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FINANCIAL SERVICES GUIDE

This Financial Services Guide is designed to provide you with important information regarding our services and is typically issued prior to Xinying Pty Ltd (ABN 78 118 548 977) (‘we’ or ‘us’) providing you with a financial product. The information contained within this guide includes:

- Who we are;
- What services we are authorised to provide;
- How we are remunerated for these services;
- Our internal and external dispute resolution processes. Please contact us if you would like further information on this FSG or on any of our services.

We hold Australian Financial Services Licence number 411932 and are authorised to provide the following financial products and services to retail and wholesale clients:

- deal in foreign exchange contracts and non-cash payment products; and;
- make a market in foreign exchange contracts and non-cash payment products; and
- provide general financial product advice in relation to foreign exchange contracts and non-cash payment products.

We provide the following products and services:

- Foreign exchange transactions and contracts;
- Foreign exchange forward transactions and contracts;
- Currency conversion and transfer payment information and support.

Our advice policy

We will provide you with general advice about the foreign exchange market which does not take into account your specific objectives, financial situation or needs. In this instance, you should seek independent professional advice to ascertain whether our advice is appropriate. We neither collect, nor take into consideration, Information regarding your financial circumstances and needs except to the extent that they are relevant to your foreign exchange transaction request.

In all cases, we recommend that you take every reasonable step to fully understand the outcomes of specific foreign exchange trades and strategies adopted in relation to utilising the advice provided by us.

Using our services

If you wish to utilise our services you may issue instructions in person, via the telephone or via such other method (e.g. fax, email or electronic) as may be mutually agreed between us. Other documents you may receive if we recommend you acquire a financial product is our Product Disclosure Statement (PDS), which contains information about foreign exchange products that are issued by us. This will help you make an informed decision about whether to acquire or utilise such products.
General transaction documents
We will provide you with the relevant documentation to facilitate the requested transactions. These may include, but not be limited to client agreements, terms and conditions, and deal confirmations.

Factual information
We can provide you with written factual information regarding current or historical market rates.

Our record keeping obligations
We will maintain comprehensive and accurate records of your client transactions and advice provided.

Who we act for
We are responsible for the financial services we provide to you under our Australian Financial Services Licence, and we do not act for or on behalf of any other financial services licensee.

Remuneration of other benefits received by our employees
Our employees who provide you with advice may receive remuneration for the provision of these services. Our employees also receive salaries, performance-related bonuses and other benefits.

Referral benefits for other services providers
You may have been referred to us by a service provider who may receive financial or non-financial benefits from us. These should have been disclosed to you by the service provider in question. Please note that such benefits will not impact transaction fees or amounts payable for foreign exchange transactions with us.

Transaction fees
Our Product Disclosure Statement provides further details regarding specific transaction fees and costs. However, please note that our fee is built into the exchange rates quoted when you seek to transact.
We reserve the right to charge a transaction fee up to A$25 per transaction, and may also charge up to A$25 dishonoured cheque fee, a telegraphic transfer fee up to A$25 and an express delivery fee up to A$25. Details of all fees and costs will be disclosed to you prior to receiving any advice or entering into a transaction.

Disclosure of any relevant conflicts of interest
We do not have any relationships or associations which might influence us when providing you with our services.

Making a complaint
We have an internal dispute resolution process in place to resolve any complaints or concerns you may have, quickly and fairly. These should be directed to our Complaints Officer who will seek to resolve your complaint within 14 days. If you are dissatisfied with the outcome, you have the right to lodge a complaint with the Financial Ombudsman Service (FOS). FOS is an approved external dispute resolution scheme, of which we are a member, and can be reached on 1300 780808.
You may also make a complaint via the ASIC Freecall Infoline on 1300 300 630.

**Compensation arrangements**  
We have professional indemnity insurance in place that complies with section 912B of the Corporations Act and ASIC Regulatory Guide 126. The policy will cover work done for us by our representatives and employees after they cease to work for us.

**Our privacy policy**  
We are committed to protecting your privacy. We have systems and processes in place which safeguard against the unauthorised use or disclosure of your personal information. Please contact us if you have any concerns of if you would like to see a copy of our privacy statement.
PRODUCT DISCLOSURE STATEMENT

1. INTRODUCTION
This Product Disclosure Statement (PDS) has been prepared and issued by Xinying Pty Ltd (ACN 118 548 977) (we or us). It provides you with key information about our foreign exchange products. The information contained in this PDS does not constitute a recommendation, advice or opinion and does not take into account your individual objectives, financial situation, needs or circumstances. This is an important document and should be read in its entirety before entering into a foreign exchange transaction or purchasing a foreign exchange product with us.

