



# **FINANCIAL SERVICES GUIDE**

**Date of issue: 5 October 2021**

**ABN 68 066 066 911**

**AFS Licence No. 246796**

**Registered/Postal Business Address**

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## **This guide contains important information about:**

- ❖ Who Decode Capital is?
- ❖ What Decode Capital does for its Clients?
- ❖ How is Decode Capital remunerated for its services?
- ❖ What relationships Decode Capital may have with other financial product issuers?
- ❖ What risks are involved in trading with Decode Capital?
- ❖ How our internal and external dispute resolution process works?
- ❖ How can you contact Decode Capital?

Decode Capital Pty Ltd (“we”, “us” or “Decode Capital”) only provides general financial product advice in relation to our financial products and websites. **We do not provide Clients with personal financial product advice.** Personal financial product advice is advice that takes into account your personal objectives, financial situation and needs. General financial product advice is advice which does not take into consideration personal objectives or personal financial goals. However, Decode Capital will provide a Product Disclosure Statement (“PDS”) and a Target Market Determination (“TMD”) in either paper or electronic formats which contains information about the particular products that we offer, including any relevant terms, significant risks and details of other fees and charges which may apply and the class of consumers who are suitable for our products and services. Under the Corporations Act 2001, a Client must

receive a PDS and a TMD from a financial services licensee before acquiring a financial product. This document will be provided to assist you in making an informed decision about the products offered by Decode Capital.

## **1 Issue Date**

This Financial Services Guide (FSG) is dated 5 October 2021.

## **2 The Purpose of this Financial Services Guide?**

The purpose of this Financial Services Guide (“FSG”) is to ensure that you receive key information about the type of financial services being offered by Decode Capital. The contents of this FSG have been formulated to ensure that you receive the information required to make an informed decision about whether to use the financial products and services that are offered by Decode Capital. This FSG contains important information about:

- ❖ Financial services we are authorised to offer
- ❖ How Decode Capital is paid for our services
- ❖ The capacity in which we act when we provide financial services
- ❖ Explanation of our internal and external dispute resolution measures

## **3 Who is Decode Capital?**

Decode Capital is authorised and regulated by the Australian Securities

and Investments Commission, company registration ACN 066 066 911, and holder of Australian Financial Services (“AFS”) Licence 246796. Decode Capital provides an online trading platform, enabling Clients to trade in derivatives, namely margin foreign exchange (“Margin FX”) and contracts-for-difference (“CFDs”) over the internet.

## 4 Financial Services

Decode Capital is authorised by its Australian Financial Services Licence (Licence No. 246796) to provide the following financial services:

- To provide financial products advice for the following classes of financial products:
  - (i) derivatives
  - (ii) foreign exchange contracts;
  - (iii) interests in managed investments schemes excluding investor directed portfolio services; 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;
    - (C) interests in managed investments schemes excluding investor directed portfolio services; and
    - (D) securities; and

- (ii) applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of the following classes of products:

- (A) derivatives;
- (B) foreign exchange contracts;
- (C) interests in managed investments schemes excluding investor directed portfolio services; and
- (D) securities; and

- (iii) underwriting:

- (A) interests in managed investment schemes; and
- (B) an issue of securities; 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.

### 4.1 What type of Financial Advice does Decode Capital provide?

Decode Capital will provide information and advice to Clients about our products. This information and advice will only be considered **general advice** because it does not take into account the personal financial information of specific Clients.

General advice under Australian law can include information about Decode Capital products and the outlook for Decode Capital Products.

Decode Capital does not provide Clients with **personal advice**, such as when to open or close a position. Personal advice takes into consideration the Clients' financial objectives, situation, and needs. Clients who require personal advice should consult a qualified independent financial advisor. When a Client speaks with Decode Capital, they are dealing with a Decode Capital representative. Decode Capital is therefore responsible to the Client for any general financial advice given by the Decode Capital representative. Decode Capital will therefore never provide you with a Statement of Advice.

### **4.2 Who is responsible for the financial services provided?**

Decode Capital is responsible for the financial services provided, including the distribution of this FSG. Decode Capital holds an AFS Licence issued by the Australian Securities and Investments Commission (Licence No. 246796).

