



**FinEx**

**FinClear Execution Ltd** (ABN 56 061 751 102 AFSL 246842)

## Financial Services Guide

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## 1. Purpose of this FSG

The purpose of this Financial Services Guide (**FSG**) is to help you decide whether to use any of the service arrangements your financial services provider (**FSP**) has in place with FinClear Execution Ltd (**FinEx**). It aims to provide sufficient information for you to make an informed decision about using our limited dealing, advisory and related services. Our services, and the financial products they cover, can be complex and subject to special regulations impacting how the services are to be provided. That's why this FSG describes them in some detail. **It is important that you read it carefully and file it away for later reference.** Should you wish to discuss the services described in greater depth, you should contact your FSP.

This FSG contains information about, amongst other things, investment risk, interests of ours which may conflict with yours, and remuneration/benefits payable to FinEx if you use our services. Charges, commissions or fees not listed in the body of this FSG are listed in the attached Schedule of Fees. This FSG also tells you what to do if you have a complaint and how we would handle it. It explains the need for, the protection of, and how we use your personal information provided to us by your FSP.

## 2. Who Are We?

FinEx (previously Lonsec Ltd, trading as Lonsec Stockbroking) holds an Australian Financial Services License (**AFSL**) issued by the Australian Securities and Investments Commission (**ASIC**) (AFSL No. 246842) and is an ASX Limited (**ASX**) Market and Account Settlement Participant.

## 3. Associations

FinEx was purchased by Finclear Pty Ltd (**FinClear**) on 7 October 2017 and is a wholly owned subsidiary of FinClear Pty Ltd (**FinClear**). FinClear holds its own AFSL (AFSL No 481017) and is an ASX Clearing and General Settlement Participant of ASX who is the provider of third party clearing and settlement services.

As FinEx is not an ASX Clearing Participant, it is required to enter into third party clearing arrangements with an ASX Clearing Participant (**Third Party Clearer**). FinEx's current Third Party Clearer is UBS Securities Australia Ltd (**UBS**). As FinEx's Third Party Clearer, UBS has the clearing and settlement obligations for all ASX transactions executed by FinEx on behalf of its clients. However, the clearing arrangement with UBS will terminate in the second half of 2017 upon which time FinClear will be responsible for the provision of clearing and settlement services to FinEx.

FinEx also has commercial arrangements (Services Agreements) with your FSP for FinEx to provide the services as described in this FSG.

In addition, FinEx aims to identify and secure access to a wide range of quality investment opportunities likely to be of interest to clients. In doing so, FinEx may develop relationships with issuers which involve FinEx receiving fees for rating, promoting or arranging client investment in their financial products. These relationships may lead to research being commissioned from FinEx, success fees, distribution/research introduction fees, portfolio advice or transaction fees etc. which enable FinEx to source the products for clients. If FinEx receives any monetary or other benefits, that will be disclosed in any 'offer' documentation or research distributed to your FSP.

FinEx is not controlled by any issuers, and our Directors and staff do not act in that or any other capacity within the business of an issuer of financial products.

## 4. What documentation will I receive?

To open an account with **FinEx** you have to complete and sign our New Account Application Form, which is available from your FSP. Its acknowledgements, authorisations and consents govern our dealing related services. In particular, you

authorise us to deal and do other things on your behalf in accordance with the instructions of your FSP. We do not expect you to contact us directly and we will only act on the instructions of your FSP.

You may receive Product Disclosure Statements (**PDS**) if we offer to issue or arrange for the issue of certain financial products. A PDS is an important document and sets out the information needed to make an informed investment decision about whether to acquire the product. Any PDS that is required to be provided to you will be provided to you via your FSP.

**FinEx** does **NOT** provide personal advice (see Section 12 below). We will never provide advice about whether a product is a suitable investment for you personally, and consequently you will not receive Statements of Advice (**SOA**) from us. All our advice will be general product advice (see Section 11, below), which is based solely on our assessment of the investment/trading merits of the financial product and does not take into account your personal financial situation, needs or objectives.

If you use your FSP's stockbroking services, our execution and settlement infrastructure is used. An account will be established at **FinEx** in your name. You will have to fill out, sign and return our account opening documentation (i.e. our New Account Application), which will be submitted by your FSP.

