



# Morgan Stanley

WEALTH MANAGEMENT

# Financial Services Guide

1 JULY 2021 | VERSION 1

## About this Financial Services Guide

This Financial Services Guide ("FSG") is issued by Morgan Stanley Wealth Management Australia Pty Ltd (ABN 19 009 145 555, AFSL No. 240813) ("Morgan Stanley Wealth Management", "we", "our" or "us"). This FSG is designed to help you decide whether to use our financial services or products.

This FSG contains important information about:

- who we are
- the financial products and services we are authorised to provide
- how we (and any other relevant parties) are remunerated
- our relationships and associations
- our complaints handling procedures and how you can access them
- how we collect and use your personal information
- how we can be contacted.

## About Us

Morgan Stanley Wealth Management holds an Australian Financial Services Licence (AFSL 240813) that authorises it to provide the financial services and products set out in this FSG.

Morgan Stanley Wealth Management is a participant of ASX Group, a clearing participant of ASX Clear Pty Limited and a settlement participant of ASX Settlement Pty Limited.

## Not Independent

### Disclosure of Lack of Independence required under Section 942B(2)(fa) of the Corporations Act 2001 (Cth.) ("Corporations Act")

Morgan Stanley Wealth Management and its representatives are not independent, impartial or unbiased (which are restricted words or expressions under the Corporations Act) in relation to the provision of personal advice to retail clients because Morgan Stanley Wealth Management, its representatives and its associates and affiliates may receive monetary benefits in connection with that advice.

For further information regarding how Morgan Stanley Wealth Management is remunerated, please refer to the section titled "How We Are Remunerated".

It's important to understand that disclosing our lack of independence and detailing our remuneration structure does not reduce our obligation to act in your best interests. If you are a retail client and we give personal advice, we have a duty to act in your best interests when providing personal advice and are obliged to provide you with appropriate advice.

**Nothing contained in this FSG constitutes the giving of personal financial product advice or a recommendation concerning an investment in a particular financial product. In preparing this FSG, Morgan Stanley Wealth Management has not taken into account the investment objectives, financial situation or particular needs of any individual client.**

**This FSG only contains factual information or general advice. Before making a decision whether to invest in a particular financial product you should speak to your financial adviser and obtain independent tax advice taking into account your own particular needs, objectives and financial circumstances.**

### Authorised Financial Services

We are authorised to offer:

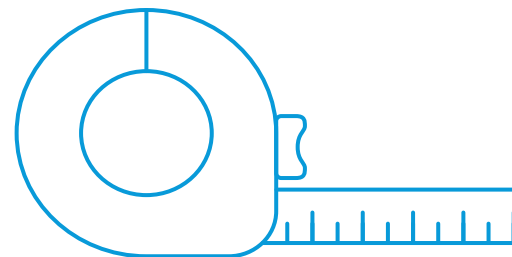
- financial product advice (general advice and personal advice)
- dealing in financial products, including arranging the issue of financial products
- custodial and depository services.

Our authority to provide financial product advice and to deal in a range of financial services and products relates to:

- securities
- derivatives
- margin lending facilities
- foreign exchange contracts
- government debentures, stocks or bonds
- retirement savings account products
- superannuation
- managed investment schemes, including investor directed portfolio services and MDA services
- deposit and payment products, including basic deposit products, non-basic deposit products and non-cash payment products
- general insurance products
- life products
- miscellaneous financial investment products limited to MDA Services.

Morgan Stanley Wealth Management is also authorised to make a market in:

- derivatives
- foreign exchange contracts
- government bonds and debentures
- other financial products.



## Our Financial Products and Services

### Products and Services We Offer

In Australia, Morgan Stanley Wealth Management provides retail and wholesale clients with access to a comprehensive range of financial products and services, including: domestic and international equities

- access to new floats, new issues and placements
- term deposits and fixed income investments
- listed property trusts
- managed funds
- listed options and warrants
- cash management accounts
- margin lending
- financial planning
- managed discretionary account services
- DIY superannuation
- detailed research from affiliates of Morgan Stanley Wealth Management
- portfolio reporting and administration services
- online access for both Australian and international trading accounts.

