



Product Disclosure Statement (PDS)

October 2, 2024

AW Fintech Pty Ltd

Level 9, Suite 902, Tower B, 821 Pacific Highway, Chatswood, NSW 2067, Australia

Commencement: This procedure will commence on October 1, 2024.

Purpose of the Document: This Product Disclosure Statement (PDS) provides essential information about the financial products and services offered by AW Fintech Pty Ltd. It is designed to assist you in making an informed decision about whether these services meet your financial needs. The PDS outlines key features, risks, fees, and other relevant details of our foreign exchange (FX) products, ensuring transparency and compliance with regulatory requirements.

Application: This PDS applies to **retail and wholesale clients** considering AW Fintech's FX and derivative products. It provides key information to help you assess our services. For personal financial advice, consult a licensed advisor.

AFS License: 443886, **ABN:** 42 125 839 572



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1. Overview

This PDS provides information in relation to our Services to assist you in making an informed decision about whether the Services will meet your needs.

Please read all this PDS carefully before deciding whether to use the Services.

The information in this PDS is current as of the date of issue. The information in this PDS may change from time to time. If the change is not materially adverse to you, we may notify you of the change on our website at <https://awfintech.com/>.

You may obtain a free paper copy of any updates by contacting us by one of the methods set out in this PDS. We may also update this PDS by issuing a Supplementary PDS.

2. Important Information

The information contained in this PDS does not take into account your personal circumstances or financial needs and goals and is not intended to be construed as financial advice or a recommendation or opinion that any of the products and services offered are appropriate for you.

Please carefully read this PDS before making the decision to enter into any transactions with AW Fintech. If you require personal advice on our products and services, please contact your financial advisor.

3. Who we are

AW Fintech is the provider of the financial products and services described in this PDS. AW Fintech provides dealing services in spot foreign exchange (**FX**) contracts and derivatives (including foreign exchange contracts) and accepts instructions or Orders and agree FX transactions under Australian Financial Services Licence (**AFSL**) no. 443886.

4. What we are Authorised to do

AW Fintech is authorised by its Australian Financial Services Licence (AFSL) no. 443886 to carry on a financial services business to:

4.1 General Financial Product Advice

- Deposit and payment products limited to non-cash payment products
- Derivatives



- Foreign exchange contracts

4.2 Deal in financial products

4.2.1 Issuing, applying for, acquiring, varying, or disposing of a financial product in respect of the following classes of financial products:

- Deposit and payment products limited to non-cash payment products
- Derivatives
- Foreign exchange contracts

4.2.2 Applying for, acquiring, varying, or disposing of a financial product on behalf of another person in respect of the following classes of products:

- Deposit and payment products limited to non-cash payment products
- Derivatives

4.3 Market Making

- Foreign exchange contracts to retail and wholesale clients.

This PDS provides information specific to the spot FX products offered by AW Fintech.

5. Key features of Foreign Exchanges Contracts

5.1 What is a FX contract?

A FX contract is a contract which allows you to buy or sell currency or sell one currency for another.

A spot FX contract is a contract for buying or selling a currency where the exchange rate is determined by the market conditions at the time i.e., on the spot. When entering a spot FX contract, you will need to pay the base currency on the settlement date. Settlement of the exchanged currency is typically two business days.

5.2 How do spot FX transactions work?

Below is an example to demonstrate how to enter a spot FX transaction:

5.2.1 Obtain quote



You wish to enter a transaction where you buy USD \$10,000 in exchange for AUD in two business days (i.e. the settlement date). You log into your account on AW Fintech's online trading platform and select AUD/USD and are quoted an exchange rate of AUD/USD 0.6214.

5.2.2 Accept quote

You accept this quote on the platform and therefore enter a spot FX contract between you and AW Fintech.

At the accepted exchange rate, you will be selling the following amount in AUD in exchange for \$10,000 USD:

$$\text{USD } \$10,000 \div \text{AUD/USD } 0.6214 = \text{AUD } \$16,092.69$$

5.2.3 Settlement Date

Upon settlement, AW Fintech exchanges USD\$10,000 for the AUD\$16,092.69.

You must ensure that you have adequate cleared funds to complete the transaction by the settlement date. Inadequate cleared funds will result in termination of the spot FX transaction.

5.3 What currencies do AW Fintech offer?

The currencies offered by AW Fintech are available via our website as well as trading platform and may change from time to time. Please refer to our website or trading platform for a list of products AW Fintech is currently offering.

5.4 Risks of entering FX contracts

Before entering any FX contracts, you should carefully consider the risks of entering into the transaction. Such risks include, but are not limited to:

5.4.1 Market (exchange rate) risk

When entering FX transactions, you should be aware that the market is subject to numerous factors such as economic conditions, government regulations, political events, social, technological and other unforeseeable variables. The value of a currency may be volatile and therefore may significantly increase or decrease in value, even over a short period of time.

5.4.2 Credit risk

When entering any FX transaction, you are reliant on the counterparty's ability to meet its obligations to you under the terms of each FX contract. By entering a FX contract, you enter the



potential risk that the counterparty may not be able to meet its obligations e.g., if the counterparty declares bankruptcy, leaving its obligations unmet.