This document does not form part of the Client Agreement; nor should it be read instead of that Agreement. We will provide a paper copy of this PDS free of charge upon request. The information in this PDS is current as at 28th March 2012 and may be updated from time to time where that information is not materially adverse to clients. We may issue a supplementary or replacement PDS as a result of certain changes, which will be available in paper copy upon request and free of charge by contacting us.

For information regarding our full range of products and services, please read the Financial Services Guide. If you have any queries regarding this, please contact us.

Jurisdiction
The distribution of this PDS may be restricted in certain jurisdictions outside Australia. Persons into whose possession this PDS comes are required to inform themselves of, and to observe, such restrictions. This PDS does not constitute an offer or to anyone in any jurisdiction in which such an offer is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. If you are a non-resident of Australia dealing with us you should note:

- the law governing your dealings with us is the law of Victoria, Australia;
- your rights against us are restricted as set out in the Client Agreement;
- moneys which you deposit with us are not loans to us, and will be regulated by the Australian Client Money Rules;
- times are AEST times, unless stated otherwise.

Warning
You should not undertake foreign exchange transactions or enter into foreign exchange contracts unless you properly understand the nature of foreign exchange products and are comfortable with the attendant risks. You should obtain financial, legal, taxation and other professional advice prior to entering into a foreign exchange transaction to ensure this is appropriate for your objectives, needs and circumstances and in relation to the impact of...
any foreign exchange gains or losses on your particular financial situation.

**Use of Examples**
The use of examples in this PDS is provided for illustrative purposes only and does not necessarily reflect current or future market prices or the prices that we will apply to trade; nor how such trades have an impact on your personal circumstances.

**Anti-Money Laundering Legislation**
By opening an account and transacting with us we may require further information from you from time to time to comply with the Anti-Money Laundering and Counter-Terrorism Financing Act (AML/CTF Act). You undertake to provide us with all additional information required to comply with the AML / CTF Act. You also warrant that:

- you are not aware and have no reason to suspect that:
  - the monies used to fund your transactions have been or will be derived from or related to any money laundering, terrorism financing or other illegal activities, whether prohibited under Australian law, international law or convention or by agreement;
  - the proceeds of your investment will be used to finance any illegal activities; and
  - you are not a politically exposed person or organisation as the term is used in the Anti-Money Laundering and Counter-Terrorism Rules Instrument2007 (1).

**Purpose and Contents of this Product Disclosure Statement**
This PDS is designed to provide you with important information regarding our range of foreign exchange products, including the following information:

- Who we are;
- How you can contact us;
- Which products we are authorised to offer;
- Key features/risks/benefits of these products;
- Fees and charges for these products;
- Any potential conflicts of interest we may have; and;
- Our internal and external dispute resolution process.

**Name and Contact Details of Issuer/Service Provider**
We are the issuer of this PDS and the financial product provider. You can contact our office by any of the means listed below:

Writing to us at:
Level M 183 Exhibition St
Melbourne, VIC, 3000
Phone: +61 3 96634567
Fax: +61 3 96639688
Email: city@anying.com

**Representations**
The information contained in this PDS is general advice only and does not take into account your particular financial objectives, needs and circumstances. You should obtain your own professional advice to ensure you fully understand the nature and risks of these products and determine their suitability for your
situation. Neither this PDS nor the foreign exchange contracts issued by us are endorsed or approved by the Australian Securities and Investments Commission (ASIC).

**Nature of Advice we Offer**

We provide foreign exchange services to retail and wholesale clients. We are the issuer of this PDS and hold Australian Financial Services Licence number 411932 which authorises us to provide the following financial services:

- provide financial product advice regarding foreign exchange contracts and non-cash payment products;
- deal in foreign exchange contracts non-cash payment products and;
- make a market in foreign exchange contracts and non-cash payment products.

We buy and sell foreign exchange products and foreign currency.

It is recommended that you take all reasonable steps to fully understand the outcomes of specific foreign exchange products and strategies adopted in relation to utilising the general information provided by us to you. You should obtain financial, legal, taxation or other professional advice.

**2. PRODUCT SUMMARY**

We are authorised to buy and sell foreign currency on spot or forward exchange terms and to give product advice regarding the specific exchange transaction or product.

A summary table of the key characteristics of our foreign exchange contracts follows. However, you should ensure you read and understand this PDS in its entirety.

