

## 1. About this Financial Services Guide

**This Financial Services Guide (FSG) provides you with key information about services offered by Pulse Markets Pty Ltd. You should read it carefully and make sure you understand it.**

This FSG is dated 23 April 2018 and has been prepared by Pulse Markets Pty Ltd (AFSL 220383; ABN: 67 611 426 941) (Pulse Markets, we, our, us). It is made up of this document, and a separate document that names our authorised representatives that are authorised to provide financial services on our behalf and whom we have authorised to distribute this FSG. It also contains any additional details about the financial services they are authorised to provide on our behalf. A reference to ‘we’, ‘us’ or ‘our’ in this FSG includes a reference to our authorised representatives unless specified or the context requires otherwise.

The purpose of this FSG is to inform you of the financial services Pulse and its authorised representatives are able to provide, and to assist you in deciding whether to use any of the services offered in this FSG.

This FSG explains:

- other disclosure documents we may give you
- who we are and how you can contact us
- financial services and products we and our authorised representatives are authorised to provide
- our commercial relationships and associations
- who we and our authorised representatives act for when providing financial services to you
- information about our advice and services
- how you can instruct us
- how we get paid (remuneration, benefits)
- how we deal with customer complaints and where you can go for further help
- our compensation arrangements
- potential conflicts of interest
- records we keep and privacy policy

This FSG contains general information only. If you have further questions after reading the FSG please contact Pulse Markets.

## 2. Further Disclosure Documents we may provide you

Pulse Markets will provide clients with documentation to facilitate transactions including client agreements, terms and conditions and confirmation of transactions. We have a separate FSG in respect of our managed discretionary account service (MDA service).

Where we make a recommendation on a product (other than securities listed on the ASX) to a retail client, we will provide a **Product Disclosure Statement (PDS)** which will assist you in deciding whether to acquire the financial product. The PDS contains important information about the product features, benefits, risks and fees associated with that particular product. The PDS should be read carefully to enable you to make an informed decision about whether to utilise the product.

Please note that a PDS is generally not required for investments in listed securities. You should ensure that you understand the risks and procedures before investing in securities. You will receive your contract notes (confirmations) from the market participant. You should contact the service provider if you do not receive a contract note or if there are any discrepancies immediately.

You are entitled to receive a **Statement of Advice (SOA)** if we give personal advice if you are a retail client. Personal advice is advice that takes into account your personal objectives, financial situation and needs. We will only provide personal advice to you where you have requested that we provide, and we have agreed to provide, personal advice to you. The SOA will set out the advice and will include information regarding the basis on which the advice was given, information about any fees payable or received in providing the advice, and relationships or associations that may have influenced the advice, and a warning where the advice has been provided based on incomplete information. The SOA presents the advice and basis on which it was given.

Where you obtain regular advice from us, once we have provided you with an initial SOA a further SOA may not be provided each time we provide you with further advice so long as your circumstances and the basis of the



advice are not significantly different to your circumstances at the time the initial advice was provided. However, we are required to keep a record of any such advice we provide. You may request from us a copy of the **Record of Advice (ROA)** which we will keep for up to 7 years after the advice was given.

### 3. About Pulse Markets

Pulse Markets is An Australian financial services (AFS) licensee that deals in securities listed on the Australian Securities Exchange (ASX), exchange traded and over the counter (OTC) derivatives. We also provide advice about deposit products, interests in managed investment schemes, including managed discretionary account services (MDA services) and investor directed portfolio services (IDPS) and superannuation, and Pulse is the issuer (MDA provider) of its own MDA service

Details are provided below.

### 4. Pulse Markets contact details

Contact	Pulse Markets Pty Ltd	Andrew Braund
Address	Governor Phillip Tower, Suite 24.04 1 Farrer Place Sydney NSW 2000	Phone: 02 9191 0421
Email:	info@pulsemarkets.com.au	Website www.pulsemarkets.com.au

Our authorised representatives may also be contacted via the above details.

### 5. Financial Services we are authorised to provide

Our AFS licence authorizes us to:

- deal (apply for, acquire, vary or dispose of on behalf of another person):
  - deposit and payment products limited to basic deposit products and non-basic deposit products
  - derivatives
  - interests in managed investment schemes, including IDPS, and MDA services
  - government issued debentures, stocks and bonds
  - securities;
  - standard margin lending facilities;
  - superannuation;
  - retirement savings accounts; and
- deal (issue, apply for, acquire, vary or dispose of) in financial products, including derivatives, MDA services and securities; and
- provide financial product advice for the above classes of financial products, to retail and wholesale clients; and
- underwrite an issue of securities.

