

# New York Securities Pty Ltd



## Financial Services Guide

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### New York Securities Pty Ltd

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## **The Issuer of this Financial Services Guide ('Guide')**

This Guide is issued by New York Securities Pty Ltd (New York). In this Guide we also referred to as "New York", "the Company", "we", "us" and "our".

New York holds an Australian Financial Services Licence (AFSL licence'). We can be contacted via the information listed at the back of the Guide.

## **The Purpose of the Guide**

This Guide is provided to inform you about our services and fees and to assist you when deciding to use our services – it consists of two parts.

This first part contains information about who we are and how we can be contacted, what services and the types of financial products we are authorised to provide to you, how we (and any other relevant parties) are remunerated, details of any potential conflicts of interest and details of our internal and external dispute resolution procedures, along with how you can access them. The second part contains information relating to our Schedule of Fees.

New York may amend this Guide from time to time. As such, we reserve the right to publish any amendments electronically on our website [www.nysecurities.com.au](http://www.nysecurities.com.au) any material changes however, will be posted to all clients notifying them of this fact.

## **What other documents can you expect to receive from us?**

In addition to this guide you may receive a Statement of Advice ('SOA') and/or a Product Disclosure Statement ('PDS') from us.

The SOA is a written record containing the advice, the reasons for our recommendations and information about fees, commissions and other benefits and associations, which may influence us when providing the advice.

Personal advice is advice that takes into account any of your personal objectives, financial situation or needs.

In general, we must provide you with a SOA when we give you:

- Personal advice about any financial product that is not traded on an exchange;
- Personal advice about any financial product that is traded on an exchange, but for which prompt action is not required;
- Personal advice about a new financial product you may obtain; or
- Your personal circumstances change significantly and this information has been supplied to your Adviser.

A SOA is not required when we provide further advice (i.e. additional advice about any financial product for which you have already received a SOA). In such circumstances a Record of Advice will be made and you are entitled to a copy within 7 years of the advice being provided.

A Product Disclosure Statement contains information about a particular financial product including the features, benefits, fees and risks associated with the particular product which will enable you to make an informed decision in relation to the acquisition of that financial product. Where we either make a recommendation that you acquire a particular financial product (other than securities such as listed shares), or offer to issue or arrange the issue of a financial product to you, we will provide you with a PDS.

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

- Initial Public Offerings
- Managed funds
- Exchange traded options
- Warrants from the primary market
- Standard margin lending facility
- Superannuation products

***Who will be providing the financial services to you?***

New York will be responsible for providing the financial services to you through its Advisers. New York is responsible for the actions of its Advisers when providing those services.

New York is a licensed financial services provider and also deals in various financial products within the limitations of their granted licence by ASIC. New York has arrangements in place with D2MX Pty Ltd who provides the execution service and Pershing Securities (ASX trading participant) whom provide settlement and clearing services. New York in its own right is an NSX trading participant with arrangements in place with Pritchard Partners/Pershing Securities as the execution and settlement providers.

***Who does New York act for when they provide financial services to you?***

Generally New York acts for you when it provides financial services to you. Usually, when providing advisory, dealing or other services to you (e.g. Arranging for buying or selling shares for you), we will be acting on your behalf as your agent. From time to time we may be acting as agent for another client who is the counterparty to your transaction (e.g. a sale of shares on market between clients). We may act as principal on our own account when dealing with you, in which case we would disclose this prior to entering into the transaction with you. We must obtain your consent before proceeding and will not charge brokerage or any other fee for any principal transaction.

***What financial services does New York provide and to which financial products do they relate?***

New York is authorised by its AFS licence to provide the following services to retail and wholesale clients:

- Provide financial product advice;
- Deal in a financial product;

We provide advice in relation to and deal in the following types of products:

- Basic deposit products;
- Securities;
- Derivatives;
- Debentures, stocks or bonds;
- Managed investment schemes;
- Standard margin lending facility; and
- Superannuation.

Our services typically encompass dealing, advisory and related services in relation to financial products which are traded (i.e. quoted for trading) or are to be traded on a "live" market, such as those operated by the ASX, Chi-X and NSX. New York trades on shares via a live platform provided by Iress Internet Services. All orders are filtered through intermediary D2MX Pty Ltd who provides the execution service while Pershing Securities, the ASX and Chi-X Trading Participant provide the settlement and clearing services. NSX orders are placed through Pritchard Partners and settled through Pershing Securities Limited. This is more fully outlined in the Account Opening Package documents.

