

Product Disclosure Statement

1. Contact Details

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2. Key information

Hantec Markets (Australia) Pty Ltd (HMA, us, we, our) ACN 129 943 086 is the issuer of the products described in this Product Disclosure Statement (PDS). Should you have any queries about this document, please do not hesitate to contact us. Our contact details are at the start of this PDS.

This PDS explains everything you need to know about the products we can offer you. It is designed to:

- provide you with the information you need to determine whether the products we offer are appropriate for you needs;
- explain the terms and conditions, rights and obligations associated with our products; and
- help you to compare products.

This PDS does not take into account your financial situation, personal objectives or needs. Before using the products referred to in this PDS you should read it carefully, and then consider your objectives, financial situation and needs and take all reasonable steps to fully understand the possible outcomes of trades and strategies that can be employed using our trading platforms. HMA recommends you seek independent financial advice to ensure that a particular product is suited to your financial situation and requirements.

HMA is a wholly owned subsidiary of Hantec Bullion Limited.

When you open a trading account with HMA, you will be provided with a separate document titled "Terms & Conditions". It contains terms and conditions that govern HMA's relationship with you. You can obtain a free copy of the document by contacting HMA or visiting HMA's website or by using the details at the start of this PDS.

The PDS is only required to be provided to Retail Clients. If you are a Wholesale Client or Sophisticated Investor, then providing you with this PDS does not mean we wish to treat you as a Retail Client.

Warning: Trading in the products outlined in this PDS involves the potential for profit as well as the risk of loss which may vastly exceed the amount of money you initially commit to any trade or transaction. Due to the highly leveraged nature of most of our products, the risk for loss is significantly heightened. Movements in the price of foreign exchange, securities or commodities rates are influenced by a variety of factors of global origin many of which are unpredictable. Violent movements in the price of foreign exchange or commodities rates may result in action by the market as a result of which you may be unable to settle adverse trades. HMA is unable to guarantee a maximum loss that you may suffer from your trading. By trading with us you do not own or have any rights to underlying instruments.

3. What are we authorised to do?

HMA is authorised to give you general advice in relation to non-cash payment products, derivatives and foreign exchange contracts. HMA is also authorised to deal in relation to those same products.

This means that we can advise you, without taking into account your personal circumstances, about FX and commodities trading

and the general state of the relevant markets. We can also help you open an account with us and use our trading platform services.

HMA is also authorised to "make a market" for foreign exchange and derivatives contracts. This allows us to quote market prices to you, including buy and sell prices.

HMA provides leveraged foreign exchange and commodities trading services (via our foreign exchange and commodities trading facilities) in both foreign exchange and commodities markets.

4. Foreign exchange (FX), FX pairs and FX indices

HMA's foreign exchange trading service is outlined as follows:

- First, you must set up a trading account with HMA.
- You will then need to deposit an Initial Margin of a Base Currency into your newly established HMA account before you start trading. You must deposit an Initial Margin in two ways, depending on the platform. We will tell you what amount you need to deposit before you make the deposit:

1) You can deposit a percentage (typically between 0.5% and 1%) of the Notional Contract Amount:

Example

On some platforms, HMA may request you to deposit AUD 1,000 for an AUD contract with a Notional Amount of AUD 100,000.

2) You can deposit an amount (eg. USD 1,000 per Contract of 100,000 units of the trading currency):

Example

On other platforms, you need to deposit an amount, such as USD 1,000 for an AUD contract with a Notional Amount of AUD 100,000.

Then, you are ready to trade. You can buy a Contract, which is a financial product that derives its value from an underlying currency, currency pair, or currency index. HMA will provide you with a quote setting out the price of the Contract. A Contract's size can be any amount equal to or greater than 1,000 of a particular trading currency, except for the InterBank Classic platform which requires a minimum contract size of 500,000 of a particular trading currency. You can enter into a Contract online (via our online trading platforms) at a Spot rate of exchange that is quoted by HMA. What you are actually buying is a Contract – not the asset itself.

Explanation

The Contract derives its value from an asset (a particular currency, currency pair, or currency index) which is never delivered to you, and you do not have a legal right to, or ownership of the asset. Rather, your rights are attached to the Contract itself.

- You then choose when to sell the Contract ("close out" your position) by taking an opposite position in the market, with the intention of making a profit when the asset moves in the intended direction.
- The profit or loss resulting from the trade will be credited or debited to your account.
- HMA has trading rules (including "forced liquidation" and an Initial Margin requirement) to protect HMA against loss. The trading rules also help reduce (but not avoid) the risk that you will lose more than your deposited funds (see the section titled "significant risks" below). These trading rules are contained in the section headed 'Operation of

Client Account' in the HMA Terms and Conditions.

• HMA usually offers settlement of trades on a T+2 basis. This is a global standard which refers to the trade date, plus two Business Days. When you are trading in currencies, what constitutes a Business Day depends on what currencies you are trading. See "Business Day" in the glossary for more information

Example of a foreign exchange trade

Client X is of the opinion that the EUR will appreciate against the USD in the near future. So he makes a deposit of USD 5,000 into his foreign exchange margin trading account with HMA, and buys a contract of EUR/USD at the current quoted market price of 1.2820, which has a contract value of EUR 100,000. (Assume that the required Initial Margin for opening one contract is 1% of the contract value, ie. EUR 1,000 or USD 1,282).

