



# FINANCIAL SERVICES GUIDE

## Stratos Trading Pty. Limited

Last Update: June 2024



## **FINANCIAL SERVICES GUIDE**

### **PURPOSE OF THIS FINANCIAL SERVICES GUIDE**

This Financial Services Guide ("FSG") is issued by Stratos Trading Pty. Limited (trading as "FXCM"). FXCM is a company incorporated in Australia [ACN 121 934 432]. FXCM holds an Australian Financial Services License [AFSL 309763] issued by the Australian Securities and Investments Commission ("ASIC"). The purpose of this FSG is to provide you with key information about the type of financial services that FXCM offers to ensure that you receive the information to assist you in making an informed decision about whether you wish to use the financial services that are offered by FXCM.

### **CONTENTS OF THIS FSG**

The FXCM FSG contains important information on various aspects, including:

- What is Stratos Trading Pty. Limited;
- Who FXCM Acts For;
- Stratos Trading Pty. Limited Contact Information;
- Financial Services & Products FXCM is Authorised to Provide;
- Nature of Advice;
- How to Instruct FXCM;
- Platforms;
- Execution;
- Fees and Charges;
- Associations;
- Dispute Resolution;
- Compensation Arrangements; and
- Privacy Policy.

For further detailed information about FXCM services and products please contact FXCM via email [support@fxcm.com.au](mailto:support@fxcm.com.au) or utilise the contact information provided below.

### **Additional Documents – Product Disclosure Statement ("PDS") and Terms of Business**

Before you can open an account with us to trade FXCM products you must review and understand the FXCM [Product Disclosure Statement](#), [Terms of Business](#), and this FSG (collectively the "FXCM Documents"). You can obtain a copy of our [Target Market Determination](#) available on our website <https://www.fxcm.com/au/legal/target-market-determination/>. The PDS is provided to assist you in making an informed decision about all FXCM products. The PDS contains information about FXCM products, including risks and benefits, costs, fees and charges, how to trade in FXCM products, significant characteristics and features of FXCM products and tax considerations. The FXCM Documents are available on our website [www.fxcm.com/au](http://www.fxcm.com/au) or can be obtained by contacting us.

The FXCM Documents are important documents and should be read in their entirety in deciding whether to acquire or to continue to hold FXCM products. You should keep the FXCM Documents, all other documents provided to you by FXCM and

any updated information that is provided to you for future reference. Please note, if we classify you as a Wholesale client in accordance with the Corporations Act 2001 (Cth), we are not required to provide you with a PDS or FSG.

### **What is Stratos Trading Pty. Limited?**

Stratos Trading Pty. Limited is a financial services company that is authorised to provide financial services in derivatives and rolling spot margin foreign exchange contracts to retail and wholesale clients. FXCM provides its clients with direct access to various electronic trading platforms such as Trading Station II (commonly referred to as Trading Station) and MetaTrader 4 to enable them to buy and sell Foreign Exchange Contracts (FX Contracts) and Contracts for Differences (CFDs).

### **Who FXCM Acts For**

FXCM is an issuer of over-the-counter FX Contracts and CFDs. FXCM does not act as your agent or broker in relation to transactions of FXCM products. FXCM acts as a principal, on its own behalf, when it provides financial services to you.

### **Stratos Trading Pty. Limited Contact Information**

You can contact us by:

- calling us on 1800 109 751
- AU Free Call: 1800 109 751
- emailing us at [support@fxcm.com.au](mailto:support@fxcm.com.au); or
- writing to us at:  
Stratos Trading Pty. Limited  
Suite 2,  
Part Level 12,  
530 Collins Street,  
Melbourne, VIC 3000,  
Australia

### **Financial Services & Products FXCM is Authorised to Provide**

FXCM holds an Australian Financial Services License (AFSL 309763) which authorises us to provide the following financial services to retail and wholesale clients:

- provide general product advice for the following classes of financial products:
  - a) derivatives; and
  - b) foreign exchange contracts,
- deal in a financial product by issuing, applying for, acquiring, varying or disposing of a financial product in respect of the following classes of financial products:
  - a) derivatives; and
  - b) foreign exchange contracts, and
- make a market for the following classes of financial products:

- a) derivatives; and
- b) foreign exchange contract.

