



KVB Global Markets Pty Ltd

Spot Foreign Exchange (money remittance)
Service

Information Sheet

Issue Date 1st August 2022

Product Provider Contact Details

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

**KVB Global Markets Pty Ltd
Level 33 Governor Macquarie Tower 1 Farrer Place
Sydney, NSW 2000 Australia**

Telephone +61 2 8263 0188 Australia Only 1300 668 120 Fax +61 2 8263 0189

**KVB Global Markets Pty Ltd Level 40,
140 William Street Melbourne, VIC 3000 Australia**

Telephone +61 3 9660 1888 Australia Only 1300 668 120 Fax +61 3 9660 1889

Principal contact: Business Development Manager

Website: www.kvbgc.com

AFSL No. 334293 ACN 132 903 514

Introduction to Foreign Exchange Products & Transactions

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 must 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 0.75, means that AUD\$1 can be exchanged for 75 US cents. Foreign exchange transactions are available in all major currencies.

KVB Global Markets Pty Ltd specialises in providing spot foreign currency services (also known as money remittance services) to both corporate and individual clients who have a requirement to buy or sell foreign currency for a commercial purpose or otherwise take physical delivery of the currency they have purchased as part of their day-to-day 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 spot rates of exchange.

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 (interbank) "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/Derivatives

KVB Global Markets Pty Ltd do not offer forward foreign exchange contracts or currency derivative products (which are financial products pursuant to the Corporations Act 2004 (Cth)). All foreign exchange transactions offered are spot transactions which are immediately settled and result in physically delivery.

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.

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 funds transfers, a transfer 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, 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 future transactions. KVB Global Markets Pty Ltd does not permit clients to enter transactions for speculative purposes. We only provide the foreign exchange services to those clients who buy and sell foreign currency for Commercial Purposes.

Settling foreign exchange products

On the day of entering the transaction KVB Global Markets Pty Ltd will advise you of the full amount of the sold currency, and 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.

For same day value rates 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.

For spot value rates 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.

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.

By Agreement with KVB Global Markets Pty Ltd

If your circumstances change, and you no longer require the foreign exchange transaction, you may close out the transaction before the value date by entering into an equal and opposite transaction with KVB Global Markets Pty Ltd.

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 Information Sheet 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.kvbqc.com.

3. Contact your KVB Global Markets Pty Ltd Representative to discuss your currency transaction. We always record telephone conversations 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 transaction 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.
6. You must then provide us details of your onward payment instructions to enable your currency to go direct to your nominated destination.

Systems Risk

KVB Global Markets Pty Ltd relies on several 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.

Cooling Off

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

Ethical Considerations

Labour 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 to undertake foreign exchange transactions with us, 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 (Cth)) and the details of any transaction to any outside Regulatory Authority as required by Law.

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.

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