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<th>PDS Ref Section</th>
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<td>We are both the issuer of this PDS and the provider of the foreign exchange products.</td>
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<td>What is a foreign exchange transaction?</td>
<td>Foreign exchange is about exchanging one currency for another. In a foreign exchange transaction one currency can be bought or sold in exchange for another currency</td>
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<td>What foreign exchange products do we provide?</td>
<td>Foreign exchange spot contracts and foreign exchange forward contracts.</td>
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<td>How do I enter into a foreign exchange contract?</td>
<td>Prior to transacting in foreign exchange, you must read and understand the Financial Services Guide, this PDS, the Application, and the Client Agreement, which will be provided to you by us detailing the applicable terms and conditions. You must complete, sign and return the Application and the documents referred to in it in order to set up an account with us. We reserve the right to refuse to transact with any person.</td>
<td>3</td>
</tr>
<tr>
<td>How do you place a foreign exchange transaction order with Xinying?</td>
<td>We accept foreign exchange transaction instructions in any of the following ways: • telephone (calls will be recorded), or • in writing (including email, facsimile or electronically where agreed)</td>
<td>3</td>
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<td>What fees and charges are payable in respect of a foreign exchange transaction or product?</td>
<td>Whilst we endeavour to include all fees and charges in the spread quoted, in some circumstances you may incur the following fees and charges in relation to a foreign exchange transaction or product: • transaction fee of up to AUD$25 • cheque dishonour fee of up to AUD$25 • telegraphic transfer fee of up to AUD$25 • an express delivery fee of up to AUD$25 The exchange rate quoted has a variable buy/sell spread which takes into account our remuneration.</td>
<td>6</td>
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<tr>
<td>What will be the rate of the foreign currency transaction?</td>
<td>The exchange rate is the price at which the transaction takes place and will be quoted to you and agreed when the transaction is entered into.</td>
<td></td>
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<tr>
<td>What will be the rate/pricing for the foreign exchange product?</td>
<td>For foreign exchange spot contracts, the applicable exchange rate will be that agreed when the contract is entered into, with transaction settlement in normal circumstances occurring two business days later. Cleared Client funds are required on the first business day after the Transaction date, with funds to be remitted for settlement on the second business day after the Transaction date. Forward foreign exchange contracts can be for a fixed term or a fixed delivery date and can also include an optional designated delivery period. To take out a forward foreign exchange contract you will need to advise us of the amount of the particular currency you wish to buy or sell, the other currency involved and the settlement date you would prefer. Pricing of the contract will depend on a number of factors, including the settlement date chosen, the current spot exchange rates and, in each currency pair, the current forward exchange rate (comprised of the interbank, professional market rate plus credit, risk and liquidity premiums) derived from current interest rate differentials between the currency pairs.</td>
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<td>Deposits and Instalments</td>
<td>A deposit may be required to be paid for entry into a forward foreign exchange transaction. This acts as collateral or a security buffer in the event of a default by you. Typically we will require a deposit (&quot;Deposit Call&quot;) calculated as a percentage of the contract value. You may be called for more moneys (&quot;Instalment Call&quot;) to add to the deposit if the market moves against you. If you do not meet a Deposit or Instalment Call in a timely manner or within the time frame specified in the call, positions may be reduced or closed out by us without further reference to you in accordance with the terms of the Client Agreement. This can result in a loss.</td>
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<td>What are the key benefits?</td>
<td>Some of the key benefits for each type of foreign exchange contract offered by us are set out in section 4</td>
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<td>What are the key risks?</td>
<td>Whilst it is acknowledged that the majority of deliverable foreign exchange transactions are a necessary aspect of some businesses, you should also be aware of some potential key risks of foreign exchange contracts, particularly in respect of forward contracts that may be applicable to your</td>
<td>4 &amp; 5</td>
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If you wish to enter into foreign exchange contracts with us you are required to complete and sign an application form (“Application”) and enter into a written client agreement (“Client Agreement”) which details the rights and obligation of the parties, and open an account with us.

**Foreign exchange products**
The principal purpose of foreign exchange products is to enable individuals and entities with foreign exchange needs, to pay or receive international currencies for goods or services, convert moneys, manage their foreign currency risk and protect their funds against adverse exchange rate movements. These products enable future exchange risk to be hedged and provide a degree of certainty of foreign exchange rates and exposures.

**Foreign exchange exposures**
Foreign exchange exposures may arise from a number of different activities. A traveller going to visit another country has the risk that if that country’s currency appreciates against their own, their trip will be more expensive. An exporter who sells its product in foreign currency has the risk that if the value of that foreign currency depreciates then the revenues in the exporter’s home currency will be lower.

