

# ANDIKA

**AFS Licence 297069 Licensed Securities and Derivatives Dealer**

## Financial Services Guide

### *A guide to our relationship with you and others*

#### **This Financial Services Guide**

This Financial Services Guide (FSG) is issued by Andika Pty Ltd ABN 41 117 403 326 (ANDIKA) to inform you of the financial services that we can provide under our Australian Financial Services Licence 297069.

It is designed to help you decide whether to use our services and to ensure that ANDIKA meets our obligations as a financial services licensee.

This document contains important information about the financial services and types of products we offer. It also explains how we (and others) are remunerated, any potential conflict of interest as well as details of our internal and external dispute resolution procedures and how you can access them.

#### **What other documents could you receive?**

Should we provide you personalised financial advice, we may prepare a written report called a *Statement of Advice (SOA)*. To ensure the financial advice provided is appropriate to you, we must make reasonable enquiries about your current financial situation and future needs.

The *Statement of Advice* will generally include:

- the advice
- the basis on which it is given
- information about replacement of financial products
- our fees and/or commissions
- any associations we have with Financial Product Issuers or other parties which

may have influenced the advice we have given you.

If we provide you with further advice after we have given you a *Statement of Advice* and have not given you a *Record of the further Advice (ROA)*, you may request, either verbally or in writing, a record of the further advice at the time, or up to 7 years (or as prescribed by law) after receiving the advice.

If we recommend that you acquire a particular Financial Product (other than listed shares) we will generally give you a *Product Disclosure Statement* that contains information about the particular Financial Product to help you make an informed decision.

Should you elect not to complete the *ANDIKA Client financial information and risk profile form*, your adviser will only be able to provide you with **General Advice and Execution Only** advice service level.

Accordingly you may instruct us to execute transactions on your behalf with or without any general advice provided by your adviser. Where your adviser does provide you with advice, it will be restricted to general factual market advice only and will not include any level of personal advice.

An **"Execution Only"** service involves a transaction or transactions where you instruct us to transact in a particular financial product or products. You will be provided with objective factual information at your request. All investment decision making including the product, volume, price and timing of the transaction will be directed by you. We will then execute these instructions on your behalf.

## ANDIKA Pty Ltd

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Level 3 16 Queensland Avenue BROADBEACH QLD 4218  
PO BOX 1323 COOLANGATTA QLD 4225  
Telephone 07 5657 3620 Fax 07 5657 7017  
Web: [www.andika.com.au](http://www.andika.com.au)

**General Advice** means that we are able to provide you with recommendations or opinions about financial products or strategies but we will not consider whether it is or might be appropriate for your particular personal circumstances, needs or objectives. Any advice provided to you will not be tailored specifically to you or consider your personal needs in any way and therefore you should, before acting on any of the advice that we provide you, consider the appropriateness of the advice having regard to your objectives, financial situation and needs.

You can at any time request us to provide you with a higher level of advice which is personalised to your particular circumstances, needs or objectives by completing the *ANDIKA Client financial information and risk profile form*.

If you provide a completed *ANDIKA Client Financial and Risk Profile form* we will contact you to discuss your personal circumstances and then issue a *Statement of Advice (SOA)* to you which will essentially summarise our advice to you and the basis of our advice.

### Who is my adviser?

Your adviser may be a staff member or Director of ANDIKA or an authorised representative providing financial services on behalf of ANDIKA.

If your adviser is an authorised representative, their details and the financial services they will provide can be found in the attached adviser profile, which forms part of this FSG.

If your adviser is a staff member or Director of ANDIKA, you can find their profile noted on the ANDIKA website.

### Who is responsible for the financial advisory services provided?

ANDIKA is responsible for the financial advisory services described in this FSG, including the distribution of this FSG. You can contact us by:

Calling us on 07 5657 3620.  
Sending us a fax to 07 5657 7017.  
Visiting our website at [www.andika.com.au](http://www.andika.com.au)  
Writing to us at: PO BOX 1323  
COOLANGATTA  
QLD 4225

### Do you have any relationships or associations with financial product issuers?

ANDIKA is 100% privately owned by the director and staff and does not act as a representative of any other Australian Financial Services Licensee.

