

KVB Global Markets Pty Ltd

Foreign Exchange  
Product Disclosure Statement (PDS)

And

Financial Services Guide (FSG)

Issue Date 10<sup>th</sup> October 2016



## Contents

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### PRODUCT DISCLOSURE STATEMENT

Product Provider Contact Details .....	3
Introduction to Foreign Exchange Products & Transactions .....	3
How is the foreign exchange rate calculated? .....	3
Foreign Exchange Spot Transactions .....	4
Forward Foreign Exchange Contracts .....	4
Margins .....	4
Costs of foreign exchange transactions .....	5
Foreign Exchange Master Agreement .....	5
Order types .....	6
Settling foreign exchange products .....	6
Pre-deliveries and rollovers .....	6
Close out of foreign exchange products .....	6
By Agreement with KVB Global Markets Pty Ltd .....	6
How your orders get executed .....	7
Significant benefits of foreign exchange products .....	7
Protect an Exchange Rate .....	7
Provide cash flow certainty .....	7
Significant risks .....	7
Market volatility .....	8
Additional Margin payments .....	8
Opportunity cost .....	8
Counterparty Risk .....	8
Systems Risk .....	8
Taxation implications .....	8
Cooling Off .....	8
Ethical Considerations .....	8
Anti-Money Laundering and Counter-Terrorism Financing .....	8
What if I have a complaint? .....	9
Currency of this PDS .....	9
FINANCIAL SERVICES GUIDE .....	10
About KVB Global Markets Pty Ltd .....	10
Our Services .....	10
Contact Persons .....	10
Receiving money and property .....	10
Money and property held on trust .....	11
Pecuniary Interests .....	11
What is general advice? .....	11
What is personal advice? .....	11
What are the KVB GLOBAL MARKETS charges? .....	11
Who is involved in providing financial services to me? .....	11
Privacy .....	11
Records .....	12
Is there anyone to whom I can complain if I have problems? .....	12

## Introduction to Foreign Exchange Products & Transactions

This Product Disclosure Statement (“PDS”) is an important document and is designed to provide you with sufficient information in deciding whether to acquire the financial products set out in this PDS. Please note that the information contained in this PDS does not take into account your personal objectives, financial situation and needs. It does not constitute a recommendation, advice or opinion. Before entering into a foreign exchange transaction, you should obtain independent advice to ascertain whether it is appropriate for your particular financial objectives, needs and circumstances. We recommend that you take all reasonable steps to fully understand the outcomes of specific foreign exchange trades and strategies adopted in relation to utilising the products provided by us. Independent taxation and accounting advice should also be sought in relation to the impact of foreign exchange gains and losses on your particular financial situation. If you do not understand any part of this PDS, please contact us by telephone.

A foreign exchange transaction is an agreement between two parties, which is not transferable to another party or entity, to exchange one currency for another currency at an agreed exchange rate on a predetermined date (being the ‘value date’), which can be the same day or a future date in time.

The buying and selling of foreign currencies should be undertaken for a specific sale or purchase and not for speculative purposes.

The rate of exchange used in the transaction is the price of one currency (the base currency) in terms of another (the other currency), such as the price of the Australian dollar in terms of the US dollar.

For example the exchange rate AUD/USD 0.85 means one Australian dollar is equal to, or can be exchanged for 85 US cents.

### Product Provider Contact Details

Products referred to in this PDS, and additional information on services that KVB Global Markets Pty Ltd provide, are available from:

**KVB Global Markets Pty Ltd**  
**Level 18 Citigroup Centre**  
**2 Park Street**  
**Sydney, NSW 2000**  
**Australia**

**Telephone +61 2 8263 0188**  
**Fax +61 2 8263 0189**

**KVB Global Markets Pty Ltd**  
**Level 38, 120 Collins Street**  
**Melbourne, VIC 3000**  
**Australia**

**Telephone +61 3 9660 1888**  
**Fax +61 3 9660 1889**

**Principal contact:** Business Development Manager

**Website:** [www.kvbgc.com](http://www.kvbgc.com)

**AFSL No. 334293**  
**ACN 132 903 514**

Foreign exchange transactions are available in all major currencies.