### Investing in Shares

We buy and sell shares, exchange traded derivatives, and units or stapled securities in listed managed funds, on behalf of clients on Australian and some international exchanges and are equipped with superior infrastructure and resources to provide those services.

We can also arrange access to capital raisings such as IPOs.

### Deposit and Fixed Interest Products

We can arrange for clients to establish settlement accounts to set up cash management accounts, as well as term deposits, bonds, fixed interest products with competitive returns and premium service levels.

### Derivatives

We can arrange for clients to buy and sell exchange traded derivatives, such as exchange traded options (ETOs) and warrants.

### Managed Discretionary Account (MDA service)

We can provide advice regarding, and issue and deal in interests in MDA services. Pulse Markets is an MDA provider. For more information on the MDA service operated by Pulse Markets, please refer to our separate FSG.

We can assist with providing advice as to whether an MDA service is appropriate for you, recommend an investment program for you, assist with construction of your investment portfolio, and execute transactions, such as acquiring and disposing of securities forming part of your investment portfolio on your behalf. If we advise you about investing via our MDA service, separate disclosure documentation, including FSG and SOA, will be given to you. The SOA will contain your investment program and information on:

- investment choice(s) recommended by your adviser and asset allocation weightings
- the nature and scope of the discretions that you will grant to Pulse as the MDA provider;
- any risks associated with the Managed Account Contract, the basis on which the Managed Account Contract is considered to be suitable for you; and warnings about the importance of any limitations relating to the Managed Account Contract which you must consider before signing the Managed Account Contract.

### Margin lending

Although we are authorised to deal and advise on margin lending products, Pulse Markets will only, on specific request by the client, provide the disclosure documents and the application. Pulse Markets makes no recommendation as to which is the best provider or whether the product is suitable for the client. Pulse Markets advises clients that they should seek independent financial advice to determine whether margin lending product is suitable for their purposes and circumstances. Pulse Markets will forward completed application forms to the product provider. The product provider undertakes the assessment of client's income and liaises directly with the client on all subsequent events such as credit assessment, loan to valuation limits, margining etc. Pulse Markets will not notify the client of a margin call.

### Superannuation and other investments

We may also deal and advise on superannuation, managed fund and investor directed portfolio services (IDPS, also known as 'wrap' platforms).

## **6. Our commercial associations and relationships, and who we act for when providing financial services to you**

Pulse Markets has arrangements with third party service providers and in order for us to provide some services to you, you will need to become a client of and open an account with one or more of those service providers.

Pulse Markets has appointed market participants to provide execution, clearing and settlement services for:

- transactions in securities and other financial products executed through the ASX, including exchange traded options;

- settlement services for transactions executed by, or on behalf of our clients;
- sponsorship services; and
- nominee and other custody services.

Our third party service providers include:

- Morrison Securities Pty Limited ABN 50 001 430 342, AFSL No. 241737
- D2MX Pty Ltd ABN 98 113 959 596, AFSL 297950
- Share Investing Limited ABN 93 078 174 973, AFSL No. 238277
- Third Party Platform Pty Limited trading as "Desktop Broker" ABN 74 121 227 905, AFSL 314341

## 7. Who we act for when providing financial services to you

Pulse is responsible for the financial services described in this FSG that are provided to you by Pulse or by our authorised representatives. When providing you with financial services, we will generally be acting on your behalf, and our authorised representatives will also be acting on behalf of Pulse. In arranging for a third party to provide services to you, Pulse Markets will act as your agent, not as the agent of the third party. In certain circumstances, Pulse Markets or its associates, officers or employees may also be acting on behalf of other parties (see Conflicts of Interest below).

## 8. Our Advice and Responsibilities

While Pulse Markets and our authorised representatives are authorised to provide personal advice, we primarily provide general advice and execution only trading services. If we provide 'general advice' only to you, it is important to remember that this 'general advice' will not take account of your personal objectives, financial situation or needs. Therefore, we recommend that you take all reasonable steps to fully understand the outcomes of specific products and strategies adopted in relation to utilising the services provided. Newsletters and research papers are also examples of general advice we may give you.

### a. Personal Financial Advice

We will only provide personal advice to you where you have requested that we provide, and we have agreed to provide, personal advice to you. Personal advice is advice provided when your Adviser has considered one or more of your investment objectives, financial situation and needs. For us to give you appropriate personal financial advice, you will need to provide details of those personal objectives, your current financial situation, needs and any other relevant information.

