FORWARD EXCHANGE CONTRACTS

PRODUCT DISCLOSURE STATEMENT
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1. PURPOSE

This Product Disclosure Statement (PDS) contains information about Western Union Business Solutions (Australia) Pty Limited (referred to in this document as ‘Western Union Business Solutions’, ‘WUBS’, ‘we’, ‘our’ and ‘us’) Forward Exchange Contracts. WUBS is providing you with this PDS so that you receive important information about FEC’s including their benefits, risks and costs.

The purpose of this PDS is to provide you with sufficient information for you to determine whether an FEC meets your needs. This PDS will also allow you to compare the features of other products that you may be considering.

Please read this PDS carefully before purchasing this product. In the event that you enter into an FEC you should keep a copy of this PDS along with any associated documentation for future reference. The information set out in this PDS is general in nature and has been prepared without taking into account your objectives, financial situation or needs. Before dealing in FECs you should consider whether it is appropriate, having regard to your own objectives, financial situation and needs. This PDS does not constitute financial advice or a financial recommendation.

An FEC may be suitable for you if you have a reasonable level of understanding of foreign exchange contracts and markets. If you are not confident about your understanding of these markets, we strongly suggest you seek independent advice before making a decision about this product.

If you have any questions or need more information, please contact WUBS or refer to our website www.business.westernunion.com.

2. ISSUER

Western Union Business Solutions (Australia) Pty Limited, doing business as Western Union Business Solutions is the issuer of this financial product.

This PDS was prepared by
Western Union Business Solutions (Australia) Pty Limited
ABN 24 150 129 749
AFSL Number 404092.

Further information about Western Union Business Solutions can be found at www.business.westernunion.com.au
3. WHAT IS AN FEC?

An FEC is a binding agreement between you and WUBS in which one currency is sold or bought against another currency at an agreed exchange rate on an agreed date beyond two (2) business days in the future.

4. HOW DOES AN FEC WORK?

When you enter into an FEC you nominate the amount of currency to be bought or sold, the two currencies to be exchanged and the date that you wish to exchange the currencies (the Value Date). The currencies that you wish to exchange must be acceptable to WUBS. For a list of available currencies please contact your WUBS representative.

WUBS will determine the exchange rate applicable to the FEC based on the currencies and the Value Date that you have nominated.

With the exception of a Non-Deliverable Forward (NDF) on the Value Date you are required to deliver the currency that you are exchanging in accordance with the exchange rate determined by WUBS and agreed by you at the time the FEC was entered into. Upon receipt WUBS will pay you or your nominated beneficiary the amount of currency that you have purchased or sold.

A description of how an NDF works is set out in Section 9.

5. WHAT IS THE PURPOSE OF AN FEC?

FEC’s allow parties to fix exchange rates. This allows you to Hedge your currency exposure by providing protection against unfavorable currency movements between the time that you enter into an FEC and the Value Date. It may also assist you in managing your cash flow by negating the uncertainty associated with exchange rate fluctuations for the certainty of a specified cash flow.
6. HOW DOES WUBS DETERMINE THE FOREIGN EXCHANGE RATE?

A foreign exchange rate is the price of one currency (the Base Currency) in terms of another currency (the Terms Currency). A quotation shows how many units of the Terms Currency will equal one unit of the Base Currency. For example the foreign exchange rate AUD/USD 0.7215 means one Australian dollar is equal to 72.15 US cents. In this example the Australian dollar is the Base Currency and the US Dollar is the Terms Currency.

Exchange rates are quoted on the interbank market and fluctuate according to supply and demand. This market is restricted to authorised exchange dealers and banks that constantly quote to each other at wholesale rates and in minimum parcel sizes.

Factors that influence supply and demand include:

- Investment inflows/outflows
- Market sentiment or expectations
- Economic and political influences
- Import/export of goods and services

Exchange rates quoted in the media generally refer to interbank rates and will usually differ from exchange rates quoted to you.