Not all products offered by us are issued by Morgan Stanley Wealth Management. If you need further information on the name of the issuer of a product that we offer, ask your Morgan Stanley Wealth Management financial adviser or refer to the relevant disclosure or information document.

### **Who is Responsible for the Financial Services You Receive?**

Morgan Stanley Wealth Management is responsible for the financial services described in this FSG. Morgan Stanley Wealth Management may also provide financial services through its representatives.

Your Morgan Stanley Wealth Management financial adviser is an authorised representative appointed by us to provide financial services on our behalf. We are responsible for any advice given to you by your Morgan Stanley Wealth Management financial adviser. Morgan Stanley Wealth Management financial advisers have different levels of accreditation that allows them to advise on some or all of the products and services noted above. Your financial adviser can provide you with further details of their accreditation levels and the type of advice they can offer.

Morgan Stanley Wealth Management is also responsible for any custodial or depository services that are provided through its nominee company. Where your investment is held in the name of Morgan Stanley Wealth Management's nominee, the nominee is the legal owner of the investment and will hold the asset on trust for you, meaning you retain beneficial ownership of the investment.

### **Help Your Financial Adviser to Give You the Most Appropriate Advice**

Morgan Stanley Wealth Management may provide you with factual information or financial product advice (including both general advice and personal advice).

Factual information will not take into account your personal circumstances.

Financial product advice is a recommendation, opinion or a report that is, or can reasonably be regarded as being, intended to influence your decision about a particular financial product.

Personal advice is different from general advice because it takes into account your personal circumstances which include your objectives, financial situation and needs.

If you are a retail client and we give personal advice, we have a duty to act in your best interests when providing personal advice, and are obliged to provide you with appropriate advice. We also have an obligation to warn you if the personal advice we provide you is based on incomplete or inaccurate information.

Providing your financial adviser with sufficient information will ensure your financial adviser is in a position to act in your best interests and provide you with the most appropriate personal advice. You will need to provide details of your personal objectives, financial situation, needs and any other relevant information, including by completing any account profile form that your financial adviser may provide you.

After you have provided this information, you should update your financial adviser about any changes. If you do not provide complete information, or you do not update your financial adviser about changes, your financial adviser will be limited in ability to make recommendations that are relevant to your needs and may be providing you advice based on inaccurate information. You should consider the appropriateness of any advice that is given based on incomplete or inaccurate information about your personal circumstances.

## Other Documents You May Receive From Us

If you choose to use any of our financial products or services, you may also receive other important documents including:

### Statement of Advice

A Statement of Advice (“SOA”) is a written record of personal advice provided to you. If you are a retail client, you will normally receive an SOA when we provide you with personal advice that takes into account one of more of your personal objectives, financial situation and needs.

The SOA will contain:

- the advice given to you
- a summary of the basis on which the advice is given
- information about remuneration, commissions and fees related to the provision of the advice
- any associations or relationships that may have influenced the provision of the advice.

You should read the warnings contained in the SOA carefully before making any decision based on the advice contained in the SOA.

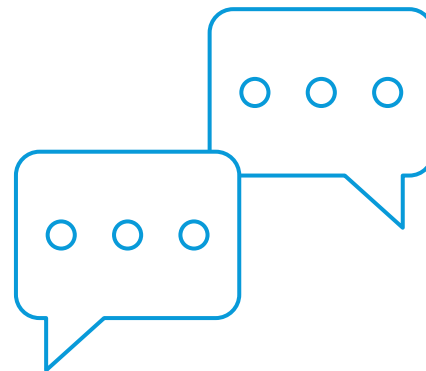
Where additional or further advice is given in relation to any financial product, which is consistent with the SOA previously provided to you, we may not provide you with an additional SOA. However, we will document any further personal advice that we give you in a Record of Advice (“ROA”), a copy of which can be obtained by contacting your Morgan Stanley Wealth Management financial adviser. You can request a copy of the ROA at any time within seven years from the date on which the advice was given.

### Offer Documents

A product disclosure statement, prospectus or offer document (“Offer Document”) contains information about a financial product to help you to make a decision about the product. The information may relate to the features, benefits, risks and fees of the relevant product. You will usually receive an Offer Document if we make a recommendation to acquire a particular financial product (other than securities) or an offer is made to issue, or arrange the issue of, a particular financial product.

