



FINANCIAL SERVICES GUIDE

1. ABOUT THIS DOCUMENT

This Financial Services Guide (**FSG**) is an important document. You should read it carefully and make sure you understand it.

This FSG is dated 23 October 2017 and is provided to you by JB Markets Pty Ltd ABN 81 123 876 291, AFSL 323182 (**JB Markets**, we, our, us) to inform you of the financial services we are able to provide and to assist you in deciding whether to use any of the services offered in this FSG. This FSG replaces all prior versions.

This FSG explains:

- other disclosure documents we may give you;
- who we are and how you can contact us;
- financial services and products we are authorised to provide;
- how you can instruct us;
- how we get paid (remuneration, commissions, benefits);
- how we deal with customer complaints and where you can go for further help;
- our compensation arrangements;
- potential conflicts of interest; and
- records we keep and privacy policy.

This FSG contains general information. If you have further questions after reading it, please contact us.

2. OTHER DISCLOSURE DOCUMENTS WE MAY GIVE YOU

JB Markets will provide clients with documentation to facilitate transactions including client agreements, terms and conditions and confirmations.

JB Markets can provide you with factual information and research, and facilitate execution requests.

Where we make a recommendation on a product (other than securities listed on the ASX or a managed discretionary account service) to a retail client, we will provide you with a Product Disclosure Statement (**PDS**) which will assist you in deciding whether to acquire the financial product. The PDS contains important information about the product features, benefits, risks and fees associated with that product. The PDS should be read carefully to enable you to make an informed decision about whether to utilise the product.

3. WHO WE ARE

JB Markets is responsible for the Financial Services described in this guide. JB Markets holds an Australian Financial Services Licence (AFSL) AFSL Number 323182.

JB Markets is a financial services firm that deals in securities, exchange-traded derivatives contracts, foreign exchange contracts as well as OTC derivatives (e.g., margin FX, CFDs).

Your client advisor is a representative of, and acts on behalf of, JB Markets. JB Markets does not act as a representative of any other licensee in relation to the services or products we provide.

Our contact details:

Contact: JB Markets - Compliance

Address: Level 44, Grosvenor Place, 225 George Street
Sydney, NSW 2000, Australia

Phone: 1300 648 165

Email: compliance@jbmarkets.com

Website: www.jbmarkets.com

4. FINANCIAL SERVICES WE ARE AUTHORISED TO PROVIDE

JB Markets is authorised under its AFSL to provide you with the following range of financial services:

(a) **provide advice on the following classes of financial products:**

- deposit and payment products (limited to basic deposit products);
- derivatives;
- foreign exchange contracts;

- general insurance products;
 - government debentures, stocks or bonds;
 - interests in managed investment schemes (excluding investor directed portfolio services);
 - interests in managed investment schemes limited to managed discretionary account services;
 - securities; and
 - standard margin lending facility;
- (b) **deal in the following classes of financial products by issuing, acquiring, applying for, varying or disposing of those products:**
- derivatives restricted to exchange-traded derivatives;
 - foreign exchange contracts;
 - interests in managed investment schemes (excluding investor directed portfolio services); and
 - interests in managed investment schemes limited to managed discretionary account services;
- (c) **deal in the following classes of financial products by applying for, acquiring, varying or disposing of those products on behalf of another person:**
- deposit and payment products (limited to basic deposit products);
 - derivatives;
 - foreign exchange contracts;
 - general insurance products;
 - government debentures, stocks or bonds;
 - interests in managed investment schemes (excluding investor directed portfolio services);
 - interests in managed investment schemes limited to managed discretionary account services;
 - securities; and
 - standard margin lending facility;
- (d) **make a market in:**
- foreign exchange contracts; and

- derivatives restricted to exchange-traded derivatives; and
- (e) **provide custodial and depository services (other than investor directed portfolio services).**

Our AFSL authorises us to provide the above services to retail and wholesale clients (within the definition contained in the Corporations Act).

5. NATURE OF ADVICE AND OUR RESPONSIBILITIES

Although authorised to do so under our AFSL, JB Markets does not provide any personal advice in relation to any financial products. Personal advice is advice that considers one or more of your objectives, financial situation and needs (**your Personal Circumstances**). If your relationship with JB Markets includes the provision of advice, such advice is provided as general advice only. Any general advice we provide to you as a retail client does not take account of your Personal Circumstances. Before acting on any general advice, you must consider the appropriateness of the advice in light of your Personal Circumstances. Newsletters, trade alerts and research papers are examples of general advice we may give you.

