

# Product Disclosure Statement (PDS)

Issue Date: 28th November 2023

Issued by CurrencyFair Limited (ARBN 154 043 455)

Authorised Representative (no: 419450) of CurrencyFair Australia Pty Ltd  
(ACN 147 506 410 and AFSL 402709)



## Contents

<b>1 Product Disclosure Statement</b>	<b>4</b>
1.1 General information	4
1.2 Purpose and contents of this Product Disclosure Statement	4
1.3 Contact details	5
1.4 Terms & conditions	5
1.5 Advice	6
1.6 CurrencyFair foreign exchange summary table	6
<b>2 Foreign exchange transactions offered by CurrencyFair</b>	<b>10</b>
2.1 Our service	10
2.2 What is a foreign exchange contract?	10
2.3 Exchange rates	11
2.4 Interbank rates	11
2.5 Comparing exchange rates	11
<b>3 Using CurrencyFair</b>	<b>12</b>
3.1 Registration and account opening	12
3.2 How to enter a transaction	12
3.3 Send in	13
3.4 Exchange process	13
3.5 Confirmation of transactions	14
<b>4 Fees and charges</b>	<b>15</b>
4.1 Transfer fees	15
4.2 Standard rate adjustment	16
4.3 Third party fees and charges	17
<b>5 Significant risks of foreign exchange contracts</b>	<b>18</b>
5.1 Opportunity cost	18
5.2 Market risk	18
5.3 Counterparty and credit risk	18
5.4 OTC risk	19
5.5 Client monies	19
5.6 Foreign exchange risk	19
5.7 Operational risk	20
5.8 Regulation and jurisdiction risk	20
5.9 No cooling off	20
<b>6 Significant benefits of using CurrencyFair</b>	<b>21</b>
<b>7 Suspending or closing accounts</b>	<b>21</b>
<b>8 Privacy policy</b>	<b>21</b>
<b>9 AML/CTF</b>	<b>22</b>
<b>10 Tax implications</b>	<b>22</b>
10.1 General	22
10.2 Goods and services tax	23
<b>11 Disclosure of interest</b>	<b>23</b>

<b>12 Dispute resolution</b>	<b>23</b>
12.1 Internal resolution	23
12.2 External resolution	23

# 1 Product Disclosure Statement

## 1.1 General information

All products and services detailed in this Product Disclosure Statement (“PDS”) are supplied by CurrencyFair Limited (“CurrencyFair”) [ARBN 154 043 455] as Authorised Representative [No: 419450] of CurrencyFair Australia Pty Ltd [ABN 94 147 506 410], who has arranged the issue of this PDS. CurrencyFair will issue the foreign exchange contracts covered by this PDS, and provide all services in relation thereto, pursuant to its corporate authorised representative appointment by CurrencyFair Australia Pty Ltd.

CurrencyFair Australia Pty Ltd holds an Australian Financial Services Licence Number 402709 and is authorised to provide general financial product advice, deal and make a market in derivatives and foreign exchange contracts to retail and wholesale clients. Australian Securities and Investments Commission (“ASIC”) takes no responsibility for the contents of this PDS. This is an important document and should be read in its entirety.

This PDS is issued only for the services CurrencyFair is offering in Australia. **This PDS does not constitute an offer or invitation in any place outside Australia or to any person to whom it would be unlawful to make such an offer or invitation.** The distribution of this PDS (electronically or otherwise) in any jurisdiction outside Australia may be restricted by law and persons who come into possession of this PDS should seek advice and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable law.

If you intend to apply to use any of the products described in this PDS, please read this PDS in full and keep it together with all other documentation which you receive from CurrencyFair in connection with foreign exchange contracts, for future reference. If you received this PDS electronically but need a paper copy, we can provide it to you free of charge upon request. For information regarding our full range of products and services, please also read the Financial Services Guide (“FSG”) and visit our website. If you have any queries regarding this PDS, please contact us.

All clients shall be bound by the contents of this PDS. The information in this PDS is current as of 28<sup>th</sup> November 2023 and may be updated from time to time where that information is not materially adverse to clients. Updated information shall be provided on our website [www.currencyfair.com](http://www.currencyfair.com). CurrencyFair may issue a supplementary or replacement PDS as a result of certain changes, which shall be available on our website or shall be distributed in electronic form as required.