WUBS sets its Spot Rate by applying a margin to the Interbank Exchange Rate that it receives. WUBS determines this margin by taking account of a number of factors, including:

- The size of the transaction
- The currency pair
- Market volatility
- The time zone you choose to trade in
- The frequency with which you trade with WUBS

In determining the rate applicable to an FEC, WUBS applies a forward margin to its Spot Rate. WUBS takes into account a number of factors in determining a forward margin although in general terms it reflects:

- The differing interest rates prevailing in the two currencies involved in the FEC.
- Market volatility.
- Transaction size and WUBS’ ability to off set the transaction in the inter-bank market.
A forward margin can be either a positive or a negative number; where it is a positive number it is added to the Spot Rate and where it is a negative number it is subtracted from the Spot Rate. For example, an exporter needs to buy Australian dollars (AUD) in 3 months time in exchange for US dollars (USD) and Australian interest rates are higher than US interest rates. The pricing principle assumes that WUBS buy AUD now at the Spot Rate, paying for the AUD with USD. WUBS will pass on the benefit of the higher rate of interest that it earns on the AUD. The adjustment, which would be an addition to the Spot Rate means that the forward exchange rate would be more favourable than a Spot Rate. The reverse would apply if Australian interest rates were lower than US interest rates.

7. COMPONENTS AND SPECIAL FEATURES OF AN FEC

7.1 The term of an FEC

The term of an FEC can range between 3 days to 1 year depending on your credit terms with WUBS. A longer term may be considered on a case-by-case basis.

7.2 Other Special Features of FECs

7.2.1 Historical Rate Rollover Extensions

At any time up to the Value Date you may ask WUBS to extend the Value Date of your FEC. WUBS refers to this as a Historical Rate Rollover Extension (HRRE). All HRRE’s are subject to prior approval by WUBS and may be declined at our sole discretion. We will only approve HRRE’s where there is an underlying business purpose.

If WUBS agrees to extend your Value Date the exchange rate of your FEC will be altered. The new exchange rate will reflect a number of factors including your existing FEC rate, the Spot Rate and market interest rates. It will also reflect any funding implications where your FEC is either “in the money” (ITM) or “out of the money” (OTM). This is determined by WUBS comparing the value of your FEC with the prevailing market Spot Rate. If the value of your FEC is greater than the prevailing market rate you will have an ITM position (and will thereby be extending credit to us); if the value of your FEC is less than the prevailing market rate you will have an OTM position (and WUBS will thereby be extending credit to you).

If WUBS agrees to a HRRE we will send you a Confirmation detailing the amendment.
7.2.2 **Pre-delivery of an FEC**

After entering into an FEC you may wish to bring the agreed Value Date forward. This is called pre-delivery.

If WUBS agrees to the pre-delivery we may carry out a margin adjustment to the original FEC rate to reflect this earlier delivery.

You should note that while in normal trading conditions an adjustment for pre-deliveries or extensions may be somewhat marginal, it is probable in times of extreme volatility in the foreign exchange market that the adjustment can be significant.

It should be also be noted that in each case there is a contract to effect full delivery of the contract no later than the Value Date and any agreement to effect a pre-delivery is at WUBS’ sole discretion.

7.2.3 **Partial pre-delivery of an FEC**

You may also wish to bring forward the Value Date on a portion of the amount of your FEC. If WUBS agrees to this we may carry out a margin adjustment to the original FEC rate on that portion of the amount that you wish to pre-deliver. The balance of the face value of the FEC shall remain due at the original exchange rate on the original Value Date.
8. SETTLEMENT AND DELIVERY OF AN FEC

On the Value Date of your FEC you are required to deliver the currency that you are exchanging in accordance with the exchange rate determined by WUBS and agreed by you at the time the FEC was entered into. Upon receipt of cleared funds WUBS will pay you or your nominated beneficiary the amount of currency that you have purchased.

WUBS can deliver payment to you or your nominated beneficiary either by initiating a telegraphic transfer to a bank account or through the physical delivery of a draft in accordance with your instructions to us. Additional fees and charges may apply and these are set out in section 10 of this PDS.