An importer who buys goods priced in foreign currency has the risk that the foreign currency will appreciate, thereby making the cost, in local currency terms, higher than expected.

### 3. FOREIGN EXCHANGE TRANSACTIONS AND PRODUCTS

**Foreign exchange transactions**
Foreign exchange is about exchanging one currency for another. In a foreign exchange transaction one currency can be bought or sold in exchange for another currency. The exchange rate is the price at which this transaction takes place. For example: if the current exchange rate for the Australian dollar against the USA dollar is AUD/USD 1.0400, this means that an Australian dollar is equal to, or can be exchanged for 1.0400 US cents.

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<th>What are the tax implications of foreign exchange transactions and products?</th>
<th>Foreign Exchange transactions and products may have tax implications. The taxation consequences can be complex and will differ for each individual’s financial circumstances. We recommend that you obtain independent taxation and accounting advice in relation to the impact of foreign exchange transactions and products on your particular financial situation.</th>
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<td>Dispute resolution</td>
<td>We have an established policy for dealing with complaints and we are a member of FOS, an external dispute resolution scheme.</td>
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Fund managers and companies who own foreign assets are exposed to falls in the currencies where they own the assets. This is because if they were to sell (repatriate) those assets at the depreciated exchange rate applicable to those assets, this would have a negative effect on the home currency value.

Other foreign exchange exposures are less obvious and relate to the exporting and importing in local currency, but where the negotiated price is being affected by exchange rate movements.

Nature of foreign exchange products
Foreign exchange contracts are not traded on a licensed financial market, or exchange, but are bilateral agreements between you and Xinying, with each party responsible for assessing the credit standing and capacity of the other party before entering into the transaction.

Facilitation of Transactions
We will provide you with the requisite Application, facilitate execution and provide confirmation documentation to facilitate requested transactions. If you wish to proceed with a foreign exchange transaction you will need to return a signed copy of the Application, which incorporates the Client Agreement and which in turn sets out your rights and obligations. You will then be bound by the Client Agreement.

4. FOREIGN EXCHANGE SPOT CONTRACTS
A spot contract enables an exchange of two currencies on agreed terms. The applicable exchange rate will be that agreed when the contract is entered into, with transaction settlement occurring in normal circumstances two business days later. Client funds are required by the first business day after the Transaction Date, with funds to be remitted for settlement on the second business day after the Transaction Date.

Benefits of spot contracts
The significant benefits of spot contracts are:
• they are a simple and efficient method of facilitating payments internationally;
• they can be used to provide advance payments to open account settlements and settle letters of credit.

Risks of spot contracts
In addition to the general risks associated with foreign exchange transactions referred to later in this section, the significant risks of spot contracts are:
• whilst efficient, spot exchange rates can be volatile and unpredictable, even during a single trading day; and
• utilising the spot market to manage future foreign exchange requirements may expose you to a high risk of unfavourable movements in foreign currency values, and
• there is no cooling off period.

Example of spot transaction
• ABC Pty Ltd has an invoice due for immediate payment in foreign currency in the amount of USD100,000,
• ABC Pty Ltd purchases USD100,000 from us at the prevailing spot rate of 1.0400 which
equals AUD 96,153.85 (USD 100,000 / 1.0400) (plus transmission costs if applicable),

- We send a written fax or sms or email confirmation to ABC Pty Ltd and ABC advises us of the intended beneficiary of the USD 100,000,
- ABC Pty Ltd pays cleared AUD to us by its preferred settlement method (i.e. inward Telegraphic Transfer, BPay or Direct Debit) within one business day after the Transaction date,
- Upon receipt of the total AUD owed to us under the spot transaction, we remit USD 100,000 to the beneficiary/ies in accordance with the instructions supplied by ABC Pty Ltd.

5. FOREIGN EXCHANGE FORWARD CONTRACTS

A forward exchange contract enables you to buy or sell one currency against another for settlement at a future date.

Many market participants need to exchange currencies at a future time other than two days in advance, but in order to manage their exposures and cash flows, they want to secure the rate of exchange now. Forward foreign exchange contracts are generally used by importers, exporters and investors who seek to lock in exchange rates for a future date in order to hedge their foreign currency cash flows. Foreign exchange forward contracts can be for a fixed term or a fixed delivery date, and include an optional designated delivery period. Both the current spot (market) rate and the forward rate adjustment are used in determining the rate of exchange for a forward contract. The forward rate adjustment is a calculation involving the applicable interest rates and spot prices of the currencies involved. Forward exchange contracts reflect time and the difference in the interest rates between any two currencies.

