



Target Market Determination – Contracts for Difference (CFDs)

Issuer	Invast Financial Services Pty Ltd trading as Invast Global (Invast Global)	Product	Contracts for Difference (CFDs)
ABN	48 162 400 035	Approval Date	1 October 2021
AFSL	438 283	TMD Version	Version 1 – 5 October 2021

Regulatory Overview	<p>A Target Market Determination (TMD) is required for each financial product and service marketed to retail consumers pursuant to section 994B of the <i>Corporations Act 2001</i> (Cth) (CA).</p> <p>A TMD must:</p> <ol style="list-style-type: none">a. Set out the class of retail consumers for which the financial product or service would meet their likely objectives, financial situation and needs; andb. Outline the circumstances or ‘triggers’ which require Invast Global (the issuer) to review its Target Market for CFDs and other aspects of the TMD.
Warning	<p>This Target Market Determination:</p> <ul style="list-style-type: none">• Is not a Product Disclosure Statement (PDS);• Does not constitute the Terms & Conditions of using contracts for difference issued by Invast Global;• Is not a Financial Services Guide (FSG);• Is not a summary of the features or terms of a CFD, and• Does not take into account the individual circumstances, objectives, financial situation and needs of the reader. <p>Persons interested in investing in, using or acquiring CFD(s) from Invast Global should carefully review the PDS, FSG and Terms & Conditions of Invast Global and seek independent advice before determining whether to invest in, use and/or acquire CFD(s) from Invast Global. We also recommend that you read this TMD to understand whether you fit in the class of consumers identified in this document.</p> <p>Investment in CFDs is speculative, carries a high degree of risk and returns are not guaranteed.</p>

Product Description	<i>Definition of CFDs</i>	<p>A CFD is a contract between a seller and buy which requires that a buyer pay the seller the difference between the value of an asset at the time the contract was entered into by the buyer and seller and the present value of the asset.</p> <p>In short, CFDs concern the price changes between the time that the contract was entered into and the value of the asset at the current time.</p> <p>The person holding the contract for difference does not ‘own’ or hold any ownership rights of the asset which is the subject of the contract for difference.</p> <p>There is no delivery of the underlying asset which is the subject of the CFD between the buyer and seller.</p>
	<i>Types of CFDs</i>	Shares, currencies (foreign exchange), commodities, future contracts and indices are all able to be traded as CFDs (as the underlying asset).
	<i>Over the Counter (OTC) CFDs</i>	Over the Counter (OTC) CFDs means a class of CFDs that are not traded on an exchange or market and are instead traded CFDs between consumers and an OTC derivative issuer such as Invest Global.
	<i>Determining profit or loss when trading CFDs</i>	<p>Whether any profit or loss is made on a CFD trade may be determined by the following factors:</p> <ul style="list-style-type: none"> • The difference between the opening price of the CFD contract and the price at which the CFD is closed; • The number of CFDs traded; • Any swap and rollover charges, rollover benefits, financing charges and financing benefits charged in relation to the CFD; • Any adjustments concerning the underlying asset of the CFD; • Any commissions charged concerning the trade; • Any other fees that consumers may need to pay including, but not limited to, exchange and market data fees, bank remittance fees, platform fees and debit balance fees; and • The margin rate applicable for the trade.
	<i>Why consumers choose to trade CFDs</i>	<p>Consumers may choose to trade CFDs for the following reasons:</p> <ul style="list-style-type: none"> • Hedging – Retail consumers may use CFDs to hedge exposure to a position in an underlying asset of a CFD; • Speculation – Retail consumers may use CFDs with the aim of profiting from market fluctuations in the underlying asset (however, we warn

