

# Financial Services Guide

AFS Licence No. 297950

---

INVESTOR SIGNALS PTY LTD

(ABN 44 143 555 453)

Corporate Authorised Representative (No. 439411)  
of D2MX Pty Ltd (ABN 98 113 959 596,

A Participant of ASX Group)

June 2013

# Financial Services Guide

AFS Licence No. 297950

---

<b>1.</b>	<b>Glossary of terms</b>	<b>3</b>
<b>2.</b>	<b>Purpose and content of this Financial Services Guide</b>	<b>3</b>
<b>3.</b>	<b>Statements of Advice and Product Disclosure Statements</b>	<b>4</b>
<b>4.</b>	<b>Who are Investor Signals and D2MX?</b>	<b>4</b>
<b>5.</b>	<b>How we can be contacted</b>	<b>5</b>
<b>6.</b>	<b>The services we offer</b>	<b>5</b>
<b>7.</b>	<b>Do we provide personal financial advice?</b>	<b>6</b>
<b>8.</b>	<b>How you may provide instructions to us</b>	<b>7</b>
<b>9.</b>	<b>How do we charge for our services?</b>	<b>7</b>
<b>10.</b>	<b>Commissions and other benefits from third parties</b>	<b>7</b>
<b>11.</b>	<b>How are representatives remunerated?</b>	<b>7</b>
<b>12.</b>	<b>Will anyone be paid for referring you to us?</b>	<b>7</b>
<b>13.</b>	<b>Do we have any relationships or associations with financial product providers?</b>	<b>8</b>
<b>14.</b>	<b>Complaints resolution</b>	<b>8</b>
<b>15.</b>	<b>External complaints resolution – FOS, ASX and ASIC</b>	<b>9</b>
<b>16.</b>	<b>Compensation arrangements</b>	<b>9</b>
<b>17.</b>	<b>Privacy</b>	<b>9</b>
<b>18.</b>	<b>Schedule of Fees and Charges</b>	<b>10</b>
<b>19.</b>	<b>Other Fees</b>	<b>13</b>

---

## 1. Glossary of terms

**AFS Licence** means an Australian financial services licence issued under the Corporations Act.

**ASIC** means Australian Securities and Investment Commission.

**ASX** means ASX Limited.

**Corporations Act** means *Corporations Act 2001* (Cth).

**D2MX** means D2MX Pty Ltd ABN 98 113 959 596, AFS Licence No. 297950.

**DMA Service** means Direct Market Access Service.

**FSG** means Financial Services Guide.

**Licensee** means the intermediary that holds an AFS Licence with whom we have entered into an arrangement under which the Licensee may place orders with us on behalf of clients in relation to ASX transactions (or allow the client to place such orders directly with us).

**Pershing** means Pershing Securities Australia Pty Ltd ABN 60 136 184 962 AFS Licence No. 338264.

**We, us or our** means Investor Signals Pty Ltd, ABN 44 143 555 453.

## 2. Purpose and content of this Financial Services Guide

This Financial Services Guide (**FSG**) is an important document. You should read it carefully and make sure you understand it.

We (Investor Signals Pty Ltd) are a corporate Authorised Representative (AR No. 439411) of D2MX, an Australian Financial Services Licensee (AFSL No. 297950). As a corporate authorised representative of D2MX, we are required to provide you with this FSG.

As the holder of an Australian financial services licence, D2MX and its related entities Bourse Data Pty Ltd distributing the Bourse software under licence (**Bourse Data**, Corporate Authorised Representative No. 288380) and Market Data Services Pty Ltd distributing Market Analyser software under license (**Market Data Services**, Corporate Authorised Representative No. 308042) (collectively **D2MX, we or us**) are also required to provide you with this FSG.

We provide this FSG together with D2MX. This FSG was prepared on 1 June 2013.

The FSG is made up of a number of equally important parts. Each of these parts is listed on the contents page and is intended to inform you of certain basic matters before we provide you with a financial service. This FSG was prepared to provide our clients who are retail clients information about the financial services provided by us.

The information set out in this FSG includes information about:

- (a) Who we are;
- (b) What services we provide;
- (c) The remuneration that may be paid to us and other relevant persons in relation to the services we offer;
- (d) What relationships and associations we have;

- (e) How complaints against us are dealt with.

This FSG is designed to assist you in deciding whether to use the services we provide which are described below.