5.4.3 Liquidity risk

In entering any FX transaction, you may expose yourself to the potential risk that the counterparty may be unable to execute large trades at favourable prices due to insufficient market liquidity.

5.4.4 Operational risk

You may expose yourself to operational risks such as errors in execution, processing or settlement of FX contracts due to technical failures, human errors or procedural inefficiencies.

However, AW Fintech mitigates the potential of such risks with thorough oversight of its internal processes and procedures, and by using the best technology and infrastructure available.

5.4.5 Regulatory and legal risk

Risks arising from non-compliance with regulatory and legal requirements may occur if there are changes to FX regulations.

5.4.6 Economic and political risk

Events such as political instability or economic sanctions can affect the value of currencies.

5.5 Significant benefits of FX contracts

5.5.1 Cash flow certainty

In comparison to other forms of FX trading, spot FX contracts allow you to lock in an exchange rate for the sale or purchase of a currency at a certain date, eliminating uncertainty regarding the exchange rate.

5.5.2 Speculation

FX contracts can provide you the potential to profit from favourable movements in the exchange rate.

6. How to trade with us

6.1 Client agreement

To use the AW Fintech's Services, you will need to open an account with us and will be bound by our Terms and Conditions. Our Terms and Conditions are important legal documents governing our



relationship with you. We recommend that you consider seeking independent legal advice before entering the Terms and Conditions, as the terms and conditions are important and affect your dealings with us.

Information contained in this PDS is general only and does not constitute a recommendation, advice or opinion. It does not consider your individual objectives, financial situation, needs or circumstances. We strongly recommend that you obtain your own legal, tax and investment advice, considering your needs and financial circumstances.

6.2 Registration and identification

AW Fintech is subject to certain requirements under the Australian anti-money laundering and counter-terrorism financing (AML/CTF) regime. AW Fintech cannot provide Services to you until we have undertaken certain identification procedures to establish your identity.

AW Fintech may be required to reconfirm your identity and personal details at any time, and you agree to supply any reasonably specified identification documentation within a reasonable period if requested by AW Fintech. Failure to provide any reasonably requested identification documentation to AW Fintech may result in us being required to suspend your account until the requested documentation has been provided.

6.3 Entering and settling a spot FX transaction

After you have created an account with AW Fintech, you may commence using our services. You may instruct AW Fintech regarding your instructions to enter a spot FX transaction via the trading platform.

Before entering any transaction with us, you should be aware of the risks and benefits and the suitability of AW Fintech's products for your personal and financial goals and circumstances.

6.4 Fees and charges

Transaction Fees

AW Fintech may charge a transaction fee; the fees charges are dependent on the clients trading or expected trading volumes. Our transaction fee can vary but will be within a range of AUD\$0 to AUD\$25.00. If a fee is payable, it will be added to the total amount you are required to settle.

This is in addition to the Commission Fees and Expenses outlined in our Account Terms and Conditions document. Available online at <https://awfintech.com/wp-content/uploads/2023/08/Spot-FX-Account-Terms-05312023.pdf>



6.5 Client monies

AW Fintech holds client monies in a designated client money account with an Australian authorized deposit-taking institution (ADI) as per the rules of s 981B of the *Corporations Act 2001*. By using AW Fintech's services, you acknowledge and agree to your monies and the monies of other clients being combined and deposited in such an account.

This client money account is subject to the statutory protections on use, withdrawals and distribution of client money in the event of the licensee's insolvency or ceasing to carry on business. Any monies held by AW Fintech will be transferred to the authorized liquidity provider account within 48 hours of the initial receipt of such monies.

7. What should you do if you have a dispute?

AW Fintech follow internal and external dispute resolution procedures to resolve complaints from clients who receive financial products and services. A copy of these procedures may be obtained through our website or by contacting us and requesting a copy (free of charge).

If you have a complaint about the financial services provided to you, please contact your AW Fintech representative and discuss your concerns. You can do this by telephone, email or letter.

The contact details are:

AW Fintech Pty Ltd

Level 9, Suite 902, Tower B, 821 Pacific Highway

Chatswood, NSW 2067, Australia

Tel: +61 2 9017 5200

Email: support@awfintech.com

Website: <https://awfintech.com/>

7.1 Taxation implications

Entering any financial transactions including FX contracts may create tax implications. 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 professional tax adviser before using any of AW Fintech's products or services.



7.2 Privacy

The Company is subject to the Australian Privacy Principles under the Privacy Act 1988 (Cth). The Company's Privacy Policy explains how we protect the privacy of your personal information under the Australian Privacy Principles. Please contact us if you have any concerns.

A copy of our Privacy Policy is available online at: <https://awfintech.com/wp-content/uploads/2023/08/Privacy-Policy.pdf>

7.3 Amendments to the PDS

This PDS may be amended and in most circumstances, you will be notified of the changes electronically as an amended or supplementary PDS provided by us.