



INSTAREM PRODUCT DISCLOSURE STATEMENT

**November 2016 By InstaReM
Pty Ltd ABN45601384 025
AFSL 464627**

Nov 2017



IMPORTANT INFORMATION

This Product Disclosure Statement ("PDS") has been prepared and issued by InstaReM Pty Ltd ABN 45 601 384 025 AFSL 464627 ("InstaReM"). This PDS has not been lodged with the Australian Securities and Investments Commission ("ASIC") and is not required by the Corporations Act to be lodged with ASIC. ASIC takes no responsibility for the contents of this PDS.

Please note that the information contained in this Product Disclosure Statement ("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 Contract, you should obtain independent advice to ensure this is appropriate for your particular financial objectives, needs and circumstances.

We recommend that you also obtain independent taxation and accounting advice in relation to the impact of foreign exchange gains and losses on your particular financial situation. The taxation consequences of Foreign Exchange Contracts can be complex and will differ for each individual's financial circumstances, and your tax adviser should be consulted prior to entering into a Foreign Exchange Contract.

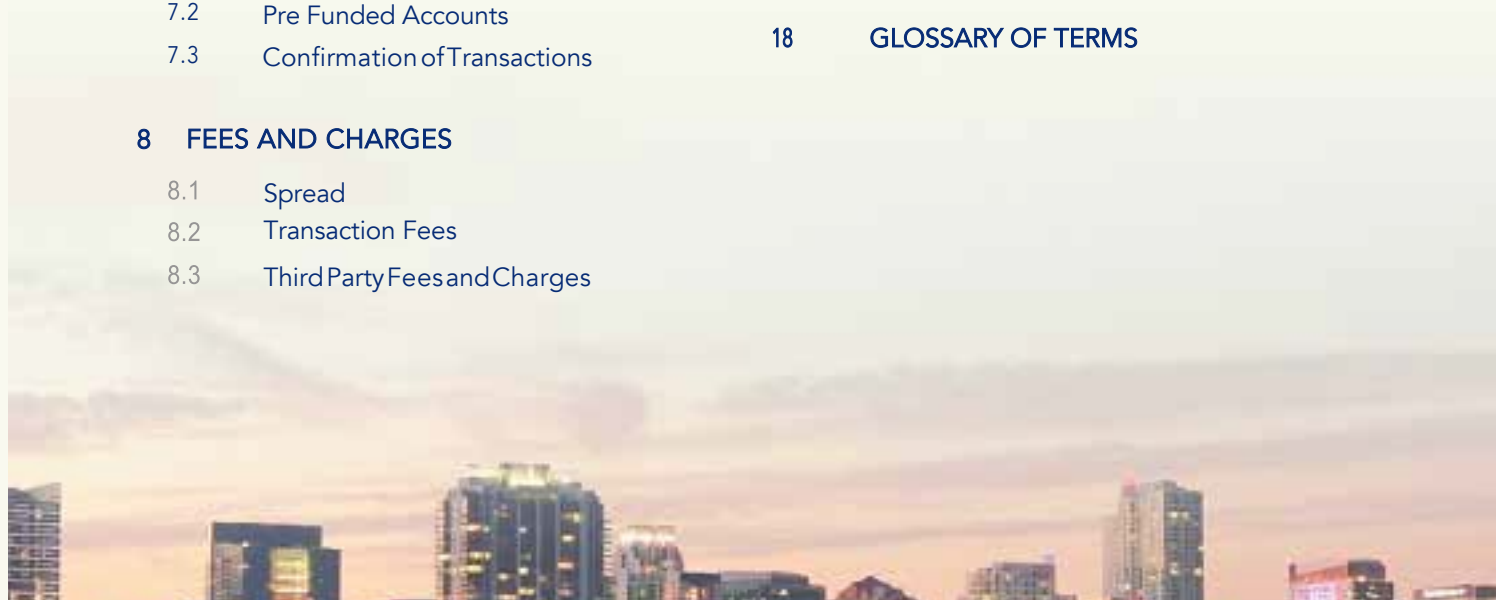
InstaReM does not guarantee the investment performance of Foreign Exchange Contracts. Past performance is no indication or guarantee of future performance.

