



FINANCIAL SERVICES GUIDE

1. ABOUT THIS DOCUMENT

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

This FSG is dated 21 September 2017 and is provided to you by JB Alpha Ltd A.C.N. 131 376 415 AFSL 327075 (**JB Alpha, we, our, us**) to inform you of the financial services we are able to provide and to assist you in deciding whether to use any of the services offered in this FSG. This FSG replaces all prior versions.

This FSG explains:

- other disclosure documents we may give you;
- who we are and how you can contact us;
- financial services and products we are authorised to provide;
- how you can instruct us;
- how we get paid (remuneration, commissions, benefits);
- how we deal with customer complaints and where you can go for further help;
- our compensation arrangements;
- potential conflicts of interest; and

- records we keep and privacy policy.

This FSG contains general information. If you have further questions after reading it, please contact us.

2. OTHER DISCLOSURE DOCUMENTS WE MAY GIVE YOU

JB Alpha will provide clients with documentation to facilitate transactions including client agreements and confirmations.

JB Alpha can provide you with factual information and research, and facilitate execution requests.

If we make a recommendation on a product (other than securities listed on the ASX or a managed discretionary account service) to a retail client, we will provide you with 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 product. The PDS should be read carefully to enable you to make an informed decision about whether to utilise the product.

You are entitled to receive a Statement of Advice (**SOA**) when we give you personal advice as a retail client. Personal advice is advice that takes into account your personal objectives, financial situation and needs. The SOA will set out the advice and will include information regarding the basis on which the advice was given, any fees or commissions received in providing the advice and a warning where the advice has been provided based on incomplete information. If we provide you with additional advice, we may give you a Statement of Additional Advice (**SOAA**). The Statement of Advice and Statement of Additional Advice present the advice and basis on which it was given.

Where you have an on-going advice relationship with us, a Statement of Advice may not be given to you for further advice situations provided that your circumstances and the basis of the advice are not significantly different. However, we are required to keep a record of advice that we give to you. You may request a copy of the Record of Advice (**ROA**) which we keep up to 7 years after the advice was given.

3. WHO WE ARE

JB Alpha is responsible for the financial services described in this guide. JB Alpha holds Australian Financial Services Licence (**AFSL**) Number 327075.

JB Alpha is a financial services firm that deals in securities, derivatives contracts, foreign exchange contracts and Contracts for Difference.

Your client advisor is a representative of, and acts on behalf of, JB Alpha. JB Alpha does not act as a representative of any other licensee in relation to the services or products we provide.

Our contact details:

Contact: JB Alpha - Compliance

Address: Ground Floor, 61 Spring Street
Melbourne, VIC 3000, Australia

Phone: 1300 825 742

Email: compliance@jbalpha.com

Website: www.jbalpha.com

4. FINANCIAL SERVICES WE ARE AUTHORISED TO PROVIDE

JB Alpha is authorised under its AFSL to provide you with the following range of financial services:

(a) provide general advice on the following classes of financial products:

- deposit and payment products (limited to basic deposit products);
- derivatives;
- foreign exchange contracts;
- government debentures, stocks or bonds;
- interests in managed investment schemes including investor directed portfolio services;
- securities; and
- standard margin lending facility;

(b) provide advice on the following classes of financial products:

- interests in managed investment schemes limited to managed discretionary account services;
- superannuation;
- retirement savings accounts (“RSA”) products; and
- financial products limited to miscellaneous financial investment products limited to managed discretionary account services

(c) deal in the following classes of financial products by issuing, acquiring, applying for, varying or disposing of those products:

- interests in managed investment schemes including investor directed portfolio services;
- interests in managed investment schemes limited to own managed investment schemes only;
- interests in managed investment schemes limited to managed discretionary account services; and