### **4.3 What does Decode Capital act as?**

We act on our own behalf when providing services to you. We can offer our services to both Wholesale and Retail clients. Decode Capital does not act as a broker or agent. When Decode Capital receives your instructions and executes them, we become the "counter-party" to

the Clients' transactions - the party with whom the Clients are entering a contract.

### **4.4 How can Clients provide Decode Capital with trading instructions?**

Clients have access to our dealing services via the telephone by calling our Live Dealing Desk and via the internet using our trading platforms. These are the only means by which Decode Capital accepts Clients' instructions. Decode Capital agrees to accept Client orders and instructions via the telephone, only if the Client can verify their trading account ID, telephone password and answer to their security question. Prior to accepting your instructions over the phone, Decode Capital will require you to acknowledge and accept our terms and conditions set out in this FSG, our PDS, our TMD and our Client Agreement, which detail the contractual relationship between Decode Capital and the Client, as well as the obligations of each when entering into or closing a position. You may print your daily and monthly trading statements for your records. Decode Capital does not normally mail paper statements by post to clients; duplicate copies of statements can be sent to Clients by post for a fee.

Decode Capital will maintain accurate records of all Client orders and trades executed for the past seven (7) years. Upon request, Decode Capital can provide you with documentation to confirm the transactions you have executed. This documentation is provided online, and you can access your

account at any time to view your transactions and account balance.

### 4.5 Decode Trading Academy

Decode Capital also offers a Trading Academy which provides education courses in foreign exchange contracts and derivatives. Qualified traders and trainers will run these courses, which cover such topics as financial products, risk management, market conditions and technical analysis. The courses are structured into different levels for traders of various experience. Any advice provided by the Trading Academy is general advice only.

## 5 Dealing in Decode Capital Products

### 5.1 Decode Capital Products

Decode Capital offers the following financial products to its Clients:

- ❖ **Margin Foreign Exchange Contracts**
- ❖ **Index CFDs**
- ❖ **Precious Metals CFDs**
- ❖ **Commodity CFDs**
- ❖ **New products that are introduced by Decode Capital from time to time.**

A Margin FX or a CFD is essentially an agreement between the Client and Decode Capital which allows them to make a profit or loss based on the price fluctuation of the CFD. The price of the

CFD will be based on the price of the underlying asset or index.

### 5.2 Consult your financial advisor

Before dealing in Decode Capital products you should give consideration to your financial objectives, situation, needs and risk appetite, in order to assist you in deciding whether Decode Capital products are suitable for your purposes.

### 5.3 Client Agreement

Before Clients begin dealing in CFDs with Decode Capital, they must have received (either in paper form or electronically from our website), read, and understood the following documents:

- ❖ Financial Services Guide
- ❖ Product Disclosure Statement
- ❖ Target Market Determination
- ❖ Individual/Joint/Corporate Application Form
- ❖ Client Agreement
- ❖ Subscription terms and conditions for the Decode Trading Academy (if applicable)

This FSG should be read along with the other above documents before you commence dealing in Decode Capital Products and/or undertaking the training course through the Trading Academy.

## 6 Privacy Policy

### 6.1 How safe is my personal information?

Decode Capital recognises the importance of ensuring that Clients have confidence in the way we handle their personal information and that it is kept private. Decode Capital has procedures in place which include the secure storage of your personal information, both physically and electronically. All personal information that Decode Capital collects will be treated in accordance with Decode Capital's Privacy Policy and Australian Privacy Principles. The Anti-Money Laundering Counter Terrorism Financing ("AML/CTF") Act 2006 requires Decode Capital to collect information and verify the identity of its Clients / customers. This is often referred to as "Know Your Customer" ("KYC") information. Customer identification and verification procedures will be carried out having regard to the Privacy Act 1988, the Australian Privacy Principles and the AML/CTF Act.

The information we collect may be collected from other persons or organisations including agents and brokers, and from publicly available information and documents. Where required by law, your personal information may be disclosed to regulatory agencies.

### **6.2 Does Decode Capital have any associations & relationships with others?**

Other than disclosed in this FSG, we do not have any relationships or associations with any organisations or entities which might reasonably be expected to be

capable of influencing us in providing you with our services.