All clients shall be bound by the contents of this PDS, The information in this PDS is current as at 1st January 2015, and may be updated from time to time where that information is not materially adverse to clients. Updated information shall be provided on our website www.InstareM.com . InstaReM may issue a supplementary or replacement PDS as a result of certain changes, which shall be available on our website or shall be distributed in electronic form as required. This PDS does not constitute an offer or invitation in any place outside Australia where or to any person to whom it would be unlawful to make such an offer or invitation. The distribution of this PDS (electronically or otherwise) in any jurisdiction outside Australia may be restricted by law and persons who come into possession of this PDS should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable law. Please note that the foreign exchange products offered in this PDS may not be granted to or taken up by, and the foreign exchange products may not be offered or sold to, any person that is in the United States or that is, or is acting for the account or benefit of, a US person.

If you received this PDS electronically, we can provide a paper copy free of charge upon request. For information regarding our full range of products and services, please read the Financial Services Guide ("FSG") and visit our website. If you have any queries regarding this PDS, please contact us.

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PRODUCT DISCLOSURE STATEMENT

1. PURPOSE AND CONTENTS OF THIS PRODUCT DISCLOSURE STATEMENT

("PDS")

This PDS is an important legal document setting out information about Foreign Exchange Contracts (FX contracts) which may be entered into between you and InstaReM.

This PDS is designed to provide you with important information regarding FX contracts including the following information:

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

The information in this PDS should assist you to:

- decide if the product meets your needs; and
- compare the product with similar products.

If you intend to apply to use any of the products described in this PDS, please read this PDS in full, then keep it, together with all other documentation which you receive from InstaReM in connection with FX contracts, for future reference. If you have any questions or need more information, please contact us. The purpose of this PDS is to assist you in deciding whether the services offered by InstaReM are appropriate for you. It describes the key features of foreign exchange transactions, the benefits, risks and associated fees and charges.

All financial amounts mentioned in this PDS are expressed in Australian dollars unless otherwise stated. Capitalised words used in this PDS have defined meanings which appear in the Glossary at the back of this PDS

2. NAME & CONTACT DETAILS OF ISSUER/ SERVICE PROVIDER

InstaReM Pty Ltd holds an Australian Financial Services licence Number 464627 and is authorised to provide financial product advice and deal in non-cash payment products and foreign exchange contracts, and to make a market in foreign exchange contracts to retail and wholesale clients.

InstaReM specializes in providing foreign currency dealing and money transmission services to clients who need to buy/sell currencies or make/receive international payments.

You can contact InstaReM by any of the means listed below:

InstaReM Pty Ltd
Level 13, 50 Cavill Avenue, Surfers Paradise, Gold Coast, QLD 4217
Tel: + 61 (07) 5635 4201
Fax: +61 (07) 5676 6700
Email: support@InstaReM.com
Website: www.InstaReM.com

3. TERMS & CONDITIONS

Information provided to you in the FSG and this PDS is important and is binding on you. Additional legal terms governing our relationship are detailed in our Terms & Conditions. As part of the online registration process you are required to agree to the InstaReM Terms & Conditions. By registering you have stated that you have read and agree to the Terms & Conditions.

You must complete the online application form available on our website www.InstaReM.com separately to this PDS, and have your account approved by InstaReM. InstaReM reserves the right to refuse to open an account for any person.

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4. ADVICE

We are obliged to warn you that unless otherwise expressly agreed, we will only provide you with general advice, which does not take account of your objectives, financial situation or needs. Therefore, you are required to ensure that you obtain prior advice regarding the suitability of our products and services for your personal financial needs, objectives and circumstances, from a licensed professional.

Where we collect and take into consideration, information regarding your financial circumstances and needs, and specifically agree to provide you with personal advice, you will receive a Statement of Advice.

While InstaReM believes the advice and information we provide is accurate and reliable, neither InstaReM nor its directors, officers, employees, contractors or associates assume any responsibility for the accuracy and completeness or currency of that advice and information.

