PRODUCT DISCLOSURE STATEMENT

18 October 2022

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Section 1 – Important Information

1.1 This PDS

This Product Disclosure Statement (**PDS**) is dated 07 October 2021 and was prepared on that date by CurrenC Pty Ltd ACN 617 485 891; AFSL 505118 (**CurrenC**), as the issuer of over the counter foreign exchange transactions (**FX Contracts**) and (over the counter) options over those FX Contracts (**FX Options**). FX Contracts and FX Options are referred to as Transactions.

This PDS is to make the required disclosures and to help you decide whether the Transactions and payment services described in this PDS are appropriate for you. You may also use this PDS to compare financial products disclosed in this PDS with similar financial products offered by other issuers.

This PDS describes the key features of our FX Contracts, FX Options and payment services, their benefits, significant risks, the costs and fees of dealing in them and other related information.

Some expressions used in this PDS have definitions given in the Glossary at the end of this PDS (see Section 8).

1.2 FX Contracts and FX Options

This PDS covers FX Contracts and FX Options provided on the CurrenC Dealing Platform. These Transactions are issued by CurrenC (pursuant to the Client Agreement) and are not Exchange traded products.

1.3 Jurisdiction and availability of this PDS and Transactions

The distribution of this PDS in jurisdictions outside Australia may be subject to legal restrictions. Any person who resides outside Australia who accesses this PDS should comply with any such restrictions and failure to do so may constitute a violation of financial services laws.

CurrenC may decline applications for Accounts, or for access to particular kinds of Transactions at any time and from time to time, without having to give any reason for that.

1.4 Very limited occasions for Personal Advice

CurrenC does not in the ordinary course of its services give financial product advice which is regulated as personal financial advice. In very limited circumstances, CurrenC may choose to give personal advice (relating only to its Transactions) which is very limited in scope and will rely on the relevant information which you give CurrenC for that advice. CurrenC will give you a statement of advice. Any other advice will be general only.

This PDS does not constitute a recommendation or opinion that the FX Contracts are appropriate for you.

Potential clients should be experienced in FX Contracts and FX Options and understand and accept the risks of investing in those Transactions. The information in this PDS is for general information purposes only, so it does not take into account your personal objectives, financial situation and needs.

This PDS describes the Transactions that are issued to you in accordance with the Client Agreement. You should read all of this PDS and the Client Agreement before making a decision to deal in financial products covered by this PDS. We recommend that you contact us if you have any questions arising from this PDS or the Client Agreement prior to entering into any transactions with us. CurrenC recommends that you consult your adviser or obtain independent advice before dealing.

1.5 Currency of PDS

The information in this PDS is up to date at the time it was prepared but is subject to change at any time. Any updates will be posted on our website at www.currenc.com.au. A copy of this PDS can be downloaded from the website or you can call CurrenC to request that an electronic copy be provided to you free of charge. If the new information is information which is materially adverse to you, we will issue either a new PDS or a supplementary PDS containing the new information. If the new information is not materially adverse to you, you will be able to find updated information on our website at www.currenc.com.au or by calling us using the contact details given below. Upon request, we will send you an electronic copy of the information free of charge.

1.6 No assessment of your suitability for an Account, Transactions or services

We do not assess you for suitability for an Account, for any kind of Transaction or for specific Transactions or for our payment services.

If we ask you for your personal information to assess whether you meet our criteria for an Account and we accept your application, or for kinds of Transactions or a particular Transaction, or for our payment services, that is not personal advice or any other advice to you nor is it express or implied assessment of your suability on which you may rely or otherwise have any rights arising from our decision to have dealing with you.

You must not rely on our assessment of your profile for an application for an Account as an assessment of your suitability for any FX Contracts or FX Options since our assessment is based on the information you provide and the assessment is only for our purposes of deciding whether to open an Account for you. You may not later claim you are not responsible for your losses merely because we have opened an Account for you after assessing your profile or for entering into Transactions with you. You remain solely responsible for your own assessments of the features and risks, all losses and for dealing with CurrenC so you should seek your own advice on whether the Transactions or payment services are suitable for you.

1.7 Contact

CurrenC can be contacted at:

Suite 515
180 Ocean Street
Edgecliff, NSW 2027
Australia

and by email at info@currenc.com.au

Section 2 – Key Information

2.1 Key Features of our FX Contracts

The expression “foreign exchange” (**FX**) describes the simultaneous purchase of one currency and sale of another currency at an agreed Exchange Rate.

Unlike financial products traded on an Exchange, FX Contracts are non-standardised, “over the counter” because they are provided only by CurrenC acting as principal and are chosen by you according to what we offer from time to time.

The variables involved in the negotiation of an FX Contract are:

- the currencies exchanged;
- the amount of such currencies;
- the Exchange Rate i.e., the rate at which such currencies are exchanged; and
- the Value Date of the FX Contract.

FX Contracts are deliverable contracts and will involve an obligation to give or to take delivery of currency at the Value Date. Delivery terms are agreed at the outset of each individual FX Contract.

FX Contracts mature on a Value Date (a predetermined date which can be any Business Day acceptable to the two parties of the contract). The date may range from either the same day or a forward date.

If it is a forward date, then the FX Contracts could be either fully paid for when they are issued to you (referred to as “Forward FX Contract”), or partly paid for when it is issued to you and in that case only, after issuance you are subject to paying the balance when agreed or earlier, if we ask for it.

Our Client Agreement covers all of our types of FX Contracts and our contractual relationship with you. Please be aware:

- A **Spot FX Contract** is **not a regulated Financial Product**. A product disclosure statement is not required for it. We include in this PDS disclosures about Spot FX Contracts because it is part of our product offerings and covered by the Client Agreement. A Spot FX could be settled as soon as the same day and in any case by the end of the second Business Day after the day of the transaction.
- A **Forward FX** is a regulated, over the counter Financial Product. The normal FX Contract with us requires you to pay in full upfront for all of the FX Contract. A Forward FX could be settled (in full) as soon as the third Business Day after the day of the transaction but might also be agreed to be settled many days later.

