

## **PART A – FINANCIAL SERVICES GUIDE**

### **WHAT IS A FINANCIAL SERVICES GUIDE?**

This Financial Services Guide (FSG) has been prepared by Australian Investment Exchange Limited (the Participant, provider, we, us, our). This FSG sets out the financial services and the types of financial products that we are authorised to provide under our Australian Financial Services Licence, number 241400. This FSG will inform you (a) of the service we provide to you through your Adviser, or (b) where you have been referred to us by a third party (referrer), assist you in deciding whether to use any of our services. It also sets out the procedures we follow when dealing with complaints.

### **WHO ARE WE?**

Australian Investment Exchange Limited (the Participant) ABN 71 076 515 930 is licensed under the Corporations Act, Australian Financial Services License No 241400 and is a participant of the ASX Group and Chi-X Australia.

### **THIS FSG IS DIVIDED INTO TWO PARTS**

**Part A** contains important information about our services including the financial services and the types of financial products that we are authorised to provide under our Australian Financial Services Licence. It also contains information describing how we are remunerated and the procedures we follow when dealing with complaints.

**Part B** sets out the relationship between us and your adviser, or referrer. It contains information about any fees, charges and commissions that we may earn, charge or rebate in relation to us providing those services and any potential conflict of interest we may have. If you have not received a copy of Part B, please contact us on the telephone number provided in the header of this document.

### **WHAT FINANCIAL SERVICES ARE WE AUTHORISED TO PROVIDE?**

Pursuant to our Australian Financial Services Licence, we are authorised to deal in and provide financial product advice in the following product classes:

- deposit and payment products limited to basic deposit products;
- securities (such as shares, Commonwealth Government Securities and Bonds);
- derivatives;
- interests in managed investment schemes including investor directed portfolio services;
- margin lending facilities (deal in only);
- foreign exchange contracts (deal in only); and
- we are also authorised to provide custodial or depository services, in relation to our nominee company operated as part of our stock broking business.

We are responsible for the financial services provided to you, including the distribution of this FSG.

### **PROVISION OF GENERAL ADVICE ONLY**

We do not provide personal advice in relation to financial products. However, we do provide general advice which can include information about our products, the markets in which they are invested, and our opinions about our outlook for those products, markets and research.

The information we may distribute does not provide advice about products suitable for your particular needs, objectives or financial circumstances, even if we may have commented in view of the current or future market conditions or prospects for the products.

As such this information does not constitute personal investment advice and as it has been prepared without taking into account your objectives, financial situation or needs, therefore we will not provide you with a Statement of Advice.

You should always consider the appropriateness of the advice in light of your own objectives, financial situation or needs before acting on the advice. If you use the services of an adviser you should consider and discuss with your Adviser before making your own investment choice. Your Adviser may provide you with a Statement of Advice.

### **PLACING AN ORDER OR UPDATING YOUR PERSONAL DETAILS (THIRD PARTY REFERRED CLIENTS ONLY)**

You can provide your transaction instructions by telephone or through our website. All transactions are governed by our Terms and Conditions which are maintained on our website. You can update most of your personal details through our website. In some instances, we may require you to provide us with written confirmation of changes to your personal details for security or regulatory reasons.

### **SOME RISKS ASSOCIATED WITH INVESTING**

Although we do not provide personal financial product advice you should be aware that there are inherent risks associated with investing which include:

- Overall market risk – the risk of gain or loss by reason of movements in the share market generally, or on other markets
- International risk – the vulnerability due to international events or international market factors;
- Sector risk – risk associated with an industry's specific products or services;
- Specific asset risk – risks associated with the specific investment;
- Research, model portfolios, and newsletter limitations – the research available through us is the opinion of specialist analysts, is time specific and cannot be guaranteed. Before acting on any advice contained in a research document or newsletter, you should assess whether the advice is appropriate in light of your own objectives or financial circumstances.

### **PRODUCT DISCLOSURE STATEMENTS**

If you are seeking to acquire a specific financial product, you should obtain a copy of, and consider, the Product Disclosure Statement (PDS) for that product before making any decision.

If you use an Adviser, they may provide you with personal advice or recommend financial products. Whilst we do not provide personal advice or recommend financial products, in some circumstances, we or your Adviser, may provide you with a PDS for selected products. The PDS sets out important information about the particular product including the features, benefits, fees and risks associated with it, to assist you in making an informed decision. A PDS for the products provided by us is available either from your Adviser or by contacting us.

