



Forex Sport Pty Ltd
Product Disclosure Statement
27 March 2015



1. Important Information

1.1 This PDS

This PDS is issued by Forex Sport Pty Ltd (ABN: 22147363175, AFSL: 401379) (referred to in this PDS as "Forex Sport", "we", "us" or "our") and is designed to assist you in making an informed decision regarding opening an account with us and entering into FX Transactions.

Section 15 ("**Definitions**") of this PDS contains a glossary in which various words and phrases are defined. Terms and phrases that have been included in the glossary are capitalised in this PDS. If you do not understand a capitalised word or phrase, you should refer to the glossary.

1.2 Our Contact Details

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Email: info@forexsport.com

Website: www.forexsport.com

Contact: Compliance Officer

1.3 Changes to this PDS

This PDS is dated and is effective from 27 March 2015.

Information in this PDS is subject to change from time to time. Where any change to information in this PDS is not materially adverse, the PDS will be updated by us posting the updated PDS on our Website.

Where updated information is materially different to that contained in this PDS, we will either issue a new PDS or a supplementary PDS containing the updated information.

You will be able to access up-to-date information at any time on our Website or by calling us on (03) 9008 1880. We will deliver a paper copy of any updated information to you without charge on request.



1.4 Disclaimer

This PDS does not constitute a recommendation, opinion or personal advice and is for general information only. The information contained in this PDS does not take into account your personal objectives, financial situation and needs.

In particular, you should obtain independent financial advice to ascertain whether you should acquire any financial product described in this PDS.

You will find more information on the risks associated with entering into FX Transactions with Forex Sport in Section 9 ("Significant risks").

1.5 Restrictions

The distribution of this PDS and FX Transactions offered under this PDS may be restricted by law in certain jurisdictions. Forex Sport does not represent that this PDS may be lawfully distributed, or that FX Transactions or any foreign exchange products may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available, or assumes any responsibility for facilitating any such distribution or offering.

In particular, no action has been taken by Forex Sport which would permit a public offering of any FX Transactions or foreign exchange products or distribution of this PDS in any jurisdiction where action for that purpose is required. Accordingly, no foreign exchange products may be offered or sold, directly or indirectly, and neither this PDS nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

Persons into whose possession this PDS or any FX Transaction offered under this PDS must inform themselves about, and observe, any such restrictions. The offer to which this PDS relates is not available to USA investors.

1.6 No independent advice

We do not and will not give you personal financial product advice and this PDS does not constitute a recommendation or opinion that FX Transactions are appropriate for you.

Any information provided to you by us whether in this PDS, on our website or otherwise, is general information only and not to be treated as personal advice for you or based on a consideration of your personal circumstances. Such information is provided merely to help you understand the risks associated with the products, assess their potential benefits and decided whether investment in the foreign exchange products is suitable for you. You should consider your objectives, financial situation and needs and the significant risks which



accompany the prospect of profit associated with the foreign exchange products before investing.

We recommend you read this PDS carefully and obtain independent financial, taxation and legal advice concerning this PDS and the foreign exchange products offered in it before you apply to open an account with us.

2. Summary of key features

2.1 What is foreign exchange?

The term foreign exchange or FX refers to the simultaneous purchase of one currency and sale of another currency at an agreed exchange rate. The exchange rate is the price at which one currency can be bought or sold in exchange for another currency.

Please refer to Section 3 ("Main features of foreign exchange") for more details.

2.2 What types of FX Transactions can you enter into?

We offer the following types of FX Transactions:

- Spot Contracts; and
- Forward Contracts.

Please refer to Sections 5 and 6 for more details.

2.3 What are the risks of FX Transactions?

There are a number of risks in entering into FX Transactions including:

- trading with Forex Sport;
- counterparty risk;
- risks relating to Close Out;
- information technology risks;
- market information risks; and
- charting risks.

Please refer to Section 9 ("Significant risks") for more details.

2.4 What are the fees and costs?

The following fees and costs may apply to an FX Transaction:



- Our Spread
- transaction fees
- third party transaction fees
- Advance Payment

Please refer to Section 7.6 ("Costs and fees") for more detail.

2.5 What happens with Client funds?

We will notify you of a number of nominated bank accounts where you should transfer your money. Those accounts are owned by Forex Sport and are used solely as segregated client accounts, separate to our own operating accounts.

Any money you pay us when you purchase an FX Transaction becomes our money at the time of the payment, and we have a corresponding obligation to you under the relevant FX Transaction to make the payment. We do not hold your funds on trust.

Please refer to Section 4.6 ("Payment by you for an FX Transaction") for more detail.

2.6 Do you have a privacy policy?

Forex Sport recognises the importance of your privacy and abides by the Australian Privacy Principles ("APP"). Our privacy policy is listed on our Website.

Please refer to Section 10 ("Customer privacy") for more detail.

2.7 What happens if there is a dispute?

We have clear internal and external dispute resolution procedures.

Please refer to Section 12 ("Dispute resolution") for more detail.

2.8 What are the tax implications?

Forex Sport does not provide tax advice and we recommend that you seek your own professional tax advice.

Please refer to Section 11 ("Tax implications") for more detail.

2.9 Is there a cooling off-period?

There are no cooling-off arrangements for FX Transactions. Please refer to Section 12.7 ("No cooling-off").



3. Main features of foreign exchange

3.1 What is foreign exchange (FX)?

The term foreign exchange or FX refers to the simultaneous purchase of one currency and sale of another currency at an agreed exchange rate. The exchange rate is the price at which one currency can be bought or sold in exchange for another currency. When you are comparing exchange rates offered by different providers, you need to consider both the exchange rate that is quoted and any transaction fees that may be applicable.

3.2 Exchange rates

An exchange rate is the price of one currency expressed in terms of another currency. For example, if the current exchange rate for the Australian dollar against the US dollar is AUD/USD 0.8340, this means that an Australian dollar is equal to, or can be exchanged for 83.40 US cents. Alternatively, USD\$1.00 can be exchanged for approximately AUD\$1.20.

3.3 Quotation of exchange rates

The foreign currency market is an over-the-counter ("**OTC**") market, which means that there is no official or benchmark exchange rate for foreign currencies. Different service providers will quote different exchange rates. If you are intending to transfer your money straight away, you will want to obtain the best available exchange rate at that time. This is often a matter of shopping around. We cannot guarantee to offer the best rate available on the day as currency markets fluctuate, but we will endeavour to be very competitive and will try to match any better rates if we cannot beat them.

3.4 Exchange rate fluctuations

Exchange rates are inherently volatile and fluctuate constantly and thereby give rise to risk and uncertainty.

4. Your Account

4.1 Opening an account

Before applying to open an account, you should read the contents of this PDS, the FSG and the Client Agreement.