### 3. Statements of Advice and Product Disclosure Statements

D2MX is authorised to provide personal financial product advice to clients but will only do so in limited circumstances and will issue separate terms and FSG for personal advice. Investor Signals is not authorised by D2MX to provide personal advice. Accordingly, we will only provide general financial product advice to you and will not take into account your “objectives, financial situation and needs” (**Objectives**) (as defined by the Corporations Act and ASIC) and therefore this FSG been prepared without taking into account those Objectives. Subsequently, you will not receive a Statement of Advice from us. You should contact an independent financial adviser if you require any financial product advice. D2MX has no responsibility for any financial product advice provided by any other person to you.

If we provide you with services that involve issuing or arranging to issue a financial product, such as exchange trade options (**ETOs**) or securities, you will be provided with a Product Disclosure Statement (**PDS**). The PDS will contain information that might reasonably be expected to have a material influence on your decision whether or not to acquire the financial product. This will include information regarding the benefits and risks associated with the product and other significant features of the terms and conditions attaching to the product.

### 4. Who are Investor Signals and D2MX?

We (Investor Signals Pty Ltd) are a corporate Authorised Representative (AR No 439411) of D2MX, an Australian Financial Services Licensee (AFSL No. 297950).

D2MX Pty Ltd, ABN 98 113 959 596, is a Trading Participant of ASX. D2MX holds an Australian Financial Services Licence under which it is authorised to provide financial product advice for the following classes of financial products:

- a) Basic and non-basic deposit products;
- b) Derivatives;
- c) Foreign exchange contracts;
- d) Government debentures, stocks and bonds;
- e) Interests in managed investment schemes including investor directed portfolio services;
- f) Securities; and
- g) Standard margin lending;

and to deal in a financial product by:

- (a) issuing, applying for, acquiring, varying or disposing of derivatives, foreign exchange and securities financial products; and;
- (b) applying for, acquiring, varying or disposing of the following classes of financial products
  - a) Basic and non-basic deposit products;
  - b) Derivatives;
  - c) Foreign exchange contracts;
  - d) Government debentures, stocks and bonds;

- e) Interests in managed investment schemes including investor directed portfolio services;
- f) Securities; and
- g) Standard margin lending.

D2MX, Bourse Data and Market Data Services are wholly owned subsidiaries of MDS Financial Group Ltd (MDS), a company listed on ASX (ASX:MWS).

We are authorised by D2MX to provide general advice and deal in respect of the following financial products: financial product advice for the following classes of financial products:

- a) Basic and non-basic deposit products;
- b) Derivatives;
- c) Foreign Exchange; and
- d) Securities;

and to deal in a financial product by:

- (a) issuing, applying for, acquiring, varying or disposing of derivatives and securities financial products; and;
  - a) Derivatives;
  - b) Foreign Exchange; and
  - c) Securities
- (b) applying for, acquiring, varying or disposing of the following classes of financial products on behalf of another person:
  - a) Basic and non-basic deposit products;
  - b) Derivatives;
  - c) Foreign Exchange; and
  - d) Securities.

## 5. How we can be contacted

Address	D2MX Level 37 Rialto South Tower 525 Collins Street MELBOURNE VIC 3000	Investor Signals 14 Wallaby Pl Bundall QLD 4217
Telephone:	1300 130 545	
Email:	info@d2mx.com.au	

## 6. The services we offer

We provide to retail clients a general advice and execution-only service under which D2MX:

- (a) executes orders on ASX to buy and sell traded products (such as shares, options and warrants quoted on ASX);and
- (b) executes orders on ASX to buy, sell, close out and exercise Derivatives (such as Exchange Traded Options and LEPOs);

(c) undertakes other dealings in financial products.

Settlement and clearing of transactions executed by D2MX through ASX is undertaken by Pershing, a leading provider of third party clearing services to the Australian market.

We do not issue margin lending facilities, but D2MX can assist you with making arrangements with margin lending facility providers approved for settlement purposes by D2MX.

Whilst D2MX is authorised in its own right to provide the above named services, D2MX representatives may be authorised by D2MX to provide all, or only some of those financial services. The products and services they are authorised to provide will depend on their experience and qualifications with respect to each product or service, and is outlined below for Market Data Services and Bourse Data, and in any attached Investor Signals Representative Profile for authorised representatives.

