



Australia's Oldest Family Owned Investment Advisory and Stockbroking Firm

Australian Financial Services Licence no. 247067

JOSEPH PALMER & SONS

Financial Services Guide

Dated January 2019

JOSEPH PALMER & SONS

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Trading as Joseph Palmer & Sons (Vic)
Corporate Authorised Representatives of Joseph Palmer & Sons
Australian Financial Services Licence 247067

History • Experience • Foresight

ABOUT THIS FINANCIAL SERVICES GUIDE

The purpose of this Financial Services Guide is to provide brief details of the financial products and services that we provide to assist prospective new clients to decide whether to obtain financial services from Joseph Palmer & Sons; it also provides information on remuneration paid to Joseph Palmer & Sons and provides details on how we deal with complaints.

WHO IS RESPONSIBLE FOR THE FINANCIAL SERVICES PROVIDED?

Your adviser is accredited in accordance with the standards set by the Australian Securities and Investments Commission and holds suitable experience and qualifications to be an Authorised Representative of Joseph Palmer & Sons (ABN 29 548 490 818; AFSL 247067) who is responsible for the financial services provided to you.

Trade execution, clearing and settlement is provided by CMC Markets Stockbroking Limited (ABN 69 081 002 851, AFSL 246381).

OTHER DOCUMENTS YOU MAY RECEIVE FROM US

If Joseph Palmer & Sons provides you with personal advice you may be issued with a Statement of Advice which includes our advice, the basis of that advice and any commissions, fees, benefits or other associations that are relevant to that advice.

Where specific personal advice is provided such advice will be recorded in a Record of Advice (RoA) document. This RoA will be retained by Joseph Palmer & Sons and made available to you upon request.

If we recommend certain financial products to you, you may receive a PDS or Prospectus prepared by the financial product issuer, providing you with the necessary information to assist you to make an informed decision about the product.

ASSOCIATIONS WITH PRODUCT PROVIDERS

Joseph Palmer & Sons is not associated with any product providers.

We offer you unbiased and transparent advice.

INTRODUCTION

Joseph Palmer & Sons is a Stockbroking organisation based in Sydney.

The firm was established in 1872 and since inception has been 100% owned and operated by the Palmer family.

Joseph Palmer & Sons is the oldest Stockbroking partnership in Australia.

Joseph Palmer & Sons was established in 1872 and is now the oldest family-owned Stockbroking and investment advisory business in Australia. Joseph Palmer & Sons have given investment advice and successfully managed investment portfolios for over 140 years.

Joseph Palmer & Sons has extensive experience in managing and advising on share investments. Analysis and advice on large company share investments is Joseph Palmer & Sons' core competence.

Joseph Palmer & Sons was one of the original Sydney Stock Exchange member organisations in 1872 and intends remaining an Australian Securities Exchange affiliate for generations to come.

Our team of Investment Advisers are well trained and committed to providing our clients with sound advice on quality shares based on their extensive market knowledge.

We do not advise on options, warrants or any other derivatives. All derivatives business is on an execution only basis.

RESEARCH

Joseph Palmer & Sons produce quality research for our private Clients and Advisers.

We aim to identify quality stocks that will be of benefit to our clients at an acceptable level of risk and is focused mainly on blue-chip industrial stocks.

Our reports include:

- Research reports and stock recommendations
- Daily market reports available via e-mail and online

All research provided is basically an opinion, so it cannot be guaranteed, is only valid for a limited time and is often subject to market movements. For example, for short-term investors, a buy recommendation could turn into a sell recommendation where the market price of a stock appreciated by a small amount.

Joseph Palmer & Sons published Research is general financial product advice only and does not constitute advice to any specific person and therefore cannot be considered as personal advice.

General advice is prepared without consideration of any specific Client's financial situation, specific needs or investment objectives.

Accordingly, in the event of receiving general advice, Clients should consult their Adviser before any investment decisions are made based on such general advice.

JOSEPH PALMER & SONS FINANCIAL PRODUCTS AND SERVICES

Joseph Palmer & Sons offers a comprehensive range of financial products and services to both wholesale and retail investors.

Our Products and Services include:

- Objective advice and direct trading in Equities, Options, Warrants and Debt securities on ASX;
- Indirect trading via Separately Managed Account (SMA) platforms;
- Access to trading in international securities traded on overseas exchanges;
- Fixed Interest investments;
- Investment strategies and ongoing wealth management;
- Private Asset Management;
- Administration for Self-Managed Superannuation Funds;
- Property Investment through the Joseph Palmer & Sons Property Fund
- access to Cash Management accounts;
- Access to Floats (IPOs), New-Issues and Placements;
- Provision of extensive information on listed companies;
- Account statements and portfolio valuations;
- Financial and Retirement Planning;
- Superannuation advice and services;
- Assistance with estate valuations for probate
- Aged Care Services

INTERNET ACCESS

Joseph Palmer & Sons clients have access to an extensive range of information via our web-site at www.jpalmers.com.au, directing you to 'Advantage' -Trading, clearing and execution is provided by CMC Markets Stockbroking Limited ABN 69 081 002 851 AFSL 246381.

- 20 minutes delayed stock prices and news;
- Latest research;
- Graphics for Australian stocks;
- Client CHESS holdings and portfolios;
- Client access for trading history statements and confirmations;

CASH MANAGEMENT

Client accounts may include a Cash Management Account in the Client's name where interest is accrued daily. Funds held in the Cash Management account may be deposited and withdrawn from the account as share trading occurs, easing the settlement process.

HOW CAN YOU INSTRUCT US

Telephone is the usual method of instructing Joseph Palmer & Sons in relation to an Equities or derivatives order, although instructions can also be given in person, by mail, facsimile or email. Instructions given by mail, facsimile and email will only be effected once Joseph Palmer & Sons has acknowledged receipt of those written instructions.

All instructions to buy or sell listed equities and derivatives are automatically accepted on a "good til cancelled" basis unless alternate instructions are provided.

All accounts are treated on a non-discretionary basis unless the Client has entered into a written Investment Management contract with Joseph Palmer & Sons. Clients can however give their Adviser discretion as to the price and the time of execution of an order that the Client wants placed into the market.

