



Target Market Determination

September 2023

Vantage Global Prime Pty Ltd

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Introduction

Vantage Global Prime Pty Ltd (hereinafter referred to as ‘**Vantage**’, ‘**Vantage Markets**’, ‘**us**’, ‘**our**’ or ‘**we**’), ACN 157 768 566, operates an over-the-counter (“**OTC**”) derivatives business issuing and distributing contracts for difference and margin foreign exchange contracts (collectively referred to in this TMD as “**OTC Derivatives**”). Vantage issues and distributes OTC Derivatives to clients including retail clients. Vantage holds an Australian Financial Services Licence, number 428901 with a registered office located at Level 12, 15 Castlereagh St, Sydney, NSW 2000.

The design and distribution obligations (“**DD obligations**”) set out in Part 7.8A of the Corporations Act 2001 (Cth) (“**Corporations Act**”) apply to the issue and distribution of our OTC Derivatives to retail clients (“**Investors**”) from 5 October 2021. The purpose of this target market determination (“**TMD**”) is to describe the target market of Investors for the OTC Derivatives that we issue, and to address the DD obligations that apply to TMDs.

If you are a retail client, you should refer to the relevant Product Disclosure Statement (**PDS**) before deciding whether to acquire or continue to hold the relevant product. You can get a copy of the relevant PDS from our website.

You should not base any decision to trade on the contents of this TMD and this document is not suitable for the purpose of deciding whether to open a trading account with us or trading in OTC Derivatives.

This TMD was published on 04 October 2022 and was last reviewed on 31 August 2023.

Financial products issued by us

Vantage issues OTC Derivatives in the form of contracts for difference and margin foreign exchange contracts.

OTC Derivatives are complex and leveraged financial products which are traded over-the-counter (**OTC**) and not through a regulated market. OTC Derivative contracts are agreements to exchange the difference in the value of a particular underlying asset, i.e., a currency pair. This allows Investors to speculate on rising or falling prices of an underlying asset.

We issue OTC Derivatives in respect of the following underlying assets:

- currency pairs
- Indices
- Energy commodities
- ETFs (Exchange Traded Funds)
- Shares
- Soft Commodities
- Precious Metals Commodities
- Crypto assets
- Bonds

This TMD has been prepared in relation to the above-mentioned OTC Derivatives.

The Target Market

The target market for our OTC Derivative products includes the following classes of Investors:

Investors who satisfy each of the following criteria:

- Investors above the age of 18
- Investors who can accept losses that can be as great as the sum of their deposits
- Investors who have a short-term investment horizon
- Investors who have high investment risk appetites including trading leveraged products

Those Investors who satisfy the above criteria and wish to trade OTC Derivatives for investment purposes including one or more of the following purposes are in the target market for our OTC Derivatives:

- speculative trading
- hedging (including hedging exposure to underlying assets and hedging positions taken in relation to other OTC Derivatives); and
- gaining exposure to price movements of the underlying assets including where exposure to such underlying assets may not be otherwise as readily available, or where such exposure is required at short notice

Likely objectives, financial situation and needs of retail clients in the target market

Further details regarding Vantage's target market for OTC Derivatives trading is set out below:

1. Client Type: Retail clients. This TMD does not apply to wholesale clients, including sophisticated investors and professional investors.
2. Ability to bear losses: Clients who are prepared to lose amounts that can be as great as the sum of their total deposits. OTC Derivatives are a high risk and volatile trading product, and there is a real possibility that retail clients could lose all of their deposited funds.
3. Tolerance to risk: OTC Derivatives are only suitable for retail clients with high investment risk tolerance as it is possible to lose the entire balance of your trading account. OTC Derivatives are leveraged products that, due to underlying market movements, can generate losses rapidly. Losses can be significant, and a client may be required to deposit additional funds to maintain open positions and avoid being closed out.
4. Client needs and objectives: Our OTC Derivatives and their key attributes are likely to be consistent with the likely objectives, financial situation and needs of those Investors who:
 - have a short-term investment horizon;
 - wish to trade in OTC Derivatives, including for speculative or hedging purposes, including gaining exposure to price movements of the relevant underlying assets or other OTC Derivatives already held; and
 - can afford to bear losses including losing all or substantial amounts of the money they invest; and
 - have a high-risk tolerance.