## 1.2 Purpose and contents of this Product Disclosure Statement

This PDS is an important legal document setting out information about foreign exchange contracts which may be entered into between you and CurrencyFair. The purpose of this PDS

is to assist you in deciding whether the services offered by CurrencyFair are appropriate for you. It describes the key features of foreign exchange transactions, the benefits, risks and associated fees and charges. You should read this PDS in full before entering any transactions with us.

This PDS is designed to provide you with important information regarding foreign exchange contracts including the following information:

- Who we are
- How you can contact us
- Which products we are authorised to offer or utilise
- Key features/risk/benefits of these products
- Applicable fees and charges for these products
- Any (potential) conflicts of interest we may have; and,
- Our internal and external dispute resolution process.

The information in this PDS should assist you to:

- Decide if the product meets your needs; and,
- Compare the product with similar products.

### 1.3 Contact details

If you do not understand any part of this PDS, or require further information please contact us:

**CurrencyFair Australia Pty Ltd** (ACN 147506410)

Business Address: ANZ Tower, Suite 26-109, 161 Castlereagh Street, Sydney NSW 2000.

Telephone: +61 (0) 282 798 642

Email: [support@currencyfair.com](mailto:support@currencyfair.com)

Website: [www.currencyfair.com](http://www.currencyfair.com)

**CurrencyFair Limited** (ARBN 154043455)

Colm House, 91 Pembroke Road, Ballsbridge Dublin 4, Ireland.

Telephone: +353 (0) 1 526 8411

Email: [support@currencyfair.com](mailto:support@currencyfair.com)

Website: [www.currencyfair.com](http://www.currencyfair.com)

### 1.4 Terms & conditions

Information provided to you in the FSG and this PDS is important and is binding on you. Additional legal terms governing our relationship are detailed in our Terms & Conditions. As part of the online registration process you are required to agree to the CurrencyFair Terms & Conditions as well as acknowledge that you have read and understood the PDS and FSG. You must complete the online registration form, and have your account approved by CurrencyFair. CurrencyFair reserves the right to refuse to open a CurrencyFair account for any person or entity.

## 1.5 Advice

The information contained in this PDS does not constitute a recommendation, advice or opinion and does not take into account your individual objectives, financial situation, needs or circumstances. All examples used in this PDS are to assist you in understanding how our products work and to illustrate the mechanics of our services. They should not be construed as recommendation, advice or opinion with respect to any exchange rate and does not necessarily reflect the current or future market prices that will apply to a trade.

CurrencyFair is authorised to enter into foreign exchange contracts, buy and sell foreign exchange contracts and give general advice on foreign exchange contracts to retail and wholesale clients. Before entering into a foreign exchange contract, you should obtain independent advice to ensure this is appropriate for your particular financial objectives, needs and circumstances. No personal advice will be provided to any customer under any circumstances.

Further, we recommend that you also obtain independent taxation and accounting advice in relation to the impact of foreign exchange gains and losses on your particular financial situation. The taxation consequences of foreign exchange contracts can be complex and will differ for each individual's financial circumstances, and your tax adviser should be consulted prior to entering into a foreign exchange contract.

## 1.6 CurrencyFair foreign exchange summary table

Item	Summary	PDS Section reference
Who is the issuer of this PDS and the products?	All products and services detailed in this PDS are supplied by CurrencyFair Limited [ARBN 154 043 455] as Authorised Representative [No. 419450] of CurrencyFair Australia Pty Ltd ABN 94 147 506 410 AFSL 402709, who has arranged the issue of this PDS.	1.3
What is Foreign Exchange?	A Foreign Exchange contract is a transaction that involves a contract for the exchange of one currency for another at an agreed exchange rate. An "exchange rate" is the price of one currency in terms of another currency.	2.2
Significant Benefits	Exchange rate certainty – depending on the method of exchange selected, an exchange for the purchase or sale of foreign currency amounts may reduce or eliminate exchange rate uncertainty.	6

