

Financial Services Guide

Hantec Markets (Australia) Pty Ltd ACN 129 943 086
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Australian Financial Services Licence Number: 326907

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1. What is a Financial Services Guide?

This Financial Services Guide ("FSG") is an important document to help you understand and decide if you wish to use the financial services we are able to offer you.

It provides you with information about Hantec Markets (Australia) Pty Ltd ("HMA, us, our, we") and the services we provide. Its purpose is to educate you, before we provide a financial service, on matters including:

- who we are and how we can be contacted;
- what services and products we are authorised to provide to you;
- how we (and any other relevant parties) are paid; and
- who to contact if you have a complaint.

Before we issue any particular financial products to you, we will provide you with a Product Disclosure Statement ("PDS"). The PDS contains information about the product to assist you in making an informed decision about that product. It will outline relevant terms, significant risks (where such exist), and fees and charges associated with the product.

HMA occasionally provides general advice regarding the financial markets or our services. If we provide you with general advice, it may not be appropriate to your needs, financial situation or objectives, and you should consider your circumstances before choosing to proceed with using our products. Additionally, you should obtain and read our Product Disclosure Statement before making a decision.

We have arrangements in place to maintain adequate professional indemnity insurance as required by the *Corporations Act 2001*. This insurance provides cover for claims made against us and our representatives/employees including claims in relation to the conduct of representatives / employees who no longer work for us but who did so at the time of the relevant conduct.

HMA is a wholly owned subsidiary of Hantec Bullion Limited.

2. Who will be providing the Financial Services to you?

The Licensee

HMA is the holder of an Australian Financial Services Licence and is responsible for the general financial product advice that its representatives provide and the dealing which its representatives do on HMA's behalf. HMA authorises, and is also responsible for the content and distribution of this FSG.

You can instruct us to provide you with our services by:

- visiting one of our branches;
- contacting us via our online trading platform; or
- contacting us via telephone.

Our contact details are at the start of this FSG.

If you are located outside of Australia, either the Licensee or one of our Authorised Representatives will provide financial services to you.

Hantec Markets Limited (HML) is incorporated in the UK, and is an Authorised Representative of ours (FSA Register No: 502635). It is part of the Hantec group of companies. You can contact HML if you are in Europe, in any of the following ways:

Hantec Markets Ltd
 19 Catherine Place
 London SW1E 6DX

Phone: +44 (0) 20 7036 0888

Email: ask@hantecfx.com

Web: www.hantecfx.com

3. On whose behalf are we acting when we provide our services to you?

As we are the product issuer, we are acting on our own behalf when we provide the services and not on your behalf. Our Authorised Representatives also act on our behalf when providing the services to you.

4. What services and products are we authorised to provide to you?

HMA is authorised to give you *general advice* to both retail and wholesale clients in relation to non-cash payment products, derivatives and foreign exchange contracts. HMA is also authorised to *deal* in relation to those same products.

This means that we can advise you (without taking into account your personal circumstances), and help you use our trading platforms. We can help you fill out the forms and undertake and complete trades and other related transactions.

HMA is also authorised to "make a market" for foreign exchange and derivatives contracts. This allows us to quote market prices to you, including buy and sell prices.

In providing our service, other financial issues may arise, such as how to invest money, or taxation issues. However, we are not authorised to provide advice relating to those financial issues, or any other issues except those explained above. You should seek specific advice from the appropriate professionals if these issues are relevant to you.

Our Authorised Representative, HML, is authorised to arrange for you to use our financial services (which include foreign exchange and derivative contracts and non-cash payment facilities). This typically includes helping you complete forms, and accessing our foreign exchange and bullion trading platforms. HML can also provide you with some general advice, in certain situations (eg. via promotional material on its website material). Distribution of this FSG by HML has been authorised by us.

5. What fees and commissions are payable to HMA?

By using or continuing to use our services, you agree that:

- All fees and charges received by us as described in this FSG (other than third party fees and charges) are a benefit given to us by you, in exchange for the market making and dealing services provided by us.
- We do not charge volume-based or asset-based fees for any advice we provide.
- You understand, consent to, authorise and direct us to charge you in this way.

There are a number of costs, fees and commissions that you may be required to pay us, in order to use our services:

Type:

Spread Cost

Description:

Foreign exchange, commodities, and index transactions incur costs relating to the spread between the bid price and ask price. The "bid price" represents the price at which we are willing to notionally buy currency or commodities from clients and the "ask price" is the price at which we are willing to notionally sell to clients. This price difference is called the "spread". The price difference of this spread will depend on factors such as the size and value of the transaction and prevailing market rates. This spread is paid by you, but is incorporated into the quoted rates and is not an additional charge or fee payable by you above those quoted rates.

Example of a spread:

The exchange rate between the Japanese Yen (JPY) and the United States Dollar (USD) might be JPY 79.20 to USD 1. A person looking to convert JPY into USD might have to pay JPY 79.20 for each USD, while a person looking to convert USD to JPY might receive only 79.10

JPY for each USD they convert. It is usually written as USD/YEN 79.10/79.20, or abbreviated to 79.10/20. The bid price is JPY 79.10 and the ask price is JPY 79.20 for USD 1. In this example, the bid-ask spread for the currency pair is $79.20 - 79.10 = 0.10$, or 10 "basis points". In this example, if HMA quoted these prices to you and you proceeded to buy the currency at the ask price, then HMA would retain the 10 basis point spread if there is another client who sells the currency to HMA at the bid price.

Type:
Commission

Description:
A commission may be charged to you in addition to the spread on transaction, depending on which of our trading platforms you use. The commission charged will be between 0.005% and 0.015% of the executed opening and closing transaction value.

