

Financial Services Guide

OzForex Limited (ABN 65 092 375 703) ("OzForex")
AFS Licence No. 226 484
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Purpose and Contents

This Financial Services Guide ("FSG") is an important document that we are obliged to give you as an Australian Financial Services Licensee. It is designed to provide you with material information about our relationship prior to providing you with a financial service. The matters covered by this FSG include:

1. Who we are and how you can contact us.
2. The nature of our services.
3. The documentation that we will provide to you.
4. Our record-keeping obligations.
5. Who we act for.
6. Details of remuneration, commission & benefits received, and paid, by us.
7. Any relevant conflicts of interest we may have.
8. Our dispute resolution procedures.
9. Our compensation arrangements.
10. Our privacy obligations.

If you would like further information, please ask us. Further details about our services and the foreign exchange market are available on our website at www.ozforex.com.au.

1. Name of Service Provider & Principal Contact

Any financial services offered are provided by representatives ("Representative") of OzForex. OzForex is an Australian foreign exchange service provider to businesses and individuals. You can contact us at:

OzForex Limited
Level 9, 10 Bridge Street
Sydney, NSW, 2000, Australia

Telephone: +61 2 8667 8090
Facsimile: +61 2 8667 8080
Email: info@ozforex.com.au
Website: www.ozforex.com.au
Principal contact: Compliance Manager

2. Services

Nature of advice provided

We will provide you only with general advice concerning your transaction. This will be limited to the mechanics of the foreign exchange transaction you are entering into and will not take into consideration your specific financial circumstances and needs.

You will need to make your own assessment as to the nature and timing of any specific transaction you enter into. We recommend that you take all reasonable steps to fully understand the outcomes and risks of specific foreign exchange trades and strategies adopted in relation to utilising the service provided by us and that you obtain independent advice in relation to your specific financial requirements, including any taxation implications.

Australian Financial Services Licence ("AFSL")

Under our AFSL, we are authorised to:

- (a) provide financial product advice in relation to:
 - (i) foreign exchange products;
 - (ii) derivatives; and
 - (iii) deposit and payment products limited to non-cash payment products;
- (b) deal in financial products by :
 - (i) issuing, applying for, acquiring, varying and disposing of foreign exchange products and derivatives; and
 - (ii) applying for, acquiring, varying and disposing of deposit and payment products limited to non-cash payment products; and
- (c) make a market for foreign exchange products and derivatives.

Financial services provided

We provide the following services:

- (i) foreign exchange spot transactions and forward contracts;
- (ii) online foreign exchange transactions;
- (iii) a market for foreign exchange transactions;
- (iv) pre-transaction advice in relation to foreign exchange transactions; and
- (v) arranging for clients to enter into and advising in relation to pre-paid travel cards.

Types of Products

We are authorised to deal in, and advise in relation to, the following products.

1. Foreign exchange spot contracts (2 day settlement).
2. Foreign exchange forward contracts (up to 12 months).
3. Foreign exchange limit orders.
4. Foreign exchange options.
5. Deposit and payment products limited to non-cash payment products.

Please refer to our Product Disclosure Statement ("PDS") at www.ozforex.com.au for details about how our foreign exchange products operate and to the PDS on our pre-paid travel card website for more information about how our pre-paid travel card operates.

Methods of providing financial services

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

- (i) in person via the telephone;
- (ii) online through one of our websites; or
- (iii) by such other method (ie: email, but not fax) as may be mutually agreed between us.

3. Documentation

A. Foreign Exchange Services

Transaction documentation

We will ask you to enter into an umbrella client agreement before you commence trading with us that will apply to every transaction you subsequently enter into with us and we will provide you with all relevant execution and confirmation documentation in relation to each individual transaction.

General Advice Warning

We will provide you only with general advice that does not take into account your individual objectives, financial situation or needs ("General Advice"). Whenever we provide you with General Advice, you should also seek independent advice to ascertain whether our service is appropriate for your particular financial circumstances and requirements.