- financial products limited to miscellaneous financial investment products limited to managed discretionary account services;
- (d) deal in the following classes of financial products by applying for, acquiring, varying or disposing of those products on behalf of another person:**
- deposit and payment products (limited to basic deposit products);
 - derivatives;
 - foreign exchange contracts;
 - government debentures, stocks or bonds;
 - interests in managed investment schemes including investor directed portfolio services;
 - interests in managed investment schemes limited to managed discretionary account services;
 - retirement savings accounts (“RSA”) products;
 - securities;
 - standard margin lending facility;
 - superannuation; and
 - financial products limited to miscellaneous financial investment products limited to MDA services;
- (e) make a market in:**
- foreign exchange contracts; and
 - derivatives

Our AFSL authorises us to provide the above services to retail and wholesale clients (within the definitions applying for the Corporations Act).

5. NATURE OF ADVICE AND OUR RESPONSIBILITIES

Although authorised to do so, JB Alpha does not usually provide personal advice in relation to any financial products (other than under JB Alpha’s managed discretionary account service, discussed in section 7 below). Personal advice is advice that considers your objectives, financial situation and needs (**your Personal Circumstances**).

If your relationship with JB Alpha includes the provision of advice, such advice is provided as general advice unless you are expressly notified otherwise. Any general advice we provide to you as a retail client does not take account of your Personal Circumstances, even if we collect some or all of it (for example, to identify you for regulatory purposes or offer you additional products and services). Before acting on any general advice, you must consider the

appropriateness of the advice in light of your Personal Circumstances. Newsletters, trade alerts and research papers are examples of general advice we may give you.

Before taking any action to acquire any of the financial products or services mentioned in this FSG you should consider whether the product or service is appropriate having regard to your Personal Circumstances. You should also consult the relevant PDS and ensure that you understand the risks associated with the financial products and services you enter into with JB Alpha.

6. PRODUCTS AND SERVICES WE PROVIDE

JB Alpha provides both a dealing service and general advice in relation to securities, derivatives, foreign exchange contracts and Contracts for Difference.

JB Alpha only provides personal advice for its MDA Contracts. JB Alpha does not give any other personal advice. All other advice is general advice only.

JB Alpha may also arrange for you to be supplied with financial services and products issued by other product providers. JB Alpha may receive a fee or other payment from these product providers as a result of you investing in one of their products or services.

7. MANAGED DISCRETIONARY ACCOUNTS

A managed discretionary account, or MDA, is an arrangement whereby you authorise JB Alpha to operate your account and conduct trading activities on your behalf without prior reference to you. JB Alpha offers an MDA Service for all financial products under its AFSL – e.g., securities, derivatives, foreign exchange contracts and Contracts for Difference.

(a) MDA Contract

Clients must first enter into a binding MDA Contract before JB Alpha can provide MDA Services. The MDA Contract with a retail client will comprise (i) important information and disclosures (such as about risks and fees); (ii) an investment program (including an investment strategy); (iii) MDA Service Terms; and (iv) the application form for it.

The investment program for retail clients may be provided to you in a number of possible ways, such as:

- It may be set out in full in a statement of advice.
- It may be partly set out in a separate mandate document (sometimes covering more than one possible model portfolio for you to choose from). Your MDA Contract with us will incorporate both the investment mandate's investment program as well as the opinion in your statement advice that the MDA Contract is suitable for you.

The investment program will also contain information about the following:

- the nature and scope of the discretions JB Alpha will be authorised and required to exercise and the investment strategy that is to be applied in exercising those discretions;
- any significant risks associated with the MDA service;

- the basis on which we consider the MDA service to be suitable for the client; and
- warnings that the investment program may not be suitable for the client if the client has provided us with limited or inaccurate information, and that the investment program may cease to be suitable if the client's relevant Personal Circumstances change.

JB Alpha will prepare the Statement of Advice. JB Alpha will review the suitability of the investment program (and the rest of MDA Contract) for the client once every 12 months; however, a change in the client's Personal Circumstances may mean an earlier review should be considered.