Clients of ANDIKA trade securities and derivatives via the choice of ASX Participants - Etrade Australia, CMC Markets Stockbroking, Open Markets and Macquarie Private Wealth.

### Are you a participant in a licensed market or licensed clearing and settlement facility?

ANDIKA is not a Trading & Clearing Participant licensed with the Australian Stock Exchange.

### What kinds of financial services can ANDIKA offer, and what kinds of Financial Product/s do those services relate to?

ANDIKA is a full service advisory group, providing advice and resources to help investors build a portfolio of investments that best suit their individual investment requirements. We offer:

- ASX Market and FX Trading (*shares, FX, options and warrants*)
- Investment Strategies for Private Individuals and Self Managed Superannuation Funds (SMSF)
- Advice on Superannuation
- Managed Funds
- Portfolio Administration
- Access to IPOs and other capital raisings
- Margin Lending and Cash Management
- Sophisticated Investor Placements
- Corporate Consulting & Capital Raising
- Educational Investor Workshops

ANDIKA is authorised by its licence to advise and deal in:

- Basic Deposit Products (*Cash & Fixed Interest*)
- Securities (*shares and debentures*)
- Derivatives (*exchange traded options contracts and warrants*)
- Foreign Exchange Contracts (FX)
- Superannuation

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- Managed Investment Schemes (*Managed funds and CMA's*)
- Standard Margin Lending Facility (*advice, planning and setup*)
- For retail and wholesale clients.

### **Will you give me Personal Advice that is suitable to my particular needs and financial circumstances, and is your advice restricted in any way?**

Subject to you completing the *ANDIKA Client financial information and risk profile form* your adviser can provide personalised advice only after considering its suitability to your personal objectives, financial situation and other relevant information.

Through ANDIKA, you have access to a wide range of financial strategies and products that have been researched and approved by ANDIKA, including shares listed on the ASX, where there is a reasonable basis for the advice. If you do not wish to receive our advice, we may still deal on your behalf by carrying out your instructions.

Should your adviser be unable to provide you with the service or advice that you require, the adviser will refer you to another person who can (*for example, your adviser may be a specialist equity adviser and be authorised to provide advice on a limited range of financial products*).

Although your adviser will consider tax, social security and estate planning when preparing advice for you, your adviser is not a registered taxation agent or solicitor and any advice provided as a guide in these areas is general advice and incidental advice which should be confirmed with appropriately qualified persons or the relevant department.

### **What information should I provide to receive personalised advice?**

You need to provide us with a list of your personal objectives, details of your current financial situation and any other relevant information, so that we can offer you the most appropriate advice possible.

You have the right not to provide us with the information, or limit the scope of the advice provided by your adviser to reduce the cost of receiving advice, however the risk is that the advice you receive may not be appropriate to your needs, objectives and financial situation.

You should read any warnings contained in the Statement of Advice carefully before making any decision relating to a Financial product/s and consider whether the advice is appropriate having regard to your specific investment objectives, financial situation and particular needs.

### **What information do you maintain in my file, and can I examine my file?**

We maintain a record of your personal profile including details of your objectives, financial situation and needs. We also maintain records of any recommendations made to you.

We are committed to implementing and promoting a privacy policy, which will ensure the privacy and security of your personal information. Details of ANDIKA's Privacy Policy can be found on page 5 and online at [www.andika.com.au](http://www.andika.com.au).

If you wish to examine your file please ask us. We will make arrangements for you to do so.

### **How can I give you instructions about my Financial Product/s?**

Generally we rely on your signature for verification but for some financial products and services you may tell us how you would like to give us instructions - for example by telephone, fax or other means such as e-mail.

### **How will I pay for the services provided?**

You may pay us a fee or we may arrange for the ASX Participant through which you trade to charge brokerage for transactions of securities and options listed on the Australian Stock Exchange. Alternatively, we may receive a payment called commission, which is paid to us by the Financial Product issuer/s, as authorised by you.

A Statement of Advice given to you if you are a retail client will contain details of the fees and any payments made to us by a Financial Product issuer/s, as authorised by you. Your adviser will generally give the Statement of Advice to you if you are a retail client before we proceed to act on your instructions.

