OMF Markets

Deliverable FX
Product Disclosure Statement

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Contents

Product Disclosure Statement – Deliverable FX

Issued by OMF Australia Pty Ltd ACN 608 611 687 AFSL Number 485351

PDS dated 12 July 2016

Important Information and Disclaimer

The information in the Product Disclosure Statement **(PDS)** is provided by OMF Australia Pty Ltd ACN 608 611 687 (**OMF Australia**, **we** or **us**). We hold an Australian Financial Services Licence (AFSL) Number **485351**.

The PDS has been prepared to assist you to decide whether Deliverable FX is appropriate for you. It does not take into account your financial objectives, situation or particular needs. This PDS does not contain any financial advice. It is not a recommendation or statement of opinion about the suitability of Deliverable FX for your needs. OMF Australia recommends that you seek independent advice prior to entering into a Deliverable FX contract with us to ensure that the product is suitable for your financial needs and objectives.

This PDS is not required to be lodged with ASIC. This PDS is intended for use by Australian clients. It is not intended to be an inducement for persons outside Australia to deal with OMF Australia.

If you decide to enter into a Deliverable FX Contract with OMF Australia, you will also be required to sign the OMF Australia FX Master Agreement. This document contains the terms and conditions under which you transact with OMF Australia. You should keep this PDS, the Master FX Agreement and all other documentation relating to your transaction for future reference.

Deliverable FX contracts are traded over the counter ("OTC") between you and OMF rather than through a recognised exchange therefore, OMF Australia is the counterparty to each transaction.

Warning

All foreign exchange products are subject to investment risk, including spot and forward deliverable foreign exchange contracts.

Risk arising from issuer's credit worthiness: When you enter into spot and forward deliverable foreign exchange contracts with OMF Australia, you are exposed to a risk that OMF Australia cannot make payments as required. Credit risk is the risk that we will be unable to perform our contractual obligations to you (i.e. pay the beneficiary account the agreed amount at the agreed time). Money paid by you to us in settlement of a deliverable foreign exchange contact is not held in a separate account or on trust for you. While OMF Australia is required to meet financial requirements under its AFS licence and has implemented market and credit risk controls, you will be assuming a risk that we may become insolvent or unable to meet our obligations to you in a timely manner.

Spot foreign exchange rate risk: Entering into a spot foreign exchange transaction locks in an exchange rate at that point in time. As exchange rates fluctuate, the rate may improve after you have locked in a rate or another provider may offer a slightly better rate at any particular point in time.

Forward foreign exchange rate risk: Entering into a forward foreign exchange transaction locks in an exchange rate at that point in time and you must settle at that rate. This precludes you from making financial gains if the exchange rate improves before the settlement date. Should you need to close out the contract early (e.g. if you no longer require to make a payment), you may suffer a loss if the exchange rate has moved unfavourably.

You may be required to make Initial Risk Deposit or one or more Additional Risk Deposits for Forward Contracts: When you enter into a Forward Contract, you may be required to make initial Risk Deposit before you enter into the transaction. Generally, the amount of the Initial

Risk Deposit is 3 – 5% of the amount of the currency that you will be required to pay on the settlement date of the transaction. Throughout the term of the Forward Contract, you may also be required to make further Additional Risk Deposits at any time before Settlement Date. The amount of these Additional Risk Deposits will be determined by OMF Australia, acting reasonably. If you are unable to pay any Additional Risk Deposits on time, we may close out the transaction and any other transaction that you have open with OMF Australia without notice.

You must ensure that your trading account contains sufficient funds to cover any Additional Risk Deposits at any time you hold an open Forward Contract. You must not enter into a Forward Contract if you are unable or unwilling to meet all Additional Risk Deposits at any time.

Your Market Order may not be filled: OMF Australia will use its best endeavours to fill all Market Orders but does not guarantee that a Market Order will be filled. It is your responsibility to ensure you have adequate protection from movements in the exchange rate if your Market Order is not filled by OMF Australia.

Delay in receiving funds: Delays may happen due to technical or administrative problems by us or by intermediaries for reasons that are outside our control.

The risks set out in the Risk Warning may change from time to time. Please refer to our latest Product Disclosure Statement and Risk Warning available on our website www.omfmarkets.com

All examples used in this PDS are provided for illustrative purposes only. They are an example of one situation only and do not reflect the specific circumstances or the obligations that may arise under a derivative entered into by you.

