



This Financial Services Guide (FSG) is designed to assist you in determining whether to use any of our financial services.

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This FSG contains seven (7) sections and provides you with key information including:

1. Who are Prescott Securities?
2. Services available to you
3. Our process in helping you achieve your goals
4. Fees/commissions that may apply
5. Any potential conflicts of interest we may have
6. If you have a complaint
7. How we look after your privacy

If we recommend a financial product to you, we will provide you with a Product Disclosure Statement (PDS) if one is available. The PDS contains information about the product to help you make an informed decision about that product.

A PDS outlines relevant terms, significant features and risks, and fees and charges associated with the product.

If we provide personal advice to you, this will often be provided in a Statement of Advice (SOA) which contains our recommendations about financial products and may also include financial strategies. The contents include details about the products, strategies, risks, benefits and fees of our advice.

1. Who are Prescott Securities?

Although you may only see the local face of our business, we are part of the wider group of Findex. One of the leading and largest providers of accounting, financial and related services to small medium enterprise across Australia and New Zealand. With a wide range of services Findex provides the relationship you can count on.

Prescott Securities is owned by Findex Australia Pty Ltd. Prescott Securities is a trading name of Findex Advice Services Pty Ltd ABN 88 090 684 521 which holds Australian Financial Services Licence number 243253.

Prescott Securities provides financial advice services combining excellence in investment portfolio construction and maintenance, financial planning and personal insurance advice.

Prescott Securities acts on your behalf and is responsible for the financial services offered in this FSG. You can provide us with instructions by contacting one of our representatives using their direct contact details if these have been provided to you. Otherwise, you can contact our corporate office using the contact details on the back page of this FSG.

2. Services available to you

Our services are designed for people and organisations serious about professionally managing their current resources. Creating and building assets is your first step towards ensuring your financial security.

We owe our success in building clients' assets to the commitment we make to you and to the sound advice we provide, time after time. You benefit from:

- our extensive experience,
- our straightforward professional approach and
- our ability to draw on information and support from other divisions of Findex.

Prescott Securities offers advice and implementation concerning:

- Financial Advice and Investment Strategies;
- Superannuation and Rollovers;
- Self-Managed Super Funds (SMSFs);
- Centrelink;
- Portfolio Management;
- Buying and Selling Shares;
- Risk Management (Insurance Advice);
- Retirement Planning; and
- Estate planning.

Our advisers will direct you through the wide range of products with confidence. Unless we tell you otherwise, our advisers advise and deal in these kinds of financial products:

- Managed Investments (including IDPS and MDA services);
- Standard Margin Lending facilities
- Securities
- Term Deposits and Cash Management Accounts;
- Derivatives (limited to old law securities options contracts and warrants);
- Securities, including Shares and Instalment Warrants;
- Government Debentures, Stocks or Bonds;
- Superannuation, including SMSFs and Retirement Savings Accounts;
- Annuities and Pensions;
- Life products such as:
 - life insurance,
 - income protection,
 - key person insurance,
 - business risk insurance,
 - disability cover, and
 - life investment products.

3. Our process in helping you achieve your goals

Your needs are as individual as you are. We focus very carefully on understanding your unique issues, so our solutions are specifically developed for you, for your circumstances and to accommodate your attitude to investing.

The success of your financial plan depends critically on obtaining an in-depth understanding of your financial circumstances, income, investments, assets and liabilities – so that we know your current and future requirements.

We typically analyse your short and long term goals in the context of your lifestyle, family considerations, working life and retirement. Once we understand your position, we develop a strategy to achieve your goals while also factoring in your attitude to risk. In line with the Future of Financial Advice requirements, our advice is always provided with your best interests at the forefront of our process.

Little is achieved without your assistance and understanding. You will need to:

- identify your financial goals;
- be realistic about a time scale for achieving your goals;
- be well organised to put your plans into action;
- review your progress;
- be willing to make changes

Prescott Securities will help you in each step of this process by:

- identifying and clarifying your objectives, financial situation and needs;
- developing a financial strategy;
- implementing your plan;
- making available services to review your plan to ensure you remain on track to achieve your financial objectives and to help you adapt to your changing circumstances.

