

Note that Stop-Loss Orders may not be executed at all, and the execution of the Stop-Loss Order is subject to market volatility and slippage.

All Stop-Loss Orders are subject to agreement by us, so you cannot be assured that you will always be able to have a Stop-Loss Order. While Fusion Markets has absolute discretion whether to accept a Stop-Loss Order, it will generally try to do so, subject to market conditions and the reasonableness of your Stop-Loss Order. Your Stop-Loss Order may be unreasonable if, for example, the level you have specified is beyond the level allowed for Orders for the underlying currency and metals market.

Even if we accept your Stop-Loss Order, market conditions may move against you in a way that prevents execution of your Stop-Loss Order. For example, in volatile markets, our quoted prices might gap though your Stop-Loss Order level, so that the closing level of quotes may be beyond the exact level specified by you. A gap in market prices reflects the market for the currencies and metals market, so can occur for any reason, without any apparent reason or at any time. Additionally, it may be that not all of the Stop-Loss Order can be fulfilled because the underlying market does not have enough buyers and sellers in the volume of the underlying currencies or metals market to allow Fusion Markets to hedge its transactions which it makes in order to completely fulfil your Stop-Loss Order. If the opening price of the underlying currencies and metals market is beyond the level of your Stop-Loss Order, your Order will be filled at the opening level, not at your Stop-Loss Order level.

Trailing Stop Order

A Sell Trailing Stop Order sets the stop price below the market price with an attached trailing amount. As the market price rises, the stop price rises by the trail amount, but if the price falls, the stop-loss price does not change, and a market order is submitted when the stop price is hit. This technique is designed to allow an investor to specify a limit on the maximum possible loss, without setting a limit on the maximum possible gain.

Buy Trailing Stop Orders are the mirror image of Sell Trailing Stop Orders, and are most appropriate for use in falling markets.

When setting the trailing stop price you should be careful not to set it too close to the current market price being the price available to Fusion Markets from its Hedge Counterparty, especially in a volatile market. This is because the stop price might be hit before the price starts to go up/down as you expect.

On the other hand, you should carefully consider how much you can afford to lose, if your prediction does not hold.

In any case, the Stop-Loss Order of any kind is not a guarantee that it will actually be made. This is the case with any Order you place (and which is accepted by Fusion Markets) as long as it is made in accordance with the Financial Product Service Terms.

It is important to note that any Trailing Stop Loss is not actioned on the back end i.e. on the MT4 servers. This means that your Online Platform will need to be open and connected constantly to the internet for them to be triggered. Fusion Markets accepts no responsibility for any Trailing Stop not being triggered.

3.14 Risk Limits

Fusion Markets has the discretion to automatically close positions at the Current Market Price being the value available to Fusion Markets from its Hedge Counterparty. This is also sometimes referred to as the stop out level. The stop out level depends on the Online Platform. This is an internal process only and not a contractual term or assurance to you that any internal risk limit will avoid or minimise your losses on your Account. You should not rely on this as a loss limiting tool for your Account.

Fusion Markets may, in its discretion, choose to impose a lower stop out level from time to time and later to vary that stop out level. This is an internal risk management decision of Fusion Markets.

You should always set your own risk limits and monitor your positions.

The automatic closing of positions will occur if the Margin Level is less than 50%.

3.15 Rolling over or swapping

Spot FX OTC Contracts, Spot Metals OTC Products, Indices OTC Products and Cryptocurrency OTC Products that are “rolled over” or “swapped” (depending on which term applies to your particular Transaction – see the Online Platform which you have chosen). If your position is rolled (or “swapped”) to the next Value Date, you will receive a benefit or bear a cost on your original traded amount.

As a general rule, the following applies: if you buy a currency with a higher interest rate than the currency you sell then you will receive a benefit at rollover. If you sell a currency with a higher interest rate than the currency you buy, then you will incur a cost at rollover.

If you have bought an AUD/USD position (i.e. you have bought the Australian Dollar against the US Dollar), and interest rates are higher in Australia than in the USA, your Transaction will receive a benefit (i.e., the interest differential between the two currencies) if you do not Close Out the position before the settlement time. That is, your Transaction will receive the interest rate differential whilst the position remains open for holding the higher yielding currency.

However, if you have bought AUD/USD position and the interest rate in the USA is higher than the Australian interest rate, your Transaction will bear a cost (i.e., the interest differential between the two currencies) if you do not Close Out the position before the settlement time. That is, your Transaction will be charged the interest rate differential whilst the position remains open for holding the lower yielding currency.

The benefit or cost can either be directly debited or credited to your Trading Account balance as a Finance Charge Adjustment / Finance Credit Adjustment or reflected in the price at which the open position is rolled forward i.e. it is included in the price (or rate at which the contract is rolled).

Fusion Markets Products in respect of open Spot FX OTC Contracts, Spot Metals OTC Products, Indices OTC Products and Cryptocurrency OTC Products held Overnight will incur a Finance Charge Adjustment or Finance Credit Adjustment.