The deals are flexible as to the maturity date, the size of the transaction and as to currencies involved. Like foreign exchange spot contracts, forward exchange contracts are bilateral contracts between two parties and hence each party is responsible for assessing the credit standing and capacity of the other party.

**Entering a foreign exchange forward contract**

You will need to advise us of the amount of currency that you wish to buy or sell, the other currency involved and the settlement date.

Pricing of the contract will depend on a number of factors, including the settlement date and the current spot rates. The current forward exchange rate is comprised of the interbank, professional market rate plus credit, risk and liquidity premiums, as well as a forward premium or discount, which is derived from current interest rate differentials between the currency pairs.

**Deposits**

We may require a deposit amount when a Client agrees to enter into a forward contract. This deposit is usually 10–20 percent, but may be more on certain circumstances, 10 percent.
being the minimum, of the AUD equivalent value of the contract. A deposit may be required if:

- your company has only recently commenced business with limited operating experience;
- the credit rating is not of a high or satisfactory level as assessed by us;
- the contract amount requested is considered by us to be a higher foreign exchange risk than normally acceptable;
- the settlement date and/or currencies involved are considered by us to be a higher than normal credit risk in the event the transaction had to be cancelled during the life of, or at maturity of the contract;
- we have no history of trading with you;
- the volatility of markets warrants extra collateral from you to hold the position.

We do not pay interest on Deposits or Instalments. IMPORTANT: You should not enter into a Forward Contract if you are unable or unwilling to provide Deposit of between 10% and 20% (or more if we so decide – see above) of the value of the transaction with the possibility of one or more further Instalments being requested at any time prior to the Settlement Date. If we ask you to pay a Deposit or Instalment at any time and you fail to do so, we may close out your Forward Contract without prior notice.

We may also make a Call for further moneys (Instalments) if the Market moves against you. All Deposits and Instalments are required to ensure that we have sound risk management policies in the event of an adverse rate move.

Example
The Deposit is calculated as follows:
If you entered into a forward contract to buy USD100,000 against AUD at a rate of AUD/USD 1.0400 this would equate to AUD96,153.85. You would need to make a deposit of AUD9615.38 being 10% of the AUD equivalent, at the commencement of the transaction. Interest is not paid on these deposits.

Whilst Deposits and Instalments are refundable to you at settlement, they are more commonly applied to the last payment on the contract at maturity.

We may offer a “no deposit” forward exchange contract facility to clients who have either built a satisfactory trading history with us or have had a satisfactory credit assessment, as determined by us.

Pre-Delivery of the Forward Exchange Contract
You may also draw down (or pre-deliver) a portion or the total value of the contract prior to the expiry of the contract. This might occur where your supplier has contracted to deliver goods to you at various times over the period of the forward contract. This may result in an adjustment of the exchange rate based on the revised delivery date and the difference in interest rates between the two currencies. Remaining balances of the transaction must be completed by the final day of the contract (called the “settlement date”).
Extension of a Forward Exchange Contract
You may extend the “maturity” of the forward contract only if agreed to by us. For example, this may be considered if there was a delay in the receipt of goods expected from your overseas supplier beyond the original delivery date. These can be transacted in either of two ways:

We can offset the remaining balance of the original forward contract against a newly established forward contract with a new extended maturity date. We will quote you a rate that takes into account the current spot exchange rate and the forward margin for the adjusted time frame. However, by offsetting the remaining balance of the original forward contract, a profit or loss to you would result depending on the current exchange rates compared to the original forward contract rates. This profit or loss would have to be settled at this time; we can extend the remaining balance of the forward contract by quoting you an extension margin onto your original forward contract exchange rate.

This method factors the profit or loss of the original contract into the new forward contract for the extended period (rather than settling this at the time of extension). This is known as a Historical Rate Rollover (HRR). When quoting an HRR rate, the pricing incorporates an interest charge on the above profit or loss in the new forward contract. This charge is associated with the funding or borrowing of the profit or loss for the term of the extension period.

Closure of a Forward Exchange Contract
Although the terms of the contract that you enter into with us are legally binding, you may wish to close out your forward contracts at any time up to and including the settlement date. Based on certain factors, for example, if your underlying transaction had been cancelled and your forward foreign exchange hedge is no longer required, you may call us to close-out your contract by entering into a reversing transaction of your original forward contract at the prevailing exchange rate. We will provide you with a quote for closing-out your forward contract. This quote will incorporate some of the components used when pricing your original forward exchange contract, but will be adjusted for prevailing market rates over the remaining term of the forward exchange contract. Depending on the market rates at the time of closing-out this may result in either a gain or loss to you. There are no additional fees for the closing-out of a forward foreign exchange contract.