Item	Summary	PDS Section reference
	<p>Diversity – foreign exchange contracts are available for a wide range of currencies.</p> <p>Flexibility – foreign exchange contracts are flexible and can be tailored to meet your requirements.</p>	
Significant Risks	<p>Volatility - Exchange rates can be volatile and move adversely.</p> <p>Future benefit - using the varying exchange rate methods means foregoing any benefit from future favourable movements.</p> <p>Counterparty Risk - You are reliant on CurrencyFair’s ability to meet its obligations under the terms of the foreign exchange contract.</p>	5
What fees and charges are payable in respect of foreign exchange contracts?	<p>CurrencyFair derives a financial benefit by making adjustments to the rates offered to its Clients. For each exchange CurrencyFair will apply a Standard Rate Adjustment “Margin” calculated from the currency and value of the exchange.</p> <p><b>Please refer to our website for the current Standard Rate Adjustment “Margin” which may be amended from time to time.</b></p> <p>CurrencyFair charges a fee for making a transfer from your CurrencyFair Account. For the majority of transfers the fee is quoted in the currency you are transferring, however you have the option to pay in a different currency. For some currencies e.g. MXN, VND, KRW the transfer fee is taken from the selling currency. The transfer fee (currency and amount) will be displayed on the website and applied automatically, when your funds are transferred to your chosen beneficiary. Although CurrencyFair aims to avoid having additional third party fees deducted from your funds in some cases it is unavoidable. This may result in an amount less than you transferred arriving at the beneficiary account. <b>Please refer to your banking partner transfer fees.</b></p>	4

Item	Summary	PDS Section reference
	<p>CurrencyFair does not either levy or receive these fees and is constantly looking for ways to enable our customers to avoid them.</p>	
<p>How do I open an account?</p>	<p>Prior to opening an account and entering into foreign exchange contracts, you must read, understand, and accept the FSG, this PDS and the CurrencyFair Terms &amp; Conditions (which will be provided to you by CurrencyFair). Then you will need to complete the online registration process, where we will verify your identity using documentation and / or electronic verification in accordance with the Anti-Money Laundering and Counter Terrorist Financing Regulations. CurrencyFair reserves the right to refuse to open an account for any person.</p> <p>Once you have opened an account with us and it is fully activated, we refer to you as a “Client.”</p>	<p>3.1</p>
<p>How do I place a foreign contract order with CurrencyFair?</p>	<p>CurrencyFair accepts foreign exchange contract instructions electronically, online (website or mobile application) or exceptionally for vulnerable customers by email, or telephone. CurrencyFair only allows you to exchange funds that have been cleared to our respective client accounts. You need to send in the funds you wish to exchange in advance of being able to execute a transaction.</p>	<p>3.2</p>
<p>How are payments made in and out of your Account?</p>	<p>You may send in funds to us using your internet or telephone banking. CurrencyFair only accepts bank transfers. CurrencyFair does not accept cash or cheque deposits.</p>	<p>3.3</p>
<p>What are the tax implications of foreign exchange contracts?</p>	<p>Tax implications may arise from any transaction or transfer of funds you enter into with us. The taxation consequences of foreign exchange transactions can be complex and will differ for each individual’s financial circumstances. We recommend that you obtain independent taxation and accounting advice in relation to the impact of foreign exchange contracts on your particular financial situation.</p>	<p>10</p>



Item	Summary	PDS Section reference
Currency Fair's powers to suspend or close your account	CurrencyFair retains the right to suspend or cancel your CurrencyFair Account without prior notification as set out in the Terms & Conditions. We can also refuse to facilitate the execution of any transaction.	7 & 9
Dispute Resolution	CurrencyFair has an internal dispute resolution process in place to resolve any complaints or concerns you may have, as quickly and fairly as possible in the circumstances. You should bring any complaints or concerns you have to our attention by contacting us.	12
How do I obtain further information?	You can contact us as per contact details in this PDS.	1.3

## 2 Foreign exchange transactions offered by CurrencyFair

### 2.1 Our service

CurrencyFair operates an online foreign exchange service that operates 24 hours a day, Monday to Friday, detailed opening hours can be found on the website. We facilitate the exchange of one currency for another and the transfer of the purchased currency upon your request to the beneficiary you nominate.

CurrencyFair is not a currency speculation service. It is designed to provide spot foreign exchange (set value date) and transfer services for clients that need to send funds internationally.

