

BROKER DISCLOSURE STATEMENT

Last updated to 10 May 2018

In this Disclosure Statement, you will find the following information:

- (a) Contact details,
- (b) Fees,
- (c) Material interests, relationships or Associations
- (d) Remuneration,
- (e) Dispute resolution arrangements,
- (f) Criminal and civil litigation history,
- (g) Information relating to the broking service provided.

a) Contact Details

SNB Finance Holdings (SNB, trading name: **Snowball Securities**) is an incorporated New Zealand limited company and the registered address is:

Office 2, Level 1, 253 Great South Road, Greenlane, Auckland 1051, New Zealand

For Investing Inquiries: service@snowballsecurities.com

Complaints: complaints@snowballsecurities.com

Open account/application form send to: newaccounts@snowballsecurities.com

b) Fees/Commissions

The fees and commissions applicable to the Services provided to you will be either:

- I. the fees and commissions agreed in writing in respect of any particular Services;
- II. or in respect of any other services, fees and commissions which are not subject to any written agreement, the fees and commissions notified by us to you from time to time. We may notify you by including those fee policies in our Client Services Agreement, by posting those fees and commissions on our website or by notifying you otherwise in accordance with the Client Services Agreement General Terms and Conditions.

Our fees and commissions include:

- I. all exchange fees at the rate or rates notified by us to you from time to time or Disclosure Statement, or in respect of a particular transaction via the Contract Note you receive;

- II. any fees charged by an agent and other charges incurred in effecting any transaction;
- III. any charges or penalties imposed by another broker, agent, or by other stock exchange including, without limitation, charges or penalties imposed as a result of late or non-delivery of scrip, holder identification particulars or any other information or requirements; and
- IV. any reasonable fees and charges we may impose for the purposes of complying with our obligations under the AML/CFT Act in relation to you or the account.

We may debit our fees and charges either:

- I. to the account (including, without limitation, any of client funds held in the SNB client funds account);
- II. or to your Online Multi-Currency Account and, for this purpose, you irrevocably authorise us to instruct the Account Issuer to pay any such amount from your Online Multi-Currency Account when instructed to do so by us.

Currency Exchange Cost and Transfer Cost

Where a client deposits money to SNB in a foreign currency or a currency other than the denominated currency, the bank may charge a fee on the inward payment or conversion.

Currency exchange rates between the foreign currency and the base currency could cause substantial losses to the customer, including losses when the customer converts the foreign currency back into the base currency.

Default Interest

In an event of a failure to settle by you, Default interest may be charged on any unpaid amount at the Default Rate. Default Rate means the interest rate selected by SNB Finance Holdings Ltd. in its discretion, not being more than 10% per annum above the overdraft rate charged by the SNB's bankers on the SNB's current account overdraft facility at the relevant time.

c) Material Interests, Relationships and Associations

Snowball Finance INC is the sole substantial shareholder of SNB Finance Holdings Ltd.

Snowball Finance INC and its subsidiaries provide media services and are regulated/licensed by Beijing Communications Administration and Beijing Municipal Bureau of Press, Publication, Radio, Film and Television, China.

d) Remuneration

The advisory services of SNB are provided by authorised personnel and are provided only for clients of SNB. SNB advisers may benefit by providing client advice where such advice leads to the Client giving SNB orders for execution for which the company charges the Client fees. Advisers are not authorised to advise on securities where they have personal investments or interests without disclosing this fact to clients before providing such service. In the course of transactions, SNB Finance Holdings Ltd. may receive or earn: fees and brokerage, including brokerage and trail commission from third parties and/or margin on exchange rates in respect of transactions involving foreign exchange (as described below); and in respect of new issues of securities, brokerage, placement and firm allocation fees from issuers of securities. Fees, brokerage and trail commission paid to SNB by third parties will vary by product provider and product type. The level and/or amount of such fees, brokerage and trail commissions will typically be set out in any associated product offer documentation.

e) Dispute Resolution Arrangements

If you have a complaint, you should contact SNB Finance Holdings Ltd through:

email: complaints@snowballsecurities.com

telephone: +64(0) 9-688 1004

SNB is a member of an independent dispute resolution scheme operated by Financial Dispute Resolution Service (“FDRS”). In the event that we cannot agree on how to resolve the complained issue, you may contact FDRS at:

Financial Dispute Resolution Service

Freepost 231075

P.O. Box 2272 Wellington 6145

Level 9, 109 Featherston Street Wellington 6011

Telephone: 0508 337 337

International calls: +64 4 910 9952

Web: www.fdr.org.nz Email enquiries@fdr.org.nz

f) Criminal Convictions and Related Matters

Neither SNB directors, principal officers, nor investment advisers have been:

- i) convicted of a crime involving dishonesty (as defined in Section 2(1) of the New Zealand Crimes Act 1961); or
- ii) subject to disciplinary proceedings



- iii) the subject of an adverse finding by a court or the FMA in any proceeding that has been taken against them in their professional capacity; or
- iv) adjudicated bankrupt.

(g) Information relating to the Broking Service Provided by SNB Finance Holdings Ltd.

SNB intends to provide high standard internet based securities trading platform to professional investors and occasional investors.

The Company is determined to build long-lasting relationships with our clients and stakeholders and is committed to serve the best interests of investors and expand their abilities to make profit.