



# Target Market Determination (TMD) - Contracts for Difference

FMGP Trading Group Pty Ltd trading as Fusion Markets (Fusion Markets)

ABN: 74 146 086 017

AFSL: 385620

Date: 29 April 2025

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<b>Issuer</b>	<p>FMGP Trading Group Pty Ltd (ABN 74 146 086 017) trading as Fusion Markets AFSL 385620 (referred to as <b>"Fusion"</b>, <b>"us"</b>, <b>"our"</b> or <b>"we"</b>) operates a contracts for difference (<b>"CFDs"</b>) business.</p> <p>Fusion is a product issuer and issues CFDs to clients, including retail clients. The design and distribution obligations set out in Part 7.8A of the Corporations Act 2001 (<b>"DD Obligations"</b>) have applied to the issue and distribution of CFDs to retail clients (<b>"Consumers"</b>) since 5 October 2021.</p>
<b>Product</b>	Contracts for Difference ( <b>"CFDs"</b> )
<b>Date of TMD</b>	29 April 2025
<b>Overview of this document</b>	<p>The DD Obligations aim to assist Consumers to obtain appropriate financial products by requiring product issuers and distributors to have a consumer-centric approach to the design and distribution of financial products.</p> <p>The purpose of this target market determination (<b>"TMD"</b>) is to describe the target market for our CFDs, and to address the DD Obligations that apply to TMDs.</p> <p>If you are a retail client, you should refer to the relevant Product Disclosure Statement before (<b>"PDS"</b>) deciding whether to acquire or continue to hold the relevant product. You can get a copy of the relevant PDS from our website.</p> <p>You should not base any decision to trade on the contents of this TMD, and this TMD is not suitable for the purpose of deciding whether to open a CFDs trading account or trade in CFDs.</p>
<b>Overview of CFDs</b>	<p>CFDs are complex and leveraged financial products which enable Consumers to trade on the price movement of underlying financial assets such as foreign exchange currency pairs, indices, cryptocurrencies, shares and commodities. CFDs involve a variety of fees or charges, including spreads, account charges, overnight fees and commissions, which may make them unsuitable for some investors. Such fees are notified to investors before they purchase CFDs.</p> <p>A CFD is an agreement to exchange the difference in the value of a particular underlying asset from the time the contract is opened until the time at which it's closed.</p> <p>With a CFD, Consumers never own the underlying asset they have chosen to trade, but they can still benefit if the market moves in their favour, or make a loss should the markets move against them. CFDs are short-term speculative investments and are not generally suitable for Consumers looking to make longer term investments.</p>

<b>Date of TMD</b>	<p>There are several reasons why Consumers may trade CFDs:</p> <ul style="list-style-type: none"> <li>• to speculate on the rising or falling prices or levels of underlying assets. A Consumer can take long or short positions on a particular underlying asset depending on whether they think prices or levels will go up or down;</li> <li>• to trade without buying or selling the actual underlying asset (e.g. a physical share, currency pair or commodity);</li> <li>• to trade on margin. A Consumer only needs to deposit a small percentage of the full value of the trade as margin in order to open a position; and/or</li> <li>• to reduce risk by hedging against an existing investment (e.g. acquiring a CFD over shares the Consumer already holds).</li> </ul>
<b>Financial Products Issued by us</b>	<p>We issue CFDs in respect of the following underlying assets:</p> <ul style="list-style-type: none"> <li>• Currency pairs</li> <li>• Commodities including precious metals, energy and soft commodities</li> <li>• US Shares</li> <li>• Indices, including stock market indices</li> <li>• Crypto assets</li> </ul>
<b>Target Market</b>	<p>The target market for our CFDs includes the following classes of Consumers, being consumers who satisfy each of the following criteria (and meet the additional criteria set out below):</p> <ul style="list-style-type: none"> <li>• Consumers above the age of 18;</li> <li>• Consumers who can accept losses that can be as great as the sum of their deposits;</li> <li>• Consumers who have high investment risk appetites;</li> <li>• Consumers with a short term investment horizon.</li> </ul> <p>Those consumers who satisfy the above criteria and wish to trade CFDs for investment purposes, including for one or more of the following purposes:</p> <ul style="list-style-type: none"> <li>• speculative trading;</li> <li>• hedging (including hedging exposure to underlying assets and hedging positions taken in relation to other CFDs); and</li> <li>• 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,</li> </ul> <p>are in the target market for Fusion's CFDs.</p>