KVB Global Markets Pty Ltd specialises in providing foreign currency services to both corporate and individual clients who have a requirement to buy or sell foreign currency for a commercial purpose or take physical delivery of the currency they have purchased as part of their day-to-day business activities, thereby needing to settle foreign invoices (payments) and convert foreign receipts.

KVB Global Markets Pty Ltd offers its clients the facility to buy or sell foreign currency at market prices using same day, spot and forward contracts. These facilities enable clients to protect themselves against any adverse currency movements.

### How is the foreign exchange rate calculated?

KVB Global Markets Pty Ltd cannot predict future exchange rates. Our rate quotations are not a forecast of where we believe foreign exchange rates will be at a future date. We calculate foreign exchange rates taking into consideration the current wholesale (inter bank) “spot” exchange rates and the value and currency that you wish to buy or sell.

The decision to transact at a particular rate will always be your decision.

### Foreign Exchange Spot Transactions

A foreign exchange spot transaction has a value / settlement date of two business days from the transaction date. That means that the currency that you have sold must be received into the KVB Global Markets Pty Ltd nominated client bank account within two days of the transaction date, and the currency that you have bought will be payable to your nominated bank account two business days after the transaction date. The exchange rate quoted will be the current inter-bank spot rate plus our profit margin. The profit margin will vary depending on the value of the transaction and currency.

### Forward Foreign Exchange Contracts

An individual or corporate may have a requirement to exchange currencies at some time in the future, but would like to know now what the exchange rate will be at the time the two currencies need to be exchanged. This will eliminate the risk and uncertainty associated with adverse currency movements. Forward foreign exchange contracts are generally used by exporters and importers who are looking to lock into an exchange rate in order to hedge their future foreign currency cash flows. Contracts can be written for a period of 3 business days up to a maximum period of 6 months.

For example, an importer purchasing 100 units at a price of USD 1,000 per unit in 3 months time, could enter into a forward foreign exchange transaction today against their local currency, and agree an exchange rate that will be applicable in 3 months time. Some call this a “Buy now pay later” scenario, as opposed to a spot transaction which could be considered to be a “Buy now pay now” scenario.

A forward foreign exchange contract will provide the importer with contractual and budgeting certainty, as they will know how much they will need to pay in their local currency on the settlement date in 3 months time, irrespective of any adverse movements in the market that may occur until the contract matures.

#### Example:

Current spot exchange rate AUD/USD = 0.8560  
 Three month forward premium  
 = 0.0060  
 All up Forward Exchange rate  
 = 0.8500

*In this example, the forward exchange rate for AUD/USD reflects the fact that interest rates are currently higher in Australia than the United States of America so the forward will trade at a discount to the spot rate.*

*Note: KVB Global Markets Pty Ltd may, at their discretion, allow a rollover (extension) of a Forward Foreign Exchange Contract after the original value date under the following conditions: - The maximum number of rollovers permitted is four (4), with each rollover not to exceed one (1) month. If delivery is not performed after this period, KVB Global Markets Pty Ltd will close out the contract at the Mark to Market rate and all costs and / or losses (if applicable) are payable by the client.*

### Margins

All forward foreign exchange contracts must be settled by delivery of the full amount of your sale currency. If you do not settle the transaction KVB Global Markets Pty Ltd is still obligated to settle with its bank provider. We therefore have what is known as settlement risk and to cover this risk all forward foreign exchange contracts are subject to “margin” obligations. Margin is a deposit of funds required by KVB Global Markets Pty Ltd to cover the risk to KVB Global Markets Pty Ltd and as security for the client’s obligations. Additional margin may be payable in the event of adverse market movements.

All client forward foreign exchange positions are revalued daily on a “Mark to Market” basis to account for any market movements. If the value of the position moves against you then you may be asked to pay additional variation margin to bring your position back to the margin requirement.

Forward foreign exchange contracts with a value date greater than 2 days and less than 6 months from the transaction date will require an initial margin, immediately payable, of between 5% - 10 % of the face value of the contract.

You must be in a position to fund margin requirements at all times or your position may be closed out.

#### Example:

Day 1 an importer enters into a forward foreign exchange contract where they buy USD 200,000 at 0.8560 and sell AUD 233,644.86 for value 3 months time.

The importer pays AUD 11,682.24 initial margin (5%) on the day following the transaction date.