Market Data Services is authorised to provide general financial product advice, to arrange dealings and apply for, acquire, vary or dispose of financial products on behalf of others in relation to the following financial products:

- securities (such as shares, company issued options and some warrants);
- derivatives (such as exchange traded options and warrants);
- government debentures, stocks and bonds;
- basic and non-basic deposit products;
- standard margin lending facility;
- foreign exchange contracts; and
- interests in managed investments schemes including investor directed portfolio services.

Bourse Data is only authorised to provide general financial product advice with respect to:

- securities (such as shares, company issued options and some warrants);
- derivatives (such as exchange traded options and warrants);
- government debentures, stocks and bonds;
- basic and non-basic deposit products;
- standard margin lending facility;
- foreign exchange contracts; and
- interests in managed investments schemes including investor directed portfolio services.

You should also note that we are obligated by the AML/CTF Act to collect personal information from clients in order to fully verify a client's identity before providing any designated services under the AML/CTF Act.

More information on the products and services offered by D2MX is available at [www.d2mx.com.au](http://www.d2mx.com.au).

## 7. Do we provide personal financial advice?

If you use our online services for trading in listed financial products, derivatives and managed funds, we may from time to time provide general advice in relation to financial products. We will not, however, provide you with any personal advice even though D2MX is authorised by ASIC to do so, as we are not authorised by D2MX in this regard. This means that, if we do give advice, we will not take into account your objectives, financial situation and needs. Accordingly, you will not be provided with a Statement of Advice.

## 8. How you may provide instructions to us

You may only provide instructions to us in accordance with your client agreement with us. That agreement permits you to provide instructions to us directly (such as through a DMA Service) or via telephone instructions.

## 9. How do we charge for our services?

We charge you fees for the services that we may provide to you.

D2MX will charge you a fee for those transactions executed through the ASX by us on your behalf (**Execution Fee**).

D2MX and Investor Signals are remunerated directly through the fees we charge you. Details of our fees and charges are set out in the schedule to this FSG.

We may also earn and retain interest on monies held for clients in their trust accounts from time to time

## 10. Commissions and other benefits from third parties

D2MX and Investor Signals may provide you with financial products and services from either related or non-related product providers, and may receive a commission payment from product providers where you invest in one of their products or services. In these cases, the amount and / or the method by which the commission is calculated will be supplied to you at that time that the financial product or service is provided. Information about the commission payments we may receive is also available upon request.

D2MX and Investor Signals may receive trail commissions from third parties as a result of your investment. In particular, trailing commissions may be received from fund management groups for monies held in your Cash Management Account. Details of these commissions are contained in the Product Disclosure Statement of the relevant fund or applicable Disclosure Statement of the relevant account.

Trailing commissions may also be received from margin lending groups for funds held. Details of these commissions are contained in the disclosure document of the relevant margin lender.

In addition to the above mentioned remuneration, we (including our representatives) may receive other benefits such as training assistance, marketing, entertainment and gifts from product and service providers.

## 11. How are representatives remunerated?

Directors and employees of Investor Signals, MDS and D2MX and their subsidiaries and related bodies corporate receive salaries, bonuses, a share of profits and other benefits.

At your request, we will provide particulars of our representative remuneration (including commissions) or other benefits. However, we will only provide this information to you if you have requested it within a reasonable time after this FSG has been given to you and before any financial services identified in this FSG are provided to you.

## 12. Will anyone be paid for referring you to us?

If you were referred to Investor Signals or D2MX under a referral arrangement, the referrer may receive a one-off fee or a proportion of your brokerage paid. The referrer

also may receive other nonmonetary or indirect benefits such as concessionary brokerage rates.

Other Financial Services Licensees may receive commission from D2MX for promoting D2MX products, including subscription services. Those Licensees' remuneration is included in the fees you pay when investing in our products.

### 13. Do we have any relationships or associations with financial product providers?

D2MX has entered into arrangements with one or more Licensees as described in this FSG.

As noted above, Investor Signals employees and directors, and those of D2MX and its related entities, may have an interest in financial products recommended by us. We have also entered into arrangements from time to time with various product providers under which we may receive a commission if you invest in one of their products or services. We recognise this may create a conflict of interest, and to manage this conflict, all directors and employees are subject to controls on their trading activities.