4. Significant Benefits and Risks

4.1 Significant Benefits

The significant benefits of using Fusion Markets' services are:

Significant Benefits	Explanation
Fusion Markets is a market maker	Fusion Markets is authorised to "make a market" for foreign exchange and derivative contracts. This means that Fusion Markets sets its own prices for the Fusion Market Products. The prices we set may diverge significantly from the market

Significant Benefits	Explanation
	price of the underlying instrument. If the market moves against you and you lose on a trade, we may directly benefit from that trade.
Hedging:	Fusion Markets Products can be used as important risk management tools. For example, Spot FX OTC Contracts can be used to hedge your exposure to the underlying instruments. Any profit (or loss) you make using Fusion Market's trading facilities could be offset against the higher (or lower) price you physically have to pay for the currency, metal, index, commodity or other instrument at a future date.
Speculation:	You can benefit by using the quoted underlying instrument prices offered by Fusion Markets to speculate on changing price movements. Speculators seek to make a profit by attempting to predict market moves and buying a product that derives its value from the movement of an underlying instrument.
Access to markets at any time:	When using Fusion Markets' Online Platform, you gain access to systems which are constantly updated in real time. You can control your account and positions 24 hours a day.
Real time streaming quotes:	Fusion Markets' Online Platform provides real time quotes. You may check your Trading Accounts and positions in real time and trade based on real time information.
Control over your account and positions:	Fusion Markets allows you to place stop a Stop Loss Order on your deals. This means that if the market moves against you, we will close out your position in accordance with your Stop Loss order. However, please refer to section 4.2 below, which highlights the risk to you that in a volatile market we may not be able to close out your open position until after the Stop Loss Order is

	exceeded. If this occurs, you may lose more than you deposited.
Deal size:	A benefit of entering into Fusion Markets Products is that the transaction is not forced to have the same standardised contract specifications as the exchange traded contracts. For example, Fusion Markets allows you to enter into transactions in smaller amounts for example 0.01 of a Lot, whereas exchange-traded contracts are a standard size.

4.2 Key Risks

There are a number of risks in trading the Fusion Markets Products. These risks may lead to unfavourable financial outcomes for you. Monitoring of any risks associated with our trading facilities is your responsibility. You should not use our services unless you fully understand the products, and the benefits and risks associated with them.

Some of the significant risks associated with trading Fusion Markets Products are:

Significant Risks	Explanation
Unforeseen circumstances	In unforeseen and extreme situations, Fusion Markets reserves the right to suspend the operation of its website and Online Platform or any part or sections of it, without prior notice to you. In such an event, Fusion Markets may at its sole discretion (with or without notice to you), close out your open positions at prices it considers fair and reasonable at such time.
Loss from Leverage:	Fusion Markets Products involve a degree of leverage. You can outlay a relatively small Initial Margin which secures a significantly larger exposure to the underlying instrument. The use of products like this magnifies the size of your trade so your potential gain and your potential loss is equally magnified. You should closely monitor all of your Open Positions. Leverage increases the risk that even small adverse movements in the value of

Significant Risks	Explanation
	the underlying instrument can lead to losses.
Market volatility	Fusion Markets Products are subject to many influences which may result in rapid fluctuations. Given the potential levels of volatility in the markets, it is recommended that you closely monitor your Open Positions at all times. Because of this market volatility, none of the Fusion Markets Products can be considered a safe trade. However, Fusion markets offers you a way of managing volatility by working orders. You can reduce the downside risk by the use of Stop Loss orders where Fusion Markets will attempt to close your position if the price reaches a particular level.
Trades can be automatically closed:	If prices move against your position, you will be required to top up your account with sufficient funds to maintain your position. If you fail to maintain the required account balance, your position will be closed out by Fusion Markets with resultant loss (including that you may remain liable for any shortfall). You could sustain a total loss of the net amount that you deposit with Fusion Markets to establish or maintain a position (including "top up" amounts).
Liquidity risk:	In some conditions it may be difficult or impossible for you to close out a position. This can happen, for example, when there is a significant change in the price, value or rate of an underlying instrument over a short period of time. This may give rise to substantial losses.
Opportunity cost:	Once you have locked in your price you will not be able to take advantage of subsequent favourable rate/price movements (should that occur) in relation to your existing position. On the other hand, you will be protected from any future adverse movements.

