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## **FINANCIAL SERVICES GUIDE**

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**DIRECT FX TRADING PTY LTD**  
**ACN 120 189 424**

DATE: 15 NOVEMBER 2011

## ***FINANCIAL SERVICES GUIDE***

The purpose of this Financial Services Guide ("FSG") is to provide you with general information regarding the financial products and services offered by Direct FX Trading Pty Ltd ("DFXT"). This FSG is intended to assist you in making an informed decision about whether our financial services are right for you. You, the client, should read this FSG in its entirety, in addition to our Product Disclosure Statement ("PDS"), Terms and Conditions, and all other documents provided to you by DFXT prior to opening an account. All of these documents, including this FSG are available on our website.

This FSG contains information about who we are, how to contact us, the services we provide, our mechanisms for conducting trades, our remuneration, fee, and cost structure, and our dispute resolution procedures.

The information contained in this FSG is general information only and has been prepared without taking into account the Client's objectives, financial situation or needs. We provide no warranty regarding the suitability for the Client of any of the services described in this FSG.

This FSG was prepared on 15 November 2011. All information contained in this FSG has been obtained from sources believed to be accurate.

Please contact us if you would like further information on this FSG or any of our services.

## ***DIRECT FX TRADING PTY***

DFXT is a company incorporated and registered in New South Wales, Australia (ACN 120 189 424). Direct FX holds an Australian Financial Services License (AFSL 305539) issued by the Australian Securities and Investments Commission ("ASIC").

Contact Information:

Address:     Level 2  
              19-21 Hunter Street  
              Sydney NSW 2000

Website:     DirectFX.com

Telephone:   1300 855 650

Fax:          1300 858 065

Email:       [support@directfx.com](mailto:support@directfx.com)

## ***FINANCIAL SERVICES AND PRODUCTS***

DFXT holds an AFSL through ASIC. With regard to off market over the counter (OTC) derivatives such as contracts for difference (CFD) and foreign exchange (FX) contracts, we are authorized to: (1) provide financial product advice for derivatives and FX

contracts, (2) deal in derivatives and FX contracts, and (3) make a market for derivatives and FX contracts.

### ***GENERAL ADVICE NOTICE***

We do not provide client specific, personal financial advice. We do provide general financial product advice about DFXT products and their underlying markets. Under the law governing financial services, general advice has a defined meaning which may be different to what you understand or expect general advice to mean. In the context of the provision of financial services, general advice can include information or an opinion about the financial products and the markets but general advice does not include any direct or implied recommendation that the financial products referred to are appropriate to your particular objectives, financial situation or needs. Information we provide, including but not limited to, market updates, research reports, or website content are considered general advice. Before making investment decisions based upon any information or general advice provided by DFXT, you should obtain professional financial advice.

### ***CONDUCTING TRADES***

DFXT utilizes and provides its Clients access to the MetaTrader 4, Tradency Brokers, and Direct Liquidity online trading platforms. DFXT reserves the right to cease using any of these platforms or employ the use of other trading platforms which become available to it. DFXT will also take trade instructions by telephone. However, DFXT reserves the right not to accept instructions where we cannot verify the identity of the Client.

DFXT maintains records of all Client orders and trades. You will be provided with a confirmation or statement whenever you execute a transaction. These confirmations will be provided to you electronically and are sent automatically via the employed online trading platform. Additionally, you may access your accounts at any time and view your transactions and account balances.

It is your responsibility to review any confirmations or statements to ensure its accuracy and you must report any discrepancies to us soon as possible. Confirmations are deemed to be conclusive and binding on you if not objected to in writing within one business day of the transaction being entered into.

### ***REMUNERATION, FEES, AND COSTS***

All of DFXT's employees are paid a salary. In addition to a salary, some employees may receive performance-based, discretionary bonuses. Bonuses are calculated according to a number of performance factors including the general performance of DFXT.

### ***SPREAD***

DFXT earns income from the spreads that are embedded in the currency rates quoted on the online trading platforms. Spreads are the difference between the best bid and best offer rates at which you buy and sell the financial instruments. This spread is factored into the price and rates quoted to Clients and are not additional charges to you, the Client. You will incur a mark-up within the spread that ranges from .1 pip to 3.0 pips depending

on the trading platform, currency pair, market conditions, size of the trade and prevailing market rates.

