

BEST EXECUTION DISCLOSURE DOCUMENT – Version 1

1. Introduction

- 1.1 HSBC Online Share Trading is a service provided by Third Party Platform Pty Ltd ("TPP") ABN 74 121 227 905 AFSL No. 314341 Participant of the ASX Group, at the request of HSBC Bank Australia Limited ABN 48 006 434 162 AFSL 232595 ("HSBC"). TPP currently executes client orders on the trading platform operated by ASX Limited which is known as ASX TradeMatch ("**ASX TradeMatch**"). Commencing in November 2011, TPP and other Participants of the ASX Group of Companies will also be able to execute client orders on a trading platform which will be operated by Cboe Australia Pty Ltd ("**Cboe**") and will also be able to execute orders on a platform (also to be operated by ASX Limited) which will be known as ASX PureMatch. TPP has elected, at this stage, to not execute orders on the Cboe and ASX PureMatch platforms.
- 1.2 Trading on each of these platforms is, in part, governed by the ASIC Market Integrity Rules (Securities Markets) 2017 ("**the Rules**"). Under Part 3.1 of the Rules, TPP is under an obligation to handle and transmit orders in accordance with the matters set out in Part 3.1 of the Rules (that is, it will be required to take reasonable steps to obtain the *best outcome* for its clients).
- 1.3 The purpose of this document is to set out how TPP proposes to achieve the best outcome with respect to the transmission of your orders for execution.

2. Best outcome and the meaning of this concept

- 2.1 Best outcome means that (unless you give us an instruction that may have a contrary effect) TPP will transmit your order so as to achieve best Total Consideration. Total Consideration means:
- (1) for a buy order, the purchase price paid by you when your order is executed, plus transaction costs; and
 - (2) for a sell order, the sale price received by you when your order is executed, less transaction costs.
- 2.2 If you provide TPP with clear and unambiguous instructions in relation to the handling and transmission of a specific order, that is inconsistent with TPP obtaining best Total Consideration, TPP must take reasonable steps to handle and execute your order in a way that satisfies your instructions. Such instructions must be specific to a particular order placed by you. That is, you cannot give a *standing instruction* that your orders will be executed in a particular way.

3. Best execution versus best outcome

- 3.1 Best execution refers to the price at which your order will be executed. Best outcome refers to a wider concept which takes into account the transaction costs that will be incurred in relation to each order executed on your behalf.
- 3.2 It is theoretically possible that best outcome would be achieved if your order was transmitted to an order book other than ASX TradeMatch.

4. Manner in which orders will be transmitted

- 4.1 Until TPP elects to trade on the Cboe and/or the ASX PureMatch platforms, all orders placed by you with TPP will be transmitted by TPP to the ASX TradeMatch platform (that is, in the ASX TradeMatch order book).
- 4.2 All orders placed online will be transmitted automatically using TPP's automated client order processing system and will be transmitted in accordance with price time priority based on the order parameters selected by you. Orders that do not pass TPP's automated filters may be transmitted manually by a TPP Designated Trading Representative. Where an order is transmitted manually it will be transmitted in accordance with your instructions but taking into account factors such as the liquidity of the market and the likely price impact.
- 4.3 Orders placed outside ASX trading hours will be transmitted to ASX TradeMatch as soon as practicable for execution on the opening of the market on the following business day.

5. Amendments to this policy

TPP may revise or amend this policy from time to time and you will be advised as to any amendments.

6. Further information

If you have any questions about the matters set out in this policy please contact us on 1300 782 811 (within Australia) or + 613 8663 2766 (international) or email support@sharetrading.hsbc.com.au

HSBC Online Share Trading is a service provided by Third Party Platform Pty Ltd ("TPP") ABN 74 121 227 905 AFSL No. 314341, a wholly owned but non-guaranteed subsidiary of Bell Financial Group Ltd (ASX:BFG), at the request of HSBC Bank Australia Limited ABN 48 006 434 162 AFSL 232595 ("HSBC"). TPP is a Participant of the ASX Limited Group and a Trading Participant of Cboe. For a copy of the terms and conditions relating to the HSBC Online Share Trading service and the Financial Services Guide for Third Party Platform Pty Ltd, contact us on 1300 782 811 or + 613 8663 2766. Neither TPP nor HSBC are representatives of each other. To the extent permitted by law, HSBC will not guarantee or otherwise support TPP's obligations under the contracts or agreements connected with the HSBC Online Share Trading service. HSBC receives a commission from TPP for each client referral provided to TPP. TPP and HSBC do not provide investment advice in relation to HSBC Online Share Trading. You should consider your own financial situation, particular needs and investment objectives before acting on any of the information available on this website. HSBC does not guarantee or accept liability for any products offered by Third Party Platform Pty Ltd. (V1b 11022020)