



**INSTITUTIONAL**  
LIQUIDITY

## **FINANCIAL SERVICES GUIDE (FSG)**

**Date of Issue: 31 July 2018**

### **1. INTRODUCTION**

This is a Financial Services Guide (**FSG**) prepared by FairMarkets Trading Pty Ltd Trading as Institutional Liquidity ("Institutional Liquidity") ACN 159 166 739 in compliance with our obligations as an Australian Financial Services Licensee (AFSL 424122). This FSG is intended to provide you with general information regarding our services prior to providing you with a financial service. The FSG contains information about:

- who we are and how you can contact us;
- the services we are authorised to provide to you;
- how you can communicate with us;
- how we are remunerated;
- how you make a complaint and how it will be dealt with; and
- how we will deal with your personal information.

This FSG was issued on 30 July 2018. All information contained in the FSG has been obtained from sources believed to be accurate.

The FSG should be used to assist you in deciding whether you will use any of our products and services.

If you receive an electronic copy of this FSG, you should download or otherwise receive all of this FSG. In addition to this FSG, you should receive a Product Disclosure Statement (PDS) from us. You should read the PDS entirely before deciding whether to open an account with us.

If you still have any questions after you have read the FSG and the further information please contact us.

#### **1.1 FINANCIAL SERVICE WE CAN OFFER**

Institutional Liquidity holds a current Australian Financial Services Licence (**AFS Licence**) being licence number 424122. Under our AFS Licence we are authorised:

- to provide financial products advice for the following classes of financial products:

- (i) Deposit and payment products including:
  - (a) basic deposit products;
  - (b) deposit products other than basic deposit products and;
- (ii) derivatives
- (iii) foreign exchange contracts; and
- (iv) securities;
- to deal in a financial product by:
  - (i) issuing, applying for, acquiring, varying or disposing of a financial product in respect of the following classes of financial products:
    - (a) derivatives
    - (b) foreign exchange contracts;
  - (ii) applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of the following classes of products:
    - basic deposit products;
    - deposit products other than basic deposit products;
    - derivatives;
    - foreign exchange contracts; and
- to make a market for the following financial products:
  - (i) foreign exchange contracts; and
  - (ii) derivatives;

We are authorised to undertake these activities for both retail and wholesale clients.

## 2. FINANCIAL PRODUCTS WE OFFER

Institutional Liquidity offers the following financial products to its customers:

- spot and forward foreign exchange contracts;
- margin foreign exchange and margin foreign exchange options in respect of all major currencies and currency crosses (“Margin FX Contracts”);
- contracts for difference (“CFD”) in respect of shares, index futures, bullion, commodities and indices; and
- such other products as are notified to you from time to time.

## 3. WHO DO WE ACT FOR

Institutional Liquidity is responsible for the financial services we provide to you under our Australian Financial Services Licence.

Institutional Liquidity is a market maker, not an agent, when dealing in margin foreign exchange contracts and products, which is off market over-the-counter (OTC) derivatives. Accordingly,

Institutional Liquidity acts as principal in all transactions with you in respect of these financial products offered by us.

#### **4. OTHER DOCUMENTS WE MAY PROVIDE TO YOU**

Should you choose to use any of our services or any of our products as identified in section 1 we are required to provide you with the appropriate PDS relating to that service or product.

Any PDS we give you will provide further information about the different products which we issue and will identify the risks, terms and conditions, our fees charges and commissions, and any association we have that may influence our advice in respect of the product. Some of the product information such as market information sheet and contract specifications can be found on our website. You are strongly recommended to check our website for updates and latest information on our product offering.

Any advice we provide to you is general advice only. We will not provide you with personal advice. Personal advice is advice about a financial product that is given or directed to a person in circumstances where:

- the provider of the advice has considered one or more of the person's objectives, financial situation and needs; or
- a reasonable person might expect the provider to have considered one or more of those matters.

This means that advice we do give you has been prepared without taking account of your objectives, financial situations or needs. As with any other financial product you should carefully consider the appropriateness of the advice you have received having regard to your objectives, financial situations or needs and you should obtain and read our PDS before making any decisions in relation to our products or services.

#### **5. HOW DO YOU COMMUNICATE WITH US?**

You may communicate with us in writing (including by fax), by email or other electronic means or orally (including by telephone) using the details set out in section 9 below, unless we tell you that instructions can only be given in a particular way. Instructions, given to us whether they confirm or revoke an instruction, commitment or notice of request will not take effect unless actually received by us.

