

Financial Services Guide

Version M-2 | **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.

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:

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, 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 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.

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Lack of Independence:

To avoid the potential for any conflict-of-interest Sequoia Direct (Corporate Authorised Representative No. 1247917), although not a subsidiary of, nor controlled by, any Bank or Insurer states that it is not independent, impartial, or unbiased. It is a subsidiary of the Sequoia Financial Group, ASX Code SEQ which provides scale and & broad-based approved products & services that an Adviser may recommend if it is in a client's best interest.

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 7th August 2023. 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 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 and Finance News Network ABN 31 117 966 328 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 CHES 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

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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 (EQUIX or Iress) 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.

Sequoia Asset Management and its Advisers are prohibited from accepting gifts or inducements over \$300. 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

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providers. We may receive a commission payment from a product or service provided 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 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 if 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.

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

Privacy Statement

Your privacy is important to us. All information is collected, held and used by us in the strictest confidence pursuant to our Privacy Policy contained in the

terms of your agreement with us which details how we comply with the Australian Privacy Principles. 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 licenses. 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 to bring innovative investment opportunities and services to market, including with, inter alia, related entities:

- Sequoia Superannuation Pty Ltd
- Sequoia Specialist Investments 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:

- (a) the volume and types of business carried on by it;
- (b) the number and types of its clients;
- (c) the number of its representatives; and
- (d) 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

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 Website: 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.

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14. Our Fee Schedule

Brokerage The brokerage we will charge you will depend on the type of financial product and will range between the minimum and maximum ranges set out below. Brokerage will be charged to your trading account when you buy and sell at the time your transaction is executed.

Product Type Fee

Exchange traded options

Up to \$110 (including GST) or 1.10% per transaction (including GST) for each further option contract. A typical fee is \$55.00 flat or 0.55% of the value (including GST)

Securities and warrants

Up to \$110 (including GST) or 1.10% (including GST) of the transaction value, whichever is the greatest. A typical fee is \$55.00 flat or 0.15% of the value (including GST)

If there is any change to this fee structure, we will notify you by email to your nominated email address.

Other costs you may incur You may also be charged these additional fees:

Fee Type Fee (Including GST)

Fail Fee – Buy

(This fee is payable if your cash management account does not have sufficient funds in respect of a buy trade) • \$110.00 per day • Any corresponding default fees charged by the product issuers • Any ASX fees.

Fail Fee-Sell

(This fee is payable if you fail to provide the relevant financial products in respect of a sell order) • \$110.00 per day • Any corresponding default fees charged by the product issuers • Any ASX fees.

Options Fail Fee

(This fee is payable if your cash management account does not have sufficient funds in respect of an options trade or margin call) • \$110.00 per day • Any corresponding default fees charged by the product issuers • Any ASX fees.

Default Fees

(Default fees are charged by us to you on any outstanding amounts owed to us) • 15% p.a. on all outstanding amounts.
Security Holder Reference Number (“SRN”) Enquiry • \$27.50 per enquiry • Any ASX fee

Re-booking Fee

(This fee is payable when you execute a trade in an incorrect account and the trade has to be cancelled and rebooked to the correct account) • \$33.00 per trade • Any losses incurred by us as a result of the incorrect trade • Any ASX fees.

Off Market Transfer

• \$55.00 per transfer • Any ASX fees
Posted Contract Notes • \$1.50 per request

Software Fee – Up to \$200 per calendar month for the EQUIX live data or free for EQUIX Click2Refresh data.

Commissions We may receive upfront and trailing commissions from product issuers with your consent. Such commissions will be different depending on the product and will be disclosed in the consent form. The range of these commission that we may receive with your consent are:

Integrity | Technical Expertise | Professionalism

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EQUIX/Software and Data Fees

Sequoia may also arrange software subscription and data services through **Morrison Securities / EQUIX**, 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 **EQUIX** terms and conditions.

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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>(1) Bank Transfer / Deposit Name of Account: Morrison Securities Pty Ltd – Trust Account Bank: ANZ BSB: 013-006 Account Number: 838223531</p>
<p>(2) BPAY® Biller Code: 018218 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.