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### How are any commissions, fees or other benefits calculated for providing the financial services?

Generally the benefit we receive will be based on the amount you invest. It may vary from one Financial Product issuer to another.

### Fees & Brokerage (see ANDIKA Standard Fee Schedule on page 6)

- ASX Participants charge brokerage for transactions of securities and derivatives listed on the Australian Stock Exchange.
- We may charge a fee based on the time we spend developing your share portfolio plan or the value of the funds you invest.
- We may invoice you when you receive our written recommendations.
- You may also have to pay us a management fee annually or in instalments.

### Commission

- We may be paid (*initial commission*) by the Financial Product issuer at the time you invest or contract, and (*ongoing commission*) during the life of your investment or contract. The amount received may vary (see *ANDIKA Standard Fee Schedule on page 6*) and will only be charged pursuant to your authorisation.

### Other Benefits

ANDIKA pays for and encourages all advisers to participate in continuing education programs, including ANDIKA's annual conference. ANDIKA may enter into agreements with fund managers to jointly provide training support. This support is typically provided in the form of technical or product training, as well contributions toward the cost of venues and catering. Fund managers offering such support may include (but may not be limited to), Adelaide Bank, ANZ Bank and Leveraged Equities.

Product issuers may from time to time give ANDIKA other benefits (unquantifiable at this stage) and offer advisers non-monetary benefits of up to \$300 in value.

### Adviser Remuneration

Directors and employees receive a salary including bonuses if and when particular targets are achieved. Remuneration received by authorised representatives is a defined portion (of between 80% & 90%) of the fees and commissions received by ANDIKA – *the proportion paid does not depend on the type of financial service offered. It is only paid pursuant to your authorisation.*

### What should I do if I have a complaint?

1. Contact us and tell us about your complaint. ANDIKA is a member of the Credit and Investment Ombudsman (CIO) (Member Number **M0035080**).
2. If your complaint is not satisfactorily resolved within 20 days, please contact *The Compliance Manager* on 07 5657 3620 or put your complaint in writing and send it to ANDIKA's head office mailing address noted at the beginning of this FSG. We will try to resolve your complaint quickly and fairly.
3. If the complaint cannot be resolved to your satisfaction, you have the right to refer the matter to the Credit and Investment Ombudsman (CIO). They can be contacted on 1800 138 422.

CIO follows the following process:

**Stage 1** of the CIO process is where CIO facilitates discussions and negotiations between the parties.

**Stage 2** is conciliation and the parties come face to face with a conciliator from CIO. The role of the conciliator is to assist the parties to explore options for settlement of the dispute and to help parties to agree on their own outcome.

**Stage 3** is where the independent adjudicator is requested to make a decision "on the papers", taking into account the relevant law, fairness and reasonableness. If you accept the adjudicator's decision, it is binding on the member.

ANDIKA holds Professional Indemnity Insurance which complies with Regulatory Guide RG 126 and covers the activities of all representatives who have in the past and are currently operating under ANDIKA's AFS Licence.

## ANDIKA Privacy Policy

### Personal Information

We collect personal information that is required to: offer or provide our services to you, maintain our relationship with you, or as required under various laws and regulations that govern our business. Naturally we consider this information to be confidential and take all reasonable steps to protect it under ANDIKA's Privacy Policy. ANDIKA is bound by the Australian Privacy Principles.

### Purpose of collecting personal information

Your personal information will be utilised to: provide you with a product or a service; to administer your account and our business relationship; to manage our rights and obligations in relation to external payment systems; to conduct market or customer satisfaction research; to develop and identify products and services that may interest you and (unless you ask us not to) provide you with information about other products and services we offer.

If at any time you do not wish to receive information about other products and services, please inform your adviser in writing or contact our Privacy Officer.

### Disclosure to third parties

We may share your personal information with our affiliates, business units, agents, contractors, insurers, advisers and other organisations when we believe it will enhance the services we can provide to you or where necessary, to carry out your instructions. This is only done in circumstances where such sharing conforms to law, any applicable confidentiality agreements, our policies and practices, or where a client has consented to such sharing.