(b) Arrangements for the MDA Service to you

The client opens an MDA in their own name and holds the legal title to the portfolio of assets. The MDA service provided by JB Alpha will not include custodial or depository services unless and until further notice to the client.

Your funds may be held with a service provider in their client moneys trust account.

The service providers arranged by JB Alpha provide execution, settlement, clearing or issuance services to the client. Those service providers owe their duties to their clients. JB Alpha is not responsible for their services to you, including how they hold and manage client funds.

In the case of ASX-traded securities held for the client's MDA, the client will directly hold those assets as part of their CHESS holdings with the CHESS sponsoring participant. The name and contact details of the CHESS sponsoring participant (which may change from time to time) will be notified to you in the course of you signing their agreements or as later changed. JB Alpha does not provide custodial or depository services in relation to a client's ASX-traded securities held for the client's MDA.

In the case of exchange-traded derivatives held for the client's MDA, derivatives will be acquired on exchanges by licensed participants on behalf of the client, and all client funds will be held by the clearing participant in its client moneys trust account established under the Corporations Act or, if on an exchange outside of Australia, in accordance with the local laws and exchange rules. The terms of those client moneys trust accounts and how client moneys may be used depend on the exchange-traded derivative. At the time of establishing your MDA you will be given access to their agreement terms and the required disclosure documents.

In the case of over-the-counter derivatives for the client's MDA, such as OTC margin foreign exchange or Contracts for Difference, those derivatives will be acquired by the client by direct issuance by a licensed issuer of those financial products. All client funds will be held by the issuer in its client moneys trust account established under the Corporations Act or otherwise dealt with in accordance with the terms of the products issuance. The terms of those client moneys trust accounts and how client moneys may be used will be disclosed in the issuer's product disclosure document given to you at the time of establishing your MDA which may include those financial products.

(c) Other arrangements for the MDA Service to you

The investment program for your MDA Service might be tailored specifically for you or it might follow a particular model portfolio or a particular investment strategy (such as your choice of allocations across two or more model portfolios).

JB Alpha may from time to time appoint investment sub-advisers whose roles include advising JB Alpha on the composition of the model portfolio and the general transactions that should be implemented for them or for any investment strategy. JB Alpha is always responsible to you for the particular model portfolio or investment strategies that you select, so JB Alpha will be responsible for the composition of any model portfolio and investment strategy decisions, making the actual transactions for your account, including deciding the exact number of investments allocated to your account and the timing of transactions.

This responsibility to you contributes to variations over time from a model portfolio and your actual account holdings. For example, JB Alpha might delay a transaction as a result of advice to it to rebalance a model portfolio, in order to ensure a fair and orderly market, or to maintain sufficient cash holdings, or to reduce transaction costs on your account.

JB Alpha will select any external investment sub-adviser on the basis of our review of their expertise for their role, their organisational capacity to perform their role and their suitability for our MDA Services to you. JB Alpha regularly monitors the advice to it to ensure compliance with the applicable model portfolio or investment strategy (by way of checking individual transaction guidance advice against the applicable model portfolio or investment strategy selected by you). JB Alpha monitors the organisational capacity of the investment sub-advisers by yearly reviews.

(d) Risks

There are significant risks associated with entering into an MDA Contract and investing through the MDA Service.

The client will not control the day-to-day investment decisions in relation to the account, and will be bound by the decisions of JB Alpha. This may lead to losses as well as profits.

Clients rely on JB Alpha investing their funds and assets in accordance with the investment program selected by the client. If the investment program is not implemented as disclosed, there may be losses or lost opportunities, in addition to the potential for profits. JB Alpha will exercise its discretion in the course of implementing the investment program. No Investment program or its investment strategy can be fixed in every detail or plan for every situation, so clients will rely on JB Alpha choosing how to implement the investment strategy and adapt to market conditions.