### **HOW ARE OUR STAFF REMUNERATED?**

Our staff are remunerated by salary from the Participant and do not directly receive any commissions or fees. They may be eligible for a bonus payment. Some staff bonus payments may be up to 45% of fees and commissions that the Participant receives from the placement of a financial product. These bonus payments are discretionary, and based on achievement of pre-determined business objectives.

These may include:

- Business Outcomes
- Customer Service
- People Engagement
- Special Tasks
- People Principles

Our Staff may also be eligible to:

- Share in incentives (both monetary and non-monetary) rewarded for outstanding service;
- Receive a free grant of shares under the Employee Share Acquisition Plan (ESAP);
- Participate in the long term incentive program. It is entirely discretionary and is based on a staff member's contribution to the business over time.

## HOW ARE ANY COMMISSIONS, FEES OR OTHER BENEFITS CALCULATED FOR PROVIDING THE FINANCIAL SERVICES?

Our primary source of income is from the brokerage paid on transactions made through our services. The commissions, fees and other benefits that we receive and pay are outlined in Part B of this FSG.

## HOW DO WE MANAGE OUR COMPENSATION ARRANGEMENTS?

Where we are liable to meet a claim, payment will generally be paid from our cash flows and available resources.

For claims we may rely on and claim under the professional indemnity insurances that we hold. These insurances are between us and the insurer and are intended to respond to civil liability resulting from significant claims for compensation made against us for financial services provided by us.

These insurances provide cover even if one of our staff has ceased to act or work for us.

Our compensation arrangements comply with the arrangements required by the Australian Securities and Investments Commission.

## HOW IS CUSTOMER INFORMATION DEALT WITH?

The privacy of your customer information is important to us. We collect your customer information to ensure that we are able to provide you with the products and services most appropriate to your needs.

Telephone conversations with us may be recorded to ensure our service standards are met or exceeded and to allow records to be kept of the advice given and orders taken.

We have adopted the principles set out in the Privacy Act as part of our continuing commitment to client service and maintenance of client confidentiality.

If you would like further information regarding this policy please contact us by email, telephone or fax on the contact details provided in the header of this document between 8.30am and 6pm (Sydney time) Monday to Friday, or write to us at: Locked Bag 3005 Australia Square, NSW 1215.

## WHAT SHOULD YOU DO IF YOU HAVE A COMPLAINT?

If you are not satisfied with the service or advice you receive from us, you are entitled to complain. We have established procedures to ensure that all enquiries and complaints are properly considered and dealt with.

We accept that sometimes we can get things wrong, and when this happens we're determined to make them right again.

Most problems can be resolved quickly and simply by talking with us.

You can contact us at the telephone or facsimile numbers provided on the Trading Site, or alternatively write to us at:

Group Customer Relations  
Reply Paid 41  
SYDNEY NSW 2000

## What we do when you make a complaint to us

- acknowledge your complaint and make sure we understand the issues
- do everything we can to fix the problem
- keep you informed of our progress
- keep a record of your complaint
- give you our name and contact details so that you can follow up if you want to, and
- provide a final response within 45 days.

## If we are unable to provide a final response to your complaint within 45 days, we will:

- inform you of the reasons for the delay
- advise of your right to complain to the Australian Financial Complaints Authority (AFCA), and
- provide you with the AFCA contact details.

## External dispute resolution

If you are not happy with the response we provide, you may refer your complaint to AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers.

## Where to get help

### Contact AFCA

**Online:** [www.afca.org.au](http://www.afca.org.au)  
**Email:** [info@afca.org.au](mailto:info@afca.org.au)  
**Phone:** 1800 931 678 (free call)  
**Mail:** Australian Financial Complaints Authority  
GPO Box 3, Melbourne VIC 3001

Time limits may apply to complain to AFCA and so you should act promptly or otherwise consult the AFCA website to find out if or when the time limit relevant to your circumstances expires.

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## PART B

### WARRANTS

Our fees and charges are set out in Part B of this FSG.

Before investing in warrants, you should read the PDS specific to that warrant and associated ASX documentation.

### MARKET INFORMATION

We charge monthly fees (excluding prepaid message alerts) if you choose to receive our Premium Information Services or Professional Information Services and offer rebates depending on the number of trades you execute.

