

MEX Exchange 

Financial Services Guide

MEX AUSTRALIA PTY LTD

ABN: 15 155 084 058

AFSL: 416279

ISSUED ON 26TH SEPTEMBER 2018

1. INTRODUCTION

This is a Financial Service Guide (FSG) prepared by MEX (Australia) Pty Ltd (MEX) as the providing entity for the financial services and products listed herein under our Australian Financial Services Licence number 416279. This FSG is intended to provide you with general information regarding our services prior to providing you with a financial service. The FSG contains information about:

- Who we are and how you can contact us
- The services we are authorised to provide to you;
- How you can communicate with us;
- How we are remunerated;
- How you make a complaint and how it will be dealt with; and
- How we will deal with your personal information

This FSG was prepared on the 26 September 2018. All information contained in the FSG has been obtained from sources believed to be accurate.

The FSG should be used to assist you in deciding whether you will use any of our products and services.

If you receive an electronic copy of this FSG, you should download or otherwise receive all of this FSG. In addition to this FSG, you will receive a Product Disclosure Statement (PDS) from us. The PDS will provide general information about the financial products we issue and serves to assist you in making a decision whether to use our products. You should read the PDS entirely before deciding whether to open an account with us.

1.1 FINANCIAL SERVICE WE OFFER

MEX holds a current Australian Financial Services Licence (AFS Licence) being licence number 416279. Under our AFS Licence we are authorised:

- To provide financial products advice for the following classes of financial products:
 - I. Deposit and payment products including:
 - a) Basic deposit products;
 - b) Deposit products other than basic deposit products; and
 - c) Non-cash payment products
 - II. Derivatives
 - III. Foreign exchange contracts; and
 - IV. Securities

- To deal in a financial product:
 - I. Issuing, applying for acquiring, varying or disposing of a financial product in respect of the following classes of financial products:
 - a) Derivatives
 - b) Foreign exchange contracts; and
 - II. Applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of the following classes of products:
 - a) Basic deposit products;
 - b) Deposit products other than basic deposit products;
 - c) Non-cash payment products;
 - d) Derivatives
 - e) Foreign exchange contracts;
 - f) Securities; and
- To make a market for the following financial products:
 - I. Foreign exchange contracts; and
 - II. Derivatives

We are authorized to undertake these activities for both retail and wholesale clients.

2. FINANCIAL PRODUCTS WE OFFER

MEX offers the following financial products to its customers:

- Spot and forward foreign exchange contracts;
- Margin foreign exchange and margin foreign exchange options in respect of all major currencies and currency crosses ("Margin FX Contracts");
- Contracts for difference ("CFD") in respect of shares, index futures, bullion, commodities and indices;
- Currency conversion and transfer payment information and support; and
- Such other products as are notified to you from time to time

3. WHO DO WE ACT FOR

MEX is responsible for the financial services we provide to you under our Australian Financial Services Licence.

MEX is a market maker, not an agent, when dealing in margin foreign exchange contracts and products, which is off market over-the-counter (OTC) derivatives.

Accordingly, MEX acts as principal in all transactions with you in respect of these financial products offered by us.

4. OTHER DOCUMENTS WE MAY PROVIDE TO YOU

Should you choose to use any of our services or any of our products as identified in section 1 we are required to provide you with the appropriate PDS relating to that service or product. We will also provide you with a PDS if we give you advice on a specific derivative product before you have invested in the product but we will not provide you with a PDS for an underlying asset.

Any PDS we give you will provide further information about the different products which we issue and will identify the risks, terms and conditions, our fees charges and commissions, and any association we have that may influence our advice in respect of the product.

Any advice we provide to you is general advice only. We will not provide you with personal advice. Personal advice is advice about a financial product that is given or directed to a person in circumstances where:

- The provider of the advice has considered one or more of the person's objectives, financial situation and needs; or
- A reasonable person might expect the provider to have considered one or more of those matters.

This means that advice we do give you has been prepared without taking account of your objectives, financial situations or needs. As with any other financial product you should carefully consider the appropriateness of the advice you have received having regard to your objectives, financial situations or needs and you should obtain and read our PDS before making any decisions in relation to our products or services.

5. HOW DO YOU COMMUNICATE WITH US

You may communicate with us in writing (including by fax), by email or other electronic means or orally (including by telephone) using details set out in section 12 below, unless we tell you that instructions can only be given in a particular way. Instructions, given to us whether they confirm or revoke an instruction, commitment or notice of request will not take effect unless actually received by us.

If you wish to deal in one of our derivative products you may do so directly via internet Trading Platform (ITP) or by telephone. You may give us instructions via the ITP or by telephone 24 hours a day.

Before you log onto the ITP to deal in one of our financial products or ask us to deal in one of our financial products by telephone it is important that you understand the risks, costs and benefits of dealing in that the financial product. For information on the risks, costs and benefits related to our financial products you should turn top the PDS document.