It is important to note that the ASX has the power to cancel a Market Transaction that has been executed on its market. Any such instruction from the ASX to Joseph Palmer & Sons to cancel a trade will automatically result in cancellation of the transaction by Joseph Palmer & Sons with the Client irrespective of whether the trade has previously been confirmed to the Client.

All transactions will be confirmed to clients via the issue of a Confirmation (contract note), via email or mail.

REMUNERATION FOR THE SERVICES JOSEPH PALMER & SONS PROVIDE

Joseph Palmer & Sons may charge brokerage or a fee depending upon the services that are provided.

All charges will be discussed and agreed with the Client prior to the specific services and or transactions occurring. Some charges are negotiable and therefore it is important that Clients agree brokerage/fees with their Adviser prior to transacting any business.

Joseph Palmer & Sons is required by law to maintain a trust account and may receive interest on any Trust Account balance maintained in conjunction with its Financial Services business and in most circumstances; Joseph Palmer & Sons will retain all such interest received.

Clients are not charged any brokerage regarding Floats, New-Issues and Placements however; Joseph Palmer & Sons may receive a handling fee/underwriting fee from the Issuer.

Ongoing commissions (commonly referred to as trailing commissions) may be paid to Joseph Palmer & Sons for the length of time you hold the product. They are usually paid directly to Joseph Palmer & Sons by the product provider out of the revenue the product provider earns and can vary between 0% and 1.4% (GST inclusive) of the investment amount.

HOW ARE OUR REPRESENTATIVES REMUNERATED?

Our representatives are remunerated by salary from Joseph Palmer & Sons and do not directly receive any commissions or fees.

BROKERAGE

Brokerage is payable on all local and international equities and derivatives trades. Brokerage and GST are added to the purchase price of a Buy transaction and are deducted from the proceeds of a Sale executed on behalf of a client.

Subject to minimum brokerage amounts per transaction detailed below, brokerage is usually calculated as a percentage of total consideration of each trade.

Brokerage rates are subject to negotiation and may be a rate applicable to all transactions or a rate applicable only to a single transaction.

The brokerage rate will depend on the type and level of service required and the size and frequency of trading.

The maximum standard brokerage that a Client will be charged in relation to a trade is 1.5% plus GST subject to a minimum brokerage amount of \$80 plus GST, depending on the level of service agreed between the Client and the Adviser so it is essential that Clients discuss brokerage rates with their Adviser.

International Brokerage/Fees

Joseph Palmer & Sons may engage stockbrokers in Australia or other countries to execute transactions on international exchanges.

Such transactions will incur the current brokerage rate of these Stockbrokers, in addition to Joseph Palmer & Sons' current rate of brokerage as shown above. (Minimum of USD50, or 0.5%, for on market transaction in major international markets. Brokerage rates may vary when transacted in smaller international markets.)

There may also be other associated costs including (but not limited to) bank fees, stamp duty, local exchange fees, custody fees, registration fees etc.

INVESTMENT ADMINISTRATION

Fees for Investment Administration services are calculated at 0.15% (plus GST) of the portfolio size with a minimum fee of \$750.00 (plus GST) per annum or part thereof.

The Investment Administration fee is calculated on the applicable portfolio value on the last day of the months of March, June, September and December and is payable in arrears.

Further information on this service is available from the Client's Adviser.

INVESTMENT MANAGEMENT (MANAGED DISCRETIONARY ACCOUNT)

This Service incorporates individually managed discretionary portfolios and is only ever offered subject to a separate written agreement which includes an additional supplementary service for associated administration.

As this service is a personalised service tailored to meet the Client's specific needs, so is the fee structure pertaining to it. Fees are negotiable with the Client's Adviser.

Joseph Palmer & Sons Standard Investment Management fees are:

1.0% per annum (plus GST) on the first \$500,000 of your portfolio value (\$1,000 per \$100,000 invested).

0.75% per annum (plus GST) on the value of your portfolio over \$500,000 and up to \$2,000,000 (\$750 per \$100,000 invested).

0.5% per annum (plus GST) on the value of your portfolio over \$2,000,000 (\$500 per \$100,000 invested).

The Investment Management fee is calculated on the applicable portfolio value on the last day of the months of March, June, September and December and is payable in arrears.

A minimum \$4,000 per annum (plus GST) Investment Management fee applies.

Joseph Palmer & Sons Standard Brokerage rates for MDA clients is 0.4% (\$40.00 for each \$10,000.00) of the trade value with a \$25.00 minimum.

Joseph Palmer & Sons' Managed Discretionary Account (MDA) service complies with the requirements of ASIC Managed Discretionary Account Services Instrument 2016/968.

Under an MDA Service, you authorise Joseph Palmer & Sons to manage your portfolio in accordance with an agreed Investment Program and you will receive a Statement of Advice (SOA).

Joseph Palmer & Sons will make investment decisions on your behalf and report to you quarterly about your investments and you will also be given internet access to view your account online.

Joseph Palmer & Sons do not provide custodial or depository services. Assets will wherever possible be registered directly in the clients' names however some asset types will need to be held by external custodians.

If a client's assets are held in custody, they are held in the name of a custodian on behalf of the client. The client remains the beneficial owner of the assets and upon termination of the MDA Service the assets are transferred into the client's own name once all costs have been met.

Before we can provide these services to you, you must first enter an MDA Agreement with us that complies with ASIC Class Order (CO 14/1252), but before doing so it is essential that you understand the characteristics of a MDA service and consider the risks associated with investing through an MDA service.

There are inherent risks associated with any investment in the stock market, these include, but are not limited to, movements in domestic and international markets, the current and future economic environment, company liquidity, investor sentiment, interest rates, market volatility and other factors that are beyond the control of Joseph Palmer & Sons.

Because of these risks, a MDA client should be prepared for falls in the market and the possibility of a negative return on their investment.

Your Adviser may make investment decisions that you disagree with however provided your Adviser acts within the scope of his or her authority, and has done so efficiently, honestly and fairly; the fact that you disagree with an investment decision does not mean that you have any right to recourse.

You are obliged to accept any tax consequences, transaction costs and any capital loss resulting from any transactions validly executed by your Adviser.