8.1 Draft General Terms & Conditions

8.1.1 WUBS drafts are foreign currency cheques issued by WUBS (either itself or through an affiliated group company) or a correspondent bank to a nominated payee in a specified foreign currency.

8.1.2 Subject to section 8.1.3 if a draft is lost, stolen or destroyed, you will notify us and agree to hold us free from all liability with respect to the lost, stolen or destroyed draft.

8.1.3 If following immediate notice from you to us that a draft has been stolen, lost or destroyed, we are satisfied that the draft has not been presented for payment then we will, stop payment on the draft and issue a replacement draft for the same value or refund the amount of the draft.

8.2 What happens if a Draft is lost or stolen?

In the event that your draft is lost or stolen you must immediately notify your WUBS representative. Upon notification and verification by us that your draft has not been presented for payment we will issue a stop payment on the draft(s) and will issue you with a new draft. Additional fees and charges may apply, please refer to section 10 of this PDS.
9. NON-DELIVERABLE FORWARD (NDF)

A Non-Deliverable Forward (NDF) is a type of FEC that is net-cash settled on the Value Date. This means that there is no exchange of currencies at settlement; instead a single amount will be payable by either you or WUBS.

NDF’s are typically used for currencies that are subject to exchange control restrictions in their particular domestic market that limit access to the currency.

When you enter into a NDF you nominate the notional amount of the non-deliverable currency that you wish to purchase or sell, the Reference Currency and the Value Date. WUBS will then determine the NDF contract exchange rate and the Fixing Date (which will usually be two (2) business days before the Value Date).

On the Value Date the amount that is payable is determined by WUBS calculating the difference in value of the notional amount of the non-deliverable currency in the Reference Currency at the NDF contract rate and the notional amount of the non-deliverable currency in the Reference Currency at the prevailing Spot Rate on the Fixing Date.

The two possible outcomes on the Value Date are:

- If the NDF contract rate is more favorable to you than the Spot Rate on the Fixing Date WUBS will pay you the difference in the Reference Currency.
- If the NDF contract rate is less favorable to you than the Spot Rate on the Fixing Date you will be obligated to pay WUBS the difference in the Reference Currency.

Whether the NDF contract rate is more or less favorable will depend on whether you are buying or selling the notional amount of the non-deliverable currency.
When you enter into an FEC you agree to make a physical payment of one currency to WUBS in exchange for the physical receipt of another currency. The amount that you pay to us is determined by the exchange rate that we agree.

You will not be charged any additional entry fees for an FEC but other fees or charges may apply for related services such as telegraphic transfers/drafts that are made in connection with the FEC.

You may be charged some transaction fees upon settlement or delivery of an FEC if this is carried out via a telegraphic transfer or draft. Transaction fees for telegraphic transfers and drafts are in addition to the costs of an FEC detailed above. Applicable fees and charges will be advised to you by your WUBS representative.

The level of transaction fee we charge you for these services will vary based on:

- The size of the transaction
- The relevant currency involved
- How often you transact with us
- The country to which the funds are being sent

WUBS will advise you of any transaction fees before you establish a trading relationship. WUBS may vary these fees from time to time and will provide you with notice prior to doing so. In addition to the fees charged by WUBS for sending payments by telegraphic/drafts transfer, any correspondent, intermediary or beneficiary bank(s) which facilitates the sending or payment of a telegraphic/drafts transfer may impose their own additional fees or charges which may be deducted from the amount paid to you or your beneficiary.

For further information in relation to the cost of telegraphic transfers/drafts in connection with delivery of your FEC, contact your WUBS representative.
11. BENEFITS OF AN FEC

Benefits of an FEC include:

• FEC’s help you manage the risk inherent in currency markets by predetermining the rate and date on which you will purchase or sell a given amount of foreign currency against another currency. This can provide you with protection against negative foreign exchange movements between the time that you deal and the Value Date. This may also assist you in managing your cash flow by negating the uncertainty associated with exchange rate fluctuations for the certainty of a specified cash flow.