In relation to foreign securities generally, New York has arrangements in place with brokers of major overseas Stock Exchanges including Haywood Securities Inc and WH Ireland Group PLC, to enable clients to transact on those foreign markets. In addition other brokers and foreign markets will be considered by New York to the benefit of clients.

***Will you give me advice that is suitable and personalised to my investment needs and financial circumstances?***

Yes, your Adviser is obliged to have a reasonable basis for recommendations made to you, act in your best interest and provide appropriate advice. However, to do so your Adviser needs to find out the subject matter of the advice being sought, your individual investment objectives, financial situation and needs before they can recommend any investment to you. We will therefore ask you for information at the time you open an account with us. You have the right not to divulge this information to us, if you do not wish to do so. Your Adviser will then be limited in their ability to make recommendations specific to your requirements. If you decline to provide sufficient information you must take into account the following warning which will apply to any advice given to you:

***Incomplete and/or Inaccurate Information Warning:***

Where New York Securities and your Adviser have been provided with inaccurate or incomplete information relating to your relevant personal and financial circumstances, you should, before acting on the advice, consider the appropriateness of the advice, having regard to your own relevant personal and financial circumstances. The advice we provide based on incomplete and/or inaccurate information may not be entirely compatible or suitable for your circumstances and you risk making a financial loss.

New York will not in a position to be aware of any changes in your goals, objectives, personal or financial circumstances and as such you will need to immediately inform the company of any changes in any of these matters.

***Please note you must provide your risk profile as a minimum requirement of opening an account***

Your Adviser will work with you to enable you to formulate your goals and objectives and assist you in achieving your investment targets. Your Adviser can only provide appropriate advice when we have been given the information we require to make recommendations that are suitable. Your Adviser may refuse to give advice where you have not provided sufficient information.

***How do you obtain our services?***

Please contact your Adviser directly. If you are a new client and do not have a nominated Adviser, please contact us on the number or email address in this Guide.

***How may instructions be given?***

You may give us instructions in person, by telephone or by facsimile or other means which may be mutually agreed. As time is of the essence in "live" markets, the telephone is the preferred option.

***How are we remunerated for the services we provide?***

Generally there are three ways that we can charge for services. They are:

- Brokerage/Commissions when you buy and sell securities or derivatives;
- A fee based on the services we provide; including;

- Fee for providing advice that is dependent on the value of (unborrowed) funds invested or managed; or
- Commissions based on certain financial products (pre 1<sup>st</sup> July 2013)

Information about our remuneration is set out in Part 2 of this Guide. Some fees which we may charge may be tax deductible; you will need to confirm this with your accountant or tax adviser.

### **How are Advisers remunerated?**

Our Advisers may be remunerated by two means: retainer, salary and/or commissions. Commissions may be based on a number of factors, including the level of fee and brokerage income earned in relation to the financial services and financial products provided to you.

The level of fees and brokerage earned in relation to the financial services and financial products will vary depending on the financial service or product. The level of commissions that may be payable to your Adviser is detailed in Part 2 of this Guide.

Where we provide you with personal advice, the amount of fees and brokerage will be disclosed in your SOA (if one is provided). You will also be provided with specific details in relation to each transaction carried out on your behalf by way of a Confirmation of Transaction.

### **What associations or relationships are there between New York, or any related bodies and issuers of financial products, which might be capable of influencing us in providing any of our financial services?**

New York directors and employees may hold directorships and/or have positions in and/or interest in securities recommended to investors from time to time. These positions will be disclosed at the time of making any recommendation.

### **Does New York have complaint resolution procedures?**

If you have a complaint about, or are dissatisfied with, the financial services or financial products provided to you, you should take the following steps:

1. Contact:  
The Complaints Officer  
New York Securities Pty Ltd  
PO Box 1196  
South Perth WA 6951

It is preferable to make the complaint in writing. The Complaints Officer will however, investigate all verbal complaints made either directly or referred from an Adviser or Manager. These types of complaints would normally involve issues of an administrative nature or where small amounts (under \$1000) of compensation are sought.

2. If we are unable to resolve your complaint to your satisfaction or 45 days have elapsed you may refer the matter to the Financial Ombudsman Service ("FOS").