You may also have to sign and return certain prescribed product-specific agreements (e.g. ASX Warrants Client Agreement), and receive prescribed Explanatory Booklets or other documentation, before **FinEx** can accept any orders from your FSP for that product(s).

## **5. What Financial Services Can FinEx Provide?**

**FinEx** is authorised by its AFSL to provide general financial advice on the following financial products

- deposit and payment products limited to basic and non-basic deposit products (e.g. bank accounts);
- any securities (e.g. shares, debentures);
- interests in managed investment scheme, including investor directed portfolio services;
- interests in managed investment schemes limited to Managed Discretionary Account (**MDA**) services;

to retail and wholesale clients.

**FinEx** is also authorised to deal in the following financial products:

- deposit and payment products limited to basic and non-basic deposit products (e.g. bank accounts);
- derivatives (e.g./ ETOs and warrants)
- foreign exchange contracts
- any securities (e.g. shares, debentures)
- debentures, stocks or bonds issued or proposed to be issued by a government;
- interests in managed investment schemes including investor directed portfolio services;
- interests in managed investment schemes limited to MDA services
- retirement savings accounts products
- superannuation;
- financial investment products limited to MDA services

to retail and wholesale clients.

**FinEx** may also underwrite issues of securities and interests in managed investment schemes and operate custodial or depository services other than investor directed portfolio services to retail and wholesale clients

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 11 and 12, below.

By **'dealing'** we mean acquiring and disposing of products on behalf of clients.

Our services focus on financial products that may be applied for and settled or redeemed and settled (i.e. they are not listed but are cleared and settled by CHES) traded or to be traded on 'live' markets such as those operated by ASX. In relation to foreign traded products, we have arrangements in place with other stockbrokers operating on major overseas securities or stock exchanges in order to transact on those markets.

FinEx also provides general advisory and dealing services in relation to other unlisted products such as bank bills, bonds, other money market instruments, debentures, endowment and other types of warrants, and superannuation and other trust products (e.g. property and equities trusts).

## **6. Who will be providing the services to you?**

**FinEx** is a specialist provider of wholesale stockbroking services to financial services providers such as financial planners and other AFSL holders. We supply execution and settlement services and we can also source research, market news and model portfolios from third party providers. We take no responsibility for the content of the information provided by these third party providers.

Our Third Party Clearer will administer the client's Participant Sponsored Holdings on our behalf of but FinEx Limited remains responsible to the client for any actions or matters done or omitted to be done in respect of the client's Participant Sponsored Holdings. The Third Party Clearer will also provide services to clear and settle the transactions that you execute through FinEx.

The FSP you have chosen to use, holds an AFSL or is an Authorised Representative of, an AFSL holder and will have the necessary financial services/product authorisations to use our services on your behalf. **FinEx** has a wholesale service relationship with your FSP. You have a direct, primary relationship with your FSP and a secondary relationship with us.

Our advisory and research services are subject to different arrangements. They are provided directly to your FSP for their reference and support when researching recommendations for you in relation to market-traded products.

If you wish to execute transactions using our services, please contact your FSP who will arrange to have those transactions executed by FinEx.

Therefore, the client relationship we have with you is essentially limited to dealings conducted on behalf of your account in accordance with the order instructions provided to us by your FSP, following your consultations with them.

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

When providing our execution services, we will be acting on instructions provided by your FSP, and we will be acting as your agent. At times, we may even be acting as agent for another client who is the counterparty to your transaction (e.g. a sale of shares on market between clients).

On rare occasions we may act 'as principal' on our own account and appear on the other side of a transaction with you. In such circumstances we cannot charge you brokerage. We may also accumulate and price-average a number of transactions on one Confirmation. Your consent to these scenarios is granted when you sign the acknowledgements, authorisations and consents in our New Account Application.

Our advisory services are provided only to your FSP and your FSP may pass these services to you.

## 8. Terms and conditions applying to our services

All market transactions are executed subject to:

- the Services Agreement we have with your FSP;
- the acknowledgements, authorisations and consents you agree to when you sign our New Account Application form; the ASIC Market Integrity Rules, the directions, decisions and requirements of ASX, ASX Operating Rules, ASX Clear Rules and ASX Settlement Rules and any other relevant market operator;
- the customs and usages of the relevant market and the correction of any errors and omissions.