Significant Risks	Explanation
Foreign exchange risk:	<p>You may be exposed to foreign exchange risk if the Fusion Market Product that you are trading is not denominated in your Account Currency (i.e. AUD).</p> <p>You are exposed to currency risk as the unrealised profit or loss from your transaction will be affected by fluctuations of foreign exchange rates. You can minimise this risk by selecting Fusion Markets Products with foreign exchange exposure that you are prepared to incur and to monitor.</p>
Counterparty risk on Fusion Markets:	<p>Counterparty (or credit) risk, is the risk that derives from a counterparty's inability to perform all or any of the obligations under a contractual agreement.</p> <p>ASIC Benchmark 3 – RG 227 – Counterparty Risk (Hedging)</p> <p>Fusion Markets has adopted a policy in order to manage counterparty risk. Fusion Markets manages counterparty risk as set out below.</p> <p>Fusion Markets has adopted a policy to manage its counterparty risk that derives from client trades. Fusion Markets limits this exposure by in some situations hedging its exposure to its clients by entering into opposite transactions as principal in the wholesale market. Fusion Markets is then exposed to counterparty risk with that hedging party.</p> <p>In other situations, Fusion Markets does not hedge the client Trade.</p> <p>Fusion Markets does not have control of the Hedge Counterparty's trading and Fusion Markets is not responsible for the solvency or trading of Hedge Counterparty nor is Fusion Markets obliged to guarantee the solvency of Hedge Counterparty, therefore Fusion Markets remains exposed to its Hedge Counterparty, in respect of its hedge contracts with Fusion Markets.</p>

Significant Risks	Explanation
	<p>OSince Fusion Markets is liable to you as principal on the Fusion Markets Product, Fusion Markets could be exposed to the insolvency of its Hedge Counterparty or other defaults which affect the Hedge Counterparty.</p> <p>The Fusion Markets Products are not protected by a licensed exchange, also known as a central counterparty. Instead, the Fusion Markets Products are OTC derivatives. This means you contract directly with Fusion Markets, and you are subject to our credit risk. If Fusion Markets becomes insolvent, we may be unable to meet our obligations to you, in which case you will become an unsecured creditor.</p> <p>ASIC Benchmark 4 – RG 22 – Counterparty Risk Financial Resources.</p> <p>Fusion Markets has a written policy detailing how we monitor our compliance with our licence conditions in relation to financial requirements.</p> <p>The credit risk you have on Fusion Markets depends on its solvency generally, as well as on the amount (and kind) of its capitalisation, its cash flow, all of its business risks, its Client and stock concentration risks, its counterparty risks for all of its business and transactions (not just the Fusion Markets Products), its risk management systems and actual implementation of that risk management, the limited recourse you have.</p> <p>Your credit risk on Fusion Markets will fluctuate throughout the day and from day to day, including due to its risk on the Hedge Counterparty, whose credit risk to Fusion Markets (and so indirectly to you) cannot be assessed or verified on a continuous basis or perhaps reliably at all.</p> <p>You should take into account all of</p>

Significant Risks	Explanation
	<p>those factors and not rely only on past financial statements since that could be materially incomplete information for your purposes, not current and therefore potentially misleading as a guide to the current solvency and creditworthiness of Fusion Markets.</p> <p>You can assess Fusion Markets financial ability to meet these counterparty obligations to you by reviewing financial information about Fusion Markets. You can obtain a free summary of our annual financial statements by contacting us using the details in section 1.7 of this PDS.</p> <p>An account with Fusion Markets is not insured or guaranteed by the Australian government or any other entity. Consequently, should we become insolvent, there is no guarantee that your Account will maintain its value.</p>
Limited Recourse:	<p>Fusion Markets limits its liability to you (as a Client) under the terms of the Fusion Markets Products by the extent to which Fusion Markets actually recovers against its Hedge Counterparty, and allocates the proceeds to your Fusion Markets Products. Put another way, if, after paying to you out of trust accounts amounts to which you are entitled or additional amounts which Fusion Markets chooses to pay to you, there remains any shortfall owing to you, then Fusion Markets' liability for that shortfall may be satisfied only by the extent to which Fusion Markets is able to recover the shortfall from its Hedge Counterparty.</p> <p>This key risk is linked to "counterparty risk".</p> <p>It is therefore possible that Fusion Markets might not fully recover from the Hedge Counterparty due to reasons not arising from your own Fusion Markets Products, or it may incur costs in seeking the recovery or</p>

Significant Risks	Explanation
	<p>choose to terminate recovery efforts early, thereby reducing the proceeds available to Fusion Markets to allocate in its discretion to your Fusion Markets Product. It is important to understand that you have no rights or beneficial interest in any product which Fusion Markets has with its Hedge Counterparty and you cannot force Fusion Markets to make any decision about seeking recovery against Fusion Markets' Hedge Counterparty. Fusion Markets does not have the power to control its Hedge Counterparty and has no guarantee of financial support from it. You are dependent on Fusion Markets taking any action to seek recovery. Fusion Markets has complete discretion as to how it pursues that action, although Fusion Markets would act honestly, fairly and efficiently in determining if and how to pursue that recovery action.</p>
Volume limits	<p>At its sole discretion, Fusion Markets may impose volume limits on Client accounts or filters on trading, which could prevent or delay execution of your Orders. You have no recourse against Fusion Markets in relation to the availability or otherwise of the online Trading Platform, nor for their errors and software.</p>
Not a regulated exchange:	<p>The Fusion Markets Products are over the counter products and are not traded on a regulated exchange. This means they are not covered by the protections for exchange-traded products arising from domestic or international exchange rules (such as guarantee or compensation funds). Over-the-counter financial products, such as Fusion Markets Products, by their nature do not have an established liquid market with numerous participants. If you want to exit your Fusion Markets Products, you rely on Fusion Markets' ability to Close Out at the time you wish, which might not match the underlying market's liquidity or price.</p>