5. INSTAREMFOREIGNEXCHANGESUMMARYTABLE

ITEM	SUMMARY	PDS SECTION REFERENCE
Who is the issuer of this PDS and the products?	All products and services detailed in this PDS are supplied by InstaReM Pty Ltd ABN 45 601 384 025 AFSL 464627.	2
What is Foreign Exchange?	A Foreign Exchange contract ("FX contract") is a transaction that involves a contract for the exchange of one currency for another at an agreed Exchange Rate. An "exchange rate" is the price of one currency in terms of another currency.	6.2
Significant Benefits	Exchange rate certainty - locking in a certain exchange rate for the purchase or sale of foreign currency amounts will reduce or eliminate exchange rate uncertainty and provide cash flow certainty. Diversity - FX contracts are available for a wide range of currencies. Flexibility - FX contracts are flexible and can be tailored to meet your requirements.	9

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Item	Summary	PDS Section reference
Significant Risks	<p>Volatility - Exchange rates and interest rates can be volatile and move adversely.</p> <p>Future benefit – Locking in an Exchange Rate means foregoing any benefit from future favourable movements.</p> <p>Counterparty Risk - You are reliant on InstaReM's ability to meet its obligations under the terms of the FX contract.</p> <p>Delays – delays are rare but can be caused by technical or administrative problems experienced by us or by third party intermediaries for reasons entirely beyond our control.</p>	10
What fees and charges are payable in respect of FX contracts?	<p>InstaReM derives a financial benefit by offering a rate to clients which applies a spread. The spread may be considered to be the difference between the Interbank or Wholesale Rate and the rate we quote you.</p> <p>InstaReM will also charge a flat transaction fee in the range of 0.5 to 2% on every transaction. This is a separate fee, the amount of which is unrelated to the exchange rate. You must factor this fee into the cost of the transaction as well. If you are comparing rates, you should bear in mind that an attractive exchange rate may be offset by a high transaction fee (or vice versa).</p> <p>Although InstaReM aims to avoid having additional third party fees deducted from your funds in some cases it is unavoidable. This may result in an amount less than you transferred arriving at the Beneficiary Account. InstaReM does not either levy or receive these fees and is constantly looking for ways to enable our customers to avoid them.</p>	8
How do I open a FX account?	<p>Prior to transacting in FX contracts, you must read and understand the FSG, this PDS and the InstaReM Terms & Conditions (which will be provided to you by InstaReM) detailing the applicable terms and conditions. You must complete, sign and return the InstaReM Application and have your account approved by InstaReM.</p>	3 & 7

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Item	Summary	PDS Section reference
How do I place an FX contract order with InstaReM?	InstaReM accepts FX contract instructions electronically online or via your mobile phone. InstaReM only allows you to exchange funds that have been cleared to an account nominated by us. You need to send us or our agent the funds you wish to exchange in advance of being able to execute a transaction	7
How are payments made in and out of your Account?	You may transfer funds to us using your internet or telephone banking or by going to your branch. InstaReM only accepts bank transfers. In no circumstances does InstaReM accept cash deposits.	7
What are the tax implications of FX contracts?	Tax implications may arise from any transaction or transfer of funds you enter into with us. The taxation consequences of foreign exchange transactions 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 FX contracts on your particular financial situation.	14
InstaReM's powers to suspend or close your account	InstaReM retains the right to suspend or cancel your InstaReM Account without prior notification as set out in the Terms & Conditions. We can also refuse to facilitate the execution of any transaction.	11 & 13
Dispute Resolution	InstaReM has an internal dispute resolution process in place to resolve any complaints or concerns you may have, as quickly and fairly as possible in the circumstances. You should bring any complaints or concerns you have to our attention by contacting us.	17

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6. FOREIGN EXCHANGE TRANSACTIONS

OFFERED BY INSTAREM

6.1 OUR SERVICE

InstaReM operates an online foreign exchange portal that operates 24 hours a day, seven days a week, details of which can be obtained from our website www.InstareM.com. We facilitate the exchange of one currency for another and the transfer of the purchased currency overseas upon your request to the beneficiary you nominate.