## **Nature of Advice**

FXCM provides general financial product advice only. General advice does NOT take into account your objectives, financial situation or needs. Therefore, you should, before acting on our general advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. FXCM recommends that you seek advice from a separate financial advisor. You should also consider our PDS before making any decisions about whether to use our products.

**Under the law governing financial services, general advice has a defined meaning which may be different to what you understand or expect general advice to mean.** In the context of the provision of financial services, general advice can include information about FXCM products and the underlying markets, as well as FXCM's opinions about, or outlook for, FXCM products or the underlying markets. Any information you have requested about FXCM products and the markets, or have discussed with a FXCM employee should only be regarded as general advice. Market updates, research reports, and website content are examples of the general advice that we may provide.

Accordingly we make no warranties or guarantees that the content of the advice is suitable for your individual situation. You should read and consider the relevant PDS and consider seeking independent advice before making any decisions about FXCM products and/or using the services offered by FXCM.

You should obtain professional financial advice based on your own particular circumstances before making an investment decision on the basis of the general advice provided by FXCM.

## **How to Instruct FXCM**

You may place orders to deal in FX contracts and CFDs by using electronic trading platforms such as Trading Station and/or MetaTrader 4.

Whenever you execute a transaction on your account, a confirmation or statement can be accessed through Trading Station and/or secure access website/portal (referred to as "MyFXCM"). Through Trading Station and/or secure access website/portal you can access your accounts at any time to view your transactions and account balances. You must review any confirmation or statement made available to you immediately to ensure its accuracy and to report any discrepancies to us.

## **Platforms**

FXCM offers various trading platforms including but not limited to Trading Station II (FXCM's proprietary platform, commonly referred to as Trading Station) and MetaTrader 4. FXCM trading platforms are designed to provide clients with comprehensive market information and a high level of execution. The PDS provides more detailed information about the trading platforms.

## **Execution**

FXCM acts as the counterparty to every transaction. For every transaction, FXCM may choose to hedge your trade immediately with a liquidity provider or FXCM may choose to take the other side of your trade. FXCM acts as the market maker. FXCM may make its own price or derive prices from third party sources including but not limited to liquidity providers but your trades may or may not be hedged back to back with a liquidity provider. For more information on execution please visit our [website](#) and [PDS webpage](#).

## Fees and Charges

### Remuneration

Trading Platform	Spreads	Rollover Fees	Referring Broker / 3 <sup>rd</sup> Party Rebates	FX Commission / Mark-up (if applicable)	Administrative Fees	Conversion Fees
Trading Station II	Applicable — Varies according to currency pair and trading platform	Applicable	If applicable, generally 0.2-5 Pips or 50% of the applicable commission	<p>FXCM may make its own price or derive prices from its liquidity providers, and may add a mark-up to the spreads it receives from its liquidity providers. For further details of our spreads, please refer to our website.</p> <p>If applicable, commission is listed per 100k lot per side and pro-rated accordingly. See commission rates table in PDS.</p>	Applicable — according to the currency denominated account and residence of the client	Applicable
MetaTrader 4	Applicable — Varies according to currency pair and trading platform	Applicable	If applicable, generally 0.2-5 Pips or 50% of the applicable commission	<p>FXCM may make its own price or derive prices from its liquidity providers, and FXCM may add a mark-up to the spreads it receives from its liquidity provider. For further details of our spreads, please refer to our website.</p> <p>If applicable, commission is listed per 100k lot per side and pro-rated accordingly. See commission rates table in PDS.</p>	Applicable — according to the currency denominated account and residence of the client	Applicable

For more detailed information on FXCM trading platforms refer to PDS Part 2.

