

## Financial Services Guide 2011

### IMPORTANT – WHAT IS THE PURPOSE OF THIS FINANCIAL SERVICES GUIDE AND WHAT DOES IT CONTAIN?

The purpose of this Financial Services Guide ('FSG') is to help you decide whether to use any of the services provided by **Fokas Beyond**. It aims to provide sufficient information to enable you to make an informed decision about using those services, and the financial products they cover. These can be complex and subject to special regulations impacting how the services are to be provided. That's why this Guide describes them some detail. **It is important and should be read and filed.** Should you wish to discuss the services described in more depth, please contact **Fokas Beyond** directly.

This FSG, along with the Information Memorandum and Risk Disclosure documents, contain information on investment risk, interests of ours which may conflict with yours, and remuneration/benefits payable to **Fokas Beyond** if you use our services. This FSG also tells you what to do if ever you have a complaint and how we would handle it. It explains the protection of, and why we need and how we use, the information you provide to us if you use our services.

**Fokas Beyond** provides **General Advice only** (see Section G) and will NOT provide you with Personal Advice (see Section H).

This Financial Services Guide informs you about our services and related matters, before we actually start providing any services to you. Make sure you ask for clarification of any point which isn't clear.

Wealth Intelligence Pty Ltd trading as Fokas Beyond ("Fokas Beyond") ABN 70 129 820 837 is a Corporate Authorised Representative (ASIC Registration No. **[410066]**) of Alpha Equities & Futures Limited, which holds Australian Financial Services Licence No. 327075. Alpha Equities and Futures Limited principal place of business is Level 8, 1 Collins Street, Melbourne, tel: (03) 8662 4000 or fax: (03) 8662 4001

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## **A. Who are we?**

**Fokas Beyond** is a Corporate Authorised Representative (ASIC Registration No. [410066] of Alpha Equities & Futures Limited ('Alpha Broking'), which is licensed under the Corporations Act by the Australian Securities & Investments Commission ('ASIC') as an Australian Financial Services Licensee (No. 327075).

### **PROFESSIONAL INDEMNITY INSURANCE**

Alpha Broking has professional indemnity insurance arrangements in place. These arrangements cover claims related to the conduct of Alpha Broking's representatives, and includes those who no longer represent Alpha Broking (but who did at the time of the relevant conduct).

## **B. Who will be providing the services to you, and what are they?**

**Fokas Beyond** is an Australian owned boutique financial services company, which provides Educational program looking at Covered Calls and provides education, mentoring of students, market reports and stock picks. Our services involve Education material, Mentoring, Market Reports and Stock Picks. The Australian Financial Services License authorises us to provide General Advice and Product Advice to Retail clients on Securities and Derivatives. Please read the Information available on our website and by request for more details on how our services are provided.

### **Who do we act for when providing services?**

All the financial services we provide will be provided in our capacity as a Representative of Alpha Broking.

Our advisory services are provided to you directly. We act for you.

## **C. What financial services can we provide?**

Fokas Beyond has been authorised by Alpha Broking to provide General Advice on, and to deal in, the following financial products:

- securities
- derivatives on a non-discretionary basis.

**Fokas Beyond** is *not* licensed to provide any services in relation to futures/commodity contracts.

By '*advice*' we mean a recommendation or opinion, written or verbal, about an investment product or strategy. The important difference between General and Personal Advice is explained in Sections F, G & H. By '*dealing*' we mean acquiring and disposing of products on behalf of clients (see Section E).

Our services focus on solely on equities & equity derivatives.

## **D. Do we provide general or personal financial product advice?**

Fokas Beyond and its representatives provide general financial product advice only. This means that the advice has not been prepared by taking into account your personal investment objectives, financial situation or particular needs. Before acting on any general advice, you need to decide whether it is appropriate for your individual financial situation. If you are in any doubt, you should consult with a licensed investment adviser, broker or accountant before making an investment decision. Please note that Fokas Beyond, is not licensed to deal or hold client funds. All dealing services offered to our clients are transacted by a suitable licensed third party.