To enter into FX Transactions with Forex Sport you have to open an account. Online registration is available on our Website or a paper application form can be completed in writing. We may accept or reject an application at our sole and absolute discretion.



If you open a Joint Account with another person the liabilities will be joint and several. Furthermore, we may act on instructions from any person who is listed on the Joint Account and notice given to one will be deemed to be given to the other.

Please refer to Section 14.7 ("Joint Accounts") for more details.

4.2 Authorised Persons

You may appoint one or more Authorised Persons. An Authorised Person shall have unlimited authority to give us Instructions on your behalf. We will rely on Instructions received by the individual/s appointed by you as Authorised Persons in this Agreement until such time as you revoke or vary that authority by giving us 48 hours notice in writing.

5. FX Transactions

5.1 Rates

The Rate is the foreign exchange rate that Forex Sport gives the client, in its sole and absolute discretion, with respect to each FX Transaction.

The Rate is typically derived from the wholesale market and may differ over the telephone to that which is on the online platform.

Where we provide an indicative rate on the online platform, we do not guarantee that this is the rate that you will get when you enter into the FX Transaction.

5.2 Types of FX Transactions

Forex Sport offers the following types of FX Transactions:

5.2.1 Spot Contracts

A Spot Contract is an FX Transaction where the Value Date is 48 hours after the time and date of entering in to the FX Transaction.

Please refer to Section 5 ("Spot Contracts") for more details.

5.2.2 Forward Contracts

A Forward Contract is an FX Transaction where the Value Date is more than 2 days but less than one year after the time and date of entering the FX Transaction.

Please refer to Section 6 ("Forward Contracts") for more details.



5.3 Instructions

5.3.1 Telephone

You or your Authorised Person may give us Instructions to enter in to an FX Transaction by telephone during Office Hours only.

5.3.2 Online platform

You or Authorised Person may also give us Instructions to enter in to an FX Transaction via the online platform. You select 'request a transfer' and enter the details. Forex Sport will initially provide you with an indicative rate first. Once you submit your request we will confirm the Rate and the FX Transaction by email confirmation. You should note that we do not guarantee that you will get the indicative rate.

We will not confirm a Rate or an FX Transaction outside of Office Hours unless otherwise agreed by us. Any indicative rate provided outside of Office Hours shall not be valid for any future FX Transaction.

5.4 Nominated Beneficiaries

For each FX Transaction, you must provide us with full details of your Nominated Beneficiary Account, including the full name and address of the account holder and the full name and address of the beneficiary bank, on or before the date that we nominate.

If you fail to do so, we reserve the right to Close Out the FX Transaction.

We will rely solely on the account number you give us for your Beneficiary Account and will not check to ensure that the name provided by you accords with the account number you have given us. Unless otherwise agreed by us, we will not accept Beneficiary Account details from you other than via the Online Platform.

If your funds are sent to the wrong account as the result of a mistake made by you, and we have acted in accordance with your instructions, we will be under no obligation either to recover the funds or to resend the funds to the correct Beneficiary Account. You will need to book a new FX Transaction.

If your funds are sent to the wrong account as the result of a mistake made by us, we will take urgent action at our own reasonable expense to recover those funds, provided that you take immediate action to assist us to recover any such funds if the mistaken beneficiary is related to you or associated with you in some way.



5.5 Confirmation of FX Transaction

The details of each FX Transaction will be confirmed either orally by telephone, by email or online by a Confirmation.

In the case of Instructions received by telephone, the FX Transaction shall be binding upon conclusion of the telephone call.

In the case of Instructions received by the online platform, the FX Transaction shall be binding upon receipt by the client of an email from Forex Sport confirming the details of the FX Transaction, provided that the client shall have 24 hours in which to notify Forex Sport of any errors in the email, failing which the details set out in the email shall be deemed to be correct.

5.6 Payment by you for an FX Transaction

All payments made pursuant to the Client Agreement are required to be made by telegraphic transfer or electronic transfer by the Value Date. Forex Sport does not accept of make any payments by cash, credit card, cheque or draft.

5.7 Close Out

Forex Sport may Close Out your FX Transaction if we have not received payment from you by the Value Date. Forex Sport will not be required to notify you prior to Close Out.

Forex Sport is entitled to exercise a Close Out in a number of other circumstances. These general discretions are set out in more detail in Section 13.

Any Loss suffered by Forex Sport as a result of a Close Out is a debt immediately due and payable by you to us.

6. Spot Contracts

6.1 What is a Spot Contract?

A Spot Contract is a foreign exchange contract for buying and selling currency where the Value Date is 48 hours after the time and date of entering the FX Transaction.

If you want us to transmit your money immediately, then you will need to enter into a Spot Contract with us. For example, when you make a purchase overseas in a foreign currency, you may have to pay the purchase price straight away.



When we have agreed the Rate and you have entered into the Spot Contract with us, you will have 48 hours to pay the funds into our bank account and we will then remit the funds to your Nominated Beneficiary Account.

6.2 Variables

In a Spot Contract, there are a number of variables that need to be agreed upon, including:

- the denomination and amount of the currency being bought;
- the denomination and amount of the currency being sold; and
- the exchange rate.

6.3 Settlement

A Spot Contract must be settled within 48 hours of the Spot Contract being entered into. This means that you must pay us the money you are exchanging within 48 hours of such time and date.

Actual receipt of the funds transferred by us into your Nominated Beneficiary Account may take longer than 2 days depending on when we actually receive your funds, the destination of the funds and the intermediary banks involved.

6.4 Spot Contract Exchange Rate

The Spot Rate quoted by us will be calculated by taking into account the Wholesale Rate and Our Spread.

6.5 Fees

The following fees and costs apply to a Spot Contract and you will need to take them into account when deciding whether to enter into a Spot Contract with us.

(a) Our Spread

Our Spread represents the difference between the Rate that we give you and the Wholesale Rate that we receive.

Our Spread will vary from time to time and from currency to currency. It is not a separate amount that you have to pay; rather it is built in to the Rate. It effectively represents our gross profit margin on each FX Transaction. You can satisfy yourself that Our Spread is reasonable by comparing the exchange rate we quote with the rates quoted by other providers. You will need to bear in mind that some providers might quote a good exchange rate, but supplement a narrow margin with high transaction fees.



(b) Transaction Fees

We do not typically charge transaction fees except for FX Transactions under AUD\$10,000 (or foreign currency equivalent). For FX Transactions under AUD\$10,000 (or foreign currency equivalent) we charge a fixed fee of AUD\$25.00 (or foreign currency equivalent). If an FX Transaction fee is payable, it will be added to the total amount you are required to settle.