### Spreads

Generally, for FX, FXCM may earn its income from mark-up to the spread, or the commission charged per 100k trade (per side). In certain circumstances, the client may be subject to a mark-up, separate commission rates and/or a separate rate card due to the relationship with a third party (including but not limited to some referring brokers). The term 'spread' refers to the difference between the best bid and best offer rates at which you buy and sell the financial instruments.

## ***Rebates and Commissions to Referring Brokers/Third Parties***

FXCM may compensate Referring Brokers/third parties for introducing clients to FXCM and that such compensation may be on a per-trade basis or any other method upon FXCM's discretion.

Compensation may be taken out of:

1. FXCM's mark-up for FX and other products; or
2. the client's commission payment for FX.

For CFDs, generally, FXCM's compensation to Referring Brokers for introducing clients ranges from approximately 0.2 5 pips to 5 pips per round turn trade. All clients will be asked to agree to rebates/commissions charges prior to any such rebates/commissions being charged, via an acknowledgement form.

For FX, commission paid to referring brokers will generally be 50% of the applicable commission (see commission rates detailed in the FX PDS).

(For more detailed information on pips, please refer to the Product Disclosure Statement, in the section "Pip Cost").

The Referring Brokers or third parties must comply with all aspects of the relevant [TMD](#), including the distribution conditions, and must not provide any recommendations or advice regarding any financial products or financial services to any person on behalf of FXCM.

## ***Initial Margin***

Where you enter into a transaction you will be required to pay an initial margin. You may also be required to pay additional margin in the event of adverse market movements against your position(s). Such payments are not fees or costs but are funds required by FXCM to cover our risk and as security for the client's obligations.

## ***Rollover Fees***

Rollover is the simultaneous closing and opening of a position at a particular point during the day in order to avoid the settlement and delivery of the purchased currency. This term also refers to the interest either charged or applied to a trader's account for positions held "overnight", meaning after 5:00 PM ET (New York Time) on FXCM's platforms. Interest rates are a factor in any market. FXCM's daily interest debit or credit amounts are based on the total face value of the position. Our rollover rates are calculated by referencing the relevant benchmark rate for all index products. Each day, the rollover amounts per lot are shown transparently in the simple dealing rates window of Trading Station. Therefore, you will be charged a "rollover" fee for holding FX Contracts and CFDs overnight. These fees vary from day to day.

Certain accounts may be charged a fee in lieu of paying/receiving interest for position held open past the close of business day ("rollover"). This fee is either a mark-up to the spread or a commission charge in the instance of select accounts types, as determined and notified by FXCM, which may increase or decrease in its sole discretion.

## ***CFD Rollover – Metals Trading***

All open metal positions are rolled to the next trading day. Depending on whether you are long (Buy) or Short (Sell), you will either be debited or credited rollover interest on a daily basis. Details of FXCM's rollover rates (rolls) are detailed on Trading Station II in a transparent manner. Please note that at all open positions at the end of the recognized trading day of Wednesday at 5:00 PM ET (New York Time) incur a 3 day rollover debit/credit, and bank holidays will affect the number of days that a position is rolled forward. Furthermore, the rollover detailed on Trading Station is for 1 ounce of gold or silver and not the minimum trade size.

Copper is the only metal which is not subject to rollover interest and has a periodic expiration.

### ***CFD Rollover – Energy Trading***

USOil, UKOil, SOYF and NGAS are not subject to rollover interest and have periodic expirations.

### ***CFD Rollover – Indices***

Financing costs (Cost of carry) and dividends make up the overnight credits/debits. The value of these two variables are independent of one another; the overall credit/debit that is credited/debited will depend on the size of the open trade.

### ***Administrative Charges***

#### Telegraphic Transfers or “Wire” Fees

FXCM does not charge a fee in order to setup your Account or to deposit funds but there is an administrative charge in order to withdraw funds from your Account. Wire request fees are below.