### 2.2 What is a foreign exchange contract?

The term foreign exchange refers to the simultaneous purchase of one currency and sale of another currency at an agreed exchange rate. Foreign exchange contracts are not exchange traded and are customised to each individual transaction. The characteristics below change for each transaction:

- Currencies exchanged;
- Exchange rate;
- Amount to be exchanged;
- Value date of the transaction.

Standard foreign exchange contracts or “spot” foreign exchange mature on a set value date. With CurrencyFair, as all funds are cleared, the purchased funds are available for immediate exchange and transfer to your chosen beneficiary account.

#### How does a foreign exchange contract work?

When you enter into any foreign exchange contract, you will be asked to nominate an amount, known as the contract amount and the two currencies to be exchanged. In every foreign contract there are two currencies as follows:

1 fixed unit of a currency = X variable units of another currency.

The fixed currency is called the “base” currency and the variable currency is called the “terms” currency. Together, these are known as the Currency Pair. This date on which the exchange takes place is known as the “settlement date” and can be any business day on or after the “deal date” (i.e. the date on which you enter into the relevant foreign exchange contract with CurrencyFair.)

## 2.3 Exchange rates

An Exchange Rate is the price of one currency expressed in terms of another. For example, if the current Exchange Rate for the Australian dollar against the US dollar is AUD/USD 1.01, this means that one Australian Dollar is equal to 1.01 US. The Exchange Rate can also be expressed as the reciprocal, so USD/AUD would be one USD is approximately equal to 0.99 AUD cents. Foreign exchange rates are moving constantly and are the largest financial market in the world with trillions traded every day.

$$\text{AUD/USD} = 1.01 \quad \text{USD/AUD} = 0.99$$

CurrencyFair exchange rates on a particular currency pair are always quoted as the currency you are selling to the currency you are buying. That way when you view the Market you always know that the higher the rate the better the rate of exchange is for you.

By way of example if you are converting AUD into USD then the rate will be quoted as 1AUD = 1.01 US cents. If you are converting USD to AUD it would be 1USD = 0.99 AUD cents.

## 2.4 Interbank rates

The interbank rate or wholesale rate is the rate at which banks and financial institutions exchange their currencies and is the base for all other exchange rates.

## 2.5 Comparing exchange rates

Foreign exchange is an over-the-counter product (“OTC”), this means they are not traded on a licensed financial market under section 767A of the Corporations Act. As a regulated exchange, different providers will be quoting different rates at the same time. You will want the best exchange rate available, so we advise that you shop around. You need to be aware of providers who advertise zero percent commission or zero transfer fees. While these may seem to be a good deal, the exchange rate you receive once the provider’s spread has been added, may more than compensate for you not having to pay other fees. You always need to take everything into account, the rate and any associated charges, when comparing providers.

## 3 Using CurrencyFair

### 3.1 Registration and account opening

In order to use our services and execute an exchange you need to register online via the website [currencyfair.com](https://currencyfair.com) or the mobile app (“**platform**”). As part of the process you will need to read and agree to the Terms & Conditions. You do this by ticking the box on the online registration form.

CurrencyFair is required by the Anti-Money Laundering and Counter Terrorism Financing Act 2006 (Cth) (“**AML/CTF Act**”) to verify the identity of our customers before we transact. You will be notified what is required to complete this process upon registration.

### 3.2 How to enter a transaction

Once your CurrencyFair account has been fully activated you can enter a transaction in one of the following ways:

**Online** – the majority of CurrencyFair transactions are executed via our platforms. You will need to log on using your Username and Password set up at registration.

**Email** – If necessary and on an exception basis only you can email us instructions to execute a transaction on your behalf. The details of the transaction will be final once we have processed your email. You need to note that emails may not be processed immediately and you acknowledge that you are bound by the details we send you on confirmation of the transaction.

**Telephone** – You can also exceptionally request a transaction by phone. CurrencyFair will execute the transaction for you and provide the terms via email.

CurrencyFair markets are open from 22:30 pm Sunday until 20:00 on Friday. During this period it is possible to complete your exchange. Our markets are closed from 20:00 on Friday until 22:30 Sunday. All time references are in Coordinated Universal Time (UTC/GMT).

Please note that under the AML/CTF Act we are required to complete, know your customer and ongoing due diligence procedures. In order to comply with the AML/CTF Act we may require additional information or documentation which may or may not result in delay. CurrencyFair will always do its best to ensure transactions are processed within the stated time frames referred to on our website.