Significant Risks	Explanation
Systems Risks:	<p>Fusion Markets relies on technology to provide our trading platform to you.</p> <p>A disruption to the Trading Platform may mean you are unable to trade in any of the Fusion Market Products when you want to, and you may suffer a loss as a result. An example of disruption includes the “crash” of the computer systems using to operate the Trading Platform.</p>
Fees and charges:	<p>It is possible that you enter into a trade with us and the underlying instrument moves in your intended direction, but you still end up with less than you started after closing your position. This can happen because of the combined effect of the spread between bid and offer prices, and the negative rollover interest which could apply on consecutive days that a position is held open.</p>
Suspension or trading halt of the underlying instrument:	<p>ASIC Benchmark 6 – suspended or halted underlying assets</p> <p>In the event of an underlying instrument being suspended, no new positions can be opened where there is trading halt over the underlying instrument or trading in the underlying instrument has been suspended on the relevant exchange upon which the underlying instrument is listed.</p>
Cryptocurrencies trading risk:	<p>Trading CFDs on Cryptocurrencies, carries a high level of risk and may not be suitable for all traders.</p> <p>Before deciding to trade CFDS on Cryptocurrencies you should carefully consider your trading objectives, level of experience and risk appetite. The possibility exists that you could sustain a loss of some or all of your Initial Margin and therefore you should not trade with money that you cannot afford to lose.</p> <p>You should be aware and carefully consider whether such trading is</p>

Significant Risks	Explanation
	<p>appropriate for you and seek advice from an independent financial advisor if you have any doubts.</p>
Information on the website and Trading Platform:	<p>Financial data, prices and other information is available to you on the Website and on the Online Platform (Content). The Content is provided as general market commentary and does not constitute Personal Advice. The Content is subject to change at any time without Notice.</p> <p>Fusion Markets is not liable or any loss or damage or loss of profit that may arise directly or indirectly from your use or reliance on the Content.</p>
Orders and gapping:	<p>In a volatile market, there may be a substantial time lag between order placement and execution. This can mean that the bid or offer 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”. We do not guarantee that the Stop Loss Order will be successful in limiting your downside risk, which may be greater than you initially anticipated. For a full explanation please refer to section 3.10 of this PDS.</p> <p>There may also be a time lag between when you seek to open or close a position and when that position is actually opened or closed (“execution risk”). This could result in the position being opened or closed at a worse price than when you sought to open or close the position, especially where the market for the underlying instrument is volatile or illiquid.</p>
Fusion Markets’ rights under the Financial Product Service Terms:	<p>The Financial Product Service Terms entitles Fusion Markets to, amongst other things, close, void, adjust and reverse trades in certain circumstances. Some of the circumstances in which this may occur includes (but is not limited to) where:</p>

Significant Risks	Explanation
	<ul style="list-style-type: none"> • access to the online Trading Platform is suspended, withdrawn or denied • you fail to maintain sufficient level of Margin Cover • the Stop Loss Order is reached • a Division Event occurs (as defined in the Financial Product Service Terms) • a Material Error occurs (as defined in the Financial Product Service Terms) • a Force Majeure Event occurs (as defined in the Financial Product Service Terms) • a Default Event occurs (as defined in the Financial Product Service Terms); • a material breach of the Financial Product Service Terms occurs. <p>You should read the Financial Product Service Terms carefully.</p>
<p>Fusion Markets' discretions:</p>	<p>Fusion Markets has discretions under the Financial Product Service Terms which can affect your Orders and positions. You do not have any power to direct how we exercise our discretions.</p> <p>When exercising our discretions, we will comply with our legal obligations as the holder of an Australian Financial Services Licence. We will have regard to our policies and to managing all risks (including financial, credit and legal risks) for ourselves and all of our Clients, our obligations to our counterparties, market conditions and our reputation. We will try to act reasonably in exercising our discretions but we are not obliged to act in your best interests or to avoid or minimise a loss in your Account. Our significant discretions are:</p> <ul style="list-style-type: none"> ▪ whether to accept your Order (including to Close Out a position) or to amend it; ▪ any risk limits or other limits we impose on your Account or your trading;

