



Invast Financial Services Pty Ltd

Financial Services Guide (FSG) For Equities, Spot Forex & CFDs

18th July 2013

AFSL No. 438283

ABN 48 162 400 035

You can contact Invast Financial Services (“Invast”) using the details below:

Address: Level 37, Gateway
1 Macquarie Place,
Sydney, NSW 2000
Australia

Phone: +61 – (0)2 – 8036 7555 or 1800 Invast/1800 468 278 (within Australia)

Fax: +61 – (0)2 – 8036 7551

Email: info@invast.com.au

Purpose And Content Of This FSG:

This FSG is designed to tell you about the financial products and services that we are authorised to offer under our Australian financial services licence (AFSL).

This FSG contains important information about:

- Who we are and how you can contact us
- The financial products and/or services we offer
- How we and our associates are remunerated
- The capacity in which we act when we provide financial services
- Our internal and external dispute resolution procedures
- The privacy of your personal information

This FSG should assist you in deciding whether to use any of the products or services we offer.

Product Disclosure Statements (PDS) And Other Documents:

When you are looking to open a Spot Forex and/or contract for difference (CFDs) trading account with Invast, Invast will also provide you with a PDS, which contains important information about the financial products we offer, including the trading risks and costs associated with the financial product.

The kinds of financial products to which our services relate are direct equities, foreign exchange contracts and derivatives. The derivatives we offer are contracts-for-difference (CFDs) over a wide range of financial instruments including stock indices, commodities, equities and foreign exchange contracts. A CFD is an agreement between two parties to exchange the difference, in cash, between the opening value and the closing value of the contract. The CFDs we offer are over-the-counter (OTC) derivatives, which means that they are not traded on a licensed financial market (e.g. a stock exchange).

Trading in foreign exchange and derivative products carries substantial risks and you may incur substantial loss. Before making any decision to acquire any of our financial products, you should carefully review the PDS and consult your professional advisers to determine whether investing in these products is suitable for you.

You should also read our Terms & Conditions before trading with us. Terms and Conditions, along with this FSG and PDS, govern the terms of our relationship with you.

Who Is Invast?

Invast Financial Services Pty Ltd ("Invast") is a wholly-owned Australian subsidiary of Invast Securities Co., Ltd that is based in Tokyo, Japan. Invast Securities was founded in August 1960 and was listed in JASDAQ in March 2006. Invast Australia offers Direct Equities, Spot Forex and CFD products and services to clients.

Who We Act For:

When you trade in Invast's derivative and foreign exchange products (i.e. our OTC Spot Forex & CFDs), we act as principal and we are the issuer of these products.

When you trade in Exchange-traded products with Invast (i.e. securities that are traded on a recognised Exchange, such as ASX shares), Invast acts as your agent, and will instruct market participants who will enter into trades on the Exchange, in accordance with your orders. Trades will be executed by Third Party Platform Pty Ltd trading as Bell Direct, who is the holder of an AFS licence 314341.

The Financial Products And Services We Are Authorised To Provide To You:

Invast holds an AFSL which authorises us to provide the following services to both wholesale and retail investors:

- Provide general financial product advice in derivatives, foreign exchange contracts and securities;
- Deal in derivatives and foreign exchange by issuing, applying for, acquiring, varying or disposing of a financial product in these classes;
- Deal in basic deposit products, derivatives, foreign exchange contracts and securities by applying for, acquiring, varying or disposing on behalf of another person; and
- Make a market for foreign exchange contracts and derivatives to retail and wholesale clients.

Invast will only provide general advice. Invast does not provide any personal advice which takes into account your personal objectives, financial situation or needs. If you require personal advice, please contact your financial adviser, who will provide you with a statement of advice in respect of any personal financial product advice given to you.

