acquire the financial product. This will include information regarding the benefits and risks associated with the product and other significant features of the terms and conditions attaching to the product.

Before investing in any financial products, you must also complete a "No Advice Declaration" or "General Advice Declaration", as is appropriate in the circumstances.

To invest in any issue of a financial product, you must complete the application form attached to the relevant PDS. The PDS contains information about the particular product and will assist you in making an informed decision about that product. To invest in Sequoia Asset Management's Premium Portfolio Service you must complete the relevant application forms associated with this service.

## 4. The Type of Financial Services you will receive

If you use our services, we may from time to time provide general advice in relation to financial products. We will not however, provide you with any personal advice as we are not authorised to do so. This means that if we give you general advice, we will not consider whether a financial product is appropriate for you or take into account your personal circumstances, needs and objectives. The decision as to whether you should invest in a financial product and whether it is appropriate for you is solely your responsibility. You should contact your financial adviser if you require any financial product advice. Sequoia has no responsibility for any financial product advice provided by any other person to you. Sequoia may provide you with "**General Advice**" or will assist you in the acquisition, investment or disposal of a financial product - this being on a "**No Advice**" basis. These offerings are discussed below.

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## Becoming a Client of Sequoia Asset Management

As mentioned above, as a client of Sequoia you will either be a "No Advice" client or a "General Advice" client – this is your choice.

To assist you in determining whether to be a General Advice client or a No Advice client, please consider the services offered by Sequoia as described below. If you have any questions, please feel free to contact us.

**i. No Advice Client** - You make your own investment decisions, including the choice of investment, the dollar amount etc. For example, you may instruct us to purchase a number of shares on your personal trading account. Sequoia will process this transaction but will not provide any advice in relation to the shares or their suitability for you.

**ii. General Advice** - This is where we give you "general advice" in relation to, for example, our view of the quality of the investment or financial product, this could be provided verbally or digitally via a research report, newsletter or email; however, the advice is not tailored to your particular financial circumstances, needs and objectives. You make the decision whether to invest, the choice and amount of investment. We make no personal recommendations to you as to whether the service or product may be suitable for you.

Any General Advice provided is not intended to be passed on or relied upon by any particular person. Any indicative information and assumptions used may change without notice to you, particularly if based on past performance. Further, you should read the Product Disclosure Statement (if available) relative to any general advice before a decision is made.

## Providing Instructions to Sequoia

Sequoia accepts trading instructions by placing an order through our trading software (Bourse Analyser) or by telephone on 1300 363 766.

## 5. Remuneration and other benefits

Sequoia is remunerated directly through the fees we charge you. Details of our fees and charges are set out in this FSG. We may also earn and retain interest on monies held for clients in their trust accounts from time to time.

We may provide you with financial products and services from either related entities or non-related product providers and may receive a commission payment from product providers where you invest in one of their products or services. In these cases, the amount and/or the method by which the commission is calculated

will be supplied to you at the time that the financial product or service is provided.

You have the right to know about details of commissions, remuneration and other benefits Sequoia and your adviser receive and to contact us if further particulars are required. In the absence of any special arrangements all information about the remuneration or commission paid to Sequoia is disclosed in the relevant PDS or Information Memorandum (if available) associated with the particular product or service. As Sequoia provides a range of services the applicable fee will depend on what service(s) you choose.

Sequoia may receive trail commissions from product providers, including as a result of your investment of monies in a Cash Management Account. Details of these commissions are contained in the relevant PDS.

We reserve the right to change these fees from time to time, however we will advise you when and if we change our fees. While some of the fees we charge may be tax deductible, we recommend you confirm the tax deductibility status with a professional taxation adviser.

We may from time to time receive a benefit from preferred product providers or be paid a benefit from 3rd parties by way of sponsorship of educational seminars, conferences or training days. Details of benefits between \$100 and \$300 will be maintained on a Register which is available upon request.

## 6. Representative Remuneration

Directors and employees of Sequoia and their subsidiaries and related bodies corporate receive salaries, bonuses, a share of profits and other benefits.