#### **Scenario A**

The contract is revalued daily by KVB Global Markets Pty Ltd at current market rates until the maturity of the contract. In this example the AUD initial margin has been sufficient to cover market movements in the AUD/USD exchange rate during this period and no further margin is required.

On maturity date of the forward contract the importer pays the balance of AUD 221,962.62 to KVB Global Markets Pty Ltd in full settlement of the transaction.

#### **Scenario B**

The contract is revalued daily by KVB Global Markets Pty Ltd at current market rates. One month after the trade date the AUD/USD rate is 0.9110. If KVB Global Markets Pty Ltd had to go to the market to replace the client transaction it would sell USD 200,000 @ 0.9110 and buy AUD 219,538.97, a difference of AUD 14,105.89

The importer has already deposited AUD 11,682.24 initial margin, but this is insufficient to cover the potential loss and settlement risk.

Additional margin would therefore be made by the importer for, let us say, AUD 2,400.00.

On maturity date of the forward contract the importer pays the balance of AUD 219,562.62, to KVB Global Markets Pty Ltd in full settlement of the transaction. This balance being the original contract value of AUD 233,644.86 less AUD 14,082.54 total margin already paid.

Any outstanding balance of the sold currency must be paid to the account nominated by KVB Global Markets Pty Ltd not later than one working day before the value date (or settlement time) of the particular forward contract.

#### **Costs of foreign exchange transactions**

KVB Global Markets Pty Ltd earns its revenue from the spread between the wholesale price and your trade price. The spread varies in accordance with the size of the transaction and the type of product. Upon you agreeing an exchange rate and confirming the amount of currency you require to sell or buy the total amount payable by you to KVB Global Markets Pty Ltd will be based upon the agreed exchange rate. The sold currency amount is

determined by the exchange rate that we agree with you and the required amount of the purchased currency.

When you enter into a forward foreign exchange contract you will be required to pay an initial margin and may be required to pay a further variation margin in the event of adverse market movements.

These margins are required by KVB Global Markets Pty Ltd to cover the risk to KVB Global Markets Pty Ltd and as security for the client's obligations.

Margin amounts are payable into the KVB Global Markets Pty Ltd Client Bank Account and are held, used and withdrawn in accordance with our Foreign Exchange Master Agreement. Interest may be payable on the funds held but the level of interest will be dependent on the amount and on the duration of time the funds are held. It is not a mandatory requirement for KVB Global Markets Pty Ltd to pay interest on these funds and if it does not, KVB Global Markets Pty Ltd will be entitled to the interest earned on the funds.

You will be required to pay, not later than one working day prior to the value date, in cleared funds, the balance of the sold currency into the KVB Global Markets Pty Ltd client account nominated by KVB Global Markets Pty Ltd.

For electronic transfers a fee of between AUD20 to AUD25 per transaction is levied by KVB Global Markets Pty Ltd. Recipient banks may also charge transactional costs for receipt of funds which are outside the control of KVB Global Markets Pty Ltd.

#### **Foreign Exchange Master Agreement**

The KVB Global Markets Pty Ltd Foreign Exchange Master Agreement governs the trading relationship between KVB Global Markets Pty Ltd and you. This agreement must be signed before you can trade in foreign exchange contracts with us and sets out the basis on which future transactions will take place.

However, entering into the Foreign Exchange Master Agreement does not in itself constitute a trade or in any way oblige you or us to enter into future transactions.



KVB Global Markets Pty Ltd does not permit clients to enter into transactions for speculative purposes. We only provide the foreign exchange services in this PDS to those clients who buy and sell foreign currency for Commercial Purposes.

Should you wish to use Foreign Exchange for speculative purposes, please read our PDS for Margin / Leveraged Foreign Exchange.

### Order types

Depending on the trading strategy agreed with KVB Global Markets Pty Ltd, we provide facilities to allow clients to place stop loss and limit orders to protect or optimise their exposure to the market.

These order types are designed to assist you in managing your exposure and we recommend you speak further with your KVB Global Markets Pty Ltd Representative about these order types.