When you open an MDA Account your adviser will prepare an Investment Program and Statement of Advice (SoA) based on your personal circumstances, as well as your financial situation, needs and objectives.

Any Statement of Advice (SoA) provided in relation to a MDA service will comply with the requirements of Division 3 of Part 7.7, Division 2 of Pt 7.7A of the Corporations Act and ASIC RG 179 and will include information about;

- The nature and scope of your Adviser's discretion;
- Any significant risks associated with the MDA service;
- The basis upon which entering an MDA Agreement is considered suitable for you;
- A warning that the program may not be suitable for you if you have provided us with limited or inaccurate information about your personal circumstances;
- A warning that the program may cease to be suitable for you if your relevant personal circumstances change;
- Warnings about the importance of any limitations relating to the MDA service which you must consider before signing the MDA Agreement.
- Any other information that could reasonably be expected to have a material influence on your decision whether to use the MDA service.

If you have instructions in relation to takeover offers, rights issues, share purchase plans etc for investments held under the MDA Agreement, you should direct these to your adviser in writing. We do not send voting forms to clients unless requested.

SEPARATELY MANAGED ACCOUNTS (SMA)

A SMA provides you with a professionally managed investment portfolio of shares and other listed and unlisted securities, whereby you (or the trustee of your superannuation fund) are the beneficial owner/s of the underlying securities and investments held within your portfolio. You are also the beneficial owner/s of any dividends and franking credits received from these underlying securities and investments. Accountant ready tax reports are included as part of the SMA service.

The Product Disclosure Statements (PDSs) and Investment Menu for the SMA is available from your adviser and contains all details regarding the various available Model Portfolios, including all fees and charges that you should consider when considering investment into Joseph Palmer & Sons' SMA.

Investment fee for our SMA Portfolios are currently from 0.275%p.a to 0.280%p.a. (eg \$280 per \$100,000 invested). Indirect Cost Ratio fees* currently range between 0.00% up to 0.20% p.a. (\$0 to \$200 per \$100,000 invested). Performance fees are not charged.

* Indirect Cost Ratio (approx.) does not include Cash Holding Fee; refer to the Praemium SMA PDS for further information on all Model Portfolios.

JOSEPH PALMER & SONS PROPERTY FUND

Investment in the Joseph Palmer & Sons Property Fund is via a Product Disclosure Statement.

EXAMPLE OF ANNUAL FEES AND COSTS FOR THE FUND

This table gives an example of how the fees and costs of the Fund can affect your investment over a 1-year period. You should use this table to compare this product with other managed investment products.

EXAMPLE		BALANCE OF \$50,000 WITH A CONTRIBUTION OF \$5,000 DURING YEAR
Contribution fees	0%	For every additional \$5,000 you put in, you will be charged \$0.
PLUS , Management costs	1.07125% ^{1&2}	And, for every \$50,000 you have in the fund it is estimated that you will be charged \$535.63 each year.
EQUALS Cost of fund		If you had an investment of \$50,000 at the beginning of the year and you put in an additional \$5,000 during this year, you would be charged fees of \$535.633 This example does not include any fees agreed between the investor and their financial advisor.

¹ The total annual management costs for the Fund are 1.07125% p.a. on a gross assets basis (assuming expense recoveries of 0.2% p.a.) and includes the Investment Manager's fee of 0.615% p.a. of gross asset value.

² Responsible Entity due diligence fees may also be incurred where direct property assets are acquired. These fees are not included in the management costs for this example, because they will only be incurred when acquisitions occur and are therefore not typical ongoing management costs.

³ The annual management costs are incurred progressively throughout the year, but for the above fee example we have not included any annual management fees incurred on the \$5,000 contributed during the year.

ENQUIRIES

If you have any queries regarding this Offer, please write to, phone or email the Responsible Entity (details shown below):

DDH Graham Limited
GPO Box 330
Brisbane QLD 4001

Phone: (07) 3210 2277

Fax: (07) 3210 6986

Email: jpalmer@ddhgraham.com.au

Alternatively, contact your licensed or authorised financial advisor.

DID YOU KNOW?

Slight differences in both investment performance and fees and costs can have a substantial impact on your long-term returns.

For example, total annual fees and costs of 2% of your Account balance rather than 1% could reduce your final return by up to 20% over a 30-year period (for example, reduce it from \$100,000 to \$80,000).

You should consider whether features such as superior investment performance or the provision of better services justify higher fees and costs.

You may be able to negotiate to pay lower fees and management costs where applicable. Ask your financial adviser.

To find out more

If you would like to find out more, or see the impact of the fees based on your own circumstances, the Australian Securities and Investments Commission (ASIC) website, www.moneySMART.gov.au has a managed investment fee calculator to help you check out different fee options.

ADMINISTRATIVE FEES

- Clients are obliged to settle sale transactions by the specified time, by the delivery of securities and failure to effect settlement on time could result in fail fees imposed by the ASX of 0.1% of the settlement consideration with a minimum \$100.00 and a maximum \$5,000.00 per day.
- If funds are not received to cover purchases by the specified times you may be charged interest at overdraft rates.
- Failure of a DVP Buy settlement will incur a fail fee of \$100.00 minimum per day.
- If a shareholding is not sponsored by Joseph Palmer & Sons, and you do not have the Shareholder Reference Number (SRN), we can obtain it from the Share Registry \$30.00.
- Off Market Transfers \$40.00.
- ASIC company extract \$30.00.
- If you want a trade transferred to a different account to the one it was originally placed into we can re-book the contract to your other account (time limitations allowing) \$25.00.
- Non-settlement related cheque requests may incur a charge of \$20.00
- Requests to cancel a cheque may incur a charge of \$20.00
- If a cheque of yours is dishonoured by your bank a fee of \$25.00 may be charged.
- If a Direct Debit is dishonoured by your bank a fee of \$25.00 may be charged.
- The fees levied by Joseph Palmer & Sons' Aged Care Service are up to \$300 per hour with a minimum of \$1,500 for each client project. Aged Care Services are not personal financial advice.
- We reserve the right to pass on any third-party fees including cheque drawing fees, transactional fees and Telegraphic Transfer fees.
- Additional service can be arranged at a rate as agreed between the Client and the Adviser.
- Joseph Palmer & Sons reserves the right to pass through to your account any additional charges, or changes to existing charges that Joseph Palmer & Sons may incur because of changes in industry practices or through the course of normal business operations. You will be notified of any of these changes prior to their implementation.
- **PLEASE NOTE: ALL FEES ARE GST EXCLUSIVE**

CLIENTS' RIGHTS AND RESPONSIBILITIES

Clients of Joseph Palmer & Sons have the right to receive advice that is appropriate to their investment objectives, which is in turn appropriate having regard to the Client's financial situation and specific needs, and the circumstances of the security that is the subject matter of the advice.