<p><b>Consumers for whom CFDs are unsuitable</b></p>	<p>Consumers who are in any of the categories below are not in the target market for our CFDs:</p> <ul style="list-style-type: none"> <li>• Consumers who are below the age of 18 years;</li> <li>• Consumers who reside in a country or territory which restricts or prohibits trading in CFDs;</li> <li>• Consumers who are in financial hardship or going through bankruptcy;</li> <li>• Clients who do not have the ability and willingness to lose the sum of their deposits;</li> <li>• Clients who do not have the requisite knowledge for trading CFDs;</li> <li>• Consumers who have low levels of literacy or numeracy, financial literacy and technological literacy;</li> <li>• Consumers who wish to trade using their retirement savings, income or cash that the Consumer relies on for living expenses or personal savings;</li> <li>• Consumers who are seeking regular or otherwise predictable returns on their investments;</li> <li>• Consumers who primarily derive their income from social security and/or borrowings;</li> <li>• Consumers who have a low or medium tolerance to risk</li> <li>• vulnerable Consumers, including Consumers who are vulnerable for any of the following reasons: <ul style="list-style-type: none"> <li>• elderly or suffering an age-related impairment;</li> <li>• suffering from elder or financial abuse;</li> <li>• job loss;</li> <li>• suffering from mental or other forms of serious illness affecting capacity;</li> <li>• suffering from any form of addiction;</li> <li>• any other personal or financial circumstances causing significant detriment.</li> </ul> </li> </ul>
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<b>Target market – criteria, scope and key attributes</b>	Further details regarding Fusion’s target market for CFDs trading is set out below:	
	<b>Criteria</b>	<b>Scope and key attributes</b>
	Client type:	Retail clients.  This TMD does not apply to wholesale clients including sophisticated investors and professional investors.
	Ability to bear losses:	Clients who are prepared to lose amounts that can be as great as the sum of their total deposits. CFDs are a high risk and volatile trading product, and there is a real possibility that retail clients could lose all of their deposited funds.
	Tolerance to risk:	CFDs are only suitable for retail clients with a high investment risk tolerance. Please note there are particular risks associated with trading CFDs. Those risks include: <ul style="list-style-type: none"> <li>• <b>Leverage:</b> CFDs are leveraged products. Trading with leverage means that even a small change in the underlying asset could magnify the scope for both profits and losses.</li> <li>• <b>Volatility:</b> Derivative markets generally can be highly volatile (i.e. they move up and down in value quite quickly) so the risk that a Consumer will incur losses when they trade CFDs can be substantial. Note: mandatory negative balance protection ensures that Consumers cannot lose more than the amount deposited.</li> <li>• <b>Risk and Close Out:</b> A Consumer must meet margin requirements to trade CFDs with us. This means the Consumer will need to deposit enough money into their trading account as margin for new and existing positions and monitor their margin requirements for any open positions. A Consumer risks being</li> </ul>

<b>Target market – criteria, scope and key attributes</b>		<p>closed out if they don't have enough margin on their trading account.</p> <ul style="list-style-type: none"> <li>• <b>Holding Costs:</b> Depending on the positions held and how long they are held for, a Consumer may incur holding costs. In some cases the sum of these holding costs may exceed the amount of any profits, or they could significantly increase losses.</li> <li>• <b>Counterparty Risk:</b> Fusion is an issuer of CFDs. This means that the Consumer is dealing with Fusion as the counterparty to every transaction. Accordingly, the Consumer is exposed to the financial and business risks of trading with Fusion.</li> </ul>
	<p>Client needs:</p>	<p>Our CFDs and their key attributes are likely to be consistent with the likely objectives, financial situation and needs of those Consumers who:</p> <ol style="list-style-type: none"> <li>1. have a short term investment horizon;</li> <li>2. wish to: <ul style="list-style-type: none"> <li>a) trade in CFDs, including for speculative or hedging purposes; or</li> <li>b) to gain exposure to price movements of the relevant underlying assets;</li> </ul> </li> <li>3. have a high investment risk tolerance; and</li> <li>4. can afford to bear losses.</li> </ol> <p>Our CFDs are designed to be suitable only for Consumers with the likely objectives, financial situation and needs described above. This is because our CFDs (and CFDs generally) are highly leveraged and volatile, and expected returns may be positive or negative.</p> <p>Consumers who meet all of the requirements (1, 2(a) or 2(b), 3 and 4), as set out in the above bullet points, are likely to be in the target market for our CFDs.</p>