Assume that the EUR/USD depreciates after client X buys the contract, and the EUR/USD exchange rate drops to a level of 1.2370 that day. The floating profit and loss in terms of USD in the account of client A will be USD -4,500 ((1.2370 - 1.2820) x 100,000).

The Margin Level of client X now drops from USD 5,000 to USD 500 (USD 5,000 – USD 4,500).

Forced liquidation

If the Margin Level in your account drops below a predetermined level set by HMA (e.g. 30% of an Initial Margin or 0.3% of the Notional Contract Amount) or if HMA exercises its absolute discretion, then HMA is entitled to close out your position at the prevailing market rate without notice to you. HMA could do this in order to minimise trading risk and deduct the resulting realised loss from your remaining funds held by HMA. You will remain liable for any negative positions which cannot be covered by the closing out of your positions.

Example of forced Liquidation

Assume in the above example, that client X does not deposit extra funds to increase the Margin Level of his account. Assume also that HMA has set a close out level of 30% of Initial Margin (US\$1,282 x 30% = US\$384.60). Finally, assume that the EUR/USD exchange rate keeps depreciating from 1.2370 to 1.2358.

The Margin Level of client X will drop further from USD 500 to USD 380. The floating profit and loss in client X's account will now be USD -4,620 (1.2358 – 1.2820) x 100,000).

The close out position is now less than 30% of the required Initial Margin (USD 1,282), i.e. USD 384.60, so HMA will close out client X's position by selling one contract of EUR/USD at the current market rate. Assume the current market rate has depreciated further to 1.2355.

The realised profit and loss which will be incurred in client X's account will be USD -4,650 ((1.2355 - 1.2820) x 100,000)). The final margin in client X's account will be USD 350. (USD 5,000 – USD 4,650)

The client remains entitled to the USD 350 balance in their account.

5. Commodities and commodities indices

Trading in commodities operates in the same manner as foreign exchange trading, except the underlying asset is a commodity. Examples of metal commodities include Loco London Gold (LLG) and Loco London Silver. Commodities often have prices quoted in US currency. You can also trade on indices of commodities, such as the Dow Jones-AIG Commodity Index.

When using our services, you can only trade on the quoted Spot

Rate for commodities contracts.

In the same way as described in section 4, above, we do not deliver the physical underlying assets to you, and you have no legal right to it. Rather, settlement is made by cash based on the difference between the buy and sell rates of the Contracts.

Example of commodities trading

Client X is of the opinion that the price of gold will appreciate against the USD in the near future, so he makes a deposit of USD 4,000 into his margin trading account with HMA, and buys 2 contracts of LLG at the Spot Rate gold price of USD 1,300. Each contract represents 100 ounces of LLG, and has a value of USD 130,000 (USD 1,300 x 100).

In this example, HMA requires an Initial Margin of USD 1,000 for buying 1 contract of LLG, therefore client X is required to make an Initial Margin payment of USD 2,000 in order to purchase 2 contracts of LLG.

Assuming that the gold price rises from USD 1,300 to USD 1,350 over the course of the day, then the floating profit or loss for client X is calculated as USD 10,000 ((USD 1,350 – USD 1,300) x 100 x 2)

The leverage (gearing) ratio for this trade is calculated using the following formula:

$$\text{Gearing ratio} = \frac{\text{Current gold price (USD)} \times \text{contract size (ounce per contract)} \times \text{number of contracts}}{\text{margin deposit}}$$

By utilising our margin trading service and depositing USD 4,000 as the Initial Margin for the purchase of 2 contracts of LLG, client X has magnified his investment exposure by a ratio of 65 ((1,300 x 100 x 2) /4,000).

Therefore in this instance, Client X has made a relatively large profit as a result of a relatively small movement in the price of the underlying commodity. This is possible due to the magnifying effect of margin trading.

Forced liquidation

If the Margin Level in your account drops below a predetermined level set by HMA (e.g. 30% of an Initial Margin or 0.3% of the Notional Contract Amount) or if HMA exercises its absolute discretion, then HMA is entitled to close out your position at the prevailing market rate without notice to you. HMA could do this in order to minimise trading risk and deduct the resulting realised loss from your remaining funds held by HMA. You will remain liable for any negative positions which cannot be covered by the closing out of your positions.

Refer to "Example of forced Liquidation" in the "Foreign Exchange (FX) Trading" section of this PDS. If the underlying asset in this asset was a commodity, a forced Liquidation would work in the same manner.

6. Securities indices

Trading in securities operates in the same manner as foreign exchange trading, except the underlying asset is a securities indices. Examples of securities indices are ASX200, FTSE100 and NASDAQ100. Securities indices have prices quoted in the currency of their country of origin.

When using our services, you can only trade on the quoted Spot Rate for securities index contracts.

In the same way as described in section 4, above, we do not deliver the physical underlying assets to you, and you have no legal right to it. Rather, settlement is made by cash based on the difference between the buy and sell rates of the Contracts.