You should read our New Account Application form carefully before signing.

The Services Agreement between FinEx and your FSP ensures all the necessary market related services are available to support the services your FSP provides directly to you.

## 9. More About Our Dealing Services

Dealing services means buying, selling, applying for or redeeming financial products on behalf of clients.

### Primary market

FinEx provides your FSP with access to investment opportunities made available by an issuer rather than someone selling on market. These involve applying for, or redeeming financial products. Your FSP can assist you make applications for Initial Public Offerings (IPOs) and other new issues of securities (e.g. shares) or interests in managed investment schemes (e.g. equity trust units). We can assist your FSP in arranging applications or redemptions.

### Secondary market

Secondary Market transactions are dealt on market. The products have already been issued.

Before using our dealing services for the first time, we require your FSP to verify your identity as required under the AML/CTF Act and to confirm settlement arrangements.

FinEx has immediate access, when ASX Markets are open, to order execution and transaction settlement platforms. Subject to the relevant dealing and settlement regulations, FinEx will accept and transact orders placed by your FSP, on your behalf, and will facilitate settlement via its Third Party Clearer.

There may be other circumstances in which FinEx will not be able to accept order instructions, but they are most unlikely and we would give your FSP reasons for not doing so and assist with alternative arrangements.

A Confirmation will be dispatched directly to you following execution of a market transaction. It confirms the detail of the transaction, the contractual terms and conditions which applied to the transaction, and also serves as a Tax Invoice. If you so authorise, in the New Account Application, a copy will go to your FSP.

We urge you to have us CHESS sponsor your holdings of traded products (i.e. sign the Sponsorship Agreement in our New Account Application). This service has many advantages and minimises the risk of failed settlement of sell transactions, which incurs additional fees.

### Your FSP must instruct us in certain ways

FinEx will accept instructions from your FSP in a number of ways including electronically (email or through an electronic order pad) or over the phone. Notifications and instructions in relation to important matters (e.g. change of your address, payment of sale proceeds to parties other than you) must be provided to us (via your FSP) in writing, signed by you.

### Market Transactions may be cancelled by ASX

ASX has the power, when market integrity is at stake, to cancel or amend a market transaction (or reinstate an order) which has been executed. Cancellation of an executed transaction would mean the loss of the benefit of the market price

and other entitlements flowing from the transaction. Amendment of a transaction may have a similar impact. You would not be entitled to any compensation from us or ASX.

#### **Settlement requirements**

FinEx will not, nor is it obliged to, settle cash (currency). We will not pay you in cash and we won't accept cash from you or your FSP directly. You can make electronic transfers or pay via cheques to settle your transactions. In the case of transactions executed on ASX Markets, funds (i.e. cheques or direct deposits), documents (e.g. share certificates, prescribed statutory declarations) or sponsored holdings must be available to FinEx's Third Party Clearer by the time and date specified on the Confirmation.

#### **Interest on Trust account balances**

Any funds you deposit with us and will be held in FinClear's Third Party Clearer's Trust Account for limited periods, usually very short periods and the Third Party Clearer is entitled to the interest earned on Trust Account balances.

## **10. 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 is advice given to a person in circumstances where consideration has been given 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 is strictly limited to an assessment of the investment and/or other merits of the product itself (see section 11 below).

**FinEx will only provide General or Product Advice. FinEx will never provide Personal Advice to you.**

Your FSP has engaged FinEx to provide execution services and to arrange for the distribution of research. The fact that you may see our product advice (e.g. research) does not mean we are providing advice tailored to you personally or that we have an ongoing advisory service relationship with you directly. Your FSP has that role and responsibility.

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

Research and other product advice presents the opinion of specialist analysts. The assumptions on which that opinion is based mean that forecast performance cannot be guaranteed. Past performance is not a reliable indicator of future investment performance. A recommendation or rating may only be valid for a limited time and is often subject to movements in market price.