If you have any questions you should ask before you enter into a Deliverable FX Contract.

1. The Purpose of this PDS

This PDS sets out the following important information:

1. The Purpose of this PDS (this section)
2. Who is OMF Australia?
3. Key Features of Deliverable FX
4. Benefits of Deliverable FX Contracts
5. Risks associated with Deliverable FX Contracts
6. Applicable Fees and Charges associated with a Deliverable FX Contract
7. How can you enter into a Deliverable FX Contract with OMF Australia
8. Taxation
9. Privacy
10. Anti-Money Laundering & Counter-Terrorism Financing
11. What to do if you have a complaint

This PDS does not constitute an offer to enter into a financial product with any person. It is a disclosure document that we are required to provide you under Australian law and is intended to assist you to determine whether entering into a Deliverable FX contract with OMF Australia is appropriate for your financial circumstances and particular needs.

2. Who is OMF Australia?

This PDS sets out information on the FX Option Contracts made available to clients of OMF Australia Pty Ltd ACN 608 611 687 **(OMF Australia)**.

OMF Australia holds an Australian Financial Services Licence number 485251 (**AFSL** Under our AFSL, OMF Australia is authorised to provide the following financial services to 'retail' and 'wholesale' clients:

Financial product advice (both general advice and personal advice) on:

— Deposit and payment products limited to:

— Basic deposit products;

— Non-basic deposit products; and

— Non-cash payment products;

— Foreign exchange contracts;

— Derivatives;

— Australian carbon credit units;

— Eligible international emission units;

Dealing in financial products by:

— issuing, varying or disposing of

— Derivatives; and

— Foreign exchange contracts;

Applying for, acquiring, varying or disposing of the following financial products on behalf of another:

— Deposit and payment products limited to:

— Basic deposit products;

— Non-basic deposit products; and

— Non-cash payment products.

— Foreign exchange contracts.

— Derivatives

— Australian carbon credit units;

— Eligible international emission units

Making a market for:

— Foreign exchange contracts.

— Derivatives

If you have any questions, you can contact us at the following:

Ph: +61 2 8317 3131

Email: info@omfmarkets.com

Mail: OMF Markets

Suite 401, 45 Lime St,

Sydney 2000

3. Key Features of Deliverable FX

What is a Deliverable FX Contract?

Before using any of our products, it's important you understand what is involved in a foreign exchange or FX transaction.

Foreign exchange or FX is a term to describe the trading of currencies where one person buys a currency in exchange for another currency. Quotes for FX are for a pair of currencies for example, AUD/USD (one being the currency you have and the other being the currency you want) (**Currency Pair**). By exchanging currencies in this matter, you can protect or manage your risk when you have obligations expressed in a different currency – for example, if you have agreed to purchase something from overseas in the currency of the seller. This makes FX transactions of particular use to importers, exporters and those who have foreign currency liabilities or exposures. More details of the potential benefits of FX transactions are set out below in this PDS.

Exchange rates may be quoted in different ways, including as a "Spot Exchange Rate" or as a "Forward Exchange Rate". The rate (and type of product) depends on the period between entry into the FX transaction and when the FX transaction is due to settle.

A **Spot Exchange Rate** applies to a FX transaction with a settlement date that is 2 business days after the date of entry into the FX transaction by you (**Transaction Date**). This type of FX transaction is referred to as a **Spot** in this PDS.

A **Forward Exchange Rate** applies to a FX transaction with a settlement date that is more than 2 business days and up to 12 months after the Transaction Date. This type of FX transaction is referred to as a **Forward** in this PDS. A Forward gives you the opportunity to specify a settlement period (not just specific date for settlement) during which exchange of the currencies can occur at the agreed Forward Exchange Rate.

FX transactions are available for most currencies. Details of exchange rates for Spot and Forward as well as the Currency Pairs offered by us are available on request.

How are Exchange Rates quoted?

As noted above, the Exchange Rate is the price of one currency in terms of another currency.

Exchange rates are expressed in currency pairs; the base currency (the currency you have) and the terms currency (the currency you want) and the rate at which you are prepared to sell the base currency for the terms currency.

You should be aware that there are a number of additional costs incurred when you enter into or close out a Deliverable FX Contract.

Spot Contracts

You can lock in an exchange for a FX transaction immediately (a **Spot Contract**). You'll then have 2 business days to pay the amount required – and we'll send the funds immediately once you pay them.