Clients of Joseph Palmer & Sons have the right not to divulge personal financial information however if they do not wish to do so, or if Clients do not provide sufficient detailed information to their Adviser, Joseph Palmer & Sons is obliged to warn Clients about the possible consequences of not having a Client's full personal financial information.

If Clients do not provide full information, they must understand that they may receive advice that is inappropriate for them, as it does not consider their particular financial situation, needs and investment objectives.

In such circumstances, it is the Client's responsibility to assess whether the advice is appropriate for them.

These warnings relate to any personal financial product advice provided by an Adviser with limited knowledge of a Client's personal financial circumstances whether such advice is provided verbally or in writing.

If no information is provided, then only general advice may be provided, and the Client is responsible for assessing whether the advice is suitable for them.

To preserve the integrity of the Clients personal financial information that Joseph Palmer & Sons holds, Clients should maintain regular contact with their Adviser at Joseph Palmer & Sons and keep them abreast of any material changes in their financial circumstances.

Clients have the right to be advised about any interest that Joseph Palmer & Sons, or the Client's Adviser, may have in a security that may reasonably be expected to influence their recommendation to the Client.

The mere existence of an account with Joseph Palmer & Sons or the acquisition of a financial product through Joseph Palmer & Sons does not mean that Joseph Palmer & Sons or one of its Advisers is responsible for monitoring a Client's portfolio.

When a Client Adviser contacts a client with recommendations, it is not an indication that the account is being managed by the Adviser.

Unless an Investment Management Contract is entered in writing, Clients remain responsible for monitoring their own portfolios and contacting their Adviser if they have any queries relating to their investments.

BEST EXECUTION POLICY

The best execution obligation applies from the moment an order is received from a client right through to settlement of the transaction. We are required to take all reasonable steps to obtain the best outcome for clients when handling and executing client orders. This requirement is outlined in ASIC Market Integrity Rules (Securities Markets) 2017. Best outcome means different things for different clients. For retail clients, it means best total consideration, taking into account client instructions.

If you give us an instruction to refrain from obtaining the best outcome for you (where for example you place an "At Limit" order), we will follow your instructions, however please note that the effect of this may be that you will not obtain the best outcome or the best price.

In assessing the best outcome for a wholesale client, market participants should take into account all outcomes that may be relevant for the client. The relevance of these outcomes may vary based on matters such as the nature of the client, the client's instructions, the order type, the product and liquidity at the time.

Best execution promotes investor protection by ensuring market participants do not place their own interests ahead of those of their clients. It facilitates market efficiency by creating a regulatory incentive for market participants to direct client orders to the market that offers the best outcome.

Trade execution, clearing and settlement is provided by CMC Markets Stockbroking Limited - CMCSB (ABN 69 081 002 851, AFSL 246381). CMCSB considers the following execution venues in achieving best outcome; ASX TradeMatch, ASX Centre Point and Chi-X. Chi-X is only available when specifically selected. ASX TradeMatch is the main ASX Trade market and offers a wide range of trade functionality for all ASX quoted securities. ASX Centre Point offers anonymous execution at the prevailing mid-point of the national best bid and offer. Orders proceed from ASX Centre Point, Centre Point Sweep and ASX TradeMatch.

Under the ASIC Market Integrity Rules 2010 and the Corporations Act, you have certain obligations when you trade in Financial Products, for example to not manipulate the markets, and to refrain from insider trading.

We use order entry filters to vet all your orders before we place them to market with a view to ensuring that your orders are consistent with these laws.

As a result, we may reject your order or refer it for manual review by a specialist Designated Trading Representatives as set out in the Terms and conditions.

Orders will be executed in the CMCSB Crossing Engine only where the price that the order is executed at is equal to or better than the available price in other execution venues that are available at the time of order placement.

Orders are placed in time priority, which means the first valid order that is received at a given price for a specific security will be the first order that is submitted to the market router. Amendments to an existing order may adjust the order priority.

We will respond to all reasonable requests from clients for verification that we have executed an order in accordance with this Policy. If you are seeking such verification, please contact us and we will provide you with this information.

We will review this policy and its effectiveness regularly, and inform you (in accordance with these Terms) of any changes to it.

RISKS

Equity securities (including shares) in common with all other asset classes (e.g. property and government bonds) can decline in value as well as appreciate.

The measure of this change in value is often referred to as volatility, i.e. the more the value varies over time, the more volatile the asset is and therefore the more risk involved in investing in it. On the other hand, in general, the less volatile an asset is, the less likelihood there is for any significant capital gain or loss from investing in that asset.

Equity securities are generally more volatile than other asset classes, but over the longer term a balanced portfolio of equities has proved to be a better investment in most cases.

The markets for other asset classes are not as efficient or transparent as the stock market in terms of the information available to investors and the process for continuously determining and making public the real market value of the asset. For this reason, the real volatility of those assets is often not fully appreciated.

WHAT ARE THESE RISKS?

In general, the risks of investing in equities can be categorised in the following manner. (Please note that the list below does not purport to be complete, as it would not be feasible to list all the possible risks in each category).

OVERALL MARKET RISKS

The risk of loss by reason of movements in the share market generally. These can be caused by any number of factors including political, economic, taxation or legislative factors. Specific examples are changes in interest rates, political changes, changes in taxation or superannuation laws, international crises or natural disasters.

DOMESTIC VERSUS INTERNATIONAL FACTORS

The vulnerability of the company to international events or market factors. These would include movements in exchange rates, changes in trade or tariff policies and changes in other stock or bond markets.