### Settling foreign exchange products

On the day of the transaction KVB Global Markets Pty Ltd will advise you of the full amount of the sold currency, for same day or spot contracts, or the required initial margin amount, for forward foreign exchange contracts. This amount should be deposited to KVB Global Markets Pty Ltd's nominated client bank account.

***NOTE: - KVB does not accept or allow physical cash to be used for the payment of International or Domestic transfers / remittances. If/when cash is used, it will be returned to the depositor.***

When your trade reaches value date (settlement date), and KVB Global Markets Pty Ltd has received your sold currency in cleared funds, KVB Global Markets Pty Ltd will instruct their bank to send your bought currency via international payment systems, in accordance with your instructions.

All transactions are effected electronically and KVB Global Markets Pty Ltd retains detailed records of all settlement transactions.

In order for same day contracts to effectively settle prior to close of business on the trade date, your sold currency amount must be received by KVB Global Markets Pty Ltd within standard banking and currency cut off times. If funds are not received by this time, settlement will occur on the next working day.

In order for spot and forward contracts to effectively settle, the balance of your sold currency amount must be received one working day before the Value Date. Onward payment of the bought currency is sent by KVB Global Markets Pty Ltd on the receipt of the sold currency.

### Pre-deliveries and rollovers

Once entered into, the value date (settlement date) of your transaction can only be altered by pre-delivering the currency sold to an earlier date, subject to appropriate adjustment for the rate differential, or by rolling over the contract. This is done by closing out of your existing contract and the entering into a new contract.

The close-out and new contract rates will be the current market rates, and may be better or worse than the original contract. Historical Rate Rollovers (HRR) will be at KVB Global Markets Pty Ltd's discretion.

### Close out of foreign exchange products

A foreign exchange transaction can be closed out before and up to the value date in the following circumstances:

- (i) As agreed in the Foreign Exchange Master Agreement; or
- (ii) By agreement between you and KVB Global Markets Pty Ltd.

Close out events under the Foreign Exchange Master Agreement include a breach of a term or condition by you, your insolvency or bankruptcy or your failure to comply with an obligation to KVB Global Markets Pty Ltd.

In the event KVB Global Markets Pty Ltd closes out your contract we will terminate the Foreign Exchange Master Agreement between us. We may set off all or any part of any margin paid by you against any amount actually or contingently due and payable by you to KVB Global Markets Pty Ltd.

### By Agreement with KVB Global Markets Pty Ltd

In the event that your circumstances change and you no longer require a foreign exchange contract for your commercial purposes, you may close out a contract before the value date by entering into an equal and opposite transaction with KVB Global Markets Pty Ltd.

KVB Global Markets Pty Ltd will calculate the Mark to Market value of the contract using the prevailing market rates. If the contract is in profit, you will receive the profit amount (including any Margin) and a confirmation advising all details. If the contract at Mark to Market value is not in profit you will be required to pay KVB Global Markets Pty Ltd the amount of the loss. Your Margin amount will be offset against the amount owing to KVB Global Markets Pty Ltd and a confirmation will be issued advising all details.

You will be liable for any loss, costs, fees, charges or other expenses, including interest, incurred by KVB Global Markets Pty Ltd in consequence of the close out.

### **How your orders get executed**

You need to undertake the following steps to effect orders with KVB Global Markets Pty Ltd:-

1. Read this Product Disclosure Statement provided to you.

2. Read the Foreign Exchange Master Agreement provided to you by KVB Global Markets Pty Ltd and return the completed application form together with necessary identification documents. When the application is received and accepted by KVB Global Markets Pty Ltd, the Foreign Exchange Master Agreement acts as an agreement between us.

A copy of the Foreign Exchange Master Agreement is available on our website at [www.kvbgc.com](http://www.kvbgc.com).

3. Contact your KVB Global Markets Pty Ltd Representative to discuss your currency transaction. We record telephone conversations at all times to ensure that instructions can be verified in the event of a dispute.

4. Based on the quotations received, you will enter into a foreign exchange contract with KVB Global Markets Pty Ltd

5. Once you have instructed KVB Global Markets Pty Ltd to buy or sell a currency at an agreed rate you have entered into a contract i.e. your verbal instruction confirms the contract between KVB Global Markets Pty Ltd and yourself. The contract note that is sent subsequently is confirmation of the transaction. The contract note gives details of the transaction including the amount of currency bought and sold, the exchange rate and the value date, and margin due if it is a forward contract.