InstaReM is not a currency speculation service. It is designed to provide spot foreign exchange and remittance services for clients that need to send funds internationally. In all cases, you must deliver to us or our agent the full amount of the funds you are exchanging. We simply transmit money. We do not facilitate any type of margin or leveraged foreign exchange transaction (ie: where you are able to speculate on future exchange rate movements by putting down a deposit and trading a multiple of that deposit). We do not allow you to pay us only the amount of any loss occasioned by exchange movement and in no circumstances will we pay you any profit realised as the result of an exchange rate movement.

6.2 WHAT IS A SPOT FOREIGN EXCHANGE CONTRACT?

The term foreign exchange contract refers to the simultaneous purchase of one currency and sale of another currency at an agreed exchange rate. Foreign exchange contracts are not exchange traded and are customised to each individual transaction. The characteristics below change for each transaction:

- Currencies exchanged
- Exchange rate
- Amount to be exchanged
- Value date of the transaction

When you enter into any FX contract, you will be asked to nominate an amount ("Contract Amount") and the two currencies to be exchanged. In every FX contract

there are two currencies as follows:

1 fixed unit of a currency = X variable units of another currency.

The fixed currency is called the "base" currency and the variable currency is called the "terms" currency. Together, these are known as the Currency Pair. The currencies involved in any FX contract must be currencies which are acceptable to InstaReM. Spot FX contracts are an agreement to exchange one currency for another at an agreed rate within 2 days of the transaction being booked. Our InstaReM website / mobile application will provide the exchange rate available and provide you with a spot rate. Once you confirm the spot rate, you have agreed to enter into a spot contract with us and you will have 24 hours to pay the funds into our account, and once we have received these funds, we will transfer the money into the nominated beneficiary account.

6.3 EXCHANGE RATES

An Exchange Rate is the price of one currency expressed in terms of another. For example, if the current Exchange Rate for the Australian Dollar against the Indian Rupee is AUD/INR 53.20, this means that an Australian dollar is equal to, or can be exchanged for, approximately 53.20 Rupees. Foreign Exchange Rates are moving constantly and are the largest financial market in the world with trillions traded everyday.

The foreign currency market is an over-the-counter ("OTC") market, which means that there is no official or benchmark exchange rate for foreign currencies. Different service providers will quote different exchange rates. If you are intending to transfer your money straight away, you will want to obtain the best available exchange rate at that time. This is often a matter of shopping around. We cannot guarantee to offer the best rate available on the day, but we endeavour to be very competitive and will try to match any better rates.

A "spot exchange rate" is the exchange rate which

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applies to an FX contract with a settlement date that occurs 2 business days after the deal date ("spot date"). FX contracts with a spot exchange rate are commonly referred to as "spot contracts".

6.4 INTERBANK RATES

The Interbank Rate or Wholesale Rate is the rate at which banks and financial institutions exchange their currencies and is the base for all other exchange rates.

6.5 COMPARING EXCHANGE RATES

As foreign exchange is an over the counter product, different providers will be quoting different rates at the same time. You will want the best exchange rate available, so we advise that you shop around. When you are comparing exchange rates offered by different providers, you need to consider both the exchange rate that is quoted and any transaction fees that may be applicable. For example, a good exchange rate may be accompanied by high transaction fees, so you need to take both into account.

As we offer close to Interbank rates, our spot rates should be lower than others but you should check before you enter into a contract with us.

6.6 EXAMPLE

Please note the following example is purely hypothetical to demonstrate the nature of spot forex contracts only, and does not reflect current rates applicable to your transaction:

Mr. Raj wants to send \$1,000 to his family back home in India. He visits www.InstaReM.com and receives a quote for 1\$ = 53.20 Indian Rupees. Mr. Raj accepts this quote and confirms InstaReM's terms and conditions. InstaReM will send a transaction confirmation to Raj and in turn, Raj will make a Bank payment to InstaReM's Australian Bank account. Once InstaReM or its agent has received the money, it will immediately send the money to the beneficiary as specified by Raj.

7. USING INSTAREM

7.1 HOW TO ENTER A TRANSACTION

Once your InstaReM Account has been fully activated you can enter a transaction either through our online portal or our mobile phone application. Please check the website for market opening hours.

