



Financial Services Guide

April 2019

Company: Pepperstone Group Limited
ACN: 147 055 703
AFSL: 414530

1. About this Financial Services Guide

- 1.1 This Financial Service Guide (“FSG”) is dated 9 April 2019 and has been prepared by Pepperstone Group Limited (ACN: 147 055 703) (“**Pepperstone**”, “**we**”, “**our**”, “**us**”).
- 1.2 We’re licensed by the Australian Securities and Investments Commission (“**ASIC**”) under Australian Financial Services (“**AFS**”) Licence number 414530.
- 1.3 The purpose of this FSG is to help you decide whether you want to trade the products that we offer. It contains important information about who we are, our fees and costs, what to do if you have a complaint, how we handle your personal information and how you can contact us.
- 1.4 Before you start trading with us, we’re required to provide you with our Product Disclosure Statement (“**PDS**”) which contains more information about the particular products and services that we offer, including the risks, benefits and features of those products and services. We provide you with the PDS to assist you in making an informed decision about the financial product that you’re choosing to acquire from us. We’ll also provide you with our Terms and Conditions, which govern our trading relationship with you.
- 1.5 The contents of this FSG is general information only. It’s up to you to make sure the products that we offer suit your specific needs. We recommend that you seek independent advice, read the PDS and the Terms and Conditions and ensure that you fully understand the features and the risks of the products and services that we offer before you trade with us.

2. About us

- 2.1 We’re registered in Australia and are part of the Pepperstone group of companies, a global offeror of over-the-counter (“**OTC**”) derivatives products. The Pepperstone group was founded in 2010 and has offices in Melbourne, Dallas and London.

Contacting us

Address: Pepperstone Group Limited
Level 16, Tower 1, 727 Collins Street, Melbourne, VIC 3008
Email: support.ae@pepperstone.com
Call: 1300 033 375/+61 (0) 3 9020 0155
Live chat: www.pepperstone.com/ae

Our products and services

- 2.2 Our AFS Licence allows us to provide dealing and execution services in OTC derivative products, including Margin FX Contracts and CFDs, and provide general advice to you regarding these products.
- 2.3 We’re the issuer of the OTC derivative products that we provide and we act as principal when you trade these products with us.
- 2.4 Under Australian financial services laws and regulations, general financial advice and personal financial advice have particular meanings in the context of financial products and services. General advice can include direct or implied recommendations about financial products or services, whether provided to the general public or for a class or kind of investor, and doesn’t take into account your particular circumstances. General advice includes advice based on consideration of the investment on its own (including by reference to current market conditions).
- 2.5 We only provide general advice. Any information that we provide to you in connection with our products and services doesn’t take into account your personal objectives, financial situation or needs and you shouldn’t take it as personal advice.

3. Giving us instructions

- 3.1 You can give us dealing instructions through our trading platforms (“**Platform**”) or by phone. If you instruct us by phone, you should confirm that we’ve acted on your instructions by checking your trading account within the Platform.
- 3.2 If you need to contact us for any other reason, you can do so by phone, in person, or in writing by post or email using the details in section 2. Our phone lines are recorded to provide a record of communications between you and us.

4. Remuneration, commissions and other benefits

4.1 We're entitled to any fees and commissions that we make from providing OTC derivative products to you. Our PDS provides detailed information about specific costs, transaction fees and charges associated with each of the products and types of trading accounts that we offer.

4.2 We list the fees and costs that we charge and pay most often in this section 4.

Spreads

4.3 We may charge spreads (the difference between the bid and ask price) on your contracts. We'll charge this fee in the quote currency of the instrument that you're trading, which you can then convert into the base currency of your account to determine your cost of trading.

Margin payments

4.4 "Margin" is the amount of money that you need to have in your account to open and maintain a contract. The way that we calculate margin varies depending on the contract you're trading and the leverage settings on your trading Account. We recommend that you check the specifications of your particular contract within the trading platform to understand how much margin you need.

4.5 For your convenience, we have a margin calculator available in your Secure Client Area, which you can access via this link: <https://secure.pepperstone.com/calculators>.

Contract roll fee

4.6 Some instruments run on an ongoing basis and derive their prices from underlying futures contracts. Because futures contracts expire, when one futures contract ends, we need to change the underlying contract that we derive our price from.

4.7 To avoid profit and loss discrepancies, we'll make a balance adjustment to your account to take into account the difference in prices between the two contracts as well as the cost of closing-out your original contract and re-opening it in a new contract.

Swap rates

4.8 Our swap rates on our instruments. The amount we charge depends on the funding costs of the underlying asset or contract. Please check the Platform for swap rates that may apply to your contracts.