We'll determine the exchange rate for a Spot Contract taking into account the exchange rate for settlement of the Spot Contract when entered into to (the **Spot Rate**), the difference between the rate we can obtain on the wholesale money market and the rate we will quote you (the **Margin**), a volatility factor, the transaction amount as well as an allowance for our costs, both fixed and variable.

Example

You're in the business of importing food products from overseas, and you need to make a payment of USD700,000 to an American customer in 2 business days. As you don't have any USD, you'll need to sell AUD and buy USD to make this payment. You'd also like to fix the exchange rate at a certain point when you make this payment, so you decide to enter into a Spot transaction with us today to fix a spot exchange rate where you buy USD700,000 and sell AUD in 2 business days. We then quote you a spot exchange rate of AUD/USD 1.04; if you accept this quote, a Spot transaction is entered into between us, and the amount of AUD you'll need to pay us is calculated by dividing the USD amount by the current AUD/USD spot exchange rate. The calculation would look like the following:

USD700,000 ÷ AUD/USD 1.04 = AUD673,077

So, on the settlement date you'll need to pay us AUD673,077 in order to buy USD700,000 from us.

Forward Contracts

Forward exchange rate

You can also lock in an exchange for a FX transaction to settlement at a specific date or period in the future which is more than 2 business days after the date they are entered into (a Forward Contract). A **Forward Contract** involves the forward foreign exchange market, and we calculate the forward exchange rate for such a contract by adjusting the prevailing Spot Exchange Rate for the selected currency by a Margin (either positive or negative) depending on the currency in question. We'll determine the resulting forward exchange rate it quotes to you based on the following factors: this Margin (these may be an addition to or subtraction from the market spot exchange rate), the relevant Spot Rate, a volatility factor, the transaction amount; and an allowance for our costs, both fixed and variable.

Example

Your food importing business is booming, and you need to order a large shipment of stock, but you don't need to pay for it until it arrives in Australia in 6 months' time. However, you're concerned with movements in exchange rates, and wish to enter into a forward contract to sell AUD1,000,000 and buy USD with a settlement date of 6 months from the deal date. The spot exchange rate for AUD/ USD quoted by us is 0.9085 and based on the interest rate differentials for AUD/USD for 6 months, the forward Margin is -0.0085. The forward Margin is subtracted to the quoted spot exchange rate, meaning that the forward exchange rate for AUD/USD is (0.9085 - 0.0085) = 0.9000. The calculation would look like the following:

USD1,000,000 ÷ AUD/USD 0.9000 = AUD1,111,112

As such, 6 months later, you'd be required to sell AUD 1,111,112 and buy USD1,000,000.

Initial Risk Deposit

If you wish to enter into a Forward contract with OMF Australia, we may require you to deposit a percentage of the amount that you will be required to pay on the settlement date of the transaction in your trading account. This amount is called the Initial Risk Deposit. It must be retained in your trading account with OMF Australia while the Forward Contract remains open. The purpose of the Initial Risk Deposit is to manage settlement risk. When you enter into a transaction with us, we enter into a matching transaction with our own providers to manage market risk. If you do not settle your transaction, we still have to settle ours.

OMF Australia will advise you of the amount of Initial Risk Deposit required for each Forward Contract when you enter into the Forward Contract Generally the Initial Risk Deposit will be between 3 – 5% of the amount of the currency that you will be obliged to pay on the settlement date of the transaction.

Example

You need USD 75,000 to pay an invoice in 3 months time. OMF Australia quotes you a forward exchange rate of AUD/USD 0.7500 and an Initial Risk Deposit of 3%. You will be required to pay OMF Australia AUD 100,000 on Settlement Date and therefore you must ensure your AUD trading account is funded with AUD 3,000, being the required amount of the Initial Risk Deposit, at the time the transaction is entered into.

Additional Risk Deposit

The Additional Risk Deposit is the additional amounts that OMF Australia may require you to deposit into your trading account throughout the period in which a Forward Contract remains open. It is calculated by OMF Australia, acting reasonably, based on changes in the market price of the underlying currencies of the Forward Contract prior to Settlement Date.

If the market moves against you, OMF Australia may require you to transfer an Additional Risk Deposit to your trading account. The amount of the Additional Risk Deposit will be determined by OMF Australia, acting reasonably as an additional percentage of the currency that you will be required to pay on the settlement date of the transaction.