	<p><i>Why consumers choose to trade CFDs</i></p> <p><i>(continued)</i></p>	<p>that the chances of profiting has similar chances of you losing the entirety of your invested amount);</p> <ul style="list-style-type: none"> • Leverage – CFDs may provide an avenue for retail consumers to outlay a small percentage of the total value of the trade (the initial margin) to secure an exposure to the underlying asset of the CFD; and • Transaction Costs – The transactions costs of CFDs may be lower than trading in the underlying asset.
<p>Product Description</p> <p><i>(continued)</i></p>	<p><i>Significant risks of CFDs</i></p>	<p>Significant risks are associated with CFDs are as follows (but not limited to):</p> <ul style="list-style-type: none"> • Substantial financial losses – Retail consumers may lose the funds deposited in their trading accounts, if their CFD position(s) fall below a certain amount (aggregate close out protection amount). • Market volatility – CFDs can be highly speculative and volatile due to the rapid change of market conditions caused by unforeseen events and the amount of leverage available. This could result in a retail consumer losing the funds deposited in their trading accounts. • Forced Closure – Short CFDs may be subject to a forced closure of position at loss if the underlying asset is recalled by a Hedge Counterparty due to take-overs, dividend announcements, rights offerings, merger/acquisitions or increased hedge fund selling. • Market disruptions – Market disruption events (such as exchange emergencies including trade suspensions and cancellations) may affect the underlying asset as well as CFDs and cause consumers to suffer a loss. • ‘Gapping’ – ‘Gapping’ occurs whereby the price of an underlying asset or CFD moves very quickly upwards or downwards without warning in a very short period of time before an order is able to be executed. When ‘gapping’ occurs to an underlying asset, the price of a CFD may also be affected, and a retail consumer may not be able to execute an order (thereby, incurring a possible loss or missing an opportunity), or their order is potentially triggered and executed at the next best bid/offer in the market at the time, away from the retail consumer’s desired order price • Foreign exchange risk – Foreign currency markets can change rapidly and may expose consumers to adverse changes in the value of any positions held in CFDs. • Change of interest rate – Interest rates can change suddenly leading to swap and financing charges to rise significantly at short notice and causing a retail consumer to suffer significant losses.

Product Description <i>(continued)</i>	For additional details concerning the significant risks associated with trading in CFDs, please refer to Invest Global’s Terms & Conditions, PDS and FSG.		
Target Market for CFDs <i>(s994B(5)(b) of the CA)</i>	The Target Market for CFDs must: <ul style="list-style-type: none"> • Be an individual person (aged over 18 years of age), joint investors, partnership, company, a trustee of a trustee or a self-managed superannuation fund; and • Be: <ol style="list-style-type: none"> 1. A consumer intending to hedge actual or potential risks from their exposures in other investments who can sustain trading losses without suffering financial distress which can impact materially on their financial situation (Risk Focused Retail Consumer); and/or <ol style="list-style-type: none"> 2. A consumer who is intending to derive a profit through speculation using CFDs without suffering financial distress which can impact materially on their financial situation (Risk Aware Retail Consumer); And/or <ol style="list-style-type: none"> 3. Short term investors, with an investment timeframe of less than or equal to a month. We note that these CFDs require constant margin top-ups in the form of ‘margin calls’ which at times must be met within minutes of sudden adverse market movements. Furthermore, holding open long or short positions overnight with CFDs incurs charges and fees which are subject to interest and/or finance charges (Short Term Investor Consumer). 		
Appropriateness of Target Market	CFDs are likely to be consistent with the likely objectives, financial situation and needs of the retail consumers in the Target Market following an assessment of the key terms, features and attributes of CFDs and determining that these attributes are consistent with the identified Target Market.		
Likely objectives, financial situation and needs of the Target Market	<i>Risk Focused Retail Consumers</i>	<i>Likely objectives</i>	Use CFDs: <ul style="list-style-type: none"> • To hedge possible current or future losses; and • Minimise any exposure to the underlying asset of a CFD and market conditions/events.
		<i>Likely financial situation</i>	Currently hold, or may hold in the future, exposures, positions and/or investments which may require hedging against market conditions by using available capital.