Implementation of the investment program may lead to more transactions, or failing to transact, at times chosen by (or on behalf of) JB Alpha. This may lead to more transaction costs incurred while pursuing the investment strategy. While it is the intention of JB Alpha that implementing the investment strategy will over time lead to profits for the client's MDA, the judgment on a particular trade may be incorrect and result in a loss, or net profits may take longer or not eventuate, contrary to the objectives of the investment program.

Investing through MDA services also carries the general risks of the underlying investments, including derivatives, securities and over-the-counter contracts such as foreign exchange contracts. Derivatives and foreign exchange contract trading in particular have a very high

degree of investment risk, and a client could sustain a total loss of capital and be liable for substantial losses in addition to the amounts contributed by the client. The risks associated with any particular derivative product or foreign exchange contract traded as part of an MDA service are set out in the relevant PDS for that particular product.

The following further outlines some of the more important risks, but does not purport to be an exhaustive list of the risks involved in investing through an MDA. It is important to note that some of these risks apply to all other financial products that clients trade on their own (i.e., non-discretionary accounts):

- general economic conditions and market risks
- risk associated with selling options
- specific industry risk
- financial market volatility
- leverage risk
- liquidity risk
- exchange rate risk
- lack of diversification
- performance of other asset classes
- margins and financial products
- size of MDA
- performance by the MDA Provider (JB Alpha) including its representatives
- licensing requirements impacting on the execution by the MDA Provider of the investment strategy
- tax considerations for investors
- no guarantee of future earnings
- no representation as to returns
- un-audited track record of investment program
- fees and charges may be higher
- market slippage and lack of liquidity in investments within the investment program
- analytical investment processes are subject to failure or shortcomings and may be dependent on key persons
- lack of suitable investment opportunities may prevent implementation of the investment strategy
- risk of bulk orders not being achieved or not at favourable prices
- variation of portfolio valuations over time
- inaccurate client information

More information on these risks is given in the JB Alpha MDA booklet or the investment mandate for your chosen model portfolios (which will be incorporated into your MDA Contract). Please read the MDA Contract in full and consider taking legal advice take before applying for the MDA Contract.

Managed discretionary account service arrangements are only suitable for clients who understand financial markets and the risks associated with trading in these markets. JB Alpha recommends that all clients obtain independent advice before entering into an MDA Contract with us.

(e) Non-limited recourse products

Your account's investment program will disclose whether your MDA portfolio assets may include non-limited recourse products. This depends on the particular investment strategy for your investment program and the particular features of the financial products, so it is not possible to disclose in this FSG any specific features in advance of your selection of any such investment program.

Non-limited recourse products are typically financial products which are margined, meaning you pay a fraction of the full face value but remain liable to pay more if there is a shortfall (e.g., your financial product is revalued, triggering the requirement for you to pay more margin cover, or you suffer a loss when your position is closed and your account does not cover the shortfall).

Non-limited recourse products may be exchange traded derivatives or they may be over-the-counter margined products, such as margin FX or Contracts for Difference (CFDs). Not all exchange traded derivatives and over-the-counter margined products are non-limited recourse products.

If you are a retail client and your selected investment program allows your MDA portfolio assets to include non-limited recourse products, it will also disclose (or incorporate by reference to other disclosures given to you):

- the types of non-limited recourse products that may be included in your account's portfolio assets;
- information about the key features of those types of products (including any significant risks associated with investing in those types of products) that may be material to the decision of a person as a retail client whether to acquire those types of products;
- information about the degree of leverage that may apply in relation to each type of product and in relation to the client portfolio assets of the client as a whole, including:
 - if the maximum potential liability of a person holding a type of product is unlimited—a statement to that effect; and
 - otherwise—the maximum value of the ratio between the maximum potential liability of a person holding that type of product and the amount payable by the person to acquire that type of product;
- a clear and prominent example illustrating in dollars the risk of the potential liability of a person who holds each type of product;
- information about the policy of JB Alpha for communicating and satisfying margin calls or requirements to provide collateral or make payments in relation to each type of product;

- information about the policy of JB Alpha for closing positions at a loss in relation to each type of product.