Just because you see that a product is recommended or rated in a report or a newsletter as a 'buy', 'sell', 'hold', 'accumulate', 'underweight', 'overweight', 'neutral', 'out-perform' or 'under-perform' does not mean that recommendation is appropriate for you specifically. You must consult your FSP before acting on any report or recommendation presented in a newsletter.

## **11. Product Advice - General Advice**

Product 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. Product advice is considered to be General Advice.

#### **Research**

Product advice includes research reports and newsletters. FinEx has entered into a commercial arrangement with Lonsec Research Pty Ltd (**Lonsec Research**) for Lonsec Research to supply FinEx with research reports. FinEx may make these

available to your FSPs. You must not assume that the research reports or research recommendations or ratings distributed by FinEx research are appropriate for you personally. The process of profiling a client's circumstances and objectives is not relevant in relation to product advice. Product advice may be derived from fundamental analysis (i.e. analysis of financial reports) or technical analysis (patterns in market trading and price-movement behaviour).

Product 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 (guided by your FSP) whether acting on the advice is appropriate in light of your financial circumstances. If a PDS is relevant for the Financial Services Guide product recommendation, the warning will also highlight the need, before making a decision to invest, to ensure you read and carefully consider the PDS.

#### **Model Portfolio Services**

Under the arrangement with Lonsec Research, FinEx also has access to Model Portfolios that have been developed and maintained by Lonsec Research. Your FSP may determine that a direct investment in a portfolio of market traded products would be appropriate as part of your overall financial plan, and request FinEx to arrange a portfolio to a particular value based on one of the Model Portfolios developed by Lonsec Research. There are a number of notional Model Portfolios, each having different collective investment/risk characteristics. The portfolio proposal prepared for your FSP is general product advice. It is based solely on the investment merits of the Model Portfolio selected, and the shares or other products making up the particular portfolio. Even though FinEx is asked to propose a portfolio to a particular value, and to give a view on your existing holdings (if any), our advice remains limited to product advice. Whether the proposed portfolio is suitable for you personally is entirely the responsibility of your FSP. If you see the proposal, it will usually be supporting your FSP's Statement of Advice to you.

The Model Portfolios that FinEx has access to reflect an active investment philosophy, focusing on generating absolute returns over the medium to long-term by means of concentrated portfolios. FinEx Lonsec Research (the entity that developed the model portfolios) uses a four-step investment process, which has a strong focus on 'top-down' macro-economic (step 1) and sector themes (step 2). The third-step applies a number of filters (i.e. industry ratings, issuer quality, valuation of issuer, issuer's risk rating) to facilitate stock selection. The fourth step is the on-going monitoring of the Model Portfolio. If we change stocks in a Model Portfolio, we advise your FSP and your FSP will review your portfolio accordingly.

## **12. Personal Advice**

Personal advice recommends a product as being appropriate for a client personally, following consideration of their personal financial circumstances and investment objectives.

Your FSP, not FinEx, will provide this category of advice.

A Statement of Advice is only relevant in the context of personal advice, not product advice. You will never receive Statement of Advice from FinEx.

## **13. MDA Disclosure**

For clients considering FinEx's MDA service please refer to its Supplementary FSG dated March 2017.

## **14. What about the Matter of "Investment Risk"?**

In general, all investments have associated risks and in most cases, the higher the return, the higher the risk to your investment.

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.

Risk should be considered when developing or reviewing your overall investment and wealth-creation strategy and this is a matter for you and your FSP to discuss in detail

## **15. FinEx Remuneration And Benefits**

How are we remunerated and what other benefits might we receive for the services we provide?

FinEx may be paid in one or any combination of the following ways:

- a) FinEx is remunerated by the fees it charges your FSP. The fees that it charges your FSP is transaction based and is a fee per trade. This fee is negotiated between your FSP and FinEx and will be passed on to you. For every transaction you enter into you will be charged a brokerage fee that is determined by your FSP and this brokerage fee will include the fee that FinEx charges your FSP and may also include the fee that your FSP charges. FinEx's Third Party Clearer will collect the brokerage and remit this brokerage to FinEx (less their fees) and FinEx will then remit this to your FSP less the fees that is payable by the FSP to FinEx;
- b) FinEx will also charge a Management Fee on any Managed Account portfolios;
- c) We may be paid by the financial product issuer after you invest or contract;
- d) In special circumstances, we may receive performance based fees; or

GST is payable on all our charges.