SECTOR SPECIFIC FACTORS

These would include demand for the product the company produces, commodity prices, the economic cycle of the industry, changes in consumer demands, lifestyle changes and changes in technology.

STOCK SPECIFIC FACTORS

These would include the company's directors, the strength of the company's management and the significance of any key personnel, the company's profit history, the company's tangible asset base, debt level and fixed cost structure, litigation, profits or losses on specific contracts, drill results, competition from within the sector, and whether the company already has a profitable business or whether it is exploring for recoverable resources or is developing a new product.

LIMITATIONS OF RESEARCH

The research undertaken by stockbrokers is basically the opinion of analysts. It can never be guaranteed, is only valid for a limited time and is often subject to market movements. For example, for short-term investors, a buy recommendation could turn into a sell recommendation where the market price of a stock appreciated by a small amount.

WHAT SHOULD I DO IF I HAVE A COMPLAINT

Joseph Palmer & Sons is committed to a high-level of client service and to maintaining its reputation for honesty and integrity by responding to any concerns or complaints promptly, fairly, consistently and in a professional manner.

If you have any concerns about the products or services provided to you, we encourage you to discuss the matter with your Adviser/ Portfolio Manager, Relationship Manager or their Manager.

We have established procedures to ensure that all enquiries and complaints are properly and efficiently dealt with.

To save yourself valuable time, gather all the facts and documentation about your complaint, think about the questions you want answered and then contact your adviser and tell them about your complaint.

If your complaint is not satisfactorily resolved within 3 days, please contact Sonia Xerri, Chief Operating Officer of Joseph Palmer & Sons on (02) 9233 2433, sxerri@jpalmer.com.au or put your complaint in writing and mail to GPO Box 895 SYDNEY NSW 2001. We will endeavour to resolve your complaint quickly and fairly.

If you are not satisfied with the response you receive, you have the right to complain to the Australian Financial Complaints Authority (AFCA) at GPO BOX 3 Melbourne Vic 3001 - Telephone (free call) 1800 931 678 - Fax (03) 9613 6399 - info@afca.org.au Or online via <https://www.afca.org.au/make-a-complaint/complain/>.

The Australian Securities and Investment Commission (ASIC) also have a free call Info line and can be contacted on 1300 300 630 which you may use to make a complaint and obtain information about your rights.

WHAT COMPENSATION ARRANGEMENTS DO WE HAVE?

Joseph Palmer & Sons holds a professional indemnity insurance policy that satisfies the requirements of Section 912B of the Corporations Act.

The policy provides coverage for the provision of products and services under AFSL 247067 held by Joseph Palmer & Sons and its Authorised Representatives, including the conduct of former representatives whilst they were representatives of Joseph Palmer & Sons.

Joseph Palmer & Sons is also a member of The Australian Financial Complaints Authority.

PRIVACY

Joseph Palmer & Sons abides by the National Privacy Principles established under the Privacy Amendment (Private Sector) Act, 2001. We will only collect, maintain and use Personal Information about you if it is necessary for us to adequately provide to you the services you have requested and to comply with our legislative and regulatory requirements.

The privacy of your personal information is important to us and any personal information collected will be handled in accordance with our Privacy Policy which can be viewed in full on our website.

ANTI-MONEY LAUNDERING REQUIREMENTS

As a financial services provider, we have an obligation under the Anti-Money Laundering and Counter Terrorism Finance Act to verify your identity and the identity of a Company or Trust which you may act on behalf of.

You will be required to produce original or certified copies of documents such as driver's licence, current company extracts and trust deeds.

JOSEPH PALMER & SONS AND CMC MARKETS STOCKBROKING LIMITED

Joseph Palmer & Sons has entered agreement with CMC Markets Stockbroking Limited for trade execution, clearing and settlement of all ASX transactions, as instructed by Joseph Palmer & Sons Authorised Representatives (ABN 69 081 002 851, AFSL 246381).

JOSEPH PALMER & SONS AND PRAEMIUM AUSTRALIA LIMITED

Joseph Palmer & Sons has entered into an agreement with Praemium Australia Limited (ABN 92 117 611 784, AFSL 297956) for SMA platform services using Joseph Palmer & Sons Model Portfolios.

PARTNERS

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MANAGER INVESTMENT ADVISORY SERVICES

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PORTFOLIO MANAGER

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ADMINISTRATIVE ASSISTANT

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01 CMC Markets Stockbroking Limited

CMC Markets Stockbroking Limited is a member of the CMC Markets group of companies ('CMC Markets Group') which includes CMC Markets Asia Pacific Pty Ltd (ABN 11 100 058 213, AFSL 238054) ('CMC Markets') and CMC Markets Pty Ltd (ABN 75 100 058 106, AFSL 279437).

Our details are set out below. 'We', 'us', 'our' or 'CMC Markets Stockbroking' in this Financial Services Guide ('FSG') refers to CMC Markets Stockbroking Limited.

CMC Markets Stockbroking Limited	
Registered & business address	Client Services CMC Markets Stockbroking Limited Level 20, Tower Three, International Towers 300 Barangaroo Avenue Sydney NSW 2000 Australia
Postal address	Client Services CMC Markets Stockbroking Limited GPO Box 5351 Sydney NSW 2001 Australia
ABN	69 081 002 851
AFSL	246381
Phone	1300 360 071 (only in Australia)
Fax	+61 (0)2 9221 9365
Email	info@cmcmarkets.com.au
Web	cmcmarkets.com.au

02 Purpose and content of this FSG

This FSG is dated 7 June 2018. It is designed to assist you in deciding whether to use any of the financial services offered in this FSG. It aims to clearly define the role and responsibility of CMC Markets Stockbroking when it provides retail clients with the financial services described in this FSG.

In particular, this FSG contains information about:

- other documents that you may receive from us;
- how you may give us instructions;
- the kinds of financial services that we provide and the financial products to which those services relate;
- who we act for in providing financial services and what licensed markets and licensed clearing and settlement facilities we participate in;
- how we, our staff and other relevant persons are paid for the financial services offered as well as the associations or relationships between us and any related persons and issuers of financial products that might influence how we provide the financial services; and
- how complaints against us are dealt with.