The services available to you with regards to the Fokas Beyond Stock Market Education programs is limited to the introduction to you of the stock market, investment opportunities, trading techniques and to answer your questions of fact concerning the programs and the content.

In introducing the investment program, we offer to provide you only with general advice in relation to investing in the securities, which is based solely on the merits of investing in securities without taking into account your investment objectives, financial situation and particular needs. Before making any decisions to invest you need to consider, with or without the assistance of your financial adviser, whether our general securities advice is appropriate in light of your particular objectives and financial circumstances.

Should you wish, you may contact Alpha Broking, who are licensed to provide the services to assist you open accounts, and execute your orders in the market

### **What risks are involved in trading these financial products?**

The risk involved varies greatly depending on the instrument traded. Investing in Blue Chip stocks on the USA Market that is in the SP500 utilising covered calls for instance will carry far less risk than trading speculatively in index options. The exact risks associated with each product will be outlined in detail in the relevant PDS, which will be provided to you by your chosen broker. You should consider the information contained in the relevant PDS before trading any of the products we may advise you on.

### **Fokas Beyond**

#### **E. More about our advisory services.**

'Advisory services' means recommendations or opinion, whether in written or report form or provided verbally, that are intended to influence a person in making an investment decision. 'Advice' falls within one of two categories: either General or Personal Advice.

**Personal Advice** (see Section H) is advice given to a person in circumstances where consideration has been given by the Adviser to whether the product is personally suitable in light of what is known about one or more of the person's objectives, financial situation and needs, or where it might reasonably be expected one or more of those matters has been considered.

**General Advice** (see Section G) is limited to an assessment of the investment and/or other merits of the product itself.

**Our advice will be General Advice only. Fokas Beyond will not provide Personal Advice to you.**

Any communication, either written or verbal, should never be construed as personal advice.

#### **What are the limitations of research, results and other opinions we provide?**

Any research and other General Advice represents opinion only. The assumptions on which that opinion is based are made in good faith, but mean that forecast performance can't be guaranteed. **Past performance is not a reliable indicator of future investment performance.**

Just because you see that a product is recommended or rated as a 'buy', 'sell', 'hold', 'accumulate', 'underweight', 'overweight', 'neutral', 'out-perform' or 'under-perform' doesn't mean that recommendation is appropriate for you specifically. Before acting on any report or recommendation, you must consider whether acting as recommended is appropriate for you personally.

#### **F. General Advice is a rating or assessment based solely on the attributes of the financial product, the portfolio or investment strategy alone - without considering whether it is also appropriate for someone's financial circumstances**

General Advice may be provided in writing or verbally. You must not assume that **Fokas Beyond** (or anyone else's) research recommendations or ratings are appropriate for you personally. The process of profiling a client's circumstances and objectives is not relevant in relation to General Advice. It may be derived from fundamental analysis (i.e. analysis of financial reports), technical analysis (patterns in market trading and price-movement behaviour) or mathematical methodologies.

General Advice will be accompanied by the warning that the advice is not a recommendation that a particular transaction is personally appropriate for any particular person, and that you will need to consider whether acting on the advice is appropriate in light of your financial circumstances.

**Fokas Beyond** provides **General Advice only**, and as such does not take into account the investment objectives, financial situation and particular needs of you, the investor. Before making any decision about the information provided by Fokas Beyond, you must consider the appropriateness of the information having regard to your objectives, financial situation, and needs, and always consult your advisor.

**Securities and Derivatives involve inherent risks, can involve high risk investment, and you can lose part or all of your investment.**

Please ensure you read the separate Risk Disclosure document so you understand all potential risks. We NEVER take into account your investment objectives, financial situation and particular needs.