3. New York is a member of FOS, which can be contacted at:

Financial Ombudsman Service  
Telephone: 1300 78 08 08  
Facsimile: (03) 9613 6399  
Website: [www.fos.org.au](http://www.fos.org.au)  
Email: [info@fos.org.au](mailto:info@fos.org.au)  
Mail: GPO Box 3, Melbourne, Victoria, 3001

This service is provided free of charge.

4. You may choose to refer the matter to the Australian Securities & Investments Commission ('ASIC'). ASIC may be contacted on their free call info line 1300 300 630.

### **How do we use the personal information you provide to New York?**

New York is committed to protecting and maintaining the privacy, accuracy and security of the personal information we hold about you. The personal information you provide and that we collect is handled in accordance with our Privacy Policy, a copy of which is available on our website at [www.nysecurities.com.au](http://www.nysecurities.com.au)

We maintain a record of your personal information, which may include details of your objectives, financial situation and needs. We also maintain records of any advice made to you. If you wish to review your personal information, we ask that you make a request in writing and allow up to 14 working days for the information to be forwarded. We may charge a fee to cover the cost of verifying the application and locating, retrieving, reviewing and copying any material requested.

## **Part 2 – Schedule of Fees**

### **Fees and Charges for Advising and Dealing Services**

New York is remunerated by way of the brokerage and fees it charges for investments made by you. Brokerage charges are levied for each buy and sell transaction executed for you in securities, warrants, exchange traded options and international securities. A Confirmation of Transaction will be issued to you upon completion of each transaction, which will show the total brokerage charged, the administration charge per order and any applicable government taxes. All other fees detailed below, will be disclosed in your SOA. Please note that all fees, brokerage and commissions are subject to GST. Research is generally provided to you free of charge. In certain circumstances however, a fee may be charged. If a fee is charged this will be disclosed in your SOA;

### **Trading in listed securities and warrants**

<b>Transaction Value</b>	<b>Fee (excl GST)</b>
\$0 to \$5,000	Up to 2.5%
\$5,001 to \$15,000	Up to 2.0%
\$15,001 to \$50,000	Up to 1.50%
\$50,000 +	Negotiable

A minimum fee of \$110.00 may be charged for each buy and sell transaction (inc GST).

An administration charge of \$11.00 (inc. GST) is levied for each order.

### **Exchange Traded Options**

<b>Transaction Value</b>	<b>Fee (excl GST)</b>
\$0 to \$10,000	\$100
\$10,001 +	1.0%

A minimum fee of \$110 is charged for each buy and sell transaction (inc. GST).

ACH charges a transaction fee of \$0.13 per option contract (excl. GST). If you exercise a share option, ACH charges an exercise fee of \$0.05 per contract (inc. GST).

In the case of index options, ACH charges \$0.35 per contract (inc. GST) for both the transaction fee and the exercise fee

### **Administration Fee**

We reserve the right to charge a reasonable fee for any other administration services provided. Typically this fee is \$250.00 per hour (inc. GST).

### **AML/CTF Act Compliance Fee**

We reserve the right to charge a fee to cover costs associated with verifying your identity in accordance with the AML/CTF Act. Typically this fee would be \$16.00 (inc.GST) per natural person and \$22.00 (inc. GST) per company.

### **SRN Checks**

If you are not Broker Sponsored and you do not supply your SRN on the date of the transaction it will be necessary for New York or Pershing Securities via intermediary D2MX Pty Ltd to undertake an SRN enquiry for you. A charge of \$20.00 (Excl.GST) will be levied for this service.

### **Multiple SRN's**

If you supply multiple SRN's per trade, a charge of \$20.00 (Excl.GST) will be levied per each SRN in addition to brokerage.

### **International Securities**

Transactions in international securities are typically subject to a minimum fee of \$250 (Excl.GST) or 2%(Excl.GST)(whichever is greater) on US, Canadian and UK stocks on each buy and sell transaction but we may also vary these fees based on the size of the order. Double brokerage, commissions are incurred when an overseas broker and New York are both involved in providing this service.

### **Underwriting and Placements**

New York receives stamping fees from an issuing company when we lodge your successful application for investments in new issues. Details of the fee are disclosed in the prospectus or offer document in your SOA but typically range from 1% to 7% of the capital raised. We may also underwrite these capital raisings from time to time. Your Adviser may receive a fee for arranging this investment for you; this fee is typically 40% to 60% of the total fee received by us.

