

FSG

Microequities Pty Ltd

financial services guide

Designed to provide you with important information prior to
subscribing or purchasing our information, investment research and
other financial services

Updated 1st
November 2008

Financial Services Guide (FSG)

This Financial Services Guide (FSG) was prepared by Microequities Pty Ltd
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What is a Financial Services Guide (FSG)?

This FSG is designed to provide you with important information prior to subscribing or purchasing our information, investment research and other financial services. If you need any more information than is contained in this document please contact us. You have the right to ask us about our charges, the type of advice we will provide you, and what you can do if you have a complaint about our services.

Please keep this FSG for future reference. Should you lose it, a copy is available from us on request, or can be downloaded from our website at www.microequities.com.au. If you do not understand anything in it, or require more information, please feel free to contact us on **(02) 9232 7494**.

This Financial Services Guide (FSG) is one of three documents you may be provided by an organisation which holds an Australian Financial Services Licence (AFSL).

The other documents are:

A Statement of Advice (SOA) which is provided whenever you are provided with any personal advice, which takes into account your objectives, financial situation and needs. The Statement of Advice will contain the advice, the basis on which it is given and information about fees, commissions and associations which may have influenced the provision of the advice.

A Product Disclosure Statement (PDS) is provided in the event you make a decision to acquire a particular financial product other than securities. This document must contain information about the particular product, which will enable you to make an informed decision in relation to the purchase of that product.

Important: Microequities only provides general securities advice and does not offer any financial products for sale currently. Therefore we will only be providing you with an FSG and not the other documents.

If we make a recommendation for you to acquire a particular financial product or offer to arrange the issue of a financial product to you, we will also provide you with a Product Disclosure Statement (PDS). The PDS contains information about the particular financial product to assist you in making an informed decision about that product. We highly recommend you consult with a licensed financial adviser before making an investment decision.

Who are we, and how can we be contacted?

Our company name is Microequities Pty Ltd (“Microequities”, “we”, “us”, “our”). We are a holder of an Australian Financial Services Licence, number 287526.

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What kinds of financial services are we authorised to provide you?

Microequities are licensed to offer you the following services:

Provide general financial product advice for the following classes of financial products to retail and wholesale clients:

- Securities

We currently provide this advice through our newsletter publication and our website. We do not provide any facilities for buying or selling securities.

Please note that all our publications provide general advice only. This is an important consideration and means that the advice has not been prepared by taking into account the particular investment objectives, financial situation and particular needs of any individual investors. It is a general information service only. You should assess whether it is appropriate in light of your own individual investment objectives, financial situation and particular needs. If necessary, you should consult with a licensed financial adviser before making an investment decision.

How will you pay for the service or product?

Microequities offer two Investment Research products:

- A subscription based MicroReport investment newsletter including suggested portfolio selection. When you subscribe you will be required to pay a fixed fee according to the length of the subscription period. This can be paid for using the accepted payment methods on the website **www.microequities.com.au**
- Individual in-depth company research reports Pay-Per-View (download). The prices for these reports are displayed on our website **www.microequities.com.au** and can be paid for using the accepted payment methods on the website

We also offer FREE sample Pay-Per-View (download) Individual company reports. These are subsidised by advertising on our website www.microequities.com.au as well, their distribution might be paid for by the company featured in the report.

What remuneration do we receive?

All employees of Microequities receive a salary.

How do you manage potential conflicts of interest?

Microequities are independent of any financial product provider and value this independence in helping us to make objective assessments of securities.

Our research analysts are guided by a code of conduct and disclosure for their own share trading activities. The key elements of our policy are:

- All Microequities employees must upon joining the company provide a full declaration of interests in securities listed on the ASX.
- All Microequities employees must sign a written code of conduct which outlines current policy of conflict of interest management.
- Microequities maintains an updated list of all securities in the process of investment research. This list is denominated as the restricted securities list and has restrictive trading implications for all Microequities personnel.
- Microequities provides disclosure information on all research reports and publications at the time of issue.
- All views expressed are those of Microequities and not of any company under investment research.
- Microequities does not provide any unjustified, partisan, biased, subjective or unsubstantiated research recommendations. All reports set out the basis on which recommendations have been made.

Will you provide me advice, suitable to my needs and financial circumstances?

No, Microequities only provide general advice, and has no knowledge of your personal financial history or situation. We recommend that before making an investment decision, you should consult with a licensed financial adviser to determine if our products and services are suitable for you.

What should I know about the risks of the financial product advice you provide?

Microequities only provide general advice and as such are not aware of your personal risk profile or tolerance of risk. We recommend that before making an investment decision, you should consult with a licensed financial adviser to determine if our products and services are suitable for you.

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

The privacy of your personal information is important to us. Federal Privacy legislation regulates the use of your personal information. Microequities will hold your personal information in a secure manner and will not disclose it to third parties without your permission. Only information that is necessary in connection with providing you our services will be requested. In order to fulfil obligations under the Privacy Act, the necessary security measures have been put in place to minimize the risk of unauthorized access to or loss of personal information. We collect personal information so that we may provide you with the products and services you request as well as information on other products and services offered by us.

We may disclose personal information to other parties (confidentiality arrangements apply) for certain purposes that we outsource, including administration and audit of our financial accounts. Your personal information may be disclosed to these third parties in such circumstances.

We aim to ensure that the personal information we retain about you is accurate, complete and up-to-date. If you provide us with incomplete or inaccurate information, we may not be able to provide you with the products or services you are seeking. If you have concerns about the completeness or accuracy of the information we have about you or would like to request access or make an amendment to your information, simply contact Microequities on (02) 9232 7494.

How do I make a complaint about your financial services?

Complaints resolution is a priority for us. If you have any concerns or complaints with the financial products or services we provide, please contact us and we will do our best to resolve it quickly and fairly.

As a first step, please contact us by calling Microequities on (02) 9232 7494. Alternatively, you can contact us by email to the Compliance Officer compliance@microequities.com.au We will let you know when we have received your complaint and the Compliance Officer will try to resolve your complaint within 14 days.

If you are still not satisfied you can refer the matter to the Financial Ombudsman Service (FOS). FOS is independent from Microequities.

Their contact details are:
Financial Ombudsman Service
GPO BOX 3
Melbourne VIC 3001
Telephone 1300 780 808
www.fos.org.au

Before you contact FOS, we recommend that you first try and resolve your concern with us. ASIC may be contacted on 1300 300 630. You can use this number to make a complaint and to obtain further information about your rights.