You do not have to provide us with this information. If you choose not to provide this information, however, we may not be able to provide you with advice, or the advice you receive may be general in nature and may not be appropriate to your objectives, financial situation and needs. You should read the warnings provided, and any document that we provide to you carefully in regard to any decision relating to advice given and acquiring, holding and disposing of financial products.

We only provide personal advice to you where you use the services of one of our representatives or authorised representatives. We will not give you personal advice in our regular updates or marketing material or when you visit our website.

We maintain a record of your completed personal profile including details of your objectives, financial situation and needs.

We also maintain records of any recommendations made to you.

For wealth management products (for example, MDA services), where personal advice is given, Pulse Markets follows the steps below.

1. Gathering financial data - such as details of your income and expenses, goals and objectives etc.

2. Gather the relevant personal circumstances that you have disclosed and determine whether this is sufficient information to provide advice on the products or services that you seek.
3. Conduct a reasonable investigation into the financial products that may achieve your objectives and meet your needs
4. Take any other step that would reasonably be regarded as being in your best interests
5. Preparing your SOA. This will identify recommended investments and will address your attitude to risk.
6. Implementing the advice.
7. Reviewing and revising your advice as to ensure it stays up-to-date and relevant to the economic climate and your changing lifestyle.

#### **b. Limitations on the Advice provided**

It is important that you understand that the advice your adviser provides may be limited because:

- you have only provided selected personal information
- you have sought scaled or limited advice e.g. only in respect of a security or securities
- your adviser has limited authorisation e.g. is not a tax agent
- your adviser is restricted to advising on products on that are Pulse Markets approved products
- your adviser is restricted to dealing and advising only on the products described in our licence.

In formulating recommendations, your adviser does not consider taxation, legal and estate planning implications. As we are not specialists in these areas, you should seek further advice, as relevant, from an appropriate specialist. If you want specific advice, you should consult a specialist.

If arranged with your adviser, Pulse Markets can provide limited personal advice that is limited to a particular financial product range and/or based on limited relevant personal information. This may mean the advice and resulting investment may not be appropriate to your individual investment objectives and personal circumstances. You should make your own assessment of the appropriateness of any such advice. If we provide you with personal advice, you will receive a SOA. If we provide you with further personal advice after already providing you with an SOA, we may not give you a SOA but you can request a copy of the Record of Advice (ROA) in writing from Pulse Markets up to 7 years after the advice is provided.

#### **c. General Advice**

While Pulse Markets believes the general financial product advice and information we provide is accurate and reliable, Pulse Markets will not assume any responsibility for the accuracy and completeness or currency of that advice and information.

### **9. Products and services provided by us**

Pulse Markets may provide you with an execution-only service and/or may provide you with general or personal advice in relation to the authorised financial products. Pulse Markets also arranges for you to be supplied with financial services and products issued by non-related product providers. Pulse Markets may receive a fee or commission payment from these non-related issuers as a result if you are provided with one of their products or services.

Pulse Markets is the issuer of the Pulse Markets MDA service and remuneration received from clients invested in the MDA service is disclosed in the FSG for the MDA service.

### **10. Instructing us**

You can give instructions to us in any of the following ways:

- by the telephone (note your telephone calls to us may be recorded);
- in writing (including email or facsimile by prior arrangement only, note you must confirm with us that such instructions have in fact been received by us as electronic communications may fail or not be received in a timely manner); and
- electronically via direct entry into trading systems that we provide access to.



## 11. Remuneration

### a. Transaction fees

Pulse Markets is remunerated through the fees that we charge you for executing transactions on your behalf and/or providing advice to you. Fees charged to you will depend on the type of financial product being traded, the frequency of your trading activity, the type and level of service required and the size of your transaction. Rates are subject to negotiation prior to transacting any business. Once disclosed and agreed, fees will be charged to your trading account when you buy and sell at the time your transaction is executed.

The brokerage rates below are the maximum that Pulse Markets could charge and are provided as a guide. Please contact us for your most competitive rate. Pulse Markets will receive up to 100% of the following amounts, after payment of fees to the third party clearer.