You will need to log on using your Username and Password set up at registration. This is the quickest and easiest way to exchange.

Transaction instructions cannot be accepted by telephone or email.

7.2 PRE FUNDED ACCOUNTS

InstaReM only allows you to exchange funds that have been cleared to an account nominated by us. You need to send us the funds you wish to exchange in advance of being able to execute a transaction. We will advise you of where to send the funds via our website.

As per the terms and conditions you are not paid interest on any balances held by us.

7.3 CONFIRMATION OF TRANSACTIONS

In respect of each FX contract, you will receive a transaction confirmation. You must check the details on the confirmation and if any discrepancies are evident, inform InstaReM immediately.

8. FEES AND CHARGES

8.1 SPREAD

InstaReM derives a financial benefit by offering a rate to clients which applies a spread. The FX spread refers to the difference between the rate we obtain from our own providers on the wholesale foreign exchange market (e.g. the Interbank Spot Rate) and the rate we quote you. The spread will vary from currency to currency and from time to time. We will not usually be able to tell you what the spread is, but you are always free to compare the exchange rate we quote you with other providers to ensure that we are offering you a good rate.

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For some countries where InstaReM will have its own payment infrastructure, we charge an extremely low margin only to protect ourselves from currency spikes as we offer interbank rates.

8.2 TRANSACTION FEES

InstaReM charge a flat transaction fee in the range of 0.5% to 2% on every transaction. For example, if you plan to send \$1,000, InstaReM will charge a fee of \$10 (1%).

You must factor this fee into the cost of the transaction as well. If you are comparing rates, you should bear in mind that an attractive exchange rate may be offset by a high transaction fee (or vice versa).

The fee is quoted in the currency you are transferring however you have the option to pay in a different currency, provided you have enough funds available on your account, in that currency. The Transaction Fee is applied when you request your funds to be transferred to your chosen beneficiary, and is deducted from the amount of available funds you have to send.

8.3 THIRDPARTYFEESANDCHARGES

Although InstaReM aims to avoid having additional third party fees deducted from your funds, in some cases it is unavoidable.

Certain intermediary banks we use to process payments may deduct transaction fees that we have not anticipated. For example, in some jurisdictions, the receiving bank charges a receiving bank fee. We will try and alert you if we are aware but generally we will not know in advance. You should bear this in mind if you are paying the precise amount of an invoice or personal payment.

This may result in an amount less than you transferred arriving at the Beneficiary Account. InstaReM does not levy or receive these fees and will not be liable of payment of such. If you have any questions regarding the likelihood of third party fees being levied by intermediary banks or receiving banks, please contact us.

In most currencies InstaReM operate local bank accounts so sending your deposit into us is free (or next to free) via your internet or phone banking. Where we do not have local accounts your bank may charge you for depositing funds to our nominated account.

9. BENEFITSOFFUSINGINSTAREM

- Secure, convenient way to send your funds internationally.
- Highly competitive exchange rates.
- Low transaction fees.
- Simple execution.
- Access to real time pricing and payments.
- Full transaction records.
- Excellent Customer Service and dedicated staff (no call centres).
- Control over your exchanges.
- Transparency.

10. SIGNIFICANT RISKS

In deciding whether or not to enter into an FX contract you should be aware of the risks set out below. However, this section does not purport to disclose all of the risks associated with FX contracts. InstaReM recommends that you obtain independent financial, legal and taxation advice before you enter into FX contracts.

10.1 OPPORTUNITY COST

By entering into an FX contract today to set a rate for settlement in the future, you are obliged to deliver under that FX contract even if the exchange rate improves prior to settlement. You may therefore forego any benefit of a favourable movement in the exchange rate between the time you enter into the FX contract and the settlement date.

10.2 MARKET RISK

Market risk is the risk that the value of your FX position will change as a result of a movement in the underlying market price. If you enter into an FX contract without an underlying currency cash flow you should be aware that you will be exposed to changes in the market price. You

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will suffer a loss if the underlying foreign exchange rate moves unfavourably.

financial difficulty and can no longer return the funds when requested, InstaReM may not be able to meet its obligations to you.

