FINANCIAL SERVICES GUIDE

CUSTOM HOUSE CURRENCY EXCHANGE (AUSTRALIA) PTY LIMITED

BUSINESS SOLUTIONS

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FINANCIAL SERVICES GUIDE

Issue Date: 14th January 2017

1. FINANCIAL SERVICES GUIDE

Custom House Currency Exchange (Australia) Pty Limited
ABN: 95 086 278 659
AFS Licence No: 238 290
Effective Date: 14th January 2017

2. PURPOSE AND CONTENT

This Financial Service Guide (FSG) is prepared by Custom House Currency Exchange (Australia) Pty Limited: ABN: 95 086 278 659, AFSL 238 290 (referred to in this document as Custom House Currency Exchange, Custom House, we, us or our,) and is designed to help you decide whether to use the financial services and products that we are authorised to offer under our Australian Financial Services Licence (AFSL).

This FSG is an important document and contains important information about:

- Who we are and contact details;
- The financial products and services we are authorised to offer you;
- Providing Advice to you;
- Providing Instructions to us;
- The documentation that we will provide to you;
- Who we act for;
- Our associates and how we are remunerated;
- Conflicts of interest we may have;
- Complaints Handling, Internal and External Dispute Resolution;
- Our Compliance Systems;
- Compensation Arrangements;
- Recording of phone conversations with representatives of Custom House;
- The privacy of your personal information; and
- Contacting us.

This FSG should assist you in deciding whether to use any of the products or services we offer.

3. WHO WE ARE AND CONTACT DETAILS

Custom House provides solutions for companies or individuals that need to pay for foreign invoices or to exchange foreign receivables. We work with individuals and companies of all sizes, to create solutions that assist their business payments and foreign exchange process challenges and manage risk and costs.

Custom House Currency Exchange (Australia) Pty Ltd is a wholly owned subsidiary of Custom House ULC. Custom House ULC is a Canadian corporation. Custom House ULC in turn is a wholly owned subsidiary of Western Union Financial Services Inc (Western Union), a USA based listed company.

You can contact us at:

Address: Level 12, 1 Margaret St, SYDNEY, NSW, 2000

Phone: +61 2 8585 7000 or 1300 732 561 (Australia Only).

Principle Contact: Customer Service

Email: wubscustomerserviceaustralia@westernunion.com

Website: www.business.westernunion.com.au

4. THE FINANCIAL SERVICES AND PRODUCTS WE ARE AUTHORISED TO PROVIDE TO YOU

Custom House holds an AFSL which authorises us to provide the following services to both wholesale and retail clients:

- provide financial product advice and deal in non-cash payment products, derivatives, and foreign exchange contracts; and
- make a market for derivatives and foreign exchange contracts.

Our products and services include:

- Spot foreign exchange contracts;
- Forward foreign exchange contracts;
- Vanilla foreign exchange options;
- Structured foreign exchange options; and
- Payment products including wire transfers and drafts.

5. PROVIDING ADVICE TO YOU

Custom House provides factual information to assist retail customers in understanding our products and services. You may also ask us to provide you with general financial product advice, which means that we will not take into account your financial needs, circumstances or objectives in the advice we provide. Before acting on any factual information or advice asked of or given by a representative of Custom House you should carefully consider the appropriateness of the factual information or advice having regard to your personal objectives, financial situation and needs.

We will explain to you any significant risks associated with financial products we provide you, as identified in the Product Disclosure Statements (PDS) for the financial product. If you do not believe this explanation to be adequate, you should ask us to explain these risks further.

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.

In the event that you ask us to provide you with advice that takes 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, risks and benefits related to the products we issue. 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. We encourage you to obtain independent financial advice in relation to those issues.

6. PROVIDING INSTRUCTIONS TO US

You may (depending on the financial product or service we are issuing to you) provide instructions to us:

- By phone;
- By email; or
- Electronically through our online platforms.

Instructions received from you for certain financial products or services will require your signature for the purposes of verification. In addition, some products and services may have their own rules around how to provide instructions or execute certain transactions. Please refer to the PDS, other disclosure documents and the Terms and Conditions of the specific product or service for those instruction details.

7. THE DOCUMENTATION WE WILL PROVIDE TO YOU

If we recommend a financial product or offer to issue, or arrange the issue of a financial product, we will provide you with:

- A PDS containing information about the particular product to assist you in making an informed decision about that product;
- An Account Application Form requiring detailed information to be provided for your accreditation with us;
- Custom House Terms and Conditions specifying the terms and conditions of our contractual arrangements with you;
- Direct Debit Request authority for making payments to us; and
- User Authorisation detailing who is authorised to provide us with instructions.

8. WHO WE ACT FOR

When you transact in the Custom House Products (Spot and Forward Foreign Exchange Contracts, Vanilla and Structured Options and Wire Transfers and Drafts), either with Custom House or through an Authorised Representative of Custom House, Custom House acts as principal and is the issuer of the products.

9. OUR ASSOCIATES AND HOW WE ARE RENUMERATED

Associations or Relationships.

We have commercial business arrangements with our affiliate company Custom House Financial (UK) Limited (WUBS International). WUBS International is wholly owned by The Western Union Company (WU). We may, at our discretion, nominate another related entity to act as WUBS International. WUBS International may provide us from time to time with support in relation to information technology, treasury, finance, compliance and other services. Other arrangements with WUBS International and WU are governed by formal agreements between us. WUBS International affiliates operate in the Americas, Europe and in various jurisdictions in the Asia- Pacific region.

Any fees and charges that you pay to us may ultimately benefit directors and employees of WUBS International or WU, who may receive a bonus, and shareholders of WU may receive a dividend, linked in part to such amounts received from us.

Referring Entities.