Type of Product	Basis	Maximum fee
Securities and warrants	per transaction	up to \$220 or 2.2% (including GST) of the transaction value (whichever is greater)
Exchange traded options (ETOs)	per transaction	up to \$220 or 2.5% (including GST) of the transaction value (whichever is greater)

These rates are subject to change from time to time. Should there be a change in the fee structure, Pulse Markets will notify you by email or post a notice to our website [www.pulsemarkets.com.au](http://www.pulsemarkets.com.au). Goods and Services Tax (GST) may be levied on brokerage charged to Australian Residents. We recommend that you seek advice from a professional tax agent who can provide advice in relation to the tax deductibility of any fees that we charge.

If you request to trade via Direct Market Access (DMA), you may be charged royalties from IRESS. Please speak to your adviser for confirmation of costs and IRESS Terms and Conditions.

### b. Remuneration and other benefits received by Pulse Markets

Pulse Markets charges fees for the services and products it provides. These fees may be charged in various ways, including

- an advisory fee or ongoing service fee, e.g. initial fee, account fees, management fees (which include transaction, ongoing and, if applicable, any borrowing costs) and/or brokerage
- administration fees
- fees based on funds under management or advice – for example where you invest in our MDA service. (Further details are disclosed in the separate FSG for our MDA service).

Where we provide you with personal advice, detailed information about fees or other benefits we may receive will be provided within your SoA, RoA or Advice Confirmation letter and/or by request.

Subject to applicable laws, we may receive remuneration from a third party product issuer. These fees are different for each product and will be disclosed in the relevant PDS if applicable. They will be disclosed to you if we have provided you with personal advice in relation to a particular product.

As a guide, Pulse Markets may receive:

Type of Product	Basis for calculation	Fees/Payment we may receive
Managed Funds	Funds under management	Upfront fees can range from 0 to 3% (paid by client to Pulse Markets) Ongoing fees can range from 0% to 3% p.a. % (paid by client to Pulse Markets)
Management Fee	Daily Portfolio Value	Ongoing fees can range from 0% to 3% p.a. % (paid by client to Pulse Markets)
Cash Management Trusts/Accounts	Daily balance of account	Ongoing commission can range from 0% to 0.75% p.a.
International securities trading platform	Portfolio Fee – % of total value of portfolio, fee per transaction	Ongoing referral fee per transaction from 0% to 0.5%

For the above transactions, a fee for service may be negotiated.



We may also receive fees in relation to Initial Public Offerings and underwriting activities. Fees can vary from 0% to 10% of the amount raised or underwritten, and on occasion we may also receive some free shares or options in the company we are sponsoring or underwriting. These fees will be disclosed in the offer document, prospectus or PDS issued by the issuer.

#### c. Miscellaneous third party fees and charges

The following are third party fees charged by the execution, clearing and settlement participant under their client agreement with you (if required). As there are various third party providers we have included the highest fees charged. Please contact us if you would like details of the fees charged by your provider:

Service	Fees and Charges (including GST)
Manual Bookings and re-bookings	\$33.00
STP Contract	\$27.50
Non- STP Contract	\$31.35
RTGS Payments	\$55.00
SRN Requests	\$27.50
Postage of confirmation contract note	\$1.10 to 5.00 per confirmation contract note
Initial fail fee charge (per day) – buy and ETO transactions incl margin calls	\$110.00
Initial fail fee charge (per day) – sell transaction	.10% with minimum of \$110.00
Funding cost charged on outstanding monies	15% per annum calculated daily
Dishonour fee	\$82.50
ASX levied fail fees	On charged

#### d. Remuneration and other benefits paid by Pulse Markets

You may have been referred to us by a service provider who may receive financial or non-financial benefits from us. These will be disclosed in your SOA if you are given personal advice, and should also be disclosed to you by the service provider in question. Please note that such benefits will not impact transaction fees or the rates you will be offered for financial products or services undertaken with Pulse Markets.

#### e. Soft dollar benefits

Pulse Markets may from time to time receive a benefit from preferred product providers including educational seminars, conferences, and training days. Details of benefits above \$300 received by us will be maintained on a register.

#### f. How do we get paid?

Pulse Markets is remunerated from fees that you pay and any payments from product issuers (as outlined above). We may receive up to 100% of transactions based fees including brokerage and other fees. Pulse Markets directors and employees are paid a salary. A corporate authorised representative may receive a share no greater than 70% of referral fees received by Pulse Markets. Individual advisers are paid a salary. You may provide a written direction for Pulse Markets to pay our authorised representatives / your adviser a share of the fees that you pay for the advice and/or dealing services they provide to you. More details in relation to your advice and the benefits paid to Pulse Markets and your adviser will be disclosed in your SOA if you are given personal advice, and/or provided to you on your request.