You must ensure that the amount of any Additional Risk Deposit must be transferred to your trading account in cleared funds within 48 hours of request from OMF Australia. **If you fail to deposit the amount of any Additional Risk Deposit to your trading account, OMF Australia close out the Forward Contract and any other transactions that you hold with us without notice and ask you to pay any losses incurred by us immediately.**

However, if the market moves in your favour, Australia may not require you to continue to hold the amount of all previously requested Additional Risk Deposits in your trading account. As a result you may be permitted to withdraw some or all of any Additional Risk Deposits made, however, for the period during which your Forward Contract remains open, you must maintain at least the amount of the Initial Risk Deposit in your trading account.

Requests for Additional Risk Deposits can be made by OMF Australia any time during a Business Day. You may be contacted by OMF Australia by telephone, text or email to the contact details provided by you. If you enter into a Forward Contract with us, you must ensure that you are contactable by OMF Australia at all times. If you are not contactable by OMF Australia, we may close out your Forward Contract and any other open transaction you hold with OMF Australia. You will be required to pay any losses incurred by OMF Australia as a result of us closing out some or all of your positions.

It is your responsibility to ensure that your trading account contains sufficient cleared funds to satisfy any request for an Additional Risk Deposit made by OMF Australia. You should not enter into a Forward Contract if you are unable or unwilling to provide Additional Risk Deposits at any time.

Example:

Day 1

You need USD 75,000 to pay an invoice in 3 months time. OMF Australia quotes you a forward exchange rate of AUD/USD 0.7500 and an Initial Risk Deposit of 3%.

Prior to you entering into the Forward Contract you must ensure that your trading account has a balance of AUD 3,000 (being the amount of the Initial Risk Deposit).

Day 2

The following day (Day 2), the market price has dropped to AUD/USD 0.7300. OMF Australia, acting reasonably, determines that you will be required to deposit an Additional Risk Deposit of AUD 2,000.

You must ensure the amount of the Additional Risk Deposit is deposited to your trading account within 48 hours.

Day 3

On Day 3, the market has rallied and the AUD/USD is now 0.7800. OMF Australia advises you that you are now only required to hold Additional Risk Deposit of AUD 1,000. Therefore, you may withdraw AUD 1,000 from your trading account if you wish – however an additional Risk Deposit of AUD 1,000 plus the Initial Risk Deposit of AUD 3,000 must be held in your AUD trading account for the term of the Forward Contract.

Market Orders

You may also place a Market Order with us. A Market Order is an offer by you to enter into a Spot Contract or a Forward Contract with OMF Australia if the exchange rate hits a pre-determined level specified by you, called the Target Rate.

If the market reaches the Target Rate, OMF Australia will attempt to enter into a transaction in the market that will enable it to accept your Market Order. If OMF Australia is successful in entering into such a transaction, it will accept your Market Order and you will be obliged to enter into a Spot Contract or Forward Contract at the Target Rate and on the terms set out in the Market Order Confirmation.

OMF Australia will use its best endeavours to fill all Market Orders but makes not guarantee that a Market Order will filled. **If you have placed a Market Order it is your responsibility to ensure that you have adequate protection from movements in the exchange rate if your Market Order is not filled by OMF Australia.** Although your Target Rate for a Market Order may be reached in the market, market conditions may prevent OMF Australia from accepting your Market Order and entering into a Spot Contract or a Forward Contract with you at the Target Rate.

You may cancel a Market Order by telephoning OMF Australia during all Business Hours before:

— the Target Rate is reached; and

— OMF Australia successfully enters into an appropriate hedge with its trading counterparty.

You may cancel a Market Order by telephoning OMF Australia's night desk after Business Hours before:

— the Target Rate is reached; and

— OMF Australia successfully enters into an appropriate hedge with its trading counterparty.

4. Benefits of Deliverable FX Contracts

Protection from adverse fluctuations

The exchange rates of major Currency Pairs change all the time, creating an unpredictable environment for businesses exposed to foreign currency. Investors, importers, exporters and persons with foreign currency exposure often need to exchange foreign currency at some future date. An FX transaction can eliminate the risk of unfavourable FX movements by allowing you to 'lock in' the rate you will pay at the future date.

Cash Flow

By knowing exactly how much you have to pay at a future date to settle an FX transaction, it may assist you in managing your cash flow and budgeting for expenses.

Online Access

By using our system, you have access to FX transactions 24 hours a day, seven days a week.