Likely objectives, financial situation and needs of the Target Market <i>(continued)</i>		<i>Likely needs</i>	To use CFDs to prevent financial loss and/or to secure profits or gains against market conditions.
	<i>Risk Aware Retail Consumers</i>	<i>Likely objectives</i>	To maximise profit and returns using available capital and income through undertaking CFD trades.
		<i>Likely financial situation</i>	<p>Currently have available capital and/or a regular discretionary income to apply to acquiring and/or trading CFDs.</p> <p>An appreciation and understanding of the risks and risk mitigation and management strategies in place to manage the risks associated with trading CFDs.</p>
		<i>Likely needs</i>	To use available capital and income to increase the possibility of profit and financial returns (however, we warn that the risk of losses is equally possible).
	<i>Short Term Investor Consumer</i>	<i>Likely objectives</i>	To use CFDs to gain a profit in a short timeframe of up to one month or less whilst maintaining a cautious approach to market conditions.
		<i>Likely financial situation</i>	<p>Currently have a specified amount of capital allocated to acquiring and trading in CFDs.</p> <p>An understanding and appreciation of the risks associated with maintaining open positions longer than one month and market conditions generally.</p>
<i>Likely needs</i>		To use the specified amount of capital to secure a profit and a financial return (however, we warn that the risk of losses is equally possible).	
Reasoning – Target Market Determination <i>(s994B(8) of the CA)</i>	<p>Invest Global has assessed that the likely objectives, financial situation and needs of <i>Risk Focused Retail Consumers, Risk Aware Retail Consumers and Short Term Investor Consumer</i> may be met by trading in CFDs.</p> <p>This is because an attribute of CFDs is to allow the hedging of an underlying asset to offset and minimise any current or future position or exposure by the said Target Market without suffering financial distress which would affect their financial situation.</p>		
Inappropriate Target Market <i>(s994B(5)(b) of the CA)</i>	<p>CFDs are not appropriate for retail consumers who do not meet the criteria of the Target Market.</p> <p>Categories of inappropriate retail consumers are as follows (but not limited to):</p> <ul style="list-style-type: none"> • Retail consumers who do not meet the client qualification criteria, and do not pass the retail client qualification test of Invest Global; 		

Inappropriate Target Market <i>(s994B(5)(b) of the CA)</i> <i>(continued)</i>	<ul style="list-style-type: none"> • Retail consumers who are unaware of the risks of CFDs; • Retail consumers who cannot afford to meet the margin and fee requirements associated with CFDs; • Retail consumers who have low risk tolerance; • Retail consumers who do not have the ability to bear loss; and • Retail consumers who solely derive their income from benefits and/or borrowings. 											
Distribution Conditions <i>(s994B(5)(c) of the CA)</i>	<i>Target Market Retail Consumers</i>	The distribution of CFDs by Invest Global to retail consumers will only occur in compliance with the relevant product terms and conditions, PDS, FSG, policies and procedures of Invest Global.										
	<i>Third Party Distribution</i>	Distribution of CFDs from Invest Global to third party distributors will only occur in compliance with the following requirements by the third party distributor: <ul style="list-style-type: none"> • Compliance with the relevant product terms and conditions, PDS, FSG, policies and procedures of Invest Global; and • Compliance with Invest Global’s onboarding criteria, including but not limited to, internal and external regulatory checks and appropriate regulatory licensing. <p>In limited instances and with specific products, a third party distributor will be obliged under the applicable anti-money laundering and counter terrorism financing legislation to undergo Know-Your-Customer (KYC) procedures.</p> <p>Third party distributors must not distribute these products to customers who are suspected of engaging in illicit activity and/or provide false or misleading information.</p>										
Reporting Requirements of Third Party Distributors to Invest Global <i>(s994B(5)(g) & (h) of the CA)</i>	<table border="1"> <thead> <tr> <th data-bbox="328 1512 611 1657">Type</th> <th data-bbox="611 1512 1141 1657">Reporting Requirements</th> <th data-bbox="1141 1512 1503 1657">Reporting Period Timeframe to Invest Global</th> </tr> </thead> <tbody> <tr> <td data-bbox="328 1657 611 1870">Complaints delivered to a third party distributor concerning an Invest Global CFD</td> <td data-bbox="611 1657 1141 1870">A third-party distributor is to provide details of the complaint, the name of the complainant, the date of the complainant and course of action proposed or taken to date.</td> <td data-bbox="1141 1657 1503 1870">As soon as practicable or within 10 business days following the relevant reporting period.</td> </tr> <tr> <td data-bbox="328 1870 611 2016">Dealings of Invest Global CFDs outside of the Target Market</td> <td data-bbox="611 1870 1141 2016">A third-party distributor is to provide details of the dealing (including any significant dealing) such as the date range</td> <td data-bbox="1141 1870 1503 2016">As soon as practicable or within 10 business days following the relevant reporting period.</td> </tr> </tbody> </table>			Type	Reporting Requirements	Reporting Period Timeframe to Invest Global	Complaints delivered to a third party distributor concerning an Invest Global CFD	A third-party distributor is to provide details of the complaint, the name of the complainant, the date of the complainant and course of action proposed or taken to date.	As soon as practicable or within 10 business days following the relevant reporting period.	Dealings of Invest Global CFDs outside of the Target Market	A third-party distributor is to provide details of the dealing (including any significant dealing) such as the date range	As soon as practicable or within 10 business days following the relevant reporting period.
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Reporting Requirements of Third Party Distributors to Invest Global <i>(s994B(5)(g) & (h) of the CA)</i> <i>(continued)</i>		of the dealing and reasons as to why the dealing occurred.	
	Significant dealings of Invest Global CFDs outside of the Target Market		As soon as practicable or within 10 business days following the relevant reporting period.
Review Triggers <i>(s994B(5)(d) of the CA)</i>	<p>A review of this TMD will be undertaken when any one of the following review triggers occur:</p> <ul style="list-style-type: none"> • The acquisition and trading of CFDs by retail consumers who are outside of the Target Market; • Receipt of numerous applications inconsistent with our active TMD; • The issuance by ASIC of a Product Intervention Order requiring a variation to, or cessation of, offering of CFDs to retail consumers; • Material Australian legislative or regulatory changes concerning CFDs; • Material Australian legislative or regulatory changes concerning TMDs; • Receipt of a significant number of complaints from retail consumers who have acquired a CFD from Invest Global concerning the features, availability, characteristics and/or distribution of the CFD; • A “significant dealing” in CFDs is determined to have occurred outside the Target Market; • Amendments or changes to a CFD offered by Invest Global to retail consumers, such that its key attributes are no longer consistent with the likely objectives, financial situation and needs of retail consumers; and • Any section or part of this TMD is found to be materially incorrect or contain misleading information. 		
Review Trigger Periods <i>(s994B(5)(e) & (f) of the CA)</i>	Review Triggers		Review Period Timeframes
	The issuance by ASIC of a Product Intervention Order requiring a variation to, or cessation of, offering of CFDs to retail consumers.		Within 5 business days
Material Australian legislative or regulatory changes concerning CFDs.			

