

Product Disclosure Statement

Last reviewed: March 15, 2019

1. Important Notice

1.1. Issue

This Product Disclosure Statement ("PDS") is provided by Airwallex Pty Ltd (hereinafter referred to as ("Airwallex") (Company Registration No. ABN 37 609 653 312) and is current as of 4 May 2018.

1.2. Copies

Copies of this PDS are available free of charge. They can be downloaded from our website at www.airwallex.com.

You are advised to check our website regularly for any updates to the PDS or a supplementary PDS setting out the updated information.

The information set out in this document is general in nature. It has been prepared without taking into account your particular needs, objectives or financial situation.

By providing this PDS Airwallex offers general advice about foreign exchange transactions only and does not provide you with any financial advice or recommendations. If in doubt, you are advised to seek independent expert advice to ensure that our products are appropriate for your particular financial objectives, needs and circumstances.

Transactions featured in this PDS may carry with them a certain element of risk involving foreign currency exchange. As such, you may also wish to obtain independent taxation and accounting advice in relation to the impact of foreign exchange gains and losses on your particular financial situation.

This PDS has not been lodged with the Australian Investment & Securities Commission ("ASIC") and is not required to be by the Corporations Act.

2. Purpose of a Product Disclosure Statement

The PDS sets out important information designed to assist you in deciding whether our product meets your needs. It also helps you compare our product with others that you may be considering.

3. Our Business

We operate a cross-border payment platform. In its current form, the platform allows business clients to create conversions and payments to beneficiaries via a web application or via an API integration. The payments will be directed to the beneficiary's bank account in a foreign jurisdiction.

4. Product Key Features

Features	Overview
Significant Benefits	Airwallex allows clients to perform foreign exchange transactions at costs below traditional financial institutions. Access to local clearing networks in foreign jurisdictions also results in lower fees and full delivery of funds to beneficiary bank accounts when compared to traditional correspondent banking networks.
Minimum & Maximum Transaction Amount	There is no minimum transaction amount imposed on users of the platform. Maximum transaction limits imposed are limited by a particular client's risk profile, and also by local clearing network limitations which may restrict the size on certain payment methods. <i>Note: the individual payment methods we support may have their own restrictions.</i>
Fee	FX conversion fees comprise a % fee, agreed with the client, on top of the relevant bid or ask price quoted to Airwallex by our liquidity providers. Payment fees are a fixed USD fee based on payment method and currency. Like FX conversion fees, these are agreed with the client when signing up to the platforms services.
Other Fees	Other fees that may be charged are administrative in nature and include fixed fees for payment cancellation, and percentage based fees for FX cancellation or settlement failure.
Risks	Currency markets can be volatile so the exchange rate may fluctuate.

5. Airwallex Fee Structure

5.1. Transaction Fee

Airwallex charges a FX conversion fee and/or a payment fee for every transaction made through the platform. This fee varies depending on the the following factors:

- transaction volume;
- the source currency and country;
- the destination currency and country;
- the payment process available in the destination country; and
- the method chosen to issue the payment.

A real-time indicative exchange rate and fee will be shown whenever a transaction is created on the web application, with the exact rate and fee locked in once the transaction has executed on the platform. For clients using the API, an indicative quote can be retrieved at any time. The fees and fee structures may change from time to time at our sole discretion. Airwallex reserves the right to offer lower prices to specific customers or groups of customers as a discount, promotion or customer recognition programme.

5.2. Other Fees - Third Party Fees and Administrative Charges

Third parties such as the recipient's or the issuer's banks, as well as any correspondent banks the money passes through while in transit, may charge their own fees to process the payment.

We calculate our transaction fees to cover any such costs, however please be advised that there may be rare instances where a third party fee is levied from your funds and an amount less than what you paid arrives at the beneficiary account. We do not take or receive these fees nor are we liable for them, as such charges are beyond Airwallex's control.

In a situation where incorrect payment details are provided and the settlement or receiving banks refuse to process your payment, administrative charges may be incurred and could be deducted from your payment amount.

6. What is Foreign Exchange?

Foreign exchange or "Forex" allows you to exchange one currency for another currency at an agreed exchange rate. The foreign exchange transactions executed by Airwallex are forex transactions, which means the currencies exchanged are not traded on a licensed financial market such as a stock exchange. Each transaction is customised to meet the needs of each individual and is therefore dependent on the following factors:

- type of currencies exchanged;
- exchange rate;
- transaction amount; and
- settlement date of the transaction.

7. Uses of Forex

For businesses, commercial activities for which Forex may be useful include:

- import and export businesses whereby invoices are quoted in foreign currencies;
- businesses with staff in multiple countries;
- repatriation of funds, overseas profits or interest in foreign currencies; and
- any other foreign currency payments.

For individuals, activities where Forex may be useful include:

- access to foreign funds while travelling;
- sending funds abroad to family and friends in a different country (remittance);
- the payment of international student tuition fees; and
- any other foreign currency payment e.g. downpayment for a property purchased in a different country.

8. What are the significant risks of Forex transactions?

There are a few significant risks involved with making a foreign exchange transaction, such as:

- counterparty and credit risk;
- operational risk;
- foreign exchange risk; and
- regulation and jurisdiction risk.

Please refer to section 11 below for more information.

As currency markets can be highly volatile, a favourable Forex transaction at a specific point in time does not guarantee that future transactions will be as advantageous.