  In specific cases, we may agree with you to allow you to pay partly upfront and partly later, on or before the time for final settlement. We may choose to allow part payment after assessing the proposed FX Contract. Part payment upfront will change the pricing because of the increased risk. You always remain liable to pay for the balance of the full amount and may be called to apply all or some of it at any time before the time for final settlement.

2.2 Key Benefits of our FX Contracts

- You have immediate certainty about the amount of currency you will be receiving from us and what you have to pay for it.
- It is a quick and convenient method of transacting and receiving your funds.
- Once you accept an Exchange Rate from us you have peace of mind that the rate is fixed.
- By committing to an agreed Exchange Rate now you avoid the risk of any future adverse currency movements.

- A Forward FX Contract gives you cash flow certainty by locking in an Exchange Rate.
- You can use the Spot FX Contract to meet your immediate FX needs, such as to pay suppliers.
- You can use a Forward FX Contract to hedge your existing exposure to a future FX obligation (such as to pay a supplier in three months' time).

2.3 Key Risks of our FX Contracts

The key risks of investing in the FX Contracts are outlined below. Please see Section 5 for further information on the disclosure of the significant risks.

- **Opportunity cost -** Once you have fixed your Exchange Rate you are locked into the rate and will not be able to take advantage of subsequent favourable Exchange Rate movements should that occur. On the other hand, you will be protected from any adverse movements.
- **Banking delays** - Banks sending your money to us or banks sending money to you can occasionally experience administrative and technology based difficulties. We may be obliged to block or delay payment if we suspect that your Account is being used in connection with money laundering or terrorist financing activities.
- **Risk (Delays)** – Execution delays may occur for a number of reasons such as technical issues with your internet connection to our servers. Connection strength may vary depending on the kind of device used; interruptions may cause a delay in the transmission of data between our servers to the CurrenC Dealing Platform.
- **System Risk** – Operational risk is inherent when dealing online. Disruptions in operational processes such as communications, computer networks or external events may lead to trade execution problems.
- **Counterparty risk** – you have the risk that CurrenC will not meet its obligations to you under the contract. The FX Contracts are not Exchange traded so you need to consider the credit and performance risk you have on CurrenC. This is further explained in section 4.12.

2.4 Nature of the FX Contracts

A FX Contract is an agreement between two parties to exchange one currency (**Sold Currency**) for another currency (**Bought Currency**) at an agreed Exchange Rate on a date (**Contract Date**) for delivery at a pre-determined date (**Value Date**), where the date may range from either the same day or the agreed forward date, depending on the type of FX Contract you have chosen.

For example, the Exchange Rate AUD/USD 0.70 means one Australian dollar can be exchanged for 70 US cents.

2.5 FX Contracts offered by CurrenC

CurrenC offers the following types of FX Contract products:

- **Spot FX Contract** – This is an FX Contract where the Value Date is two Business Days after the date on which the transaction was entered into.
- **Forward FX Contract** - This is an FX Contract where the Value Date is more than two Business Days after the date on which the transaction was entered into.

2.6 Payment services

If you ask us and we agree, we will pay your Bought Currency to beneficiaries whose account details are nominated by you.

We may limit the number of beneficiary accounts for payment, or the amounts (such as having minimum payment amounts per beneficiary). We do not have any additional charges for this.

You may incur fees imposed on your payments by your bank or intermediary banks. CurrenC is not responsible for these additional charges.

There are risks in this service such as non-performance by CurrenC and risks inherent in the payment system – see Section 5.

Section 3 – FX Options

3.1 Key features of our FX Options

An FX Option is a Transaction which gives one party the right, but not the obligation, to exercise it, giving rise to an FX Contract on the variables agreed for the FX Option. An FX Option may be referred to as an "FX Option", as an "Option" or by its own special name.

Unlike financial products traded on an Exchange, FX Options are non-standardised, "over the counter" because they are provided only by CurrenC acting as principal and are chosen by you according to what we offer from time to time and agree with you.

The key variables for an FX Option are:

- the Option Type (for example, but not limited to, Call Option, Put Option).
- The Quotation/Confirmation Date and time of Transaction.
- The currency and amount to be sold to CurrenC (Sold Currency) on exercise of the FX Option.
- The currency and amount to be bought from CurrenC (Bought Currency) on exercise of the FX Option.
- Expiration Date.
- Expiration Time.
- Settlement Date.
- Premium payable/due (if applicable).
- Premium Payment Date (if applicable).
- Margin payable by you.
- Margin Payment Date.

Our Client Agreement has the Terms for all of our types of FX Options. The variables are agreed with you and are then given in a confirmation or other notice provided to you or accessible by you.

3.2 Types of FX Options

Basic FX Options may be a Call Option or a Put Option.

A Call Option is an FX Option that gives the buyer the right, but not the obligation, to **buy** a specified amount of currency on the terms of an FX Contract.

A Put Option is an FX Option that gives the buyer the right, but not the obligation, to **sell** a specified amount of currency on the terms of an FX Contract.

We may offer from time to time Structured FX Options. These are FX Options other than a Call Option or a Put Option. There can be many types of Structured FX Options. Each has some different features and so also some different risk profiles arising from those different features, though they have the same essential significant risks. The economic profile and the timing of that change due to the different features.

In most cases the specific features of a Structured FX Option will only be displayed on the dealing platform, so please ensure you read and understand the features of the Structured FX Options before deciding whether to acquire them. Depending on the many types of features, Structured FX Options can change when the market risks arise, how often and the effect, such as ending the Option early or giving a percentage purification in the increased value.

3.3 Premium for FX Options

You must pay CurrenC any agreed Premium on the Premium Payment Date and in the manner advised by CurrenC from time to time.

The Premium is not refundable under any circumstances, in whole or in part.

The Premium must be paid in the agreed currency and amount.

The performance by CurrenC of the FX Option is subject to payment of the Premium (if applicable) by the Premium Payment Date by you to CurrenC. If the Premium is not paid as required, CurrenC may terminate the FX Option for your default and is not obliged to compensate you for that termination.

3.4 Margin and margin calls

You may also be required to pay CurrenC a Margin on the Margin Payment Date.

Typically it is a percentage of the value of the Sold Currency of the FX Contract(s) to which the FX Option(s) relate or currency equivalent. It is agreed at the time of entering into the FX Option.