## **7 Fees and Charges**

### **7.1 What are the fees, costs, and charges for Decode Capital's services?**

Decode Capital does not charge Clients for general information and advice provided to Clients regarding our products. Decode Capital provides Margin Foreign Exchange and CFDs execution services. We are entitled to the revenues generated as a result of the provision of these services.

This FSG only contains a general summary of the common fees, costs and charges associated with doing business with Decode Capital. Please refer to the PDS for more details and specific amounts. All fees, costs, and charges are subject to change from time to time. Fees and charges that you pay in connection with a Decode Capital product will be reflected on your statement.

Decode Capital may charge its Clients fees or commissions for opening/holding/closing positions on Margin FX and CFD products. The calculation of the price to be paid (or the payout to be received) for products offered by Decode Capital, at the time the contract is closed (either purchased or sold), will be based on Decode Capital's best estimate of market prices and the expected level of interest rates, implied volatilities and other market conditions during the life of the financial contract.

In addition, being a market maker, Decode Capital may charge a bid/ask spread in respect of its CFD products, which will also affect the profits or losses you make when dealing in derivatives with Decode Capital. The calculation will include a “spread” in favour of Decode Capital, consisting of both a “bid” and “ask” prices. Decode Capital acts as a market-maker and not a broker and derives its income from the bid-ask spreads that are embedded in the currency rates. This spread is not an additional charge or fee payable by you. We add an amount to the market ask price when you open a Long Margin FX Contract position and subtract an amount from the market bid price when you open a Short Margin FX position.

When Clients enter a contract with Decode Capital, they will be required to pay an “initial margin” and may be required to pay additional margins in the event of adverse market movements against your position to keep your position open. Such payments are not costs but are funds required by Decode Capital to cover our risk and as security for the Client’s obligations. The margin amounts are payable into the Decode Capital Client trust account and are held, used and withdrawn in accordance with the Corporations Act requirements as well as our agreed terms and conditions set forth in our PDS, TMD and the Client Agreement. All interest that may accrue on the Client trust account is kept by Decode Capital.

### **7.1.1 Payment of Margin**

This 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. Please note that pertaining to the ASIC Corporations (Product Intervention Order—Contracts for Difference) Instrument 2020/986, there are new initial margin requirements. 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.

### **7.1.2 Margin adjustments**

For as long as a position is open, you are required to keep sufficient money in your account to maintain your position. This is the variable margin requirement against adverse price movement of your position.

### **7.1.3 Financing Charges on Margin FX, Index, and Metal CFDs**

If you hold a long Margin FX, or index or metal CFD overnight Decode Capital may charge you interest for the total notional value of the position at the relevant financing rate. The rate is determined by adding a percentage rate for the particular type of CFD, to a country specific relevant interest rate which is determined by Decode Capital. End of business days and overnight times are determined by Decode Capital. Financing charges are debited from Client accounts on a daily basis.

### 7.1.4 Rollover Charges/Benefits on Margin FX, CFDs and Precious Metal CFDs

Margin FX, CFDs and Precious Metals CFDs that are held “overnight” (after the designated end of trading day) may incur a rollover charge/benefit. The rollover charge is calculated according to the applicable rate in the interbank market, the size of the position, the duration of the rollover period, the spread, and the currency pair. End of business day and overnight times are determined by Decode Capital. Rollover charges are debited/credited to Client accounts on a daily basis.

### 7.1.5 Administration Fees

An administration fee of AUD\$50 including GST per calendar month may be charged to Client accounts. The administration fee is debited on a monthly basis. You will not have to pay an administration fee for any given month if the total commission you incur for that month is AUD\$50 or greater.

### 7.1.6 Administrative Charges

Decode Capital may also charge the administrative service charges in respect to using Decode Capital’s financial services and products – All charges are inclusive of GST (where applicable). Please refer to the Product Disclosure Statement for detail of fees.