<b>Distribution Conditions</b>	<p>Our CFDs are distributed by:</p> <ul style="list-style-type: none"> <li>• Fusion; and</li> <li>• Various third parties are also involved in the distribution of our CFDs, including various introducing brokers and referrers (each a “Distributor”, and together, the “Distributors”).</li> </ul> <p>We will take reasonable steps to ensure that both we and any Distributors distribute the financial product to the identified target market.</p> <p>To ensure that the distribution strategy is consistent with the identified target market, we have several processes in place to ensure that the Consumers who are potential clients fall within the identified target market. Fusion will verify whether potential clients fall within the identified target market during the onboarding process, before approving them and allowing them to trade CFDs on the trading platform.</p> <p>We also undertake an assessment of each consumer’s knowledge of trading in CFDs, prior to approving and distributing our CFDs to them. Only clients who have the requisite knowledge to trade in CFDs as assessed by Fusion will be permitted to open an account and trade with us.</p> <p>No Distributor may release marketing materials without obtaining our prior written consent. No party may engage in the distribution of our CFDs unless they have entered into an SLA with us.</p> <p>Any new marketing campaign shall be reviewed and approved by Fusion prior to its publication, to check that it does not contain elements which may attract potential clients outside of the intended target market.</p>
<b>Periodic Reviews</b>	<p>Fusion will perform periodic reviews of this TMD as follows:</p> <ul style="list-style-type: none"> <li>• First Review: within one year of the commencement date of this TMD.</li> <li>• Subsequent Reviews: on each anniversary of the first review date.</li> </ul>
<b>Review Triggers - additional reviews</b>	<p>We will also review the TMD where the following review triggers occur</p> <ul style="list-style-type: none"> <li>• Where there are significant dealings (issuing of CFDs) in Fusion’s CFDs, which are not consistent with the target market or this TMD. This trigger occurs where significant distribution is occurring outside of the target market, and does not refer to any one particular dealing in CFDs;</li> <li>• Where a Distributor has reported relevant complaints or noted any relevant complaint trends;</li> <li>• where there have been material changes to the CFD product as a result of new or amended functionality, whereby the key attributes of CFDs are no longer consistent with the likely objectives, financial situation and needs of Consumers in the target market;</li> <li>• where we have received relevant complaints or noted any relevant complaint trends;</li> </ul>

	<ul style="list-style-type: none"> <li>• where we have detected significant issues with the distribution of our CFDs through our monitoring of our own day-to-day activities, or the monitoring and supervision of our Distributors;</li> <li>• any other events or circumstances that would materially change a factor taken into account in making this TMD.</li> </ul>
<b>Distributor information collecting and reporting requirements</b>	<p>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 six monthly basis (subject to where no reporting is required, based on the particular reporting requirements and conditions set out below), within 10 business days of the end of each calendar six month period –30 June and 31 December, each year:</p> <p><b><u>Complaints data:</u></b></p> <ul style="list-style-type: none"> <li>• Information about the complaints received, including the number of complaints received (but only where the Distributor received complaints in relation to the product during the reporting period).</li> </ul> <p><b><u>Other data:</u></b></p> <ul style="list-style-type: none"> <li>• Consumer feedback, including regarding performance of the product (but only where such feedback was received during the reporting period);</li> <li>• requests for information that the Distributor has received from clients (but only where such requests were received during the reporting period);</li> <li>• percentage of sales to clients who are not in the target market (but only where such sales occurred during the reporting period);</li> <li>• volume of sales (but only where such sales occurred during the reporting period); and</li> <li>• web analytics.</li> </ul> <p><b><u>Further reporting requirements</u></b></p> <p>In addition to the reporting requirements above, each Distributor must report:</p> <ul style="list-style-type: none"> <li>• Any significant dealing outside the TMD, as soon as practicable and, in any event, within 10 business days of such dealing; and</li> <li>• All individual complaints made by any person in connection with the relevant financial product that are made to the Distributor, as soon as practicable and, in any event, within 5 days of receiving any such complaint.</li> </ul>



<p>Contact</p>	<p>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, for any reason we consider as a proper reason to amend the TMD.</p> <p>For more information about our TMD, please contact us:</p> <div> <div>  <p><b><u>Address:</u></b> Level 10/627 Chapel St South Yarra VIC 3141 Australia</p> </div> <div>  <p><b><u>Phone Number:</u></b> +61 3 8376 2706</p> </div> </div> <div> <div>  <p><b><u>Email:</u></b> help@fusionmarkets.com</p> </div> </div>
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