Our advice takes into account the taxation, social security, risk management and estate planning implications of the advice we give you. If you are not an accounting client of Findex or their subsidiary, Crowe Horwath Australasia, your adviser may also liaise with your accountant and solicitor to put your plans into effect.

This allows us to apply our skills and experience as your personal situation and your interests change.

We implement this process detailed below to ensure that we give you quality financial advice relevant to your needs:

A. Getting to know you

Getting to know you may take several meetings. We establish what your expectations are and tell you about the services we are authorised to provide.

We also collect relevant information from you and explain how we are paid for our services.

Any information you give us is managed according to our privacy policy and anti-money laundering procedures.

You can ask us for a copy of our personal profile of you - it includes details of your investments and objectives and of our recommendations to you.

Please remember that we can only make recommendations based on the information you give us.

If we don't have all relevant information about you, our advice may not match your needs.

B. Helping you identify your goals and objectives

Financial planning is the process of meeting your life goals through the proper management of your finances. We discuss and help you identify your goals and objectives.

The more we know about your specific needs, the more we can help you. This may include your requirements for income and growth and the need for cash for major expenses.

You need to ensure we are aware of any changes that may be relevant to future advice.

C. Scaled advice

If you have only requested advice on a specific issue (like life insurance), we won't go through your other goals and objectives unless you want us to. However, we may highlight other areas of advice that you should consider in this instance.

D. Identifying any financial issues

We identify any issues that may affect your financial position now and in the future, such as taxation, social security considerations and estate planning.

E. Preparing your Statement of Advice and providing a Product Disclosure Statement

You receive an SOA that sets out your financial position in terms of:

- where you are now;
- where you want to be;
- what you need to do to get there.

We also explain any significant risks of the strategies and products we recommend to you.

The SOA also contains information on fees and commissions and the types of investments, if we recommend an investment portfolio.

We construct a portfolio for you based on research from various research houses. Using that research, Prescott Securities aims to build your wealth with as much certainty as possible.

We discuss our recommendations with you, make any changes you require, and ensure that you agree with our recommendations before we act on them – as efficiently and cost effectively as possible.

You can ask for a record of our written or oral advice at any time.

F. Implementing your financial plan

Once we have agreed on a financial plan to suit you, we ask you for a written 'Authority to Proceed' before we implement the plan.

You specify how you would like to instruct us about buying or selling your investments. For example, you can communicate with us by telephone, fax, email or other means.

G. Revising your financial plan

To ensure that your financial plan protects and manages your assets, it is critical that your plan is carefully and diligently reviewed. Administering wealth can be a time-consuming task. Our advisers keep up-to-date with changes in the economy, legislation and the financial industry, looking for opportunities for you.

Our various services are individually tailored to your needs. If you enter into an ongoing Client Service arrangement we will communicate with you regularly on issues relevant to you, including investment asset allocation and performance.

We recommend that you regularly review your financial strategy and investments with us to ensure that they remain appropriate for your circumstances. We encourage you to sign an ongoing Client Service Agreement with us so that we can continue to guide you. The agreement sets out timeframes and costs of our ongoing service. We discuss with you which ongoing service is most appropriate to your needs.

We recommend that you contact us at any time for an interim review, or to answer any queries you have.

If your financial advice is changed as a result of a review, we give you an SOA or a Record of Advice (ROA).

If we provide personal advice in circumstances where we are not required to give you an SOA, you can write to ask us for a record of that advice—as long as we have not already provided a record to you and your request is within 7 years from the date we gave you that advice.

Managed Discretionary Account Service

Over many years of successfully advising clients, Findex group believes that client's interests are best served by having a professionally selected and managed portfolio of investments. Unless it is inappropriate for you, you can expect that we will recommend that you hold a portfolio of investments on one of our preferred eWrap platforms. We manage the investments on those platforms on a discretionary basis; i.e. without seeking your prior consent to each individual transaction. This is known as a Managed Discretionary Account (MDA) service.

If we provide this service, we will agree an Investment Program with you in advance (which will comply with Pt 7.7, Div 3 of the Corporations Act 2001 (Cth)). It will explain in detail:

- the investment strategy that we will implement on your behalf and the nature and scope of the discretions that you will authorise and require us to exercise when managing your investments;
- why we consider the managed discretionary service and the investment strategy are suitable for you;
- warnings about the importance of any limitations relating to the Managed Discretionary Account Service which you must consider before signing the Managed Discretionary Account Service Contract;
- that the Managed Discretionary Account Service may not be suitable for you if you provide limited or inaccurate information relating to your relevant personal circumstances or if those circumstances change; and
- any significant risks associated with the Managed Discretionary Account Service.