(f) Other important information about your MDA

If you wish to instruct JB Alpha in relation to the financial assets held in your managed discretionary account portfolio, you must do so by the methods set out elsewhere in this FSG. This includes but is not limited to exercising rights in relation to investments in your account. Please be aware that if you give any such instructions we might not be able to continue to manage your portfolio in accordance with your previous authorisations to us, so we may decide to terminate the MDA Service and return the account to your full day to day control.

Pursuant to ASIC Corporations (Managed Discretionary Accounts) Instrument 2016/968 (**ASIC Instrument**) made by ASIC, MDA Providers, such as JB Alpha, have been granted relief, subject to a number of conditions, from the managed investment scheme legislation contained in Chapter 5C of the Corporations Act, and the product disclosure provisions in Chapter 6D and in Part 7.9 of the Corporations Act. This FSG complies with the conditions required by the ASIC Instrument applying by 1 October 2017.

8. HOW TO INSTRUCT US

Before transacting with JB Alpha you must open an account with us.

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

- By telephone (note your telephone calls to us will be recorded);
- in writing (including email, note you must confirm with us that such instructions have in fact been received by us); and
- electronically via third party electronic trading applications (by prior arrangement).

9. HOW DO WE GET PAID?

DID YOU KNOW?

Small differences in both investment performance and fees and costs can have a substantial impact on your long term returns.

For example, total annual fees and costs of 2% of your account balance rather than 1% could reduce your final return by up to 20% over a 30 year period (for example reduce it from \$100 000 to \$80 000).

You should consider whether features such as superior investment performance or the provision of better services justify higher fees and costs.

You may be able to negotiate to pay lower fees and management costs where applicable.

Ask your financial adviser.

TO FIND OUT MORE

If you would like to find out more, or see the impact of the fees based on your own circumstances, the **Australian Securities and Investments Commission (ASIC)** website (www.moneysmart.gov.au) has a managed funds fee calculator to help you check out different fee options.

(a) Transaction based fees

JB Alpha is remunerated through the fees and commissions that we charge you for executing transactions on your behalf and for the provision of advice. Fees and commissions 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. Fees and commissions, once disclosed and agreed, will be charged to your trading account at the time any transaction is executed.

Fees and commissions will be charged by JB Alpha if you receive advice or deal in derivatives, including exercise of those derivatives.

If you receive advice or deal in any other financial products, you may be required to open an account with a third-party service provider for the provision of execution, settlement and clearing services. In these circumstances JB Alpha will be acting as the referral agent or introducing broker for you. Depending on the arrangements between JB Alpha and the third-party service provider, JB Alpha's fees and charges to you will be paid by either of the following two methods:

- JB Alpha's fees and charges to you will be collected, withdrawn from your trading account and paid by the third-party service provider on your behalf to JB Alpha¹. The third-party service provider charges JB Alpha fees and charges for providing its execution, settlement or clearing services, and JB Alpha's fees and charges to you, less the third-party service provider's fees and charges to JB Alpha, will be paid to JB Alpha by the third-party service provider from time to time. Accordingly, the third-party service provider's fee is not an additional cost to you.
- JB Alpha may receive a payment calculated by reference to a percentage of the third-party service provider's fees and charges to you. Accordingly, these payments to JB Alpha are not additional costs to you. The amount received by JB Alpha will vary depending on the contractual arrangements entered into between JB Alpha and the third-party service provider and will be disclosed to you.