Significant Risks	Explanation
	<ul style="list-style-type: none"> ▪ determining Margin requirements and Leverage Rates, especially the amount of Initial Margin, minimum Margin requirements, the time to meet any changed Margin requirement; ▪ determining the values of Fusion Markets Product for opening and closing positions and for determining Margin; ▪ setting Bid Prices (sell prices) and Ask Prices (buy Prices) derived from the underlying market; and ▪ closing your positions and determining prices derived from the underlying market. <p>You should consider the significant risks that arise from Fusion Markets exercising its discretions.</p> <p>Our other discretions include:</p> <ul style="list-style-type: none"> ▪ setting our fees and interest rates (Swap Rate); ▪ setting foreign exchange conversion rates; ▪ opening and closing your Account; ▪ giving you a grace period for full compliance in paying by cleared funds any amount you owe; and ▪ interpretation, variation and application of our policies.
<p>Using third party plugins:</p>	<p>Third party plugins can be risky. They are often called "expert advisers" or "mirror trading plugins" They may enable your account to mirror trades made by third party asset managers or signal providers. They may claim to exploit price latency across platforms or markets. They may promise exceptional returns. Our platform lets you plug in third party applications to help you trade. Some charge you fees, and others do not. Some are approved by us, and others are not.</p> <p>Regardless of our approval, we are not responsible for, and will not indemnify you from, reliance on any statements made by their makers or promoters, or any loss incurred in</p>

Significant Risks	Explanation
	<p>connection with third party plugins that you use. You can lose control of your deals and suffer financial loss. The software may stop working and you are stuck with open positions and you suffer financial loss. You can lose more money than your Initial Margin. They may result in you being margin called and your positions may be liquidated. Some are offered by fraudulent or illegal/underground entities in remote parts of the world. If promoters of these plugins 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 – to do so would be a breach of your contract with us. You are wholly responsible for managing the risks (including the risk of loss) associated with using third party plugins.</p>
Online Platform:	<p>You are responsible for providing and maintaining the means by which you access the Online Platform, our website or your other contact with Fusion Markets. 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 and Online Platform. If you are unable to access the internet and thus the Online Platform, it may mean that you are unable to trade in any Fusion Market Products when desired and you might suffer a loss as a result.</p>
Conflicts:	<p>Trading with Fusion Markets for its Fusion Markets Products carries an automatic risk of actual conflicts of interests because Fusion Markets is acting as principal in its Fusion Markets Products with you and Fusion Markets sets the price of the Fusion Markets Products. The policy used by Fusion Markets is that as principal it issues the Fusion Markets Products to you based on</p>

Significant Risks	Explanation
	<p>the price it gives you, not by acting as broker to you. Fusion Markets obtains its price by dealing with its Hedge Counterparty.</p> <p>You can reduce the risks to you of unfavourable pricing or opaque pricing (meaning it is unclear how it relates to the underlying market) by monitoring the underlying market and Fusion Markets' pricing compared with other similar OTC contracts which have comparable terms.</p>
Valuations:	<p>The Fusion Markets Products are valued by Fusion Markets.</p> <p>While there are no specific limits on Fusion Markets' discretions, Fusion Markets must comply with its obligations as a financial services licensee to act efficiently, honestly and fairly. You therefore have the risk of relying on whatever value is determined by Fusion Markets in the circumstances permitted by the Financial Product Service Terms.</p>
Operational risk:	<p>There is always operational risk in Fusion Markets Products. For example, disruptions in operational processes such as communications, computers and computer networks, or external events may lead to delays in the execution and settlement of a transaction.</p> <p>We are not liable to you if losses arise owing to delays, errors or failures in operational processes outside our control, in particular, due to faults in the online trading platform or in the provision of data by third parties.</p>

5. Costs, Fees and Charges

5.1 The costs in using our products

Please refer to our current FSG for a description of how Fusion Markets, its employees and related parties are paid, and for information about the

spread, conversion costs, administrative charges, Finance Charge Adjustments and Finance Credit Adjustments that may be payable in relation to the Fusion Markets Products. The current FSG is available on the Fusion Markets website. You can also request a hard copy of the current FSG by contacting us using the details set out in section 1.6 of this PDS.

6. General Information

6.1 Account Currency

Your Account Currency is chosen as part of the Account opening process. The Account Currencies which are available can be chosen when the Trading Accounts are established through the personal "Traders Room" or are displayed on the website.

If you instruct Fusion Markets to effect a Transaction denominated in a currency different from the denomination of your Account Currency, Fusion Markets will convert the currency value of your Transaction into the Account Currency.

The foreign currency conversions can expose you to foreign exchange risks between the time the Transaction is entered into and the time the relevant conversion of currencies occurs.

Foreign exchange markets can change rapidly. Exchange rates depend on a number of factors including for example, interest rates, currency supply and demand and actions of government. In some situations, exchanges of currency may be suspended. These will impact on the rates of conversion set by Fusion Markets.

You can use your own bank to convert your existing funds, if you wish. Your bank may charge for this service.

If the Account Currency differs to your deposited currency, Fusion Markets will convert the current when you open a position and again when you close it. When it does this, it issues a foreign exchange contract to you.