• FEC’s are flexible - Value Dates and amounts can be tailored to meet your requirements.

12. SIGNIFICANT RISKS OF AN FEC

WUBS considers that FEC’s are only suitable for persons who understand and accept the risks involved in investing in financial products involving foreign exchange rates. WUBS recommends that you obtain independent financial and legal advice before entering into an FEC. The following are the significant risks associated with an FEC:

• Cancellations, HRRE’s or pre-deliveries of an FEC may result in a financial loss to you. WUBS will provide a quote for such services based on market conditions prevailing at the time.

• There is no cooling-off period.

• You are legally obligated to exchange the currency at the agreed exchange rate. As such, you will not be able to take advantage of preferential exchange rate movements.

• As counterparty to your FEC you are relying upon WUBS to be able to perform its obligations to you upon maturity of the contract. As a result you have counterparty risk; you are relying on WUBS’s financial ability to fulfill its obligations to you under the contract. To aid in your assessment of this risk a copy of WUBS latest audited financial statements is available upon request. You may request a copy of our financial statements by emailing enquiry@westernunion.com.au
13. TERMS AND CONDITIONS AND OTHER DOCUMENTATION

Each FEC which you enter into will be subject to the Terms and Conditions for doing business with Western Union Business Solutions (Australia) Pty Limited. You are required to sign these before entering into an FEC for the first time.

In addition to our Terms and Conditions you will also need to provide us with the following signed documentation together with such other “Know your Customer” information that WUBS may require:

- Audited financial statements (no more than 12 months old)
- Direct Debit Request form
- Global Pay user configuration form

Copies of the forms can be obtained by contacting your WUBS representative.

Upon completion of these documents WUBS will conduct an accreditation process. Accreditation and acceptance of a customer is at WUBS’ sole discretion.

The main checks that are relevant to the accreditation of a customer are:

- Verification of a customer’s identity in accordance with relevant AML/CTF laws
- A successful credit check conducted through a third party credit agency
- An AML risk assessment considering relevant factors such as the nature of a customers business and the country where the customer will make or receive payments
- A check of a customer’s principal officers and beneficial owners against relevant government issued sanction lists
14. CREDIT REQUIREMENTS

Over the life of an FEC, as the Spot Rate moves, the contract may be In the Money (ITM) or Out of the Money (OTM) or At the Money (ATM). That is, if the contract had to be cancelled at any time, it would result in a gain (ITM) or a loss (OTM) or breakeven (ATM). To manage the Market Risk when an FEC is entered into, where the potential for it to move OTM may occur, WUBS may initially secure the contract by taking an advance partial prepayment/cash deposit from you. Alternatively WUBS may apply this Market Risk against your Trading Limit.

Margin Calls
Should an FEC contract move OTM in excess of the upfront partial prepayment or your Trading Limit WUBS will secure this increased Market Risk through an Additional Partial Prepayment (Margin Call). A Margin Call is required from you to bring the net Market Risk exposure to zero. Margin Calls represent a pre-payment of the FEC by you. If a Margin Call is triggered, WUBS will advise you immediately. **Payment of the Margin Call must be made within two (2) business days of WUBS’ request. If you fail to pay a Margin Call WUBS may, in its discretion choose to cancel some or all of your FEC’s. In such circumstances you will be liable to WUBS for all costs associated with terminating the relevant contracts.**

Taking a cash deposit
In the absence of a sufficient Trading Limit or no Trading Limit, you may still obtain an FEC on an advance prepayment/ cash deposit basis. Generally, WUBS asks for a cash deposit for each FEC entered into.