The fees, charges and other costs rates below are the maximum that JB Alpha may charge and are provided as a guide only (see separate sub-section, below, for MDA Services). The fees, charges and other costs rates payable by you will be disclosed to you when prior to establishing your account, in a statement of advice to you or when we later notify you of a change in the rates or amounts or give you a SOAA.

| Type of Product | Basis | Maximum fee |
|-----------------------------------|-----------------|--|
| Securities – domestic | per transaction | up to A\$150 or 2.00% (including GST*) of the transaction value (whichever is greater) subject to a minimum of \$25 per transaction |
| Securities – International | per transaction | up to A\$300 equivalent or 3.00% (including GST*) of the transaction |

¹ This wording was changed to be more FoFA compliant.

| Type of Product | Basis | Maximum fee |
|--------------------------------|-----------------|--|
| | | value (whichever is greater) subject to a minimum of \$100 per transaction |
| Exchange traded options | per transaction | up to A\$150 (including GST*) subject to a minimum of \$25 per transaction |
| Futures | per transaction | up to A\$100 (including GST*) per lot subject to a minimum of \$5 per transaction |
| Futures Options | per transaction | up to A\$100 (including GST*) per lot subject to a minimum of \$5 per transaction |
| Derivative Contracts | per transaction | Up to 5 pip spread mark-up per transaction (including GST*) subject to a minimum of \$0.5 per transaction |

*In some cases fees, charges and costs may be exempt from GST if the supply is made to a non-Australian resident.

There may be other charges applicable to a securities trading account that are passed on by third party service providers. These fees and charges will be disclosed to you by the third-party service provider.

Depending on the features of your account, there may be other there may be other fees, charges or costs which are not disclosed in the FSG. We will disclose them to you in writing if they will apply to your account.

JB Alpha may change these fees, charges and costs, including their rates or amounts, from time to time. Increases or new fees, charges and costs will be notified to you in any way you agree to be notified by your agreement with us, typically by email, by notice through your account with us, by notice on a statement to you or by us posting a notice to our website, www.jbalpha.com.

(b) Fees for our Managed Discretionary Account service

The fees below are the maximum that JB Alpha may charge in respect of our MDA service and are in addition to the transaction based fees described in section 9(a) of this FSG. These fees are provided as a guide only.

A detailed description of the fees, charges and commissions payable in respect of the MDA Service and the financial product traded under the managed discretionary account service will be detailed in the MDA Contract. JB Alpha will provide you with details of the rates applicable to you at the time you enter into the MDA Contract.

| Type of Fee | Basis | Maximum fee |
|-------------|-------|-------------|
|-------------|-------|-------------|

| Type of Fee | Basis | Maximum fee |
|--|--|---|
| Management / Administration fee | Charged monthly as specified in the MDA investment program | Up to 5% p.a. (plus GST*) calculated on the daily account balance |
| Account opening fee | Per account | Under some investment programs there may be a one-off A\$13.20 account opening fee. |
| Account keeping fee | Per account | Under some investment programs there may be an account keeping fee of A\$27.50 per quarter. |
| Performance fee | Charged as specified in the MDA investment program | Under some investment programs there may be A performance fee of up to 30% (plus GST*) of profits, charged at times stated in the relevant Investment program (e.g., monthly or quarterly). |
| Spread fee | Per transaction | Up to 2 pip spread mark-up per transaction (including GST*) |
| Commissions | Per transaction | See Transaction-based fee schedule |
| Switching fee | If you switch investment programs | Nil, but you may be charged for any additional Statement of Advice and any rebalancing of your portfolio may incur Transaction based fees and charges. |
| Exit fee | If you end your MDA Service or close your MDA | Nil, but you may incur Transaction based fees and charges. |

*In some cases fees may be exempt from GST where the supply is made to a non-Australian resident.

JB Alpha, acting reasonably may change these fees from time to time. Such changes will be notified to you by email, in writing or where you have agreed by us posting a notice to our website, www.jbalpha.com. We recommend that you seek advice from a professional tax agent.

