

Ingenuity that bridges you with
the global marketplace



Financial Services Guide

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Cambridge 
Global Payments

Table of Contents

- 1. What is a Financial Services Guide? – pg. 3
- 2. Who will be providing the Financial Services to you? – pg. 3
- 3. On whose behalf are we acting when we provide our services to you? – pg. 4
- 4. What services and products are we authorised to provide to you? – pg. 4
- 5. What fees and commissions are payable to us? –pg. 4
- 6. How are our people and third parties remunerated? –pg. 6
- 7. What should you do if you have a complaint? –pg. 7

1. What is a Financial Services Guide?

This Financial Services Guide (**FSG**) is an important document designed to help you understand and decide if you wish to use the financial services we are able to offer you.

It provides you with information about Cambridge Mercantile (Australia) Pty. Ltd. trading as Cambridge Global Payments (Cambridge, **us, our, we**) and the services we provide. Its purpose is to educate you, before we provide a financial service, on matters including:

- Who we are and how we can be contacted;
- What services and products we are authorised to provide to you;
- How we (and any other relevant parties) are paid; and
- Who to contact if you have a complaint.

Before we issue any particular financial products to you, we will provide you with a Product Disclosure Statement (**PDS**). The PDS contains information about the product(s) to assist you in making an informed decision about that product(s). It will outline relevant terms, significant risks (where such exist), and fees and charges associated with the product(s).

If we do provide you with any personal advice, we will provide you with a written Statement of Advice (**SOA**). The SOA contains our advice and the reasons for it, as well as other relevant information, to assist you in making an informed decision about the various products and strategies that are relevant to you.

If we provide you with further personal advice, after the initial advice, you may request a record of the further advice that is provided to you (if you haven't already been provided with it). You can request the record of the further advice within a period of seven years of it being given, by contacting us using the details provided on page 1.

If we provide you with general advice, then it will not take into account your needs, financial situation or objectives, and you should consider your circumstances before choosing to act on the advice. You should also take all reasonable steps to understand the potential outcomes of the transactions we offer. Additionally, we advise that you read the relevant Product Disclosure Statement before making a decision.

2. Who will be providing the Financial Services to you?

The Licensee

We are the holder of an Australian Financial Services Licence and are responsible, for the financial services that our representatives provide to you. We authorise, and are also responsible for the content and distribution of this FSG.

You can instruct us to provide you with our services by contacting us via our online trading platform. In the event that the online trading platform is unable to receive your instructions, you can instruct us via telephone or email.

Our contact details are at the start of this FSG.

If you are located outside of Australia, either the Licensee or one of our representatives will provide financial services to you.

3. On whose behalf are we acting when we provide our services to you?

As we are the product issuer, we are acting on our own behalf when we provide the services and not on your behalf.

4. What services and products are we authorised to provide to you?

We are authorised to give financial product advice to both retail and wholesale clients in relation to derivatives and foreign exchange contracts. We are also authorised to deal in relation to those same products, as well as non-cash payment facilities.

This means that we can advise you and help you fill out the forms, and undertake and complete trades and other related transactions.

We are also authorised to “make a market” for foreign exchange and derivatives contracts. This allows us to quote market prices to you, including buy and sell prices.

If you wish to utilise our services you may issue us with instructions

- Via the telephone;
- Via the internet; or
- Such other method (such as email) as may be mutually agreed between us.

In providing our service, other financial issues may arise, such as how to invest money, or taxation issues. However, we are not authorised to provide advice relating to those financial issues, or any other issues except those explained above. You should seek specific advice from the appropriate professionals if these issues are relevant to you.

5. What fees and commissions are payable to us?

There are a number of costs, fees and commissions that you may be required to pay us, in order to use our services.

By using or continuing to use our services, you agree that:

- All fees and charges received by us as described in this FSG (other than third party fees and charges) are a benefit given to us by you, in exchange for the market making and dealing services provided by us.
- We do not charge volume-based or asset-based fees for any advice we provide.
- You understand, consent to, authorise and direct us to charge you in this way.