### ADDITIONAL SERVICES AVAILABLE TO PROFESSIONALS WHEN USING THE TRADER PRO APPLICATION

These services are available to Professional clients using Trader Pro. The additional services and charges are set out in Part B of this FSG. In addition, selecting the CoreTrader Extras, Domestic or international service also provides you with advanced features that include RealTimeData (RTD) add-in for Microsoft Excel®, advanced charting and international market pricing. The fees applicable are not rebated when you trade 15 or more times during the month.

### CONDITIONAL ORDERS

A Conditional Order is an instruction to monitor a security for a set of predefined criteria. Once the criteria have been met an order is submitted to the market.

### TRUST ACCOUNT

We are required to maintain a trust account to hold funds on your behalf that are used for your share trading account. We will retain any interest that may be earned on this account.

### INITIAL PUBLIC OFFERINGS

We may receive upfront fees, volume bonuses, other incentives and ongoing fees from time to time by making available Initial Public Offerings. These fees will vary depending on the offering at the time. More details about each offering will be located on the appropriate prospectus.

### RESEARCH

We source research, news and trading tips from a number of different providers. The names of the providers are shown near the information provided. We take no responsibility for the content of the information provided.

### OTHER PRODUCT OFFERINGS RESULTING IN AN ONGOING COMMISSION

In some cases we may refer you to a product provider whose product may compliment ours. In these instances we may receive a referral fee, trailing or ongoing commission ranging from 0% to 3%, depending on the nature and amount of business being referred. The premium is usually paid directly by the product provider from their revenue. However, in some instances, the commission may be deducted from your investment or premium you pay. Further information about each product is shown in the appropriate PDS.

### THIRD PARTY ARRANGEMENTS

We may enter into arrangements to provide our range of services through third parties. The way we deliver those services, and the fees charged for them, may vary amongst third parties.

### REFERRAL COMMISSION

We provide securities and derivatives trading, execution and settlement services for customers that are referred to us.

Out of the brokerage fees you pay to us for the services we provide, we pay a fee to the referrer for the referral of customers who use our services. The fee paid is normally 4-50% of the total revenue earned by us from customers that have been referred. The fee is dependent on a number of factors including, but not limited to, the value of the transactions, the total number of transactions and what additional services you have subscribed to.

# Financial Services Guide

Heritage Online Share Trading			
Online Share Trading Brokerage Rates <sup>1</sup>			
Internet Originated			
Equities and Warrants Broker Sponsored Issuer Sponsored (SRN) Selling			\$27.45 or 0.11% <sup>2</sup>
Phone Originated			
Equities and Warrants Broker Sponsored Issuer Sponsored (SRN) Selling <sup>3</sup>		\$43.95 or 0.11% <sup>2</sup>	
Frequent Trader Rebates and Information Services			
	Casual	Premium	Professional
Information Service Fees	N/A	Nil if 2 or more trades per month, otherwise \$9.90 per month	Nil if 15 or more trades per month, otherwise \$77 per month
Additional Services <sup>4</sup>			
<b>Extras Package</b> Excel RTD add-in			\$39 per month
<b>Domestic Package</b> Excel RTD add-in & Dow Jones AU/NZ news			\$99 per month
<b>International Package</b> Excel RTD add-in, live international markets, LME prices & AAP News			\$159 per month
Other Administrative Fees			
Emailing of Confirmations			Free
Postage of Confirmations			\$1.65
Order amendments and cancellations			Free
Alert credit blocks (0.5 credits per email, 1 credit per SMS)			100 credits \$22
SRN (Issuer Sponsored Shares) registry request			\$16.50
Stop payment on dishonoured cheques			\$16.50 each
Processing of cheques we send you			\$10 each
Ad hoc queries and tasks you request outside the normal course of business (1 hour min)			\$60 per hour & part thereof
Off market transfer			\$55 per stock
Fail Fees (Failure to settle trade within the required time)			\$110 per fail per day or 0.11% per fail per day <sup>2</sup> , to a maximum cap fee of \$5500 per fail per day
International Funds Transfer			\$27.50
Urgent Funds Transfer			\$10

<sup>1</sup> The Standard brokerage rates are available to all clients who use Casual, Premium and Professional information services

<sup>2</sup> Whichever is greater

<sup>3</sup> Plus \$11 administration fee

<sup>4</sup> All additional services incur a separate monthly fee on top of the Professional Service. The fees applicable for additional services are not rebated when you trade 15 or more times during the month.