We will only recommend this service if it is suitable for you.

We will review your Investment Program every quarter and we will review the suitability of the Managed Discretionary Account Service annually in light of your financial circumstances, needs and objectives.

If we recommend this service to you, we will ask you to enter a Managed Discretionary Account Service Contract with us. This will be set out in the SOA that we provide to you.

The main risk of the Managed Discretionary Account Service is that you will not know about the changes we make to your investments before they are made. However, we will only make adjustments which are consistent with our understanding of your personal circumstances and the agreed investment strategy as set out in your Investment Program.

There is a risk that if we fail to manage your investments appropriately, you may incur a loss. Also the Managed Discretionary Account Service may not be suitable for you if you have provided us with limited or inaccurate information relating to your relevant personal circumstances and it may cease to be suitable if those circumstances change.

We will not hold custody of your investments. They will be held in the encircle platform. Avanteos Investments Limited (AIL) is the independent trustee, operator and custodian of the encircle platform. AIL can be contacted in writing to PO Box 1012 Camberwell VIC 3124.

4. Fees/commissions that may apply

We are paid by fees or commissions or a combination of both, depending on the service and product you invest in. We will tell you about any payments and other benefits we receive as a result of preparing and implementing your financial plan. We will include the information in your SOA or ROA, or as soon as practicable afterwards. PDSs also contain more detail on the fees that the product provider will receive.

If we can, we will tell you the exact amount. If we don't know that when we advise you, we will explain how the payments (including commission) and any other benefits are calculated.

If you have been introduced to us by a third party such as other accountants or lawyers – we may pay an introductory fee or commission rebate to that third party. That introductory fee or commission rebate would be calculated according to various factors which may include the number or size of referrals. Where we pay a fee or a commission for a referral, we fully disclose to you who will receive that fee or commission and the amount they receive.

You can always ask for more information about payment arrangements, including information about the range of amounts or rates of remuneration. Even if personal advice is not given to you, you can request this information within a reasonable time of receiving the FSG and before any financial service is provided to you.

Your adviser is paid a salary package and may also receive bonuses, which are calculated depending on the company's and the adviser's performance over the year. At your initial interview, your adviser will tell you about any remuneration they receive in addition to that listed in this FSG.

Initial Appointment

This is free and doesn't oblige you to do anything.

Preparation of Statement of Advice/Initial advice fee

We charge a fee for preparing your initial advice, which includes preparing an SOA. We may also charge a once-off implementation fee. These fees are based on the complexity of the advice we give you and are agreed to before we begin any work for you. Your adviser's hourly rate is set out in Part B.

There are a number of ways you can pay for our initial advice and implementation (if applicable). For example, you may be able to pay an entry fee based on a percentage of your initial investment, or a fee for service, or a combination of both. If the fee for service is calculated on hourly rates, those rates will reflect the expertise of the relevant adviser.

Ongoing Client Service Fee

If we provide ongoing advice, administration and review of your investment portfolio, we will charge a fee of up to 1.65% per annum (GST inclusive) of your account balance or a flat fee, which will be calculated according to your adviser's hourly rate, and may vary depending on the scope of the ongoing services you require. Please note, flat fees are charged whenever we recommend you borrow funds to implement any of our recommendations. The fee will be discussed with you before implementation of our advice and will be documented in your Client Service Agreement.

No ongoing Client Service arrangement

If we have no ongoing service arrangement with you, you need to ask us for advice or a review. We will charge you a fee for any services we provide. The fee may be calculated as a percentage on your portfolio, as a flat fee or charged by the hour for the work completed. This fee will be agreed to between you and your chosen adviser before work is commenced and disclosed in your SOA.

Investment Management Fees

All investments have ongoing costs associated with them. These vary depending on the type of investment. All these costs are outlined fully in each investment's PDS and will be explained to you in your SOA.

Product Issuer and Wrap Provider Fees

Prescott Securities may receive ongoing commissions from providers of investment and wrap products (paid directly by the provider) that we arranged on your behalf before 1 July 2014. These vary depending on the product provider. They are paid by the product provider and are not an additional cost to you.