Cost, fees and commission overview

Type	Description
Spread Cost (Margin)	<p>For all transactions, we earn income on the margin between the wholesale cost of currency, and the cost at which we offer the currency to you. The margin that is charged is determined according to the availability of the currency you are buying or selling, market volatility, interest rates and the value of the transaction.</p> <p>It is not in addition to the quoted price. The margin that is charged generally ranges between 0.01% and 4% per transaction. The size of the margin will generally be greater if interest rates in the countries subject to the currency pair (eg. AUD/EUR) are greater, if the currency pair is less "liquid", if the market is more volatile, and/or if the transaction is smaller.</p> <p>Example: You wish to buy USD100,000 to pay to an overseas beneficiary and pay us AUD for this USD purchase.</p> <ul style="list-style-type: none"> The rate quoted you by us for this transaction is AUD/USD 0.9450. Therefore the AUD converted amount is AUD105,820.10. This is the amount of AUD you would have to pay us to buy the USD100,000 to remit to your beneficiary. We would cover the USD100,000 transaction in the foreign exchange market. For this example, the wholesale rate is AUD/USD 0.9455 which equates to AUD105,764.15. This is the AUD amount that we will have to pay to another institution to buy the USD100,000 to cover this transaction. In this example the 'margin' is represented by the difference in the two amounts, being AUD55.95. This amount is the gross margin revenue earned on this transaction by us (in addition to any transfer fees – see below.)
Transfer fee	<p>We may charge you a transfer fee of between AUD0 and AUD30 per transfer, which is payable before you enter into the relevant transaction with us.</p> <p>Example: You wish to buy USD100,000.00 and pay 5 individual beneficiaries USD20,000.00 each.</p> <p>On this occasion, in addition to the spread cost (margin) built in to the conversion between AUD and USD, as described above, you may have to pay us a transfer fee for each of the 5 payments being sent on your behalf. For example, if the transfer fee was AUD15 per transfer, you would pay us the AUD value of the conversion of USD100,000.00 plus an additional AUD75.00 (5 x AUD15)."</p> <p>Other banks that receive your funds or act as an intermediary may charge you fees which are often unknown to us, and/or out of our control.</p>
Initial Deposit	<p>We may require you to pay a deposit (eg. 5% of the contract value) before entering into a forward or option contract.</p> <p>We may also structure a contract in such a way that we charge you an up-front premium, which would be payable to us within 2 business days of entering into the transaction or as otherwise determined by us. See also Additional Deposits below.</p>
Interest on client money	<p>We place client moneys into our segregated funds account which is a client account. We are entitled to earn any interest (which if payable, is calculated daily) on positive balances in the segregated funds account and do not pay it on to clients.</p>
Electronic payment	<p>If you make a payment to us through an electronic payment system, you may be charged a fee by the system provider at the time of the transaction, which will reduce the amount that arrives in our account. We do not retain any of these fees – they go to electronic payment system provider. The fee will vary depending on the payment system you use, and where possible we will include the fee information on our website. In some instances, we may reimburse to you part of these costs if, for example, we are running a special offer campaign.</p>

Cost, fees and commission overview (cont'd)

Administrative charges	<p>We do not charge administrative fees for using our services. However, depending on how you pay us (see "Electronic payments" above) or withdraw funds, third parties may charge administration fees.</p> <p>Also, your bank or financial institution may charge you transaction fees which it will explain to you.</p>
Additional Deposits	<p>We carry out a daily revaluation of all outstanding forward and options contracts (Mark to Market valuations) to reflect their current market value and monitor our exposure.</p> <p>If during this process the current market value of your forward and/or options contract(s) moves against you beyond an agreed amount or percentage of the face amount we may request you make an additional margin deposit as an offset to bring your contracts' risk exposure back to an agreed level. Further, additional deposit payments may be required to be made by you should the revaluation continue to move further against you outside the agreed amount during the term of the contract.</p> <p>We may vary our deposit requirements, depending on a number of factors, including your credit limits and credit worthiness (including your financial position). We will agree this with you before you enter into a relevant contract with us.</p> <p>We may vary those arrangements from time to time, depending on factors including prevailing market conditions and your ongoing credit worthiness.</p> <p>Whilst such security deposits are refundable to you at maturity of the contract they can alternatively be applied to the last payment on the contract at maturity.</p>