(c) Third Party Transaction Fees

We do not charge you an additional amount for third party transaction fees. They are built into our margin. There is no correspondent bank or receiving bank fees deducted from payments made via Forex Sport. The beneficiary bank will receive the amount your remit in full. However, in some cases, the beneficiary may have fees deducted by their bank as part of their respective account fee structure, in which case is out of Forex Sport control.

7. Forward Contracts

7.1 What is a Forward Contract

A Forward Contract is where you buy or sell one currency against another for settlement at a later date (between 2 days to a year). Where you do not have to make the payment immediately (i.e.: the purchase price payable under a contract is not payable for 2 months), you will need to consider whether to lock in the Rate available now or wait for 2 months and hope that the exchange rate is equally, or more, favourable then. If you do not want to take the risk that the exchange rate is less favourable in 2 months time, you can lock in the Rate for a Forward Contract which will allow you to send the money in 2 months time at that Rate.

The date your Forward Contract expires is referred to as the Maturity Date; in other words, the date on which you are required to send to us the funds you are transmitting. When you enter into a Forward Contract, the Maturity Date will be agreed and cannot be changed without our consent (see Section 7.5).

Forward Contracts are typically used by businesses or individuals who would like to fix the exchange rate for a future date in order for them to manage their currency exposure, manage cash flows and lock in profit margins.

7.2 Purpose of a Forward Contract

The purpose of a Forward Contract is primarily to achieve certainty and to avoid possible losses attributable to adverse exchange rate movements. A Forward Contract enables future exchange risk to be mitigated, although you may still face a loss if you do not settle the Forward Contract on or before the Maturity Date.

A Forward Contract may be useful in the following circumstances:



- importing and exporting goods where the invoice is in a foreign currency;
- borrowing in foreign currencies;
- investing in foreign currencies;
- buying or selling property overseas;
- receiving pension payments from an overseas jurisdiction; or
- repatriating salary or interest payments received overseas.

Forward Contracts are generally used by importers, exporters and investors who seek to lock in exchange rates for a future date in order to protect their foreign currency cash flows. However, they can also be used by individuals migrating or buying property overseas.

7.3 Variables

The variables in a Forward Contract are:

- the denomination and amount of the currency being bought;
- the denomination and amount of the currency being sold;
- the exchange rate; and
- the Maturity Date.

7.4 Forward Exchange Rate

In determining the rate of exchange for a Forward Contract, there are two components:

- the current Spot Rate; and
- the forward rate adjustment ("**Forward Points**").

The rate quoted by Forex Sport will not be the same as the spot rate because it will take into account the interest costs in holding the money until the Maturity Date. It may be better or worse than the prevailing spot rate on the day depending on the difference in interest rates between the country from which the funds are sent and the country to which the funds are being received.

The calculation of Forward Points is a complicated one. It will be influenced not just by interest rates in the two relevant countries, but also by the duration of the Forward Contract and less tangible factors such as the expected direction of interest rates in the two relevant countries prior to the Maturity Date. You may find that the Forward Points change quite significantly over a short period of time as a result of developments impacting on expectations of future interest rate changes.



EXAMPLES

The following is an example case study of how a Forward Contract works. We illustrate the benefits and the risks that can be associated with exchange rate fluctuations and Foreign Exchange Forward Contracts

Case Study 1

No Forward Contract used

On 12 April 2010, XYZ Importer Pty Ltd, an Australian company, entered into a contract with ABC LTD in Hong Kong to buy 200000 bicycle tubes at a unit price of USD\$2.00 for delivery on 12 June 2010. On 12 April 2010, the exchange rate was 0.9370, which means that the cost of the contract in Australian dollars was AUD\$426,894.34. The Australian company decided to do nothing on 12 April 2010. When the bicycle tubes were delivered on 12 June 2010, the exchange rate was 0.8270 which means that the amount payable was AUD\$483,675.94.

By doing nothing on 12 April 2010 and thereby deciding to wait and see what happened to the exchange rate, the Australian company had to pay 13% more than they had anticipated.

Forward Contract used

On 12 April 2010, XYZ Importer Pty Ltd, an Australian company, entered into a contract with ABC LTD in Hong Kong to buy 200000 bicycle tubes at a unit price of USD\$2.00 for delivery on 12 June 2010. On 12 April 2010, the exchange rate was 0.9370, which means that the cost of the contract in Australian dollars was AUD\$426,894.34. The importer decided lock in the rate for delivery 12 June 2010 to pay for their goods. The forward rate was calculated by deducting the 2month forward points from the spot rate: 0.9370 less 0.0070 forward points = 0.9300, exchange rate for 12 June 2010 delivery.

When the bicycle tubes were delivered on 12 June 2010, the exchange rate was 0.8270 but by locking in the exchange rate on 12 April 2010, the company used their forward contract with the rate of 0.9300 to pay for their goods. XYZ Importer Pty Ltd paid \$430,107.53 for their goods and benefited by locking in the exchange rate. Had they done nothing, the goods would have cost them AUD\$483,675.94.

Case Study 2

No Forward Contract used

In this case study, we are assuming that XYZ Importer Pty Ltd, an Australian company entered into the same contract referred to in case study 1 on 31 May 2010, with a delivery date of 31 July 2010. At 31 May 2010, the exchange rate was 0.8370. When the bicycle tubes were delivered on 31 July 2010, the exchange rate was 0.8970.



By doing nothing in this scenario, the importer has realised a significant benefit. In this case study, the value of the contract to the company on 31 May 2010 would have been AUD\$477,897.25. By doing nothing until 31 July 2010, they only have had to pay AUD\$445,930.88.

Forward Contract used

On 31 May 2010, XYZ Importer Pty Ltd, an Australian company, entered into a SIGHT contract with ABC LTD in Hong Kong to buy 200000 bicycle tubes at a unit price of USD\$2.00 for delivery on 31 July 2010. At 31 May 2010, the exchange rate was 0.8370. The company locked in the forward rate for delivery 31 July 2010. The forward rate was calculated by deducting the 2month forward points from the spot rate: 0.8370 less 0.0070 forward points = 0.8300 exchange rate for 31 July 2010 delivery. When the bicycle tubes were delivered on 31 July 2010, the exchange rate was 0.8970.

By locking in the forward rate, XYZ Importer Pty Ltd is obligated to pay for the goods at the rate 0.8300 versus the more favourable exchange rate available on 31 July 2010 of 0.8970. In this case study, the company is paying AUD\$481,927.71 instead of AUD\$445,930.88 if they had done nothing.

Please note: The exchange rates mentioned are not intended to be accurate and are used for the purposes of illustration only.

7.5 Variation to the Maturity Date

The Maturity Date is the date your Forward Contract expires; in other words, the date on which you are required to send to us the funds you are transmitting. When you enter into a Forward Contract, the Maturity Date will be agreed and cannot be changed without our consent.