CurrenC may at any time value an FX Option in its discretion. CurrenC will do this by reference to the Spot Exchange Rate. A Call Option with an Exchange Rate that is higher than the Spot Exchange Rate, or a Put Option with an Exchange Rate that is lower than the Spot Exchange Rate asset is "out of the money". If an FX Option is out of the money, CurrenC may make a Margin Call.

You, the Client, must satisfy a Margin Call within the required time, which may be immediate or with little notice.

A Margin Call is satisfied only if cleared funds are received by CurrenC.

More than one Margin Call may be made on the same day, with little or no notice.

A Margin Call must be satisfied by the required time, even if you or your authorised representative did not see or read the Margin Call or were not aware it was sent to you.

A Margin Call may be made by sending you a notice through the Online Service and is effective even if you are not logged in to your Account, did not see it or have been prevented from logging in for any reason, whether not due to your own control (except if we have prevented your access).

3.5 Key benefits of our FX Options

Key benefits of FX Options are:

- They help you to manage the risk inherent in currency markets by predetermining the rate and date on which you can choose to purchase or to sell a given amount of foreign currency against another currency (by an FX Contract with CurrenC). This can provide you with protection against negative rate movements between the time that you acquire the FX Option and its Expiration Date.
- They give you more flexibility to manage your risk and cash flows. Expiration Dates and amounts can be tailored by you to meet your requirements.

3.6 Significant risks with our FX Options

The key risks of investing in FX Options are disclosed below. Please also see Section 5 for further disclosure of the significant risks of FX Contracts.

Complexity: FX Options are complex derivative financial products. FX Options are only suitable for persons who understand and accept the risks involved in transacting in financial products involving foreign exchange rates and options over those products. CurrenC recommends that you obtain independent financial and legal advice before entering into an FX Option.

Loss of Premium Paid: Any Premium paid by you is non-refundable, even if you do not exercise the FX Option.

Loss of benefit of an FX Option: You will lose the benefit of an FX Option (including any Premium paid for it) if:

- the Exchange Rate does not move significantly in either direction, but remains at the same (or similar) levels to the rate at which you first purchased the FX Option, or
- your circumstances change and you no longer require the FX Option.

Exercise against you: Some FX Options (which you choose to acquire) may be exercised by CurrenC (depending on its terms and market movements) which creates an FX Contract which means you must settle that Transaction. Any Margin paid by you may be used towards settling that Transaction but you may be required to pay more.

Margin Calls: Depending on the terms of the FX Option which you agree with CurrenC, you may be obliged to pay Margin and to meet later Margin Calls. If you do not pay all of the Margin as required, your Transaction may be closed out early, resulting in further loss to you and you may be obliged to pay more to CurrenC to meet any shortfall.

No cooling off period: There is no cooling off period. Once you buy an FX Option you are committed to its terms.

Early termination may result in a financial loss to you: apart from when CurrenC chooses to agree to an early termination, if CurrenC exercise a right to close your account, Currency may also end early your FX Options. You have the risk that the market-based valuation by CurrenC is less than you anticipated.

Market volatility: Foreign currency exchange markets are subject to many influences which may result in rapid currency fluctuations and reflect unforeseen events or changes in conditions with the inevitable consequence being market volatility. You have the risk that FX Options (or the FX Contracts that may be created by exercising them) will not have the financial value which you wished, due to market movements adverse to your position at the time you wish to exercise them (or request that they end early). Given the potential levels of volatility in the foreign currency exchange markets, it is recommended that you closely monitor your positions held with CurrenC at all times having regard to your hedging requirements.

Exercise by you is not automatic: Any FX Option which is in the money at the Expiration Time (that is, it has some intrinsic value) **must be validly exercised by you unless** by its express terms it will automatically apply. There is **no automatic exercise** just because the FX Option has intrinsic value (unless, as mentioned, by its express terms it will automatically apply).

You can manage this risk by carefully monitoring your positions and following the simple procedures required to exercise your FX Option and ensuring you can contact CurrenC when you wish to exercise your options.

Counterparty risk on CurrenC: You have the risk that CurrenC will not meet its obligations to you under the FX Option (and any FX Contract created upon exercise of the option). CurrenC's FX Options are not Exchange traded so you need to consider the risks you have on CurrenC. CurrenC believes that your counterparty risk on CurrenC is low, especially due to its Margin policy, its risk management; however, the potential adverse outcome of this risk is significant to you since, if it occurs, you could lose some or all of the benefit of the amounts you have paid.

Not a Regulated Market: The FX Options offered by CurrenC are over-the-counter financial products and are not covered by the rules of an Exchange. The terms are not standardised as occurs for Exchange-traded options. You will be unable to transfer your option with CurrenC to another party i.e., it cannot be traded on an Exchange.

If you want to exit your FX Option earlier than its Expiration Time, you will need to request CurrenC to end the Transaction early and you have no right to require CurrenC to agree to that. You also depend on the intrinsic value (if any) of your option calculated by CurrenC.

Calculations and discretions by CurrenC: CurrenC is responsible for determining rates, calculating values and exercising discretions as described in this PDS. There is a risk that CurrenC

You can reduce your risks by carefully reading this PDS, the Terms and taking independent advice on the legal and financial aspects relevant to you.

3.7 Exercising an FX Option

If your FX Option gives you the right to exercise it, you may exercise the FX Option on the Expiration Date only by giving valid notice to exercise the FX Option to CurrenC by the Online Service or by telephone to your usual CurrenC relationship manager.

A notice to exercise will only be valid if provided on the Expiration Date before the Expiration Time.

CurrenC does not monitor your FX Option. CurrenC is not obliged to remind you of the Expiry Time or Expiry Date. If CurrenC contacts you for any reason prior to the Expiry Time that does not imply that CurrenC has any duty to notify or remind you of your obligations and no conduct of CurrenC prior to the Expiry Time may be taken to amend or to reduce your obligations or to increase the duties of CurrenC.