Example of securities indices trading

Client X is of the opinion that the value of the ASX200 will increase in the near future, so he makes a deposit of AUD 5,000 into his margin trading account with HMA, and buys 2 ASX200 contracts at the Spot Rate of AUD 5500.

In this example, HMA requires an Initial Margin of AUD 80 (USD60*spot rate AUD/USD) for buying 1 ASX200 contract, therefore client X is required to make an Initial Margin payment of AUD 160AUD in order to purchase 2 ASX200 contracts.

Assuming that the value of the ASX200 rises from AUD 5500 to AUD5510 over the course of the day, then the floating profit or loss for client X is calculated as AUD 20 (5510*2 – 5500*2).

The leverage (gearing) ratio for this trade is calculated using the following formula:

$$\text{Gearing ratio} = \frac{\text{current ASX value (AUD)} \times \text{number of contracts}}{\text{Initial margin deposit}}$$

By utilising our margin trading service and depositing AUD 160 as the Initial Margin for the purchase of 2 ASX200 contracts, client X has magnified his investment exposure by a ratio of 68.75 (11000/160).

Therefore in this instance, Client X has made a relatively large profit as a result of a relatively small movement in the price of the underlying securities index. This is possible due to the magnifying effect of margin trading. If the value of the ASX200 had decreased, Client X may have made a large loss.

Dividends

Dividend payments are applicable to most cash indices and will be applied as debit/credit along with the rollover to your open positions (see section 13 for an explanation of rollovers). Adjustments will apply on the eve of the ex-dividend date of the constituent members of the relevant Index. The adjustment will appear as a debit or credit cash entry.

When an equity goes ex-dividend, the price of that equity theoretically decreases by the dividend amount. In practice, this does not always happen as there are many market forces affecting an equity price. The amount of points an index cash CFD drops by is dependent on the weighting of the equity within the index. If more than one constituent equity of an index CFD goes ex-dividend on the same day, the amount of points each equity will theoretically cause the sector or index to drop by is added together to calculate the total amount of dividend points or "drop points".

Where an index is a Total Return Index, dividend payments will not be credited / debited.

Forced liquidation

If the Margin Level in your account drops below a predetermined level set by HMA (e.g. 30% of an Initial Margin or 0.3% of the Notional Contract Amount) or if HMA exercises its absolute discretion, then HMA is entitled to close out your position at the prevailing market rate without notice to you. HMA could do this in order to minimise trading risk and deduct the resulting realised loss from your remaining funds held by HMA. You will remain liable for any negative positions which cannot be covered by the closing out of your positions.

Refer to "Example of forced Liquidation" in the "Foreign Exchange (FX) Trading" section of this PDS. If the underlying asset in this asset was a securities index, a forced Liquidation would work in the same manner.

7. Conversion of currency

Your trading account with HMA is normally denominated in a "Base Currency" which is often USD. In order to trade, you may need to convert existing funds into USD or another Base Currency. For example, you can generally only buy or sell certain commodities and commodities indices using USD. If you deposit AUD into your account, you will be required to convert it to USD before trading.

You can use your own bank to convert your currency into USD, if you wish.

Alternatively, HMA can convert your funds by first quoting you a spot price pursuant to its usual HMA Terms and Conditions which you will have already signed. If you choose to accept HMA's quoted prices, then the transaction will usually take place immediately, upon receipt of your cleared funds. The new currency will be delivered to your HMA account.

HMA will also convert the realised trading profit or loss in your account into USD or another Base Currency at the closing price of the relevant currency immediately preceding the trade day.

8. Trading Facilities

We are able to provide trading facilities through our online trading platforms.

Our online trading platforms are internet based tools for you to trade on foreign exchange and commodities. In this PDS, when we refer to foreign exchange trading or commodities trading, we are referring to our online trading platforms.

Our website homepage has clearly identifiable links that provide more details about our online trading platforms. Please visit our website or contact us by phone using the details on page 1 of this PDS to get a free copy of these documents. Please contact us if you do not have access to our website.

9. Benefit and Risks

The benefits and risks of using our services are set out as follows:

a) The significant benefits

The benefits of our facilities include:

i. Hedging

You can use our trading facilities to hedge your exposures to the underlying instruments. Any profit (or loss) you make using our trading facilities would be offset against the higher (or lower) price you physically have to pay for the currency, index, commodity or other asset at the future date.

ii. Speculation

In addition to using our foreign exchange trading facilities as a risk management tool, you can benefit by speculating on changing asset price movements. You may take a view of a particular market or the markets in general and therefore invest in foreign exchange or commodities according to your view. If you have closed a position and made a profit, that profit will appear in your account and will be accessible to you. Speculators seek to make a profit by predicting market moves and buying a currency, index, commodity or other asset for which they have no practical use. The example of foreign exchange dealing above illustrates a trade where a client is entering into a speculative trade, based upon a belief that the market will move in a particular direction.

iii. Access to the foreign exchange markets at any time

When using our online trading platforms you gain access to systems which are updated 24 hours a day. You can also trade on your accounts and positions 24 hours a day.