### **Off Market Transfers**

Each buy and sell transaction will be charged at the rate of \$50.00 (Excl. GST), that is the charge applies per off market transfer.

### **Portfolio Management Fees**

Account establishment and management fees may be payable on these types of services. Should this service be recommended to you all relevant fees will be disclosed in your SOA.

## **Trailing Commissions from Financial Product Issuers**

New York may receive trailing commissions from Financial Product Issuers paid under arrangements that have been entered into by clients with the issuer before 1<sup>st</sup> July 2013 and will continue for as long as that product is held by you. The commission rates may vary from 0% to 5.5% depending on the product. Arrangements between the client and the product issuer entered into after the 1<sup>st</sup> July 2013 will not attract trailing commissions payable to New York or its advisers in accordance with the corporations act.

### ➤ **Margin Lending**

Margin Lending institutions charge varying interest rates and pay varying commissions to parties arranging such services such as New York. These will be disclosed in your SOA.

### ➤ **Cash Management Accounts**

Cash management companies and /or banks charge a variety of fees and pay varying rates of interest and also pay varying fees to parties arranging those services such as New York. These will be disclosed in the Product Disclosure Statement (PDS), brochure or SOA provided to you.

### ➤ **Fixed Interest**

Rates vary for these products. The exact rate will be disclosed in your SOA.

### ➤ **Managed Investments**

These schemes typically charge establishment or entry fees, exit fees and ongoing management fees and may charge you for ongoing compliance costs. Parties who arrange for investments in these types of investments such as New York receive upfront fees and sometimes ongoing trail fees. These rates will be disclosed in the PDS and SOA provided to you.

Example - Commissions payable for Arrangements entered pre 1<sup>st</sup> July 2013

<b>Product</b>	<b>Commission / Rebate Received</b>
Margin Lending	0.25% to 0.5% of the margin facility (ongoing trail fee)
Cash Management Accounts	0.25% to 0.6% of the funds in the account (ongoing trail fee)
Warrants	0% to 5% of the value of the transaction issued on the primary market (incentive payment)
Fixed Interest	Approximately 0.25% of the investment (upfront commission)
Managed Investments	0% to 5.5% of the value of the investment (upfront commission) 0.2% to 1.1% per annum of the value of your investment (ongoing trail fee)

## Benefits of Small Value (Less than \$300)

Your Adviser may also receive, from time to time, benefits from product issuers such as complimentary attendance at seminars or conferences (applicable to the issuers financial product for training and educational purposes), gift vouchers, complimentary tickets to events and/or entrance in a competition (to a value of \$300 or less), as a result of your investment in a particular financial product. Any such benefit received by the adviser will be disclosed in your SOA and a record of benefits between \$100 - \$300 will be kept by the company.

## Professional Indemnity Insurance

New York Securities Pty Ltd has \$2,000,000 (with a reinstatement provision of an additional \$2,000,000) Professional Indemnity Insurance in place to cover us for the financial services that we provide. We understand that it is adequate to meet our requirements as a financial services licensee. The policy includes coverage for claims in relation to the conduct of representatives/employees who no longer work for us (but who did at the time of the relevant conduct)

## How are Advisers Remunerated for Services Provided?

Our Advisers may be remunerated by way of commission on brokerage and fees earned by New York. The exact commission paid to our Advisers varies based on a number of factors, but is within a range 35% to 60% of the amount of brokerage and fees earned by New York. For example:

Example:					
(1) If you buy \$2,000 worth of Telstra then you may pay the minimum brokerage of \$110 (Inc GST) plus \$11 administration fee					
(2) If you buy \$30,000 worth of Telstra at a negotiated rate of 1.0%, then the following brokerage would apply:					
Transaction Value \$30,000					
Fee (\$30,000 x 1% plus GST) \$330					
Administration Fee \$11					
Net amount payable \$30,341					
40% SPLIT			50% SPLIT		
FEE	GST PAYABLE	PAID TO New York	PAID TO ADVISER	PAID TO New York	PAID TO ADVISER
\$100.00	\$10.00	\$60.00	\$40.00	\$50.00	\$50.00
\$300.00	\$30.00	\$180.00	\$120.00	\$150.00	\$150.00

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