If CurrenC has the right to exercise an FX Option, it may do so on the Expiration Date by giving notice of exercise to you before the Expiration Time. CurrenC may give you notice of the exercise in any manner permitted by these Terms and by sending you an email, using any social media communication platform to which you have agreed to use for communications with CurrenC, by telephoning you (by any channel), leaving you a voicemail message, sending you a text message through any of those channels or any combination of the foregoing.

The notice is effective whether or not you access, read or hear the communication giving the notice of exercise. The exercise sent through any of those channels cannot be denied by you for any reason even if the reasons are outside of your control, such as failure in a telecommunications carrier's service, your absence or ill-health or loss of your mobile phone.

An FX Option either:

- must be exercised to give rise to an FX Contract between you and CurrenC for which the Exchange Rate will be specified in the variables for that FX Option, such as the Spot Exchange Rate; or
- will automatically apply by reason of its terms (e.g., see Forward Extras, below).

3.8 Lapsing and early termination

If an FX Option has not been exercised or terminated in accordance with its terms, then the FX Option will lapse at the Expiration Time on the Expiration Date. There is no compensation for an FX Option which has intrinsic value but has not been validly exercised.

You may request early termination of an FX Option before the Expiration Time. CurrenC may accept or reject this request in its absolute discretion. If CurrenC agrees to accept the request then CurrenC will in its absolute discretion value the FX Option for its termination (and not on the basis that it would be continuing). This value will be the amount payable by you to CurrenC or CurrenC to you (as applicable) on the effective date of termination.

If the Account is terminated with any FX Options open up to that time, CurrenC may terminated the FX Options early and will calculate a reasonable value for that in the determination of a net amount owing as between you and CurrenC on closing the Account.

3.9 Forward Extra

A Forward Extra is an FX Option which does not have a separate Premium for it since the cost of it is built into the strike rate, i.e. instead of buying a Forward FX Contract at the time of booking at AUD0.6400, you agree to a strike rate (i.e., the Exchange Rate) of AUD0.6300 for the Forward Extra.

For example, say you have booked a Forward Extra when the Spot Exchange Rate was 0.6500. In this example, you have also accepted the upper barrier (defined as the Knock In Rate) of 0.6650.

If the AUDUSD Spot Exchange Rate reaches the upper barrier level anytime from the date of booking, the Forward FX Contract is 'knocked-in' automatically and you are immediately obliged to purchase the full amount of currency at the strike rate of 0.6300.

If the AUDUSD Spot Exchange Rate does not reach or exceed the upper barrier (the Knock In Rate) during the term of the Forward Extra and the Spot Exchange Rate is trading between your FX Option's strike rate of 0.6300 and the Knock In Rate of 0.6650, then you will receive 100% of the benefit by having the right but not the obligation to choose to trade (i.e., exercise to settle on the Expiration Date) at the current Spot Exchange Rate. E.g. if the AUDUSD rate is trading at 0.6625 on the Expiration Date at 5:00 p.m. Sydney time (the Expiration Time), then you have the right to purchase some of the amount or the full amount at 0.6625.

If at the Expiration Time the Spot Exchange Rate is below 0.6300 then you can choose to exercise your right to purchase the full amount at 0.6300.

Section 4 – How to use CurrenC

4.1 Your Account

Before you open an Account with CurrenC, you should read the contents of this PDS, the Client Agreement and the FSG and decide whether FX Contracts or FX Options are suitable for you.

You need to establish your Account by completing CurrenC's Account application form, which will be made available for you online. By applying for an Account, you agree to the Client Agreement and you will become a Client of CurrenC. After CurrenC accepts your application, you are bound by the Client Agreement and your Account will be established. We may reject your Account application in our discretion.

4.2 How your orders are executed and Transactions are issued to you

The following steps show how you can acquire a Transaction with CurrenC:

Via Online Services

- Read this Product Disclosure Statement and the Financial Services Guide provided to you.
- Read the Client Agreement provided.
- Complete and submit the application form online.
- Provide necessary identity documents.
- When your application is accepted by CurrenC, the Client Agreement is a master agreement between you and us. A copy of the Client Agreement is available on our website at www.currenc.com.au.
- Log onto CurrenC's online platform using the security information provided to place your Order.
- You will enter into a Transaction with CurrenC when CurrenC accepts your Order.
- A confirmation is sent subsequently and is confirmation of the Transaction entered into online. The confirmation of an FX Contract gives details including the amount of Bought Currency, the Exchange Rate and the Value Date.
- You must provide details of your onward payment instructions (including the beneficiary's name and physical address) to enable our currency payment due to you to go direct to your nominated destination (one or more, as agreed).

4.3 Exchange Rates

Quotes for Exchange Rates for our FX Contracts are indicative only and so are subject to the actual available price at the time of execution of your Order. While CurrenC tries to execute your Order reasonably and fairly, there is no assurance that the Order will be able to be executed at the exact price of your Order.

If you access your Account and the CurrenC Dealing Platform outside of the hours when Orders may be accepted, you should be aware that the Orders might be processed at a later time. That could affect your net profit or loss.

4.4 Dealing Platform

Your Account gives you access to the CurrenC Dealing Platform. Please note that all of your dealings in Transactions are only with CurrenC as principal in the transaction with you.

We only accept telephone or other voice Orders (in limited circumstances, such as when the CurrenC Dealing Platform is unavailable.

All of the Transactions issued pursuant to this PDS will use the CurrenC Dealing Platform.

We will try to use our best efforts to make the CurrenC Dealing Platform available when you access it; however, we cannot give an absolute assurance or guarantee that the CurrenC Dealing Platform will be available on a continuous basis due to systems maintenance, system failures and other related technological or external factors.

The CurrenC Dealing Platform has rules which you must carefully read and follow. The CurrenC Dealing Platform from time to time may change those rules including but not limited to:

- how and when payment is required and when the payment is effective; and
- how Orders are managed.

4.5 Confirmations of Transactions

If you transact in our FX Contracts or FX Options, the confirmation of the Transaction, as required by the Corporations Act, may be obtained only by accessing the daily statement online, which you can print for your records. It is your obligation to review the confirmation immediately to ensure its accuracy and to report any discrepancies within 24 hours.