## 7. Relationships and Associations

We have entered into arrangements with one or more Licensees as described in this FSG.

As noted above, we have entered into arrangements from time to time with various product providers under which we may receive a commission if you invest in one of their products or services.

We may provide you with financial products and services from either related or non-related product providers. We may receive a commission payment from product or service providers where you

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invest in one of their products or use their services.

The following are examples of such arrangements where such commissions may be payable:

- Cash Management Trust/Cash Management Account** - If you open a Cash Management Trust or Cash Management Account through Sequoia, Sequoia may receive initial and ongoing commissions based on the balance of the account. Details of any such commissions will be contained in the Product Disclosure Statement of the relevant CMT/CMA provider. Such amounts received by Sequoia will not exceed 25 basis points.
- Margin lending referrals** - If you use a margin lending facility through Sequoia, Sequoia may receive ongoing commissions subject to your consent, based on the balance of the account. Details of any such commissions will be contained in the Product Disclosure Statement of the relevant margin lender. Such amounts received by Sequoia will not exceed 25 basis points.

## 8. Linked Cash Management Account

To arrange trading on ASX or Chi-X through Sequoia, a Macquarie Cash Management Account (CMA) must be established and linked to your trading account.

This account is for the purpose of settling transactions and fees on your account. When you open an account with us, you authorise Sequoia Asset Management to establish a Macquarie CMA on your behalf in the name of your trading account.

If you have an existing Macquarie CMA, you can link this account instead as long as this account is in the same name as your trading account. For more information about Macquarie's CMA services and the benefits of an integrated CMA, please refer to Macquarie's product disclosure statement (titled Product Information Statement) which can be found on our website or at [www.macquarie.com](http://www.macquarie.com).

## 9. Your privacy and how we use your personal information

### Privacy Statement

Your privacy is important to us. Any records we hold will be handled in accordance with our Privacy Policy contained in the

terms of your agreement with us which details how we comply with the Privacy Act. If you wish to examine your file or make changes to this information, please contact us and we will arrange for you to do so.

## 10. Anti Money Laundering

As a financial service provider, we have an obligation under the Anti Money Laundering and Counter Terrorism Finance Act to verify your identity and the source of any funds. This means that we will ask you to present identification documents such as passports and driver's license. We will also retain copies of this information. We assure you that this information will be held securely in accordance with our Privacy Policy.

## 11. Conflicts of Interest

Sequoia has existing relationships with Product and Service Providers in order to bring innovative investment opportunities and services to market, including with inter alia, related entities:

- Sequoia Superannuation Pty Ltd
- Sequoia Specialist Investments Pty Ltd
- Bourse Data Pty Ltd
- Morrison Securities Pty Ltd
- Sequoia Wealth Management Pty Ltd
- Interprac Financial Planning Pty Ltd
- Finance Tv Pty Ltd trading as Finance News Network
- Interprac Finance Services Pty Ltd
- Interprac Securities Pty Ltd
- My Own Super Fund Pty Ltd
- Sequoia Investment Management Pty Ltd
- Sequoia Funds Management Pty Ltd
- Tax Engine Pty Ltd
- SMSF Engine Pty Ltd

From time to time, unless you have opted out of receiving promotional material, you may receive offers relating to financial services provided by Product and Service providers with which we have arrangements, including our related entities. Relationships will be disclosed in the FSG, Adviser Profile, PDS or other disclosure document relevant in the circumstances and provided to you.

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## 12. Compensation Arrangements

Sequoia Asset Management has arrangements in place which it considers adequate for the services provided by Sequoia having regard to:

- the volume and types of business carried on by it;
- the number and types of its clients;
- the number of its representatives; and
- any particular or potential claims that may arise pursuant to our participation in external dispute resolution schemes, including the Credit and Investments Ombudsman.