6. WHAT OUR FINANCIAL PRODUCTS COST YOU

There will be no commission payable on Margin FX contracts with us. We make our revenue by earning the spread in the exchange rates quoted (buy/sell spread) when you seek to transact with us. However, the common fees and charges when dealing in such financial products may incorporate any or all of the following:

- **Payment Margin**
This is the initial margin requirement that is required to be in your account to open a trading position. The amount required to be in your account may be expressed as a percentage of the contract value or may be expressed as a multiple of the number of contracts. The margin requirements vary from market to market and are listed under the market information sheet on our website and are also available upon request from our staff.
- **Margin adjustments**
For as long as a position is open, you are required to keep sufficient money on your account to maintain your position. This is the variable margin requirement against adverse price movement of your position.
- **Rollover charges calculated at our Rollover Rates**
When you hold a position overnight, your account will be debited to reflect interest charge and credited to reflect interest credit. Interest charges are applied to debit balances;
We may charge you interest on any amount due, from close of business on the date when monies first fell due until the date of actual payment at a rate of 3% over the RBA cash rate until payment is made in full, and is compounded monthly, and we will not pay you any interest on money held in your account.
- **Premiums in case of Margin FX Options**
- **Commission in the case of Share CFDs, securities and futures;**
- **Administration fees; and**
- **Data fee**

MEX may charge you a data fee for the use of real-time price data on our trading platform. This fee may reflect the ASX or any overseas Exchange charges that we incur in providing this real-time price data.

Further details of our fees and charges, and examples of how these are calculated, are set in the PDS.

7. REMUNERATION AND OTHER BENEFITS RECEIVED BY OUR EMPLOYEES

Our employees who provide you with advice or transaction services may receive remuneration for the provision of these services. Our employees receive salaries, performance-related bonuses and other benefits based on achievement of predetermined business objectives such as contribution to profit, client service, risk management and team contribution. Please contact us within a reasonable time of receiving this FSG and before you use any of our services if you require any further particulars in relation to the remuneration and other benefits received by our employees.

8. BENEFITS RECEIVED BY THE SERVICE PROVIDER OR AUTHORISED REPRESENTATIVES

You may have been referred to us by a service provider such as Introducing Brokers or authorized representatives who may receive financial or nonfinancial benefits from us. These should have been disclosed to you by the service provider or authorized representative in question. Please note that such benefits will not impact transaction fees or margins payable for transactions undertaken with us. We may also provide referral benefits that relate to your transactions from time to time. Compensation paid to a referring party is based on the volume of the referring party's client trading volume. Any benefits that those third parties receive are paid out of our own funds and are not a cost to you.

9. RELATIONSHIPS OR ASSOCIATIONS THAT MAY INFLUENCE OUR ADVICE

There are no relationships or associations that might reasonably be expected to be capable of influencing us in providing general advice about our products. We shall give you reasonable notice should such relationship or association arise in future.

10. OTHER MATTER

10.1 DISPUTE RESOLUTION

We have an internal dispute resolution process in place to resolve any complaints or concerns you may have, quickly and fairly. Any complaints or concerns should be directed to the Complaints Officer (by telephone, facsimile or letter) at the address and telephone/fax numbers provided in section 12. We will acknowledge your complaint immediately and will commence investigate your complaint and provide you with our decision and the reasons on which it is based, in writing. We will seek to resolve your complaint within 45 days. If you are dissatisfied with the outcome, you have the right to lodge a complaint with the Australian Financial Complaints Authority or 'AFCA', a new external dispute resolution (EDR) scheme to deal with complaints from consumers in the financial system. Importantly, AFCA replaces the

three existing EDR schemes of the Financial Ombudsman Service (FOS), the Credit and Investments Ombudsman (CIO) and Superannuation Complaints Tribunal (SCT) so that consumers have access to a single EDR scheme.

Using AFCA is free to consumers. If you would like to access the scheme, please lodge a complaint:

- With the Financial Ombudsman Service Australia if lodged before 1 November 2018:
Online: www.fos.org.au
Email: info@fos.org.au
Phone: 1800 367 287
Mail: Financial Ombudsman Service Limited GPO Box 3 Melbourne VIC 3001; or
- With the Australian Financial Complaints Authority if lodged on or after 1 November 2018:
Online: www.afc.org.au
Email: info@afc.org.au
Phone: 1800 931 678
Mail: Australian Financial Complaints Authority GPO Box 3 Melbourne VIC 3001

11. PERSONAL INFORMATION

We are committed to protecting your privacy. The information you provided to us and any other information provided by you in connection with your transactions will primarily be used for the processing of your application and for complying with certain laws and regulations. We have systems and processes which safeguard against the authorized use or disclosure of your personal information. We may use this information to send you details of other services or provide you with information that we believe may be of interest to you. Please contact us if you have any concerns or if you would like to see a copy of our privacy policy.

12. OUR CONTACT DETAILS

You can contact us by:

Telephone: (61) 02 9195 4000

Internet: www.mexexchange.com

Email: support@mexexchange.com

Postal Address: Level 22, 227 Elizabeth St, Sydney NSW 2000, Australia

13. PROFESSIONAL INDEMNITY INSURANCE

We are covered by a Professional Indemnity Insurance Policy which satisfies the requirements of section 912B of the Corporations Act 2001. Subject to its terms and conditions, the Policy covers clients for loss or damage suffered as a result of breaches of the relevant obligations of the company, its employees and representatives in relation to its AFS license.