We may, upon request but entirely at our discretion, agree to allow you to vary the Maturity Date you have booked. We may allow you to pay some or the entire amount you are transferring early at some time before the Maturity Date ("**Pre-Delivery**") or we may allow you to extend the Maturity Date ("**Rollover**"), but not for longer than 12 months from the date you entered into the transaction. If we do agree to such a variation, the Forward Points and the Exchange Rate will change.

7.6 Advance Payment

All Forward Contracts must be settled by delivery of the full amount being transferred on the Maturity Date. This means that we must be able to sight the cleared funds in our bank account on or before the Maturity Date. When you enter into a transaction with us, we enter into a matching transaction with our own providers. If you do not settle your FX Transaction, we still have to settle ours. In order to cover the risk that you do not settle your



FX Transaction, we ask you to pay some of the settlement payment in advance ("**Advance Payment**").

The amount of any Advance Payment we request will be a fixed percentage of the value of the FX Transaction and will normally be between 5% and 10% of the value of the FX Transaction, but could be more depending on the duration of the Forward Contract. While the amount of any Advance Payment is at our complete discretion, as a general guide, transactions with a short term settlement date (with a Maturity Date of less than 3 months) will attract a 5% Advance Payment and long dated Forward Contracts (with a Maturity Date of 3-12 months) will incur a 10% Advance Payment. We will usually ask for an Advance Payment when you enter into a transaction, but the fact that we have not done so does not mean that we will not ask for one later if the exchange rate trends unfavourably. Equally, the fact that you have already made an Advance Payment does not mean that we will not ask for one or more additional Advance Payments if the exchange rate continues to move unfavourably. If we have requested payment of an Advance Payment at any stage of the transaction, you must pay it promptly. We expect to receive the Advance Payment within 48 hours of the request, failing which we reserve the right to Close Out the transaction without notice and ask you to pay the full amount of any loss occasioned by us immediately.

We do not pay interest on Advance Payments.

IMPORTANT: You should not enter into a Forward Contract if you are unable or unwilling to provide an Advance Payment of between 5% and 10% of the value of the transaction with the possibility of one or more further Advance Payments being requested at any time prior to the Maturity Date. If we ask you to pay an Advance Payment at any time and fail to do so, we may Close Out your Forward Contract without prior notice.

7.7 Closing Out a Forward Contract

The liability for an adverse exchange rate movement is crystallised at the commencement of the Forward Contract and not on settlement. If you want to calculate your liability to pay an Advance Payment at any point in time prior to the Maturity Date or your liability to pay a loss in the event that the contract is Closed Out, you need to consider the exchange rate at the time of closing out, because Closing Out involves entering into the same transaction in reverse and selling bought currency back into the market. In the event that a Forward Contract is Closed Out, we will calculate, as at the closing out date, the value of the transaction using prevailing market rates chosen by us in good faith.

IMPORTANT: If there is a loss on a transaction that is Closed Out, you will be liable to compensate Forex Sport immediately upon demand for the full amount of that loss which could exceed the amount of any Advance Payment already held. In no circumstances shall Forex Sport be liable to pay to you any profit arising from the closing out of a transaction. In the case of a regular money transfer, you should not fix the exchange rate in advance for each instalment unless you are confident that you will need to make every payment. If, for



example, you cancel your instructions after the fifth of twelve monthly payments, the other seven transactions will be closed out and you will be required to pay any loss which will be deducted from the Advance Payment.

7.8 Fees

Set out below are the payments that you will need to take into account when deciding whether to enter into a Forward Contract:

- Advance Payment
- Our Spread
- Transaction Fees - Please note that Transaction Fees may be incurred if you are transferring funds to multiple Beneficiary Accounts. We will notify you if this is so; and
- Third Party Transaction Fees

7.9 Significant Benefits

The significant general benefits of entering into Forward Contracts and the other foreign exchange transactions offered under this PDS are outlined in Section 9. The significant specific benefits of entering into a Forward Contract are as follows.

- Cash flow certainty
- Protection from adverse exchange rate movements

7.10 Significant Risks

The significant general risks of entering into Forward Contracts and other FX Transactions offered under this PDS are outlined in Section 10. The significant specific risks of entering into a Forward Contract are as follows.

- The opportunity to make financial gains as the result of favourable exchange rate movements is precluded; If you enter into a Forward Contract, you must always settle it on the agreed terms whatever the exchange rate is on the Maturity Date.
- If the reason for entering into the Forward Contract ceases to exist (for example, the relevant supply contract is cancelled) prior to the Maturity Date, the Forward Contract may need to be Closed Out early and that may result in a loss if the exchange rate has moved unfavourably, as you are not able to cancel the transaction or transfer your obligations to anybody else.
- An Advance Payment may be requested of at least 5% to 10% of the value of the transaction either at the beginning of the transaction or at any time prior to the Maturity Date, so you must ensure that you have the funds available to meet any such request. If for any reason you are unable to pay the Advance Payment, we may Close Out your transaction without notice.



- Interest will be foregone on the amount of any Advance Payment/s held by us as we do not pay any interest on funds held by us.

8. Significant benefits

There are a number of significant benefits of using Forex Sport's service including:

- real-time pricing, which can be accessed by telephone or simply by logging in and requesting a live quote by email;
- highly competitive exchange rates;
- accurate transaction records with your personal deal history accessible at any time simply by using your personal login on our Website;
- access to market research; and
- visibility to wholesale pricing and a completely transparent service which allows you to compare our rates against wholesale rates, your bank's or provider's rates.

9. Significant risks

The following are risks that you must consider before you enter into an FX Transaction with Forex Sport:

9.1 Counterparty risk

Forex Sport is the issuer of all FX Transactions. This means that you are dealing with us as the counterparty to every FX Transaction.

Accordingly, you are exposed to the financial and business risks of trading with Forex Sport.

9.2 Hedging counterparty

Forex Sport may enter into hedging arrangements with various counterparties in order to mitigate market and client risk. There is a risk that the counterparty defaults on its obligations to us which could impact on our ability to meet our obligations to you.

We take a number of factors into consideration when selecting our counterparties. For example, we will consider their financial standing and their internal processes for managing risk. Other important factors for consideration include: their reputation, conflicts of interests, internal compliance arrangements and our prior business dealings.

9.3 Forex Sport discretions

We have a number of discretionary powers which may affect your trading activities, including the right to Close Out your FX Transactions without prior notice to you. This is set out in more detail in Section 13.



9.4 Client funds

We will notify you of a number of nominated bank accounts where you should transfer your money. Those accounts are owned by Forex Sport and are used solely as segregated client accounts, separate to our own operating accounts.

However, we do not hold the funds on trust for you. Any money you pay us when you purchase an FX Transaction becomes our money at the time of the payment, and we have a corresponding obligation to you under the relevant FX Transaction to make the payment.