10.3 COUNTERPARTY RISK

When you deposit funds to an account nominated by us to pre-fund your account in order to exchange you are taking the risk that InstaReM will be able to fulfil its obligations to you. This is known as Counterparty (or Credit) Risk.

FX contracts are not traded on a regulated exchange. Clients must deal directly with InstaReM to open and close positions. Given you are dealing with InstaReM as counterparty to every transaction, you will have an exposure to us in relation to each transaction. This is common to all over-the-counter financial market products.

The obligations of InstaReM to make payments in respect of the contracts are unsecured obligations of InstaReM, which means that you are subject to our credit risk. If we were to become insolvent, we may be unable to meet our obligations to you. If we default on our obligations, Clients may become unsecured creditors in an administration of liquidation and will not have recourse to any underlying assets in the event of our insolvency.

InstaReM may choose to limit this exposure by entering into transactions as principal in the wholesale market in relation to its exposures with clients. InstaReM will not use funds in the client segregated bank account for this purpose. In addition, InstaReM must comply with the financial requirements imposed under its AFS Licence.

InstaReM constantly monitors the credit worthiness of its banking providers seeking to ensure the protection and safety of client funds. We do not speculate on foreign exchange or invest funds for proprietary purposes. All client funds are held in highly liquid banking deposits. If our banking partners experience

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When you send your deposit to InstaReM you accept the risk that InstaReM can meet our obligations to you at the terms of the transaction.

Counterparty risk is limited as your funds are in most cases, exchanged and transferred to a beneficiary within a short space of time, usually 1-2 business days, depending on your requirements.

10.4 CLIENT MONEYS

All money deposited by the Client with InstaReM or received by InstaReM or its agent on behalf of the Client, shall be deposited into an account nominated by InstaReM, and will be paid into a client segregated bank account when required by law. Typically, money goes into a client segregated bank account:

- The next business day following receipt of the actual deposit where (a) it is not allocated to an FX contract or (b) the excess amount, where an amount deposited with InstaReM exceeds the price of the FX contract and we haven't returned the excess funds to you;
- If it is allocated to an FX contract but we don't issue the FX contract immediately;

Please note that money in our client segregated bank account is co-mingled with other client money (which is separate to InstaReM's money). Such monies may be utilised by InstaReM in line with the Corporations Act requirements.

Client monies which are held pending future transactions and payments are held in our segregated account in accordance with the Corporations Act. It is important to note that holding your money in one or more segregated accounts may not afford you absolute protection.

InstaReM is entitled to retain all interest earned on client moneys held in client segregated bank accounts with a bank or other approved deposit-taking institution. The rate of interest earned by InstaReM on this account is determined by the provider of the deposit facility.

10.5 FOREIGN EXCHANGE RISK

Once you have entered into a Spot Contract with us, you will have locked in an exchange rate, so your

transaction will not be affected by subsequent exchange rate

movements; you will be protected from adverse exchange rate movements and, equally, you will be precluded from benefitting from favourable exchange rate movements. However, in deciding whether or not to enter into a Spot Contract, you need to appreciate the

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risk of not doing so.

Foreign exchange currency markets are subject to many influences which may result in rapid currency fluctuations. Those influences are unpredictable and often entirely unforeseen. They include such things as changes in a country's political condition, changes in the global economic climate and natural disasters, all of which may substantially affect the price or availability of a given currency.

10.6 OPERATIONAL RISK

Operational risk is the risk of loss resulting from inadequate or failed technological systems, internal processes or external events.

We employ the latest and most sophisticated technological security measures, including SSL 128 bit encryption for all data transfers over the internet, and also have in place physical risk reduction processes and procedures. However, there are significant risks associated with using and relying on a web-based, electronic trading platform. Such risks include, but are not limited to, risks related to the use of software and/or telecommunications systems such as software errors and bugs, delays in telecommunications systems, interrupted service, data supply errors, faults or inaccuracies and security breaches.