Statement of Advice

In the event that you ask us to provide you with advice that does take into account your objectives, financial situation or needs ("Personal Advice") and we give such advice, we will provide you with a Statement of Advice ("SOA"). The SOA will contain the Personal Advice given and other relevant information, including information about fees, commissions and associations which may have influenced the provision of the Personal Advice. You should still obtain independent financial advice, as any Personal Advice we give you will not take into account all of your financial requirements; for example, it will never cover such issues as taxation.

PDS

If we recommend that you acquire a financial product, or offer or arrange to issue you with a financial product, we will also provide you with a PDS containing information about the product to enable you to make an informed decision about whether to acquire the product.

B. Pre-paid Travel Card

Please go to our pre-paid travel card website at www.ozforex.com.au/travel-card for further details.

4. Our record-keeping obligations

We maintain accurate records of all advice given and transactions entered into. All telephone calls are recorded and are retained for a period of at least 12 months. We will use recordings, and transcripts of recordings, should any misunderstanding or dispute arise between us.

5. Who do we act for?

We act on your behalf for the purpose of executing the transactions you have requested. From time to time, we may act as principal and enter into foreign exchange transactions on our own behalf.

6. Remuneration, commission & benefits expected to be received or paid by us in relation to the provision of our financial services

A. Foreign Exchange Services **Transaction fees**

General Transaction fees

We charge a transaction fee ("Fee") of up to AUD\$15.00 (or foreign currency equivalent) for transactions under AUD\$10,000 (or foreign currency equivalent) and no Fee for transactions over AUD\$10,000 (or foreign currency equivalent). Additional transaction fees may apply if there is more than one beneficiary (EG: if a total amount of more than AUD\$10,000 was being sent to more than one beneficiary, separate Fees would be charged in relation to each beneficiary who received less than AUD\$10,000).

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

Transaction Fees for the MoneyGram Money Transfer Service Customers

Where OzForex provides services to customers through the MoneyGram Money Transfer Service, customers will be offered an alternative to OzForex's standard Transaction Fees set out above. They will be given the option of prepaying for a bundle of transfers in advance and will receive extra transfers for free. This option will be available only to customers paying by Debit Card and any advance payment will not be refundable.

For example, instead of paying \$15 for 4 separate Transactions under AUD\$10,000 for a total fee of \$60, a customer may elect to pay for 4 transactions in advance and pay only \$45 for the 4 transactions, so that 1 Transaction is free. If a customer makes such an election, they must be sure that they will making the additional 3 Transactions, as the payment of \$45 will not be refundable.

Our remuneration

Remuneration Generally

In relation to all transactions, and in addition to any Fee that we might charge, we derive a profit ("Profit") on the transaction based on the difference between the rate quoted to you and the rate we can negotiate with our own providers. This Profit will vary according to the currencies involved and the arrangements that we enter into with our banks from time to time.

Example:

Assume you wished to make a payment of USD \$20,000 in the United States. Our system might quote a rate of 0.8800 (this will vary depending on the current exchange rates at the time of the deal). Based on this exchange rate, to pay USD \$20,000 in the United States, you would be required to pay us AUD \$22,727.27. The Profit that we make from this transaction is derived from the difference between the rate we quote to you and the wholesale rate we obtain from our bank (the wholesale rate is also referred to as the 'interbank rate').

Commissions paid by us

You will be dealing with Representatives of OzForex Limited, who are remunerated in a variety of different ways. Some are employed by OzForex and are paid, in addition to an annual salary, a flat commission of 3% of the Profit (excluding any Fees charged) derived by us on each transaction. Others are paid a commission calculated in accordance with a sliding scale based on total monthly Profit and Fees with a two year trailing arrangement. The amount of commission they earn in relation to an individual transaction will be determined on a sliding scale by reference to the monthly Profit and Fees for all of the clients with whom they are dealing.