We may provide you with financial products and services from either related or non-related product providers. D2MX or we may receive a commission payment from product or service providers where you invest in one of their products or use their services. The following are examples of such arrangements where such commissions may be payable:

- **Cash Management Trust/Cash Management Account:** If you open a Cash Management Trust or Cash Management Account through D2MX, D2MX may receive initial and ongoing commissions based on the balance of the account. Details of any such commissions will be contained in the Product Disclosure Statement of the relevant CMT/CMA provider. Such amounts received by D2MX will not exceed 25 basis points.
- **Margin lending referrals:** If you use a margin lending facility through D2MX, D2MX may receive ongoing commissions based on the balance of the account. Details of any such commissions will be contained in the Product Disclosure Statement of the relevant margin lender. Such amounts received by D2MX will not exceed 25 basis points.

## 14. Complaints resolution

### 14.1 Our commitment

We are committed to providing quality service and accurate information. As part of that commitment, we are focussed upon improving client satisfaction levels by providing an efficient and accessible system for resolving client complaints.

You have the right to have any complaint about the service received from us investigated and dealt with quickly and effectively in accordance with our complaints resolution procedures.

### 14.2 Client input

To assist us in responding appropriately to complaints, you are requested to prepare any complaint in writing, addressed to:

**Compliance Officer**  
D2MX  
Level 37



Rialto South Tower  
525 Collins Street  
MELBOURNE VIC 3000

You should include as much detail about the circumstances of the complaint as possible, including the name(s) of any of our staff involved. If available, copies of any background documentation should be provided to us along with the complaint.

#### **14.3 Our response**

Following receipt of your complaint, the Compliance Officer will acknowledge receipt of it in writing and provide an estimate of the time it will take to investigate the circumstances. The Compliance Officer will fully investigate the complaint and follow up if further information is required from you. The Compliance Officer will then prepare a detailed written response to you after consideration of all relevant documents and following interviews with the involved employees and their manager(s), if required. The written response will be mailed or delivered to you.

### **15. External complaints resolution – FOS, ASX and ASIC**

As we are a member of the Financial Ombudsman Service (**FOS**), we will advise you if you continue to have a complaint with us that you have the option to pursue your complaint with FOS. Contact details for FOS are:

**Financial Ombudsman Service**

GPO Box 3  
Melbourne VIC 3001

Ph: 1300 780 808

Fax: (03) 9613 6399

If you remain unsatisfied with our response to a complaint, you are at all times free to pursue the matter with ASX. ASIC also has an Infoline on 1300 300 630 which you may use to make a complaint and obtain information about investor rights.

### **16. Compensation arrangements**

D2MX has professional indemnity insurance which it considers is adequate having regard to:

- (a) the volume and types of business carried on by it;
- (b) the number and types of its clients;
- (c) the number of its representatives; and
- (d) any particular or potential claims that may arise pursuant to our participation in external dispute resolution schemes, including the FOS scheme.

D2MX considers that these compensation arrangements satisfy the requirements of s 912B of the Corporations Act and associated regulations.

### **17. Privacy**

At D2MX the privacy of your personal information is important to us. Our privacy policy is contained in the terms of your agreement with us.

## 18. Schedule of Fees and Charges

Both Investor Signals and D2MX are remunerated directly through the fees we charge you.

### **Securities and Derivatives**

D2MX offers the choice of one of the following rates for trading equities and warrants online:

#### **Securities and Derivatives**

With regard to the dealing services provided to a client who operates an execution only account for trading in securities and derivatives, the third party clearing/executing broker holding the clients monies will charge the client a commission. With respect to equities and derivatives transactions, the commission rate charged by D2MX is the greater of \$99 or a minimum of 1% of the transaction value unless otherwise agreed in writing with us.

For example, buying a parcel of shares for a consideration of \$9,000 will cost you \$99.00. Your brokerage is payable on or before the settlement date referred to in your Confirmation. With respect to equities and derivatives transactions, the commission rate charged by D2MX is the greater of \$99 or a minimum of 1% of the transaction value unless otherwise agreed in writing with you, inclusive of GST.

#### **Other Option Fees**

ASX Clear Pty Ltd (ASX Clear) will charge a range of fees for every option transaction and these will be passed onto you. For example, ASX Clear charges a contract registration fee of \$0.13 (plus GST) per share option contract and exercise fees of \$0.05 plus GST per contract. When providing these services and products, D2MX acts as principal and is not a representative or contractor of another licensee. It will execute the order but will outsource clearing of the financial products traded. D2MX does not hold clients monies.