Flexibility

It is possible to tailor an FX transaction for the particular situation you want.

5. Risks Associated with Deliverable FX Contracts

This section outlines the material risks in dealing in Deliverable FX Contracts. You should therefore consider these risks very carefully to decide whether Deliverable FX Contracts are suited to your personal circumstances and particular needs.

Risk arising from issuer's credit worthiness

When you enter into spot and forward deliverable foreign exchange contracts with OMF Australia, you are exposed to a risk that OMF Australia cannot make payments as required. Credit risk is the risk that we will be unable to perform our contractual obligations to you (i.e. pay the beneficiary account the agreed amount at the agreed time). Money paid by you to us in settlement of a deliverable foreign exchange contact is not held in a separate account or on trust for you. While OMF Australia is required to meet financial requirements under its AFS licence and has implemented market and credit risk controls, you will be assuming a risk that we may become insolvent or unable to meet our obligations to you in a timely manner.

Spot foreign exchange rate risk

Entering into a spot foreign exchange transaction locks in an exchange rate at that point in time. As exchange rates fluctuate, the rate may improve after you have locked in a rate or another provider may offer a slightly better rate at any particular point in time.

Forward foreign exchange rate risk

Entering into a forward foreign exchange transaction locks in an exchange rate at that point in time and you must settle at that rate. This precludes you from making financial gains if the exchange rate improves before the settlement date. Should you need to close out the contract early (e.g. if you no longer require to make a payment), you may suffer a loss if the exchange rate has moved unfavourably. A deposit of 3% of the value of the transaction is required when you enter into the transaction. If you are unable to pay the deposit on time, we may close out the transaction. We do not pay interest on your deposit.

Delay in receiving funds:

Delays may happen due to technical or administrative problems by us or by intermediaries for reasons that are outside our control.

Operational Risk

Risks in relation to our trading platforms are inherent in every FX contract. For example, disruptions in our operational processes such as communications, computers, computer networks, software errors and bug or external events may lead to delays in execution and settlement of transactions. In the event that a disruption occurs, you may be unable to trade in an FX product offered by us and you may suffer a financial loss or opportunity to close a position.

No Cooling Off

There is no "cooling off" period for FX Transactions. That is, you can't change your mind after you've entered into an FX transaction (unless we allow otherwise).

Early Termination and Extensions

If an FX contract is terminated before the Settlement Date, there may be costs payable by you. Further, there may be costs associated with extending the settlement date of an FX Contract.

Legal risk

Australia is a member state of the United Nations and must implement United Nations Security Council sanctions; it may also implement other international sanctions and impose sanctions of its own. Sanctions can cover various subject matters including financial restrictions, which may have the consequence of meaning we can't deal with certain persons, entities or currencies. This means that if we become aware that you are such a person or entity, then we may be required to suspend, cancel or refuse you services or close or terminate any account, facility, transaction, arrangement or agreement with you. This may be at a significant cost to you.

6. Applicable Fees and Charges Associated with a Deliverable FX Contract

This section sets out the fees and charges that OMF Australia may charge on Deliverable FX Contracts. For Spot Contracts, we don't charge any direct fees for a FX transaction. However, we'll derive a financial benefit in respect of the FX transaction by incorporating the Margin into the relevant exchange rate we quote you.

For Forward Contracts, we'll also derive a financial benefit in respect of the FX transaction by incorporating the Margin into the relevant exchange rate we quote you.

We may also charge you foreign currency telegraphic transfer fees at our discretion. The maximum fees are disclosed in the Financial Services Guide.

Remember that your FX transaction may be subject to government taxes and duties (if any). These may vary from location to location.

Interest on funds held in your trading account

Clients receive interest on accounts that have a credit balance. Typically the interest rate for accounts in credit will be a maximum of 2.0% below OMF Australia's base rate. OMF Australia's base rate is based the Official Cash Rates ("OCR") of each country for the currency in which the trading account is denominated and are subject to change at any time.

You may hold funds in your trading account in Australian dollars (AUD), US dollars (USD) and New Zealand dollars (NZD).

WARNING: For the purposes of calculating interest, each account will be treated as a separate account.

If the official cash rate for the applicable currency is more than 2% per annum, OMF Australia pays interest on the credit balance of the AUD, USD and NZD funds held in your trading account at 2% per annum below the official cash rate for the applicable currency.