6. You must then provide us details of your onward payment instructions to enable your currency to go direct to your nominated destination.

### **Significant benefits of foreign exchange products**

The significant benefits of using foreign exchange products are to protect your exchange rate and provide cash flow certainty.

#### **Protect an Exchange Rate**

KVB Global Markets Pty Ltd offers its clients the facility to buy and sell foreign currency using same day, spot, or forward foreign exchange contracts. This facility enables clients to protect themselves against adverse market swings.

KVB Global Markets Pty Ltd also offers clients a way of managing volatility by working market orders that enables a client to protect themselves against adverse market swings yet secure enhanced market rates when offered.

Clients, in normal market conditions, can minimise downside risk by the use of stop loss orders where KVB Global Markets Pty Ltd will sell a currency for the client if the currency reaches a particular level. In abnormal market conditions no assurance can be given as to whether a stop loss order is filled. In addition, clients may also use limit orders which allow them the opportunity to benefit from favorable upside market movements. KVB Global Markets Pty Ltd cannot commit to the execution of limit orders since this will depend on the prevailing market conditions.

#### **Provide cash flow certainty**

By agreeing a rate now, for a time in the future, you will determine the exact amount of currency purchased and the exact cost of that currency, thereby giving certainty over the flow of funds.

### **Significant risks**

You should be aware that foreign exchange trading involves risks. It is important that you carefully consider whether trading foreign currency products are appropriate for you in light of your investment objectives, financial circumstances and needs.

### **Market volatility**

Foreign exchange currency 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.

Given the potential levels of volatility in the foreign exchange markets, it is recommended that you closely monitor your positions with KVB Global Markets Pty Ltd at all times having regard to your hedging requirements and margin obligations.

KVB Global Markets Pty Ltd does not deal with you where you are trading for speculative purposes and will at its discretion, and in accordance with the Foreign Exchange Master Agreement, close out your position should you be speculating.

You should be aware that, if contrary to KVB Global Markets Pty Ltd's requirements, you purchase foreign exchange products for trading or speculative purposes (that is where you do not have a currency risk you need to protect yourself from) you will be fully exposed to movements in price between the purchase currency and Australian Dollar or other foreign currency.

### **Additional Margin payments**

In the event of any adverse exchange rate movement between the date of the transaction (and the time of receipt of the Initial Margin payment) and the value date, KVB Global Markets Pty Ltd may at its discretion make an additional Margin Call in accordance with the Foreign Exchange Master Agreement. If you do not meet such Margin Call your position may be closed out and you will be liable for any loss arising as a result of such close out, after application of any other margin deposited by you.

### **Opportunity cost**

Once you have fixed your exchange rate you have locked into the rate for a future delivery date and will not be able to take advantage of any subsequent favorable 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**

Given you are dealing with KVB Global Markets Pty Ltd as counterparty to every Trade, you will have an exposure to us in relation to each Trade. This is common to most OTC financial market products.

You are reliant on KVB Global Markets Pty Ltd's ability to meet its counterparty obligations to you to settle the relevant foreign exchange product. KVB Global Markets Pty Ltd limits this exposure by entering into like transactions as principal in the wholesale market in relation to its exposures with you; however, you have no right to or interest in those other transactions. In addition, KVB Global Markets Pty Ltd must comply with the financial requirements imposed under its respective License.

### **Systems Risk**

KVB Global Markets Pty Ltd relies on a number of technology solutions to provide you with efficient foreign exchange services. In this regard KVB Global Markets Pty Ltd relies on third party international settlement system providers to assist in currency transfers between accounts which KVB Global Markets Pty Ltd are not able to control and is not liable to you for this.

### **Taxation implications**

By entering into a foreign currency product the client acquires rights to either buy or sell foreign currency. A foreign currency gain or loss may arise by reason of differences in exchange rates of foreign currencies.

We advise that you should obtain independent tax advice, as the implications may be complex and will relate to your specific financial circumstances.

### **Cooling Off**

There is no cooling off period or arrangement for any foreign currency transactions nor are they transferable to other parties or entities (3<sup>rd</sup> parties)

### **Ethical Considerations**

Labor standards or environmental, social or ethical considerations are not taken into account by KVB Global Markets Pty Ltd when making, holding, varying or ending foreign currency transactions.

