



The combined Financial Services Guide

of HiFX Limited and HiFX Australia Pty Ltd

A Guide To Our Relationship With You And Others

This Financial Services Guide (FSG) is issued by:

**HiFX Limited (HiFX) ABN 54 106 779 953
AFS Licence: 240914 and**

**HiFX Australia Pty Ltd (HiFX Australia) ABN 78 105 106 045
AFS Licence: 240917.**

Prepared on 21 October 2016

Xe Money Transfer is provided by HiFX Limited.

What Is The Purpose Of This FSG?

The purpose of this FSG is to inform you of the financial services we (HiFX and HiFX Australia) offer and to ensure that you receive the information required to make an informed decision about whether to use the financial services that are offered by us.

Under the Corporations Act 2001 (Commonwealth) we are obliged to provide you with this FSG. Our FSG informs you of any charges for which you are liable and how we and any other relevant person will be remunerated for the services that we provide. It also sets out your rights as a client and how we will handle any complaints you may have against us. It is intended that this FSG will assist you in determining whether to use any of the services we offer as described in it.

This FSG contains important information about:

- who we are;
- how we can be contacted;
- the services and products we offer;
- how we are paid;
- how our associates are paid;
- any associations or relationships we may have with financial product issuers and details of any potential conflicts of interest; and
- our internal and external dispute resolution procedures and how you can access them and lodge a complaint.

Who we are

Any financial services offered are provided by HiFX or HiFX Australia. HiFX is responsible for the dealing and market making financial services in respect of foreign exchange transactions. HiFX Australia is primarily a sales and marketing office for HiFX but provides dealing (by arranging) services in derivatives and foreign exchange contracts. HiFX Australia also accepts instructions from clients which are passed onto HiFX execution.

How to contact us

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| <ul style="list-style-type: none">• HiFX Limited Level 4 32 Mahuhu Crescent, Auckland, New Zealand Tel: +64 (0) 9 306 3700 Fax: +64 (0) 9 306 3701 Email: info@hifx.co.nz Website: www.hifx.co.nz ABN 54 106 779 953 AFS Licence No. 240914 | <ul style="list-style-type: none">• HiFX Australia Pty Ltd Level 1, 75 Castlereagh Street, Sydney NSW 2000 Australia Tel: 1800 006 592 Email: info@hifx.com.au Website: www.hifx.com.au ABN 78 105 106 045 AFS Licence No. 240917 |
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Other documents you may receive

You should also receive from us a Product Disclosure Statement (**PDS**) about the products issued by HiFX. Also, if we recommend to you another person's financial product (such as a basic deposit product or cash management trust account), that person will provide you their PDS about that financial product. The PDS contains information about the particular product, including any relevant terms, significant risks and details of other fees and charges which may apply. The PDS will be provided to assist you in making an informed decision about that financial product.

When we provide you with personal financial product advice (rather than general financial product advice), we will give you a Statement of Advice (**SOA**), except in the circumstances permitted by law. The SOA will contain the advice and the basis on which it is given and information about our fees and commissions and any associations we have with financial product issuers or other parties which may have influenced the advice to you.

Personal financial product advice is advice that takes into account or could reasonably be regarded as having taken into account one or more of your objectives, financial situation and needs. HiFX predominantly provides general advice, especially when providing information pertaining to the markets and/or current foreign exchange rates.

You will not receive an SOA where:

- You have transacted online without speaking to a HiFX or HiFX Australia's representative.
- You have elected not to provide us with sufficient information concerning your personal financial objectives, circumstances and needs, and have acknowledged to us that only general advice will be provided to you. In situations where only general advice has been provided, you must ensure that the advice is appropriate for you considering your personal financial objectives, circumstances and needs,
- We give you further advice and your relevant personal circumstances are not significantly different from your relevant personal circumstances in your previous SOA. You may request a record of the, further advice given to you within 90 days of the further advice being given to you if you have not already been given that record. You may request the record by contacting us in writing.

If you would like further information, please ask us. Our contact details are on the last page. Further details about our services and the foreign, exchange market is available on our websites, www.hifx.com.au, www.hifx.co.nz, www.currencyonline.com and www.xe.com.

What Kinds Of Financial Services Are We Authorised To Provide And What Kinds Of Financial Products Do Those Services Relate To?

HiFX is authorised by its AFSL to provide the following financial services to retail and wholesale clients:

- (a) provide financial product advice for the following

classes of financial products:

- (i) deposit and payment products limited to:
 - A. basic deposit products;
 - (ii) derivatives;
 - (iii) foreign exchange contracts; and
 - (iv) interests in managed investment schemes excluding investor directed portfolio services;
- (b) deal in a financial product by:
- (i) issuing, applying for, acquiring, varying or disposing of a financial product in respect of the following classes of financial products:
 - A. derivatives; and
 - B. foreign exchange contracts; and
 - (c) make a market for the following financial products:
 - (i) foreign exchange contracts; and
 - (ii) derivatives.