### **How are our dealers and other staff remunerated?**

FinEx's directors and staff (including its dealers) receive a salary. Directors and staff may also receive other benefits such as bonuses. They do not receive a proportion of the fees, charges or commissions you pay.

### **The range of our transactional charges**

Brokerage on each purchase or sale on a relevant exchange or foreign market is calculated as a percentage of the dollar value of the transaction, subject to an agreed flat minimum fee. The total Brokerage you will pay on a transaction is set by your FSP but this will include the negotiated execution fee that FinEx has negotiated with your FSP. You should refer to your FSP's FSG for disclosure relating to the fees imposed by your FSP.

For a purchase, the total brokerage (which includes FinEx's fee and any brokerage your FSP may charge), together with any applicable duty or tax, is added to the transaction value and the total is the overall consideration payable by you. If payment in full is not received by the time and date shown on the Confirmation, you may be charged an administration fee (refer attached Schedule of Fees) or, ultimately, the holding may be sold-out in the market at your risk and expense.

For a sale, the total brokerage (which includes FinEx's fee and any brokerage your FSP may charge, together with any duty or tax payable, is deducted from the proceeds of your sale transaction. You may also be charged 'fail fees' (refer attached Schedule of Fees) if you fail to settle a sale by the time and date shown on the Confirmation. Ultimately, the unsettled position may be bought-back at your risk and expense.

All these amounts (except Fail Fees) are specified on the Confirmation sent to you.

### **Brokerage on transactions traded on ASX markets**

The standard brokerage rates for transacting ASX traded financial products are set by your FSP and a guide is found in the attached Schedule of Fees. CHESS Sponsorship fees are also detailed in the attached Schedule. We do not

charge to sponsor your holdings, but we do charge for certain transfers other than those relating to settlement of on market transactions.

**Brokerage on transactions NOT traded on ASX markets**

We can arrange transactions in products other than ASX traded products (e.g. fixed income securities) with specialists in the relevant product. Brokerage will be negotiated with your FSP prior to accepting the order instructions. The method of calculating the brokerage is the same as described above.

Duties and taxes may not be payable depending on the product. See the attached Schedule.

**Brokerage on International transactions**

For transactions on a foreign stock exchange, the brokerage charged may also include some or all of the charges of the foreign stockbroker. Again, the methodology is the same as described above. Please refer to the attached Schedule of Fees.

**Lodgment, Application, Acceptance Incentives and Trailing Commissions**

If you apply for financial products by way of a PDS or Disclosure Document (e.g. a Prospectus), and your application is stamped by us and is accepted, we will usually receive an application / lodgment fee from the issuer in the range of 0.5% - 3% of the value of the application. FinEx may also receive acceptance incentives to encourage clients to accept a takeover or other offer. These range between 0.5% - 6% of the value of acceptance.

FinEx may receive trailing commissions from Cash Management Trust operators or WRAP platform providers if we have placed your funds to them. Trailing Commissions range from 0.5% - 2.5% calculated on the value of the funds remaining deposited or invested, and are usually payable every quarter.

All these are disclosed in the product's PDS, Disclosure Document or by us when providing advice.

**Portfolio Administration and Managed Investment Schemes**

FinEx's provides both Portfolio Administration Services (PAS) and Managed Investments Schemes (FinEx Managed Accounts) to you subject to advice provide to you via your FSP. The fees for these services are based on a percentage of the total Funds Under Management (FUM) as well as a fee for any transactions required to maintain your portfolio. The fees for providing these services will be negotiated with your FSP. Refer attached Schedule of Fees. Some FSPs have commercial arrangements with FinEx where we pay a rebate to the FSP. If such an arrangement is in place this will be detailed in your FSPs FSG.

**Model Portfolio Service**

FinEx's fee for providing this service will be negotiated with your FSP. Refer attached Schedule of Fees.

**Specialist Advice**

FinEx may charge for specialist advice. The fee would be negotiated with your FSP before we commenced work. Refer attached Schedule of Fees.