Before taking any action to acquire any of the financial products or services mentioned in this FSG you should consider whether the product or service is appropriate having regard to your Personal Circumstances. You should also consult the relevant PDS and ensure that you understand the risks associated with the financial products and services you enter into with JB Markets.

6. PRODUCTS AND SERVICES WE PROVIDE

JB Markets provides both a dealing services and general advice in relation to securities, exchange-traded derivatives (futures, options), foreign exchange contracts and Contracts for Difference.

JB Markets does not give personal advice. All advice given by JB Markets is general advice only.

JB Markets may also arrange for you to be supplied with financial services and products issued by non-related product providers. JB Markets may receive a fee or commission payment from these non-related product providers as a result of you investing in one of their products or services. Any remuneration that JB Markets may derive is included in the fees and commissions you pay as outlined under the heading “How do we get paid”.

The following outlines some important risks involved in investing in financial products, but does not purport to be an exhaustive list of the risks involved in investing in financial products.

- General Economic Conditions and Market Risks
- Risk associated with Selling Options
- Specific Industry Risk
- Financial Market Volatility
- Leverage Risk

- Liquidity Risk
- Exchange Rate Risk
- Lack of Diversification.
- Performance of Other Asset Classes
- Margins and Financial Products
- Licensing Requirements
- Operational Risk
- Tax Considerations for Investors
- Fees and Charges
- Market slippage and lack of Liquidity

7. HOW TO INSTRUCT US

Before transacting with JB Markets you must open an account with us. You may then give instructions to us in any of the following ways:

- By telephone (note your telephone calls to us will be recorded);
- in writing (including email, note you must confirm with us that such instructions have in fact been received by us); and
- electronically via third party electronic trading applications. (by prior arrangement).

8. HOW DO WE GET PAID?

(a) Transaction based fees

JB Markets is remunerated through the fees and commissions that we charge you for executing transactions on your behalf and for the provision of advice. Fees and commissions charged to you will depend on the type of financial product being traded, the frequency of your trading activity, the type and level of service required and the size of your transaction. Rates are subject to negotiation prior to transacting any business. Fees and commissions, once disclosed and agreed, will be charged to your trading account at the time any transaction is executed.

Fees and commissions will be charged by JB Markets if you receive advice or deal in exchange-traded derivatives.

If you receive advice or deal in any other financial products, you may be required to open an account with a third-party service provider for the provision of execution and clearing services. In these circumstances JB Markets will be acting as the referral agent or introducing broker. Depending on the arrangements between JB Markets and the third-party broker JB Market's fees and charges will be paid by either of the following two methods:

- JB Markets' fees and commissions will be charged to your trading account by the third-party service provider on behalf of JB Markets. The third-party service provider charges JB Markets a fee for providing its execution and clearing services, and JB Markets' fees and commissions, less the third-party service provider's fee, will be paid to JB Markets by the third-party service provider from time to time. Accordingly, the third-party service provider's fee is not an additional cost to you.
- JB Markets will receive a percentage of the commission paid to the third-party service provider by you. The amount received by JB Markets will vary depending on the contractual arrangements entered into between JB Markets and the third-party service provider and will be pursuant to the terms and conditions of your agreement with JB Markets. Accordingly, JB Market's fee is not an additional cost to you.

The fee and commission rates below are the maximum that JB Markets may charge and are provided as a guide only. A detailed description of the fees, charges and commissions payable are contained in the PDS for the relevant financial product or the client agreement, as applicable. JB Markets will provide you with details of the rates applicable to you at the time you enter into the client agreement.

| Type of Product | Basis | Maximum fee |
|-----------------------------------|-----------------|--|
| Securities – domestic | per transaction | up to A\$110 or 1.25% (including GST*) of the transaction value (whichever is greater) |
| Securities - International | per transaction | up to A\$200 equivalent or 1.25% (including GST*) of the transaction value (whichever is greater); |
| Exchange traded options | per transaction | up to A\$99 (including GST*); |
| Futures | per transaction | up to A\$99 (including GST*) per lot |
| Futures Options | per transaction | up to A\$99 (including GST*) per lot |
| Derivative Contracts | per transaction | Up to 2 pip spread mark-up per transaction (including GST*) |

*In some cases, fees may be exempt from GST where the supply is made to a non-Australian resident.

There may be other charges applicable to a securities trading account that are passed on by third party service providers. These fees and charges will be fully noted in the agreement between you and the third-party service provider.

There may be numerous other fees that may be triggered depending on the style of your account.

