# MARGIN FOREIGN EXCHANGE & CONTRACTS FOR DIFFERENCE

## PRODUCT DISCLOSURE STATEMENT

**AxiTrader Limited** (Trading as CMG)
**BCN 25417 BC 2019**

## CONTENTS

# 1. IMPORTANT INFORMATION

## 1.1 ABOUT THIS PDS

This Product Disclosure Statement (**PDS**) dated 6 December 2021 is issued by AxiTrader Limited trading as CMG (Business Company Number 25417 BC 2019) ("**we**", "**our**" or "**us**") in relation to its Margin FX Contracts and Contracts for Difference Products. This PDS is designed to assist you in making an informed decision regarding opening an Account and trading our Products. Before deciding whether to acquire our Products, you should read this PDS, Client Agreement (**CA**), the Product Schedule (**PS**) and any other disclosures we make and consider whether our Products are a suitable investment for you.

The PDS is made available on our website and we will provide a paper copy upon request at no cost to you. The information contained in the PDS is current at the date of publication. We may issue a supplementary or replacement PDS from time to time and, where updated information is not materially unfavourable to you, such information may be updated by us by publishing it on our website. The version of this PDS published on our website at the time of entering into a transaction governs that Contract and supersedes all previous PDSs and any other oral or written representations.

The PDS should be read together with, and not instead of, the Client Agreement.

## 1.2 GENERAL ADVICE WARNING

Information we provide is general information only. Any information provided to you in this PDS, on our website, through the trading platform, by our staff, via email, chat or telephone or otherwise is generic and does not take into consideration your individual objectives, financial situation, needs or circumstances.
Accordingly, before applying to trade with us, you must decide whether our Products are suitable for you. We recommend that you obtain independent financial, taxation or other professional advice.

Our Products are leveraged and speculative and may not be suitable for you. Their prices and those of the Underlying Instruments may fluctuate rapidly and widely because of events or conditions which may not be foreseeable and cannot be controlled. When leveraged, our Products can place a significantly greater risk on your investment than non-leveraged investment products.

**You should read and consider the risk factors associated with trading our Products in section 5 (Risk Warning). You may incur losses in addition to any fees and costs that apply. These losses are not limited and may be far greater than any money deposited into your Account or amounts required to deposit to satisfy any Margin Requirement.**

## 1.3 THE PRODUCT ISSUER

Our creditworthiness as the product issuer has not been assessed by an approved rating agency. This means that we have not received an independent opinion of our capability and willingness to repay our debts from an approved source.

## 1.4 COMPANY REGISTRATION

We are registered as a business company with the Financial Services Authority (**FSA**).

The FSA does not regulate, monitor, supervise or licence margin FX and contracts for difference issuers. The FSA has not reviewed or approved this PDS, the Client Agreement or any other document issued by us.

## 1.5 JURISDICTION NOTICE

The material in this PDS is not to be construed as a recommendation; or an offer to acquire, buy or sell; or the solicitation of an offer to acquire, buy or sell any security, financial product, or instrument; or to participate in any trading strategy in any jurisdiction in which such an offer or solicitation, or trading strategy would be illegal.

There are legal requirements in various countries that may restrict the information that we are lawfully permitted to provide to you. Accordingly, unless expressly stated otherwise, the information in this document is not intended for any person who is a resident of any country where the provision of this information or the issue of the Products is restricted.

You must be 18 years of age or over to use our Services.

## 1.6 CONFLICT OF INTEREST DISCLOSURE

Our employees, officers and directors, including those involved in the preparation of this PDS are paid in part based on profitability, which includes earnings from our trading.

Due to the nature of our Products and the Services we provide, we may have "long" or "short" Positions in, act as principal in, and buy or sell Underlying Instruments. We also act as market maker which may result in a conflict between our interests of and those of our clients.

We also have relationships with other third parties which may give rise to conflicts of interests. See section 12 for more information.

**OUR CONTACT DETAILS**

| | |
|---|---|
| **Email:** | **support@cmgau.com** |
| **Website:** | **www.cmgone.com** |

The "Contact Us" page of our website and/or trading platform (as applicable) provides our business addresses and international toll-free telephone numbers for clients from many countries and an international telephone number for clients from other countries.

Our registered address is: AxiTrader Limited, Suite 305, Griffith, Corporate Centre, PO Box 1510, Beachmont, Kingstown, Saint Vincent and the Grenadines

### 1.7 TRADING & OFFICE HOURS

Trading hours for Margin FX Contracts and CFDs vary and will depend on the relevant Underlying Instrument's hours of operation. They are published on our website.

We are under no obligation to quote prices or accept orders or instructions on Contracts to which Limited Trading Hours applies.
Client services are available during trading hours and can be contacted by email or phone.

### 1.8 REFERENCES TO TIMES AND AMOUNTS

Unless otherwise specified, references in this PDS to dollar amounts are to US Dollars and references to times are to the time in New York, United States.

# 2. CLIENT SUITABILITY

## 2.1 SUITABILITY ASSESSMENT

Our Products are derivative products and are not suitable for all investors due to the significant risks involved. Our Products are most suitable for those with investment experience in leveraged products gained either by trading their own accounts, using similar products during their employment or through demonstrated knowledge of the products and understanding of the risks.

To qualify to trade with us, we may require potential clients to undertake a suitability assessment.

The client suitability assessment does not amount to personal financial product advice. We will only be providing you with general advice and as such, this advice will not consider your objectives, financial situation or needs. Accordingly, you should obtain your own financial, legal, taxation and other professional advice as to whether Margin FX Contracts or CFDs are an appropriate investment for you.

## 2.2 OPENING AN ACCOUNT

We offer a range of trading platforms from which clients can choose to open an Account and trade in our Products, based on their individual needs and requirements. These are:

- Our proprietary trading platform, accessible through a mobile application; and
- the third-party platforms MetaTrader 4 (MT4) and MetaTrader 5 (MT5) and accessible through a web browser, desktop application or mobile application.

Your dealings in our Products from your Account will be conducted in accordance with the following documents that you will have received from us or accessed or downloaded from our website or trading platform if applicable):

- Client Agreement;
- Application; and
- Product Schedule – relevant to each trading platform.

You must complete an Application and be approved by us to open an account.

The Application requires applicants to provide Personal Information to meet relevant legal requirements. You are not required to provide us with all the information requested but if you fail to provide some information, we may be unable to offer you our Products or they may be provided on a restricted basis. You should refer to the Privacy Policy published on our website which explains how we collect, use, maintain and disclose that information. By providing us with information about yourself, you consent to the collection, use, disclosure and transfer of that information as set out in the Privacy Policy.

## 2.3 ANTI-MONEY LAUNDERING

We may require further information from you from time to time to comply with the AML Regulations. By opening an Account and transacting with us, you undertake to provide us with all additional information and assistance that we may reasonably require complying with the AML Regulations.
You also warrant that:

a) you are not aware and have no reason to suspect that:

   (i) the monies used to fund your transactions have been or will be derived from or related to any money laundering, terrorism financing or other illegal activities whether prohibited under Saint Vincent and the Grenadines law, international law, convention or by agreement; and

   (ii) the proceeds of your investment will be usedto finance any illegal activities; and

b) if you are a politically exposed person or organisation as the term is used in the AML Regulations. then you have disclosed that fact to us.

## 2.4 ACKNOWLEDGMENTS

By submitting the Application, you will be deemed to have understood and agreed to the following items. In addition, after having commenced trading with us you will be deemedto have understood and agreed to the following terms if you continue trading after receiving a supplementary PDS, a replacement PDS, and/or a replaced or amended Client Agreement or Product Schedule. You:

- are aware that investing in derivatives carries ahigh level of risk to capital and due to the potential volatility and fluctuations in value, you may not get back the amount of your original investment and in certain circumstances you may be liable to pay afar greater sum than your initial investment, with losses being higher than all the funds you have deposited with us;

- have considered your objectives, financial situation and needs and the significant risks of loss that accompany the prospects of profit associated with dealing in our Products and have formed the opinion that dealing in those Products is suitable for your purposes;
- were advised by us to obtain independent legal and financial advice concerning this PDS, the Client Agreement and any other ancillary information which you have questions about;
- consent to us collecting, maintaining, using and disclosing Personal Information about you and provided by you in accordance with our Privacy Policy;
- received or downloaded this PDS with the Client Agreement, and have read and understood those documents;
- agree that we will provide our Services to you based on the Client Agreement and that you will receive documents such as trade Confirmations and where applicable, daily statements in electronic form; and
- understand that Margin Calls will be delivered as set out in section 7.9 below.

### 2.5 DEPOSITING FUNDS

Clients may deposit funds through various channels. We do not accept cash as an initial deposit or to meet any of your ongoing obligations.

We may process funds through a Related Body Corporate or a service provider.

All funds must be cleared funds on your Account before those funds are made available to use in dealing in Products.