6.2 Policies

Fusion Markets has a number of policies that can affect your Fusion Markets Product investments. The policies are guidelines that Fusion Markets (including all of its staff) is expected to follow but policies are not part of the Financial Product Service Terms and do not give you additional legal rights or powers.

We may change our policies at any time without notice to you. We may amend, withdraw, replace or

add to our policies at any time without notice to you. Our policies may help you understand how we operate but all of the important information is set out in or referred to in this PDS so you should only rely on this PDS and not on the policies.

6.3 Taxation Implications

Fusion Markets Products can create taxation implications for Clients. 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 part of the loss is deducted from your assessable income.

However, taxation laws are very complex and vary depending on your personal circumstances and the purpose of your trading. Accordingly, should discuss any taxation questions you may have with your tax advisor before trading in Fusion Markets Products. Fusion Markets does not provide any taxation advice.

6.4

Cooling Off

There is no cooling off period for any of the Fusion Markets Products. This means that you do not have the right to return the Fusion Markets Product, nor request a refund of the money paid to acquire the Fusion Markets Product. If you change your mind after entering into Fusion Markets Products with Fusion Markets, you must Close Out that product, pay any Transaction costs and take the risk of incurring a loss in doing so.

6.5 Insurance

Fusion Markets has the benefit of a comprehensive insurance policy in place to cover a variety of different scenarios, some which may assist in the repayment of deficits if there is fraudulent activity by one of Fusion Markets' employees, directors or authorised representatives that results in your money being used in fraudulent activities. If the insurance policy is insufficient or the insurer fails to perform its obligations, Fusion Markets may not be able to make the payments it owes to you.

6.6 Dispute Resolution

Fusion Markets wants to know about any problems you may have with the service provided to you, so we can take steps to resolve the issue. Fusion Markets has an internal and external dispute resolution procedure to resolve complaints from Clients who receive financial 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, please take the following steps:

1. Contact your Fusion Markets agent or adviser and provide the details of your complaint. You may do this by telephone, facsimile, email or letter.

2. If you make a complaint in writing (which is not compulsory), we will acknowledge receipt of your complaint within 5 business days.

3. If your complaint is not satisfactorily resolved through your Fusion Markets agent or adviser, within 5 business days of receipt of your complaint, please contact the Compliance Department in writing by emailing compliance@gleneagle.com.au or put your complaint in writing and send it to the Compliance Department at:

Fusion Markets
Level 10, 627 Chapel St, South Yarra
Melbourne VIC 3141

4. Fusion Markets will try to resolve your complaint quickly and fairly. We will use our best endeavours to try to resolve your complaint within 45 days of receipt of your written complaint unless we advise you that we require more time due to the nature of your complaint or other reasonable consideration.

5. If you still do not get a satisfactory outcome, you have the right to refer your complaint to the Australian Financial Complaints Authority (AFCA). AFCA is an external complaints and dispute resolution body of which Fusion Markets is a member. The service to you is free. The contact details for AFCA are:

Australian Financial Complaints Authority
G.P.O. Box 3,
Melbourne VIC 3001

Toll Free: 1800 931 678 (free call)
Facsimile: +61 1800 931 678
Website: www.afca.org.au
Email: info@afca.org.au

Fusion Markets - membership number 11357.

6. The Australian Securities and Investments Commission (ASIC) also has an Info line on 1300 300 630 which you may use to make a complaint and obtain information about your rights.

6.7 What are our different roles?

Fusion Markets is the product issuer this means that we issue the Fusion Markets Products, and do not act on behalf of anyone else.

Fusion Markets is also the service providers. Fusion

Markets website (and at times our Representatives) can give you general advice and help you use the trading services.

7. Glossary

Account means your account with Fusion Markets established under the Financial Product Service Terms, including all Trading Accounts and all Transactions recorded in them.

Account Currency means the currency that the Trading Account is denominated in. Please note that all costs including spread, transaction costs, Finance Charge Adjustment and Finance Credit Adjustment are calculated in that currency.

Ask Price (buy price) means the Transaction Price, which Fusion Markets as the seller is willing to accept i.e., the price at which you can buy the Fusion Markets Product. This is also known as the “offer price”.

AUD means the lawful currency of the Commonwealth of Australia.

Base Currency means the first currency represented in a currency pair respect of a Spot FX OTC Contract.

Bid Price (sell price) means the Transaction Price which Fusion Markets as the buyer is willing to accept i.e. the price at which you can currently sell the Fusion Markets Product.

Business Day means a day (other than a Saturday or Sunday or public holiday) on which banks and foreign exchange markets are or will be open for business in Sydney.

Client refers to the person who has an Account with Fusion Markets.

Close Out, Closed Out and Closing Out in relation to a Transaction means discharging or satisfying the obligations of the Client and Fusion Markets under the Transaction and this includes matching up the Transaction with a Transaction of the same kind under which the Client has assumed an offsetting opposite position.