iv. Real time streaming quotes

Our online trading platforms provide up-to-the-minute quotes. You may check your accounts and positions in real time and you may enter into trades based on real-time information.

v. Full control over your account and positions

When using our trading facilities we allow you to place stop loss order on your trades. This means that if the market moves against you we will close out your position in accordance with the limit set in your Stop Loss Order. However, please refer to risk number (ii) below, which highlights the risk to you that in a volatile market we may not be able to close out your position until after the Stop Loss Order limit is exceeded. If this occurs you may lose more than you deposited.

b) Significant risks

There are a number of risks in using our trading facilities. These risks may lead to unfavourable financial outcomes. Monitoring of any risks associated with our trading facilities is your responsibility. You should seek independent legal, financial and taxation advice prior to commencing trading activities and should not use our services unless you fully understand the products, and the benefits and risks associated with them. Some of the risks associated with using our trading facilities include:

i. Unforeseen Circumstances

If we are unable to perform our obligations to you due to reasons beyond our control then we will attempt to return any money paid by you. We may also suspend our obligations to you during periods of market disturbance if it is impractical or not possible to trade in relevant financial markets. We will inform you if any of these events occur.

ii. Market volatility

Foreign exchange and commodities markets are subject to many influences which may result in rapid fluctuations. Because of this market volatility, no foreign exchange or commodities transaction which is available via our trading facilities can be considered "risk free".

Given the potential levels of volatility, it is recommended that you closely monitor your transactions at all times.

You can eliminate some of the downside risk by the use of Stop Loss Orders. If you use a Stop Loss Order we will enter into a position opposite to your existing position if the exchange rate or commodities price reaches a level specified by you in advance. However, in a volatile market, there may be a substantial time lag between order placement and execution. This can mean that the entry or exit price may be significantly lower or higher than the price at which the sell (or buy) order (including a Stop Loss Order) was placed. This is known as "gapping", and HMA does not guarantee that the Stop Loss Order will be successful in limiting your downside risk, which may be greater than you initially anticipated.

iii. Market risk

If you enter into a transaction for the purpose of trading an asset, you will be exposed to changes in the relevant asset market. These changes may result in losses to you which are in addition to any

gains or losses resulting from fluctuations on currency markets.

iv. Leverage risk

The use of our margin foreign exchange and commodities facilities involves a high degree of leverage. You can outlay a relatively small Initial Margin which secures a significantly larger exposure to an underlying currency. The use of margin trading facilities magnifies the size of your trade, consequently your potential gain and your potential loss is equally magnified. You should closely monitor all of your open positions. If the market moves against you and your Initial Margin deposit is diminished, we may automatically close out your position by entering into an equal and opposite position once pre-set limits are triggered (refer to the example of forced liquidation). Any remaining balance will be returned to you.

v. Counterparty risk

Given you are dealing with us as a counterparty to every transaction, you will have an exposure to us in relation to each transaction. In all cases, you are reliant on our ability to meet our obligations to you under the terms of each transaction. This risk is sometimes described as counterparty risk.

We may choose to limit our exposure to our clients by entering into matching transactions as principal in the wholesale market. However, there is also a risk that a hedging counterparty that HMA deals with may become insolvent. When this occurs, HMA may become an unsecured creditor of the hedging counterparty. Whilst HMA hedges most of its client trades with hedging counterparties, it sometimes does not hedge those trades. That means that if the client wins HMA loses, and if the client loses HMA wins. In addition, we must comply with the financial requirements imposed under our Australian Financial Services License.

The Products in this PDS are not protected by a licensed exchange, also known as a central counterparty. Instead the products are called "over the counter" derivatives. This means that you contract directly with HMA and you are also subject to our credit risk. If our business becomes insolvent we may be unable to meet our obligations to you. You can assess our financial ability to meet these counterparty obligations to you by reviewing financial information about our company. You can obtain a free copy of our financial statements by contacting us by using the details at the start of this PDS.

vi. Bank risks

The funds in your account will be held in a designated segregated bank account. If that bank became insolvent then you may lose part or all of your funds which are in that account.

vii. Market Information

We may in the future make available to you a broad range of financial information generated internally or obtained from agents, vendors or partners ("Third Party Providers"). This includes, but is not limited to, financial market data, quotes, prices, news, analyst opinions and research reports, graphs or data ("Market Information").

Market Information provided by us by telephone, or through our website is not intended as an advice and we do not endorse or approve the Market Information. We make it available to you only as a service for your own convenience. We and any Third Party Providers do not guarantee the accuracy, timeliness, completeness or correct sequencing of the Market Information or warrant any results from your use or reliance on the Market Information.

Market Information may quickly become unreliable for various reasons including, for example, changes in market conditions or economic circumstances. Neither us nor the Third Party Providers

are obligated to update any information or opinions contained in any Market Information and we may discontinue offering Market Information at any time without notice.

viii. Systems Risks

We rely on technology to provide our foreign exchange and commodities trading facilities to you. A disruption to the facility may mean you are unable to trade when you want to. Alternatively, an existing transaction may be aborted as a result of a technology failure. An example of disruption includes the “crash” of the computer systems used to operate the online facility. We manage this risk by having state-of-the-art IT systems and backup measures.

ix. Use and Access to our Website

You are responsible for providing and maintaining the means by which you access our website. These may include, without limitation, a personal computer, modem and telephone or other access system available to you.