The cash deposit represents an advance pre-payment of the FEC and is taken to secure WUBS’ potential exposure resulting from adverse OTM currency movements. Your cash deposit will reduce the final payment that you are required to make on the Value Date. The initial cash deposit that we require will be determined as a percentage of the value of the FEC or FEC’s that you have entered. WUBS may determine this percentage at its discretion based on a number of factors including the value of your outstanding FEC’s, Your current financial position/credit rating and the prevailing market conditions.
Trading Limits

WUBS may choose to waive the requirement of a cash deposit by applying the required amount (or notional deposit) against a Trading Limit. The Trading Limit is dependant upon your credit history/rating, strength of financial statements, as well as other factors determined at WUBS’ sole discretion. WUBS may review and amend your Trading Limit at any time.

There are two methods that may be used by us in respect of your Trading Limits:

(a) Against individual contracts WUBS may waive the need for a cash deposit by applying the required deposit of each FEC against a Trading Limit. The FEC is regularly revalued over the period of the FEC.

(b) Against customer portfolios WUBS may allocate a Trading Limit against the net position of your entire portfolio of open foreign exchange contracts. We revalue every contract in your portfolio, and if net exposures (ITM and OTM) are within your Trading Limit a Margin Call will not be triggered. However, if through revaluation the net exposure exceeds your Trading Limit, a Margin Call is required to take your net exposure to zero.

(Please refer to the Terms and Conditions for doing business with Western Union Business Solutions (Australia) Pty Limited for further information on Credit and Authorisation limits.)

15. INSTRUCTIONS, CONFIRMATIONS AND TELEPHONE CONVERSATIONS

The commercial terms of a particular FEC will be agreed and binding at the time of dealing. This may occur verbally over the phone, electronically or in any other manner set out in the Terms and Conditions for doing business with Western Union Business Solutions (Australia) Pty Limited.

Shortly after entering into an FEC WUBS will send you a Confirmation outlining the commercial terms of the deal; this Confirmation is intended to reflect the transaction that you have entered into with WUBS. It is important that you check the Confirmation to make sure that it accurately records the terms of the transaction. You should note however that there is no cooling-off period with respect to an FEC and that you will be bound once your original instruction has been accepted by WUBS regardless of whether you sign or acknowledge a Confirmation. In the event that there is a discrepancy between your understanding of the FEC and the Confirmation it is important that you raise this with WUBS as a matter of urgency.
Telephone Conversations with our dealing room are recorded in accordance with standard market practice. We do this to ensure that we have complete records of the details of all transactions. Recorded telephone conversations are retained for a limited time and are usually used when there is a dispute and for staff monitoring purposes. If you do not wish to be recorded you will need to inform your WUBS representative. However, WUBS will not enter into any transaction over the telephone unless the conversation is recorded.

16. EXAMPLE OF AN FEC AND AN NDF

The examples below are for information purposes only and use rates and figures that we have selected to demonstrate how an FEC and NDF work. In order to assess the merits of any particular FEC or NDF you should use the actual rates and figures quoted at the relevant time.

16.1 FEC

An Australian importer needs to pay USD100,000 in 3 months time for goods purchased overseas. The importer can buy the USD in 3 months time but then it cannot budget the right amount of AUD because the exchange rate in 3 months time is unknown. Assume that the current AUD/USD spot exchange rate is 0.6500.

What would happen if the position was not Hedged?
If the importer did nothing, the amount of AUD needed to pay in 3 months time for the USD100,000 will depend on the prevailing exchange rate quoted for the value at that time.

If the AUD/USD exchange rate went up (the AUD appreciates), less AUD will be required when it comes time to pay for the USD. Assume the exchange rate rises to 0.6600 the importer will pay AUD 151,515.15.

If the AUS/USD exchange rate goes down (AUD depreciates), more AUD will be required. Assume that the rate falls to 0.6200, then the Importer would pay AUD161,290.32.

How can the FEC change this?
The importer can eliminate its exposure to the exchange rate depreciating by entering into an FEC. This will allow an exchange rate to be fixed for their purchase of USD100,000 in three months time. This guaranteed future exchange rate is called the forward exchange rate.
Again, assume the current spot exchange rate is 0.6500. The 3 month forward margin is -USD0.0130 which when applied to the current spot exchange rate, results in a 3 month forward exchange rate of 0.6370.