It is your responsibility to ensure that funds sent to us are correctly designated in all respects, including, where applicable, that the funds are by way of Margin and to which Account they should be applied. Payments by you under the Client Agreement must be free of any withholding tax or deduction by a third party. If the funds are not correctly designated, then we may be unable to allocate the funds to your Account. We will make enquiries with payment providers to allocate the funds appropriately as soon as possible or return the funds if it is not possible to allocate them. Clients are encouraged to contact us if funds have not been applied as expected and we will verify the details before allocating the funds to your Account. Until funds have been applied, your Account may remain on Margin Call.

You must ensure that any transfer made to us is from an account in your name and not from that of a third party. In the event we suspect third-party funding has occurred, we reserve the right to return the funds to the remitter and retain the balance in your Account, pending verification of proof of identity and the source of funds before processing. In the absence of verification, we reserve the right to retain the balance in your Account and you will not be permitted to withdraw the balance of your Account.

We will not accept or bear any liability or responsibility whatsoever for any loss incurred by you as a result of, or arising out of, or in connection with, us returning any transfer of funds from a third-party account including any loss incurred by you where you are subsequently in default of your obligations under the Client Agreement.

### 2.6 CHANGING YOUR MIND – COOLING OFF PROVISIONS

There are no cooling-off arrangements for our Products. This means that when we arrange for the execution of a Contract, you do not have the right to return the Product, nor request a refund of the money paid to acquire the Product. You are bound by the terms of a Contract, when you enter into it, even though settlement may occur later.

# 3. QUESTIONS & ANSWERS

### 3.1 WHAT ARE MARGIN FX CONTRACTS?

A Margin FX Contract is an agreement under which you may speculate on fluctuations on the value of an underlying currency relative to another. The price of our Margin FX Contracts is based on the exchange rate of an underlying currency pair (Underlying Instrument). **However, when dealing in Margin FX Contracts with us you will not own or have any interest or right in the Underlying Instrument or have an ability to receive the currency.**

**If you have a need to purchase the underlying currency (i.e. to receive the purchased currency), our Margin FX Contracts are not appropriate for you because they do not involve an exchange of one currency for another.**

The amount of any profit or loss made on a Margin FX Contract will be the net of:

- the difference between the opening price of the contract and the closing price of the contract;
- any commission charged by us on the transactions; and
- any Rollover Charge, Rollover Benefit or other Financing Charges or Benefits relating to the Contract.

The balance in your Account will also be affected by other amounts you must pay to us in respect of your Account such as interest on negative balances.

### 3.2 WHAT IS A CFD?

A Contract for Difference or CFD is an agreement under which you may speculate on fluctuations in the price of an Underlying Instrument. The price of the CFD is based on the price or level of the relevant Underlying Instrument, which may be an Index, Commodity, Futures Contract, share, Exchange Traded Fund (**ETF**), cryptocurrency or other Underlying Instrument as may be notified to you from time to time. **However, you will not own or have any interest or right in the Underlying Instrument and cannot close an open Position through an exchange or other CFD provider.**

The amount of any profit or loss made on a CFD will be the net of:

- the difference between the opening price of the CFD and the closing price of the CFD;
- commissions charged by us on the transaction; and
- any Financing Charges, Financing Benefits, , Rollover Charges or Rollover Benefits relating to the CFD.

### 3.3 WHAT IS A POSITION?

A Position is a Margin FX Contract or CFD entered into by you under the Client Agreement. It may be a bought ("long") or sold ("short") Position.

### 3.4 WHAT IS "OVER THE COUNTER"?

Over the counter ("**OTC**") means that our Products are not offered or traded on a regulated exchange. Rather, transactions are between you and us, ("bilateral") with each party responsible for assessing the credit standing and capacity of the other party before trading. You do not have the protections normally associated with trading on a regulated exchange.

This means you can only close out Contracts in our Products with us and the prices offered by other derivative providers or on an exchange do not apply to your open Positions with us. It is not possible to close a Margin FX Contract or CFD by giving instructions to another provider or broker.

**Refer to section 5 of this PDS (Risk Warning) for more information.**

### 3.5 WHAT CHARGES ARE PAYABLE WHEN DEALING IN OUR PRODUCTS?

The common fees and charges you will incur when dealing in our Products may include any or all of the following:

- payment of Margins;
- commissions;
- Rollover Charges or Financing Charges;
- interest applied to debit balances in your Account; and
- administration charges.

In addition, our Products are quoted in bid / offer terms. The difference between bid and offer prices is called the "**spread**". Due to this difference, the price must move favourably for you before you can break even. In other words, even if the price does not move at all and you close out your Position, you will incur a loss to the extent of the spread and any other fees.

**Example of going long in Margin FX (Standard Account)**

You expect that the Australian dollar (AUD) is going to appreciate against the USD which is currently trading at 0.9280 (the offer price) and you decide to enter into an AUDUSD Margin FX Position for 1 Lot. That is, a contract to buy AUD100,000 against the USD at that price.

You decide to hold the Position overnight as the offer price for AUDUSD at the end of the day was still 0.9280, the same as your opening price. At that point the bid price was 0.9279.

As the Position is held overnight you will incur a daily Financing Charge or Financing Benefit which is based on the overnight swap rate in the interbank market, presenting the interest rate differential between the two currency pairs involved.

An overnight Financing Benefit is generated because the platform's Long swap rate at the time is a positive 1 point. This is calculated as follows:

*1 lot x 100,000 contract size x 1 point (0.00001 in price terms) = USD10*

The next day you decide to close your Position as the AUD has appreciated to 0.9350 (bid price). In this example you were correct in predicting that the AUD would increase against the USD. Your profit is calculated as follows:

*1 Lot x 100,000 contract size x (0.9350 closing Bid Price – 0.9280 opening Offer Price) = USD700*

There is no commission or other charges on this transaction.

*Your total profit on this transaction is Financing Benefit (USD10) plus realised gain (USD700) = USD710.*

This will settle immediately into your Account in your Account Currency.

**Example of going short in Margin FX (Standard Account)**

You expect the AUD to depreciate against the USD and you enter into an AUDUSD Margin FX Position for 1 Lot which is currently trading at 0.9278 (the bid price). That is, you enter into a contract to sell AUD100,000 against the USD at that price.

An overnight Financing Charge is generated because the platform's short swap rate at the time is a negative 2 points. This is calculated as follows:

*1 Lot x 100,000 contract size x -2 points (-0.00002 in price terms) (0.9278 opening bid price – 0.9276 overnight offer price) = USD -20*

You close the trade the following day when the USD was trading at 0.9352 (offer price). In this example you were wrong in predicting that the AUD would fall against the USD. Your loss is calculated as follows:

*1 Lot x 100,000 contract size x (0.9352 closing offer price – 0.9278 opening bid price) = USD -740*

There is no commission or other charges on this transaction.

*Your total loss on this transaction is Financing Charge (USD20) plus realised loss (USD740) = USD760.*

This will settle immediately into your Account in your Account Currency.

**Other examples**

Our website has an education section which provides several other worked examples including other Underlying Instruments and the application of commission and other charges.

### 3.6 HOW DO WE DETERMINE THE PRICES OF MARGIN FX CONTRACTS AND CFDS?

**Margin FX Contracts & Bullion Spot CFDs**: Our prices are based on the prices available to us in the Underlying Instrument through our various hedge counterparties. We aggregate the prices available to us and derive our bid and offer from the best bid and ask available. The published prices are the prices on which you deal with us and prices quoted or published by others do not apply to our Products.

On occasion our prices can have very wide spreads that can cause stop losses to be triggered.

**Other CFDs:** We derive our price by applying our spread to the prevailing bid and offer price in the Underlying Instrument.

**Important information regarding Cryptocurrency CFDs**

If a Cryptocurrency splits into two, new coins are created, this is known as a "**Hard Fork**". We will generally follow the coin that has the majority consensus of Cryptocurrency users and will therefore use this as the basis for our prices. In addition, we will also consider the approach adopted by the exchanges or market-makers we deal with, which will help determine the action we take. We reserve the right to determine which Cryptocurrency unit has the majority consensus behind them.

As the Hard Fork results in a second Cryptocurrency, we reserve the right to create an equivalent Position on your Accounts to reflect this. However, this action is taken at our absolute discretion, and we have no obligation to do so. If the second Cryptocurrency is tradeable on major exchanges, which may or may not include the exchanges we deal with, we may choose to represent that value, but have no obligation to do so. We may do this by making the Product available to close based on the valuation, or by booking a cash adjustment on your Accounts. If, within a reasonable timeframe, the second Cryptocurrency does not become tradeable, then we may void Positions that had previously been created at no value on your Accounts.

Over periods of substantial price volatility around fork events, we may take any action we consider necessary in accordance with our terms and conditions including suspending trading if we deem not to have reliable prices from the Underlying Market.