Invast provides dealing and market making services through its online trading platforms Invast Share Trader (self direct Equities trading), Invast MT4 (self direct trading or auto trading in Spot Forex & CFDs), Invast cTrader (self direct trading in Spot Forex), and ST24 (semi auto trading in Spot Forex). Please refer to our PDS for details about the features of these trading platforms, other than the Invast Share Trader platform.

Before acting on any advice asked of or given by an employee of Invast, you should carefully consider the appropriateness of the advice with regards to your personal objectives, financial situation and needs.

Our Over-The-Counter Products:

Invast offers a range of over-the-counter (OTC) derivatives products, namely Spot Forex (Foreign Exchange Contracts) and CFDs (Contracts for Difference). Together, they are called Invast Products.

The Invast Products are available via our online trading platforms Invast MT4, Invast cTrader and ST24.

Please read the attached PDS For Spot Forex & CFDs (MT4, cTrader & ST24). You can find the PDS at www.invast.com.au/legals/Product-disclosure-Statement for more details about the Invast Products.

Our Share Trading Services:

The Invast Share Trader online platform offers access to Exchange-traded financial products from the Australian Securities Exchange (ASX). Trades will be executed through Bell Direct.

Cost, Fees And Charges:

Invast do not charge fees for opening or closing Trading Accounts or withdrawing funds unless a telegraphic transfer or overnight cheque is requested. If you choose to withdraw funds from your trading account and would like Invast to send you funds via wire transfer, a bank fee will be deducted from your trading account. For all returned cheques, a fee will be charged deducted from your trading account too. You may view the fee schedule, which can be found at www.invast.com.au/legals/fee-schedule for details about the fee charges.

Other costs, fees and charges include:

- **Commission – Direct Equities, Share CFDs & Spot Forex**
The commission charges are generally calculated as a percentage of the underlying contract value of the trade. The commission rate charged will not normally exceed 1% of the contract value on both the opening and the closing trades.
- **Direct Australia Equities Market – Exchange access fees and webiress**
We may charge you a data fee for the use of real-time price data on our trading platform. This fee reflects the ASX charges that we incur in providing this real-time price data.
- **Dividend amounts- Direct Equities and Share CFDs only, as with a long position on a CFD your account is debited to reflect interest adjustments and credited to reflect any dividends. The effect of these adjustments is to mirror the effect of buying shares directly through a stockbroker, where you would no longer earn interest on the cost of the shares, but receive dividends instead.**
- **Spreads – All Invast Products except Direct Equities & Shares CFDs**
The dealing spread is the difference between the prices at which we, as a market maker, is willing to buy and sell the Invast Products. Dealing spreads vary from market to market and are listed under the market information tab on our website and are also available upon request from one of our dealers. Please refer to the market information sheet; www.invast.com.au/legals/market-information-sheets
- **Overnight Financing Charges - all Invast Products except Direct Equities, CFD over futures contracts**
Trading in CFDs allows you to take long or short positions. You will take a "long position" where you buy something, normally with the expectation that it will increase in value. You will take a "short position" where you sell something, normally with the expectation that it will decrease in

value. While the position remains open, your account may be debited or credited to reflect funding interest and dividend adjustments. The direction of funding interest and dividend adjustments depends on whether the CFD is used to create a long or a short position.

- Currency Conversion calculation fees- all Invest Products and Invest Services
- Default interest on unpaid amounts or any negative balances in your Account - all Invest Products and Invest Services
- Initial Margin Deposit: The Initial Margin rates applicable to each instrument that Invest offers are detailed in the Market Information Sheets and may vary from time to time. Please note that Invest, in our sole discretion and acting reasonably, has the right to increase any margin requirement. This is to ensure that Invest can address any risks that may arise in relation to your positions.

Invest will not pay you any interest on the amount in your Trading Account.

For more information about costs, fees and charges, please visit www.invest.com.au/legals/fee-schedule

Further Information About Cost, Fees And Charges:

All costs, fees and charges and other amounts payable are subject to change from time to time, although we will give you at least thirty (30) days notice of any increase in fees. We reserve the right to negotiate different fees and charges with different Clients. It is your responsibility to be familiarised with these fees and charges and we strongly encourage you to regularly check our website for further updates.