While we will use all reasonable efforts to ensure uninterrupted access to the website at all times, we cannot guarantee that such access will never be interrupted as a result of technical or other unforeseen problems as these are matters largely outside our control. We therefore reserve the right to suspend or terminate access to the website at any time and without prior notice and we can't accept any liability for any loss caused by lack of access to our system or for any errors in the software and/or related information systems. There are important provisions relating to trading via our website or your mobile phone, in our Terms & Conditions. You must ensure that you fully understand these provisions and the risks involved in relying on an on-line, electronic trading system and the limitations in the service that InstaReM can provide in relation thereto.

There is also the risk that our banking providers may make an error or have unscheduled delays in crediting your funds to our Client Accounts or transferring them to We chose our partners carefully and are confident that they can provide services to a standard of service as would be expected from our clients. While we constantly monitor our partners there is always the risk associated with payment processing due to system failures or errors.

10.7 NO COOLING OFF

No cooling off period applies to FX contracts.

11. INSTAREM POWERS - SUSPENDING OR CLOSING ACCOUNTS/TRANSACTIONS

InstaReM retains the right to suspend or cancel your InstaReM Account without prior notification as set out in the Terms & Conditions. We can also refuse to facilitate the execution of any transaction or Close Out a transaction without prior notice to you. This may be necessary in circumstances such as;

- Breaching one or more of the Terms & Conditions of use.
- Failure to make a payment due.
- A dispute between us.
- Failure to provide material information, or in our opinion the information is inaccurate or misleading.
- We believe you are involved in unlawful or illegal activities.
- We believe that it is being used in connection with money laundering or terrorist financing activities or if we are directed to do so by a regulatory authority.
- In the event of your death or loss of mental capacity.
- If bankruptcy or winding up proceedings are commenced against you.
- If we are no longer able to supply the services detailed in this PDS.

12. PRIVACY POLICY

Information collected from you at registration or in

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subsequent communications is used to manage your account, comply with our regulatory obligations and for us to determine your suitability as a client. InstaReM ensures that it complies with all applicable privacy laws including the Privacy Act 1988 (Cth). We have in place policies and procedures to ensure we remain compliant.

Full details of our privacy policy are available from our website www.InstaReM.com

We will retain information obtained from you only as long as required by our regulatory obligations. This includes information required in order for us to comply with applicable laws and regulations for the prevention of money-laundering and counter-terrorism financing.

The law allows you (subject to permitted exceptions) to access your personal information. You can do this by contacting us using our contact details set out in this PDS.

Where necessary InstaReM will correct personal information where that information is found to be inaccurate, incomplete or out of date. We will not charge an individual for reasonable access and correction requests.

InstaReM may provide any relevant information about you to a credit-reporting agency before InstaReM can provide you with Services and also in relation to the recovery of any overdue payments.

13. AML/CTF

By accepting our Terms & Conditions at registration you undertake that activity related to your InstaReM Account is in no way associated with unlawful or illegal activity. InstaReM is compliant with the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth.) and associated laws. By registering with InstaReM, you undertake to notify us of anything that may put us in breach of this legislation and associated regulations.

You must supply personal details to us and where necessary documentation to assist us verify your identity. This may also be necessary for additional authorised signatories and directors and beneficial owners of corporate entities. From time to time we may

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be required to obtain further information to assist with ongoing obligations.

We may be required to provide the relevant authorities with information we have collected from you or any transaction records we hold. We will be unable to notify you of any such requests. We may also be required to suspend or cancel your accounts or delay the processing of transactions or payment requests. If this occurs, we are not liable to you for any consequences or losses whatsoever and you agree to indemnify us if we are found liable to a third party in connection with the freezing or blocking of your account.

14. TAX IMPLICATIONS

Tax implications may arise from any transaction or transfer of funds you enter into with us. Tax rules change from time to time and individual circumstances are different. When determining whether or not this product is suitable for you, 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. We recommend that you seek independent taxation advice before entering into transactions.

You should be aware of the New Business Tax System (Taxation of Financial Arrangements) Act 2003 (Cth) (the "Act") that introduced foreign exchange tax rules from 1 July 2003. Broadly, this has a significant impact on the time foreign exchange gains are brought to tax, foreign exchange gains are claimed as a tax deduction and the measurement of the foreign exchange gains and losses for income tax purposes.