### **Brokerage and Confirmations**

Confirmations are issued at the end of a trading day for any executed buy or sell in an individual stock (even though the order may not be complete). If the balance of the order is filled the next day, then a new confirmation would be issued and an additional confirmation charge is applied.

**Note that brokerage is payable each time we issue a confirmation up until your order is completed.**

In addition to the above, all ASX/ACH fees incurred on your behalf will be charged to your account.

With regard to the dealing services provided to a client who operates an execution-only account for trading in securities and derivatives, the third party clearing broker holding the clients monies will charge the client a commission.

D2MX participates in the commission charged by the clearing broker. No other benefits, either direct or indirect, are paid to the providing entity or a director or employee of the providing entity or any associate above.

When providing these services and products, D2MX acts as principal and is not a representative or contractor of another licensee. It will, however, outsource execution and clearing of the financial products traded. D2MX does not hold clients monies.

## **IRESS-Based Software & Data Fees**

The IRESS Software and Data fee for clients who have a trading account directly with D2MX comprises two parts:

1. Software Fee - Fixed at \$66.00 incl. GST (IRESS Trader platforms) per calendar month or free for htmlIRESS.
2. Data Fee - This is a fee charged by the ASX for viewing Live Price Data. The fee is charged at the rate of 2.53 cents incl. GST per minute (IRESS Trader platforms) during the hours of 9:30am to 5:00pm weekdays. This fee is capped at \$41.25 incl. GST for Non-Professional investors and \$49.50 incl. GST for Professional Investors per calendar month to view both live ASX and options market prices.

No software or data fees are payable if a client elects not to log on to an IRESS-based trading platform during the calendar month.

To reward frequent traders (IRESS Trader Platforms users only), D2MX also provides the following fee concessions:

- No software fee is charged if \$99 worth of brokerage (inclusive of GST) or greater is generated for the month.
- No software or data fee is charged if \$264 worth of brokerage (inclusive of GST) or greater is generated for the month.

This fee, if applicable to your account, will be debited to your Cash Management Trust account (or at our discretion, invoiced to you) in arrears during the following month.

These prices are provided for information only and are subject to change.

<b>Non-Trading Related Charges</b>	
<b>Fail Fee - Buy</b>  (This fee is payable if your CMT account or margin lending account does not have sufficient funds in respect of a buy trade)	\$110.00 per day + corresponding penalty fees
<b>Fail Fee-Sell</b>  (This fee is payable if you fail to provide the relevant financial products in respect of a sell order)	<b>(a)</b> \$110.00 per day + corresponding penalty fees+ ASX fees
<b>(b) Options Fail Fee</b>  (This fee is payable if your CMT account or margin lending account does not have sufficient funds in respect of an options trade or margin call)	\$110.00 per day + corresponding penalty fees
<b>Penalty Fees</b>  (Penalty fees are charged by us to you on any outstanding amounts owed us to in respect of brokerage fees and in respect of any funds required for settlement of a purchase transaction)	15% p.a. on all outstanding monies
<b>Security holder Reference Number ("SRN") Enquiry</b>	\$27.50
<b>Re-booking Fee</b>  (This fee is payable when you execute a trade in an incorrect account and the trade has to be cancelled and rebooked to the correct account)	\$33.00
<b>Off Market Transfer</b>	\$55.00
<b>Posted Contract Notes</b>	\$1.50

1. Transaction prices are on a per trade or per side (if options) basis
2. Prices and charges are negotiable in certain circumstances. Please contact Investor Signals for further information.
3. All non-trading related charges above are GST inclusive.
4. All ASX charges incurred on your behalf will be charged to your account.

## 19. Other Fees

To the extent possible, D2MX will keep all fees and charges to an absolute minimum. However, sometimes needs to cover one-off costs to make sure that everyday charges remain low. These fees apply in addition to brokerage.

## Advisor Profile

### Leon Travis Hinde

Authorised Representative 331985

02 - 9238 – 8188

[leon@investorsignals.com](mailto:leon@investorsignals.com)

### Industry Education & Experience

Leon has been working in the financial services industry for 16 years in management and advisory roles. Leon has extensive experience in general advice and dealings involving securities and derivative financial products.

Leon is remunerated by way of salary and profit allocation.

### Competencies

**Leon is competent and is authorised to provide financial product advice and deal with respect to the following financial products:**

- Deposit Products
- Securities
- Derivatives
- Foreign Exchange