#### **G. Personal Advice –**

FOKAS BEYOND does not to give Personal Advice (whether a Statement of Advice is required or not) to a Retail Client concerning subscription or purchase or sale of securities or derivatives, regardless of whether the client is likely to rely on the advice or not, as we only provide General Advice. We take have no reasonable basis for believing that the recommended transaction is appropriate for the client on the basis of the information known about the client's investment objectives, financial situation and needs (i.e. relevant personal circumstances) following reasonable enquiry. The information is provided solely for general educational purposes and neither purports nor intends to be advice. No consideration has been given or will be given to the recipients' individual investment objectives, financial situation or specific needs.

#### **H. What about the matter of 'Investment Risk'?**

By 'risk' we mean the possibility that you will suffer some financial harm by investing. Your preparedness and capacity to carry a particular level or type(s) of risk in pursuit of your investment strategy is a fundamental element of your financial circumstances. This is a matter for you to consider in detail. Risk must be considered when developing or reviewing your overall investment and wealth-creation strategy.

In general, all investments have associated risks. In general, the higher the return, the higher the risk to the capital invested. Two age-old rules should always be kept in mind. Firstly, diversify your investments to spread rather than compound risks; and secondly, don't imprudently leverage yourself financially. You should have a long-term outlook, expect investment markets to rise and fall, and consider how your need for investment growth or income may change.

The key to addressing the risks is understanding them, the products you are intending to use and rationally developing and modifying your investment/trading strategy accordingly. Understand what would happen if things go wrong. Understand how to limit your 'downside' (i.e. the losses you could suffer). The significant risks will be explained to you, and are detailed in the separate Risk Disclosure document and New Account Applications. Be sure to read them both carefully.

If you don't understand the products/strategy, it is important that you ask us to explain what is unclear to you before you use our services.

#### **Risks associated with trading Derivatives.**

**Trading derivatives carries a high level of risk, and may not be suitable for all investors.** Before deciding to trade derivatives you should carefully consider your monetary objectives, level of experience, and risk appetite. The possibility exists that you could sustain a loss of some or all of your deposited funds and therefore you should not speculate with capital that you cannot afford to lose. You should be aware of all the risks associated with derivatives trading, and seek advice from an independent advisor if you have any doubts. Past returns are not indicative of future results.

Please ensure you read and understand the Risk Warning and Disclosure document.

#### **Time-Horizon**

The period of time over which an investor/trader seeks returns on their investment is referred to as the 'time-horizon'. Short time-horizons generally involve a higher level of risk and uncertainty. Investment strategies pursued over a longer time-horizon generally involve a lower level of risk and greater certainty. Usually, in very general terms, the longer an investment is held the less volatile the returns will be over the time-horizon. Our strategy is based on price movements, and given the volatility of derivatives markets, is therefore generally classified as short-term and also long-term.

#### **I. How are we remunerated and what other benefits might we receive for the services we provide?**

Should you choose to open an account with Alpha Broking or OptionsXpress, Fokas Beyond with Alpha Broking and/or OptionsXpress may share in part of the commission on each trade, which is automatically debited from your trading account, at the time of a transaction. Fokas Beyond may also receive a referral fee for referring

you to either Alpha Broking or OptionsXpress. No other fees, including entry, exit or funds under management fees are payable.

**Detail of remuneration and other benefits can be requested**

You are entitled to request detailed particulars from **Fokas Beyond** of the remuneration or other benefits we will receive if you use the Alpha Broking service, but that request must be made within 30 days after you receive this FSG and before any service is provided to you.

**J. What associations or relationships are there between us and issuers of financial products which might be capable of influencing us when providing financial services?**

Neither **Fokas Beyond** nor Alpha Broking is owned or controlled by an Issuer of financial products. Nor do our Directors or Executive Officers also act in that, or any other capacity, within the business of an Issuer of financial products.

**K. What to do if you have a complaint**

If you have any problems with the financial services that we provide, please contact us and we will endeavour to resolve it for you quickly and fairly.