JB Markets, acting reasonably, may change these rates from time to time. Such changes will be notified to you by email, in writing or where you have agreed by us posting a notice to our website, www.jbmarkets.com. We recommend that you seek advice from a professional tax agent.

(b) **Administration charges**

Administrative services provided by JB Markets to which fees may apply are outlined in the following table.

| Administrative Service | Fee (incl. GST) |
|--|--|
| Withdrawal (same day value) | A\$35.00 |
| Duplicate Statements | A\$20 per statement |
| Provision of live data feed | At Exchange rates as advised from time to time |
| Phone broking charges for CFD and Margin FX transactions | Up to A\$55.00 per transaction |
| Default Interest Rate | RBA Cash Rate plus 5% |

(c) **Commissions, remuneration and other benefits received by JB Markets**

JB Markets is entitled to retain any interest it earns on client money held in the client monies trust accounts which it must maintain pursuant to the Corporations Act. The rate of interest is determined by the provider of each account.

(d) **Commissions, remuneration and other benefits paid by JB Markets**

You may have been referred to us by a service provider (which may be an authorised representative of JB Markets) which may receive financial or non-financial benefits from us, where the law allows. Please note that such benefits will not impact transaction fees or the rates you will be offered for financial products or services undertaken with JB Markets.

(e) **Other benefits to JB Markets**

JB Markets and its representatives may from time to time receive remuneration or other benefits from product issuers and other financial services providers we deal with, including educational seminars, conferences and training days. Details of these benefits will be maintained on a register as required by law.

(f) **Remuneration of employees, directors and representatives**

Our directors and some of our representatives are remunerated by way of salary and other employee benefits. They may also be eligible for a discretionary bonus related to business objectives. Such payments are discretionary and are generally made in the form of monetary benefits and are paid annually.

Some of our representatives are remunerated by way of fees and commission in amounts up to 80% of all fees and commissions generated from their clients depending on the level of salary and the aggregate revenue that they generate for JB Markets.

9. COMPLAINTS RESOLUTION

We take every step to ensure we provide you with quality service. JB Markets has an internal dispute resolution policy in place to resolve any complaints or concerns you may have about the service provided to you. These should be directed to the Complaints Officer (by telephone or letter) at the address on the first page of this FSG, or by email compliance@jbmarkets.com.

We will provide you with acknowledgement of written complaints within 5 business days, and seek to resolve and respond to your complaint within 30 days of receipt. We will investigate your complaint, and provide you with our decision, and the reasons for which it is based in writing. We will endeavour to resolve your complaint quickly and fairly.

If the complaint cannot be resolved to your satisfaction within 45 days and you wish to proceed further, you may lodge a complaint with the Financial Ombudsman Service (FOS) via the following means:

Financial Ombudsman Service Ltd
GPO Box 3, Melbourne Vic 3001
Email: info@fos.org.au

Website: www.fos.org.au
Toll Free Telephone: 1800 367 287
Fax: 03 9613 6399

Our FOS membership number is: 12606.

You may also contact Australian Securities and Investments Commission (ASIC) free call Infoline on 1300 300 630 to make a complaint and obtain information about your rights.

10. COMPENSATION ARRANGEMENTS

We hold professional indemnity insurance cover for the activities conducted under our AFSL. The policy provides coverage for claims regarding professional negligence, directors and officers liability, crime (fraud) and the conduct of representatives (including representatives who no longer work for us but who did at the time of the relevant conduct). Our professional indemnity insurance cover is subject to the policy terms and conditions. JB Markets considers that our insurance cover generally satisfies the requirements of s912B of the *Corporations Act*.

11. CONFLICTS OF INTEREST AND ASSOCIATIONS

Conflicts of interest may occur from time to time. JB Markets will advise you of any material interest that could reasonably be expected to influence our recommendation of a financial product to you, either verbally or within an SOA, SOAA or ROA.

However, you should be aware that:

- JB Markets' client advisors are remunerated wholly or in part on a share of brokerage or commission basis;
- if you have been referred to us by a third party, that person may receive a share of brokerage charged to you; and
- JB Markets, its directors and representatives may have material interests in the shares of companies that we have provided advice on from time to time.

JB Markets has an association with several third-party service providers that provide execution and clearing services to clients. If JB Markets has referred or introduced, you to a third-party service provider it may receive a share of brokerage charged to you.

These conflicts of interest and associations in no way influence the provision of financial services by JB Markets to you.



Level 44, Grosvenor Place, 225 George Street, Sydney NSW 2000

Ph 1300 648 165 / email compliance@jbmarkets.com / www.jbmarkets.com