While the internet is generally reliable, technical problems or other conditions may delay or prevent you from accessing our website. If you are unable to access the internet and thus, our online facility, it may mean you are unable to enter into asset transactions when desired and you may suffer a loss as a result.

x. Cyber Security Risks

Cyber security risks are a major threat to businesses around the world. We cannot guarantee against third party interference to our website and trading facility, or to the technology provided by third parties upon which we rely. This means that you may be exposed to issues arising from any third party interference which may occur. Examples include:- unauthorised access to our or your IT systems or devices, data breaches, business interruption, errors in pricing feeds or inability to access your account or close positions. In the worst case scenario, financial loss may occur. We take this risk seriously and manage it by ongoing monitoring of our IT systems, protection and backup measures (including virus protection software). You can limit your risk by ensuring that you have up-to-date software for the devices that you use to access our trading facilities and ensuring that you use strong passwords which are kept confidential and secure.

xi. Latency and price feed risk

Internet, connectivity delays and price feed errors sometimes create a situation where the prices displayed on our trading screen do not accurately reflect market rates. We are not responsible for any loss which you sustain as a result, and we may take action to recover any loss sustained by us as a result, including repairing, reversing, opening, and/or rolling over new or existing positions.

xii. Third party trading

Third party trading can be risky. Third party trading services are often called “money managers”, “expert advisers” or “mirror trading plugins”. They may enable your account to mirror trades made by third party asset managers. They may claim to exploit price latency across platforms or markets. They may promise exceptional returns. Our platforms may allow you to plug in or otherwise connect to third parties. Some providers of third party plugins may charge you fees, and others do not. Some are approved by us, and others are not. Regardless of our approval, we are not responsible for, and will not indemnify you for loss which arises out of your reliance on any statements made by their makers or promoters, or any loss incurred in connection with third party plugins that you use.

Key risks when using third party trades or software include:

- You can lose control of your trades and suffer financial loss.

- Any software may stop working and you are stuck with open positions and you suffer financial loss.
- You can lose more money than your initial deposit.
- It may result in you being margin called (see section 6 of this PDS titled “Margin Calls”) and your positions may be liquidated.
- Some are offered by fraudulent or illegal / underground entities in remote parts of the world.
- Some create or are otherwise affected by price latency which may result in significant losses on your account due to inaccurate pricing.

If promoters of these plugins or trading services make promises that are too good to be true, then you should avoid them. **You should never provide your account user name or password to a third party without our express consent – to do so would be a breach of the Terms of Business. You are wholly responsible for managing the risks (including the risk of loss) associated with using third parties.**

xiii. Client money

The funds in your account will be held in a designated account. Funds deposited by HMA’s clients are segregated from HMA’s money and held in a designated account in accordance with the Corporations Act 2001. You relinquish the right to any interest on funds deposited with HMA. Individual client accounts are not separated from each other but instead are pooled together. The pooled money is held on trust for you until you withdraw the money or otherwise provide us with a legal right to that money because of entitlements (such as outstanding fees) owed to us or in such other circumstances as referred to in Section 6 ‘Operation of Client Account’ of the HMA Terms and Conditions. There is also a counterparty risk that you may lose some or all of your money if there is a deficiency in the designated segregated account. See sections 10(b) (v) and (vi) of this PDS for more information concerning this risk.

If you are a Retail Client or Sophisticated Investor, we cannot use your client money for our own capital purposes or to hedge with our liquidity providers. We use our own funds, and we may use Wholesale Client funds for these purposes, subject to the HMA Terms and Conditions. We typically hold the equity balance displayed in your account, in our designated segregated account. Client money typically includes:

- Initial Margin
- Plus
- Profits you have won but not withdrawn
- Plus
- Running profits in any open positions
- Minus
- Losses from past trades
- Minus
- Running losses accrued against any open positions
- Minus
- Any fees or other amounts we are entitled to.

Sometimes there may be a discrepancy in the balance shown to you via the online trading platform and the amount of client money we hold. That may be because of a pricing feed error, uncleared funds, software malfunction, if we have extended credit to you, or if we otherwise take action under the HMA Terms and Conditions, which may include freezing your account if you, say breach the HMA Terms and Conditions.

10. The costs involved in using HMA products

Please refer to our current FSG for a description of how HMA, its employees and related parties are paid, and for information about the Spread, conversion costs, administrative charges, rollover interest and commission that may be payable in relation to the products described in this PDS. You can find this information (with worked examples) in Section 5 and 6 of the current FSG. You can obtain a free copy of the FSG by contacting us using the details at the start of this PDS.