4.6 Settling FX Contracts

On the day you enter into an FX Contract, CurrenC will make available a confirmation which will advise you of the amount(s) and the date(s) upon which you will need to send money to CurrenC.

Once your FX Contract reaches the Value Date (i.e., the settlement date for your contract), and CurrenC has received all or the balance of your Sold Currency in cleared funds and the beneficiary’s name and physical address, CurrenC sends the Bought Currency to the accounts nominated by you.

All transactions are effected electronically and CurrenC retains detailed records of all settlements.

4.7 How is the Exchange Rate calculated?

The Exchange Rates offered by CurrenC take into consideration (but are not exclusively referrable to) the current spot "inter bank" Exchange Rates and the amount of currency that you wish to buy or sell. The decision to transact at a particular rate will always be your decision. CurrenC representatives cannot predict future Exchange Rates and our rate quotations are not a forecast of or other advice on where we believe Exchange Rates will be at a future date.

4.8 Entering into a Spot FX Contract

A Spot FX Contract is an agreement to exchange one currency for another at an agreed Exchange Rate with settlement within two (2) Business Days of the transaction being agreed.

Settlement of a spot FX Contract must occur on the Value Date.

In order for Spot FX Contracts to settle, your payment in the Sold Currency amount must be received by us in our CurrenC Account by the Business Day before the Value Date. Our onward payment of the Bought Currency is sent upon the receipt of the Sold Currency.

Actual receipt of the funds into your beneficiary account may take longer than 2 Business Days depending on when we receive your funds, the destination of the funds and the intermediary banks involved. You are responsible for arranging timely payment. Changes to the Value Date are permitted only if we agree.

4.9 Entering into a Forward FX Contract

The particular terms of each Forward FX Contract are agreed between you (the Client) and CurrenC before entering into the Forward FX Contract.

A Forward FX Contract is an arrangement that allows you to exchange currencies at an agreed date in the future (up to 12 months) at an Exchange Rate that you agree at the time of entering into the FX Contract. This will enable you to know what the Exchange Rate will be at the time the exchange of currencies becomes necessary. This allows you to avoid the risk and uncertainty associated with adverse Exchange Rate movements.

You must be in a position to pay the amount of the Contract Value immediately after the Forward FX Contract is agreed. If the amount of the Contract Value is not received within 2 Business Days your contract may be terminated with you being responsible for any loss arising from that early termination.

In specific cases, we might agree to allow you to pay only part of the full amount of the Contract Value immediately after the Forward FX Contract is agreed, with the balance to be paid at specific times we agree. We will only do this on a case by case basis, after assessing the costs and risks and your qualification for this feature. The schedule of payments will be agreed to you. The pricing of the FX Contract may be higher because of the extra risk and part payment. You will always remain liable to pay the balance, and you are also obliged to pay the balance earlier than the scheduled date, if we ask for that.

4.10 Entering into an FX Option

The particular terms of each FX Option are agreed between you (the Client) and CurrenC before entering into the FX Option.

You must be in a position to pay the Premium (if any) immediately after the FX Option is agreed and in any case by the Premium Payment Date. If the required Premium is not paid as required, CurrenC may terminate the FX Option and is not obliged to compensate you for that termination.

You may also be required to pay CurrenC a Margin on the Margin Payment Date, as specified by CurrenC, typically (but not limited to) being a percentage of the value of the Sold Currency of the FX Contract(s) to which the FX Option(s) relate or currency equivalent or as otherwise agreed at the time of entering into the FX Option.

4.11 Pre-deliveries and rollovers of Forward FX Contracts

CurrenC may, in its absolute discretion:

- allow delivery of part or all a Forward FX Contract earlier than the Value Date, however that will likely result in an adjustment to the Exchange Rate and you could lose value in your FX Contract because of that;

- allow an extension to a date later than the Value Date; however, to achieve this extension, CurrenC may either adjust the current FX Contract for a new Exchange Rate or CurrenC may end the existing FX Contract at the existing Exchange Rate and enter into a new FX Contract on agreed terms appropriate to the extension.

4.12 Counterparty Risk

Your counterparty risk on CurrenC

When you deal in Transactions, you have a counterparty risk with CurrenC that it will perform its obligations to you.

The only significant part of your counterparty risk on CurrenC is whether it will have the financial resources at the time it is required to pay you the amounts it owes you. The following description helps you understand the important aspects of your counterparty risk on CurrenC.

Your credit exposure to CurrenC

You have credit exposure to CurrenC because you pay CurrenC to settle your FX Contract. Your credit exposure to CurrenC for Spot FX Contracts is very short–lived, since they are settled within two Business Days.

For Forward FX Contracts, your payment of the Contract Value is for the Bought Currency which CurrenC owes you on the Value Date. Your credit exposure to CurrenC for that depends on the amount of Bought Currency and the Value Date.

So, in short, you should consider whether CurrenC will have the financial resources to pay you the amount it owes you at the time for settlement of your FX Contract.

Your credit risk on CurrenC is managed and reduced by:

- CurrenC applying its risk management policy, so that it prudently runs its business.
- CurrenC complying with its AFSL obligations to maintain surplus liquid funds and to maintain capital adequacy at all times.

Section 5 – Significant Risks

Dealing in our financial products involves a number of significant risks. You should seek independent advice and consider carefully whether our products are appropriate for you given your experience, financial objectives, needs and circumstances.

You should consider these risks involved in our FX Contracts (and see also, for FX Options, Section 3):

SIGNIFICANT RISKS	IMPORTANT ISSUES
Opportunity cost:	Once you have fixed your Exchange Rate you have locked in a rate for a future delivery date and will not be able to take advantage of subsequent favourable Exchange Rate movements should that occur, in relation to your committed foreign currency exposure. On the other hand, you will be protected from any adverse movements.
Counterparty risk on CurrenC:	You have the risk that CurrenC may not meet its obligations to you under the FX Contracts.

