

## City Index Australia Pty Ltd

This Financial Services Guide (FSG) is designed to assist clients in deciding whether to use any of the services offered by City Index Australia. It contains information about the services we provide, how to communicate with us, remuneration that may be paid to the financial services licensee, its employees and related parties in relation to the services offered. The FSG also contains information on how complaints against the financial services licensee are dealt with. If, after reading this guide, further information is required then please do not hesitate to contact us.

### **City Index Australia**

City Index Australia Pty Ltd is a company incorporated in Australia (ACN 141 774 727) and holder of an Australian Financial Services License (AFSL 345646) issued by the Australian Securities & Investment Commission (ASIC).

City Index Australia is a subsidiary of City Index Holdings Limited, and a member of the City Index Group of companies based in the United Kingdom. The Group is regulated by the Financial Services Authority of the United Kingdom. The City Index group of companies has operations in Europe, North America and Asia.

City Index Australia offers off-exchange / over-the-counter (OTC) derivative products in foreign exchange, commodities and equity indices.

### **How to contact us**

Address: Level 15, Chifley Tower  
2 Chifley Square  
Sydney NSW 2001

Postal: GPO Box 5464,  
Sydney NSW 2001,  
Australia

Toll Free: 1800 139 103  
Direct: (02) 9270 3600  
Fax: (02) 9270 3650

Email: [enquiries@cityindex.com.au](mailto:enquiries@cityindex.com.au)  
Internet: [www.cityindex.com.au](http://www.cityindex.com.au)

### **Services**

City Index Australia is licensed by ASIC to provide dealing and execution services in derivative products and to give general financial product advice. It acts as an issuer, market-maker and dealer in its own OTC derivative products.

### **General Advice Warning**

The general financial product advice provided by City Index Australia relates only to the product, and will not be based on clients' personal circumstances. As a result clients should, before acting on the advice, consider the appropriateness of the advice and the product, having regard to their own objectives, financial situation and needs.

### **Product Disclosure Statement**

City Index Australia is required to issue clients with a Product Disclosure Statement (PDS) as a result of providing services to retail customers.

The PDS is designed to allow clients to make an informed decision about whether to purchase a financial product and to allow for comparison of financial products. It includes information such as fees payable, risks, benefits and significant characteristics of our

products. Generally, a PDS should be provided to a retail client before an offer is made to issue a financial product.

Clients should obtain our PDS and consider its contents before making any decision about whether to acquire our products. The PDS can be downloaded from [website](#) or a paper copy will be provided upon request.

### **Products**

City Index Australia offers Margined Foreign Exchange (FX), Bullion and Equity Index Contracts-for-Difference (CFD's). These products are dealt on margin which allows clients to profit from price movements without physical ownership of the underlying stocks or instruments.

The term FX describes the simultaneous purchase of one Currency and sale of another Currency at an agreed exchange rate. The exchange rate is the price at which one Currency can be bought or sold in terms of the amount of another Currency. City Index Australia's products do not permit the physical exchange of currencies.

FX and CFD contracts constitute an agreement between two parties to exchange, at the close of the contract, the difference between the opening and closing prices of the contract, multiplied by the number of contracts specified in the transaction.

### **Instructions**

You may give us dealing instructions via our trading platform or by telephone. Any other form of communication which is not a dealing instruction may be made by telephone, in person, or in writing by post, fax or email.

We advise that all of our telephone lines are recorded in order to provide a record of transactions.

### **Fees & Charges**

Depending on which product is traded, customers of City Index Australia may be liable for any of the following fees or charges, however, commissions are **not** charged by City Index Australia.

#### **Dividends**

In the case of Index CFD's the buyer receives a cash payment representing any dividend paid on the underlying constituent shares.

The holder of a long position in a CFD will receive a cash adjustment and the holder of a short position will pay the cash adjustment.

#### **CFD Overnight Financing**

With a long position, the buyer's account is debited a financing fee. The interest rate applied to the value of the bought position will normally not exceed 3.0% over the current local inter-bank offered rate.

With a short position, the seller's CIA account is credited with financing. The interest rate will normally not be less than 3.0% below the current local inter-bank offered rate.

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The actual interest rates applied in the calculation of financing will vary from time to time. Details are contained in the PDS.

### **FX & Bullion Rollovers**

Unless closed, Spot FX and Bullion positions will be rolled to the next available spot date. In this case, customers may pay or receive a Rollover Fee. In the case of FX the Rollover reflects the different interest rates of the respective currencies. In the case of Bullion, the Rollover reflects Gold leasing rates relative to the USD interest rate.

Customers may either receive or pay the Rollover depending on whether a bought or sold position is held and the relative level of interest rates.

### **Commissions**

Spot Foreign Exchange & Bullion and Index CFD's are not subject to commission.

### **Bid – Offer Spread**

Dealing spreads vary according to the instrument and reflect market conditions in the underlying financial asset. Consequently, they can vary.

The wider the bid-offer spread, the more the price of a contract must move in your favour to make a profit.

### **Administrative Charges**

#### **Exchange Fees**

Customers may be liable to pay an exchange fee. The exchange fee reflects the cost incurred by City Index Australia applied by the Stock Exchanges for use of real-time prices in City Index Australia's trading platforms.

#### **Remittance Fees**

Typically, City Index Australia does not charge its customers for withdrawal of funds from their account. However, where a customer requires same-day payment of funds, City Index Australia reserves the right to charge for this additional service. This fee will not be more than A\$15 or the currency equivalent.

### **Remuneration**

#### **How are staff paid?**

All staff are salaried employees. In addition to salary, some members of staff may be entitled to a performance-based commission and a discretionary bonus. Commissions and bonuses are calculated according to a number of factors including the general operating performance of the company.

No related body corporate nor any director or of any related body corporate receives commission attributable to the products.

#### **Benefits to third party suppliers**

We can, at our discretion, enter into arrangements with third party suppliers, such as introducing brokers, who may directly or indirectly introduce you to us. Any benefits those third party suppliers receive are paid out of our own funds and are not a cost to you.

### **Dispute Resolution**

If you have any query relating to the conduct of your account you should contact our Account Management team as soon as possible. This is particularly important in the case of a potential dispute over a transaction or order.

We will investigate the circumstances and make every attempt to resolve the issue in the first instance.

We aim to provide a high standard of service; however, we do recognise that occasionally we will not live up to your expectations.

If you are dissatisfied with the way in which we handle your enquiry or with the outcome then you may raise a formal complaint and we are entitled to ask you to provide this complaint in writing.

Contact information for Account Management:

Account Management Team  
GPO BOX 5464  
Sydney, NSW, 2001

Email: [clientservices@cityindex.com.au](mailto:clientservices@cityindex.com.au)

Toll Free: 1800 354 182  
Direct: (02) 9270 3600  
Fax: (02) 9270 3650

City Index Australia is a member of an independent external dispute resolution scheme, run by the Financial Ombudsman Service (FOS). This scheme has been endorsed by ASIC. Any unresolved complaints can be referred to FOS.

Financial Ombudsman Service  
GPO Box 3  
Melbourne VIC 3000

Toll Free: 1300 780 808

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

Our dispute resolution process is also available on our website [www.cityindexasia.com](http://www.cityindexasia.com)