9.5 Foreign Exchange Risk

Once you have entered into an FX Transaction with us, you will have locked in an exchange rate, so your FX Transaction will be protected from adverse exchange rate movements but, equally, you will be precluded from benefiting from favourable exchange rate movements.

9.6 Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed technological systems, internal processes or external events. We employ the latest and most sophisticated technological security measures. We also have in place physical risk reduction processes and procedures, such as locked filing cabinets and restricted access to offices and strategic risk reduction processes such as security clearances and limiting access to a "need-to-know" basis. However, there are significant risks associated with using and relying on a web-based transaction access system. Such risks include, but are not limited to, risks related to the use of software and/or telecommunications systems such as software errors and bugs, delays in telecommunications systems, interrupted service, data supply errors, faults or inaccuracies and security breaches.

While we will use all reasonable efforts to ensure uninterrupted access to the website at all times, we cannot guarantee that such access will never be interrupted as a result of technical or other unforeseen problems as these are matters largely outside our control.

We therefore reserve the right to suspend or terminate access to the website at any time and without prior notice and we cannot accept any liability for any loss caused by lack of access to our system or for any errors in the software and/or related information systems.

9.7 Information Technology

Forex Sport uses all reasonable endeavours to make the online platform available when required by you. However, we cannot guarantee the availability of the online platform.



Errors and failures may occur in respect of technology and the internet may be subject to faults and events which may affect your access. Additionally, your systems, our systems or the systems of a third party which you or we rely on, may fail to work properly.

Please refer to Section 13.4 ("Force Majeure") for more information in relation to Force Majeure Events.

We are constantly striving to improve the online platform. This means that the online platform may need to be suspended or updated as a result of periodic maintenance, repairs or upgrades. We will always seek to carry out such work outside Office Hours and, where necessary, provide you with prior notice.

It is your responsibility to ensure that you are able to gain access to the online platform. In particular, it is your responsibility to have an appropriate device to connect to the online platform and the appropriate network connectivity.

Forex Sport does not accept any liability in respect of the operation of our online platform, except to the extent that it is caused by a grossly negligent act or omission, fraud or dishonesty on the part of Forex Sport or its employees, agents or representatives.

9.8 Market Information

Forex Sport may in the future make available to you a broad range of financial information generated internally or obtained from third party providers. This may include, without limitation, financial market data, quotes, charting packages, news, analyst opinions and research reports, graphs or data.

Information provided by us to you by email, the online platform, through our Website (or third party websites) or by any other means is not intended as advice and we do not endorse or approve such information. We make it available to you only as a service for your convenience. Additionally, Forex Sport does not guarantee the accuracy, timeliness, completeness or correct sequencing of any such information or warrant any results from your use or reliance on such information.

Information may quickly become unreliable for various reasons including, for example, changes in market conditions or economic circumstances. We are not obligated to update any information or opinions and we may discontinue offering market information at any time without notice.

9.9 Charting

We may offer our clients a charting service from time to time. The charts operate on pricing data sourced from third parties. We shall use reasonable endeavours to ensure an acceptable service, however, the pricing data displayed on the charts may be delayed and



we do not guarantee the accuracy or completeness of the data, either current or historical, and we do not guarantee that the service will not be interrupted.

Prices on the charts are indicative only.

10. Customer Privacy

10.1 Your information

To start trading with Forex Sport, you have to open an account. To do this you must complete a registration form online at www.forexsport.com, which involves providing us with personal information. By submitting the Application Form you are indicating that you agree to your personal information being collected, used and disclosed in accordance with this privacy statement and our Privacy Policy available at our Website.

In the course of conducting business with you, we may also collect personal information from you such as your name, address, phone number, email address, age and information regarding products and services you enquire about or trade with us.

If you do not provide us with all the information we consider to be compulsory we may be unable or limited in the products or services we can provide to you.

10.2 Privacy Act 1988

Forex Sport recognises the importance of your privacy and abides by the Australian Privacy Principles ("APP") contained in Schedule 1 of the *Privacy Act 1988* (Cth).

10.3 Anti-Money Laundering and Counter-Terrorism Financing Act 2006

As required by the current anti-money laundering regulations as contained in the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* ("AML/CTF Act"), we are required to collect personal information about you to establish proof of your identity and address details.

This process is conducted by cross-referencing information provided by identification verification agencies and the information that you provide on your Application Form. Under the *Anti-Money Laundering and Counter-Terrorism Financing Regulations 2008* (Cth), we must reject your application if you do not provide us with the required proof of your identity and address. You may be asked to supply additional information to support any verification attempts that are initially unsuccessful. Additionally, by registering with Forex Sport, you give us consent to electronically verify your name, address, date of birth and other information through a range of public and private databases. Electronic verification is performed for the sole purpose of Forex Sport satisfying its customer verification obligations under the AML/CTF Act.



The databases that we may access include but are not limited to: Australian Passport Office, Visa verification, Medicare Australia, the ATO, Australian Electoral Role, Department of Foreign Affairs and Trade, ACT Road Transport Authority, NSW Transport Roads & Traffic Authority, Queensland Transport and Main Roads, South Australia Department for Transport, Energy and Infrastructure, Vic Roads, and/or Western Australia Department of Transport.

10.4 How we use your information

All personal information collated by Forex Sport will be used for our internal administration and marketing purposes to establish and support the ongoing administration of your Account, to advise you of new developments relevant to your Account and to comply with Applicable Legislation.

We may disclose your personal information to external parties, who provide services to us in relation to your account, introducing brokers/referrers, to a government or regulatory body (such as ASIC, AUSTRAC or the ATO) or upon a court order, but otherwise, we will not disclose your personal information to any other external parties.

We will take reasonable steps to ensure that all information we collect or use is accurate, complete, and up to date and stored in a secured environment and is accessed only by authorised personnel for permitted purposes. If you wish to access or modify personal information which we hold about you, please contact us using the contact details specified in section 1.2 ("Contact details"). If you establish that personal information we hold about you is not accurate, complete or up-to-date, we will take reasonable steps to correct it.

10.5 Privacy Policy

At Forex Sport, we are committed to maintaining the highest standards of integrity in our business and we take our client's privacy seriously. To view our full Privacy Policy, please visit our Website.

11. Tax implications

11.1 Independent Tax Advice

Forex Sport does not provide tax advice.

There may be tax implications associated with any FX Transaction you enter into with us and the relevant tax rules or their interpretation may change from time to time. If there are any tax considerations, they are likely to arise from the nature or purpose of the relevant transfer of funds, rather from the fact of the transfer itself, and will therefore be different for everybody. You are therefore encouraged to seek professional tax advice prior to entering into any transaction with us.



11.2 GST

GST is not payable on FX Transactions with us.