Benefits of Foreign Exchange Forward Contracts
The significant benefits of foreign exchange forward contracts are:

- they are a simple method of covering future currency exchange risk, eliminating the concern about unfavourable movements in exchange rates.
- you can lock in a guaranteed rate of exchange, and manage your cash flows and costs accordingly.
- you can choose to settle the whole amount of the contract on one date, or you can stagger
settlement in instalments throughout the contract period.

Risks of Foreign Exchange Forward Contracts
In addition to the general risks associated with foreign exchange transactions referred to later in this section, the significant risks of foreign exchange forward contracts are:

- the principal risk with a forward foreign exchange contract is that as the exchange rate and delivery date are fixed, any opportunity for future financial benefit due to favourable market movements is lost;
- if the future exposure/obligation which has been hedged by the forward contract ceases to exist prior to delivery, then the contract may need to be closed out early. This could be at a loss if the market has moved adversely from your original entry price, or it could be profitable if the market price has moved in your favour.
- there is no cooling off period;
- a Deposit or Instalment, if required, may affect your cash flow.
- Closures, extensions or pre deliveries of a foreign exchange forward contract may result in a financial loss to you

Example of a Forward Contract
ABC Pty Ltd has an invoice due for payment in 90 days time in foreign currency in the amount of USD100,000

- ABC Pty Ltd enters into a Forward Exchange Contract with a maturity date in 15 days time at the 15 day forward rate of 1.0375 (prevailing spot rate of 1.0400 adjusted by the prevailing forward margin of 0.0025 [minus 25 points]). The USD100,000 then converts to an equivalent of AUD96,385.54.
- ABC Pty Ltd is required to pay a 10% deposit of AUD9,638.55 to us upon entering into the Forward Exchange Contract.
- We send a written confirmation (fax, sms or email) to ABC Pty Ltd and ABC advises us of the beneficiary/ies of the USD100,000.
- A minimum of two business days before the settlement date, ABC Pty Ltd pays the equivalent AUD (less any deposit already received) to us by its preferred settlement method (i.e. Inward Telegraphic Transfer, BPay or Direct Debit)
- Upon receipt of the total cleared AUD equivalent owed to us under the Forward Exchange Contract, we remit USD100,000 to the beneficiary/ies in accordance with the instruction supplied by ABC Pty Ltd.

General Risks of Foreign Exchange Contracts
Foreign exchange instruments such as spot contracts and forward contracts comprise an important risk management tool for those who manage foreign currency exposures.

Whilst there are numerous hedging and certainty benefits for those with foreign exposures to manage in the course of their business activities, foreign exchange instruments and transactions entail a number of significant risks and are not suitable for all. You should seek prior independent advice and
consider carefully whether trading in foreign exchange instruments is appropriate in terms of your experience, your financial objectives, needs and circumstances. Some of the risks involved in trading foreign exchange instruments such as spot transactions and forward exchange contracts, include the following:

**Market Risk**
In certain market conditions, it can become difficult or impossible to liquidate a position (this can, for example, happen when there is a significant change in prices over a short period of time). Consistent with market conditions, the prices of our products may be volatile and fluctuate rapidly over wide ranges. Price fluctuations may occur as a result of uncontrollable events or changes in a variety of conditions such as, but not limited to, changing supply and demand relationships, governmental, agricultural, commercial and trade programs and policies, national and international political and economic events and the prevailing psychological characteristics of the relevant marketplace.

**Counterparty Risk**
Counterparty risk is the risk that another party may default on their contractual obligations. In the event of a default due to bankruptcy, fraud, or liquidation of a company you may recover less than the amounts owing to you. In entering into a foreign exchange contract, you are responsible for assessing the credit standing and capacity of the other party.

**Lack of Regulation**
ASIC does not have jurisdiction over international foreign exchanges nor the power to compel enforcement of the rules of a foreign exchange or any applicable foreign law.

**Regulatory Risk**
Changes in taxation and other laws, government, fiscal, monetary and regulatory policies may have a material adverse effect on your dealings in our products.

**Operational Risk**
Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems, or external events. Disruptions in our processing may lead to delays in the execution and settlement of your transaction.