ING Direct International Transfers Service and Travel Card Service

Where OzForex provides services to customers through the ING Direct International Transfers Service ("ING Service"), we will pay ING Bank (Australia) Limited ("ING Direct") 20% of the total revenue arising from OzForex's provision of the ING Service, total revenue being the total revenue earned by OzForex from transactions entered into by clients of the ING Service, including any transaction fees.

In relation to clients of the ING Direct Travel Card Service ("Travel Card"), OzForex will pay ING Direct 50% of the gross revenue derived by OzForex in relation to each conversion of funds by a Travel Card client.

Travelex International Payments Service

Where OzForex provides services to customers through the Travelex International Payments Service ("TIPS"), we will pay Travelex Limited ("Travelex") 50% of the net revenue arising from OzForex's provision of the Service, net revenue being the Profit and Fee, less all costs incurred in providing the Service including, but not limited to, administrative costs, compliance costs and sales and marketing costs.

Where OzForex provides services to customers who cannot be serviced under the terms and conditions of TIPS, OzForex will pay Travelex a commission of 20% of the Profit and Fee for each transaction.

OzForex and Travelex may also receive fees for advertising on the TIPS website ("the Website") and any emails that may be sent to customers of the Service. OzForex and/or Travelex may have a financial interest in the outcome or success of the offers of financial products mentioned in the Website.

MoneyGram Money Transfer Service

Where OzForex provides services to customers through the MoneyGram Money Transfer Service, we will pay MoneyGram Payment Systems, Inc. ("MoneyGram") 25% (and in some circumstances 35%) of total revenue arising from OzForex's provision of the Service, total revenue being the total revenue earned by OzForex from transactions entered into by clients of the MoneyGram Money Transfer Service, including any transaction fees and foreign exchange revenue.

Macquarie Referral Agreement

We have referral agreements with Macquarie Bank Limited and a number of its subsidiaries, including but not limited to Macquarie Equities Limited and Macquarie Investment Management Limited (collectively "Macquarie"), pursuant to which we pay Macquarie 20% of the Profit in relation to each transaction entered into by a client referred by Macquarie.

General Referral Partner Agreements

We enter into a range of referral agreements with various partners ("Partner"), who refer clients to us through their websites. If you are referred to us by a Partner, we will pay the Partner between 10% and 20% of the Profit in relation to each transaction you enter into.

B. Pre-paid Travel Card

We will be paid a commission by Macquarie Bank Limited ("Macquarie"), the issuer of our pre-paid travel card ("Card") of up to 0.75% of total funds loaded on to the Card and converted to a foreign currency, provided that a certain threshold relating to the amount converted each year from one currency to another through the Card is met - if the threshold is not met, OzForex will pay Macquarie 0.50% of each amount converted. In addition, Macquarie pays OzForex 0.20% of the amount spent on purchases on the Card overseas. Macquarie also pays OzForex to market and promote the Card.

7. Disclosure of any relevant conflicts of interest

We do not have any relationships or associations which might influence us in providing you with our services.

8. Dispute Resolution

We have an internal dispute resolution process in place to resolve any complaints you may have, quickly and fairly. All complaints should be directed to our Compliance Manager at compliance@ozforex.com.au, who will seek to resolve your complaint in accordance with the Complaints Policy on our website.

If you are dissatisfied with the outcome of our internal procedure, you have the right to complain to the Financial Ombudsman Service, who may be contacted on 1300 780 808. This is an approved external dispute resolution scheme. You may also make a complaint to ASIC via the ASIC free call Infoline on 1300 300 630.

9. Compensation Arrangements

We have in place a professional indemnity insurance policy that satisfies the requirements for compensation arrangements under section 912B of the Corporations Act 2001 (Cth) and will cover claims in relation to the conduct of representatives, in addition to employees who have ceased to work for us since the time of the relevant conduct.

10. Privacy

The privacy of your information is very important to us. We have practices which include the secure storage of personal information and safeguards against the accidental release of personal information. Please visit our website if you would like a copy of our Privacy Policy, or contact us at privacy@ozforex.com.au if you have any concerns.