**Other Benefits - interests in Financial Products that FinEx or our Dealer(s) may have**

When we provide product advice, we are obliged to disclose any interest(s) our Dealer(s), FinEx or any associate has that may reasonably be capable of influencing that product advice.

**Other Benefits – Underwriting, Sub-underwriting and other Corporate Fees**

If we act as underwriter or sub-underwriter, we will usually receive a fee in the range of 0.2% to 5.0% (i.e. up to 5% of the total funds raised). The Underwriter pays sub-underwriters from their fee. FinEx would also receive lodgment fees (as described above) for client applications. If we facilitate a successful placement, FinEx would usually receive a fee in the range of 0.2% to 5% of the funds received by the issuer.

### **Fees or Other Rebates or Benefits payable to Referrers**

FinEx may also receive fees directly from issuers as a result of handling your IPOs, capital raisings or new issue applications. This fee may be split between your FSP and FinEx and the amount of that split is negotiated on a commercial basis between your FSP and FinEx.

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

You are entitled to ask your FSP to request detailed particulars from FinEx of the remuneration or other benefits we will receive if you use a particular service, but that request must be made within a reasonable time after you receive this FSG and before any service is provided to you.

## **16. What To Do If You Have A Complaint**

If you are dissatisfied with the services we've provided, take the following steps:

a) Tell your FSP and if possible put your complaint in writing. Your FSP will then contact FinEx and FinEx together with the FSP will review the complaint and Compliance Manager we will contact you and if necessary ask you to provide any relevant documentation if required. The Complaints Manager will attempt to resolve your complaint and will advise you of the steps that FinEx will take to review and address your complaint. The issues involved may be complex and subject to special regulations. We will do our best to resolve your complaint quickly and fairly. Unless you advise us that you object to us doing so, we will also keep your FSP informed on the progress of your complaint.

b) 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. If you permit, we will inform your FSP of the outcome. However, if corresponding is difficult or the matter is complex or involves third-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 Ltd (FOS) and they may change. FinEx 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 Ltd (FOS)

GPO Box 3,

Melbourne Victoria 3001.

Phone Toll Free on: 1800 367 287 (Australia wide)

Fax: (03) 9621 2291

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

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

ASIC also has a free call info line on 1300 300 630 which you can use to make a complaint about our or your FSP's services and to obtain information about your rights.

## **17. Professional Indemnity Insurance Cover**

FinEx has in place Professional Indemnity Insurance which satisfies the requirements of Section 912B of the Corporations Act. Section 912B relates to Retail Client compensation arrangements.

In very general terms, Section 912B requires FinEx to have arrangements for compensating a Retail Client for loss or damage suffered because of breaches by FinEx, or by our representatives/employees, of obligations under Chapter 7

(‘Financial Services and Markets’) of the Corporations Act, including losses caused by negligence, fraud, dishonesty or other misconduct that amounts to a breach of Chapter 7 and gives rise to a liability to a Retail Client.

Section 912B also requires our arrangements to cover our liability to a Retail Client for an award (i.e. a compensation order) made in favour of that Retail Client by the Financial Ombudsman Service Ltd (see Section L), an ASIC approved External Dispute Resolution Scheme of which we are a member.

The Professional Indemnity Insurance we have in place will cover claims in relation to the conduct of representatives / employees who no longer work for FinEx, but who did at the time of the relevant conduct.

## **18. Personal Information**

**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 provided to us about you by your FSP. The information is protected in accordance with our Privacy Policy.

Your personal information will be used for establishing and maintaining you as an account holder, to facilitate transaction execution and settlement, registration of your holdings of financial products, and to provide other related services to you through your FSP. All this is required by the Corporations Act and the Rules of ASX Group or other Operator of a market on which we transact. Should you choose not to provide the personal information requested, we may be unable to provide some or all of the services required.

We are obliged to confirm and record your identity in accordance with the Corporations Act and other legislation preventing criminal activity such as money-laundering and the financing of terrorism. Consequently, your FSP must notify us of changes to personal information (e.g. change of address) already provided to us.

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

In relation to transactions involving ASX traded products, we usually disclose personal information about identity and address to ASX Settlement, the operator of CHESS, and to product holder Registries. In relation to transactions on other Australian or foreign markets, we disclose the minimum information required by the Stockbrokers we use. They use and disclose that information to the extent necessary to transact, settle and register or transfer product holdings.

