



Halifax Investment Services
Broking & Fiduciary Services

**FINANCIAL SERVICES
GUIDE**

Halifax Investment Services Ltd

ABN 52 096 980 522

AFS Licence Number 225973

Governor Phillip Tower

Level 49, 1 Farrer Place, Sydney NSW 2000

Date 15 January 2016

CONTENTS

SECTION 1

Purpose of this Financial Services Guide 3

SECTION 2

Overview of Halifax Investment Services Ltd 4

SECTION 3

Financial Services and Financial Products 4

SECTION 4

Fee Structure 5

SECTION 5

Associations and Relationships 7

SECTION 6

Complaints 8

SECTION 7

Compensation Arrangements 8

SECTION 1

Purpose of this Financial Services Guide

A. Financial Services Guide

This Financial Services Guide has been prepared by Halifax Investment Services Ltd ABN 52 096 980 522 (**Halifax, we, us, our**). Halifax holds an Australian Financial Services Licence (licence number 225973).

The purpose of this Financial Services Guide is to:

- ensure that you receive important information about the type of financial services we are authorised to provide to you;
- assist you in deciding whether to use any of those financial services;
- provide you with information about the remuneration that we may receive in relation to financial services provided; and
- provide you with details in relation to our complaints and dispute resolutions procedures.

B. Other Documents

In addition to this Financial Services Guide, you may receive other documents from us.

If we make a recommendation to you in relation to, or offer to issue or arrange to issue to you, a financial product (other than Securities, Government Debentures and Bonds), we will provide you with a Product Disclosure Statement in relation to that financial product unless we reasonably believe that you have already received one that contains all the required information.

The Product Disclosure Statement will contain information in relation to the features, benefits, risks and fees associated with the financial product and should assist you in deciding whether to acquire the financial product.

Copies of our Product Disclosure Statement are available at www.halifax.com.au – listed under “Product Disclosure Statement” on the home page.

We provide both general and personal financial product advice. If we provide you with personal financial product advice, we will provide you with a Statement of Advice, which will take into consideration your personal considerations, objectives, financial situation and needs. The Statement of Advice will contain the advice, the basis on which the advice is given and information about fees, commissions and associations.

If we provide additional advice that adds to the Statement of Advice, we will provide you with a Statement of Additional Advice.

If we provide further advice:

- you may request a record of that advice (Record of Advice) if you have not already been provided with that record by providing us with instructions as outlined in section 3; and
- a request for a Record of Advice has to be made within 7 years from the date of when the further advice was provided.

Some of our financial services are provided by our Authorised Representatives. If there are special features of that service, we will give you a Supplementary Financial Services Guide for those features and detail the identity and contact details of the Authorised Representative, the remuneration they receive and the services they are authorised to provide.

SECTION 2

Overview of Halifax Investment Services Ltd

A. Contact Details

Business Name: Halifax Investment Services Ltd

A.B.N.: 52 096 980 522

Australian Financial Service Licence: 225973

Office Location: Governor Phillip Tower
Level 49
1 Farrer Place
Sydney NSW 2000
Australia

Telephone: +61 2 9241 4321

Facsimile: +61 2 9241 4331

Email address: operations@halifaxonline.com.au

Website: www.halifax.com.au

Telephone conversations with us may be recorded.

B. Business Description

Halifax provides financial product advice and arranges for the execution of trades in Securities, Derivatives such as Options, Futures and CFDs and Foreign Exchange products to retail and wholesale clients. Halifax's services allow you to trade throughout Australasia, the United States, Asia and Europe. Execution and clearing services for transactions executed through Halifax are provided by both Halifax and external parties.

SECTION 3

Financial Services and Financial Products

Halifax holds an Australian Financial Services Licence, under which we are authorised to provide financial product advice in:

- Deposit and payment products limited to:
 - Basic deposit products;
- Derivatives;
- Foreign Exchange Contracts;
- Interests in managed investment schemes excluding investor directed portfolio services;
- Securities; and
- Financial products limited to:
 - Miscellaneous financial investment products.