## **INACTIVE ACCOUNT FEES**

If for a sustained period of time, your account remains inactive and no trading activity is conducted, DFXT reserves the right to charge a maintenance fee of between \$10 and \$20 a month to maintain the account. If there are insufficient funds in the account for this purpose, DFXT reserves the right to charge a lower administrative fee and/or to close the account.

## **ROLLOVER AND OVERNIGHT FINANCING**

Clients who hold a long (or bought) position overnight on CFDs will receive a debit on their account. The interest rate applied to the value of the bought position will normally not exceed 3.0% over the current local inter-bank offered rate. Clients who hold short (or sold) position overnight on CFDs will receive a credit to their account. The interest rate applied will normally not be less than 3.0% below the local inter-bank offered rate. The actual interest rates applied in the calculation of financing will vary from time to time.

Clients who hold opened Spot FX and Bullion positions will have their positions rolled to the next available spot date. When this occurs, you may pay or receive a rollover fee. Regarding FX, a rollover is based upon the different interest rates of the respective currencies. Regarding Bullion, a rollover reflects Gold leasing rates relative to the USD interest rate. Clients may either receive or pay the rollover depending upon whether you held a bought or sold position relative to the level of interest rates.

## **INTEREST**

Client funds are held in accordance with the Corporations Act 2001 (Cth) and the terms of the Client Account Application. DFXT reserves the right to retain any interest that may accrue on those funds, where permissible by law.

## **THIRD PARTY COMMISSIONS**

Clients who are introduced to DFXT by a third party may be subject to an additional fee or commission in respect of their trades. Any such fees and commissions will be paid by DFXT to the introducing party, and will be reflected in the Client's account statement provided by DFXT. These fees may vary, depending on each transaction. Clients may request particulars of such fees or commissions within a reasonable time after receipt of this FSG, and before any of the financial services are provided to the Client.

## **HEDGING COUNTERPARTIES**

If any commission is received from a hedging counterparty, this is payable by that hedging counterparty direct to us and is not an additional charge to the Client. Such commission from hedging counterparties may, for example, be based on volumes of business transacted with any such hedging counterparty.

## **FURTHER INFORMATION**

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, authorize and direct us to charge you in this way

If you have any questions regarding the particulars of our remuneration, fees, or costs, you may contact DFXT before any financial services identified in this FSG are provided.

## ***DISCLOSURE OF ANY RELEVANT CONFLICTS OF INTEREST***

We do not have any relationships or associations which might influence us when providing you with our services.

## ***OUR RECORD KEEPING OBLIGATIONS***

**We will maintain comprehensive and accurate records of your Client transactions.**

## ***DISPUTE RESOLUTION***

DFXT values its relationship with its clients, and wants to know about any problems or concerns you may have with our advice or services so we can take steps to resolve the issue. As a result, DFXT has both internal and external procedures in place to address any issues you have with our service. If you have an issue you would like resolved please first contact DFXT to inform us about your complaint. You may do this by telephone, in person, facsimile, email or letter. We will investigate your complaint promptly. We will try to resolve your complaint quickly and fairly. If you are dissatisfied with the way your complaint was handled, we ask that you submit a subsequent formal complaint in writing to DFXT specifying the specific nature of the complaint, your desired resolution, and any relevant documents or materials that support your position.

If we are unable to resolve your dispute internally, you have the right to complain to the Australian Financial Ombudsman Service Limited ("**FOS**"). FOS may be contacted at

**Address: Financial Ombudsman Service**

G.P.O. Box 3  
Melbourne VIC 3000.

**Telephone: 1300 780 808**

**You may also make a complaint via the ASIC free call info line on 1300 300 630.**

## ***OUR PRIVACY POLICY***

We are committed to protecting your privacy. We have systems and processes in place which safeguard against the unauthorised use or disclosure of your personal information.

Please contact us if you have any concerns or if you would like to see a copy of our privacy statement.