HiFX Australia is authorised by its Australian Financial Services Licence (AFSL) to provide the following financial services to retail and wholesale clients:

- (a) provide financial product advice for the following classes of financial products:
 - (i) deposit and payment products limited to:
 - A. basic deposit products;
 - (ii) derivatives;
 - (iii) foreign exchange contracts; and
 - (iv) interests in managed investment schemes excluding investor directed portfolio services;
- (b) deal in a financial product by:
 - (ii) issuing, applying for, acquiring, varying or disposing of a financial product in respect of the following classes of financial products:
 - A. derivatives; and
 - B. foreign exchange contracts.

What Financial Services Are Provided?

HiFX and HiFX Australia (HiFX Group) specialise in providing foreign currency dealing services to both corporate and individual clients who need to buy and/or sell foreign currencies for a commercial purpose or take physical delivery of the currency purchased i.e. the HiFX Group offers its clients the facility to buy and/or sell foreign currency at pre-determined prices using 'spot' and 'forward' contracts i.e. foreign exchange contracts and derivative contracts.

HiFX also offers clients Option contracts in foreign exchange. These Options are derivatives (i.e. the price is derived or based on an underlying foreign currency and they give the

buyer of the contract the right (but not the obligation) to buy or sell a currency at a pre-agreed exchange rate on a predetermined date in the future (for further information about this product, please refer to our PDS). HiFX only allows its clients to purchase Option contracts to enable them to protect against their currency risk.

HiFX Australia provides dealing (by arrangement) services in derivatives and foreign exchange contracts. HiFX Australia is primarily a sales and marketing office but also accepts instructions from clients which are passed on to HiFX for execution. Accordingly, HiFX Australia acts as an intermediary and "arranges" for its clients to deal with HiFX.

There may be circumstances where your order is taken and executed in Australia by either:

- A representative of HiFX; or
- HiFX Australia (or its representatives), who in this circumstance, will be acting as a representative of HiFX.

For example, this might occur in situations where representatives of HiFX are unavailable (due to international time differences or where there is a major disaster or other event affecting markets or communications).

HiFX provides dealing and market making services in derivatives and foreign exchange contracts to companies and private clients.

HiFX offers its foreign exchange and derivatives services to Australian clients either via its subsidiary company, HiFX Australia or directly to Australian clients.

In addition, both HiFX Australia and HiFX also provide advisory services in:

- Basic deposit and payment products (such as interest bearing accounts); and
- Cash management trust accounts, which are managed investment schemes i.e. investors actually receive units in a trust.

This is on the basis that, in certain circumstances, HiFX Australia and HiFX may need to recommend to you a suitable account, maintained by a third party, to deposit your funds (in your name). As a result, we may recommend a bank or other financial institution whereby you can invest these funds.

Who Is Responsible For The Financial Services Provided?

HiFX is responsible for the dealing and market making services and for advisory services when provided by an HiFX representative. HiFX Australia is responsible for the dealing (by arrangement) services when provided by a HiFX Australia representative.

Who Is My HiFX Representative?

Your HiFX representative will be one of the team employed by either HiFX Australia or HiFX. If you do not wish to receive advice from an HiFX representative, we will transact with you by simply carrying out your instructions.

What Is The Nature Of The Advice?

HiFX predominantly provides general advice but may on occasions provide limited personal advice regarding the foreign exchange market i.e. derivatives and foreign exchange contracts. We do not collect, nor take into consideration, all information regarding your financial circumstances and needs except to the extent they are relevant to your foreign exchange transaction request(s). We recommend that you take all reasonable steps to fully understand the outcomes of specific foreign exchange trades and strategies adopted in relation to utilising advice provided by HiFX.

Regular updates, marketing materials, research reports, market reports, PDSs or other offer documents and website content are not personal advice.

How Can You Give Us Instructions?

The HiFX Group accepts order instructions in any of the following ways :

- Face to face;
- electronically, via HiFX's electronic transaction platform;
- via telephone; and
- by email, you must check and confirm with us that instructions sent by email have in fact been received by us.

It is your obligation to review any confirmation or statement we send to you to ensure its accuracy and report any discrepancies that you may have to us immediately.

Who Do We Act For?

HiFX acts as principal when executing client orders i.e. HiFX is the party to the other side of the transaction and with whom you are entering a foreign exchange contract.

HiFX Australia accepts instructions from clients which are passed onto HiFX for execution. Accordingly, HiFX Australia acts as an agent and "arranges" for clients to deal with HiFX.

HiFX Australia and HiFX refer clients to financial institutions where they can invest funds into financial products such as a basic deposit product or cash management trust account.

How Is My Personal Information Dealt With?

We recognise the importance of ensuring that you have confidence in the way we handle your personal information and that it is kept private. The HiFX Group is bound by, and committed to the terms of the Privacy Act 1988 (Commonwealth) (Act) and the National Privacy Principles forming part of that Act. A copy of our Privacy Policy is available on our website or by contacting us.

How Are We Remunerated For The Services We Provide?

Neither HiFX Australia nor HiFX charge a commission to the client.