03 Other documents that you may receive from us

Our policy is not to provide personal advice to our clients. However, if we do provide you with personal advice or further assistance in selecting products or services that meet your personal objectives, financial situation or needs, we will give you a Statement of Advice ('SOA') that will set out the personal advice we have given you, including the basis on which that advice is given and information about any fees, commissions, associations or relationships with product issuers or other parties which might have influenced the provision of that advice. If we have previously given you an SOA and we give you further market-related advice, we may not give you an SOA relating to that advice. You can request a record of that advice provided that we receive the request within 90 days after the date on which the advice was provided.

If we recommend that you acquire a particular financial product (other than securities such as listed shares) or offer to issue, or arrange the issue of a financial product to you, we will give you a Product Disclosure Statement ('PDS') containing information in respect of the product so that you can make an informed decision whether to acquire the financial product. The PDS contains information about the relevant terms, significant benefits and risks, and the fees and costs associated with the provision of that financial product.

It is important for you to consider the CMC Markets Stockbroking Terms and Conditions in deciding whether or not to acquire any of the financial products offered by CMC Markets Stockbroking.

04 How to give us instructions

We accept instructions from you in person, by telephone, by facsimile, by post or electronically via our online trading platform. If you are not registered to trade electronically, we normally require a signature from you to verify your instructions.

05 Authorised financial services

We are authorised under our Australian Financial Services Licence to:

- Deal in:
 - deposit and payment products, limited to basic deposit products;
 - derivatives;
 - foreign exchange contracts;
 - interests in managed investment schemes (excluding investor-directed portfolio services); and
 - securities.
- provide financial advice in relation to the financial products listed above (although it is our policy not to give personal advice);
- make a market for foreign exchange contracts; and
- operate custodial or depository services other than investor-directed portfolio services.

5.1 What is general advice?

General advice may differ from what you might commonly understand or expect.

General advice under Australian law can include information or CMC Markets Stockbroking's opinions about the market and products that we recommend to you.

Any information you have requested about the market, any products that we recommend, or any discussion you have with a CMC Markets Stockbroking employee in relation to any products, should only be regarded as general advice and will not take into account your objectives, financial situation or needs.

If you require personal advice specific to your particular financial situation,

objectives or needs, you will need to speak to your financial adviser. CMC Markets Stockbroking's policy is to not give personal advice.

Any discussions with CMC Markets Stockbroking's employees about their view of current or future market conditions or prospects for a particular product should not be seen as personal advice. Rather, it should be regarded as general information for your consideration prior to making any decision in relation to the financial services we provide.

5.2 What is personal advice?

Personal advice is advice that takes into account any of your objectives, financial situation or needs. CMC Markets Stockbroking will not give you personal advice. Should you require personal advice please contact your financial adviser.

06 Who will be providing financial services?

6.1 What financial services does CMC Markets Stockbroking provide?

We act on our own behalf when we provide financial services to you and not as an agent or representative for anyone else.

We are:

- a market participant of the Australian Securities Exchange Limited ('ASX');
- a market participant of the Sydney Stock Exchange Limited ('SSX');
- a market participant of Chi-X Australia Pty Ltd ('Chi-X');
- a clearing participant of ASX Clear Pty Limited (the clearing and settlement facility for the derivatives markets operated by ASX);
- a participant of CHESS, the clearing and settlement facility operated by ASX Settlement Pty Limited; and
- a member of the CMC Markets group of companies.

We use the custodian services provided by CMC Markets Stockbroking Nominees Pty Ltd ('CMC Markets Stockbroking Nominees') ACN 081 424 375, a wholly owned subsidiary of CMC Markets Stockbroking, during the T+2 settlement period in accordance with the ASIC Market Integrity Rules (Securities Markets) 2017 ('ASIC Rules'). The ASIC Rules require that all financial products being held for a client during this period be registered under a nominee company. CMC Markets Stockbroking Nominees holds these financial products on your behalf in accordance with the ASIC Rules. These services are conducted under our licence and we are responsible for the conduct of CMC Markets Stockbroking Nominees in respect of those services.

6.2 CMC Markets Privacy Statement

All information that CMC Markets Group collects about you will be treated in accordance with our Privacy Statement which can be found online at cmcmarkets.com.au.

The CMC Markets Privacy Statement is in accordance with the Australian Privacy Principles.

07 Remuneration and other benefits we receive

Where any amount of remuneration (including commission) or other benefits referred to in this section 7 is not able to be ascertained as at the date of this FSG, you may contact us to request particulars of the remuneration (including commission) or other benefits. Your request for particulars must be made within a reasonable time after you receive this FSG and before we provide you with any of the financial services referred to in this FSG.

If you trade with CMC Markets Stockbroking through an introducing adviser or referrer, that introducing adviser or referrer may have its own schedule of fees. Refer to your introducing adviser or referrer's financial

services guide, website or contact your introducing adviser or referrer for further information. In those circumstances, if there are differences in the introducing adviser or referrer's fees for a particular service, the introducing adviser or referrer's fees will apply, not the fees for the service outlined in this section 7.

7.1 Commissions on investments in financial products issued by others

We are remunerated through the fees we charge you. With certain financial products, we are also remunerated by product issuers through commissions paid to us.

Initial commissions are a one-off payment and are calculated as a percentage of the funds you have invested. They are deducted from the amount invested. Initial commissions range from 0% to 6.5% (including GST) of your investment amount.

In certain cases where you apply for securities in a new issue, IPO or float we may receive fees from the issuer. All such fees associated with the issue will be disclosed in the product disclosure statement or prospectus for the issue. These fees vary but will typically range from between 1% to 5% of the amount raised. Unless otherwise agreed by us in advance you are not entitled to any of these fees.

Ongoing commissions (also known as trailing commission) are paid for the length of time you hold the financial product. They are usually paid directly to us by the product issuer out of the revenue the product issuer earns. In some cases they may be deducted from your investment. Ongoing commissions range from 0% to 3% (including GST) of your investment amount.