In limited circumstances, you may have been referred to Custom House. Depending on the circumstances and as permitted under the Corporations Act 2001 Cth (Corporations Act), the referring entity may receive a referral rebate. Any commercial relationships that Custom House has in place with referring entities from time to time are structured with rebates to the referring entity being between 10% and 50% of revenue generated from the referral.

Rebates paid to referring entities by Custom House as a result of transactional business by you do not impact any payments made by Custom House to beneficiaries as instructed by you. The revenue, remitted as a percentage rebate to referring entities, is derived from the mark up applied by Custom House from the foreign exchange wholesale rate to the foreign exchange retail rate transacted by you. These mark ups are termed "Retail Mark Ups" and are explained in full detail in the Custom House Foreign Exchange and Drafts Transactions PDS dated 16 January 2017.

Employees and Directors.

Our employees and directors are remunerated by way of salary and other employee benefits. They may also, subject

to any prohibitions under the Corporations Act, be eligible for a discretionary bonus which is based on achievement of predetermined business objectives such as contribution to profit, client service, risk management and leadership/team contribution. Bonuses may be calculated as a portion of the net amount charged to our Clients after deducting Retail Mark Ups as explained in the Custom House Foreign Exchange and Drafts Transactions PDS, dated 16 January 2017, and transaction fees charged to clients for non-cash payment products such as drafts.

Authorised Representatives.

The fees and charges are described in our PDS apply where you trade directly with Custom House. If you trade with Custom House through an Authorised Representative, that Authorised Representative may have its own fees and charges. Our Authorised Representative agreements allow our Authorised Representatives to:

- (in accordance with the Corporations Act) receive a financial benefit of between 20% to 40% from Custom House for clients transacting with Custom House; or
- receive a financial benefit passed on by Custom House on behalf of the Client.

Rebates paid to Authorised Representatives by Custom House as a result of transactional business by you do not impact any payments made by Custom House to beneficiaries as instructed by you. The revenue, remitted as a percentage rebate to Authorised Representatives, is derived from the mark up applied by Custom House from the foreign exchange wholesale rate to the foreign exchange retail rate transacted by you. These mark ups are termed "Retail Mark Ups" and are explained in full detail in the Custom House Foreign Exchange and Drafts Transactions PDS dated 16 January 2017.

10. CONFLICTS OF INTEREST WE MAY HAVE

Some products we offer to you may be issued by affiliates of Custom House. We may also from time to time offer products on behalf of other issuers. When this is the case, we will ensure that we have the appropriate supply agreements with each providing entity to enable us to sell their products. However, we are not part of another financial services group whose products we are obliged to offer. We are an affiliate of WUBS International, a financial services group that offers various products and services. We have a conflict of interest policy that aims to avoid and manage conflicts of interests that may arise both within the group and between us and third parties from time to time.

11. COMPLAINTS HANDLING INTERNAL AND EXTERNAL DISPUTE RESOLUTION

Custom House is committed to effective and efficient complaints and disputes handling. We have an internal dispute resolution process in place to resolve any complaints you may have in an efficient, timely and effective manner to provide you a resolution.

You should address any complaint relating to the products or services provided by Custom House to your Custom House Representative in the first instance.

If you have any enquiries about our dispute resolution process, please contact Customer Service using the details outlined in Section 3 of this FSG.

If you are dissatisfied with the resolution of a complaint you have the right to refer the complaint to:

Financial Ombudsman Service (FOS)

GPO Box 3 Melbourne,

Victoria 3001

Toll Free Number: 1 800 367 287

www.fos.org.au

FOS operates an independent dispute resolution scheme.

12. OUR COMPLIANCE SYSTEMS

We remain up to date on industry compliance issues pursuant to the conditions of our AFSL, which requires, amongst other things, for our employees and representatives to undergo ongoing training in respect of our responsibilities to you and the products we offer.

13. COMPENSATION ARRANGEMENTS

Custom House is covered by a professional indemnity insurance policy (the policy) designed to pay claims by third parties (including customers) arising out of any professional negligence on its part, subject to terms and exclusions of the policy. The policy extends to cover claims made in relation to the conduct of representatives/employees both during their employment with and after they cease to be employed by or act for Custom House. The terms and conditions of the policy satisfy the requirements of s 912B Corporations Act 2001 (Cth) for compensation arrangements. You do not have a direct right to claim under this policy which is taken out to ensure sufficient resources will be available to meet claims against Custom House.

14. RECORDING OF PHONE CONVERSATIONS WITH REPRESENTATIVES OF CUSTOM HOUSE

Conversations with our representatives are recorded in accordance with standard market practice. We do this to ensure that we have complete records of the details of all transactions. Recorded conversations are retained for a limited time and are usually used when there is a dispute and for staff monitoring purposes. If you do not wish to be recorded you will need to inform your Custom House

representative. Custom House will not enter into any transaction over the telephone unless the conversation is recorded.

15. THE PRIVACY OF YOUR PERSONAL INFORMATION

In the course of providing foreign exchange services we may collect information about you. The information that we obtain from you or other people associated with your request is for the purpose of processing your foreign exchange transactions. Certain information may be required by us in order to comply with laws and regulations, including anti-money laundering laws.

Custom House is committed to complying with all privacy laws and regulations. Further information about Custom House's privacy practices can be found at www.business.westernunion.com.au/about/compliance

If you would like further information about the way that Custom House manages the handling of personal information, please contact our privacy officer:
Email: privacy.anz@westernunion.com

Mail: Attention: Privacy Officer
Level 12, 1 Margaret Street
Sydney NSW 2000

Call: 1300 732 561

16. CONTACTING US

General enquiries

1300 732 561

www.business.westernunion.com.au

wubscustomerserviceaustralia@westernunion.com

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Sydney NSW 2000

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Version January 2017