### **Anti-Money Laundering and Counter-Terrorism Financing**

KVB Global Markets Pty Ltd is subject to the Anti-money Laundering and Counter-Terrorism Financing Act 2006. In making an application pursuant to this PDS you consent to KVB



Global Markets Pty Ltd disclosing in connection with the laws, any of your personal information (as defined in the Privacy Act 1988) and the details of any transaction to any outside Regulatory Authority as required by Law.

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In certain circumstances we may be obliged to freeze or block an account where it is being used in connection with illegal activities or suspected illegal activities. Freezing or blocking can arise as a result of the account monitoring that is required by the AML/CTF Laws.

### **What if I have a complaint?**

KVB Global Markets Pty Ltd has internal and external dispute resolution processes in place. If you have a complaint about the services or products provided to you by KVB Global Markets Pty Ltd, you should take the following steps:

1. Contact your KVB Global Markets Pty Ltd Representative and discuss your concerns.
2. If your complaint is not satisfactorily resolved, contact KVB Global Markets Pty Ltd to inform us about your complaint. You may do this by telephone, facsimile, email or letter.
3. If you are dissatisfied with the outcome, you have the right to complain to the Financial Ombudsman Service Limited (FOS) who may be contacted on 1300 78 08 08 or in writing to:

Financial Ombudsman Service Limited  
GPO Box 3 Melbourne VIC 3001

KVB Global Markets Pty Ltd is a member of FOS. Our membership number is 13477. Their services are provided to you free of charge.

4. You may choose to contact the Australian Securities and Investments Commission (ASIC) on their free call info line 1300 300 630.

If you require any further information about our dispute resolution system, please contact KVB Global Markets Pty Ltd and request a copy of our dispute resolution procedures.

### **Currency of this PDS**

The information in this PDS is up to date at the time it was prepared but is subject to change from time to time. If the new information is materially adverse information, we will either issue a new PDS or a

supplementary PDS with the new information. If the new information is not materially adverse to you, we will not issue a new PDS or a supplementary PDS to you, but you will be able to find the updated information on our website at [www.kvbgc.com](http://www.kvbgc.com), or by calling us using the contact details at the front of this PDS.

## FINANCIAL SERVICES GUIDE

***This Financial Services Guide ("FSG") contains important information and is designed to assist you in deciding whether to use a financial product or service offered by us. If there is any aspect of this document that you don't understand, then please ask your KVB Global Markets Pty Ltd representative for an explanation or seek independent professional advice.***

### About KVB Global Markets Pty Ltd

KVB GLOBAL MARKETS Pty Ltd ("KVB GLOBAL MARKETS") is part of an international financial services Group with operations in Sydney, Melbourne, Auckland, Hong Kong and Toronto. We pride ourselves on our professional and disciplined approach to financial markets.

Our vision is represented in our name and logo. We use Knowledge and Versatility to break the barriers of traditional investment services for our clients' benefit.

The KVB Group is led by a number of highly experienced and qualified investment professionals, including the Group Managing Director and Directors for each country in which we are represented and Global leaders in the Investment, Technology and Compliance disciplines.

### Our Services

KVB Global Markets Pty Ltd ("KVB GLOBAL MARKETS") holds an **Australian Financial Services License No: 334293** from the Australian Securities and Investments Commission ("ASIC"). This entitles KVB GLOBAL MARKETS to:

- (A) provide financial product advice for the following classes of financial products
  - a. deposit and payment products limited to:
    - i. basic deposit product;
  - b. derivatives;
  - c. foreign exchange contracts;
- (B) deal in a financial product by issuing, applying for, acquiring, varying or disposing of a financial product in respect of the following classes of financial products:

- a. derivatives: and
- b. foreign exchange contracts

(C) apply for, acquiring, varying or disposing of a financial product on behalf of another person in respect of the following classes of products:

- a. deposit and payment products limited to:
  - i. basic deposit product;
- b. derivatives;
- c. foreign exchange contracts;

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

- a. foreign exchange contracts; and
- b. derivatives;

to retail and wholesale clients.