**Cryptocurrency Soft Fork Events**

A "**Soft Fork**" event reflects a Cryptocurrency change which influences the price but typically exhibit smaller price changes than a Hard Fork event. These events are simply passed through as an updated price of the symbol. We reserve the right but not the obligation to booking a cash adjustment on client accounts for any material Soft Fork adjustments.

### 3.7 CAN WE CHANGE OR RE-QUOTE THE PRICE AFTER YOU HAVE ALREADY PLACED YOUR ORDER?

Yes. Our prices reflect those in the Underlying Instrument. Prices can vary quickly and in some circumstances prices that we publish may not be available for large volumes.

In addition, errors can occur, and we reserve the right to alter the price or even void the transaction. If this occurs, we will activate our error handling policies and procedures, which are summarised below.

Our aim in making any adjustment to pricing will be to act fairly to you. We will not seek to take advantage of pricing errors to advantage ourselves.

If we consider that a pricing Error has occurred, we may adjust various parameters of your Position, including potentially reversing or closing out Positions, which may mean that your profit is less than would otherwise be the case, or even that you incur a loss. However, such an adjustment will only occur when we are satisfied that a genuine pricing Error has occurred, that is, the price or value of the Position did not accurately reflect the price or value of the relevant Underlying Instrument.

For example, if there is a market disruption which results in our liquidity provider quoting pricing which does not reflect the price or level of the relevant Underlying Instrument, we may inadvertently quote an incorrect price to you. If you enter into a Position based on such incorrect pricing, we may subsequently adjust parameters of the transaction to put you and us back into as close a position as possible to the position the parties would have been in had the pricing Error not occurred.

### 3.8 WHAT IS "SLIPPAGE"?

Slippage is the difference between a requested price of a transaction and the price at which the order is executed or filled.

Slippage may be positive or negative. When executing client transactions our execution price will reflect both positive and negative movements in the Underlying Instrument.

Slippage should not be confused with a market gap. Markets may gap, either over the weekend or due to significant unexpected news events. In this scenario, orders cannot be executed at price levels within the gap and will instead be executed at the next available price of the new price level.

### 3.9 IF THERE IS LITTLE OR NO TRADING GOING ON IN THE UNDERLYING MARKET FOR AN ASSET, CAN YOU STILL TRADE MARGIN FX CONTRACTS AND CFDs OVER THAT ASSET?

If the Underlying Instrument is suspended due, for example, to a change in currency policy by a government then our Products may be suspended. If the Underlying Instrument is suspended from trading or trading restrictions are introduced, then we may suspend or introduce trading restrictions on our Products. If market conditions in the Underlying Instrument become erratic or prevent us from determining a fair price, we may suspend trading, refuse to accept orders or refuse to enter into transactions. We are not under any obligation to quote or deal in these circumstances but may do so if we are reasonably satisfied that we can provide our Services effectively.

The trading hours for our Products are published on our website and are also available in the trading platform.

Typically, foreign exchange markets trade continuously from 05:00pm American Eastern Standard Time (EST) Sunday evening until 05:00pm, New York time on Friday. Consequently, we price our Margin FX Contracts for those periods in which we can offer an orderly market. If the underlying currency is suspended due, for example, to a change in currency policy by a government then our Products may be suspended. In addition, we may suspend trading over the Close of Business in order to process end of day transactions.

For our Bullion Spot CFDs and Other CFDs, we typically price Products whenever the Underlying Instrument is trading. If the Underlying Instrument is subject to exchange halts or suspension, then our pricing will typically be suspended or halted, and clients will not be able to enter or exit Positions.

Clients should be aware that where a suspension occurs, we may restrict account withdrawals and raise Margin Requirements to ensure we have sufficient security against open Positions.

### 3.10 WHAT PAYMENT OPTIONS DO I HAVE?

We offer several payment options for clients to open and fund their accounts and provide credit card funding for ease of providing secure electronic payment system to our clients. This is used for both instantaneously funding accounts and meeting Margin Calls.

We may process payments through a Related Body Corporate or service provider.

We do not encourage the trading of leverage Products using borrowed funds and do not accept non-cash collateral (e.g. no securities as deposits). Additional risks will arise where a client opens and funds their accounts using a leveraged product (including a credit card) as the client will be effectively increasing their leverage. There is a risk that the client could have higher interest costs and where the client experiences trading losses, it will lead to a greater risk of the client entering financial difficultly.

### 3.11 WHAT IS THE MINIMUM BALANCE TO OPEN AN ACCOUNT?

There is no minimum balance to open an Account except when related to certain promotions. We may however set minimum opening balances at our discretion.

### 3.12 HOW DO YOU DEAL IN MARGIN FX CONTRACTS OR CFDS WITH US?

You may place orders to deal in Margin FX Contracts or CFDs by using our trading platform.

We may not accept orders or instructions from you through any other means, such as by email or telephone.

Subject to the above, it is possible for a third party to place orders on your behalf provided that a written and executed power of attorney or other permissible evidence of authority has been received and accepted by us.

### 3.13 WHAT ARE "LONG" AND "SHORT" POSITIONS?

You can take both 'long' and 'short' Positions. If you anticipate the rate or price of the contract to rise in value, then you take a 'long' or bought Position. If you anticipate the rate or price of the contract to fall in value, then you take a 'short' or sold Position.

You may take a short Position and in this way benefit from a fall in the value of the Underlying Instrument. However, if the value of the Underlying Instrument rises against your expectation and you subsequently close out the Position at a higher price, you will suffer a loss.

See section 3.5 above for examples of 'long' and 'short' Positions.

### 3.14 WHAT ARE MY "FREE EQUITY" AND "EQUITY"?

- Your Equity is the aggregate of:the current cash balance in your Account;
- any accumulated Financing Charges and Financing Benefits (see section 8.3 for more information);
- your current unrealised profits and losses; and any credit balance

Your Free Equity is your Equity less any Initial Margin requirements. This Free Equity is the amount you have available to satisfy any additional changes in Margin Requirements.

### 3.15 WHAT IS MARGIN?

Margin is an amount you are required to hold in your Account to protect us against the risk that you will be unable to meet your obligations to us.

Margin is initially the minimum amount of Free Equity required to enter into a Margin FX Contract or a CFD with us. This is also referred to as Initial Margin.

The level of Margin required to maintain open Contracts is called the "Total Margin Requirement" and includes Initial Margin and Variation Margin and is denominated in your Account Currency. Variation Margin is the value of unrealised losses (if any) on open contracts.

Total Margin Requirements will fluctuate with the value of the Underlying Instrument on which the contract is based, the increase or decrease of your Positions, any accrued, Financing Charges & Financing Benefits and futures Rollover Charges & Benefits. Further, where you deal in a contract that is denominated in a currency other than your Account Currency, your Total Margin Requirement will be affected by changes in value of the respective currencies.

See section 7 (Margin and Margin Calls) for more information.

### 3.16 WHAT IS A MARGIN CALL?

A Margin Call is a demand for additional funds to be deposited into your Account to meet your Total Margin Requirement because of adverse price movements in your open Positions or a change in Margin Requirement.

Your Total Margin Requirement can be reduced by electing to close one or more Positions or by depositing additional funds to your Account with us.

See section 7 (Margin and Margin Calls) for more information.

### 3.17 HOW DO I CLOSE OUT A POSITION?

You close a Position in the trading platform.
You can partially close an open Position by opening the order ticket and reducing the volume to the number of contracts to be closed. This will execute a transaction closing a portion of the open Position resulting in a settlement of profit or loss on the closed portion and a reduction in Margin Requirement. The balance of the open Position will be retained.

### 3.18 CAN I HOLD LONG AND SHORT POSITIONS AT THE SAME TIME?

This is dependent upon the trading platform. You can hold trading Accounts on the MT4 and MT5 platforms, as well as our Axi Platform. The MT4 platform allows you to hold long and short Positions at the same time ("Hedged Positions"). The MT5 and Axi Platforms do not allow Hedged Positions; they will close out the earlier trade on a first in, first out ("FIFO") basis. This difference is explained below.

**Hedging on the MT4 trading platform**

*Partitally Hedged Positions*

You can enter into a transaction in the relevant instrument in the opposite direction to the open trade. This will open a new Contract partially offsetting the existing open Position. Your Initial Margin requirement will reduce reflecting the net open Position in the instrument.

In addition, both long and short open Positions will be revalued against our current price at the bid and offer respectively, meaning that there is a net Variation.

Margin across all Positions equal to the bid – offer spread.

There are however financial risks associated with partially hedged Positions:

- you may be charged Financing Charges, dividend adjustments or Rollover Charges on both sides of the Contract;
- charges in one Contract and Losses in other Contracts may trigger a liquidation of part or all of the hedged Contracts leaving you with a larger unhedged Position;
- During periods of low liquidity, high volatility orprior to, or just following, the closing or opening of markets the spread may be wide resulting in increased Margin obligations which could lead to liquidation and/or losses.