Life Insurance Products

Prescott Securities may receive initial and ongoing commissions from the providers of life insurance products. These are included in the amount you pay for the product—called the premium. The rate varies depending on the product and the provider. Initial commission can range between 0% to 130% (GST inclusive) of the premium. Ongoing commission can range between 0% to 35% (GST inclusive) of the premium after year 1 of the policy. Some of our advisers will rebate this commission and charge you an agreed set fee instead. That agreed fee would be calculated based on the complexity of the work and the amount of time required by the planner to give the advice and/or implement it.

Full details of any commissions will be disclosed to you in your SOA or ROA.

Execution Service

If we arrange for you to purchase an investment on which we have not provided advice, we may charge a fee for carrying out your instructions. This may be either a flat fee or be based on a percentage of the value of the transaction with a minimum charge. The fee will be agreed with you in advance.

Other services and fees

While we encourage clients to engage us for ongoing service, 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.

ASX Listed Investments

Brokerage is \$33 plus 1.65% of the transaction value, with a minimum of \$110.

The brokerage rate applied may be at a lower rate depending on the type and level of service provided and the size and frequency of transactions.

Initial public offering and capital raising

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.

5. Relationships or associations

Prescott Securities is owned by Findex Australia Pty Ltd ACN 128 588 714 (Findex Australia).

Findex Australia also owns Specialised Private Capital Ltd (SPC) ACN 095 773 390 AFSL No.246744 which has supplier agreements with a number of the financial product providers (including managed investment schemes and administration (wrap) platforms) that Prescott Securities recommends to its clients. SPC receives payments and rebates from a number of those product providers.

Prescott Securities has supplier agreements with a number of administrative platforms. These administrative platforms pay Findex Australia a bonus for funds invested by the group. The benefits are typically calculated according to the volume of funds placed with those platforms.

6. If you have a complaint

What to do if you have a complaint about the service provided to you:

Please contact your adviser to discuss your complaint. We strive to improve the services we offer and rely on feedback from you to help us in this regard.

We will try to resolve your complaint quickly and fairly

If you are not satisfied with the response you receive you should write to:

Disputes Manager, Findex Advice Services Pty Ltd, PO Box R1851 Royal Exchange NSW 1225

If we have not resolved your complaint within 45 days, or you are not happy with the outcome you may complain to the Credit and Investments Ombudsman Ltd, an independent dispute resolution body. They can be contacted on 1800 138 422, online at www.cio.org.au or via post at PO Box A252, South Sydney, NSW, 1235.

Alternatively, if your concerns involve ethical conduct you may wish to raise them in writing with the Financial Planning Association. They can be contacted at PO Box 109, Collins Street West, Melbourne VIC 8007.

You can also make a complaint and obtain information about your rights on the Australian Securities and Investments Commissions free call information line: 1300 300 630 or online at www.moneysmart.gov.au.

We maintain professional indemnity insurance that satisfies the requirements for compensation arrangements under section 912B of the Corporations Act 2001. The insurance provides indemnity up to the sum insured for Prescott Securities and for our representatives in respect of authorisations and obligations under our Australian Financial Services Licence (subject to terms and conditions). This insurance covers former representatives and employees for work done whilst they were engaged with us.

7. How we look after your privacy

Privacy Statement

Prescott Securities complies with the Privacy Act 1988 (Cth) and the Australian Privacy Principles. It is governed by the Findex Australia Pty Ltd privacy policy. Prescott Securities Financial Advice collects information from you to:

- provide accounting and financial planning services to you;
- You do not have to provide us with the information we ask for, but if you decline to do so, we may not be able to provide the level of service and advice you need.

We may sometimes have to disclose your personal information to other professionals and organisations such as:

- Financial institutions – including fund managers, life companies, superannuation trustees, share brokers;
- Government departments – such as the Australian Taxation Office, and Centrelink;
- Other companies within the Findex group.

Prescott Securities recognises how important the privacy of your personal information is to you, so we will always seek to ensure that your personal information is protected from misuse, loss, unauthorised access, modification or disclosure. And we will only use or disclose your information for the purposes we have listed above, or for related purposes, or as required by law – unless you give us consent to disclose your information for other purposes.

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