Sequoia considers that these compensation arrangements satisfy the requirements of s 912B of the Corporations Act and associated regulations and subject to its terms and conditions, provides indemnity up to the Sum Insured for Sequoia Asset Management, in respect of the authorisations and obligations under our Australian Financial Services License and with respect to the authorisations issued to its Representative, Sequoia Direct. This insurance continues to provide coverage for work done by Sequoia Direct whilst engaged as a Representative of Sequoia Asset Management.

## 13. Complaint Resolution

We are committed to providing quality service and accurate information. As part of that commitment, we are focused on improving client satisfaction levels by providing an efficient and accessible system for resolving client complaints.

If you have any complaint about the services provided to you, you should take the following steps:

To assist us in responding appropriately to complaints, you are requested to prepare any complaint in writing, addressed to:

### Sequoia Asset Management Pty Ltd

Attention: Compliance Manager  
 Mail: PO BOX R1837, ROYAL EXCHANGE NSW 1225  
 Telephone: (02) 8114 2222  
 Email: [complaints@sequoia.com.au](mailto:complaints@sequoia.com.au)

You should include as much detail about the circumstances of the complaint as possible, including the name(s) of any of our staff

involved. If available, copies of any background documentation should be provided to us along with the complaint.

Following receipt of your complaint, the Compliance Officer will acknowledge receipt of it in writing and provide an estimate of the time it will take to investigate the circumstances. The Compliance Officer will fully investigate the complaint and follow up if further information is required from you. The Compliance Officer will then prepare a detailed written response to you after consideration of all relevant documents and following interviews with the involved employees and their manager(s), if required. The written response will be emailed or delivered to you.

If we cannot reach a satisfactory resolution within 45 days, you can raise your concerns with the Australian Financial Complaints Authority. Sequoia Asset Management is a member of this complaints resolution service.

Telephone: 1800 931 678  
 Email: [info@afca.org.au](mailto:info@afca.org.au)  
 Website: [www.afca.org.au](http://www.afca.org.au)  
 Mail: GPO Box 3, Melbourne VIC 3001

If you remain unsatisfied with our response to a complaint, you may pursue the matter with ASIC on 1300 300 630 where you may make a complaint or obtain information about investor rights.

## 14. Our fee Schedule

All rates are inclusive of GST

### ONLINE RATES EQUITIES

Trade Size	Settlement via Morrison Securities Trust Account	Settlement via Macquarie Bank CMA Account or linked Margin Lending Account	Day Trader
Up to \$1000	\$9.50	\$9.50	
Up to \$83,300.00			\$27.50
\$1,001 to \$49,999.99	\$22.00	\$33.00	
\$50,000 to \$99,999.99	\$44.00	\$55.00	
Greater than \$83,300.01			0.035% of Trade Value
Greater than \$100,000	0.055% of trade value	0.065% of trade value	

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Please note that the above fees are for CHESS sponsored accounts only and are charged per order per day.

## To qualify for the Day Trader rates

- Funds must be held in Morrison Securities Trust Account.
- Applicable for CHESS sponsored accounts only.
- Commission will be charged per stock per day.
- Applicable only for Online Trade with support, in case needed over phone.
- All Trades which result in settlements (net position remaining outstanding) at the end of the day would be charged additional commission (Settlement Fee) to the extent of 0.125% of the value of trade that requires settlement.
- Confirmations are issued at the end of a trading day for multiple buy or sell in an individual stock (the order may not be complete). If the balance of the order is filled the next day, then a new confirmation would be issued and an additional commission is applied. Multiple trades at different price levels will be placed on one confirmation for each stock traded on one day.

## Exchange Traded Options (ETOs):

Settlement or Margin via	Trade size	Brokerage	ASX Clear Fee
Morrison Securities Trust Account	\$0.01 to \$999,999	\$27.50	\$0.143 Per contract
Macquarie Bank CMA Account or linked Margin Lending Account	\$0.01 to \$999,999	\$33.00	\$0.143 Per contract

Please note that the above fees are for CHESS sponsored accounts only and are charged per order per day.