Introducing Brokers:

The fees and charges described in PDS and in this FSG apply where you trade directly with Invest. If you trade with Invest through an Introducing Broker, that Introducing Broker may have its own fees and charges.

Our Introducing Broker service allows Introducing Brokers to be remunerated for introducing new Clients to Invest. As an Introducing Broker they can introduce Clients to Invest and in turn receive remuneration and other benefits in accordance with the Corporations Act and ASIC requirements. You should refer to your Introducing Broker's financial services guide, website or contact your Introducing Broker for further information. In those circumstances, if there are differences in the Introducing Broker's fees and charges for a particular service, the Introducing Broker's fees and charges will apply.

Remuneration And Benefits For Employees And Directors:

Our employees and directors are remunerated by way of salary and other employee benefits. They may also be eligible for a discretionary bonus which is based on achievement of predetermined business objectives such as contribution to profit, client service, risk management and leadership/team contribution.

Our Associations Or Relationships:

We have a commercial business arrangement with our Hedge Counterparty providers – Citibank, GFT and Bell Direct for both Exchange-traded and OTC financial products. Citibank, GFT and Bell Direct provide us, from time to time, with support in relation to information technology, finance and other services. Other arrangements with Citibank, GFT and Bell Direct are governed by formal agreements between us. The fees and charges that you pay to Invest may ultimately benefit other members of the Citibank, GFT and Bell Direct and their associates.

Complaints Handling:

We have clear internal and external complaint resolution procedures, and we are a member of an independent dispute resolution scheme, the Financial Ombudsman Service (FOS). If you wish to make a complaint or a query, you should contact one of our employees. If the complaint cannot be resolved at this first point of contact, you should put your complaint in writing and send it to:

The Complaints Officer
Invest Financial Services Pty Limited
Level 37
1 Macquarie Place
Sydney, NSW 2000

The Complaints Officer will acknowledge the complaint as soon as practicable and to inform you who will be

responsible for resolving the complaint. The Complaints Officer has 45 days from the date of the original complaint to resolve the issue. The Complaints Officer will report the findings to you either by phone or in writing. If you are still dissatisfied and wish to pursue your complaint you can direct the complaint to the FOS:

Financial Ombudsman Service
GPO Box 3
Melbourne Victoria 3001
Phone: 1300780808 or +61 (03) 9613 7366
Fax: +61 (03) 96136399
Website: www.fos.org.au

We will provide you with a guide to the External Dispute Resolution Scheme once notified of any complaint to FOS. We will assist FOS in its investigation and we are bound by any decision that it makes in regard to the dispute.

Recording Of Phone Conversations With Invast Employee:

Invast may record phone conversations between you and our employees. Such recordings, or transcripts from such recordings, may be used as evidence in any dispute or anticipated dispute between Invast and you.

Professional Indemnity Insurance:

Invast has a professional indemnity insurance in place which satisfies the requirements for compensation arrangements pursuant to section 912B of the Corporations Act 2001. This policy covers claims made against Invast in relation to professional services provided by our current and former employees.

Invast's Privacy Policy:

We value the privacy of your personal information. When we collect, use, disclose or handle personal information, we are bound by the Privacy Act 1988 Cth.

Our full privacy policy is available from our website

www.invast.com.au/legals/privacy-policy

If you would like a copy of our privacy policy, or wish to seek access to, or correct the personal information we collect or disclose about you, please contact us.

Contacting Invast:

You may communicate with us in writing (by email, fax or post), or orally (by telephone or in person) by using the contact details appearing on the front of this FSG.

To give us dealing instructions, you may do so via our web-based trading platform or by telephone.

For non-dealing related instructions, you may contact us by telephone, by e-mail, by fax, by post or in person.