(c) Administration services

Administrative services provided by JB Alpha to which fees or charges may apply are as follows.

| Administrative Service | Fee (incl. GST) |
|--|--|
| Withdrawal (same day value) | A\$35.00 |
| Duplicate Statements | A\$20 per statement |
| Provision of live data feed | At Exchange rates as advised from time to time |
| Phone broking charges for CFD and Margin FX transactions | Up to A\$55.00 per transaction |
| Default Interest Rate | RBA Cash Rate plus 5%, calculated on a daily basis |

(d) Interest on client moneys

JB Alpha is entitled to retain any interest it earns on client money held in the client moneys trust accounts which it must maintain pursuant to the Corporations Act. The rate of interest is determined by the provider of each account.

It may choose to credit your account with interest at a rate less than the rate of interest earned by JB Alpha (or suspend or not credit any interest).

(e) Other benefits to JB Alpha

JB Alpha and its representatives may from time to time receive remuneration or other benefits from product issuers and other financial services providers we deal with, including educational seminars, conferences and training days, to the extent the law allows. Details of these benefits will be maintained on a register as required by law.

(f) Remuneration of employees, directors and representatives

Our directors and some of our representatives are remunerated by way of salary and other employee benefits. They may also be eligible for a discretionary bonus related to business objectives. Such payments are discretionary and are generally made in the form of monetary benefits and are paid annually.

Some of our representatives are remunerated by way of salary or bonus payments calculated by rates in amounts up to 80% of all fees and commissions generated from their clients depending on the level of salary and the aggregate revenue that they generate for JB Alpha.

(g) Commissions, remuneration and other benefits paid by JB Alpha

You may have been referred to us by a service provider (which may be an authorised representative of JB Alpha) which may receive financial or non-financial benefits from us, to the extent the law allows. Please note that such benefits will not impact transaction fees or the rates you will be offered for financial products or services provided JB Alpha.

10. COMPLAINTS RESOLUTION

We take every step to ensure we provide you with quality service. JB Alpha has an internal dispute resolution policy in place to resolve any complaints or concerns you may have about the service provided to you. These should be directed to the Complaints Officer (by telephone or letter) at the address on the first page of this FSG, or by email compliance@jbalpha.com.

We will provide you with acknowledgement of written complaints within 5 business days, and seek to resolve and respond to your complaint within 30 days of receipt. We will investigate your complaint, and provide you with our decision, and the reasons for 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 Financial Ombudsman Service (FOS) via the following means:

Financial Ombudsman Service Ltd
GPO Box 3, Melbourne Vic 3001
Email: info@fos.org.au

Website: www.fos.org.au
Toll Free Telephone: 1800 367 287
Fax: 03 9613 6399

Our FOS membership number is: 13512.

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

11. COMPENSATION ARRANGEMENTS

We hold professional indemnity insurance cover for the activities conducted under our AFSL. The policy provides coverage for claims regarding professional negligence, directors and officers liability, crime (fraud) and the conduct of representatives (including representatives who no longer work for us but who did at the time of the relevant conduct). Our professional indemnity insurance cover is subject to the policy terms and conditions. JB Alpha considers that our insurance cover generally satisfies the requirements of s912B of the *Corporations Act*.

12. CONFLICTS OF INTEREST AND ASSOCIATIONS

Conflicts of interest may occur from time to time. JB Alpha will advise you of any material interest that could reasonably be expected to influence our recommendation of a financial product to you, either verbally or within an SOA, SOAA or ROA.

However, you should be aware that:

- JB Alpha's client advisors are remunerated wholly or in part by payments calculated by rates of percentages of all fees and commissions generated from their clients;
- if you have been referred to us by a third party, that person may receive payments based on a percentage of brokerage charged to you; and
- JB Alpha, its directors and representatives may have material interests in the shares of companies that is the subject of advice to you by JB Alpha (or its representatives)

or transactions made for you, and they may transact at different times, and for different prices, than as applies to your transactions.

JB Alpha has associations with several third-party service providers that provide execution and clearing services to clients. If JB Alpha has referred or introduced you to a third-party service provider it may receive payments based on a percentage of brokerage charged to you.

These conflicts of interest and associations in no way influence the provision of financial services by JB Alpha to you.



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