## Bourse Data/Software and Data Fees

Sequoia may also arrange software subscription and data services through **Bourse Data** which is a related entity. Such services are not provided by Sequoia Asset Management, are not financial services and are not covered by the Sequoia Asset Management dispute resolution scheme. Any queries relevant to such services need to be dealt with by you in accordance with the **Bourse Data** terms and conditions.

**1. Software Fee** - Fixed at \$70.00 per calendar month for the Bourse Analyser, or free for Bourse Online.

**2. Data Fee** - This is a fee charged by the ASX and Chi-X for viewing Live Price Data. The fee is charged at the rate of \$41.25 (totaling at \$107.25 for the Software Fee and Data Fee) per calendar month.

## OPTIONAL DATA ADD-ONS AND UPGRADES

Optional data service type	Monthly Charge
International Exchanges	\$11.00
Live ASX Company reports and news	\$40.00

## Trading Platform Charges

### IRESS Trader ViewPoint

Number of Trades	Monthly Subscription
0 - 9	\$110
10 +	Free

### IRESS Investor

Number of Trades	Monthly Subscription
1 +	Free

For access to IRESS Investor, a minimum cash balance of \$5000 must be maintained in the trading account

### IRESS Mobile

Number of Trades	Monthly Subscription
1 +	\$55

### IRESS Professional

Number of Trades	Monthly Subscription
1 +	\$1,210

## Phone Trading

For Equities (Shares and Warrants)

Transaction Value	Brokerage
\$0.01 - \$40,000.00	\$44.00
\$40,000.00 +	0.11%

For One-Off Sale or Deceased Estates:

Transaction Value	Brokerage
\$0.01 - \$50,000.00	\$55.00
\$50,000.00 +	0.11%

For Exchange Traded Options (ETOs):

Transaction Value	Brokerage	ASX Clear Fee
\$0.01 - \$8,000.00	\$44.00	\$0.143 Per contract
\$8,000.00 +	0.55%	\$0.143 Per contract

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## What are your miscellaneous service fees?

Service	Fee
Issuer Sponsored to CHESS and/or CHESS to Issuer Sponsored Conversions	\$11.00
SRN Enquiry	\$27.50
Contract Rebooking Fee	\$22.00
Off Market Transfers	\$55.00
Trace Fee for Unidentified Client Deposits	\$55.00
Trace Fee for Payments	\$55.00
Paper Contract Note or Reprint of Paper Contract Note	\$5.50
Cheque Payment	\$5.50
Overseas funds transfer	\$55.00
Transfer HIN, Holding or Options Positions to other Broker	\$55.00
Bank Cheque	\$55.00
Dishonoured Cheque	\$55.00
Statement Print	\$11.00
Fail Fee – (Failure to Settle Trades/Debits)	\$110.00 + 0.15% of the amount failed per day

## How do I pay money into my trading account?

You may electronically transfer funds into Morrison Securities Pty Ltd Trust Account, **clearly referencing it with the trading account number** that has been assigned to you by Morrison Securities.

Paying into the Morrison Securities Pty Ltd Trust Account:

For Equities, Options & Warrants
<p><b>(1) Bank Transfer / Deposit</b>            Name of Account: Morrison Securities Pty Ltd – Trust Account            Bank: Westpac Trust Account            BSB: <b>033-157</b>            Account Number: <b>626598</b></p>
<p><b>(2) BPAY®</b>            Biller Code: <b>018218</b>            Please contact us for your BPAY® reference number</p>

## Trail Commissions

Sequoia may provide you with financial products and services from either related or non-related product providers. Sequoia may receive a commission payment from product or service providers where you invest in one of their products or use their services. The following are examples of such arrangements where such

commissions may be payable:

## Cash Management Trust/Cash Management Account

If you open a Cash Management Trust or Cash Management Account through Sequoia, Sequoia may receive initial and ongoing commissions based on the balance of the account. Details of any such commissions will be contained in the PDS of the relevant CMT/CMA provider. Such amounts received by Sequoia normally are in the range of 25 basis points (0.25% pa). For example, if the ongoing commission was 0.25% pa (including GST) on your CMA balance of \$1,000 this will result in Sequoia being paid \$25.00.