*Fully Hedged Positions*

Alternatively, the open Position can be fully hedged by entering into a new offsetting Contract for the full amount of the open Position. The Initial Margin requirement on the net open Position will be nil. However, again, all open Contracts could be revalued against our current price and, given the difference between the bid and offer, there will be a Variation Margin on the net open Position which must be maintained.

A widening of the bid – offer spread at any time may trigger the Liquidation Level. If the Liquidation Level is triggered, offsetting Positions may be closed by us, leaving you exposed.

There are however financial risks associated with fully hedged Positions:

- you may be charged Financing Charges, dividend adjustments or Rollover Charges on both sides of the Contract;
- charges in your hedged Contracts and Losses in other Contracts may trigger a liquidation of part or all the hedged Contracts leaving you with a Position exposure or an unhedged Position.

**FIFO closeout strategy on the MT5 and Axi Platforms**

The MT5 and Axi Platforms do not allow hedged Positions. If you enter into a transaction in the relevant instrument in the opposite direction to the open trade, the earlier trade will be closed out on a FIFO basis.

There are, however, a few exceptions to the FIFO strategy:

- nominated closeout is possible, and closes, or partially closes, the specified open trade ignoring the FIFO rules (e.g. you select ‘close’ next to a specific trade);
- any stop and limit orders placed with respect to an open trade will act as nominated closeout of that trade only and not affect other trades (i.e. stop and limit orders will only attach to the original trade); and
- if a trade is closed out according to FIFO rules, and a stop or limit order has been placed with respect to that trade, the relevant stop or limit order will be deleted or reduced by the amount specified in the order.

***Example of the FIFO closeout strategy***

You make the following trades:

1. Buy 1 Lot EUR/USD on Monday.
2. Buy 2 Lots EUR/USD on Tuesday.

*Scenario A*

You sell 1 Lot EUR/USD on Wednesday. This will close Monday’s Position, leaving you with 2 Lots long on EUR/USD.

*Scenario B*

You sell 2 Lots EUR/USD on Wednesday. This will close Monday’s Position and half of Tuesday’s Position, leaving you with 1 Lot long on EUR/USD.

*Scenario C*

You sell 5 Lots EUR/USD on Wednesday. This will close all your open Positions, leaving you with 2 Lots short on EUR/USD.

**3.19 DEPOSIT AND POSITION LIMITS**

You acknowledge and agree that we may, in our sole discretion, limit your deposits to your Trading Account for credit reasons. To meet your Margin Requirements in such circumstances you should reduce the total number of your open Transactions.

### 3.20 HOW ARE PAYMENTS MADE IN AND OUT OF MY ACCOUNT?

You may deposit funds through various channels as disclosed on our website or trading platform. See section 2.5 (Depositing Funds) for more information.

Withdrawals from your Account will usually be paid through the same channel you used for depositing funds or by other methods as disclosed on our website or trading platform.

We do not make payments to third parties and may need to request proof of bank account details prior to making a payment to an account not previously used by a client.

### 3.21 DO I RECEIVE INTEREST ON FUNDS HELD IN MY ACCOUNT OR PAY INTEREST ON FUNDS I OWE TO YOU?

We are solely entitled to any interest derived from client money deposited in bank accounts. We may establish when and how much interest we will pay to clients on funds held.

We may charge interest on any debit balances in a currency ledger on your Account. Interest will be calculated separately on each currency ledger after deducting Margin Requirements for instruments held and valued in those currencies.

### 3.22 WHAT HAPPENS IF I HOLD A POSITION OVERNIGHT?

A Financing Charge or Financing Benefit may apply to Positions held overnight as follows:

**MT4 and MT5 platforms**

**In relation to Margin FX Contracts and Bullion Spot CFDs,** a Financing Charge or Financing Benefit may accrue daily for any trades held past the market close at 5PM New York time (00:00 MT4 server time) Monday to Friday. The Financing Charge or Financing Benefit is based on the relative interest rate between the two currencies. For example, if you were buying the AUD and selling the USD, and the Australian interest rate is higher than the US Interest rate, you would typically receive a positive Financing Benefit overnight. If you were selling the AUD- USD or going 'short', you would typically pay a Financing Charge. The financing process is completed at 5PM New York time (00:00 MT4 server time) Monday to Friday. Any Financing Charges or Financing Benefits will appear in your daily statement.

In relation to Futures CFDs, no daily Financing Charge or Financing Benefit will accrue. For information on what charges or benefits may accrue at other times, see section 8.3 (Financing and Rollovers).

**In relation to Commodity Cash CFDs, Index Cash CFDs and Cryptocurrency CFDs,** you may be required to make a payment of a Financing Charge or you may receive a Financing Benefit for Positions held overnight. For further details, see sections 8.3 and 8.4.

**Axi Platform**

In relation to all products, a Financing Charge or Financing Benefit may apply daily for any trades held past the market close at 5PM New York time All Financing Charges and Financing Benefits are settled daily to your account balance. The Financing Charges and Financing Benefits used by the Axi Platform are based on the financing rate specified in the Product Schedule, which is adjusted from an annualised rate to a daily rate and applied to the notional value of the trade. Any Financing Charges or Financing Benefits will appear in the "financing" section of your daily statement.

**MT4 and MT5 platform's 3 day Finance Charges**
**Three-day Rollover Charge (all trading platforms)**

Bullion Spot CFDs and most Margin FX Contracts are subject to a three-day Rollover Charge on Wednesday market close; Canadian Dollar pairs will incur a three-day Rollover Charge on Thursday market close. These reflect the underlying spot market value date rollover from Friday to Monday.

All Other CFDs held past the Friday market close are subject to a three-day Rollover Charge to reflect the rollover from Friday to Monday.

**Axi Platform - 3 day Finance Charges**
All FX Contracts and CFDs positions held past the Friday market close are subject to a three-day Rollover Charge to reflect the rollover from Friday to Monday.

### 3.23 HOW DO I LEARN TO USE THE TRADING PLATFORM AND HOW TO DEAL WITH YOU?

The MT4 and MT5 platforms contain extensive user guides which are accessible from the 'Help' menu. We also provide free practice accounts also known as "Demo" accounts across all our trading platforms. Contact our client services team for further details.

### 3.24 WHAT IF I NEED FURTHER INFORMATION?

You should speak to your financial advisor for information about whether investing in our products is right for you, or, alternatively, for general information on our products and services you can contact us by:

| | |
|---|---|
| **Email:** | support@cmgau.com |
| **Website:** | www.cmgone.com |

The "Contact Us" sections of our website and Axi Platform provide international toll-free telephone numbers for clients from several countries and an international telephone number for clients from other countries.
trading platforms usually offer a live chat service that offers real-time support to clients when they are using the platform.

## 4. KEY BENEFITS

The use of our Margin FX Contracts and CFDs provide several benefits, which must, of course, be weighed up against the risk of using them. Benefits include the following: -

### 4.1 SPECULATION

You can use these financial Products for speculation, or with the view to profiting from exchange rate fluctuations and the rises and falls in prices in the Underlying Instruments.

### 4.2 MARKET POSITION

You can potentially profit (and lose) from both rising and falling markets depending on the strategy you have employed. Strategies may be complex and will have different levels of risk associated with each strategy.

### 4.3 LEVERAGE

The use of our financial Products involves a high degree of leverage. These contracts enable a user to outlay a relatively small amount (in the form of Initial Margin) to secure a larger exposure to the Underlying Instrument. But you must be aware that this leverage can work against you as well as for you. The use of leverage can lead to large losses as well as large gains (see sections 5.1 and 5.3).

### 4.4 TRANSACTION COSTS

Over-the-counter products typically offer economic exposure to a wide range of Underlying Instruments at transaction costs that can be lower than when dealing in the Underlying Instrument. Acquiring an interest in bullion or a currency in the past typically required an investor to hold the asset in physical form. This involved transport and storage costs. As no right, obligation or entitlement to the Underlying Instrument attaches to dealing in OTC derivative products, this reduces the transaction costs. For the same reason, the difference between the buying and selling price (spread) is typically smaller in Products than in the physical markets.

### 4.5 MULTIPLE ASSET CLASSES

Over-the-counter derivative products allow investors to trade many different financial instruments in a single account without having to purchase the Underlying Instrument and transfer funds internationally. Through a single Account an investor can speculate in multiple asset classes from multiple underlying economies.

### 4.6 TRADING PLATFORMS

There are significant benefits associated with the use of our trading platform. These include:

- the ability to trade in small notional amounts as little as USD1,000 or 0.01 of a standard Contract;
- Margin foreign exchange markets open at 05:01pm New York time Sunday and close at 04:58pm New York time on Friday.
- CFDs are generally available during times the Underlying Instrument is trading;
- Real-time streaming of quotes and the facility to check your Accounts and Positions in real time and 24 hours a day on any global market which is open for trading; and
- full control over your Account and Positions.

### 4.7 WORKING ORDERS

We offer clients a range of order types to assist in managing their Positions. Orders can be placed whenever the Underlying Instrument is open for trading.