Those obligations to you under the Client Agreement and our products are unsecured obligations, meaning that you are an unsecured creditor of us. In the unlikely event that we become insolvent you will be an unsecured creditor in relation to the balance of the moneys owing to you.

**What is an unsecured creditor?**
In the event that you become an unsecured creditor of us, you will need to lodge a proof of debt with the liquidator for the amount of moneys that are owing to you as evidenced by your account statements.

The liquidator then assesses all proofs of debts to determine which creditors are able to share in
the assets of the company, and to what extent depending on the amounts owing to them and any priority they may have to be paid.

**Client instructions, statements and confirmations**

We accept order instructions in any of the following ways:

- telephone (calls will be recorded); or
- in writing (including email or facsimile, where agreed).

It is your obligation to confirm with us that any order instructions you provide to us have, in fact, been received by us.

It is your obligation to immediately review order confirmations that we provide, to ensure their accuracy. Any order discrepancies identified must be reported to us immediately. Should you have any queries relating to your confirmations, we encourage you to contact us on +61 3 96634567.

Should you wish, for any reason, to close-out or alter the foreign exchange contract you have entered into, we are under no obligation to agree to such closure or alteration. If we agree to close-out or alter your contract this may be subject to payment of any expenses and/or exchange rate loss incurred.

6. FEES AND CHARGES

Our fee for foreign exchange products is built into the exchange rates quoted (buy/sell spread) when you seek to transact. Because we deal as principal, the exchange rate we offer you may not be the same as the rate we obtain ourselves. The rate offered to you may depend upon a number of factors including transaction size, term of the product, our business relationship with you, the prevailing market rates and the differing interest rates applicable to the currency pair involved in the forward exchange transaction. Details of fees and costs will be disclosed to you prior to receiving any advice or entering into a transaction. Further, we reserve the right to charge the following additional fees in certain circumstances:

1. a transaction fee of up to AUD$25 per transaction;
2. a dishonoured cheque fee of up to AUD$25;
3. a telegraphic transfer fee of up to AUD$25; and
4. a delivery express fee of up to AUD$25.

You may also incur additional fees and charges from banks transmitting/receiving beneficiary funds. **We do not receive advance notice of, nor will be liable for, the imposition of such fees.** As these fees and charges are beyond our control it is not possible to predict whether or not they will be incurred or determine their amount. We are also entitled to retain any interest earned on client money held in the segregated accounts we must maintain under the Corporations Act. The rate of interest is determined by the provider of each segregated account.

If a client fails to make any payment required under the Client Agreement when it falls due, interest will be charged on the outstanding sum.
at a rate of five per cent per annum over the cash rate determined by the Reserve Bank of Australia (or of such monetary authority as may replace it) for interbank loans. Interest accrues and is calculated daily from the date payment was due until the date the client pays in full and is compounded monthly.

7. CLIENT AGREEMENT
In order to open an account, you are required to sign the Application, under which you agree to be bound by the Client Agreement which is an important legal document containing the terms and conditions which govern our relationship with you. We recommend that you consider seeking independent legal advice before entering into the Client Agreement, as the terms and conditions detailed therein are important and affect your dealings with us.

We note the following key terms, many of which have been summarised throughout this PDS.

- Client acknowledgements regarding knowledge and suitability to trade foreign exchange products
- Client representations and warranties
- Deposit & Instalment requirements for forward foreign exchange contracts and our rights in respect of them
- Client obligations regarding confirmations (discrepancies)
- Our rights following a default event
- Client Indemnity in favour of us
- Fees and charges
- Restrictions on assignment of agreement

- Telephone recordings
- Governing law (New South Wales).

8. TAXATION CONSIDERATIONS
Foreign exchange transactions and products may have tax implications. The taxation consequences of foreign exchange transactions and products can be complex and will differ for each individual’s financial circumstances. We recommend that you obtain independent taxation and accounting advice in relation to the impact of foreign exchange transactions and products on your particular financial situation.

9. REMUNERATION AND OTHER BENEFITS RECEIVED BY OUR EMPLOYEES
Our employees who provide you with advice or transaction execution may receive commissions for the provision of these services. Our employees also receive salaries, performance-related bonuses and other benefits.

10. REFERRAL BENEFITS FOR OTHER SERVICES PROVIDERS
You may have been referred to us by a service provider who may receive financial or non-financial benefits from us. These should have been disclosed to you by the services provider in question. Please note that such benefits will not impact transaction fees, the rate you will be offered or deposits or instalments payable for financial products or services undertaken with us.