Review Trigger Periods <i>(s994B(5)(e) & (f) of the CA)</i> <i>(continued)</i>	Material Australian legislative or regulatory changes concerning TMDs.	Within 5 business days
	Receipt of an unusually large volume of complaints from retail consumers who have acquired a CFD from Invest Global concerning the features, availability, characteristics and/or distribution of the CFD.	Within 10 business days of becoming aware
	Amendments or changes to a CFD offered by Invest Global to retail consumers such that their key attributes are no longer consistent with the likely objectives, financial situation and needs of retail consumers in acquiring or trading a CFD from Invest Global.	Within 10 business days
	A “significant dealing” of a CFD is determined to have occurred outside the Target Market.	Within 10 business days
	Any section or part of this TMD is found to be materially incorrect or contain misleading information.	Within 5 business days of becoming aware
	At the discretion of Invest Global.	At any time
Review Period		Review Period Timeframe
Mandatory Review Periods <i>(s994B(5)(e) & (f) of the CA)</i>	A period of 12 months has passed since this version of the TMD has been issued.	By 5 October 2022
	Ongoing review period	Every 12 months from the start date of this TMD.
Information required to identify a TMD is no longer appropriate <i>(s994B(5)(h) of the CA)</i>	<p>Several information sources may contribute to concluding a review trigger has occurred, or that the current TMD is no longer appropriate, such as:</p> <ul style="list-style-type: none"> • Retail consumer disclosures during the application process e.g. how they discovered Invest Global’s services, their provided reason of use for Invest Global’s services; • Retail consumer details provided in the course of the application process; • Classifying and quantifying potential client applications as consistent, distinguished or inconsistent with our current TMD; • Consistent monitoring of potential regulatory amendment and consequential impact; and • Active management and monitoring of TMD review dates. 	