**Important notice about this section:**

If you request placement of one of the types of orders described in this section, we have absolute discretion whether to accept and execute any such requests.

**Stop-Loss Orders:**

A stop-loss order is an order placed with the aim of limiting the potential loss on an open Position. A stop- loss order allows you to specify a price at which you wish to close out a Position.

Stop-loss orders must be placed at a minimum distance from our current bid and offer prices. The minimum distance is specified on the trading platform and will be advised to you upon request.

We will execute a stop-loss order once the offer price reaches the order price in the case of a buy-order, or our bid price has reached the order price in the case of a sell-order.

**We note that stop-loss orders are not guaranteed; the execution of such orders will depend on market volatility and liquidity. Once the stop-loss price is reached, the stop-loss order becomes a Market Order to buy or sell (depending on your instructions) and will be executed at the prevailing price. The execution price may be different from the stop-loss order price.**

**Stop-Entry Orders:**

A stop-entry order is an order placed to open a new Position or increase an existing Position at a price which is inferior to the current market price. You may choose to use this type of order when you only want to enter a Position after confirmation of a change or establishment of a trend.

**We note that stop-entry orders are not guaranteed; the execution of such orders will depend on market volatility and liquidity. Once the stop-entry price is reached, the stop-loss order becomes a Market Order to buy or sell (depending on your instructions) and will be executed at the prevailing price. The execution price may be different from the stop-entry order price.**

Stop-entry orders can be placed to open new Positions in all our Products.

You should also note that stop-entry orders must be placed at a minimum distance from a current bid and offer prices, which distance is determined at our discretion. The minimum distance is specified on the trading platform.

**Limit Orders:**

A limit order may be used by you to either open or close a Position at a predetermined price that is more favourable to you than the current market price.

We will execute your limit order when our offer price has reached the price of your buy-limit order or our bid price has reached the price of your sell-limit order.

**We note that limit orders are not guaranteed; the execution of such orders will depend on market volatility and liquidity. Once the limit price is reached, the limit order becomes a Market Order to buy or sell (depending on your instructions) and will be executed at the prevailing price. The execution price may be different from the limit order price**.

**How to place working orders with us:**

Orders may be placed online via the trading platforms. There are no fees specifically associated with using working orders via our online trading platforms.

**Our right to impose order limits:**

We retain the right to impose or change a limit on the number of open pending orders of each account to prevent the degradation of the trading platforms.

## 5. RISK WARNING

### 5.1 ARE OUR PRODUCTS APPROPRIATE FOR YOU?

You must carefully consider whether our Products are appropriate for you while considering your personal circumstances, financial markets experience and investment objectives. **In making this decision you should be aware you could both gain and lose large amounts of money. You could potentially lose all the funds you deposit into your Account.** In addition, you could lose further amounts as explained below.

- If the market moves against your Position, or in the case of Commodity CFDs your Position is rolled over you may be required, at short notice, to deposit with us, further monies as Margin to maintain your Position. Those additional funds may be substantial. If you fail to provide those additional funds your Position may be liquidated if the Liquidation Level is triggered. You will be liable for any shortfall in your Account resulting from that liquidation.

- You could lose all moneys deposited with us, and in addition, be required to pay us further funds representing losses and fees on your open and closed Positions. For example, although you may only invest $1,000 in an Account as Margin, if the market moves against your Position, you could lose more than $1,000.
- Under certain conditions, it could become difficult or impossible for you or us to close or liquidate a Position. For example, this can happen when there is a significant change in prices over a short period or some change in government policy causes an Underlying Instrument to be suspended, closed or revalued. Refer to sections 5.2 and 5.7 for a more detailed explanation about these risks.
- We will not or may be unable, in all circumstances, to accept your request to place an order. Refer to sections 5.2 and 5.7 for further details.
- If we accept your request to place an order, such an order may not always limit your losses to the amounts that you had intended.
- Market conditions may make it impossible to execute such orders. Refer to section 5.2 for more detailed explanation about these risks.
- The high degree of leverage that is obtainable in dealing in Products because of small Margin Requirements can work against you as well as for you. The use of leverage can lead to large losses as well as large gains.

We will not give you any personal financial product advice in relation to Margin FX Contracts or CFDs. Further, the client suitability process does not amount to personal financial product advice. We will only be providing you with general advice and as such, this advice will not consider your objectives, financial situation or needs. Accordingly, you should obtain your own financial, legal, taxation and other professional advice as to whether Margin FX Contracts or CFDs are an appropriate investment for you.

## 5.2 MARKET RISK

**Derivative instruments are speculative & volatile**

Derivative instruments can be highly volatile due to the market conditions of the Underlying Instrument and the amount of leverage available. The prices of our Products and their Underlying Instruments may fluctuate rapidly and over wide ranges and may reflect unforeseeable events or changes in conditions, none of which can be controlled.

The prices of our Products may be influenced by, amongst other things, changing supply and demand relationships, governmental, agricultural, commercial and trade programs and policies, national and international political and economic events.

**Dealing is affected by factors in the Underlying Instrument**

The prices of our Products are derived from the prices in the Underlying Instruments. Under certain market conditions, it could become difficult or impossible for you to manage the risk of open Positions by entering into offsetting Positions in another Contract or closing existing Positions.

Sometimes markets move so quickly that “gapping” occurs. Gapping is the exposure to loss from failure of market prices or rates to follow a “smooth” or continuous path due to external factors such as global political or economic events. If “gapping” occurs in the Underlying Instrument, it will also be reflected in the price of the relevant Product. In this case, you may be unable to close out your Position or open a new Position at the price at which you have placed your order or may have liked to place your order.

The Underlying Instrument may lack liquidity, caused by insufficient trading activity or because the aggregate of all requests for orders at a price determined by us exceeds the available volume in that market. This may affect our ability to offer Margin FX Contracts or CFDs to allow you to close out your Position or open a new Position. As a result, a potentially profitable transaction may not be executed, or it may not be possible to close out a Position in a timely fashion at the price you require.

This may lead to reduced profits and high losses.

Trading in the Underlying Instrument may be suspended or halted. In such cases, we may not be able to offer the corresponding Product, and it may not be possible for you to close out your Position or open a new Position.

In each case, as a result, a potentially profitable deal may not be executed, or it may not be possible to close out a Position in a timely fashion at the price you require, resulting in reduced profits or higher losses.

In any of these circumstances, we have the right to close your open Positions, limit the size of your open Positions, refuse to quote or execute transactions. You will be liable for any losses suffered in such circumstances. You should refer to clause 3.5 of the Client

Agreement for more information.

**Foreign exchange risks**

Your Account is maintained in the currency you have nominated, that is, the Account Currency.

Where dealing in a Product that is denominated in a currency other than the Account Currency, all Margins, profits, losses, and Financing Charges and Financing Benefits are calculated using the currency in which the relevant Product is denominated.

Accordingly, your profits or losses will be affected by fluctuations in the relevant foreign exchange rate in the following ways.

***MT4 and MT5 Platforms***

Upon closing a Position in a Product that is denominated in a currency other than the Account Currency we will automatically convert all amounts into your Account Currency. Any conversion will be at the Exchange Rate quoted by us (this may be different to the price quoted for a Margin FX Contract).

Until the foreign currency balance is converted to the Account Currency, fluctuations in the relevant foreign exchange rate will affect the ultimate profit or loss made on the Position when revalued in the Account Currency.

**Axi Platform**

Upon opening a Position in a Product that is denominated in a currency other than the Account Currency, you hold a balance in that foreign currency. Whenever that balance is realised (e.g. profit and loss is realised or overnight charges are realised) it will be immediately converted to the Account Currency. Any conversion ("FX Sweep") will be at the Exchange Rate quoted by us (this may be different to the price quoted for a Margin FX Contract). These Exchange Rates used are shown on your daily statement.

**Loss caused by spread**

Because of the difference between the buying and selling price, the relevant price must move favourably before you can break even. In other words, even if the Contract Price does not move at all and you close out your Position, you will incur a loss to the extent of the spread and of any fees.

Furthermore, the spread may be larger at the time you close out the Position than it was at the time you opened it.

**Interest rate fluctuations**

Should you deal in a Margin FX Contract, fluctuations in the interest rates applicable to those underlying currencies will affect Financing Charges. In some cases, these interest rates can vary widely and at short notice causing the Financing Charges to be significantly higher. If you are holding a short Position in a high yielding currency, then the Financing Charges may cause significant losses.

Should you hold a long Position in a Bullion Spot CFD or Other CFD and the interest rate of the currency in which it is denominated rises significantly then the value of the Position may drop significantly causing losses.

Should you hold a long Position in a Cash CFD and the interest rate of the currency in which it is denominated rises significantly then the value of the Position is likely to drop significantly causing losses however a Financing Benefit will be realised.

**Rolling over Futures CFDs (MT4 platform only)**

In the MT4 platform, upon expiry of any Futures CFD, open Positions will be rolled on the Expiry Date of the CFD contract.