You may request more details about the way we are remunerated within a reasonable time after receiving this document.

6. How are our people and third parties remunerated?

Our sales and dealing staff are remunerated with a base salary and commission payments. The commission is based on a number of factors including:

- Company performance;
- Team performance; and
- Criteria related to clients.

Our managers are remunerated with a base salary and can also qualify for commission payments. They may also be paid quarterly discretionary bonuses based upon a number of team based and individual KPIs. The quarterly discretionary bonuses are based on:

- Strong team culture/ethic;
- Exceptional performance in any function; and/or
- Overall business performance.

Other employees may be paid a quarterly discretionary bonus above their salary.

Our shareholders will also receive a benefit based on our ongoing company performance.

When you are referred by a third party to us we may pay a commission to the third party up to 20% of the Spread Cost (see above) generated from your contract.

The amount paid to referrers is negotiated on an individual basis and is typically based on a sliding scale, which takes into account:

1. The number of clients referred or introduced to us; and
2. The number of contracts traded by clients introduced or referred to us.

The payments are typically paid at the time the trades take place, or within a month of that time.

If we provide you with personal advice, we will provide you with more information about how our representatives are remunerated at that time.

If we do not provide you with personal advice, you may request further information about how our representatives are remunerated within a reasonable time of receiving this document.

7. What should you do if you have a complaint?

In the event you have a complaint, you can contact one of our representatives and discuss your complaint.

If your complaint is not satisfactorily resolved within 6 weeks, please contact by telephone or in writing:

Complaints Manager
Cambridge Mercantile (Australia) Pty Ltd.
Suite 13.02, Level 13, 35 Clarence Street
Sydney, NSW, Australia
Email address: complaints@cambridgefx.com.au
Phone: 02 8076 6500

We will try and resolve your complaint quickly, fairly and within prescribed time frames.

If the complaint cannot be resolved to your satisfaction you have the right to refer the matter to the Australian Financial Complaints Authority (AFCA) which is an external complaints service, of which we are a member: 33946

You can contact the AFCA on:
Phone: 1800 931 678 (Free call),
In writing at: GPO Box 3, Melbourne, Victoria 3001, Australia.
Email: info@afca.org.au
Website: www.afca.org.au

Personal Information

We record inbound and outbound telephone conversations to our office for compliance and training purposes.

We are committed to ensuring the confidentiality and security of the personal information of its clients, and are also committed to complying with both the *Privacy Act 1988 (Cth)* and the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)*. Our Privacy Policy detailing our handling of personal information is available upon request. You may request access to information held about you by contacting us on the contact details listed above.

If you do not provide some or all of the information requested on our application form, we may not be able to accept your application to open an account or otherwise provide you with our services.

We may use information received from its clients to send marketing material to its clients from time to time unless you elect not to receive it. We will not provide your information to any third party other than in accordance with our Privacy Policy.