### Providing the information

It is not compulsory to provide certain personal information requested by us. However, if some of the personal information is not provided by you, we may not be able to advise you, or the advice we give you may not have regard to your investment objectives, financial situation or particular needs.

### Access to your information

You can correct and update the personal information we hold about you by contacting, in writing, your adviser or our Privacy Officer. If you wish to access and review personal information, you must submit a written request

outlining the relevant terms of reference for attention of the Privacy Officer. We will endeavour to process and respond to requests in a timely manner.

### Keeping information secure

We use security procedures and technology to protect the information we hold. Access to and use of personal information within ANDIKA seeks to prevent misuse or unlawful disclosure of the information.

If other organisations provide support services, we require them to appropriately safeguard the privacy of the information provided to them.

Where the personal information we collect is no longer required, we delete the information or permanently de-identify it.

If you have an account with us, your account information is password protected and we recommend you do not disclose your password to anyone. To further protect your personal information, your log-in time will automatically expire after a certain period of inactivity.

### Contacts and Complaints

You may at any time request a copy of our Privacy Policy from our Privacy Officer or by accessing it from our website: [www.andika.com.au](http://www.andika.com.au).

If you have any questions, or complaints regarding the ANDIKA Privacy Policy or how your information is treated, please contact:

ANDIKA  
Privacy Officer  
Level 3  
16 Queensland Avenue  
Broadbeach QLD  
4218

### Mailing Address

PO BOX 1323  
COOLANGATTA  
QLD 4225  
Telephone (07) 5657 3620  
Facsimile (07) 5657 7017  
Email: [info@andika.com.au](mailto:info@andika.com.au)

## ANDIKA Standard Fee Schedule

In all instances, payments for services provided will be fully disclosed to you at the time of providing any personal financial advice or when executing a transaction on your behalf.

***In addition to the options described below, ANDIKA also offers investors a range of service levels and fee structures which can be tailored to individual circumstances. Please talk to your adviser to find out additional details.***

### **Minimum and Maximum Rates for ASX listed securities and derivative transactions**

As described in our Financial Services Guide, the ASX Participant through which you trade charges brokerage for transactions of securities and derivatives listed on the Australian Stock Exchange (ASX). Where we charge a fee for transactions of securities and derivatives listed on the ASX the minimum and maximum brokerage rates charged are shown below:

<b>Shares:</b>	\$85 minimum or 1% whichever is greater, plus 10 %GST
<b>Options:</b>	\$85 minimum or 1% whichever is greater, plus 10% GST and relevant ACH fees plus 10% GST
<b>Warrants:</b>	\$85 minimum or 1% whichever is greater, plus 10% GST

The ASX Participant will pay a portion of the brokerage you are charged to ANDIKA as authorised by you.

### **Example 1**

John and Mary have \$250,000 available to invest in ten (10) companies listed on the Australian Stock Exchange. They would be charged a maximum of \$2,500 for the initial transactions. (1% of \$250,000, ie. As each transaction's face value exceeds \$8,500). John and Mary would also have to pay 10% GST on the brokerage amount.

### **Commission received from Product Issuers**

Should you require comprehensive on-going monitoring, advice and investment services please refer to the fee schedule noted above. Where commissions are payable, we may receive initial commission and/or ongoing commission as authorised by you.

*Initial Commission* is a one off payment of between 0% & 5.5% of the amount invested for investment products, which is generally deducted from the amount invested at the time of purchase.

*Ongoing Commission* of between 0% & 0.55% of the investment product value, is payable during the life of your product as part of the product provider's ongoing charges.

### **Example 2**

John and Mary use a margin lending facility to gear their share investments. They borrow \$100,000. Assuming ongoing commission of 0.5%, the ongoing commission would be \$500.

### **Miscellaneous Fees and Charges**

**Please consult the FSG of the ASX Participant that ANDIKA Pty Ltd trades via.**

### **Other Fees**

Your adviser may charge other fees in relation to financial products they provide advice on or act as the Investment Manager for. Relevant information regarding these fees is included in the Adviser Profile.