7.2 Other fees and charges

Alert service

We operate an alert service where we send you alerts by email, short message service (SMS), via the Messages area of our website or by a telephone call by a broker. The alerts provide information on relevant prices, volumes, status or news.

Type of Alert	Charges per alert (Including GST)
Email	\$0.11
SMS	\$0.22
Messages on our website	\$0.00

CMC Markets Cash Account

If you have a CMC Markets Cash Account with Bankwest that was opened before 1 July 2014 we will receive a commission from Bankwest, details of which are set out in the PIS prepared by Bankwest in respect of that account. The amount of commission payable to us by Bankwest will vary according to the daily closing balance of your account but will not exceed 5% of the funds invested.

The commission is reflected in the credit interest rates payable.

Broker Service Fee

If you have a CMC Markets Cash Account with Bankwest that was opened on or after 1 July 2014, we will charge you a Broker Service Fee in respect of services that we provide to you in relation to the account. The fee is not paid directly by you, rather you authorize Bankwest to deduct the fee from your CMC Markets Cash Account and pay it to CMC Markets. The fee will result in your net interest rate being up to 1% lower per annum than you would have otherwise received from Bankwest. The fee is calculated daily and debited monthly in arrears.

Miscellaneous fees and charges on Australian listed products

Service	Fees & Charges (Including GST)
Cheque dishonour	\$30
Bank cheque	\$20
Foreign currency bank draft	\$35
Cheque stop payment	\$20
Cheque drawing fee	\$13.20
Customer trace fee	\$25
Any other form of bank statement	\$11
Telegraphic transfers	\$35
RTGS* (domestic)	\$35
Deceased estates share transfer	\$55 per stock
Change of trustee off market	\$110 for portfolio
Transfers	\$55 per stock
SRN requests to share registries	\$22 (minimum)
Fail fee	\$55 + ASX fee [^] per failed day
Late settlement fee	\$55 + 0.1% of value of trade fee per failed day
Postage of confirmation contract note	\$2.42 per confirmation contract note
Non-Australian Resident Issuer to CHESS Conversion	\$20
CHESS Statement Reprints	\$16.50
IPO booking fee	\$55 per HIN
Rebooking fee	\$27.50
BPAY® for corporate actions	\$10
Direct debit dishonour fee	\$6.60
Off Market Transfers	\$55.00

Note: CMC Markets Stockbroking reserves the right to pass on any other fee incurred by CMC Markets

Stockbroking in respect of client activities.

* Real Time Gross Settlement

minimum fee, CMC Markets Stockbroking will charge more for this fee where the fee charged to us by the exchange exceeds this amount

[^] 0.11% up to \$5,000, or \$110.

Miscellaneous fees and charges on International listed products

Service	Fees & Charges (Including GST)
Electronic transfer (in)	\$20 per holding
Physical transfer (in)	\$50 per holding
Transfer (out)	\$100 per holding
Custody Fee	0.50% p.a.*, minimum \$10
Currency Conversion	Displayed on the platform
FX spread	Up to 0.60%
FX buffer on buy orders	2% or as displayed on the platform
Account documentation fee (applied to relevant accounts that have not supplied a W-8 or W-9 form.	\$50 [^]
US Markets SEC fee	0.00231% on sell Orders
Stamp Duty	Displayed on the platform if applicable

* Applied monthly based on foreign asset holdings value excluding cash. This fee may be waived for clients in the Active Investor or Premium Investor or if the client has placed a trade on International Securities in the previous 12 months.

[^] Applicable to Clients who have not submitted a W-8 or W-9 form prior to the dividend ex-date of a qualifying trade on a US-incorporated security.

Market Data Service

We are charged royalty fees by the ASX for the market data you use. There are three data options available on our trading platform for our retail clients (clients who have been introduced or referred to CMC Markets Stockbroking may be charged different rates. Please confirm with your introducing adviser/referrer). When you logon to the trading platform, you will be asked to nominate which data service you would like to have access to. You can change your data service at any time using the online trading platform however any downgrades will only take effect for the next calendar month and you will be charged for the current month.

Fees are payable in arrears and will be debited from your nominated account at the start of each month. The monthly data service fees can be found in the table below. You must ensure that you have adequate funds in your nominated account to cover the market data fees. If there are insufficient funds in your nominated account, you may, at our discretion, be switched to the delayed data service for future periods and you will need to settle the debt by making payment. CMC Markets Stockbroking reserves the right to withhold funds from future share sale proceeds to settle any debt.

If you do not logon to the trading platform during a calendar month, no fee will be payable regardless of which market data service you have chosen.

Data Service Fees

Data Service	Data Type	Monthly fees & charges (Including GST)
Dynamic Data Service	Live—refreshes automatically	\$41.25 for non-professional investors \$82 for professional investors
Live—requires a click to refresh	Live—requires a click to refresh	\$10 for non-professional investors \$82 for professional investors
Delayed data service	20 minute delay	Free

Note:

- When you log on to our trading platform, you will be asked to select whether you are a non-professional investor or professional investor. These terms have the meaning given to them by the ASX.
- CMC Markets Stockbroking will charge more for these fees where the fee charged to us by the exchange exceeds this amount.

International Data Service Fees

If you activate certain International Securities you may be required to pay a market data fee. Please refer to the platform for details about applicable market fees.

Platform Fees

Platform	Monthly fees & charges (Including GST)
Standard online trading platform	Free
Pro platform	\$49
WebIRESS Non-Professional (includes ASX Market Point)	\$126.50
WebIRESS Professional (includes ASX Market Point)	\$159.50

Platform fees are for use of the trading platform, and do not include market data fees or, for WebIRESS, any additional service fees. They are applied per calendar month or part thereof.

WebIRESS Additional Service Fees

In addition to the WebIRESS Platform fee you must pay royalties for any additional services you subscribe to.

Service	Monthly Fees (Including GST)
AAP Market News	\$30
ASX Company New Live	\$33
ASX24	\$60.50
Dow Jones Australia/NZ News	\$55
Dow Jones International News	\$82.50

Dow Jones Asia Pacific News	\$33
International Markets Live Module	\$11
International Markets Live Indices*	\$31.35
London Metals Exchange*	\$19.80
NZ Module	\$27.50
NZSE Data Royalty^	NZ\$88
Reuters News	\$55

Note: CMC Markets Stockbroking will charge more for these fees where the fee charged to us exceeds this amount.