Halifax is also authorised to deal in financial products by:

- issuing, applying for, acquiring, varying or disposing of a financial product in the following classes of financial products:
 - Derivatives;
 - Foreign Exchange Contracts; and
- applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of the following classes of products:
 - Basic deposit and payment products;
 - Derivatives;
 - Foreign Exchange Contracts;
 - Interests in managed investment schemes excluding investor directed portfolio services;
 - Securities; and
 - Miscellaneous financial investment products.

Halifax is authorised to make a market for:

- Foreign Exchange Contracts; and
- Derivatives.

Halifax is authorised to provide the above financial services to retail and wholesale clients.

How to provide instructions

The method by which you will instruct us will vary depending on what type of financial service we are providing to you.

We will agree on an appropriate means for you to provide us with instructions (for example, the type of electronic trading platform you wish to use). Other methods of instructions are telephone orders within specified hours, or in the case of prior approval facsimile, email or in person before we provide you with any financial services.

SECTION 4 Fee Structure

A. How does Halifax get paid?

Brokerage or commission is charged when you buy and sell most financial products.

The brokerage rates below represent the range that Halifax could charge. Brokerage rates are negotiable for active clients and/or on large transactions and you could receive cheaper rates. The rates below should be used as the maximum guide only. Please call us to confirm the rates that will apply to you.

All figures are quoted in Australian dollars unless otherwise stated.

The range of our brokerage rates applicable to transactions are as follows:

- Securities transactions are charged per transaction, a fee of \$0 to \$100 or 0% to 1.1% (including GST) of the transaction value (whichever is greater);
- Transactions for Exchange Traded Options over Securities are charged a fee of \$0 to \$93.50 (including GST) per transaction or 0% to 1.1% (including GST) whichever is greater. This does not include ASX clearing and settlement fees – please refer to www.asx.com.au; and
- Futures transactions are charged as follows:
 - ASX 24 transactions are \$0 to \$55 (including GST) ‘per lot’; that is, buying and selling a domestic contract has a combined round trip cost of \$0 to \$110 (including GST). For all Futures Contracts outside of Australia transactions are charged at the equivalent foreign exchange rate of \$0 to \$55 (including GST) ‘per side’. Subsequent volume are charged at the same additional prevailing rate on both domestic and foreign transactions; and
 - Options on Futures transactions are charged up to \$55 (including GST) per option contract; that is, buying and selling a domestic Option contract has a combined round trip cost of \$0 to \$110 (including GST). For all Option on Futures Contracts outside of Australia transactions are charged at the equivalent foreign exchange rate of \$0 to \$55 (including GST) per Option Contract. Subsequent volume are charged at the same additional prevailing rate on both domestic and foreign transactions.

Contract for Difference (CFD)

Commission is based on the full notional value of your Stock CFD transaction and expressed as a percentage of the contract value with a fixed minimum charge or cents per Stock CFD with a fixed minimum charge, depending on the exchange the Stock CFD is traded on. Commission on Index and Expiring CFDs are built into

the spread we offer on your CFD transaction expressed as a point spread. Commission is directly based on the volume transacted by you.

The commission rates for both Market Made and Direct Market Access varies depending on the type of CFD you trade, however the range of fees you will pay is 0% to 2% of the full notional value of the transaction. For the comprehensive fee schedule with respect to commission levels please refer to Schedule B of the CFD Product Disclosure Statement (PDS) located on the Halifax website www.halifax.com.au or phone for a free copy on 1300 363 505.

Margin Foreign Exchange (Margin FX) and FX Options

For Margin FX transactions, commission is either built into the spread we offer on your transaction or on the full notional value of your transaction and expressed as a percentage of the contract value. There may also be an additional minimum transaction fee. Commission is directly based on the volume transacted by you. The range of commission rate you will pay is 0% to 1% of the full notional value of the transaction. For the comprehensive fee schedule with respect to commission levels please refer to Schedule B of the Margin FX Product Disclosure Statement (PDS) located on the Halifax website www.halifax.com.au or phone for a free copy on 1300 363 505.