SIGNIFICANT RISKS	IMPORTANT ISSUES
Not a regulated market:	The financial products offered by CurrenC are over the counter Financial Products issued only by CurrenC. They are not covered by any exchange rules. Your Transactions are governed by the Client Agreement (subject, of course to applicable laws). You can reduce your risk by carefully reading this PDS, the Client Agreement and taking independent advice on the legal and financial aspects relevant to you.
CurrenC Dealing Platform:	You are responsible for the way you access the CurrenC Dealing Platform or your other contact with CurrenC. CurrenC may also suspend the operation of the CurrenC Dealing Platform or any part of it, without prior notice to you. Although this is considered a low risk since it would usually only happen in unforeseen extreme situations, CurrenC has discretion in determining when to do this. If the CurrenC Dealing Platform is suspended, you might have difficulty contacting CurrenC, you might not be able to contact CurrenC at all, or your Orders may not be able to be executed at Exchange Rates quoted to you.
Conflicts:	Dealing with CurrenC for its Transactions (and payment services) carries a risk of actual conflicts of interests because CurrenC is acting as principal in its positions with you and CurrenC sets the price of the Transactions and also because it might be transacting with other persons, at different Exchange Rates, or CurrenC might be dealing with market participants in relation to its exposure to you or to any aspect of all of its Clients' Transactions. You can monitor CurrenC's FX pricing compared with other Financial Products which have comparable terms and by monitoring the underlying market.
CurrenC's powers on default, indemnities and limitations on liability	If you fail to pay, or to provide currency for, amounts payable to CurrenC or fail to perform any obligation under your FX Contracts, CurrenC has extensive powers under the Client Agreement to take steps to protect its position. For example, CurrenC has the power to end Transactions early (if you breach your obligations), to decide whether to accept Orders or to execute them and to determine the rates of interest it charges. Additionally, under the Client Agreement, you agree to indemnify CurrenC losses and liabilities, including, for example, in default scenarios. Although these powers, limits on the liability of CurrenC and the indemnities you give to CurrenC are extensive and potentially expose you to significant risks, CurrenC must comply with its obligations as a financial services licensee to act efficiently, honestly and fairly. You should read the Client Agreement carefully to understand these matters.
Operational risk:	There is always operational risk in the Transactions. For example, disruptions in operational processes such as communications, computers and computer networks, or external events may lead to delays in the

SIGNIFICANT RISKS	IMPORTANT ISSUES
	execution and settlement of an FX Contract. We might not be liable to you if losses arise owing to delays, errors or failures in operational processes outside our control, including but not limited to faults in the CurrenC Dealing Platform or in the provision of data or services by third parties.
Payment system risks:	There is always risk in the payment system, beyond your control and our control. Even if we agree to make payments on your behalf to one or more other beneficiaries, those payments depend on the payment system working, including timely payments and receipts processed by the financial institution which provides the account of the beneficiary nominated by you. We rely on your details of your nominated beneficiary which you give to us. We do not independently verify the owner of the beneficiary account nominated by you. If you give us beneficiary account details which are wrong, incomplete or for an account controlled by a person other than the actual account holder, you may suffer a loss and we will not be liable for that. You can manage your risk by carefully verifying the details of the nominated beneficiaries' accounts that you give us.

Section 6 – Fees, charges and costs

6.1 FX Contracts

CurrenC does not charge commissions for you to enter into any FX Contract.

CurrenC earns its revenue from the difference between the price CurrenC gives you on your FX Contracts and the pricing which CurrenC obtains in the market to hedge its FX Contracts to you. This difference (commonly referred to as "spread") will vary in accordance with the size of the FX Contract, the type of product transacted, and the currencies involved. Please note that there is no separate "spread" charged as a fee – it just refers to how CurrenC derives its revenue from its business.

6.2 FX Contracts Fee

CurrenC charges a transaction fee (**Fee**) for FX Contracts under AUD$10,000 (or foreign currency equivalent) per beneficiary and no Fee for transactions over AUD$10,000 (or foreign currency equivalent) per beneficiary.

A Fee of AUD$20 will apply when your Transaction amount is under AUD$10,000 (or foreign currency equivalent) per beneficiary. Additional Transaction Fees may apply if there is more than one beneficiary (i.e., if a total amount of more than AUD$10,000 is to be sent to more than one beneficiary, separate Fees would be charged in relation to each beneficiary who received less than AUD$10,000).

6.3 FX Options Premium

If the FX Option requires a Premium, you must pay CurrenC the Premium on the Premium Payment Date and in the manner advised by CurrenC from time to time.

The Premium is not refundable under any circumstances, in whole or in part.

6.4 Beneficiary payments

There are no additional fees charged by us when we pay your Bought Currency to beneficiaries nominated by you. Please be aware that you may incur fees imposed on your payments by your bank, intermediary banks and/or receiving banks. CurrenC is not responsible for these additional charges.

6.5 Bank Fees

Please be aware that you may incur fees imposed on your payments for your Transaction (or payment service) by your bank or intermediary banks. CurrenC is not responsible for these additional charges.

6.6 No cash balances and no interest paid

In the ordinary course of our Transactions and our dealings with you, your payments are never in a client moneys trust account. If for any reason your moneys are ever in a client moneys trust account, you do not receive interest on moneys held for you in the CurrenC client money trust account.

6.7 Charges, external fees and Taxes

In some cases at times there may be fees charged by third party banks or other financial payment providers to CurrenC on payments from you to CurrenC or by CurrenC to you and CurrenC may charge you for those fees (and any GST). These charges are not part of our financial products, but you might incur them in relation to your payments to us or payments from us.

The charges (if any) usually are deducted from any receipt for you or any remittance to you. If that was not applied, they remain chargeable to you and will be applied to your Account.

Currently CurrenC does not charge for any third party fee on any e-wallet payment received by you or paid by CurrenC to you.

In the ordinary course of our Transactions and our dealings with you, your payments are never in a client moneys trust account. If, though, payment instructions from you are not received within 48 hours from the FX Contract settlement date, then your money will be placed in a client moneys trust account. Any payment from the client moneys trust account requested by you (to you or to another beneficiary) will be subject to a charge for any fees imposed on CurrenC (including any GST) for the payment. The rates of these charges vary, depending on the third party (the channel), its charge to CurrenC and your choice of destination of the payment. The current rates are between $0.00 and $100.00 (plus any GST) and are disclosed at http://www.currenc.com.au/fees-and-charges/.