The regulating bodies have created a process that must be followed for all complaints and problems.

On the rare occasion that a problem should arise, you should take the following steps to enable us to solve it effectively:

1. Contact our office and tell us about your complaint.
2. If your complaint is not satisfactorily resolved within 14 days, please contact our Dispute Resolution Officer in writing at: Fokas Beyond, PO Box 125, Roselands NSW, 2196  
We will forward a copy to our licensee Alpha Equities & Futures Ltd and attempt to resolve your complaint quickly and fairly within 45 business days of receipt.
3. If we are unable to resolve your complaint to your satisfaction within 45 days of receiving it, we will advise you in writing of that outcome.

However, if corresponding is difficult from the outset or the matter is complex or involves 3<sup>rd</sup> parties, we are permitted up to 90 days to resolve your complaint. We will advise you if this longer period is required.

These periods are specified by the Rules of the Financial Ombudsman Service (FOS) and they may change. Alpha Broking is a member of FOS.

If your complaint isn't resolved to your satisfaction within the applicable period, you may then refer the matter to FOS, an ASIC authorised complaints resolution organisation for the financial services industry. You may contact FOS as follows:

Financial Ombudsman Service (FOS), GPO Box 3, Melbourne VIC 3001

Phone Toll Free on: 1300 78 08 08

Fax: (03) 9613 6399

Website: [www.fos.org.au](http://www.fos.org.au)

Email: [info@fos.org.au](mailto:info@fos.org.au)

**L. Is the Personal Information provided to us about you private and confidential, and why do we need, and how do we use, that Personal Information?**

We are committed to protecting the privacy, accuracy and security of the personal information we will learn and hold about you. The information we collect is protected in accordance with our Privacy Policy.

Your personal information will be used for establishing and maintaining you as a client. Should you choose not to provide the personal information requested, or prevent us from passing it on, we may be unable to provide some or all of the advisory, dealing or other services you require.

Where ever you open a trading account, the broker/adviser and any platform provider are obliged to confirm and record your identity. This is driven by the Corporations Act and other legislation preventing criminal activity such as money-laundering and the financing of terrorism. Consequently, you must notify us of changes to personal information (e.g. change of address) you provided previously.

Your personal information will only be disclosed internally within **Fokas Beyond** in accordance with internal administration and operations procedures.

We may consult Alpha Broking and/or its other Authorised Representatives regarding technical or other issues relevant to the services you require.

We may be required to disclose to any court or tribunal, authority or regulatory body such as ASIC, AUSTRAC and operators of disputes or complaints resolution schemes in order to comply with relevant legislation, regulations and rules.

We may be required to disclose your information to debt collectors, credit reporting agencies, our auditors, contractors or service providers (such as those we use to settle your transactions) and to other parties authorised and/or required by law to collect or access your information.

Unless required by law, regulation or rule your personal information will not be passed to any 3<sup>rd</sup> party without your consent. Nor will it be used for purposes other than described above.

Your personal information is stored securely and you have the right to review it and request its correction if in error.

If you are a company and personal information about an officer or employee has been provided to us, you must provide them with a copy of our Privacy Policy or show them this Section of our FSG and explain how to access our Privacy Policy.

If you wish to receive a copy of our Privacy Policy or to review personal information we hold, or if you have a complaint in relation to your privacy, please contact us. Our Privacy Policy is also available from our website [www.fokasbeyond.com](http://www.fokasbeyond.com).

**Fokas Beyond**

P.O. Box 125  
Roselands NSW 2196  
T. (02) 9758 1005  
F. (02) 9758 1006  
E. [info@fokasbeyond.com](mailto:info@fokasbeyond.com)

**Alpha Equities & Futures Ltd**

Level 8, 1 Collins Street  
Melbourne Vic, 3000  
T. (03) 8662 4010  
F. (03) 8662 4001  
E. [info@alphabroking.com.au](mailto:info@alphabroking.com.au)