Closing Price means the daily closing Current Market Price (or, if an index, level) of the Underlying Instrument (determined by Fusion Markets).

Commodity OTC Contract means Fusion Markets Products whose Underlying Instrument is a commodity.

Markets by multiplying the applicable price by the Lot traded and the Contract Size.

Contract Size means the standard volume per 1 Lot expressed either in ounces or number of contracts.

Contract Value means the face value of the Fusion Markets Product and is calculated by Fusion Markets by multiplying the applicable price by the Lot traded and the Contract Size.

Corporations Act means the Corporations Act 2001 (Commonwealth) and any regulations made under it, including in any case as amended by any instrument made by the Australian Securities and Investments Commission.

Cryptocurrency OTC Contract means Fusion Markets Products whose Underlying Instrument is a cryptocurrency (or digital token). For example, Bitcoin, Bitcoin cash, Ethereum, Litecoin and Ripple.

Current Market Price is the price available to Fusion Markets from a Hedge Counterparty, which may be a delayed price depending on whether you have subscribed for live pricing.

Equity means the current value of your Trading Account i.e. net worth of funds in the Account, which is calculated by Fusion Markets by combining:

- the balance of the account being the deposit / withdrawals and closed trade profit and loss; and
- the floating (unrealised) profit / loss (positive/negative) of the Open Positions net of fees, charges and costs.

EUR means the single currency of the European Economic and Monetary Union.

Exchange Rate means, in relation to any currency, any widely recognised and published foreign exchange rate for value Spot selected by Fusion Markets in its sole discretion. The foreign exchange rate is always quoted as to how much of the Variable Currency, for 1 unit of the Base Currency, is worth.

Finance Charge Adjustment means the amount you pay in respect of your Transaction, in accordance with the Financial Product Service Terms.

Finance Credit Adjustment means the amount you receive in respect of your Transaction, in accordance with the Financial Product Service Terms.

Finance Rate means the amount nominated by Fusion Markets for this term from time to time, as notified to you (including through the online trading platform) or posted on its website.

a) In the absence of any valid nomination, when you hold a long Equity Derivative and Index position overnight, the Finance Rate for a Finance Charge Adjustment debited to your Account (or Trading Accounts) is the prevailing overnight “London InterBank Offer Rate” (currently referred to as bbalibor™, previously known as “LIBOR”) plus a mark-up, up to a maximum of 25%. bbalibor™ is a primary benchmark for short term interest rates globally. The overnight bbalibor™ is widely published via a number of data vendors.

b) In the absence of any valid nomination, when you hold a short Equity Derivative and Index position overnight the Finance Rate for a Finance Charge Adjustment credited to your Account (or Trading Accounts) is the prevailing overnight “London inter-bank bid rate” (LIBID) being the rate of interest at which banks in London bid for deposit funds less a mark-down, up to a maximum amount of 25%. If the rate calculated by applying LIBID minus the mark-down results in a debit as opposed to a credit, then this will be the Finance Rate for a Finance Charge Adjustment to be debited to your Account (or Trading Account). The overnight LIBID is widely published via a number of data vendors.

Free Margin means the value of funds that are available for opening a position. It is calculated by Fusion Markets by subtracting from the Equity the required Margin. Financial Product Service Terms means the terms of your Account with Fusion Markets, which accompanied your application form, for all of your Trading Accounts by which you deal in Transactions (as amended from time to time). Variations or additional terms may be notified to you from time to time in accordance with your current Financial Product Service Terms.

Fusion Markets means Gleneagle Asset Management Limited ABN 29 103 162 278; AFSL 226 199, trading as Fusion Markets and, in accordance with the Financial Product Service Terms, any person who is a permitted assignee or other successor to Fusion Markets.

Fusion Markets Product means an OTC contracts issued by Fusion Markets under the Financial Product Service Terms to Clients who apply for those products by way of the application form specifically labelled for “Fusion Markets Products”.

FX means foreign exchange.

Spot FX OTC Contract means an OTC contract whose Underlying Instrument (or pair of them) is a currency.

Hedge Counterparty means an entity that Fusion Markets enters into hedge contracts with to manage Fusion Markets' exposure to Fusion Markets Products.

Initial Margin means the amount which you are required to pay to Fusion Markets as Margin for any Transaction which you propose to enter into.

Index and Indices OTC Contract refers to Fusion Markets Products whose Underlying Instrument is an index comprised of securities of issuers listed on an Exchange, typically an index sponsored or promoted by an Exchange. The S&P™/ ASX 200™ is an example, so a S&P™/ ASX 200™ Index is an index whose Underlying Instrument is the S&P™/ ASX 200™ and the values are based on the index levels of the S&P™/ ASX 200™. The index sponsor has no involvement in the Fusion Markets Product.

JPY means the lawful currency of Japan.

Leverage Rate means a transaction size/ margin ratio for each Fusion Markets Product. For example, the 1:30 Leverage Rate means that the Client is required to have 3.3% of transaction size in its Account as Margin.