As per the CurrencyFair Terms and Conditions you are not paid interest on any balances held in your client Accounts.

### 3.3 Send in

CurrencyFair only allows you to exchange funds that have been cleared to our respective Client Accounts. You need to send us the funds you wish to exchange in order to execute a transaction. You will then have to create a “**Send Money Transaction**”.

**Send Money transactions** will automatically complete the exchange and transfer for you once the funds arrive in CurrencyFair. The exchange takes place when the funds are credited to your CurrencyFair profile at either:

- a fixed rate (fixed for 48 hours) accepted when the send money transaction is instructed, or
- the best rate available at the time the funds clear to your CurrencyFair profile.

Please note, CurrencyFair does not accept cash or cheque deposits.

### 3.4 Exchange process

#### Accepting the rate

CurrencyFair offers the functionality to fix an agreed exchange rate for a period of 48 hours or to automatically exchange and transfer funds received at the best available rate at the time the funds are received.

#### Fixed rates

We will always try to fix the rate for a 48 hour period, however sometimes this may not be possible when currency markets are very volatile. We currently have a 3% rate limit during volatile periods which means that if the rate changes by 3% or more during the fixed rate period, we may cancel the Send Money transaction. If the Send Money transaction is cancelled, you will be notified by email and the funds will be immediately made available for them to instruct a new exchange and transfer out from CurrencyFair. As CurrencyFair cannot hold funds these funds must be immediately exchanged and transferred out.

If funds are not received or cleared to CurrencyFair within the 48 hour period, we will exchange and transfer the money using the best available rate at the time when the funds are cleared.

If funds arrive after the fixed period expires, we will only process the transaction if the exchange rate is within 3% of the original rate. If the rate drops by more than 3% we'll cancel the transaction and send an email to let the customer know. The funds will be immediately made available to instruct a new exchange and transfer out. As CurrencyFair cannot hold funds these funds must be immediately exchanged and transferred out.

#### Best rate available

Should you wish, you can choose not to fix the exchange rate and instead accept the best rate available at the time the funds are cleared to your CurrencyFair profile. You should be aware that the exchange rate can go up or down between the times you set up the transaction, when

the money arrives into CurrencyFair and the exchange occurs. If the rate drops more than 3% we will pause the exchange and notify you by email.

### **3.5 Confirmation of transactions**

When executing a transaction you will receive an email letting you know your exchange and transaction has been completed. You can view your transactions and your account statement on your CurrencyFair account by selecting 'Transaction Overview.' If required we can also send you a transaction confirmation by email for a specific transaction.

## 4 Fees and charges

### 4.1 Transfer fees

CurrencyFair charges a fee for making a transfer from your CurrencyFair Account. For some currencies the fee quoted defaults to the currency you are transferring however you have the option to pay in a different currency should you wish. For other currencies (e.g. MXN, VND, KRW) the fee is taken from the selling currency. The transfer fee is applied when funds are transferred to your chosen beneficiary. Below is an example of the current transfer fees (subject to change).

Currency	Standard Transfer Fee
AED	15.00د.ا
AUD	A\$4.00
CAD	C\$4.00
CHF	CHF4.00
CZK	Kč75.00
DKK	kr25.00
EUR	€3.00
GBP	£2.50
HKD	HK\$25.00
HUF	Ft1,000.00
IDR	Rp20,000.00
ILS	40.00₪

Currency	Standard Transfer Fee
INR	₹120.00
KRW	* See note below table
MXN	* See note below table
NOK	kr25.00
NZD	NZ\$5.00
PHP	₱ 80.00
PLN	zł10.00
SEK	kr30.00
SGD	S\$5.00
THB	฿125.00
USD	US\$4.00
VND	* See Note below table
ZAR	R25.00

\* Note: Transfer fee is taken from the selling currency and will be the currency equivalent of €3.00

Transfer times vary depending on the currency you are transferring. For our current processing times visit <https://www.currencyfair.com/how-it-works/exchange-process-times/>

## 4.2 Standard rate adjustment

CurrencyFair does not charge any direct fees for a foreign exchange contract, this is distinct from the transfer fee outlined in the previous section. However, CurrencyFair derives a financial benefit by making adjustments to the rates offered on the platform. This is called the “Margin”.