#### Withdrawal Fees

	Bank Wire Transfer		Credit / Debit Card	EFT	Skrill	UnionPay
Currency / Denomination	Domestic*	International				
USD	USD \$ 25	USD \$ 40	No charge	N/A	No charge	No charge for the first two (2) withdrawals per month**
EUR	€ 0	€ 30	No charge	N/A	N/A	N/A
GBP	£ 15	£ 30	No charge	N/A	N/A	N/A
JPY	¥ 0	¥ 3,000	No charge	N/A	N/A	N/A
AUD	AUD \$ 15	AUD \$ 30	No charge	No charge	No charge	N/A
NZD	NZD \$ 15	NZD \$ 30	No charge	N/A	N/A	N/A

\*Domestic wire fees apply when the client's beneficiary bank is located in Australia.

\*\*There is no charge for the first two (2) UnionPay withdrawals per month per account. Any subsequent UnionPay withdrawals in the same month may incur a 1% processing fee with a maximum fee of USD \$10.00.

#### Electronic Fund Transfers

FXCM does not charge a fee for Electronic Fund Transfers for Australian residents.

#### Credit Card Fees

FXCM does not charge a fee for credit card deposit or withdrawal transactions.



## Deposit Fees

Bank Wire Transfer	No Charge
Credit / Debit Card	No Charge
BPAY	No Charge
Skrill	No Charge
<b>UnionPay</b>	No Charge

Note: When depositing funds by domestic/international wire, debit/credit cards and/or through a transaction processing service, you may be subject to external charges charged by your bank(s)/intermediary bank(s)/card issuer(s)/payment services provider(s) and/or transaction processing service(s) including but not limited to international transaction fees, currency conversion fees and/or transaction processing fees.

## Inactivity Fee

You will be charged a dormancy account administrative fee (the "Dormancy Fee") every calendar year if there is no trading activity in the 12 months preceding the charge date. This fee will be equal to the lesser of 50.00 units of the currency in which your account is denominated or the remaining balance in your account, with the exception of accounts denominated in JPY, which will be charged JPY 5,000. If you are assessed the Dormancy Fee and your account balance becomes zero (0) after the Fee is charged, your account may be subject to closure.

## Conversion Fees

Please note that any administrative conversions will be made at the bank rate or at the prevailing spot rate and will be shown on your combined account statement, which can be accessed through your secure access website/portal.

The following mark-up will apply. The pip charge will be determined by the amount converted (USD equivalent).

Range	Pip Charge (mark-up)
\$0 – 9,999.99 USD	150
\$10,000 to \$49,999.99 USD	100
\$50,000 to \$99,999.99 USD	50
\$100,000+ USD	10

FXCM reserves the right, in its sole discretion, to refuse to process any conversion requests.

## ***GST and Other Taxes***

You are responsible for any stamp duty, transaction duty, GST or similar goods and services or value added tax payable in respect of services provided to you or any transaction made.

Fees referred to in this FSG are generally exclusive of GST unless expressly stated. FXCM does not provide tax advice. Seek advice from a separate financial advisor.



## ***Remuneration and Benefits of FXCM Employees and Directors***

Our employees and directors may be remunerated by way of salary and other employee benefits. They may also be eligible for a discretionary bonus which is based on achievement of predetermined business objectives such as:

- meeting or exceeding standards of excellence in client service; and
- reaching individual personal targets and KPIs.

You may request particulars of the remuneration or other benefits. However, that request must be made within a reasonable time after you receive this FSG and before any financial service identified in this FSG is provided to you.

## **Associations**

We do not have any relationships or associations with other financial product issuers which might reasonably be expected to be capable of influencing us in providing financial services to you.

## **Dispute Resolution**

This Dispute Resolution Policy explains how FXCM handles disputes with clients, both internally and externally.