11. DISCLOSURE OF ANY RELEVANT CONFLICTS OF INTEREST
We do not have any relationships or associations which might influence us in providing you with our services. However, we may share fees and charges with associates or other third parties or receive remunerations from them with respect to your dealings with us. We will always act as principal for its own benefit in respect of all foreign exchange transactions with you.

12. MAKING A COMPLAINT
We have an internal dispute resolution process in place to resolve any complaints or concerns you may have, quickly and fairly. Any complaints or concerns should be directed to the Complaints Officer (by telephone, facsimile or letter) at the address and telephone/fax numbers provided in this PDS.

We will investigate your complaint and provide you with our decision and the reasons on which it is based, in writing. We will seek to resolve your complaint within 14 days. If you are dissatisfied with the outcome, you have the right to lodge a complaint with the Financial Ombudsman’s Service Limited (FOS), an approved external dispute resolution scheme, of which we are a member, using the contact details below. You may also make a complaint via the ASIC freecall Info line on 1300 300 630. You can contact FOS by any of the means listed below:

Online: http://www.fos.org.au/
Telephone: Freecall 1300 780 808
Facsimile: +613 9621 2291

13. OUR PRIVACY POLICY
We are committed to protecting your privacy. The information you provide to us and any other information provided by you in connection with your transactions will primarily be used for the processing of your application and for complying with certain laws and regulations. We have systems and processes in place which safeguard against the unauthorised use or disclosure of your personal information. We may use this information to send you details of other services or provide you with information that we believe may be of interest to you. Please contact us at if you have any concerns of if you would like to see a copy of our privacy statement.

14. NO COOLING OFF PERIOD
There is no cooling off period regime that applies to any of the products described in this PDS. You are, therefore, bound by the terms of a Foreign Exchange Contract, when you enter into it, despite the fact that settlement may occur at a later date.

15. DOCUMENTS TO BE PROVIDED BY ACCOUNT TYPES
You must provide us with your Application, or at any time requested by us, such of the documentation as set out in the Application.
Please read the Product Disclosure Statement (PDS) carefully to understand our foreign exchange trading.

The Chinese version is for reference only, please refer to the English version.

**Introduction**

Xinying Pty Ltd (Australian company registration number: 118 548 977, Australian financial services license number: 411 932) issued the Product Disclosure Statement on March 28, 2012, mainly to explain our foreign exchange products. This Product Disclosure Statement is prepared in accordance with the laws and regulations of the Australian Securities and Investments Commission. Customers should seek professional legal advice to understand the local legal restrictions. Before trading with Xinying, customers should seek qualified, independent financial, legal, tax and other professional advice. Xinying and its authorized representatives do not provide financial product advice. This statement only involves general information and does not consider individual investment goals, circumstances, or needs. This statement cannot be considered a recommendation or advice for Xinying products.

Xinying will attempt to explain our products, contact information, product risks and benefits,收费标准, customer dispute resolution methods, etc. in a clear, concise, and effective manner.

Xinying will update this product disclosure statement according to policy changes. Related supplementary and replacement copies can be provided to customers as necessary.

**Anti-money Laundering and Anti-Terrorism Financing**

According to the 2006 Anti-money Laundering and Anti-Terrorism Financing Act (Federations), Xinying must establish an anti-money laundering and anti-terrorism financing plan. According to the implementation of this plan, Xinying will confirm the identity of all customers, verify the identity of the received customer information, and verify the customer's identity. In case of trade with Xinying, if your funds arise from money laundering, drug trade, fraud, terrorism, or other criminal activities, the transaction will be terminated. After the transaction, the customer agrees to provide additional information and assistance to comply with the AML/CTF Act.
收费
在您做相关交易之前，我们的客户代表会向您提供相应的收费标准。

用户协议
客户在进行外汇交易之前应签署新客户注册表，以确认及接受我们的服务条款。我们建议客户在签订协议之前应寻求专业的法律咨询，了解与这种相关的法规的。

税收
外汇交易可能会对您的整体税务状况产生影响。安盈换汇不会提供纳税建议，同时我们建议您咨询专业的税务顾问。

冷静权
安盈换汇所有外汇交易产品没有冷静权。

保密政策
安盈换汇将妥善保管客户的所有信息以及账户中所有相关交易。客户的个人信息应依照澳大利亚隐私法之国家隐私原则严格保密。

投诉处理
若您对安盈换汇提供的服务有任何的不满，请致电联系安盈换汇客服经理，我们将尽快公正地解决您的投诉，并在 14 日内作出答复。