CurrencyFair applies a Standard Rate Adjustment/ Margin of the total amount exchanged. We reserve the right to adjust this Standard Rate Adjustment at any time but will notify you via the website if this occurs.

The spread is the difference between the interbank rate or wholesale rate and the rate you receive on your exchange at the time of the transaction, the spread incorporates our Standard Rate Adjustment/ Margin.

We advise that all clients refer to independent sources of the current live interbank or wholesale rate.

### 4.3 Third party fees and charges

Although CurrencyFair aims to avoid having additional third party fees deducted from your funds in some cases it is unavoidable. This may result in an amount less than you transferred arriving at the beneficiary account. CurrencyFair does not levy or receive these fees and is constantly looking for ways to enable our customers to avoid them. The bank account details to send funds in and potential fees are listed in the CurrencyFair Bank Accounts section on your account.

**Charges to Deposit to CurrencyFair** – CurrencyFair does not charge any fees to receive your money. However, depending on where you are sending from, there may be bank fees associated with the transfer. If any accounts that you are sending funds to are held in non- local currencies, you can expect a fee to be taken by the sending bank. At present, CurrencyFair receives CAD, AED, ZAR, CZK, and NZD into non-local accounts.

**Correspondent Bank Fees** – In some jurisdictions for some currencies financial institutions used as intermediaries may deduct an amount from the funds you are sending. This is beyond our control and we are not aware of who will charge and how much. We have done our best to cut out these charges where possible, by holding our bank accounts in the country you are sending funds.

**Receiving Bank Charges** – In some jurisdictions some banks and financial institutions may charge the beneficiary for receiving the transferred funds. We will try and alert you if we are aware but generally we will not know in advance. You should bear this in mind if you are paying the precise amount of an invoice or personal payment.

**Administration fees** – Depending on the circumstances of a transaction where a recall request or trace is required, CurrencyFair may charge you to complete this process. All fees and charges may be subject to change without notification.

If you have any questions regarding the likelihood of third party fees being levied by intermediary banks or receiving banks, you can contact us via email at [support@currencyfair.com](mailto:support@currencyfair.com) or via telephone at +61 (0) 282 798 642.

## 5 Significant risks of foreign exchange contracts

Before you start using CurrencyFair and entering into foreign exchange contracts, we recommend you obtain independent financial, legal and taxation advice. In deciding whether or not to enter into a foreign exchange contract you should be aware of the risks set out below. However, this section does not purport to disclose all of the risks associated with foreign exchange contracts.

### 5.1 Opportunity cost

By entering into a foreign exchange contract today to set a rate for settlement in the future, you are obliged to deliver under that foreign exchange contract even if the exchange rate improves prior to settlement. You may therefore forgo any benefit of a favourable movement in the exchange rate between the time you enter into the foreign exchange contract and the settlement date.

### 5.2 Market risk

Market risk is the risk that the value of your foreign exchange position will change as a result of a movement in the underlying market price. If you enter into a foreign exchange contract without an underlying currency cash flow you should be aware that you will be exposed to changes in the market price. You will suffer a loss if the underlying foreign exchange rate moves unfavourably.

### 5.3 Counterparty and credit risk

Counterparty risk is the risk that another party may default on their contractual obligations. Counterparty risk is limited as your funds are exchanged and transferred immediately.

When you deposit funds to a CurrencyFair Client Account in order to exchange, you are taking the risk that CurrencyFair will not be able to fulfil its obligations to you. The obligations of CurrencyFair to make payments in respect of the contracts are unsecured obligations of CurrencyFair, which means that you are subject to our credit risk. If we were to become insolvent, we may be unable to meet our obligations to you. If we default on our obligations, Clients may become unsecured creditors in an administration of liquidation and will not have recourse to any underlying assets in the event of our insolvency.

CurrencyFair may choose to limit this exposure by entering into opposite transactions as principal in the wholesale market in relation to its exposures with clients. In addition, CurrencyFair must comply with the financial requirements imposed under its AFS Licence. This includes maintaining surplus liquid funds and auditing financial statements annually.