*Requires International Markets Live Module

^Requires NZ Module

Monthly fees are charged for each calendar month or part thereof.

7.3 Interest on CMC Markets Stockbroking Trust Account

We hold your money in a CMC Markets Stockbroking Trust Account in certain circumstances in accordance with the Corporations Act 2001 (Cth) ('Corporations Act'). We may receive, derive and retain any interest or income generated from this CMC Markets Stockbroking Trust Account.

7.4 What benefits are paid by CMC Markets Stock-broking to introducing advisers and referrers?

CMC Markets Stockbroking may pay commission or provide other benefits to introducing advisers and referrers for the introduction or referral of clients to CMC Markets Stockbroking. The commission paid by CMC Markets Stockbroking to introducing advisers and referrers may include a flat rate, or an amount calculated as a percentage of the brokerage paid by you to CMC Markets Stockbroking when you trade.

CMC Markets Stockbroking may receive commission from third parties where a CMC Markets Stockbroking client utilises the third party's product in connection with their trading with us. CMC Markets Stockbroking may also pay commission to third parties where a product or service of the third party is used in connection with a trading account.

7.5 Third party adviser fees

If you have agreed to pay a third party adviser a fee for the services that they provide to you, then unless otherwise stated you agree for us to pay that fee to your adviser on your behalf. You will be required to pay to us an amount equal to the specified adviser fee in addition to any amounts you owe us.

7.6 Changes to fees

All fees, costs and charges and other amounts payable are correct as at the date of the FSG but are subject to change from time to time.

o8 CMC Markets' Group representatives

8.1 How does CMC Markets Stockbroking provide its financial services in relation to its products?

CMC Markets Stockbroking provides its financial services to you through its employees.

8.2 How are CMC Markets' Group, employees and directors paid?

CMC Markets Group's employees, representatives and directors are remunerated by way of salary and other employee benefits. A discretionary cash bonus may be paid to employees and directors as part of their remuneration, based on their performance, the performance of their business unit and/or the performance of CMC Markets Group as a whole.

In addition, some CMC Markets Group employees earn a performance-based commission and/or other monetary rewards calculated by reference to the financial products they sell and whether they achieve or exceed their sales targets. For example, employees may earn commission for new accounts opened. Such commissions are based on the volume of accounts opened per month and the amount of such commission earned will vary between employees. Amounts of volume-based commission may vary between \$0 and \$200 for a new account and there is a cap on the amount an employee can earn from such commissions.

You can request further information regarding remuneration, commission and other benefits received by CMC Markets Group employees and directors by contacting our Compliance Department. Your request, however, must be made within a reasonable time after you are given this FSG and before any financial service identified in this FSG is provided to you.

09 Complaints

9.1 Who can I complain to if I have a complaint about CMC Markets Stockbroking's financial service?

CMC Markets Stockbroking is committed to providing a high standard of service to clients. If you have a query about the quality or level of service, or if we have failed to meet your expectations, we would like to hear from you.

Firstly, contact CMC Markets Stockbroking and speak to an employee. Explain carefully the nature of your problem and tell us how you would like us to fix the problem. Usually problems can be quickly rectified and the sooner you refer an issue to us the better.

If your complaint cannot be resolved at the first point of contact, you should write to:

Complaints Officer
CMC Markets Stockbroking Limited
Level 20, Tower Three, International Towers
300 Barangaroo Avenue
Sydney NSW 2000
Australia

If CMC Markets Stockbroking does not resolve your complaint to your satisfaction, you may lodge a complaint with the Financial Ombudsman Service ('FOS') or (once it commences operations) its successor the Australian Financial Complaints Authority, which is an independent dispute resolution scheme of which CMC Markets Stockbroking is a member.

Before FOS deals with your complaint you must have first lodged a formal complaint with us and given us time to resolve your complaint internally. This generally takes 45 days, although we may extend this time in complex cases.

To lodge a complaint with FOS you should send the necessary documents and information to:

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001
Australia
Phone 1300 780 808 or +61 (0)3 9613 7366
Fax +61 (0)3 9613 6399
Website fos.org.au

If the complaint does not fall within the rules of FOS, you may request CMC Markets Stockbroking to submit the complaint to arbitration. If CMC Markets Stockbroking agrees to your request, the arbitration will be conducted in accordance with, and subject to, the Institute of Arbitrators and Mediators of Australia Expedited Commercial Arbitration Rules, and to the extent permitted under those rules the Arbitrator will be a person recommended by the New South Wales Chapter of the Institute of Arbitrators and Mediators of Australia.

If CMC Markets Stockbroking does not agree to your request, you may not submit the dispute or difference to arbitration, although you may commence legal proceedings against CMC Markets Stockbroking, in which case you agree to submit the dispute or difference to the courts of New South Wales, Australia.

To the maximum extent permitted by law, any dispute or difference whatsoever raised by you in connection with the FSG, and CMC Markets Stockbroking Terms and Conditions or other relevant documents ('CMC Markets Documents') and our products must be dealt with in Australia as described above. The CMC Markets Documents are governed by the laws of New South Wales, Australia.

9.2 What is the effect of a determination by FOS or the arbitrator?

You and we agree to accept the determination of FOS or the arbitrator, as the case requires, as final and binding and submit to the non-exclusive jurisdiction of the Courts in New South Wales for the enforcement of any such determination.

9.3 Records of phone conversations with CMC Markets Stockbroking's employees

CMC Markets Stockbroking may record telephone conversations between you and its employees. Such recordings, or transcripts from such recordings, may be used as evidence in any dispute or anticipated dispute between CMC Markets Stockbroking and you.

10 Professional Indemnity Insurance

CMC Markets Stockbroking has professional indemnity insurance in place which satisfies the requirements for compensation arrangements pursuant to the Corporations Act. This policy covers claims made against CMC Markets Stockbroking in relation to professional services provided by our current and former employees.

Level 20, Tower Three
International Towers
300 Barangaroo Avenue
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