In 3 months time you will buy from WUBS the USD100,000 at the forward exchange rate of 0.6370 and you will pay AUD156,985.87.

In summary, the importer is better off if the prevailing spot exchange rate is less than the FEC rate of 0.6370 on the maturity date. However, if the prevailing spot exchange rate on the maturity date is greater than the FEC rate of 0.6370 the importer would be worse off as the amount of AUD paid will be more than the amount of AUD payable if the importer had not entered into an FEC.

16.2 NDF

An Australian company is exporting goods to China. The company invoices its customer in Chinese Renminbi (CNY) but the customer pays in AUD. The latest invoice requires the customer to pay the AUD equivalent of CNY650,000 in three months time. Assume the current AUD/CNY spot exchange rate is 6.35.

What would happen if the position was not hedged?
If the exporter did nothing the amount of AUD that it receives in 3 months time will depend on the prevailing AUD/CNY exchange rate.

If the AUD goes up (appreciates) the CNY will be less valuable and the exporter will receive less AUD. For instance if the AUD/CNY exchange rate rises to 6.75 the importer will receive $96,296.27.

If the AUD goes down (depreciates) the CNY will be more valuable and the exporter will receive more AUD. For instance if the AUD/CNY exchange rate falls to 5.95 the importer will receive $109,243.68.

How can an NDF change this?
The exporter can eliminate its exposure to the AUD appreciating by entering into a NDF with a Value Date in 3 months time.

Assume that the prevailing forward margin is 0.01 and WUBS offers an NDF contract rate of 6.4135.

The exporter can then enter into an NDF for a notional amount of CNY 650,000 with a Value Date of three months and a Fixing Date two days prior to the Value Date.
The possible outcomes on maturity are as follows:

- If the AUD/CNY exchange rate has appreciated above the NDF contract rate WUBS will pay the cash difference in AUD (the Reference Currency in this example) to the exporter on the Value Date.

For example if the spot rate on the Fixing Date is 6.75 the fixing amount will be AUD96,296.27 (CNY650,000 / 6.75), the contract settlement amount will be AUD101,348.71 (CNY650,000 / 6.4135) and the difference of AUD5,052.44 will be payable to the exporter by WUBS.

This cash settlement amount will compensate the exporter for the lower amount of AUD that it will receive from its customer in China as a result of the higher AUD/CNY exchange rate.

- If the AUD/CNY exchange rate has depreciated below the NDF contract rate the exporter will be obligated to pay the cash difference in AUD to WUBS.

For example if the spot rate on the Fixing Date is 5.95 the fixing amount will be AUD109,243.68 (CNY650,000 / 5.95), the contract settlement amount will be AUD101,348.71 (CNY650,000 / 6.4135) and the difference of AUD7,894.97 will be payable to WUBS by the exporter.

This settlement amount will reduce the benefit that the exporter would have received from the lower AUD/CNY rate. The exporters’ customer will pay the exporter AUD109,243.68 and the exporter will pay WUBS AUD7,894.97. The total of AUD101,348.71 retained by the exporter is equivalent to the contracted NDF exchange rate of 6.4135.

Entering into the NDF has fixed the exporters effective exchange rate at 6.4135 and removed the uncertainty of fluctuations in the AUD/CNY exchange rate.
17. DISPUTE RESOLUTION

You should address any complaint relating to the product described in this PDS to your WUBS representative in the first instance.

If your complaint is unable to be resolved the matter will be automatically escalated to the relevant business unit manager. If a resolution is not reached within a reasonable time period, the matter will be further escalated to the WUBS compliance manager who will refer the matter to senior management for resolution. All complaints are logged at each stage of the process.

If you have any enquiries about our dispute resolution process, please contact the compliance manager at the principal business address listed below, call 1300 727 113 or email us at enquiry@westernunion.com.