The foreign exchange rules under the Act may apply if you:

- dispose of foreign currency;
 - dispose of a right to receive foreign currency;
 - cease to have a right or obligation to receive foreign currency; or
 - cease to have a right or obligation to pay foreign currency.
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The impact of the Act, subject to some exceptions, is generally:

- if you make a gain from a foreign currency arrangement and part of that gain is attributable to a currency exchange rate fluctuation, that part of the gain is included in your assessable income as a foreign exchange realisation gain;
- if you make a loss from a foreign currency arrangement and part of that loss is attributable to a currency exchange rate fluctuation, that part of the loss is deducted from your assessable income as a foreign exchange realisation loss.

15. GOODS AND SERVICES TAX

No GST should be payable in relation to your FX contracts. This is on the basis that they are considered to be 'financial supplies' under the A New Tax System (Goods and Services Tax) Act 1999. Consequently, they are input taxed and no GST is payable on their supply. However, independent advice should be sought from your accountant or financial adviser confirming this, before acting in reliance thereon.

GST is not payable on any fees or charges associated with your transactions.

16. DISCLOSURE OF INTEREST

We do not have any relationships or associations which might influence us in providing you with our services. However, InstaReM may share fees and charges with its associates or other third parties or receive remuneration from them with respect to your dealings with us.

In particular, InstaReM is a market maker, not a broker, and accordingly will always act as principal for its own benefit in respect of all transactions with you.

17. DISPUTE RESOLUTION

InstaReM has an internal dispute resolution process in place to resolve any complaints or concerns you may have, as quickly and fairly as possible in the circumstances. Any complaints or concerns should be

directed to our Compliance Officer (by telephone, or letter) at the address and telephone in section 2 of this PDS. We will seek to resolve your complaint within 5 days or such further time period that may reasonably be required given the nature of the complaint. We will investigate your complaint, and provide you with our decision, and the reasons on which it is based, in writing. If you are dissatisfied with the outcome, you have the right to lodge a complaint with the Financial Ombudsman Service [contact details below], an approved external dispute resolution scheme, of which InstaReM is a member.

Financial Ombudsman Service Limited
GPO Box 3

Melbourne VIC 3001

Telephone: 1300 780 808

Fax: (03) 9613 6399

Website: www.fos.org.au

Email: info@fos.org.au

InstaReM's Member ID:
35302

PRODUCT DISCLOSURE STATEMENT

18. GLOSSARY OF TERMS

BENEFICIARY ACCOUNT	The bank account to which you request your funds be sent.
CLIENT OR YOU	the person or entity that holds an account with InstaReM.
CLIENT ACCOUNT	Segregated accounts held by InstaReM that are used to separate client funds from that of InstaReM itself.
CLOSE OUT	means cancelling the transaction and selling back the currency we have bought for you when you entered into the transaction.
CURRENCY PAIR	The two currencies that are being exchanged in the transaction.
EXCHANGE RATE	represents the value of one currency in terms of another.
FX CONTRACT	is a transaction that involves a contract for the exchange of one currency for another at an agreed Exchange Rate.
INTERBANK OR WHOLESALE RATE	The rates that are quoted for exchanges between large banks and financial institutions.
PDS	Product Disclosure Statement
SETTLEMENT DATE	means the date on which the funds that are being exchanged must be received by us or our agent.
SETTLEMENT RISK	means the risk we assume that you fail to settle a transaction in accordance with its terms and that a loss will be realised by us as a consequence of exchange rate fluctuations.
SPOT	refers to a foreign exchange contract that must be settled within 2 days (48 hours), sometimes referred to as T+2.
SPOT CONTRACT	means an agreement to exchange one currency for another at an agreed exchange rate within 2 days of the transaction being booked.

PRODUCT DISCLOSURE STATEMENT

18. GLOSSARY OF TERMS

SPOT RATE	means the exchange rate for settlement within 2 business days from the date the transaction was booked.
SPREAD	means the difference between the exchange rate we pay our provider, which we access through the wholesale foreign exchange market, and the rate that we quote to you.
INSTAREM ACCOUNT	refers to your account opened with InstaReM that you access via the website using your username and password.
TRANSACTION FEE	means a fixed fee charged to cover administrative costs.