### Best Execution Policy Disclosure Statement

Morgan Stanley Wealth Management has adopted a policy in relation to its best execution obligations under the *ASIC Market Integrity Rules (Securities Markets) 2017* (“Market Integrity Rules”). In accordance with the Market Integrity Rules, we will provide you with a Best Execution Policy Disclosure Statement to help you decide whether to instruct us to handle and execute orders for financial products that are within the scope of the best execution obligations prior to handling or executing any such orders. We will also notify our clients of any material changes made to our best execution arrangements. A copy of our Best Execution Policy Disclosure Statement is also maintained on our website at [www.morganstanley.com.au](http://www.morganstanley.com.au).



## How You Can Instruct Us

You may give us instructions or update us with information relating to your account by telephone, mail, email or facsimile. When orders or information are provided by facsimile or email, the order or information is not considered to have been received by Morgan Stanley Wealth Management until confirmation of receipt is communicated by your financial adviser to you.

Please note that certain information such as changes to banking details must be advised in writing.



## How We Are Remunerated

### Fees and Benefits We Receive For Providing Financial Services to You

Morgan Stanley Wealth Management may charge you a fee for providing a service to you, or in relation to a product acquired by you. Information about the fees, commissions and/or benefits will be set out in the SOA if one is required, Offer Document or other information document. The fee may be charged in various ways, as documented below.

#### ADMINISTRATION FEE

We may charge you an annual fee for administering the relevant product or account. Generally this fee will be payable annually in advance. You will be advised of the administration fee amount when you open an account with us or when it is first charged, and of any changes to that fee from time to time.

#### TRANSACTION-BASED FEE

Under a transaction-based fee arrangement, Morgan Stanley Wealth Management will charge you a commission (or brokerage) per transaction that is a flat dollar amount or is based on the value of the securities bought or sold. A minimum charge may apply. You will be advised of the rate of commission when you open an account with us and of any changes to our commission rates from time to time. The commission fee will also be disclosed to you in the confirmation of the transaction, which you will receive from Morgan Stanley Wealth Management.

#### ASSET-BASED FEE

Under an asset-based fee arrangement, Morgan Stanley Wealth Management will charge you a regular fee that is a flat dollar amount or is based on the value of assets in your account. A minimum charge may apply.

### OTHER FEES

Fees may also be payable for the provision of services such as preparation of a financial plan or the provision of custody arrangements or an administrative service. These fees may depend on such variables as funds invested, number of products, complexity of the service or plan or the exact service provided. Your financial adviser will inform you of these fees prior to the provision of the relevant service. Additionally, where you place any funds with us to be held in trust, we will retain any interest earned on those funds.

We may also pass on to you other costs and expenses incurred on your behalf as well as duties and taxes payable including GST.

### Monetary Benefits Paid to Us by Product Issuers and Others

If you invest in a product recommended by us, where permitted by law, Morgan Stanley Wealth Management may receive benefits from fund managers, product issuers and life insurance providers. The amount of the monetary benefit will vary depending on a number of factors, including the arrangement we have with the product issuer, fund manager or insurance provider and the type of financial product provided to you.

Typically, the monetary benefit paid to us is a percentage of the initial and/or ongoing fees.

When acquiring interests in managed funds we may or may not be paid an upfront benefit by the fund manager. Where applicable, the upfront benefit is generally in the range of 0.5% to 5% of the amount you invest. We may also receive an ongoing benefit. This

amount may vary and is typically 0.25% to 1% per annum of the value of your holdings in the product for as long as you continue to hold the product.

When acquiring financial products other than managed funds, we may or may not be paid an upfront benefit by the product issuer. Where permitted by law, that upfront benefit is generally in the range of 0% to 5% per annum calculated on the amount you invest. We may also receive an ongoing benefit. This amount may vary and is typically 0.2% to 0.4% per annum of the value of your holdings in the product for as long as you continue to hold the product.

The monetary benefit that may be paid to us by product issuers and others will be disclosed in the SOA (where applicable), or the relevant Offer Document. Your financial adviser will explain to you the level of monetary benefit at the time of making a recommendation to you.