4.9 Because of the settlement structure within the spot market, trades that are open on Wednesday will be settled on the Monday after, so there's a need to account for interest earned / charged over this period. For this reason, the swap rate that applies to your contract will be tripled if you hold your contract on the Wednesday – Thursday rollover.

4.10 Please check the symbol specifications within the Platform to see when the triple swap rate occurs, as this can vary based on the asset class of your contract.

Administration fees (Swap Free/Islamic Accounts only)

4.11 We don't charge or pay the usual swap charges or benefits for contracts held through the rollover period on swap free accounts. Instead, if you have a swap free account, you'll be charged a fee for contracts that you hold beyond a certain period of time ("**Administration Fee**").

4.12 We set an Administration Fee for each product that we offer on a swap free account on a per-lot open basis. The structure and amount of the Administration Fee varies depending on the Platform that you're using (e.g. MetaTrader or cTrader), the contract you're trading, the rates set by our liquidity providers and the currency that your account is in. For more information on the Administration Fee that we charge for each product that we offer and how often we charge it, please visit the swap free page on our [website](#).

Commissions

4.13 We may charge commissions on your trading account which will be reflected when you open a contract.

4.14 If your account is with MetaTrader, the amount of commission we'll charge will vary based on the currency of your account and will increase/decrease in proportion to the size of the contract traded. If your account is with cTrader, our commission will be based on 3.5% of the value of the base currency that you're trading.

Index and Equity Dividends

4.15 When the stock that an equity CFD or index CFD derives its pricing from goes ex-dividend, we'll credit long contracts and debit short contracts held on the relevant symbol or market. We calculate the rate that we apply in our absolute discretion, which will reflect underlying market conditions, and in the case of single stocks, the value of any withholding tax amounts on the stock.

4.16 We may also receive or pay a rebate to our liquidity providers for trades conducted within the Platform.

Third party referrals

4.17 We may be required to share a percentage of our commissions or charges with a third party, if they've referred you to us as a client.

4.18 Where the conflicted remuneration provisions of the Corporations Act 2001 apply, we'll only make payments to relevant third parties if we get your consent in advance. You're entitled to receive full details about any of these payments if you ask us in writing.

Remuneration

4.19 We pay our staff salaries and other employee benefits such as discretionary bonuses, which are calculated based on a number of factors, including non-financial factors.

4.20 None of our directors or related companies will receive any commissions based on the OTC

derivative products that we offer to you, unless we've obtained your written permission.

5. If you have a complaint

Our complaints-handling process

5.1 We have formal internal and external dispute resolution procedures to resolve complaints. In the unlikely event that you're not satisfied with any aspect of our service, please tell us about your complaint by phone, email or letter using the details below:

Pepperstone Group Limited

Level 16, Tower 1

727 Collins Street

Melbourne VIC 3008

Phone: 1300 033 375/+61 (0) 3 9020 0155

Email: support.ae@pepperstone.com

5.2 We'll handle and investigate your complaint internally in the first instance. If you're not satisfied with the outcome, you've got the ability to make a complaint to the Australian Financial Complaints Authority ("AFCA"). AFCA is an approved independent external dispute resolution scheme that can deal with complaints regarding any financial services provided under our AFS Licence. Our AFCA membership number is 28689. You can contact AFCA using these details:

Online: www.afca.org.au

Email: info@afca.org.au

Phone: 1800 931 678

Mail: Australian Financial Complaints Authority

GPO Box 3

Melbourne Vic 3000

5.3 You can also make a complaint to and obtain information about your rights from ASIC. You can contact ASIC on 1300 300 630. This is a local call info line.

Compensation arrangements

5.4 We have a Professional Indemnity Insurance policy in place which covers the work that's carried out by our employees and representatives, in compliance

with ASIC Regulatory Guide 126 and Section 912B of the *Corporations Act 2001 (Cth)*.

Privacy Act 1998 (Cth) and the Australian Privacy Principles under this Act. The Privacy Policy is available on our [website](#).

6. Your privacy

6.1 We and our related companies collect, use and disclose your personal information to provide you with the products, services and associated support that you've asked for. We also use your personal information to respond to your enquiries or feedback and to promote products and services offered by us and associated third parties.

6.2 The Pepperstone Privacy Policy explains how we collect personal information about you and how we maintain, use and disclose that information. We'll handle any information we collect about you in line with the Privacy Policy, which complies with the

6.3 You can ask us not to use your information to promote our products and services by following the procedure outlined in our Privacy Policy.

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Pepperstone Group Limited



Index Tower
Level 6, Office 615
P. O. Box 482087
DIFC – Dubai
United Arab Emirates

Toll Free Number
+971 4 573 4100

www.pepperstone.com/ae
support.ae@pepperstone.com