Summary of costs

Costs	Description
Spread Costs	This is the difference between the rate we notionally buy from and sell to you the financial product.
Commission	You may be charged a commission calculated as a percentage of the executed opening and closing transaction value. You may also be charged a commission per contract or an amount added to the spread if you use our services via a third party.
Rollover interest	You may earn or pay interest if you hold a margined contract overnight. The amount of interest you earn or pay depends on the type and size of products that you buy or sell, the interest rate differential between the currency pair you have bought/sold (where applicable) and the duration of the rollover period.
Conversion cost	Cost of converting from AUD to foreign currency. You can request HMA to convert the currency to another financial institution. If you request HMA, we will be remunerated by the difference between the rate we buy and sell the currency to you.
Administrative charges	Fee for administrative services requested by you i.e. duplicate statements, transcripts or copies of telephone conversations and audit certificates.
Dormant Account Fee	Annual fee if account not used for trading within a 12 month period.

11. How do the online trading platforms work?

To make a trade using our online trading platforms you must first register with HMA by filling out the registration form either provided to you at the same time as this PDS, or located at www.hantecmarkets.com. A pre-condition to successful registration is an acknowledgement by you that you have read this Product Disclosure Statement, the Financial Services Guide and that you have read and agreed to be bound by the HMA Terms and Conditions. There may also be other terms and conditions that you will need to agree to, if you are outside of Australia.

Once you are registered, you will be able to login to the relevant platform using the username(s) and password(s) you have selected.

a) If you are trading with respect to any of our other products:

Once logged in, a number of windows will pop up in the platform. In order to place a trade, you first select a currency pair, commodity, other asset (eg. share) or index from the trade window. For example, you can choose the currency pair of EUR/USD. Once you have selected a currency pair, commodity, asset or index, you need to select the amount you wish to invest by buying/selling your intended number of contracts.

HMA offers you "leverage trading". This effectively means you can notionally borrow money to make your trade bigger. You can limit your maximum losses to a percentage of the value of your investment by setting up a stop loss order. However, as stated in "Significant Risks (ii)" above, you should be aware that due to external factors we may be unable to comply with your Stop Loss Order and you may suffer greater losses as a result.

If you are choosing a currency pair you determine which currency is going to be bought and which is going to be sold.

The "bid" price of a currency is the price at which HMA has offered to buy from you a currency against the other currency in the currency pair and the "ask" price represents the price at which HMA has offered to sell to you a currency against the other currency. The difference between the bid and ask represents the "Spread".

Once the trade has been executed, the particulars of that trade will be communicated to you either by post or electronically via the trading platform or by email. You can transfer money into or out of your account, subject to our HMA Terms and Conditions.

12. How are our Contract prices calculated?

We cannot predict future exchange rates or the prices of indices, commodities or other assets, and our quotations on our website are not a forecast of where we believe the rates or prices will be at a future date. The decision to transact at a particular rate or price will always be your decision.

The calculation of the price to be paid (or the payout to be received) for Contracts offered by us, at the time the Contract is purchased or sold, will be based on our best estimate of market prices and the expected level of interest rates, implied volatilities and other market conditions during the life of the contract and is based on a complex arithmetic calculation.

The Contract prices (or the payout amounts) we offer to you when hedging, trading or speculating on market prices may differ from prices available in the primary or underlying markets where contracts are traded. This is due to the Spread in the price calculation that favours us. Different Spreads are used depending on the value of the contract. These are subject to our right to make corrections in the event of mis-priced or typographically incorrect data.

We do not provide a market amongst or between clients for investment or speculation. Each transaction you enter into is an individual agreement made between us and you as a principal and is not transferable, negotiable or assignable to any third party.

Trades that are not covered or terminated prior to 17:00 New York Time (or any other time specified by us and communicated to you pursuant to the HMA Terms and Conditions) are held overnight ("rolled over") and will result in you paying or receiving interest. This is known as rollover or differential interest. Rollover refers to the interest you may earn or be charged daily on your open positions.

13. Terms and Conditions

Our HMA Terms and Conditions are provided to you at the beginning of the registration process and must be read and signed before a contract is entered into. If you are outside Australia, there may be other terms and conditions you will be required to sign or acknowledge.

When you use our services you will be bound to HMA's terms and conditions as amended from time to time, along with any other terms you are required to sign or acknowledge (for example, if you are outside of Australia). However, in the event of inconsistency, the terms in the legal documents described below will rank according to the following priority, to the extent of any inconsistency:

1. This PDS
2. HMA Terms and Conditions
3. Account Opening Form

The information in this PDS is subject to change from time to time and is up to date as at the date stated above.

Information in this PDS that is not materially adverse to users of our products is subject to change and may be updated via our company website (see contact details on page 1). You can access that information by visiting the website, or telephoning us and asking for an electronic or paper copy. You can also access the website which may contain, from time to time, other information about our products.

All foreign exchange or commodities with HMA are agreed through our online trading platforms. The applicable submission of an order on the online trading platform in addition to the HMA Terms and Conditions constitutes the entire contract between HMA and the client with respect to that particular transaction.

HMA only provides general advice. That means that, unless stated otherwise, it does not take into account your financial objectives, financial situation or needs, and you will need to decide yourself whether the product is appropriate for you. You should read this document in detail to help you form that decision.

There is no cooling off period for any product offered by HMA.