### How Are Our Financial Advisers and Other Staff Remunerated?

Adviser remuneration is paid by Morgan Stanley Wealth Management where permitted by the law. Your financial adviser is remunerated on a base salary plus commission basis and may also receive a bonus under a balanced scorecard bonus plan. Commission is payable once the financial adviser's base salary is covered and ranges from zero to 55% of the fees and other revenue received by Morgan Stanley Wealth Management which are attributable to the financial adviser ("Attributable Fees"), less any applicable fees and deductions. The exact rate is determined by reference to brokerage and fee revenue generated by your financial adviser for Morgan Stanley Wealth Management each month. Applicable fees and deductions may include referral fees, business development costs, discount adjustments for any fees charged which are below Morgan Stanley Wealth Management's standard fee schedule and damages and losses.

Your financial adviser may also be eligible to receive additional incentives of up to 20% of Attributable Fees based upon factors including but not limited to achieving revenue targets, regulatory compliance and customer satisfaction.

If your financial adviser performs additional managerial roles for Morgan Stanley Wealth Management, they will be eligible to receive the commission referred to above in addition to their base salary. In addition to this, they will be eligible to receive a discretionary bonus based on their performance in their managerial role. Managerial, paraplanning and other administrative staff may receive a bonus as part of their remuneration. The bonus is entirely at the discretion of management.

Morgan Stanley Wealth Management employees and directors receive salaries and bonuses based on performance criteria and other benefits from us.

The Offer Document for a particular product should disclose further details of remuneration paid to Morgan Stanley Wealth Management. Your financial adviser will also set out the remuneration and commissions they receive in the SOA (if one is required).

### Associations and Relationships

Morgan Stanley Wealth Management's associates and affiliates may be issuers of financial products that we recommend to you or otherwise receive benefits which are attributable to financial services provided by us to you.

You may receive a recommendation by your financial adviser that relates to:

- a financial product which is issued by an affiliate of Morgan Stanley Wealth Management
- securities or derivatives of securities of entities in which we advise or deal
- a financial product in which we, our associates or affiliates have invested in or traded on either our account or their own account.

Our associates and affiliates may also receive monetary benefits including fees or commissions where you invest in a financial product in connection with our advice.

These associations and relationships do not affect your financial adviser's obligations and duties as outlined in this FSG to you as a client.

### Benefits Paid to Third Parties for Referrals

Where you have been referred to Morgan Stanley Wealth Management by a third party (such as a financial planning group or accountant), we may pay an introductory fee or rebate in relation to the referral where permitted by the law. The referrer in some circumstances may also receive a share of any brokerage charged to you.

### Compensation Arrangements

Morgan Stanley Wealth Management has professional indemnity insurance which we consider is adequate having regard to:

- the volume and types of business carried on by us, the number and types of clients, the number of our representatives
- any particular or potential claims that may arise pursuant to our participation in external dispute resolution schemes, including the AFCA scheme.

The arrangement covers claims made in relation to conduct occurring on or after 1 June 2009.

### THE NATIONAL GUARANTEE FUND ("NGF")

The NGF is an external fund set up to provide compensation for valid claims arising from dealings with Stockbrokers. The circumstances of when this fund may be available to you is set out in appropriate legislation.

To make a claim on the NGF you need to refer to the "NGF Information Booklet" available on the SEGC website at [www.segc.com.au](http://www.segc.com.au).

Please note the NGF does not cover all financial products. For example, it excludes ASX exchange traded options and monies in a cash management account that may be associated with Morgan Stanley Wealth Management.

### Contact Details

You may contact Morgan Stanley Wealth Management by:

- speaking to your financial adviser
- calling us on 13 13 70
- visiting our website at [www.morganstanley.com.au](http://www.morganstanley.com.au)
- writing or emailing us at the addresses shown on the back cover of this FSG.

## If You Have a Complaint or Feedback

### Making a Complaint or Giving Feedback

Morgan Stanley Wealth Management is committed to a high level of client service and responding to any concerns or complaints promptly, fairly, consistently and in a professional manner.

If you have concerns about the products or services provided to you, we encourage you to discuss the matter with your financial adviser or their State Manager.