No fee is charged by HiFX unless the sold currency amount of

your transaction is below a threshold amount (**Transfer Threshold**) as provided on our websites. If the sold currency amount is below the Transfer Threshold a transfer fee of up to AUD\$20.00 (or its foreign currency equivalent) as highlighted from time to time on our websites (www.hifx.com.au, www.currencyonline.com and www.xe.com) will apply depending on:

- the sold currency
- the method of transacting
 - if the transaction is via the online electronic trading platform, a transfer fee of up to AUD\$15.00 (or its foreign currency equivalent) will apply;
 - if the transaction is via email a transfer fee of up to AUD\$20.00 (or its foreign currency equivalent) will apply; or
 - if the transaction is done over the telephone a transfer fee of up to AUD\$20.00 (or its foreign currency equivalent) will apply.

If a transfer fee is applicable, it will be added to the amount of the sold currency you are required to provide to settle your transaction.

We may charge an additional transaction fee of up to AUD\$20.00 if there is more than one beneficiary associated with a foreign exchange transaction, i.e. you request us to send an onward payment to more than one beneficiary. A separate fee is charged in relation to each additional beneficiary.

HiFX will advise you of the transfer fee (if applicable) at the time of your order.

In some cases, we may not be able to send a payment directly to the beneficiary bank and will use a correspondent bank to make the payment. The correspondent bank may charge a fee for making the payment to the beneficiary bank and those fees may be deducted from the amount remitted to the beneficiary bank. The beneficiary bank may also deduct or charge a fee upon receiving a payment sent by us. These third party fees are beyond our control; we receive no benefit from them and we cannot necessarily predict when they will be charged or the amount of the fees. You therefore need to bear in mind that the amount you are sending may not always be exactly the same as the amount received into the beneficiary account.

HiFX earns its revenue from the spread between the wholesale price achieved and the client's price or, in regards to any Option contracts, HiFX charges a flat fee known as the Premium. This will vary depending upon the strike (also known as "exercise") price, the size of the transaction and the length of time to expiry of the Option. More details are given in the PDS.

HiFX remunerates HiFX Australia by way of an inter-company charge based on HiFX Australia's costs plus a fixed rate of 5.78%.

How Will My Representative Be Remunerated?

Your HiFX or HiFX Australia representative receives a base salary together with a commission based upon a percentage split (between 1%-10%) of the net revenue earned.

Representatives may also receive benefits based upon bonuses at the discretion of senior management, having regard to standards of service to clients and feedback from them, the level of revenue they generate and reaching a range of personal performance targets.

Do We Have Any Associations & Relationships With Others?

HiFX and HiFX Australia do not have any relationships or associations which might influence us, other than the parent - subsidiary relationship, in providing you with our primary services i.e. buying or selling foreign currencies and selling Options.

HiFX and HiFX Australia pay a "referral fee" to referring agents of up to 50% (excluding GST) of income generated by those clients referred to HiFX or HiFX Australia.

The HiFX Group has a policy for managing, avoiding and disclosing relevant conflicts of interests.

Do We Have Compensation Arrangements in Place?

HiFX and HiFX Australia are covered by a professional indemnity insurance policy (Policy) which satisfies the requirements of section 912B of the Corporations Act 2001 (Commonwealth).

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 HiFX and HiFX Australia and their employees and representatives in relation to their respective AFSL.

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

Do we have Anti-Money Laundering Protections?

The HiFX Group has adopted a program that complies with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Commonwealth) and the regulations made under it. As part of this process, you will need to provide evidence of identification.

What are our Dispute Resolution Procedures?

Both HiFX Australia and HiFX have internal and external dispute resolution procedures to resolve complaints from clients who receive financial services. A copy of these procedures may be obtained through our website or by contacting us and requesting a copy (free of charge).

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

1. Contact your HiFX or HiFX Australia representative and discuss your concerns. You can do this by telephone, facsimile, email or letter. You must tell us whether your complaint is about the services of HiFX or of HiFX Australia (or both). The contact details are :

HiFX Limited c/-
HiFX Australia Pty Ltd
Level 1, 75 Castlereagh Street,
Sydney NSW 2000
Australia
Tel: 1800 006 592
Fax: +64 (0) 9 306 3701
Email: info@hifx.com.au
Website: www.hifx.com.au

2. If you make a complaint in writing (which is not compulsory), we will acknowledge receipt of your complaint within 1 business day .

HiFX will provide a final response to your complaint within 45 days of receipt of your complaint, unless it advises you that it needs more time due to the nature of your complaint or other reasonable consideration.

3. If you are not satisfied with our response, you may 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.afca.org.au
Email: info@afca.org.au
Phone: 1800 931 678 (free call)¹
Mail: Australian Financial Complaints Authority
GPO Box 3 Melbourne VIC 3001

Time limits may apply to complain to FOS or AFCA and so you should act promptly or otherwise consult the FOS and AFCA websites to find out if or when the time limit relevant to your circumstances expires.

[1] Your customers can lodge complaints with AFCA on this number from 1 November 2018

4. HiFX's FOS/AFCA membership number is 11670

HiFX Australia's FOS/AFCA membership number is 11671.

5. The service provided by FOS/AFCA is free of charge.

You can 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.