We may also be required to disclose information to your bank, cash management trust operator or other deposit taker. We may be required to disclose your information to ASX (and other ASX Group members and tribunals), ASX Clear, the Securities Exchanges Guarantee Corporation Ltd (SEGC) which is the operator of the National Guarantee Fund, and 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.

Generally, unless required by law, regulation or rule your personal information will not be passed to any third-party without your consent or the consent of your FSP. Nor will it be used for purposes other than described above.

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

If you are a company and personal information about an officer or employee has been provided by your FSP 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 your FSP in the first instance.

## Schedule of Fees

All of the following does not include GST and in AUD dollars unless otherwise indicated.

<b>Brokerage on final products traded on ASX</b>	
Buy / Sell Transaction Minimum (for non MDA clients)	\$50.00 or 0.5% (whichever is greater)
Buy /Sell Transaction Minimum (for MDA clients)	\$15.00 or 0.3% (whichever is greater)
<p><i>Example: An order to buy A\$2,000 worth of BHP shares will incur the minimum brokerage of A\$50.00 +GST. If the order is for A\$20,000.00, the rate will be 0.5% costing \$100 +GST</i></p> <p><i>The Brokerage is the minimum FinEx charges (receives) but our rates are negotiated with your FSP who will provide with details of their charges. Any amount that your FSP wants to add to the FinEx minimum brokerage will be rebated back to your FSP.</i></p>	
<b>Brokerage and other fees on financial products traded on International Markets</b>	
FinEx Brokerage	\$200.00 or 1.75% (whichever is greater)
Settlement Fees for Non DTC Markets (Europe)	USD \$79.00
Settlement Fees for DTC Markets (North America)	USD 400
International stock transfer fee	\$75.00
<p><i>Example: An order placed into the DTC market to the value of A\$3,500.00 would incur the minimum brokerage of A\$200.00 + USD\$4.00. If the order is placed into a Non DTC market for the same value it would incur the minimum brokerage of A\$200.00 + USD\$79.00. The above rates are negotiable and area guide only. They can vary depending on the size of the transaction and the country and type of financial products being traded. We will provide you FSP with full details of any fees payable prior to your FSP placing the order.</i></p>	
<b>ASX MFund</b>	
ASX MFund Settlement Administration Fees	\$50.00
<b>Portfolio Reviews and Specialist Advice</b>	
Portfolio Review / Proposal	\$500.00 / portfolio (no specialist advice)
Specialist advice	\$150.00 per hour
<p><i>Normal brokerage rates apply to subsequent transactions (if any).</i></p>	
<b>Portfolio Administration (PAS)</b>	
Minimum monthly fee	\$49.00 per month
Administration Fee	0.1% to 0.35% based on FUM
Transaction fees (Direct Managed Funds/Investments)	\$50.00
Brokerage on Australian listed securities through desk	0.15% (\$30 min and \$100 max)
Brokerage on International Listed Securities	0.8% (\$180 min)
Transaction Fees (International Listed Securities)	\$50.00
Asset Transfer Fee	\$220.00 per portfolio
Private Asset Fee (including direct property)	\$250 per annum per asset
<b>FinEx Managed Accounts</b>	
Managed Account Fee	0.35% of the total FUM per annum
Tax Reporting	0.2% of the total FUM per annum
Transactions	\$30.00
<b>Charges relating to Sponsored Accounts:</b>	

Off Market Transfers	\$50.00 per transfer
Transfers out of Estates	\$50.00 per transfer
<b>Charges related to Issuer Sponsored (SRN) holdings:</b>	
Off Market Transfers	\$80.00 per transfer
Transfers out of Estates	\$80.00 per transaction
SRN Search	\$20.00 per security
<b>Fail Fees</b>	
Sales: Trades < \$100,000	\$100 per day
Trades > \$100,001	10% to a maximum of \$5000 per day
Purchases: Initial Fail Fee	\$50.00
Dishonour Fee:	\$50.00
<i>Note Fail Fees are levied by the ASX and will be passed on to you.</i>	