CurrencyFair constantly monitors the credit worthiness of its banking providers and ensures the protection and safety of client funds. We do not speculate on foreign exchange or invest

client funds for proprietary purposes. All client funds are held in highly liquid banking deposits. If our banking partners experience financial difficulty and can no longer return the funds when requested, CurrencyFair may not be able to meet its obligations to you. When you send your deposit to CurrencyFair you accept the risk that CurrencyFair can meet our obligations to you at the terms of the transaction.

## 5.4 OTC risk

Foreign exchange contracts provided by CurrencyFair are OTC products. Investors must deal directly with CurrencyFair to open and close positions. Given you are dealing with CurrencyFair as the counterparty to every transaction, you will have an exposure to us in relation to each transaction. This is common to all OTC financial market products.

## 5.5 Client monies

CurrencyFair holds all client deposits in segregated client accounts, therefore client's funds are held separately to our own. Please note that money you deposit into our Client Accounts is commingled with other client money in our client accounts (which is separate to CurrencyFair's own monies and assets). Such monies are only applied to client trades and / or settlement obligations and to pay agreed fees, in line with the Corporations Act requirements.

Client monies which are held pending future transactions and payments are held in our segregated account in accordance with the Corporations Act. It is important to note that holding your money in one or more segregated accounts may not afford you absolute protection.

CurrencyFair is entitled to retain all interest earned on client monies held in segregated accounts with a bank or approved deposit-taking institution. The rate of interest earned by CurrencyFair on this account is determined by the provider of the deposit facility.

## 5.6 Foreign exchange risk

At various stages of the transaction cycle you may be exposed to foreign exchange rate movements that may result in you receiving a higher or lower rate.

We regularly monitor our bank accounts and clear your funds as soon as possible to your account so your automatic exchange and transfer can be processed. If the rate drops more than 3% you will be notified and the exchange will not go ahead. Additionally, you have the option to fix your rate for 48 hours.

## Entering a Transaction

Once you have been matched the foreign exchange contract is irreversible and the rate is locked in. This means that you are no longer exposed to adverse rate movements, however you will not benefit from any favourable moves in foreign exchange rates.

## 5.7 Operational risk

Operational risk is the risk of delay or loss as a result of inadequate or failed technological systems, internal processes or external events. Operational risks could also arise from potential delays in communication via electronic means including email and telephone, software and hardware faults and security breaches.

CurrencyFair uses the latest technology to ensure the highest levels of availability of our services via the online platform. This includes dual redundancy on all core systems and a tested Business Continuity Plan. We also employ the highest levels of IT security including 256 bit encryption via Secure Socket Layer (“SSL”) from VeriSign. All CurrencyFair accounts are secured by Username and Password and Two-Factor Authentication (“2FA”). A registered email address is also used to communicate your activity on the site.

There is also the risk that our banking providers may make an error or have unscheduled delays in crediting your funds to our Client Accounts or transferring them to your Beneficiary Account. We choose our partners carefully and are confident that they can provide services to a standard of service as would be expected from our clients. While we constantly monitor our partners there is always the risk associated with payment processing due to system failures or errors.

There are important provisions to which you agree in relation to using our services in the Terms & Conditions agreed on registration.

## 5.8 Regulation and jurisdiction risk

CurrencyFair is incorporated and registered in the Republic of Ireland, therefore claim or dispute arising out of or in connection with the website and/or any services or products provided by CurrencyFair will be subject to the non-exclusive jurisdiction of the Courts of the Republic of Ireland.

## 5.9 No cooling off

No cooling off period applies to any of the products described in this PDS. You are, therefore, bound by the terms of a foreign exchange contract, when you enter into it, regardless of the fact settlement may occur at a later date.

## 6 Significant benefits of using CurrencyFair

- Secure, convenient way to send your funds internationally.
- Low transaction fees.
- Simple execution.
- Online access to the market 24 hours a day 5 days a week unless specified per currency.
- Full transaction records.
- Excellent customer service and dedicated staff (no call centres).
- Control over your exchanges.
- Transparency.

## 7 Suspending or closing accounts

CurrencyFair retains the right to suspend or cancel your CurrencyFair account without prior notification as set out in the Terms & Conditions. We can also refuse to facilitate the execution of any transaction. This may be necessary in circumstances such as:

- Breaching one or more of the Terms & Conditions of use.
- A dispute between us.
- Failure to provide material information, or in our opinion the information is inaccurate or misleading.
- We believe you are involved in unlawful or illegal activities.
- In the event of your death or loss of mental capacity.
- If we are no longer able to supply the services detailed in this PDS.