The Australia official cash rate is published by the Reserve Bank of Australia on its website www.rba.gov.au.

The US official cash rate is published by the Board of Governors of the Federal Reserve System on its website www.federal reserve.gov and the NZ official cash rate is published by the Reserve Bank of New on its website www.rbnz.govt.nz

You can find out the interest rate paid on funds held in your OMF Australia trading account at any time by contacting us info@omfmarkets.com.

Interest is calculated daily on the credit balance in your OMF Australia trading account at the daily interest rate (ie the annual percentage rate divided by 365 for AUD and NZD and the annual percentage rate divided by 360 days for USD) and is credited to your OMF Australia trading account on the first business day of the following month.

If you do not provide us with your tax file number, withholding tax will be deducted from any interest earned.

7. How to Enter into a Deliverable FX Contract with OMF Australia

If you'd like to enter into an FX transaction with us, you'll first need to apply to be a client of OMF Australia (see below) and enter into a Master FX Agreement with us.

Once you are a client of OMF Australia, you can place orders by contacting the OMF Australia dealing desk during business hours or online (using our OMFx24 trading platform) available 24 hours 7 days a week. Just remember that we can only place your orders while the marks are open (usually from 7.30am Monday morning until the close of markets on Saturday morning).

Unless you are placing a Market Order (see section 3.5 of this PDS), an order for a Spot Contract or a Forward Contract would proceed along the following lines:

a. Via our trading platform, you'd request an exchange rate for two currencies for a specified amount, to settle on a specific date or period.

b. If we offer you a Spot Exchange Rate or a Forward Exchange Rate in response to your request, and you agree to it, then an FX transaction has been entered into between you and us at that time (being the Transaction Date).

c. We'll then send you a document or email setting out the details of the transaction entered into (this is confirmation of the FX transaction already entered into). You must check the details on the confirmation and if any discrepancies are evident, inform us immediately.

For Market Orders, orders can only be placed by telephoning us.

a. You can telephone us to set a Market Order by specifying the Target Rate, the two currencies, the specified amount, the expiry date of the Market Order and the settlement date of the FX transaction should the Market Order be filled (ie whether the Market Order is for a Spot Contract or for a Forward Contract).

b. We'll then send you a document or email setting out the details of the Market Order you have placed with us (this is a confirmation of terms of the Market Order – it is not a confirmation that an FX transaction has been entered into). You must check the details on the confirmation and if any discrepancies are evident, inform us immediately.

c. If the Target Rate is reached and OMF Australia accepts your Market Order before its expiry date, an FX transaction on the terms set out in the Market Order confirmation will be entered into between you and OMF Australia. We'll then send you a document or email setting out the details of the transaction entered into (this is confirmation of the FX transaction already entered into). You must check the details on the confirmation and if any discrepancies are evident, inform us immediately.

Opening an Account with OMF Australia

If you wish to open a trading account with OMF Australia, you must:

— Read and agree to OMF Australia's Master FX Agreement;

— Complete the OMF Australia FX Deliverable Client Application Form; and

— Return the OMF Australia Client Application Form to us with the relevant required documentation

The documents above are available on OMF Australia's website at www.omfmarkets.com or upon request at +61 2 8317 3131.

OMF Australia reserves the right to request further documentation, where necessary.

OMF Australia is under no obligation to accept your application to open an account.

How do I enter into a Spot Contract or Forward Contract (other than a Market Order)?

You can enter into Deliverable FX Contracts by:

— Using our OMFx24 system (24 hours a day / 7 days a week); or

— Contacting the OMF Australia Trading desk during Business Hours.

OMFx24 system provides you with access to our live quotes 24 hours a day / 7 days a week via your secure login accessed from our webpage.

Before using the OMFx24 system you should view the 'demo account' demonstration to enable you to become familiar with the system.

The operation of the OMFx24 system has been outsourced to OM Financial Limited (www.omf.co.nz) and OM Financial Limited relies on a third party provider to regularly update and maintain the performance of OMFx24 system.

For Spot Contracts, we will provide you with settlement instructions on the confirmation of the contract.

For Forward Contracts, you may be required to hold an amount equal to the Initial Risk Deposit in your trading account before OMF Australia will agree to enter into the transaction with you. Details of how the Initial Risk Deposit are calculated are set out in clause 3.4.2 of this PDS. In addition, throughout the period during which you hold an open Forward Contract, you may be required to deposit one or more Additional Risk Deposits into your trading account as set out in clause 3.4.3 of this PDS. On settlement date, you must pay the full amount of the sold currency as set out in the confirmation notice. We will provide you with settlement instructions final settlement of the transaction in the confirmation notice for the contract.