If you use our services via a third party (see Section 6 below), you may also be charged a commission by us, on their behalf, in one of two ways:

- a fixed amount for each transaction (eg. USD 20 per contract); or
- an amount which is added to the existing spread (eg. An extra 2 basis points to the spread).

The precise commission which will be payable by you will depend on a number of factors, including the volume of trading you undertake, the platform you use, and the products and services you acquire from or through us or our Authorised Representatives.

Type:
Rollover interest rate

Description:
You may earn or pay interest ("rollover interest") by entering and holding a margined contract overnight. The interest rate you earn or pay depends on the type and size of products that you buy or sell, the interest rate differential between the currency pair you have bought/sold (where applicable) and the duration of the rollover period. Interest rates are calculated on an on-going basis and are subject to change due to many macroeconomics factors including but not limited to the monetary policies of central banks and the liquidity in the international banking system. HMA may adjust interest rates at any time based on the market conditions and its own positions in the market without notice to the client.

Type:
Conversion cost

Description:
If you instruct HMA to effect a transaction denominated in a foreign currency, you will need to convert your Australian dollars or other currencies into the required foreign currency through a bank and deposit the money into your HMA trading account. The bank will charge you for this service.

Alternatively, HMA may convert your funds by first quoting you a spot price pursuant to its usual Terms and Conditions. If you choose to accept HMA's quoted prices, then the transaction will usually take place immediately, upon receipt of your cleared funds. The new currency will be delivered to your HMA account. We will be remunerated by the difference between the rate at which we buy and sell to you the currency (also called the "Spread Cost" – see above).

Type:
Administrative Charges

Description:
HMA will charge a fee for the following administrative services when they are requested by you or people authorised to trade on your behalf:

Hard Copy duplicate statement (posted to you)	AUD 50.00 per statement
Transcripts of telephone conversation	AUD 10 per minute
Copies of telephone conversation	AUD 10 per minute
Audit certificates	AUD 100 per copy

The above administrative charges will be deducted from your account shortly after the relevant event happens (eg. if you request a particular document from us). These fees are subject to change.

You may request more details about the way HMA is remunerated within a reasonable time after receiving this document.

Type:
Dormant Account Fee

Description:
If an account is not used for trading within a 12 month period, HMA will charge a dormant account fee of \$25 per year.

The Fee will be deducted from your account on the anniversary of the last transaction in the account. If your account balance is zero or if the fee will bring the balance to zero (or negative) then HMA will charge such part of the fee as brings the account balance to zero and then close the account.

The Fee covers the administrative cost of maintaining your account.

6. How are our people and third parties remunerated?

HMA's directors and its employees are remunerated by annual salary, commission and may also be awarded an annual bonus. These types of remuneration will depend on several factors including:

- company performance;
- sales volume;
- professionalism and adherence to compliance procedures; and
- team performance.

Our employees may also receive a commission on trades. This commission is calculated with reference to trade volume and other performance indicators.

When you are referred by an Authorised Representative or another third party to us we may pay a commission to the third party or Authorised Representative in any of the following ways:

1. a percentage of the commission paid by you to us (see "commission" above) when you trade contracts with us. The percentage may be up to 100% of the commission paid by you;
2. up to 80% of the Spread Cost (see above) generated from your trading;
3. any additional spread income generated from your transaction. This will be paid if the third party is an "introducing broker" and has requested that its clients be charged a premium to the standard HMA spread, due to the added service they are providing to their clients. The amount of this additional spread will be either the difference between the spread at which you deal and the spread that HMA offers, or a flat rate as notified to you by the introducing broker and HMA (see "Commission" above).

The amount of commission paid to referrers is negotiated on an individual basis and is typically based on a sliding scale, which takes into account:

1. the number of clients referred or introduced to HMA; and
2. the number of contracts traded by clients introduced or referred to HMA.

You may request more details about the way these people or entities are remunerated within a reasonable time after receiving this document.

7. What should you do if you have a complaint?

In the event you have a complaint, you can contact your HMA representative and discuss your complaint.

If your complaint is not satisfactorily resolved within 6 weeks, please contact by telephone or in writing:

Joanne Ding
Head of Compliance, Internal Audit and Risk Management
Hantec Markets (Australia) Pty Limited
See the contact details at the top of this FSG.

We will try and resolve your complaint quickly, fairly and within prescribed time frames.

If the complaint cannot be resolved to your satisfaction you have the right to refer the matter to the Australian Financial Complaints Authority ("AFCA") which is an external complaints service, of which HMA is a member:

You can contact the AFCA on 1800 931 678 or in writing at GPO Box 3, Melbourne, Victoria 3001, Australia. You can also contact the AFCA through their website: www.afca.org.au.

Personal Information

HMA is committed to ensuring the confidentiality and security of the personal information of its clients, and is also committed to complying with both the Privacy Act 1988 (Cth) and the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth). The HMA Privacy Policy detailing our handling of personal information is available upon request. You may request access to information held about you by contacting the HMA Privacy Officer, Joanne Ding, on +612 8017 8091.

If you do not provide some or all of the information requested on our application form, we may not be able to accept your application to transfer money or otherwise provide you with our services.

HMA may use information received from its clients to send marketing material to its clients from time to time unless you elect not to receive it. HMA will not provide your information to any third party other than in accordance with the HMA Privacy Policy.

Please retain this FSG for your reference and any future dealings with HMA. We may also add documents at a later date which will form part of this FSG, and should be read together with it. They will include the word "FSG" in the heading.