## 8 Privacy policy

CurrencyFair recognises the importance of your privacy and abides by the Australian Privacy Principles (“**APP**”) contained in the Privacy Act 1988 (Cth). We have in place policies and procedures to ensure we remain compliant. By using our services, you consent to us disclosing any of your personal information, as defined in the Privacy Act 1988, in accordance with the terms set out in the CurrencyFair Privacy Policy and Terms & Conditions, which forms part of the application process for the products included in this PDS. The information you provide at registration or in subsequent communication to CurrencyFair and any other information provided by you in connection with your account will primarily be used for the processing of your account application and for complying with certain laws and regulations.

We may use this information to send you details of other services or provide you with information that we believe may be of interest to you. Full details of our Privacy Policy are available from our website [www.currencyfair.com](http://www.currencyfair.com).

We will retain information obtained from you as long as required by our regulatory obligations. This includes information required in order for us to comply with applicable laws and regulations for the prevention of money-laundering and counter-terrorism financing.

Where, we request documentation from you, we urge you to use the secure upload on the website that allows you to send this information via an encrypted communication channel.

The law allows you (subject to permitted exceptions) to access your personal information. You can do this by contacting us using our contact details set out in this PDS.

Where necessary, CurrencyFair will correct personal information where that information is found to be inaccurate, incomplete or out of date. We will not charge an individual for reasonable access and correction requests.

## 9 AML/CTF

By accepting our Terms & Conditions at registration you undertake that activity related to your CurrencyFair Account is in no way associated with unlawful or illegal activity. CurrencyFair is compliant with the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth.)* and associated laws. By registering with CurrencyFair you undertake to notify us of anything that may put us in breach of this legislation and associated regulations.

You must supply personal details to us and where necessary documentation to assist us in verifying your identity. This may also be necessary for additional authorised signatories and directors and beneficial owners of corporate entities. From time to time we may be required to obtain further information to assist with ongoing obligations.

We may be required to provide the relevant authorities with information we have collected from you or any transaction records we hold. We will be unable to notify you of any such requests. We may also be required to suspend or cancel your accounts or delay the processing of transactions or payment requests.

## 10 Tax implications

### 10.1 General

We recommend that you seek independent taxation advice before entering into a foreign exchange transaction. Tax implications may arise from any transaction or transfer of funds you enter into with us. Tax rules change from time to time and individual circumstances are different. When determining whether or not this product is suitable for you, you should consider the impact it will have on your own taxation position and seek professional advice on the tax implications it may have for you.

## 10.2 Goods and services tax

The Goods and Services Tax (“GST”) is not payable on any fees or charges associated with your transactions but where necessary please seek independent taxation advice from a taxation professional.

## 11 Disclosure of interest

When CurrencyFair enters into a transaction or provides services to you, CurrencyFair, an affiliate of CurrencyFair, or any other connected person that may have an interest, relationship or an arrangement that could be material in relation to the transaction or service concerned.

This interest may include having a position in the instruments and currencies that may be the same, similar or opposite to the position you may hold and providing similar services to other counterparties. Whenever it is considered appropriate to buy and/or sell these instruments, take differing positions or provide these services to other counterparties, this may be carried out.

## 12 Dispute resolution

### 12.1 Internal resolution

CurrencyFair has an internal dispute resolution process that aims to resolve any complaints within 5 business days. Complaints should be directed to [support@currencyfair.com](mailto:support@currencyfair.com) or by phoning our offices. We will advise you of the process and hopefully reach a quick and satisfactory solution.

### 12.2 External resolution

CurrencyFair is a member of an independent dispute resolution scheme the Australian Financial Complaints Authority (“AFCA”). If a dispute cannot be resolved by our internal complaints procedure, you are dissatisfied with the outcome of our internal dispute resolution or if we fail to resolve the complaint within the 40 day period, you can direct the complaint to AFCA.

You can contact AFCA at:

Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001, Australia.

Telephone: 1800 931 678

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

CurrencyFair’s AFCA membership number is 25795.

You can also obtain information about your rights and complain directly to ASIC via their info line on 1300 300 630.



[currencyfair.com](http://currencyfair.com)