Before you log onto the Internet Trading Platform (ITP) to deal in one of our financial products it is important that you understand the risks, costs and benefits of dealing in that financial product. For information on the risks, costs and benefits related to our financial products you should turn to the PDS document.

#### **6. WHAT OUR FINANCIAL PRODUCTS COST YOU**

The common fees and charges when dealing in such financial products may incorporate any or all of the following:

- Rollover/Swap charges and/or payments at the applicable Swap Rates;
- Administration charges such as conversions fees and wire fees related to deposits, withdrawals, and transfers;
- Commissions, where applicable, may be charged by Institutional Liquidity directly, or may be collected by Institutional Liquidity and remitted to your introducing broker.
  - Commission may be charged directly by Institutional Liquidity for clients who trade on a professional, or below-retail, price feed.
  - Commissions may be collected by Institutional Liquidity and remitted to your introducing broker if you agree to compensate your introducing broker with such fees.
- Payment of margin is the initial margin requirement that is required to be in your account to open a trading position. The amount required to be in your account may be expressed as a percentage of the contract value or may be expressed as a multiple of the number of contracts. The margin requirements vary from market to market and are listed under the market information sheet on our website and are also available upon request from our staff.
- Margin adjustments, for as long as a position is open, you are required to keep sufficient money on your account to maintain your position. This is the variable margin requirement against adverse price movement of your position; and
- Commission in the case of Share CFDs, securities and futures

Further details of our fees and charges, and examples of how these are calculated, are set out in the PDS.

## **7. REMUNERATION AND OTHER BENEFITS RECEIVED BY OUR EMPLOYEES**

Our employees who provide you with advice or transaction may receive remuneration for the provision of these services. Our employees receive salaries, performance-related bonuses and other benefits in accordance with the Corporations Act and to the extent permitted by law.

## **8. BENEFITS RECEIVED BY THE SERVICE PROVIDER OR AUTHORISED REPRESENTATIVES**

You may have been referred to us by a service provider such as Introducing Brokers or authorised representatives who may receive financial or nonfinancial benefits from us. Such payments may be made in accordance with the requirements of the Corporations Act. These should have been disclosed to you by the service provider or authorised representative in question. Please note that such benefits **will not** impact transaction fees or margins payable for transactions undertaken with us. We may also provide referral benefits that relate to your transactions from time to time. Please note that payment of remuneration and benefit will only be made to the extent permitted by law and in accordance with the provisions of the Corporations Act.

## **9. OTHER MATTERS**

## **9.1 Dispute Resolution**

We have an internal dispute resolution process in place to resolve any complaints or concerns you may have, quickly and fairly. Any complaints or concerns should be directed to the Complaints Officer (by telephone, facsimile or letter) at the address and telephone/fax numbers provided in section 9. We will acknowledge your complaint immediately and will commence investigation of your complaint and provide you with our decision and the reasons on which it is based, in writing. We will seek to resolve your complaint within 45 days.

If you are dissatisfied with the outcome, you have the right to lodge a complaint with the Australian Financial Complaints Authority (AFCA), an approved external scheme, of which we are a member, using the contact details below.

Australian Financial Complaints Authority  
GPO Box 3  
Melbourne VIC 3001  
Telephone: 1800 931 678  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
[www.afca.org.au](http://www.afca.org.au)

## **9.2 Personal Information**

We are committed to protecting your privacy in accordance with the Privacy Act 1988 and the Australian Privacy Principles. The information you provided to us and any other information provided by you in connection with your transactions will primarily be used for the processing of your application and for complying with certain laws and regulations. We have systems and processes which safeguard against the authorised use or disclosure of your personal information. We may use this information to send you details of other services or provide you with information that we believe may be of interest to you. Please contact us below if you have any concerns or if you would like to see a copy of our privacy policy.

## **10. OUR CONTACT DETAILS**

You can contact us by:

- Telephone: +61 2 8607 8364
- Internet: [ilq.com](http://ilq.com)
- Email: [support@ilq.com](mailto:support@ilq.com)
- Postal Address: Level 20, 10 Martin Place, Sydney, New South Wales 2000

## **11. PROFESSIONAL INDEMNITY INSURANCE**

We are covered by a Professional Indemnity Insurance Policy which satisfies the requirements of section 912B of the Corporations Act 2001. Subject to its terms and conditions, the Policy covers clients for loss or damage suffered as a result of breaches of the relevant obligations of the company, its employees and representatives in relation to its AFS licence.