The minimum transaction fee can be \$0 to \$20 per transaction at the equivalent foreign exchange rate. Commission is only charged when the Margin FX transaction is initially opened and closed and not each day when Rollover occurs. For Rollover fees and definition, refer to section titled ‘Rollover Fee’ of the Margin Foreign Exchange PDS located on the Halifax website www.halifax.com.au or phone for a free copy on 1300 363 505.

For FX Options, commission is built into the spread we offer on your transaction and may include an additional minimum transaction fee. The commission will not be included as part of the premium paid or received. Commission is directly based on the volume transacted by you. The range of commission rate you will pay is 0% to 1% of the full notional value of the transaction. The minimum transaction fee can be \$0 to \$20 per transaction at the equivalent foreign exchange rate. For the comprehensive fee schedule with respect to commission levels please refer to Schedule B of the Margin FX Product Disclosure Statement (PDS) located on the Halifax website www.halifax.com.au or phone for a free copy on 1300 363 505.

Data Fees

If you require live data, then, depending on the product you are trading, and where that product is based may then determine if you will be required to enter into a subscription agreement with the associated exchange. Halifax may provide you with this agreement. You are not obligated to enter into a data subscription to open an account with Halifax.

Interest on long and short CFD open positions

On Long Open Position

If you hold a long open position overnight you will pay interest (or a financing charge) on the open position contract value. This value is calculated daily and is the quantity of Underlying Product you hold multiplied by the closing market price for that Underlying Product on that day or the closing level for the Underlying Product on that day.

The interest rate you will be charged differs depending on the Trading Platform you use. The means of calculating the interest rate for each Trading Platform is set out in Schedule A in the Contract For Difference PDS located at www.halifax.com.au. No interest is paid or received if you open and Close Out a position on the same day.

Interest is calculated daily and debited from your account on a monthly basis within the following calendar month.

For example, if you were paying interest of 7% over the RBA cash rate and if the RBA cash rate was 4.25%, you would be paying a financing charge rate of 11.25% per annum. If the value of the underlying asset is \$20,000.00, the interest would be approximately \$6.16* for every day the amount is maintained ($\$20,000 \times 11.25\% = \$2,248$ divided by 365).

** The exact amount of interest paid/received by Halifax will vary each day, depending on such factors as the closing market price of the Underlying Products, changes to the holdings within your portfolio and/or changes to the prevailing interest rate that is applied.*

On Short Open Position

If you hold a short open position overnight, we will credit your Account (or, if the calculation gives an amount that is less than zero, we will debit your Account) with interest on the closing contract value of the open position. The interest rate we will use to calculate the interest credit differs depending on the Trading Platform you use. The way we calculate the interest rate for each Trading Platform is set out in Schedule A in the Contract For Difference PDS located at www.halifax.com.au.

Interest is calculated daily and debited from and credited to your account on a monthly basis within the following calendar month.

Interest on credit and debit balances

Interest is charged where the net free equity is in debit. Your Account could go into debit in certain circumstances, e.g. if there is a market movement against your position where you fail to meet your margin requirements, we may exercise our right to close out some or all of your open positions. If the realised loss is greater than the balance of your account then your account will go into debit (please refer to our PDS for more information).

The interest rate you will be charged differs depending on the Trading Platform you use. The way we calculate the interest rate for each Trading Platform is set out in Schedule A in the PDS located at www.halifax.com.au.

The funds used to meet your Margin obligations when you open a position do not accrue any interest. Interest is calculated daily and debited from your account on a monthly basis within the following calendar month.

Account Service Fees and Levies

Currently we don't, however, we may charge you an account service fee of \$0 to \$15 (including GST) per month for each account you hold with us. We may debit your account for this charge on a monthly or annual basis.

Currently we don't, however, we may also charge you levies the purpose of which is to defray the external costs we incur in complying with regulatory requirements relating to the opening and maintenance of accounts, including but not limited to know your customer (KYC), anti-money laundering (AML), counter-terrorism financing (CTF) and, if relevant for your account, Foreign Account Tax Compliance Act (FATCA) requirements. We may impose these levies when you open an account with us and/or on a monthly or annual basis.