How do I place a Market Order?

You can enter into Market Orders by telephoning us during Business Hours.

If your Market Order is a Market Order to enter into a Spot Contract, if your Market Order is filled and OMF Australia enters into a Spot Contract with you, we will provide you with settlement instructions on the confirmation provided at the time we enter into the Spot Contract with you.

If your Market Order is a Market Order for a Forward Contracts, you may be required to hold an amount equal to the Initial Risk Deposit in your trading account before OMF Australia will agree to enter into the Market Order with you. Details of how the Initial Risk Deposit are calculated are set out in clause 3.4.2 of this PDS. In addition, if your Market Order is filled by OMF Australia and OMF Australia enters into a Forward Contract with you, throughout the period during which you hold the open Forward Contract, you may be required to deposit one or more Additional Risk Deposits into your trading account as set out in clause 3.4.3 of this PDS. On settlement date, you must pay the full amount of the sold currency as set out in the confirmation notice. OMF Australia will provide you with settlement instructions final settlement of the transaction in the confirmation notice when the Forward Contract is entered into with you.

Settling FX transactions with us

Once you have accepted a quote in respect of an FX transaction and enter into an FX contract with us, you are obliged to honour your obligations under that FX contract. Unless the FX documentation says otherwise, you'll need to ensure that you have sufficient cleared funds in the sold currency accessible to us on the settlement date to allow the FX transaction to occur.

Termination

A FX transaction may be terminated before the settlement date either by agreement between you and us or as set out in the FX documentation.

Usually, at termination, we'll calculate the mark-to- market value using prevailing market rates chosen by the Bank in good faith. We'll quote to you the exchange rate for a transaction that would terminate your obligation to make delivery under your original FX Transaction. Depending on how the exchange rate has fluctuated, this second transaction may result in you being required to make a further payment to us.

8. Taxation

It's very important to remember that entering into Deliverable FX Contracts may have tax implications. These can be complex and are invariably specific to your circumstances and you should discuss any taxation issues with your tax adviser before entering into Deliverable FX Contracts with OMF Australia.

9. Privacy

The protection of your personal information is important to us. Any personal information collected will be handled in accordance with our Privacy Policy.

To provide you with our services, we maintain a record of the information you provide to us, including your personal profile, and details of your objectives, financial situation and needs. We also maintain records of any recommendations made to you (including recording your phone calls with us).

Our Privacy Policy details how we comply with the requirements of the Privacy Act in the handling of your personal information. A copy of that policy can be obtained by visiting our website at www.omfmarkets.com. If you would like a copy of the information we hold about you, please contact your adviser. We may charge you a nominal cost for accessing and/or photocopying personal information that you request.

10. Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF)

Under anti-money laundering and counter-terrorism financing legislation we must be sure of your identity and hold certain information about you. So that we can comply with the law, you agree that we may:

- require you to provide to us, or otherwise obtain, any additional documentation or other information;
- suspend, block or delay transactions on your account, or refuse to provide services to you if we suspect that any transaction may breach any law in Australia or another country; and
- report any, or any proposed, transaction or activity to any body authorised to accept such reports relating to anti-money laundering and counterterrorism financing or any other law.

11. What if You have a Complaint?

If you have a concern about the service received from us, please contact us by writing to:

Compliance Officer
OMF Australia Pty Ltd
Suite 401, 45 Lime St,
Sydney 2000

You can also contact us by emailing info@omfmarkets.com or telephoning our Compliance Officer on +61 2 8317 3131.

Following receipt of your concern, the Compliance Officer will acknowledge receipt of it in writing and provide an estimate of the time it will take to investigate the circumstances. The Compliance Officer will then investigate your concerns and contact you if further information is required. Following such investigation, the Compliance Officer will provide you with a written response.

If we are unable to resolve your concerns to your satisfaction, you may choose to lodge a complaint with Financial Ombudsman Service (FOS). The contact details for FOS are:

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001
Ph: 1300 367 287
Fax: (03) 9613 6399
Website: fos.org.au
Email info@fos.org.au

FOS will investigate the complaint and make a determination. This is a free service for you.

Trust, Expertise & Passion

OMF Markets

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