### 7.1.7 Trading Academy Fees

The Decode Training Academy involves a subscription fee. There are different

course levels tailored to people of different trading experience, each with their own distinct fee structure, as set out below:

<b>Course</b>	<b>Course fee (including GST)</b>
Online trading strategy (monthly subscription)	AU\$330
Online trading strategy (weekly subscription)	AU\$199
Online forex comprehensive course-Part 1 <sup>^</sup>	AU\$390
Online forex comprehensive course-Part 2 <sup>^</sup>	AU\$590
Forex course-Pre-Entry level	AU\$199
Forex course-Entry level	AU\$999
Forex course-Beginner	AU\$2,200
Forex course-Intermediate	AU\$3,999
Forex course-Advanced	AU\$9,999

<sup>^</sup> If you enrol to undertake both the Beginner and Advanced classroom courses, the course fee will be AU\$790. However, this price is only available if you enrol in both courses at the same time.

## 7.2 How are our employees compensated?

Decode Capital employees are paid a base salary while introducing brokers or authorised representatives who introduce business to Decode Capital may receive



“rebates” or commissions on introduced Clients’ trading activity, subject to compliance with the requirements of the Corporations Act relating to conflicted remuneration. Rebates are paid on a monthly basis or as agreed. Rebates are based on a negotiated figure multiplied by the number of round-turn transactions completed by Clients. “Round-turn” transactions are defined as positions opened and closed within a certain time frame, typically one calendar month. In some cases, rebates are based on a percentage of the actual spread earned by the company. Rebates are paid to introductory brokers and authorised representatives monthly, with quarterly and annual adjustments where necessary. Payments will be made in accordance with the Corporations Act and ASIC Regulatory Guides, to the extent permitted by law.

### **7.3 Will anyone be paid for referring me to Decode Capital?**

Decode Capital may pay an introductory fee or commission, or we may provide other benefits to any person for referring customers to us in connection with the services and products to which this FSG relates, and these will be disclosed as required by law. Again, payment will be subject to compliance with the requirements of the Corporations Act and ASIC Regulatory Guides.

The amount of fees paid to introducing brokers and/or referrers is negotiated on an individual basis and is typically based

on a sliding scale, which takes into account:

- ❖ The number of Clients the introducing broker/referrer has introduced to Decode Capital.
- ❖ The number of round-turn transactions completed by the Client introduced to Decode Capital.

If any amount we pay any third parties is considered “conflicted remuneration” under the Corporations Act (2001) then it will only be made if it is exempt or permitted, and you are entitled to receive full details regarding such payment upon written request.

However, if an amount, which may be calculated by reference to the commission or spread on our products acquired by you, may be paid to third parties or employees without your express consent where such payment is not deemed “conflicted remuneration” under the Corporations Act 2001, any such payment will be paid by us and not by you.

If you are unsure whether these arrangements apply to you, please contact the referring third party or us.

## **8. Making a complaint**

We have an internal dispute resolution process in place to quickly and fairly resolve any complaints or concerns you may have. 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 this FSG. We will acknowledge your complaint within 1 calendar day and we will investigate your complaint and provide you with our decision and the reasons on which it is based, in writing within 30 calendar days. If more time is required, we will advise you of the reasons behind the delay.

Decode Capital Pty Ltd

Address: Suite 25.01B, Level 25,  
International Tower One, 100  
Barangaroo Ave, Barangaroo NSW 2000,  
Australia

Email:  
[complaints@decodecapital.com.au](mailto:complaints@decodecapital.com.au)

Phone:

Within Australia (02) 8319 2338

Outside Australia +61 2 8319 2338

If you are dissatisfied with the outcome, or if your complaint is not resolved in a timely manner, you have the right to lodge a complaint with the Australian Financial Complaints Authority (AFCA), an approved external dispute resolution scheme, of which we are a member, using the contact details below. You may also make a complaint via the ASIC free call Info line on 1300 300 630.

You can contact AFCA by any of the means listed below:

In writing to:

**Australian Financial Complaints  
Authority  
GPO Box 3  
Melbourne VIC 3001**

**Telephone: Free call 1800 931 678**

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

**Website: [www.afca.org.au](http://www.afca.org.au)**

### **9 Professional Indemnity (PI) Insurance Cover**

Decode Capital and its representatives are covered by a Professional Indemnity (PI) Insurance policy, subject to the insurer's terms and relevant exclusions. Decode Capital has PI insurance in place as required by law to support its obligations in relation to the compensation of Clients should we breach the financial service provisions of the Corporations Act.