At the date of this FSG issue, KVB Global Markets Pty Ltd offers the following services in relation to our license:

(A) b & c, (B) a & b, (D) a & b.

ASIC's role in authorising Australian Financial Services Licensee's is limited and does not imply approval or endorsement of the business, trading, or solvency of KVB GLOBAL MARKETS, and the ASIC has not approved this FSG document or any other disclosure documents of KVB GLOBAL MARKETS.

### Contact Persons

Clients who wish to contact or correspond with KVB GLOBAL MARKETS may use the following details:

#### KVB Global Markets Pty Ltd

Level 18, Citigroup Centre  
2 Park Street  
Sydney N.S.W.2000  
Australia  
Tel: 61-2-8263-0188  
Fax: 61-2-8263-0189  
Email: [info@kvbkunlun.com](mailto:info@kvbkunlun.com)

### Receiving money and property

In transferring money to KVB GLOBAL MARKETS, the client must adhere to the following:

**Currency types:** Australian Dollars, US Dollars, New Zealand Dollars and other major international currencies are accepted by KVB GLOBAL MARKETS. If there is any uncertainty, please contact KVB GLOBAL MARKETS for advice.

**Wiring Instructions:** Account details will vary depending on the deposit currency. Please contact KVB GLOBAL MARKETS for currency specific wiring instructions. The client must provide KVB GLOBAL MARKETS with the transfer advice from the remitting bank.

If the transfer involves property other than money such as securities or bonds etc., the client must first seek approval from KVB GLOBAL MARKETS.

### **Money and property held on trust**

Client money received by KVB GLOBAL MARKETS will be held in segregated client bank account(s) for the client and property in trust, and will be so held until it is disbursed or distributed in accordance with the client's instructions. Money received by KVB GLOBAL MARKETS for client transactions may also be deposited with other banking institutions to facilitate the execution of client trades.

The client consents to KVB GLOBAL MARKETS (and any Authorised Representative of KVB GLOBAL MARKETS) earning interest, fees or commissions in connection with any of the client's cash deposits in the ordinary course of its business.

### **Pecuniary Interests**

The advisory services of KVB GLOBAL MARKETS may be provided by Authorised Representatives for clients of KVB GLOBAL MARKETS. KVB GLOBAL MARKETS advisors do not benefit by providing advice and advice is only provided for added service and client information. Advisors are not authorised to advise on any contract or investment where he or she may hold personal investments or interests, without disclosing the fact to the client before providing such service.

### **What is general advice?**

General advice can include information on or about any KVB GLOBAL MARKETS Product and the markets in which these products are traded. Any information you request about KVB GLOBAL MARKETS Products and the markets in which they are traded, or have discussed with a KVB GLOBAL

MARKETS employee should only be regarded as general advice. Any discussions with KVB GLOBAL MARKETS employees about their (his or her) view of markets, both current and future, should not be deemed or regarded as personal advice but as general advice.

### **What is personal advice?**

Personal advice is advice given to you that takes into account your financial needs and personal objectives. KVB GLOBAL MARKETS and its employees will not give you personal advice. If you require personal advice you should contact your financial adviser for this information.

### **What are the KVB GLOBAL MARKETS charges?**

We may charge fees for the products and services provided to you. Details of any fees and charges are set out in the relevant Product Disclosure Statement for those products or services. Fees and charges in relation to Foreign Exchange are detailed in the Foreign Exchange PDS section of this combined document.

External institutions that KVB GLOBAL MARKETS may deal with may also charge their own fees which can include bank charges and fees relating to execution of the foreign exchange transactions.

### **Who is involved in providing financial services to me?**

KVB Global Markets Pty Ltd (KVB GLOBAL MARKETS) is a company incorporated in and subject to the laws of Australia. The directors and senior management of KVB GLOBAL MARKETS consist of investment, financial and business professionals with entrepreneurial skills and expertise in most international markets. KVB GLOBAL MARKETS is wholly owned by KVB Holdings Limited, and executes client orders through its network of affiliates and correspondent banks around the world.

### **Privacy**

We require you to provide us with certain information in your dealings with us. It is KVB GLOBAL MARKET's policy to respect

confidentiality and privacy of individuals. This Privacy Statement sets out the ways KVB GLOBAL MARKETS manages your information.