12. Dispute Resolution

Forex Sport has an internal dispute resolution process in place with the aim to resolve any complaints or concerns you may have, swiftly and fairly. 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 Section 1.2 ("Contact details") of this PDS or by email to complaints@forexsport.com

Forex Sport will first acknowledge receipt of written complaints within five business days, and aim to resolve and respond to complaints within 45 days of receipt. We will investigate your complaint, and provide you with our decision, and the reasons on which it is based, in writing.

Should you be dissatisfied with the outcome, you have the right to lodge a complaint with the Financial Ombudsman Service (contact details below), an approved external dispute resolution scheme, of which Forex Sport is a member. You may also make a complaint via the ASIC free call info line on 1300 300 630.

Financial Ombudsman Service Limited

GPO Box 3

Melbourne VIC 3001

Telephone (toll free): 1300 78 08 08

Facsimile: +613 9613 6399

Website: www.fos.org.au

Email: info@fos.org.au

13. Forex Sport Discretions

13.1 General Discretions

We may, acting reasonably, exercise a variety of discretions under the Client Agreement with respect to your Account and FX Transactions with us. These include:

- reject an application to open an account and closing an account;
- adjusting the Rate available to you;
- refusing Instructions;
- Close Out of an FX Transaction;
- voiding, closing, cancelling and adjusting any and all Instructions and FX Transactions;



- restricting your access to the online platform including any instant streaming of Rates;
- introducing new costs and charges and passing on any costs or charges incurred by us;
- charging you interest on any monies owed by you;
- withholding payments and withdrawals; and
- exercising any other right set out or contemplated in the Client Agreement.

In exercising our discretions, we will have due regard to our commercial objectives. These include:

- complying with our legal obligations as a holder of an AFSL;
- maintaining our reputation as a product issuer;
- responding to competitive market forces; and
- managing all forms of risk including, but not limited to, operational risk, counterparty risk, liquidity risk and market risk.

Moreover, unless in our sole and absolute discretion we consider it necessary or desirable to do so without prior notice to you, we will, where reasonably possible, take steps to advise you before exercising such discretions.

13.2 Amendments to Client Agreement

Without prejudice to the foregoing, we may amend or vary the Client Agreement from time to time. Forex Sport will notify you of any amendments or variations by either placing a notice on the Website, via email or via the online platform. Such notice will state the date the amendment or variation will come into effect, which date, in the case of material amendments or variations, shall not be less than 5 Business Days after the notice is posted. Any such amendment will apply to all Instructions and FX Transactions open on or after the effective date.

Forex Sport may amend the Client Agreement with immediate effect where such amendment is necessary to comply with any legal or regulatory obligation to which Forex Sport is subject and any Force Majeure Event, Manifest Error or Exceptional Market Conditions. In these circumstances, Forex Sport will provide you with notification of such amendments as soon as reasonably practicable. Notification may be provided on the Website or via email.

13.3 Manifest Error

A 'Manifest Error' means a quoting or execution error including, but not limited to, a mistype of a Rate, a Rate or an FX Transaction which is not representative of fair market prices, an erroneous Rate from us, such as but not limited to an erroneous Rate due to failure of



hardware, software or communication lines or systems and/or inaccurate external data feeds provided by third parties.

If you enter in an FX Transaction in order to exploit a Manifest Error (whether or not such exploitation is not your sole or primary reason for trading) or errors in prices or misquotes (whether knowingly or otherwise) including without limitation:

- taking advantage or attempting to take advantage of pricing errors or misquotes or trading outside Office Hours; and
- engaging in any forms of abusive trading determined in our sole and absolute discretion,

then we are entitled to exercise any one or more of the discretions as set in Section 13.1.

Forex Sport will not be bound by any FX Transaction (whether or not confirmed by us) at a price which was, or should have been, known to either party to be materially incorrect at the time of the trading.

If you give notice to us that you believe an FX Transaction has been executed on the basis of an incorrect price, we will determine at our discretion, acting in good faith, whether the Rate was materially incorrect. If you hold such belief, you must give such notice to us within one Business Days of entering into the relevant FX Transaction. We will give you notice within a reasonable period, not exceeding ten Business Days after the FX Transaction is voided by us.

13.4 Force Majeure Event

We may in our reasonable discretion determine that a Force Majeure Event exists or is likely about to exist. Upon determination that a Force Majeure Event exists or is about to exist, all of our obligations will be immediately and automatically suspended until we determine in our reasonable discretion that a Force Majeure Event no longer exists.

A Force Majeure Event means any:

- breakdown or failure of any transmission or communication system or equipment or computer facility or trading software, whether belonging to us, any of our Affiliates, you, any exchange or liquidity provider, or any settlement or clearing system;
- act of God, war, terrorism, malicious damage, civil commotion, industrial acts;
- Exceptional Market Conditions;
- act of any governmental authority, agency or instrumentality or supranational body; or
- other event or circumstance which in our reasonable opinion prevents an orderly market in relation to any of your Instructions.



If we determine that a Force Majeure Event exists or is likely about to exist, we may take any one or more of the discretions as set out in Section 13.1 ("General discretions").

If we determine that a Force Majeure Event exists or is likely about to exist, we will notify

13.5 Events of default

Each and any of the following events shall constitute an Event of Default:

- you fail to comply fully and by the required time with any obligation to make any payment when due under or in connection with this Agreement or any FX Transaction;
- we, in our sole and absolute discretion, have grounds to believe that (i) you are in breach of any covenant or agreement set out in this Agreement or (ii) any representation or warranty made by you or otherwise with respect to or in connection with this Agreement or any Instruction or FX Transaction, is or was untrue, false or misleading when made, repeated or deemed to be made or repeated;
- any action is taken or any event occurs, in each case which we believe might have an adverse effect upon your ability to perform any of your obligations under or in connection with the Client Agreement or any FX Transaction;
- any circumstance that we believe in our sole and absolute discretion there may be a violation of the Applicable Legislation, AML/CTF Laws or good market practice;
- any circumstance where we believe in our sole and absolute discretion that it is necessary or desirable to take any action to protect our position or the position of any of our clients from any risk we perceive;
- you fail to comply fully and by the required time with any demand made under the Client Agreement;
- you die, become or are adjudged to be of unsound mind; or
- where you become subject to an Insolvency Event.