If we decide to charge an account service fee or a levy on an existing account for the first time, we will notify you before we commence doing so and advise you of the proposed amount of the charge at that time (or the basis on which it will be calculated). We will also notify you before increasing any such fee or levy (or the basis on which it will be calculated).

B. How do Halifax's representatives get paid?

Halifax's representatives are remunerated by way of a share in the revenue earned by Halifax based on a number of factors relating to their (and Halifax's) overall performance during the year. This can range from 0% to 100% of fee revenue.

SECTION 5 Associations and Relationships

A. Privacy Policy

We recognise the importance of ensuring that you have confidence in the way we handle your personal information. Personal information is any information about an individual that identifies the individual or by which their identity can reasonably be ascertained. We will collect personal information from you and handle it in accordance with our Privacy Policy.

We abide by the Australian Privacy Principles and the Privacy Act 1988 and our Privacy Policy details show we do so. A copy of our Privacy Policy is available from our website (www.halifax.com.au).

If you would like a copy of the personal information about you we hold, please contact us.

B. Associations with other Financial Service Providers

Halifax has established relationships with other service providers to conduct business on your behalf. This does not affect your rights and obligations that you have with Halifax.

Halifax may offer you financial products issued by its associates or third parties, amongst other organisations they may include Banks, Brokers, and AFSL holders. Halifax may earn commission on financial products presented to you, which will be disclosed at the time of the offer. Halifax may earn brokerage and other fees at a rate of 1% to 100% of the fee revenue charged by that entity.

C. Associations with Authorised Representatives

Halifax has relationships with a number of persons whom it has appointed as authorised representatives (**Authorised Representatives**). Most of those Authorised Representatives provide training and information sessions in relation to financial products. Authorised Representatives, other AFSL holders or their representatives may receive commission from us in respect of referrals made to Halifax of your business. The commission received may be 0% to 90% of the gross commission. The commission they receive will be described in the relevant Supplementary Financial Services Guide given to you.

SECTION 6 Complaints

We want to know about any problems you may have with the services we provide to you so we can take steps to resolve the issue.

All complaints will be properly handled and investigated promptly. Should you still feel dissatisfied with the outcome, you may take your concerns to an external body for a resolution.

If you have a complaint about the financial services provided to you, please take the following steps:

1. Please contact the Halifax Complaints Officer by telephone, facsimile, email or letter:

Complaints Officer: Attn: Compliance Officer

Office Location: Governor Phillip Tower
Level 49
1 Farrer Place
Sydney NSW 2000
Australia

Telephone: +61 2 9241 4321

Facsimile: +61 2 9241 4331

Email address: compliance@halifaxonline.com.au

We have internal dispute resolution procedures that meet the essential elements of Australian Standard 4269-1995 *Complaints handling* and other minimum requirements set out in ASIC Regulatory Guide 165 (Licensing: Internal and External Dispute Resolution). A copy of these dispute resolution procedures may be obtained by contacting Halifax and requesting a copy.

2. If you are a retail client who is dissatisfied with the outcome of our internal dispute resolution procedures, you can also complain to the Financial Ombudsman Service (FOS) in writing at:

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001
Telephone: 1300 780 808

Halifax is a member of FICS's complaints resolution scheme (membership number is F-3307).

If you lodge a complaint to FOS, we may require you to answer questions about your circumstances. These questions are designed to determine whether you were a retail client – and thus entitled to complain to FOS – at the time the financial service complained of was provided

3. You may also contact the Australian Securities and Investments Commission (ASIC) on 1300 300 630. This is a Freecall Infoline. This is another alternative that you may use to make a complaint and obtain information about your rights.

SECTION 7 Compensation Arrangements

Halifax is 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 certain clients for loss or damage suffered as a result of breaches of the relevant obligations of Halifax, its employees and representatives in relation to its AFS licence.

Subject to its terms and conditions, the Policy also covers certain breaches by the employees and representatives employed by Halifax at the relevant time.