We will revalue the Position at the prevailing price. Clients are advised that the next serial CFD may trade at a premium or discount to the expiring contract and you may immediately have a profit or loss without conducting a new transaction.

## 5.3 LEVERAGE & DEALING ON MARGIN

You may incur losses due to a Margin FX Contract or CFD trading. These losses may be far greater than the money that you have deposited into your Account or are required to satisfy Margin Requirements. In addition, you could be required to pay further funds that represent losses and other fees on your open and closed Positions.

**Changes in Margin Requirements**

We may under clause 4.3 of the Client Agreement exercise our right to alter the Margin Requirements in relation to any of our CFDs or Margin FX Contracts at any time at our discretion. Notification of this alteration can be given to you either orally or in writing. The alteration will take immediate effect over the affected open Positions. This change will affect your Free Equity and may cause Positions to be liquidated.

If we determine that a Force Majeure Event exists, then we may (without prejudice to any other rights under the Client Agreement and at our sole discretion) increase the Margin Requirement. Whilst we endeavour to provide as much notice as possible this may occur without us being able to provide prior notice. Accordingly, you should be prepared at any time to have funds equal to the notional value of their Positions available to meet any increase in the Total Margin Requirement.

Where an Underlying Instrument is suspended or halted, we will use the last traded price of that Underlying Instrument for the purposes of determining Margin Requirements and valuations. Where we have reasonable grounds to believe that a different price reasonably reflects the value of the Contract then we may, at our absolute discretion, price the contract differently.

You will incur a Margin Requirement based on the value of the Product determined by us. If you do not satisfy that Margin Requirement, we have the right, but not the obligation, to close that Position and you will be liable for any loss suffered.

**Risk Resulting from Margin Calls**

If the price moves against your open Position you may be required, at short notice, to deposit further moneys with us to satisfy your Total Margin Requirement and maintain your Position. The amount of the additional Margin may be substantial and failure to pay it promptly may result in:

- some or all your open Positions being closed or liquidated by us;
- you being prevented from opening new Positions or extending existing Positions; and
- you being liable for interest charges on negative or debit balances.

Further, any additional funds must become cleared before they will be taken as satisfying your Margin Call. In some circumstances, your Positions may be liquidated before any additional funds that you deposit in response to a Margin Call have had the opportunity to become cleared funds.

You should note that when holding both long and short Positions in the same instrument (Hedged Positions) the transactions are revalued for Margin purposes at their respective bid and offer prices. During periods of low liquidity, high volatility or prior to, or just following, the closing or opening of markets the spread may be wide resulting in increased Margin obligations. This may trigger the liquidation of Contracts even though the Position is hedged.

**Clients are warned not to rely solely on us issuing a Margin Call notification. It is your obligation to monitor Margin Requirements and to ensure you maintain sufficient Free Equity to meet any potential adverse movement. We do not guarantee that Margin Calls will be received or that sufficient time will be available to forward monies to avoid suffering losses.**

**Margin Calls when Positions are Hedged or Partially Hedged**

On the MT4 platform, clients may hold both long and short Positions in the same instrument at the same time.

However, Margin Requirements still apply.

All open Contracts are revalued against the bid and offer prices respectively to calculate Variation Margin. Due to the bid – offer spread Variation Margins will apply even though the Positions may be hedged.

A widening of the spread during periods of low liquidity or high volatility may mean that Variation Margins are significant. Where Free Equity is relatively small this may result in triggering the Liquidation Level causingall open Contracts to be closed.

**Clients are reminded that all open Contracts are rolled independently and not on a net basis. This means that there is a net cost incurred when holding offsetting open Contracts even when the net open Position may be nil.**

**Consequently, clients are advised to monitor Total Margin Requirements even when hedged or partially hedged.**

**5.4 WE ACT AS PRINCIPAL & PRODUCT ISSUER**

We are a market maker, not a broker, and accordingly will act as a principal, not as an agent, in respect of all transactions.

As we issue the Products, you are exposed to the financial and business risks, including credit risk, associated with dealing with us. Protections normally associated with dealings on licensed markets are not available when trading in our Products. For example, in some jurisdictions, trading on a licensed securities exchange, often has the benefit of a guarantee system which provides protection from fraud or misconduct by brokers. Such guarantees do not apply to our Products.

If you require further information about our financial position, please contact us and request a copy of our audited financial statements. These will be provided at no cost to you.

### 5.5 COUNTERPARTY RISK

You will be dealing with us as counterparty to every transaction and you will, therefore, have an exposure to us in relation to each transaction. This is common in all OTC financial market products.

Consequently, you will be reliant on our ability to meet our counterparty obligations to you to settle the relevant Contract. There is a risk that we will not be able to meet our obligations under the relevant Contract. If we default on our obligations, you may become an unsecured creditor in an administration or liquidation.

Our creditworthiness as the Product issuer has not been assessed by an approved rating agency. This means that we have not received an independent opinion of our capability and willingness to repay our debts from an approved source.

Furthermore, as we enter into hedge transactions with other counterparties in relation to the exposures arising from client transactions you are indirectly exposed to the risk of default by one or more of our counterparties.

### 5.6 SEGREGATED ACCOUNTS

Segregated bank accounts hold retail client funds separate from our own funds. Wholesale client funds are not held in segregated bank accounts. Refer to sections 6.1 to 6.6 for further details.

It is important to note that the holding of retail client moneys in one or more segregated bank accounts may not afford you absolute protection.

You could incur a loss, depending on the creditworthiness of us, our covering counterparties or counterparties holding client segregated assets.

The purpose of segregated bank accounts is to separate retail clients' money from our own funds. However, an individual retail client's money may be co-mingled in one or more segregated client Accounts and this exposes retail clients indirectly to the risk of default by other clients who fail to settle their losses.

You are also exposed indirectly to the financial risks of the institutions with which we hold client monies.

Should we become insolvent you will be an unsecured creditor in relation to the balance of the moneys owing to you.

**What is an unsecured creditor?**

Where we suffer an Insolvency Event, as an unsecured creditor, clients will need to submit to the liquidator proof of the balance of our obligations, as evidenced by their Account statements. Refer to section 6.4 of this PDS for information about how client monies are treated in this circumstance.

### 5.7 OUR DISCRETIONS

Under the Client Agreement, we have certain discretionary powers. These include discretion not to accept orders, not to provide a quote or refuse to deal. Clients should review the Client Agreement carefully and, if necessary, seek legal advice.

**Circumstances in which we may close client open Positions**

Clients should be aware that under the Client Agreement we have the right, whether with or without prior notice, to refuse to quote, refuse to deal and close out all or part of clients' open Positions if an Event of Default or Force Majeure Event arises. These events include the suspension of an Underlying Instrument from which a Product is derived.

In such circumstances, although we may attempt to provide notice it may not always be possible, and we are not obliged under the Client Agreement to provide such notice.

We reserve the right to close a client's open Positions if a Product is removed from our Product Schedule. Circumstances in which we may remove a Product include when the Underlying Instrument is prohibited by a government or by regulations from being traded.

**Right to limit open Positions**

We have the right under the Client Agreement to limit the size of a client's open Positions, whether on a net basis (difference between short Positions and long Positions) or gross basis (aggregate of short Positions or long Positions).

This may occur for example, because of some event in the Underlying Instrument or to limit our exposure to an Underlying Instrument or client or otherwise protect our interests.

**Right to refuse transactions**

We have the right under the Client Agreement to refuse any transaction or order for any reason. Circumstances in which we may decide to do so include, but are not limited to the following:

- where we are, in our opinion, unable to maintain an orderly market in any one or more of the Products because of the occurrence of any act, omission or event (including any specific or general circumstance beyond our control such as a natural disaster, political or regulatory occurrences or upheaval, disruption to, communications, power or other infrastructure);
- the suspension, closure, liquidation or abandonment of any relevant market or Underlying Instrument;
- where we consider that it is in the client's best interests to delay opening, close early or suspend a market temporarily;
- the imposition of limits or special or unusual terms in the relevant markets or Underlying Instrument such as the prohibition of short selling in an Underlying Instrument or the introduction, change or abandonment of any price controls;
- the excessive movement, volatility or loss of liquidity in the relevant markets or Underlying Instrument;
- when we, in our opinion, consider it necessary for the protection of its rights under the Client Agreement; or
- when we consider that the client may be in possession of "inside information" as defined by the laws of the relevant country.

### 5.8 REGULATORY & SOVEREIGN RISK

Changes in taxation and other laws, government fiscal, monetary and regulatory policies may have a material adverse effect in your dealings in Contracts with us.

### 5.9 WARNING REGARDING ONE-CLICK DEALING

One-click dealing allows clients to open or close a trade on a single click. It is an inherent feature of our Axi Platform and can be enabled in the MT4 and MT5 platforms if clients activate the one-click dealing function. Clients are warned that, when using one-click dealing, once an instruction to buy or sell is passed, they will not be provided with an opportunity to check the details of the instruction before it is sent to us. Consequently, clients should take additional care that their instructions are correct.