If an Event of Default occurs we may, in our sole and absolute discretion and at any time, take one or more of the following actions without prior notice:

- Close Out your FX Transaction;
- void any Instruction;
- treat any and all of your FX Transactions then outstanding as having been repudiated by you and close or part-close all or any of your FX Transactions at a rate determined by us in our sole and absolute discretion;
- exercise our rights of set off;
- convert any cash balances on your account into AUD or any other currency Forex Sport determines in its sole and absolute discretion;



- retain any cash, investments (including any interest or other payment payable thereon) or other assets due to you, and sell them without notice to you at such price and in such manner as we, acting reasonably, decide, applying the proceeds of sale and discharging the costs of sale and the sums secured;
- charge you interest on any money due, from close of business on the date when monies first fell due until the date of actual payment at a rate of 2% per calendar month on the total cumulative sum owing;
- close your account and refuse to accept any Instructions or to enter into any further FX Transactions; and
- if you have failed to make a payment when due, inform your partner, employer, any professional, regulatory or other organisation with which you are associated or any person who we believe to have an interest in knowing such facts of the amount of such overdue sum, the circumstances thereof, the fact that you have failed to make payment, and any other relevant facts or information. By entering into this Agreement you expressly consent to any such disclosure of this data by us in the circumstances set out herein.

14. Other considerations

14.1 Indemnity and liability

14.1.1 Forex Sport not liable

We shall not be liable to you or any person for any Loss (including any incidental, indirect or consequential loss) whether arising out of negligence, breach of contract, misrepresentation or breach of statutory provision enforced at law, incurred or suffered by you under or in connection with this Agreement, any Instruction or FX Transaction, the online platform or any of our dealings with you (including any Instruction not accepted by us) and irrespective of whether or not you or any other person have been informed of the possibility of such Loss. Without limiting the generality of the foregoing, under no circumstances will we be liable to you or any person for any loss of profits, loss of goodwill, loss of business opportunity or reputational damage.

14.1.2 Forex Sport not liable for Authorised Person

We shall not be liable for any Loss suffered or incurred by you as a result of any error in any Instruction or information given by you or an Authorised Person, as a result of us acting on any Instruction which is, or appears to be, from such Authorised Person.

14.1.3 Forex Sport not liable for delays in payments

The client acknowledges that delays in the transmission and receipt of payments may occur. In particular, the client acknowledges that Forex Sport uses an online platform that could be subject to technical, or other, problems beyond Forex



Sport's control which could result in delays in excess of 48 hours. Accordingly, Forex Sport cannot guarantee that transfers of funds will always be made on a timely basis and shall in no circumstances be liable to the client for any costs, expenses, liabilities or losses of any kind, however arising, resulting from any delay in any payment made on behalf of the client or any delay in responding to Instructions received from the client.

14.1.4 You indemnify Forex Sport

You agree to fully indemnify Forex Sport and its Affiliates (and in respect of each, their respective officers, employees and contractors) on demand against any and all liabilities, costs, claims, damages and expenses of any nature whatsoever which we or our Affiliates (or in respect of each, their respective officers, employees and contractors) may suffer or incur directly or indirectly (including those incurred to an exchange, clearing house or other regulatory authority) as a result, or in connection with, or arising out of:

- the Client Agreement and any other agreement between you and Forex Sport or our Affiliates (and in respect of each, their respective officers, employees and contractors);
- any Instructions by your or an Authorised Person;
- any FX Transaction effected with you or on instructions by you or an Authorised Person,
- any breach by you of your obligations under the Client Agreement or any FX Transaction;
- any representation or warranty by you or an Authorised Person proving to be incorrect in any material respect, as determined by us at our sole and absolute discretion, when made or repeated, or deemed to have been made or repeated; and
- any claims, actions, proceedings or investigations arising out of or in connection with the Client Agreement or any FX Transaction.

14.1.5 No warranty provided

No warranty is provided by Forex Sport or any of its authorised officers, employees and agents regarding the performance of our online platform or Website or any information sourced from third parties and all information provided by Forex Sport to you is for your private use and is not to be communicated to any third party without the prior written consent of Forex Sport.

14.2 Assignment

You may not assign any of your rights or obligations under the Client Agreement to any person without our prior written consent. You may not give a charge over any rights to



deposits held by us. We may assign our rights or delegate any of our obligations under the Client Agreement and any contracts to any person on giving not less than one month's written notice to you.

14.3 Clients treated differently

We may, in our discretion, treat clients differently in situations including but not limited to where we quote prices and apply any other fee or cost.

14.4 Language services

You should note that English is the primary language in which our FX Transactions are offered to you and is the binding language of this PDS and all other contractual documents.

For your convenience, we may offer a foreign language service. However, there may be occasions when you or we need to take action on your account and a Forex Sport representative who is fluent in that language is not available.

14.5 Sharing of commissions and other amounts

We may share the spread and other charges, fees or other benefits with our Affiliates or other third parties or receive remuneration from them in respect of FX Transactions entered into by us with you.

We may also share such amounts with introducing brokers and referrers for the introduction or referral of clients to Forex Sport. Details of such remuneration or sharing will be disclosed according to any Applicable Legislation.

14.6 Third party accounts

You must make sure that any transfers of money to us are from an account in your name and not from an account of another party.

14.7 Joint Account

If you are a Joint Account holder:

- the liabilities of each person under the Joint Account will be joint and several;
- we may act on instructions received from any one person under the Joint Account who is, or appears to us to be, such a person or Authorised Person;
- any notice or other communication given by us to one person under the Joint Account will be deemed to have been given to all persons under the Joint Account; and
- our rights under default will apply if an Event of Default or has been deemed to have



occurred in respect of any one person under a Joint Account.

14.8 Rights and remedies

Our rights and remedies contained in the Client Agreement are cumulative and not exclusive of any rights or remedies provided by law.

Nothing in this PDS is intended to confer on any person other than you or Forex Sport any right to enforce any term of the Client Agreement.

No delay, waiver or omission on our part in exercising any right, power or remedy provided by law, under the Client Agreement or under this PDS, or partial or defective exercise thereof, will impair or prevent further or other exercise of such right, power or remedy, or operate as a waiver of such right, power or remedy.

If we agree to waive a term of the Client Agreement, this will not be construed as waiver of a future breach of the same term, unless agreed by us in writing.

14.9 Notices

Subject to other sections of this PDS, any notice or other communication given or made under or in connection with the matters contemplated by this PDS will, except where oral communication is expressly provided for, be in writing and will be sent to you/us.

Any such notice will be deemed to have been received if:

- delivered in person to you or left at your last known home or work address;
- sent or given by leaving a message on a telephone answering machine message or voice mail system, one hour after the message was so left;
- sent or given by express post or overnight courier, in the ordinary course of the post or such overnight courier and in any event on the next day (or the third day in the case of international air mail) after posting (excluding Sundays and public holidays);
- sent or given by email, one hour after sending, provided no “not sent” or “not received” message is received from the relevant email provider;
- sent by SMS text, one hour after sending; and
- a message on our website, one hour after we have posted it.

You may alter the address (including the email address) to which we send communications to you by giving us written notice. However, such alteration will only be effective on the later of the date specified in the notice and the time it was deemed to be received under this section.



You agree and acknowledge that you are solely responsible for ensuring we have your current address, phone number and email address.