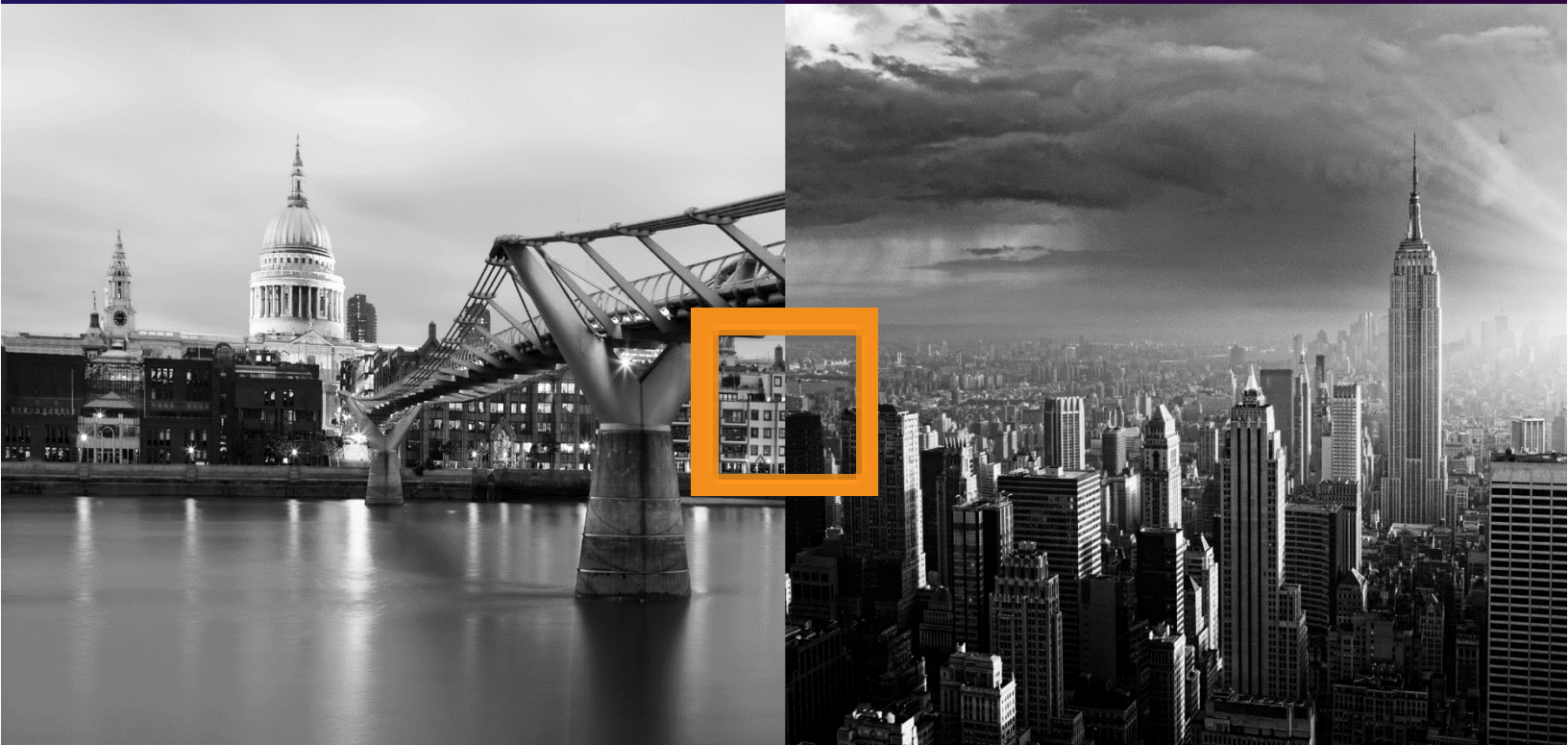
Compensation

We maintain professional indemnity insurance to cover us for the financial services we provide. We consider it to be adequate to meet our requirements under section 912B of the Corporations Act 2001. The policy includes coverage for claims in relation to the conduct of representatives/employees who no longer work for us (but who did at the time of the relevant conduct).

Please retain this FSG for your reference and any future dealings with us. We may also add documents at a later date which will form part of this FSG, and should be read together with it. They will include the word "FSG" in the heading.

Cambridge

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Cambridge Global Payments

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