### 5.10 OPERATIONAL RISKS

**Expert Advisors**

Clients are advised of the risks in utilising the expert trading advisors available on the MT4 and MT5 platforms. We bear no responsibility for the performance of these trading systems and will accept no responsibility for losses arising from their use whatsoever.

**Communication Networks**

When using the trading platforms transactions are conducted over communication networks such as the internet and mobile phone networks. Clients are therefore exposed to the operational risks associated with transmitting instructions over these communication networks. These include but may not be limited to:

- Reliability and stability of local and international communication connections; and
- Reliability and stability of clients' own personal computer or mobile phone network or internet connection.

**Trading Platforms**

There are operational risks associated with any trading platform and any disruption to the trading platform may mean that you will be unable to trade in the Product with us when desired. Accordingly, you may suffer a loss as a result caused by a delay in our operational processes such as communications, computers, computer networks, software or external events that cause delays in the execution of a transaction. We do not accept or bear any liability whatsoever in relation to the operation of the trading platforms, except to the extent that it is caused by fraud or dishonesty on our part or on the part of our employees.

We reserve the right in unforeseen and extreme market situations to suspend the operation of our trading platforms or any part or section of them. In such an event, we may, at our sole discretion, and under the Client Agreement, with or without notice, close out your open Contracts at prices we consider fair and reasonable at such time.

### 5.11 EVENT OF DEFAULT

In an Event of Default as defined in clause 9.1 of the Client Agreement, we may take all or any of the actions identified in clause 9.2 of the Client Agreement.

# 6. HOLDING YOUR MONEY

### 6.1 SEGREGATED BANK ACCOUNTS

All client funds are held on trust and will be paid into segregated bank accounts maintained by us with top- tier banking institutions regulated by the UK Prudential Regulation Authority (PRA) or other banks regulated by an equivalent regulatory authority.

Segregated bank accounts are held in our name but are established to hold retail client funds separate from our own funds.

We do not hold individual segregated accounts and your moneys will be co-mingled into one or moresegregated bank account with other retail client money.

We will deposit any moneys due to you in relation to dealings in our Products into a segregated bank account.

We will pay, withdraw, deduct or apply any amounts from your money held in any segregated bank account in the following circumstances:

- to defray brokerage and other proper charges (e.g. commissions);
- to pay us other money to which we are entitled;
- to withdraw wholesale client funds paid into or held in the segregated bank account; and
- where interest is earned on the account, and we have disclosed to you that we intend to keep any interest payments.

Those obligations to you under the Client Agreement and our Products are unsecured obligations, meaning that you are an unsecured creditor of us.

We are solely entitled to any interest derived fromclient money being deposited in a bank account by us with such interest being payable to us from the relevant bank account when we determine.

### 6.2 WHOLESALE CLIENT FUNDS

We on-board all clients as retail clients and holds retail client money in segregated bank accounts separate from our own money.
Subsequently, we assess each client's wholesale or retail client status from time to time.

**Funds held on behalf of wholesale clients may be used by us to meet our obligations incurred in connection with margining, guaranteeing,securing, transferring, adjusting or settling dealings in derivatives, including dealings on behalf of other clients.**
**Note that this may result in a shortfall in respect of your client money entitlement.**

The assessment of wholesale client status comprises a financial value test which operates as follows:

- If a client has, at any time, held Positions in derivatives with a notional value totaling $100,000 or more, the client is deemed to be a wholesale client.
- The value of the derivative is calculated by the notional value of the derivative. This means, that, for example, a client who enters into a derivative with a notional value of $100,000 will be regarded as a wholesale client, even if the Position has a leverage of 100 times such that the client is only required to deposit $1,000 as Initial Margin.
- A number of different derivatives (short or long) can be aggregated together to meet the $100,000 threshold if they are entered into at or about the same time.

We will notify you in writing if you meet the required threshold to be classified as a wholesale client under the financial value test.

**You may request confirmation of your classification as a retail or wholesale client at any time.**
If at any time you request to be treated as a retail client permanently, you will be classified as such and will not be subject to reclassification thereafter.

### 6.3 CLIENT MONEY RECONCILIATIONS

We have established policies for client money record- keeping and reconciliations. Under these policies we will:

- keep accurate records of the amount of client money we receive from you, and retain them for aminimum of seven years;
- perform daily reconciliations of the amount of client money we have recorded against the amount actually held in the client money account, some of which will include your client money; and
- transfer surpluses in segregated client funds from, or deficits in segregated clients' funds to segregated bank accounts within three days of each reconciliation date.

### 6.4 CLIENT MONEY PROTECTION

**Retail client money**

In the event that we become insolvent, merge with another business or cease to carry on some or all of our activities, retail client money held by us, will be distributed as set out below:

- money in the segregated bank account is held in trust for the persons entitled to it, and is paid in the order set out below;
  - i. money that has been paid into the account in error;
  - ii. the next payment is payment to each person who is entitled to be paid money from the account;
  - iii. if the money in the account is not sufficient to be paid in accordance with the above paragraphs, the money in the account must be paid in proportion to the amount of each person's entitlement; and
  - iv. if there is any money remaining in the account after payments made in accordance with the above paragraphs, the remaining money is payable to us.
- if client money has been invested by us, the investment is likewise held in trust for individual clients and is distributed to each person entitled to the money in the investment.

**Wholesale client money**

Wholesale clients are treated as general creditors where we suffer an Insolvency Event.

### 6.5 WARNING ABOUT SEGREGATED ACCOUNTS

It is important to note that our holding your moneys in one or more segregated bank accounts may not afford you absolute protection.

The purpose of these accounts is to segregate retail clients' money, from our own funds. However, an individual client's money is comingled into one or more segregated bank accounts.

Furthermore, segregated bank accounts may not protect your money from a default in the segregated customer accounts.

Should there be a deficit in the segregated bank accounts, then in the unlikely event that we become insolvent, you will be an unsecured creditor in relation to the balance of the moneys owing to you.

### 6.6 WHAT IS AN UNSECURED CREDITOR?

In the event that you become an unsecured creditor of us, you will need to lodge a proof of debt with the liquidator for the amount of moneys that are owing to you as evidenced by your Account statements. The liquidator then assesses all proofs of debts to determine which creditors are able to share in the assets of the company, and to what extent depending on the amounts owing to them and any priority they may have to be paid.

## 7. MARGINS AND MARGIN CALLS

### 7.1 MARGIN AND MARGIN CALLS

Margin FX Contracts and CFDs are subject to Margin Requirements, and it is your responsibility to meet to maintain your Positions.

There are two components of the Margin, which you may be required to pay in connection with Positions.
We refer to these as *Initial Margin* and *Variation Margin*.

### 7.2 INITIAL MARGIN

The Initial Margin is an amount of money which is due from you at the time the Position is entered into. The Initial Margin is security to protect ourselves against possible market movements.
When you open a Position with us in Margin FX Contracts and CFDs you will need to have sufficient Free Equity in your Account to satisfy the Margin Requirement for that Position. Margin Requirements vary with each product and a list of current Standard Margin Rates is set out in the Product Schedule available on our website.

With respect to the Axi Platform, for some markets you can customise the margin requirement by changing the leverage you wish to use when you enter into a new Contract. The Axi Platform will display a default leverage initially. You can choose to reduce the leverage which will increase your margin requirement. If we offer you the option to increase your leverage and you choose to do so this will reduce your margin requirement. Refer to the Product Schedule for more details.

### 7.3 EXAMPLES OF INITIAL MARGIN REQUIREMENTS

Examples of the calculation of the Initial Margin Requirement for various types of CFDs follow. You should refer to the details provided on the relevant platform upon which you are trading or the relevant Product Schedule for the current Margin Requirements applicable for each instrument.

**MT4 and MT5 Platforms**

***Margin FX Contracts and Bullion Spot CFDs***

For Margin FX Contracts and Bullion Spot CFDs your Account leverage is considered when calculating the Initial Margin Requirement. For these Contracts, when your account leverage is 1:100 it doesn't alter the Standard Margin Rate. When account leverage is higher the margin rate requirement will reduce, when lower the margin rate requirement will increase.

The Initial Margin requirement on a Margin FX Contract is calculated as follows:

*Number of Lots x contract size per Lot x opening price x standard Margin Rate x leverage factor*

For example, you have an Account leverage of 100:1 and wish to buy one Lot of EURUSD at 1.2000. The Standard Margin Rate for EURUSD is 1% and because your Account leverage is 100:1 the margin rate is not adjusted. The Initial Margin requirement is calculated as follows:

*1 Lot x EUR100,000 contract size x 1% Standard Margin Rate x 100 leverage factor / 100 divisor= EUR1,000*

However, if you have an Account leverage of 400:1 the additional leverage reduces the Initial Margin Requirement. The Standard Margin Rate for EURUSD is 1% but because your Account leverage is 400:1 this reduces to 0.25%. The Initial Margin Requirement is calculated as follows:

*1 Lot x EUR100,000 contract size x 1% Standard Margin Rate x 400 leverage factor / 100 divisor = EUR250*

***Other CFDs***

Other CFDs do not consider your Account leverage, the Initial Margin Requirement is calculated irrespective of your Account leverage and no leverage factor is applied.