KVB GLOBAL MARKETS is required to collect certain information in order to provide financial services and satisfy your needs in customer services from time to time. The requested information may include but is not limited to your name, date of birth, address, email address, telephone number, identification document particulars, income and employment details, etc.

The internet service provider of KVB GLOBAL MARKETS may also record your information upon your access to our website including but not limited to your domain name, time of access, contents you access and type of browser. If you choose not to supply information as requested, we may not be able to provide our services to you.

Your information may be used for the purpose of daily operation of the service provided to you, managing your account, reviewing your ongoing needs, improving and enhancing customer service and products, promoting and marketing investment, dealing or related services and products, and providing information or opportunities that may be relevant to you.

KVB GLOBAL MARKETS will take reasonable steps to protect your information from unauthorized access or use by third parties. Depending on the business operation and product and services concerned, KVB GLOBAL MARKETS may be required to disclose your information to:

- a) any agent or third party service provider of KVB GLOBAL MARKETS;
- b) associated or affiliated companies within KVB GLOBAL MARKETS who will undertake to keep such information confidential;
- c) any person or institution with which you have or propose to have dealings;
- d) credit reporting or reference agencies;
- e) courts, tribunals and any regulatory authorities or exchanges which relate to or govern any business of KVB GLOBAL MARKETS;
- f) In particular, and to meet the requirements of the AML/CTF legislation, we may be required to provide information to Government, Regulatory, Police and Judicial Authorities;

- g) By opening an account with KVB GLOBAL MARKETS you acknowledge and agree to the terms of our Privacy Statement.

### Records

The following records that relate to client money and property are kept by KVB GLOBAL MARKETS:

- Books of accounts;
- Client statements;
- Records of activities;
- Instructions received from clients;
- Trades executed;
- Commissions or other fees charged.

Accounting and dealing records are kept for a period of at least seven (7) years. The record of telephone conversations may be kept for a period up to (7) years.

Subject to the terms of access below, clients will have full access to these records.

A request for a copy of any or all of the above records must be made to KVB GLOBAL MARKETS by way of a medium acceptable to KVB GLOBAL MARKETS such as fax, mail, email or telephone. Clients will receive a copy of the records by fax, mail, or through an electronic medium.

### Is there anyone to whom I can complain if I have problems?

The information below will describe the complaints resolution procedures of KVB GLOBAL MARKETS. KVB GLOBAL MARKETS is regulated by the ASIC and has established a complaints handling system for any client who is not satisfied with the level of service provided.

The first step in resolving a complaint is to call or otherwise contact your KVB GLOBAL MARKETS Representative and discuss the issue. This may provide a quick resolution, or at the very least, will automatically initiate the KVB GLOBAL MARKETS internal complaints handling system. If the nature of the complaint relates to services provided by KVB GLOBAL MARKETS, then your complaint will be forwarded to KVB GLOBAL MARKETS. If this initial contact does not satisfy your complaint,



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or if you simply do not wish to talk to your Representative, then you should detail your complaint in writing and send it to:

Compliance Officer  
KVB Global Markets Pty Ltd  
Level 18, 2 Park Street  
Sydney NSW 2000

The letter should contain all details relating to the nature of the complaint, the name of your KVB GLOBAL MARKETS Representative and any other details which you think may be relevant to the complaint. Within 5 days of KVB GLOBAL MARKETS receiving your complaint, you will be contacted by KVB GLOBAL MARKETS Management staff acknowledging receipt and an attempt will be made to rectify the problem. If the matter is still not resolved at this point, you will receive a letter from KVB GLOBAL MARKETS within 6 weeks of the complaint first being reported outlining your rights and explaining how to take your matter to an external complaints resolution scheme. KVB GLOBAL MARKETS is a member of the Financial Ombudsman Service (FOS) and in the event that your complaint relates to the KVB GLOBAL MARKETS service provided and that it has not been resolved within 6 weeks of it first being reported to KVB GLOBAL MARKETS, you have the right to contact and complain to:

Financial Ombudsman Service (FOS)  
GPO Box 3  
Melbourne Vic 3001 (Australia)  
Tel: 1300 78 08 08  
Fax: (03) 9613 6399  
Web: [www.fos.org.au](http://www.fos.org.au)