## 12. Complaints Resolution

We take every reasonable step to ensure we provide you with quality service. Pulse Markets has an internal dispute resolution policy in place to help resolve any complaints or concerns you may have about the service provided to you. These should be directed to the Complaints Officer (by telephone, facsimile, or letter) at the address set out under Our Contact Details, above, or by email to [complaints@pulsemarkets.com.au](mailto:complaints@pulsemarkets.com.au).

We will investigate your complaint, and provide you with our decision, and the reasons on which it is based in writing. We will endeavour to resolve your complaint quickly and fairly.

If the complaint cannot be resolved to your satisfaction within 45 days and you wish to proceed further, you may lodge a complaint with the Australian Financial Complaints Authority via the following means:

**Australian Financial Complaints**

**Authority Limited**

GPO Box 3, Melbourne Vic 3001

Toll Free Telephone: 1800 931 678

Email: [info@afca.org.au](mailto:info@afca.org.au)

Website: <https://www.afca.org.au>

You may also contact Australian Securities and Investments Commission (ASIC) freecall Infoline on 1300 300 630 to make a complaint and obtain information about your rights.

**13. Compensation arrangements**

Pulse Markets holds Professional Indemnity Insurance cover for the activities conducted under its AFSL authorisation. The policy provides coverage to cover claims regarding professional indemnity, directors and officers liability, crime (fraud) and the conduct of representatives/employees who no longer work for us (but who did at the time of the relevant conduct). Pulse Markets Professional Indemnity insurance cover is subject to the policy terms and conditions; however the cover satisfies the requirements of s. 912B of the Corporations Act.

**14. Conflicts of interest**

Conflicts of interest may occur from time to time. You have the right to be advised of any material interest that could reasonably be expected to be capable of influencing the recommendation of a financial product to you.

Accordingly, you should be aware that:

- Pulse Markets is remunerated from the fees that it charges you, and may also receive referral and other fees from third party product/platform issuers as discussed in section 11 above;
- If you have been referred to us by a third party, that person may receive a referral fee;
- Pulse Markets or your adviser may have material interests in companies from time to time. These may be companies Pulse Markets has raised capital for, provided advice to or produced research on;
- Pulse Markets may act for financial product issuers in advisory roles including acting as corporate adviser, manager broker, underwriter or joint lead manager in relation to the offering or placement of rights, options or other securities including shares. These activities do not affect Pulse Markets' or your adviser's professional obligations to you as their client.
- From time to time, your adviser may make a recommendation in relation to a financial product which Pulse Markets or its officers, employees or authorised representatives (including your adviser) has invested, whether on their own account or on behalf of clients; or securities in an entity for which Pulse Markets provides professional services, including as corporate adviser, manager broker, underwriter or joint lead manager, and may receive fees, brokerage, commissions or other revenue and gains for acting in those capacities.

Other than mentioned above or as may be disclosed to you in relation to a particular transaction, Pulse Markets, its related bodies corporate, and its authorised representatives, do not have any ownership links or associations or relationships with any financial product issuer that could reasonably be expected to influence us in providing financial services.

Should a conflict occur, you will be advised either verbally by your Pulse Markets adviser or this will be outlined in a SOA or ROA.





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Should you have any concerns or would like to discuss this matter further please contact us.

#### **15. Record keeping and Privacy**

We will maintain complete records of the services we provide to you in accordance with Australian Laws. As a financial services provider, we have an obligation under the Anti Money Laundering and Counter Terrorism Financing Act to verify your identity, amongst other things. If we are unable to collect all information requested in the account opening process or requested during the subsequent services, we may be unable to provide or continue to provide services. We will also retain copies of this information.

We also keep a record of personal information you provide to us. Your privacy is important to us and we are committed to compliance with the Privacy Act and the Australian Privacy Principles. We maintain a record of your personal profile which includes your personal details and the details of your objectives, financial situation and needs, if provided to us. We also maintain records of any recommendations made to you.

We may disclose your personal information to external parties, as set out in our privacy policy, including third party financial services providers, for the purposes of arranging your investments or transactions. Such external parties are required and committed to protecting your privacy.

Telephone calls with us may be recorded to allow for a record to be kept of orders taken and to ensure that our service standards are met.

If you wish to access information we hold about you or have any concerns, please contact us. A copy of our privacy policy is available from us or our website [www.pulsemarkets.com.au](http://www.pulsemarkets.com.au)