14.10 Telephone recording

Forex Sport may record telephone calls with you and such recordings shall be the sole property of Forex Sport. By entering into the Client Agreement, you agree to Forex Sport recording all such telephone conversations.

14.11 Superannuation funds

Complying superannuation funds must seek advice from their financial or legal adviser to ensure the superannuation fund is authorised to trade in foreign exchange products.

Forex Sport is not responsible for any superannuation fund that is not authorised to trade foreign exchange products.

14.12 Jurisdiction

The law governing all dealings with us is the law of Victoria, Australia.

14.13 Foreign jurisdiction

The distribution of this PDS (and any related documents) in jurisdictions outside Australia may be restricted by law and therefore persons in jurisdictions outside Australia into whose possession this PDS (and any related documents) comes should seek advice on and observe any such restrictions. Failure to comply with relevant legislation may violate those laws. This PDS does not constitute an offer or invitation in relation to foreign exchange products in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

14.14 Illegality

If at any time any term of the Client Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining terms of the Client Agreement under the law of that jurisdiction nor under the law of any other jurisdiction will be in any way affected.

14.15 Legal and regulatory requirements

Despite any term of the Client Agreement, in providing our services we will be entitled to take any action we consider necessary in our sole and absolute discretion to ensure compliance with the law.



By entering into an FX Transaction, you agree to strictly comply with all Applicable Legislation relevant to you. If we reasonably consider you have not done so, we may terminate any contract with you immediately or withhold payment of any amount to you without notice.

14.16 Unsolicited calls

You authorise us to telephone or otherwise contact you at any time whatsoever in order to discuss any aspect of your Account.

14.17 No cooling-off

The cooling-off provisions of the Corporations Act do not apply to FX Transactions with us.

14.18 Labour standards and environmental, social and ethical considerations

We do not take labour standards, or environmental, social or ethical considerations into account when offering the foreign exchange products.

14.19 Market Information

Forex Sport may in the future make available to you a broad range of financial information generated internally or obtained from third party providers. This may include, without limitation, financial market data, quotes, charting packages, news, analyst opinions and research reports, graphs or data.

Information provided by us to you by email, through our website (or third party websites) or by any other means is not intended as advice and we do not endorse or approve such information. We make it available to you only as a service for your convenience. Additionally, Forex Sport does not guarantee the accuracy, timeliness, completeness or correct sequencing of any such information or warrant any results from your use or reliance on such information.

Information may quickly become unreliable for various reasons including, for example, changes in market conditions or economic circumstances. We are not obligated to update any information or opinions and we may discontinue offering market information at any time without notice.

14.20 Charting

Forex Sport may offer you charting. The charts operate on pricing data sourced from third parties. We shall use reasonable endeavours to ensure an acceptable service, however, the pricing data displayed on the charts may be delayed and we do not guarantee the accuracy



or completeness of the data, either current or historical, and we do not guarantee that the service will not be interrupted.

Furthermore, in the event of a discrepancy between the pricing data on the charts and the rate provided to you, the rate we provide will prevail.

15. DEFINITIONS

Advance Payment	has the meaning set out in Section 7.6.
AUD	means Australian dollar.
AML/CTF	means 'anti-money laundering' and 'counter terrorism financing' as those terms are generally understood in the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth).
AML/CTF Laws	means the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) and Anti-Money Laundering and Counter-Terrorism Financing Regulations (Cth) and the similar rules and regulations and any equivalent regulations in other jurisdictions.
Applicable Legislation	means the Corporations Act 2001 (Cth) and the regulations made under it and all applicable financial services laws including the rules of any relevant regulatory authority or exchange.
Authorised Person	means anyone duly authorised by the client, or appointed by the client in writing, to sign documents or give Instructions on behalf of the client.
Business Day	means any day (other than a Saturday, Sunday or public holiday) on which banks are open for business in Melbourne, Australia.
Client Agreement	means Forex Sport's client agreement from time to time.
Close Out	means Forex Sport reversing an FX Transaction at a rate determined by Forex Sport in its sole and absolute discretion.
Confirmation	means the email, document or written notification forwarded to the client setting out all relevant details of the FX Transaction.
Disputes Policy	means the disputes policy published by Forex Sport on its Website.
Exceptional Market Conditions	means the suspension, closure, liquidation, imposition of limits, special or unusual terms, excessive movement, volatility or loss of liquidity in any relevant market, liquidity provider, or where Forex Sport anticipates, in its sole and absolute discretion, any



of the above circumstances are about to occur.

Forward Contract	means a transaction in relation to which the Maturity Date is more than two days after the Instruction is given but less than one year.
FX Transaction	means a binding agreement between the client and Forex Sport to exchange one currency for another on or before a specified date at an agreed rate, including Spot Contracts and Forward Contracts, and shall be taken to refer to a series of transactions pursuant to Instructions given by the client.
Insolvency Event	means a receiver, manager, trustee, administrator, controller or similar external administrator is appointed over any of the assets or undertakings of the client; the client is or becomes unable to pay its debts as and when they are due; the client ceases to carry on business; an order is made for the winding up or dissolution of the client otherwise than for the purpose of an amalgamation or reconstruction which has the prior written consent of Forex Sport.
Instruction	means a request made by the client to Forex Sport to enter into an FX Transaction.
Loss	means any loss, cost, claim, damages (whether compensatory, exemplary or punitive) or expenses, including fees and expenses of legal counsel.
Manifest Error	has the meaning set out in Section 13.3.
Maturity Date	has the meaning set out in Section 7.1.
Money Laundering Statement	means the money laundering statement on the Website.
Nominated Beneficiary Account	means the bank account of a person to whom the client has instructed Forex Sport to transfer funds.
Our Spread	has the meaning set out in Section 6.5.
PDS	means this Product Disclosure Statement.
Personal Information	means information or an opinion (including information or an opinion forming part of a database), whether true or not, and whether recorded in a material form or not, about an individual whose identity is apparent, or can reasonably be ascertained, from the information or opinion.
Privacy Policy	means the Forex Sport privacy policy on the Website.
Rate	means the foreign currency exchange rate that Forex Sport



gives the client, in its sole and absolute discretion, with respect to each FX Transaction.

RTGS	means real time gross settlement.
Service	means the facility offered by Forex Sport for the purpose of entering into FX Transactions.
Spot Contract	means the time and date on which the client enters into a FX Transaction with Forex Sport.
USD	means United States dollars.
Value Date	means, for a Spot Contract, 48 hours from the time and date of the FX Transaction and, for a Forward Contract, the Maturity Date .
Website	means the website located at www.forexsport.com
Website Terms of Use	means the terms of use on the Website setting out the terms pursuant to which the client may access the Website.
Wholesale Rate	means the foreign exchange rate that we source directly from a bank, financial institution or third party that provides FX rates.