If you are dissatisfied with the resolution of a complaint you have the right to refer the complaint to:

Financial Ombudsman Service (FOS)
GPO Box 3 Melbourne, Victoria 3001
Toll Free Number: 1300 78 08 08

www.fos.org.au
FOS operate an independent dispute resolution scheme
18. PRIVACY

In the course of providing foreign exchange services we may collect information about you. The information that we obtain from you or other people associated with your request is for the purpose of processing your foreign exchange transactions. Certain information may be required by us in order to comply with laws and regulations, including anti-money laundering laws.

We may use your information to send you details about WUBS products and services. If you do not wish to receive such information please let us know. We may also disclose information about you to third party service providers (such as credit checking agencies) who assist us in our business operations and service provision.

WUBS is committed to complying with all privacy laws and regulations. Further information about WUBS’s privacy practices can be found at www.business.westernunion.com.au/about/compliance.

If you would like further information about the way that WUBS manages the handling of personal information, please contact our privacy officer:

Email: privacy.anz@westernunion.com

Mail: Attention Privacy Officer
Level 12, 1 Margaret Street
Sydney NSW 2000

Call: 1300 732 561

19. TAXATION

Taxation law is complex and its application will depend on a person’s individual circumstances. When determining whether or not these products are suitable you should consider the impact it will have on your own taxation position and seek professional advice on the tax implications it may have for you.
20. KEY TERMS

Additional Partial Prepayment/Margin Call has the meaning set forth in section 12.

AUD means Australian Dollar.

Base Currency has the meaning set forth in section 6.

Confirmation means written or electronic advice from WUBS that sets out the commercial details of an FEC.

Customer means the entity that signs WUBS’ Terms and Conditions for doing business with Western Union Business Solutions (Australia) Pty Limited.

Fixing Date means the date specified by WUBS for determining the spot rate applicable to the settlement of a NDF. Hedge means activity initiated in order to mitigate or reduce economic exposure to adverse price or currency movements, by taking a related offsetting or mitigating position, such as an FEC.

Historical Rate Rollover Extension has the meaning set forth in section 7.2.1

Interbank Exchange Rate means the wholesale Spot Rate that WUBS receives from the foreign exchange interbank market.

Issuer has the meaning of s 761E of the Corporations Act 2001 (Cth).

Market Risk means the risk of adverse movements in the value of a transaction due to movements in the Spot Rate over time.

PDS means Product Disclosure Statement.

Reference Currency means the nominated settlement currency for a NDF.

Settlement Risk means the risk that a counter party will be unable to fulfil its obligations on the Value Date.

Spot Rate means the exchange rate for settlement on a Value Date of up to two (2) business days from the date the transaction was entered.
Term Currency has the meaning set forth in section 6.

Trading Limit means the provision of credit terms to you to cover the exposure emanating from the Settlement Risk.

USD means United States Dollar. Value Date has the meaning set forth in section 4.

‘We/we, Our/our, Us/us, WUBS, Western Union Business Solutions’ means Western Union Business Solutions (Australia) Pty Limited.

‘You/you, Your/your’ means the Customer.

21. UPDATES RELATING TO THIS PDS

The information in this PDS is subject to change. WUBS will issue a supplementary or replacement PDS where new information arises that is materially adverse to the information in this PDS. Where new information arises that is not materially adverse to the information in this PDS WUBS will post such updated information on its website at www.business.westernunion.com. You may request a copy of this information from your WUBS representative or by contacting WUBS on 1300 727 113.
22. CONTACT DETAILS

General enquiries
1300 727 113
www.business.westernunion.com
enquiry@westernunion.com.au

New South Wales
Level 12, 1 Margaret Street
Sydney NSW 2000
Tel: +61 (0)2 8585 7000
Fax: +61 (0)2 8244 8350

Victoria
Level 3, 303 Collins Street
Melbourne VIC 3000
Tel: +61 (0)3 9282 0200
Fax: +61 (0)3 9654 0308

Western Australia
Level 19, St Martins Tower
44 St Georges Terrace
Perth WA 6000
Tel: +61 (0)8 9481 0909
Fax: +61 (0)8 9321 2758