Limit Order means an order commonly used to enter and exit a market at predefined levels.

Lot means the unit that represents the volume of a Transaction taking into consideration the Contract Size. It can be represented as a portion of a Lot subject to the minimum Lot size, for example (0.1 of a lot) being referred to as a mini Lot or (0.01 of a Lot) being referred to as a micro Lot. For example 1 Lot in EURUSD equals 100,000 EUR being the Base Currency unit and 0.1 Lot is therefore 10,000 units of Base Currency.

Margin means the amount of money (or money's worth) paid to Fusion Markets and credited to your Account as Margin.

Margin Level means the Equity to Margin ratio calculated as Equity divided by Margin.

Margin Closeout Level means the 20% Margin Level that must be maintained before there might be automatic Close Out of all or some of your Open Positions.

Spot Metal OTC Contract means a Fusion Markets Product whose Underlying Instrument is a contract

in respect of metal (including in relation to gold or silver), on a Spot basis only, and payment in United States dollars.

Online Platform means online trading platform for trading in Fusion Markets Products.

Open Position means, at any time, a Transaction which has not been Closed Out, or settled prior to the time agreed for settlement.

Order means any order placed by you to enter into a Transaction.

OTC means "over the counter", in contrast with traded on a regulated exchange.

OTC Contract means contract for difference (CFD) contract to pay or receive the change in value of the underlying instrument (e.g. a currency pair, share index, commodity or cryptocurrency) depending on whether the price rises or falls.

Overnight means end of a trading day at 17:00 New York local time

Points or Pips means in the context of FX Product is the smallest increment by which a FX Product Price changes and is quoted depending on the number of decimal places the currency is quoted. For example, on a USD/JPY Transaction, which is quoted with only two decimal (meaning one Pip = JPY 0.01).

Point Value or Pip value in the context of Spot FX OTC Product means the value of a point or pip for 1 Lot denominated in the Account Currency being the smallest increment by which an FX Product price or Exchange Rate changes also referred to as a Tick. You can calculate the value of a single pip or point denominated in the Account Currency, for instance, if you know that the EUR/USD is quoted with four decimals, so for a 100,000 position you can multiply the 100,000 by the Tick being the four decimal value of one pip, or USD 0.0001. So, on a EUR/USD 100,000 Transaction, the Point Value for 1 Pip would equal USD 10. On a USD/JPY 100,000 Transaction, the Value for 1 pip is equal to JPY 1000 because USD/JPY is quoted with only two decimal (meaning one Pip = JPY 0.01), which would be converted at the current Exchange Rate to get an amount in USD.

Retail Client means a customer or a potential customer of Fusion markets who is not a Wholesale Client or a Sophisticated Investor.

Sophisticated Investor means 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 means an OTC Contract whose theoretical Value Date for a Transaction will occur two (2) Business Days following the day on which the Transaction is entered into.

Spread means the difference between the Bid Price and the Ask Price of Fusion Markets Products.

Stop Loss Order means an Order from you to enter or exit Fusion Markets Products if the price moves to or beyond a level specified by you.

Swap Rate means the rate, usually displayed as swap points, nominated by Fusion Markets from time to time, as notified to you (including through the online trading platform) or by contacting Fusion Markets.

Tick in the context of FX Products means the smallest increment by which an FX Product price or Exchange Rate changes. Please note that in most currencies the tick is 0.0001 of the currency unit. There are exceptions for example when JPY is the Variable Currency the Tick value is equal to 0.01. The website also displays the Tick for each of the Fusion Markets Products.

Trading Account means trading accounts established under the Financial Product Service Terms offered by Fusion Markets for trading purposes. Each is part of the same Account you have with Fusion Markets.

Trailing Stop Order has the meaning set out in clause 3.10 of this PDS and includes a Sell Trailing Stop Order and a Buy Trailing Stop Order.

Transaction means a transaction in any of the kinds of Fusion Markets Product which are traded under the Financial Product Service Terms.

Transaction Fee means the fee or commission from time to time specified by Fusion Markets to be the amount payable by you to Fusion Markets in respect of each Transaction as set out in this PDS or as later varied in accordance with the Financial Product Service Terms and this PDS.

Transaction Price means, for Fusion Markets Products, the Exchange Rate and, for Metal Products, it is the price of buying or selling the financial product.

USD means the lawful currency of the United States of America.

Variable Currency means the second mentioned currency in respect of a FX Product position.

Underlying Instrument means the product which is used as the basis for the calculations of prices for your Fusion Markets Products, such as FX, a share or similar equity financial product, commodity, option, Futures Contract, index or other item (or any combination of one or more of those).

Value Date means the theoretical date of delivery if the product could be settled by physical or deliverable settlement.

Wholesale Client has the same meaning as in section 761G of the Corporations Act 2001 (Cth) but does not include a Sophisticated Investor.