If you are not satisfied with the response you receive, you can call Morgan Stanley Wealth Management on 1800 008 161 and provide details of your complaint to the Compliance Manager. You may also send us a written complaint, addressed to:

The Compliance Manager  
Morgan Stanley Wealth Management  
Level 26 Chifley Tower  
2 Chifley Square  
SYDNEY NSW 2000

We will confirm in writing that your complaint has been received. The complaint will be investigated and a response provided within 45 days.

If further investigation is required, it will be carried out and then you will be notified of a proposed remedy. This will be confirmed to you in writing.

### IF YOU HAVE NOT RECEIVED A RESPONSE OR YOU ARE DISSATISFIED WITH A RESPONSE

If you have made a complaint and have not received a response within 45 days, or if you are unhappy with the proposed resolution, you may have the right to take your complaint to the Australian Financial Complaints Authority ("AFCA").

Complaints made to AFCA are subject to monetary limits. For more information relating to AFCA, please contact:

Australian Financial  
Complaints Authority (AFCA)  
Website: [www.afca.org.au](http://www.afca.org.au)  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Telephone: 1800 931 678

In writing to:

Australian Financial  
Complaints Authority  
GPO Box 3, Melbourne VIC 3001



## Privacy Statement

### Why and How We Collect Your Personal Information

Morgan Stanley Wealth Management collects, holds, uses and discloses your personal information to provide, or arrange to provide, you with financial products and services. Your personal information will include your personal profile, and details of your personal circumstances and any information contained in our records when we give you financial product advice or recommendations.

We may collect your information from a number of sources, including from any application form you submit to us, correspondence between you and your financial adviser, any emails you send us as well as when you use our website. We may also collect your information from a service provider we have engaged in order to provide you services.

We may also use your information to comply with our legal or regulatory obligations anywhere in the world, carry our credit and other background checks, market products and services to you and for any other legitimate business purpose. If you do not provide the information requested, Morgan Stanley Wealth Management may not be able to provide (or arrange to provide) a product or service to you.

### Disclosing Your Personal Information

Morgan Stanley Wealth Management may disclose your personal information to its associated firms, affiliates, subsidiaries, agents and other third parties it authorises (collectively, “Morgan Stanley Group”) for any of the abovementioned purposes. The Morgan Stanley Group transfers, processes and stores your personal information in any country where the Morgan Stanley Group has offices which may be located outside Australia and which may provide different levels of protection for personal information.

Your information may also be disclosed to government agencies and regulators in Australia and outside Australia where this is required under applicable law. The Morgan Stanley Group may also disclose your personal information to vendors who conduct operational, technological and customer service functions, or to other persons who process your personal information on behalf of the Morgan Stanley Group (such as credit reporting agencies). Where you have provided your identification document details, the Morgan Stanley Group will use those details for confirmation with the Australian Government’s Document Verification Service (DVS), a national online system that compares an individual’s identifying information with government records.

### Privacy Policy and Further Information

Morgan Stanley Wealth Management’s privacy policy (‘Privacy Policy’) contains further details on its information handling practices and explains in more detail:

- why and how we collect your personal information
- retention, use and disclosure of your personal information, including the countries it may disclose your personal information to
- how you may opt out from receiving marketing information
- your rights including how you may access and request correction of your personal information or complain about a breach of the Australian privacy law by Morgan Stanley Wealth Management.

The Privacy Policy is available at <https://www.morganstanley.com.au/privacypolicy.html>.

You should also refer to the Morgan Stanley global privacy policy for further information on how the Morgan Stanley Group handles your personal information outside Australia, including details of the jurisdictions to which your information may be transferred. The global privacy policy is available at <https://www.morganstanley.com/privacy-pledge.html>. Both privacy policies are updated from time to time.

Before providing Morgan Stanley Wealth Management with any information regarding an individual other than yourself, you must make the other individual aware that you have provided information about that individual to Morgan Stanley Wealth Management, ensure that the other individual is aware of, and has been provided access to, information contained in the Privacy Policy, and obtain the other individual’s consent before providing their identification document details for confirmation with the DVS.

**Sydney**

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**[morganstanley.com.au](https://morganstanley.com.au)**