These channels of payment to you and the charges and rates for them may later change from the date of this PDS (without a new PDS or other notice to you) so if this charge applies to a payment requested by you, please check the current rates. As stated above, ordinarily the charge is deducted from the payment to you. If there is a chargeback for any payment to your Account (whether made by you or in your name), you may be responsible for covering any reversed payments and charge back fees incurred by CurrenC.

You are responsible for any transaction duty, GST or similar goods and services or value added tax payable in respect of dealing in Transactions (except for any income tax payable by CurrenC).

Section 7 – General Information

7.1 Discretions

CurrenC has discretions under the Client Agreement which can affect your Orders and positions. You do not have any power to direct how we exercise our discretions.

When exercising our discretions, we will comply with our legal obligations as the holder of an Australian Financial Services Licence. We will have regard to our policies and to managing all risks (including but not limited to financial, credit and legal risks) for ourselves and all our Clients, our obligations to our counterparties, market conditions and our reputation.

We will try to act reasonably in exercising our discretions but we are not obliged to act in your best interests or to avoid or minimise a loss in your Account, or avoid causing you fees on Transactions.

Our significant discretions are:

- whether to accept your Order;
- any risk limits or other limits or filters we impose on your Account or your dealing; and
- setting Exchange Rates.

You should consider the significant risks that arise from CurrenC exercising its discretions – see Section 5.

7.2 Policies

Our key policies relevant to our products currently are:

- privacy policy; and
- conflicts of interests' management policy

The policies are guidelines that CurrenC (including all of its staff) is expected to follow but policies are not part of the Client Agreement and do not give you additional legal rights or powers.

We may change our policies at any time without notice to you. We may amend, withdraw, replace or add to our policies at any time without notice to you. Our policies might help you understand how we operate but all the important disclosures are set out in or referred to in this PDS and the Client Agreement set out our respective contractual rights and obligations so you should only rely on this PDS and not on the policies.

7.3 Anti-Money Laundering Laws

CurrenC is subject to anti-money laundering and counter-terrorism financing laws (**AML laws**) that can affect the Transactions. If your Account is established, CurrenC may disclose your personal information and end your Transactions or your entire Account for the purposes of complying with the AML laws or under CurrenC's policies and procedures, without liability to you for any loss that arises due to that occurring.

7.4 About CurrenC

CurrenC Pty Ltd (ABN 80 617 485 891) is an Australian incorporated company. It has Australian Financial Services Licence No. 505118 issued by the Australian Securities and Investments Commission. The licence authorises CurrenC

to carry on a financial services business to:

(a) provide financial product advice for the following classes of financial products:

- (i) deposit and payment products limited to:
  - (A) non-cash payment products; and
- (ii) foreign exchange contracts;

(b) 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) deposit and payment products limited to:
    - (1) non-cash payment products; and
  - (B) foreign exchange contracts; and

(c) make a market for the following financial products:

- (i) foreign exchange contracts;

to retail and wholesale clients.

Further information about CurrenC is available at www.currenc.com.au.

7.5 Applications

You apply for an Account by completing an online application form which accompanies the online access to the Client Agreement.

Payments for Transactions can be funded by electronic transfer or other methods permitted by CurrenC from time to time. Please note that CurrenC does not accept credit card payments, cheques or cash deposits.

7.6 Taxation Implications

Our products will have taxation implications for Clients, depending on the current tax laws and administration, the nature of the Client for tax laws, the terms of the transactions and other circumstances. These are invariably complex and specific to each Client. You should consult your tax adviser before dealing in these financial products.

Tax file number withholding rules

The tax file number withholding rules only apply to those investments as set out in income tax legislation. CurrenC's current understanding is that those withholding rules do not apply to its financial products; however, if it is later determined to apply and you have not provided CurrenC with your tax file number or an exemption category, CurrenC may be obliged to withhold interest payments at the highest margin tax rate and remit that amount to the ATO.

Goods and Services Tax

Except for fees and charges as set out in this PDS, amounts payable for or in respect of positions are not subject to goods and service tax for Australian residents. Clients should seek their own independent advice.

7.7 Cooling Off

There is no cooling off arrangement for our Transactions. You do not have the right to return any CurrenC Transaction acquired, nor request a refund of the money paid to acquire the Transaction.

7.8 Ethical Considerations

CurrenC Transactions do not have a managed investment component.

Labour standards or environmental, social or ethical considerations are not taken into account by CurrenC when making or varying the Transactions.

7.9 CurrenC insurance

CurrenC has a comprehensive insurance policy in place to cover a variety of different scenarios, some which may assist in the repayment of deficits arising from dealing with CurrenC if there is fraudulent activity by one of CurrenC's employees, directors or authorised representatives that results in your money being used in fraudulent activities.

If the insurance policy does not cover the event giving rise to a loss or the insurance cover is insufficient or the insurer fails to perform its obligations, then CurrenC might not be able to make the payments it owes to you.

7.10 Dispute Resolution

CurrenC is committed to providing our clients with outstanding service. If you have a complaint about the financial product or service provided to you, please raise the issue with us by taking the following steps:

1. Contact our CurrenC Dispute Resolution Officer and provide the details of your complaint. You may do this by telephone, email or letter.
2. If your complaint is not satisfactorily resolved, within seven (7) Business Days of receipt of your initial complaint, please put your complaint in writing and send it to the Compliance Department at:

   Suite 515
   180 Ocean Street
   Edgecliff, NSW 2027
   Australia

   or by email at info@currenc.com.au

CurrenC will make every effort to try to resolve your complaint quickly and fairly. Complaints received in writing will be acknowledged within two (2) Business Days of written receipt of your complaint and we will use our best endeavours to try to resolve your complaint within 45 days of receipt of your written complaint.

3. If you are not satisfied with the final response provided by our Compliance Department, you may exercise your right to complain to the Australian Financial Complaints Authority (**AFCA**), if your complaint is within its rules. AFCA is an external dispute resolution scheme. The contact details for AFCA are:

   Australian Financial Complaints Authority Limited
   G.P.O. Box 3
   Melbourne VIC 3001
   Telephone: 1300 931 678
   Website: www.afca.org.au

Please note that we will need to respond to your complaint prior to AFCA initiating any investigation into your complaint.