### Internal Complaints Handling System

- i) Upon receipt of a complaint from the client (prospective and existing), the FXCM employee that receives the complaint will attempt to resolve the issue. If the complaint cannot be resolved at the first point of contact or after reasonable investigation and discussion with the client, the matter will be referred to a senior member of the relevant FXCM division. If the client is dissatisfied with the outcome, the client will be requested to provide: (a) written notice specifying the nature of the complaint, the desired outcome and what action the client thinks will settle the complaint; and (b) all relevant material to support the complaint. Alternatively, the client can also provide the requested information verbally to the FXCM employee.
- ii) Complaints should be addressed to the Complaints Officer and sent to FXCM. Upon receipt of written notice or verbal complaint ("Lodgement Date"), FXCM's Complaints Department will: (a) within one business day of the Lodgement Date, or as soon as practicable, provide a written or oral acknowledgment of receipt and an indication of the time-frame in which FXCM will respond to the complaint; (b) consider and investigate the circumstances surrounding the complaint; (c) advise the client of the criteria and processes applied by FXCM in dealing with complaints; (d) upon request, provide the client with any relevant, non-confidential, material relating to the complaint; and (e) communicate directly with the client, with a view to resolving the complaint in a fair and timely manner.
- iii) FXCM strives to provide clients with a response at the earliest available opportunity. The current regulatory framework allows FXCM 30 days to respond to a complaint. Accordingly, no later than 30 days, the Complaints Officer must: (a) notify the client in writing of the decision in relation to the complaint and include the words "Final Response" in the subject line; (b) provide the client with written reasons for the decision; (c) outline to the client the remedies, if any, available to the client; and (d) advise the client of any further avenues for complaint and the time frames involved in those avenues. Where the client has redress (financial or otherwise), FXCM will promptly provide the client with information regarding that redress. If the complaint is not resolved within 30 days following the Lodgement Date, the Complaints Officer will inform the client of the reasons for the delay.
- iv) FXCM may in its discretion give any appropriate remedy to the complainant, including but not limited to any of the following:

- a) information and explanation regarding the circumstances giving rise to the complaint;
  - b) an apology; or
  - c) compensation for loss incurred by the complainant.
- v) The client may contact the Client Services Department should the client require further information on how complaints are handled by FXCM internally.
- vi) To lodge a complaint, please visit: [www.fxcm.com/au/forms/compliance-inquiry-form](http://www.fxcm.com/au/forms/compliance-inquiry-form).

#### External Dispute Resolution Process

- i) In the event that the client's complaint cannot be resolved by FXCM in accordance with its internal complaints handling system, clients may refer the complaint to the Australian Financial Complaints Authority (AFCA) to consider the complaint in accordance with its rules, provided that the complaint falls within the scope of AFCA. If you are classified as a Wholesale client, you may not be eligible to access the dispute resolution services offered by AFCA.
- ii) If you are not satisfied with our response, you may lodge a complaint:
  - With AFCA:  
  
Online: [www.afca.org.au](http://www.afca.org.au)  
Email: [info@afca.org.au](mailto:info@afca.org.au)  
Phone: 1800 931 678  
Mail: Australian Financial Complaints Authority  
GPO Box 3  
Melbourne VIC 3001
- iii) Before AFCA will deal with the client's complaint, the client must have first lodged a formal complaint with FXCM and given FXCM time to resolve the complaint.
- iv) A determination from AFCA will be binding on FXCM only if the client accepts the decision.

#### **Compensation Arrangements**

FXCM has professional indemnity ("PI") insurance arrangements in place which satisfies the requirements for compensation arrangements under section 912B of the Corporations Act. These arrangements are in place to compensate individuals who suffer loss or damage as a result of a breach of FXCM's obligations. Our PI insurance takes into account the nature and volume of our business, the number of clients and kind of clients we have, our representatives and the maximum potential extent of liability.

Our PI insurance also covers claims in relation to the conduct of representatives and employees who no longer work for us but who did at the time of the relevant conduct.

#### **Privacy Policy**

We value the privacy of your personal information. In general, we collect information about you to manage the client relationship we have with you and to ensure that we provide the product and services most appropriate to your needs.

In accordance with the Anti-Money Laundering and Counter-Terrorism Act 2006, FXCM has an obligation to collect information and verify the identity of its clients. This information is referred to as Know Your Client information or

KYC information. FXCM will carry out its customer identification and verification procedures in accordance with the Privacy Act 1988.

For a copy of FXCM's Privacy Policy please refer to our [website](#).