Our OTC Derivatives are designed to be suitable only for Investors with the likely objectives, financial situation and needs outlined above. This is because our OTC Derivatives (and OTC Derivatives generally):

- are short term contracts (measured in days, weeks or months rather than years) and attract overnight funding costs when holding positions open overnight which increases the cost of holding these provides for a longer investment timeframe;
- allow Investors to speculate upon (and are exposed to) movements in the value of the CFD's underlying asset or currency without having to purchase an interest in it;
- are highly leveraged and volatile, and expected returns may be positive or negative;
- in addition to the highly leveraged and volatile nature of our CFDs, Investors may be required to constantly top-up their trading account by depositing more money to meet "margin calls" which at times must be met within a short time of adverse market movements.

Investors for whom OTC Derivative products are unsuitable

Our OTC Derivatives are not compatible with the needs of Investors:

- below the age of 18;
- who reside in a country which restricts or prohibits trading in OTC Derivatives;
- who are in financial hardship or going through bankruptcy;
- who have a low tolerance to risk resulting from investing;
- who do not have the ability and willingness to lose the sum of their deposits;
- who have low levels of financial literacy;
- who wish to trade using money they rely on for living expenses;
- who solely derive their income from social security and/or borrowings;
- who are seeking capital protection or stability;
- who are seeking regular or otherwise predictable returns on their investment;
- who are vulnerable clients including clients who are vulnerable for any of the following reasons:
 - elderly or suffering from age related impairment
 - suffering from elder or financial abuse
 - suffering from mental or other forms of serious illness affecting capacity
 - suffering any form of addiction
 - any other personal or financial circumstances causing significant detriment.

Investors who fall into any of these categories are not in the target market for our OTC Derivatives.

Distribution conditions

Our OTC Derivative products are distributed by us.

Vantage will take reasonable steps to ensure that we and any distributors we appoint (each a “**Distributor**”) distribute our OTC Derivatives to the identified target market.

To ensure that the distribution strategy is consistent with the identified target market, we have several processes in place to ensure that the Investors who are potential clients fall within the identified target market. Vantage will verify whether potential clients fall within the identified target market during the onboarding process before approving them and allowing them to trade OTC Derivatives products on our trading platform.

We will also take reasonable steps to ensure that our marketing strategy and the marketing strategy of any Distributors we appoint is targeting potential clients who fall within the identified target market. No Distributor may release marketing materials without obtaining our prior written consent. Any new marketing campaign must be reviewed and approved by the Vantage Compliance team before publication to check that it does not contain elements that may attract potential clients outside the intended target market.

Monitoring and reviewing the TMD

Periodic reviews

We will perform periodic reviews of this TMD.

This TMD has been reviewed four times since its inception.

Subsequent reviews of the TMD will occur every 12 months, or more frequently if a review trigger occurs.

Review triggers – additional reviews

We will also review the TMD where the following review triggers occur:

- where there are significant dealings (issuing of OTC Derivatives) in Vantage’s OTC Derivatives, which are not consistent with the target market or this TMD. This trigger occurs where significant distribution is occurring outside the target market, and does not refer to any one particular dealing in our products issued by us;
- where we have received a significant number of complaints or observed any relevant complaint trends;
- where we have detected significant issues with the distribution of our OTC Derivative through our monitoring of our own day-to-day activities, or the monitoring and supervision of any Distributors we appoint;
- where there are material changes to the law or regulations applicable to OTC Derivatives affecting the issuance, distribution or operation of OTC Derivatives;
- any other events or circumstances that would materially change a factor taken into account in making this TMD.

Distributors – information collecting and reporting requirements

Vantage Global Prime Pty Ltd

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As part of the process of monitoring and reviewing the TMD to determine whether it is still appropriate, each Distributor must provide the following to us on a quarterly basis, within 10 business days of the end of each calendar quarter – 31 March, 30 June, 30 September and 31 December, each year:

- complaints data – information about the complaints received, including the number of complaints received (but only where such feedback was received during the reporting period);
- consumer feedback (including regarding performance of the product);
- requests for information that the Distributor has received from clients;
- percentage of sales to clients who are not in the target market;
- volume of sales;
- web analytics

Further reporting requirements

In addition to the reporting requirements above, each Distributor must report:

- any significant dealing outside the TMD, as soon as practicable and in any event within 10 business days of such dealing.
- any complaints received as soon as practicable and in any event within 5 days of receiving such a complaint.

We reserve the right to amend the TMD at any time if such amendment is needed as a result of any changes to the law or regulations, regulatory guidance, or for any reason we consider as a proper reason to amend the TMD.

Contact

For more information about this Target Market Determination, please contact:



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