9. Entering into and settling Forex transactions & permissible cancellation/termination

9.1. How to enter into a Forex transaction

1. First, go to the Airwallex website at www.airwallex.com and read our Privacy Policy, Product Disclosure Statement and Client Agreement.
2. If agreeable, visit the homepage and fill in contact details so that one of our Business Development Managers can contact you and talk through your specific requirements and recommend a solution that fits you best.
3. Provide us with all requisite details including, business information, your personal details and any additional documents we may require to fulfil our legal Know Your Customer and Anti-Money Laundering obligations, as set out in the Client Agreement.
4. Login to the web application and create a transaction. You will subsequently need to fund us in the funding currency for the transaction to settle and be paid out to any specified beneficiary.

9.2. Cancellation & Termination

The amendment or cancellation of a foreign exchange transaction is not permitted once a confirmation has been issued by Airwallex.

9.3. Example:

An eCommerce platform that has integrated with the Airwallex API initiates a payment to a merchant that is based in Australia and has sold goods on the eCommerce platform. The eCommerce platform creates a transaction on the Airwallex platform with an instruction to convert USD to AUD and pay out the AUD to the Australian based merchant. The eCommerce platform will send USD to Airwallex to settle the FX transaction with the liquidity provider. Subsequently Airwallex will receive AUD and pay out to the merchant.

10. Cooling-Off Period

As Airwallex provides a platform for foreign exchange transactions only, no cooling-off period applies to the products covered by this PDS.

11. What are the significant risks?

All foreign exchange transactions done through the Airwallex platform carry a level of risk. Here are the main ones you should be aware of:

Market/Foreign Exchange Risk

Foreign exchange rates fluctuate all the time and currency markets can be volatile. Due to these fluctuations, the amount received may differ from the amount estimated and it is possible that the exchange rate may improve once your funds have already been converted.

Counterparty/Credit Risk

When you enter into a transaction with us, you are reliant on our ability to fulfil our obligations to you. As with all contracts, there is a risk that one of the parties may default on their contractual obligations. This is known as counterparty risk. We work with a number of banking and third party partners to provide you with a smooth and successful foreign exchange transaction, however should either ourselves or our partners encounter financial difficulties, we may not be able to fulfill our obligations to you at the time they are due.

To mitigate these risks, Airwallex has diversified its partnership network by entering into partnership arrangements with multiple highly rated banking partners or such third party service providers. As an additional safeguard, we constantly monitor the creditworthiness of our service providers to ensure that our clients' funds are adequately protected. Furthermore, we are of the opinion that counterparty risk is limited as the funds are exchanged and transferred within a short time period.

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, technological systems or external events. We make our best effort to avoid any such problems however we cannot guarantee that they will never occur.

For example, disruptions in Airwallex processes such as software errors and bugs or security breaches may render the Airwallex website unavailable. This may in turn lead to delays in the execution and settlement of your transaction.

Airwallex has numerous systems and processes in place to minimise and avoid operational risk, such as detailed risk management policies and the encryption of all the data you provide us. For this reason, we do not accept liability for any losses or other negative consequences which may arise due to technical or administrative issues.

Legal Risk

Australia, as a member state of the United Nations, is obliged to implement United Nations ("UN") Security Council sanctions. The Australian Government may also impose its own sanctions and restrictions, both locally and internationally.

Airwallex may be prohibited from dealing with prescribed persons or entities. In the event that you fall under the category of prescribed person or entity, we may have to suspend, cancel or terminate your account or any such agreement with us pursuant to regulatory requirements. This may be at a significant cost to you. Please refer to the relevant terms and conditions under our Client Agreement which is available on our website for more information.

12. Privacy Statement and Data Collection of Personal Information

To comply with anti-money laundering legislation, Airwallex is required to collect Personal Information (as defined in the Privacy Act 1988) for the purposes of identifying and verifying your identity.

By using our product/service, under the terms and conditions stipulated in our [Client Agreement](#), you consent to us collecting, using and disclosing your Personal Information for the purposes stated in our [Privacy Policy](#). You are entitled to ask for the Personal Information we hold about you and we will provide it at your request.

13. Complaints Resolution Process

Should you have any complaint, dispute or grievances regarding any of our products or services, please contact our Customer Support team. You can reach us by emailing complaints.au@airwallex.com or calling + 61 3 8583 0915.

Airwallex is a member of an independent dispute resolution scheme, the Australian Financial Complaints Authority ("AFCA"). In the event that the complaint/ dispute/ grievance cannot be resolved following our Complaints Process Procedure (Australia), you can escalate the matter to the AFCA. Their contact details are as follows:

Mail: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001
Phone: 1800 931 678 (toll free in Australia)
Email: info@afca.org.au
Website: www.afca.org.au

For more information about our Complaints Resolution Process, please review our [Client Agreement](#).

14. Governing Law

This Product Disclosure Statement shall be governed and interpreted in accordance with the laws of Victoria, Australia. By using our website and our products/ services, you agree to submit to the exclusive jurisdiction of the Courts of Victoria, Australia.

15. Notification of Changes to Particulars

You must inform us immediately of any changes in your name or any other particulars such as address, contact number, etc. To do so, please log in to your account and update your details under Account Settings or email us at support@airwallex.com.

16. Contact Details

If you have any questions or wish to contact us, you can do so by:

Telephone: + 61 3 8583 0915 (Melbourne, Australia)
Email: support@airwallex.com

www.airwallex.com

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