You must provide all information to us, which we reasonably require of you to comply with any law in Australia or any other country. In particular, you must provide adequate identification before you can use our products or services. We may delay, block or refuse to enter, adjust or complete a transaction if we believe on reasonable grounds that making the payment may breach any law in Australia or any other country, and we will incur no liability if it does so. We may disclose any information that you provide to a relevant authority where required by any law in Australia or any other country.

Unless you have disclosed to us that you are acting in trustee capacity or on behalf of another party, you warrant that you are acting on your own behalf when obtaining this service from HMA.

When you use our services, you are promising that you will not breach any law in Australia or any other country.

We reserve the right to suspend the operation of our website and online facility or any part or sections of them. In such an event, we may, at our sole discretion (with or without notice), close out your open positions at prices we consider fair and reasonable.

We may impose volume limits on client accounts, at our sole discretion.

14. Stopping or cancelling a payment

Should you wish to cancel or alter any Contract you have entered into with HMA, it will be at our complete discretion. If, at your request, we cancel or alter your contract, you may have to pay any costs for exchange rate losses that are incurred.

15. Tax implications

Entering into Contracts with us can create tax implications. Generally, if you make a gain attributable to an exchange rate or price fluctuation then that part of the gain is included in your assessable income. Conversely, if you make a loss attributable to an exchange rate or price fluctuation then that part of the loss is deducted from your assessable income. However, the taxation laws are complex and vary depending on your personal circumstance and the purpose of your currency trading. Accordingly, you should discuss any taxation questions you may have with your tax adviser before using our products or services.

16. What are our different roles?

HMA is the product issuer. This means that we issue the products described in this document, and do not act on behalf of anyone else.

HMA is also the service provider. Our Representatives can give you general advice and help you use the trading services.

17. What should you do if you have a complaint?

In the event you have a complaint about HMA, you can contact your HMA Representative and discuss your complaint. If you are overseas, HMA may refer you to an overseas dispute resolution body, in addition to your rights in Australia.

If your complaint is not satisfactorily resolved within 6 weeks, please contact by telephone or in writing:

Joanne Ding
Head of Compliance, Internal Audit and Risk Management
See contact details on page 1 of this PDS

We will try and resolve your complaint quickly, fairly and within prescribed time frames.

If the complaint cannot be resolved to your satisfaction you have the right to refer the matter to the Australian Financial Complaints Authority (AFCA) which is an external complaints service, of which HMA is a member. You can contact the AFCA on 1800 931 678 or in writing at GPO Box 3, Melbourne, Victoria 3001, Australia. You can also contact the AFCA through their website: www.afca.org.au.

18. Benchmark disclosure

ASIC has introduced benchmarks for over-the-counter contracts for difference (CFDs), margin forex, and margin-forex-type products. HMA applies these benchmarks to all of its. For simplicity, HMA refers to its products as CFDs in this section.

The table below outlines how HMA satisfies these benchmarks. To avoid duplication, the table refers to other sections of this PDS where appropriate.

ASIC benchmark

Client qualification

Trading in CFDs is not suitable for many investors because of the significant risks involved. Because of this, HMA has a policy setting out minimum qualification criteria that prospective investors must satisfy before HMA will open an account on their behalf. Prospective investors who do not satisfy the qualification criteria are not able to open an account and trade in CFDs.

HMA qualifies prospective investors via our client qualification policy. HMA questions investors in relation to various criteria relating to the relevant CFD products. HMA keeps written records of its assessment.

Opening collateral (Initial Margin)

HMA accepts deposited funds and credit card payments from investors as opening collateral when establishing an account to trade CFDs. Australian residents can only deposit up to AUD 1000 equivalent when opening an account with your credit card. The reasons for this limit are that by using your credit card, you will be exposed to "double leverage". This means that you are borrowing from your credit card provider (and possibly paying interest), which is a type of leverage. You are also buying one of our products, all of which have inbuilt gearing, so it is a second form of leverage. Opening collateral is referred to in this PDS as Initial Margin.

Counterparty risk – hedging

Refer to clause 10(b) (v).

In the same way that you are subject to counterparty risk when entering into an arrangement with HMA, where HMA chooses to limit its exposure to clients by entering into opposite transactions to hedge its positions, HMA is subject to counterparty risk.

There is a risk that a hedging counterparty that HMA deals with may become insolvent. Where this occurs, HMA may not have recourse to the underlying assets and will become an unsecured creditor of the hedging counterparty.

HMA has a written policy to manage its exposure to market risk from client positions. HMA's policy includes factors HMA takes into account when selecting hedging counterparties. One factor is whether the hedging counterparty is of sufficient financial standing.

HMA's hedging policy is available at: <http://www.hantecmarkets.com/forms/forms.html>. Alternatively, HMA can provide a copy of its written hedging policy to clients and prospective clients upon request by emailing us at: info@hantecmarkets.com. You can request a copy of these statements via email free of charge. This policy is updated regularly.

Counterparty risk – financial resources

HMA has a written policy outlining how it maintains adequate financial resources to meet its obligations, including as counterparty. As part of this policy it monitors its compliance with its financial requirements as an Australian Financial Services Licensee.