CurrenC is a member of the AFCA complaints resolution scheme (No. 41397). The service provided to you by AFCA is free of charge.

The Australian Securities and Investments Commission (ASIC) also has an Info line on 1300 300 630 which you may use to make a complaint and obtain information about your rights.

7.11 Privacy

All the information collected by CurrenC, in the application form or otherwise, is used for the purpose of providing you with the financial products and services, maintaining your Account, and for the purpose of assessing whether you would be suitable as a Client.

CurrenC has obligations under, and has procedures in place to ensure its compliance with, the Privacy Act 1988 (Commonwealth).

Significantly, these obligations include the following:

Collecting personal information

In collecting personal information, CurrenC is required:

- to collect only information which is necessary for the purpose described above;
- to ensure that collection of the information is by fair and lawful means; and
- to take reasonable steps to make you, the individual, aware of why the information is being collected and that you may access the information held by us.

If necessary, CurrenC may also collect information on directors and shareholders of a corporate client or agents or representatives of the Client. CurrenC may be required by law to collect information, such as for taxation purposes or to identify persons who open or operate an Account.

CurrenC may take steps to verify information given to it, in accordance with relevant laws, such as consulting registries, referees, employers or credit agencies. This information will not be disclosed to any other person although CurrenC may disclose this information to its related bodies corporate or agents in the ordinary course of CurrenC providing you with its products and services.

Using the personal information

If CurrenC has collected the information from you, CurrenC will only use the information for the purposes described below and above unless you consent otherwise.

Personal information may be disclosed to:

- any person acting on your behalf, including your adviser, accountant, solicitor, executor, attorney or other representative;
- related bodies corporate or agents in the ordinary course of CurrenC providing you with its products and services if you use, or intend to use, services of those other corporations;
- any organisations to whom CurrenC outsources administrative functions;
- brokers or agents who refer your business to CurrenC (so that we may efficiently exchange information and administer your account);
- regulatory authorities; and
- as required or permitted by law or by court order.

This information will not be disclosed to any other person without your consent.

You may access your personal information held by CurrenC (subject to permitted exceptions), by contacting CurrenC.

Since CurrenC is obliged by law to take reasonable steps to ensure that the personal information used is accurate, up to date and complete, please tell us immediately if any of the information provided covered by this section changes.

Retaining personal information

CurrenC takes reasonable steps to maintain secure protection of all personal information obtained from misuse, loss, unauthorised access, modification or disclosure.

Section 8 – Glossary

ABN means Australian business number.

Account means your account with CurrenC established under the Client Agreement, including all Transactions dealt by using the CurrenC Dealing Platform.

AML Laws means the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Commonwealth) and any related regulations, rules and instruments.

ATO means the Australian taxation office.

Australian Dollars and **AUD$** means the lawful currency of the Commonwealth of Australia.

Bought Currency is the currency received by the Client in return for the Sold Currency.

Business Day means a weekday which is not a gazetted public holiday in Sydney .

Call Option means a contract that gives the buyer the right, but not the obligation, to buy a specified amount of currency on the terms of an FX Contract.

Client refers to the person who has an Account with CurrenC.

Client Agreement means the terms of your Account with CurrenC for all of your Accounts by which you deal in Transactions (as those terms may be amended from time to time). Variations or additional terms of the Client Agreement may be notified to you from time to time in accordance with your current Client Agreement.

client moneys trust account means the bank account (or any one of several of them) maintained by CurrenC as a trust account under section 981B of the Corporations Act.

Contract Value means the full face value of the FX Contract as determined by CurrenC.

Corporations Act means the Corporations Act 2001 (Commonwealth).

CurrenC Dealing Platform means any of the online dealing platforms provided (or arranged to be provided) by CurrenC for accessing your Account and placing Orders.

Exchange means the relevant market or any other exchange or market on which the relevant Underlying Instrument trades or, in the case of an index, to which it relates.

Exchange Rate expresses the value of the Bought Currency in terms of the Sold Currency.

exercise means the process whereby you or CurrenC (as applicable) gives notice to the other party on or before the Expiration Date exercising the option which by that creates an FX Contract on the terms of the FX Option.

Expiration Date means the date on which an FX Option expires.

Expiration Time is the time of the day on the Expiration Date that an FX Option lapses.

Fee has the meaning in Section 6.2.

Forward FX Contract means an FX Contract whose Value Date is later than two Business Days after the day the FX Contract is entered into.

FX Contract means a foreign exchange contract between the Client and CurrenC to purchase and deliver payment for currency.

FX Option means an option (whether a Call Option, a Put Option or other type of option) in respect of an agreement to exchange a specified amount of one currency for another currency at an Exchange Rate on and subject to all of the terms agreed by you and CurrenC.

Order means any instruction provided by you to enter into a Transaction.

OTC and **"over the counter"** means a contract which is made between two persons without an Exchange. The Transactions are OTC contracts because CurrenC acts as principal to you in your OTC contracts (without any access to any Exchange).

Premium means the consideration payable by one party to the other party for the rights provided by the FX Options.

Premium Payment Date means the date by which the full amount of the Premium must (if payable by you) be paid in cleared funds by you to CurrenC or (if payable by CurrenC) by crediting it to your Account.

Put Option means a contract that gives the buyer the right, but not the obligation, to sell a specified amount of currency on the terms of an FX Contract.

Sold Currency is the currency sold by the Client in return for receiving from CurrenC the Bought Currency.

Spot FX Contract is an FX Contract whose Value Date is no later than two (2) Business Days from the Contract Date.

Spot Exchange Rate means the Exchange Rate for the relevant currencies at any particular time as determined by CurrenC in its sole discretion. CurrenC makes this determination in its own capacity and not as agent, independent expert valuer or in any other way owing any duty to any person except to the extent expressly imposed by law and which cannot by law be excluded.

TFN means tax file number.

Transaction means any of an: FX Contract, an FX Option, a payment service provided by us (not each payment processed by us) and any other Financial product which we expressly agree from time to time.

Value Date means the date agreed between the Client and CurrenC for delivery and settlement of the currencies under an FX Contract.