HMA has a staff member who is responsible for ensuring this policy is implemented. This staff member conducts stress testing regularly to ensure HMA holds sufficient liquid funds to withstand significant adverse market movements.

HMA's latest audited financial statements are available to prospective and existing investors free of charge upon request. You can request a copy of these statements by email.

Client money

HMA does not use client money to hedge derivatives transactions.

Suspended or halted underlying assets

HMA's products relate only to major currencies, commodities, or indices, so the likelihood of these underlying assets being suspended or halted is remote. HMA does not allow for new CFD when there is a trading halt over the underlying asset or trading in the underlying asset has otherwise been suspended. If this occurs in relation to an existing position, a deal may be cancelled or adjusted. Certain senior HMA staff have discretion to cancel, adjust, or reinstate deals where the monetary impact is limited to a certain amount (such as USD10,000), otherwise, the decision is made by HMA's Executive and Risk Management Committee.

Margin calls ("Forced Liquidation")

HMA's margin call (referred to as "Forced Liquidation" in this PDS) policy is outlined in section "4. Foreign Exchange (FX) Trading".

19. Glossary

ASIC

The Australian Securities and Investments Commission.

AUD

Australian dollar.

Base Currency

This is the currency in which your trading account is denominated. For example, if it is USD, you can only transfer USD into that account. The profit or loss is also converted into that currency.

Business Day

A Business Day is a day on which commercial banks are open for business (including dealings in foreign exchange) in Australia and the host countries of the relevant currencies, indices, commodities or other assets (eg. shares).

Contract

This is a contract which you may enter in to with HMA. It derives its value from an underlying instrument (such as a currency, a currency pair, a commodity such as gold or silver, another asset such as a company share, or an index such as a shares or commodities index). A Contract does not involve any legal rights with respect to the underlying assets, and nor does it create a right or obligation on either party to deliver the underlying asset(s). Rather, settlement is made by cash based on the difference between the buy and sell rates of the Contracts.

Contract For Difference (CFD)

A leveraged financial instrument that changes in value by reference to fluctuations in the price of an Underlying Instrument.

EUR

Euro – the official currency of the European Union.

Forced Liquidation

This is described in Section 4 of this PDS.

FSG

Financial Services Guide – issued by HMA.

FX

Foreign Exchange

HMA Terms and Conditions

These are the terms and conditions that you are required to properly execute before you can use the products described in this PDS. You can obtain a free copy of this document by contacting us using the details at the start of this PDS.

Initial Margin

HMA requires an Initial Margin before you can trade. An Initial Margin is the minimum margin requirement for clients to trade and is typically 1% of the contract amount (e.g. you need to deposit AUD 1,000 for a contract with a Notional Amount of AUD 100,000) or an amount set by HMA, (eg. USD 1,000 per Contract of 100,000 units of the trading currency). HMA will tell you what Initial Margin is required before you trade. HMA may vary the Initial Margin at its own discretion.

InterBank Classic Platform

This is one of the platforms HMA allows some clients to use. A minimum contract size of 500,000 or above, of a particular trading currency is required for opening new positions in this platform.

Margin Level

The equity or balance of funds in your account and is calculated as a percentage by dividing your trading account equity by your used margin.

New York Time

New York Eastern Standard Time.

Has the same meaning as in section 761G of the Corporations Act but does not include a Sophisticated Investor.

Notional Contract Amount or Notional Amount

This refers to the value of your contract, which is only notional because you don't have a legal right to the full amount. For example, if your Initial Margin is USD 1,000 which is only 1% of the Contract size, then the Notional Contract Amount (or Notional Amount) is USD 100,000.

PDS

Product Disclosure Statement.

Representative

Includes a director or employee of HMA, and a director or employee any company related to HMA, as well as any other entity that is appointed as an Authorised Representative of HMA.

Retail Client

A customer or potential customer of HMA who is not a Wholesale Client or a Sophisticated Investor.

Sophisticated Investor

A person who would be a Wholesale Client only through the application of section 761GA of the Corporations Act 2001 (Cth). This requires the person to sign a special Sophisticated Investor letter.

Spot Rate

The price that currency, index, commodity or other asset is quoted at, for an immediate "on the spot" transaction.

Spread

Foreign exchange, index, commodities or other asset (eg. shares) transactions incur costs relating to the Spread between the bid price and ask price. The "bid price" is the price at which we are willing to notionally buy currency, indices, commodities or other assets from clients and the "ask price" is the price at which we are willing to notionally sell to clients. This price difference is called the "Spread". The price difference of this Spread will depend on factors such as the size and value of the transaction and prevailing market rates. This Spread is paid by you, but is incorporated into the quoted rates and is not an additional charge or fee payable by you above those quoted rates.

Stop Loss Order

An order by the client to close out a Contract when a certain profit or loss is incurred in the client's open position.

T+2

This refers to "2 Business Days after the trade day".

Total Return Index

This refers to an index that measures the performance of the securities in the index by assuming that all dividends are reinvested. The S&P 500 is an example of a Total Return Index.

USD

United States dollar.

Wholesale Client