Your Margin Requirements on Other CFDs is calculated as follows:

*Number of Lots x contract size per Lot x opening price x Initial Margin Rate*

For example, to buy one Lot of US30 CFDs trading at a market price of 25,000 with a 0.5% Initial Margin Rate, the Margin Requirement would be calculated as follows:

*1 Lot x 1 USD Contract Size x USD25,000 price x 0.5% Initial Margin Rate = USD125.*

**Axi Platform**

***Margin FX Contracts and all other CFDs***

The Margin Requirements for all products on the Axi Platform are influenced by the amount of leverage selected when you enter your trade. The relevant Margin Requirement for each trade is calculated automatically and displayed on the transaction entry screen of the platform. The Product Schedule displays the default leverage that is offered for each Product. You may elect to reduce your leverage and we may elect to offer you higher leverage choices.

Examples of Margin Requirement calculations are as follows:

For a client who chose the default setting of 30 times leverage factor (x30), which equates to a 3.333% Margin rate, and wanted to buy 1 Lot of EUR/USD, the Margin Requirement would be calculated as follows:
1 Lot x EUR 100,000 Contract Size x 1.20000 Contract price x 1/30 leverage factor = USD 4,000 Initial Margin

If the same client increased the leverage to 400 times leverage factor (x400), which equates to a 0.25% Margin rate, and you wanted to buy the same 1 Lot of EUR/USD, the Margin Requirement would be calculated as follows:
1 Lot x EUR 100,000 Contract Size x 1.20000 Contract price x 1/400 leverage factor = USD 300 Initial Margin

For a client who chose 100 times leverage (x100), which equates to a 1% Margin rate, and wanted to buy 1 Lot of US30 Index Cash CFDS the Margin Requirement would be calculated as follows:
1 Lot x USD 1.00 Contract Size x 32,000 Contract price x 1÷100 leverage factor = USD 320 Initial Margin

## 7.4 EQUITY BALANCES

The Equity of your Account will fluctuate reflecting the money you have deposited in your Account, the dealings you have conducted and the Positions you hold.

Your Equity and Margin Requirements are revalued in line with movements in our prices and your Account activity.

Once a Position is opened, the Total Margin Requirement must always be maintained for the open Position(s). It is your responsibility to ensure that your Account is always sufficiently funded, especially during volatile trading periods.

To assist you, Equity and Free Equity together with Initial Margin Requirement are available on the trading platform and are published in a daily statement.

Provided you are meeting your Total Margin Requirements, you will only be allowed to withdraw funds up to the lesser of the cash balance or Free Equity in your Account. Subject to any credit we may grant to you, at our discretion, you must maintain a positive cash balance (in cleared funds) whilst Positions are open. Additionally, you will only be allowed to deal and maintain open Positions based on cleared funds in your Account, not on promised funds or funds in transit.

### 7.5 PROFITS AND LOSSES

Profits made from your dealing activities increase the Equity in your Account. Losses made as a result of your dealing activities decrease the Equity balance on your Account, and therefore the Equity available for dealing in Margin FX Contracts and CFDs or holding Positions.

### 7.6 VARIATION MARGIN

The Variation Margin is an amount payable when a Position moves against you. Again, this amount is determined by us at our discretion and is intended to protect us against unrealised losses which you may have suffered.

The Variation Margin liability is incurred at the time of the occurrence of any movement in the market that results in an unrealised loss.

### 7.7 CHANGE TO MARGIN REQUIREMENTS

We may under the Client Agreement exercise our right to alter the Margin Requirements of any Margin FX Contract or CFD at any time at our discretion.

Furthermore, if we determine that a Force Majeure Event exists then we may, without prejudice to any other rights under the Client Agreement and at our sole discretion, take any one or more of the steps outlined in clause 14.5 of the Client Agreement.

One of the steps that we may take is to increase the Margin Requirements from that specified up to 100%. Accordingly, in extreme cases, you should be prepared at any time to have funds equal to the notional value of your Margin FX Contract or CFD available to meet any increase in the Margin Requirements by us.

### 7.8 MONITORING MARGIN REQUIREMENTS

Clients are responsible for monitoring their Margin Requirements. Positions are revalued whilst markets are open, and clients can monitor the requirements within the trading platform.

If the value of the Position moves against you, then you will be required to deposit additional funds (Variation Margin) and, if so, you will be subject to a Margin Call;

i.e. to pay additional Margin or, alternatively, to close the Position in order to reduce your Initial Margin. In other words, you must maintain enough Free Equity in your Account in cleared funds to cover any increases inyour Total Margin Requirement. If your Total Margin Requirement exceeds your Equity, your Account will be placed on Margin Call. If your Account reaches the Liquidation Level some or all your Positions may be liquidated.

### 7.9 NOTIFICATION OF MARGIN CALL

When an Account has insufficient funds to satisfy the Total Margin Requirements a Margin Call is generated and sent to the trading platform or email address provided by the Client to us. Clients are advised that they must always maintain sufficient Free Equity to meet the Total Margin Requirement. We are not obliged to allow time to forward funds to meet Margin Calls as markets can be volatile and we may without notice, in our discretion, close out all or some Positions if the Margin Requirements are not satisfied.

**Clients are warned not to rely solely on us issuing a Margin Call email or notification. It is the client's obligation to monitor Margin Requirements and ensure they maintain enough Free Equity to meet any potential adverse movement. We do not guarantee that Margin Calls will be received by you or that enough time will be available for you to forward monies to avoid suffering losses.**

Derivatives can be highly volatile and consequently we can make Margin Calls at any time. It is your responsibility to monitor and manage your open Positions and exposures and ensure Margin Calls are met as required.

### 7.10 MARGIN CALLS WHERE SEVERAL POSITIONS ARE OPEN

Margin Calls will be made on a net Account basis, i.e. should you have several open Positions Margin Calls are netted across all open Positions. In other words, the unrealised profits of one Position can be used or applied as Initial Margins or Variation Margins to offset the unrealised losses of another Position.

However, should a client have another Account any Free Equity will not be taken into consideration when assessing Margin Requirements. In other words, each Account is assessed individually and separately.

Note that any Free Equity in one Account may be applied by us to settle a deficit in another Account.

### 7.11 MARGIN CALLS WHERE POSITIONS ARE HEDGED OR PARTIALLY HEDGED

On the MT4 platform, clients are permitted to have both long and short Positions in the same instrument at the same time.

However, Margin Requirements still apply.

By holding open an equal number of both bought and sold Contracts the Initial Margin will be partially offset. Clients will still be charged an Initial Margin but at a reduced rate.
In addition, all open Contracts are revalued against the bid and offer respectively for the purpose of calculating Variation Margin. Due to the bid – offer spread Variation Margins will apply even though the net Position may be hedged.

A widening of the spread during periods of low liquidity or high volatility may mean that Variation Margins are significant. Where Free Equity is relatively small this may result in triggering the Liquidation Levelcausing all open Contracts to be closed.

Clients are reminded that all open Contracts are rolled independently and not on a net basis. This means that there is a net cost incurred when holding open offsetting open Contracts even when the net open Position may be nil.

Consequently, clients are advised to monitor Total Margin Requirements even when partially hedged.

### 7.12 PAYMENT OF MARGIN CALLS

As pointed out in section 7.8, if your open Positions move against you and your Equity balance falls below your Initial Margin Requirement, your Account will be placed on Margin Call.

Restoring your Equity and satisfying your Margin Call obligations will require:

- closing or reducing one or more of your open Position(s) in order to reduce your Total Margin Requirement; and/or
- depositing additional funds into your Account in order to satisfy the Total Margin Requirement.

If you choose to deposit additional funds into your Account, these additional funds must be cleared funds before they will be treated as having satisfied your Margin Call obligations.

Once your Equity balance falls below your Initial Margin Requirement, you may be restricted from dealing on your Account until your Equity balance meets or exceeds your Initial Margin Requirement.

### 7.13 FAILURE TO MEET MARGIN CALLS

If you fail to meet any Margin Call, or where we do not have time to make a Margin Call, then we may in our absolute discretion and without creating an obligation to do so, close out, without notice, all or some of your open Positions (or transactions) and deduct the resulting realised loss from your Account.

### 7.14 REVALUATION OF POSITIONS

Under the terms of the Client Agreement, we may in our discretion revalue open Positions to market to bring forward the payment of unrealised profits and losseson those Positions. We have the right to limit the size of your open Positions, whether on a net or gross basis under any appropriate circumstances as determined by us.

### 7.15 LIQUIDATION LEVEL

You are responsible for losses that you may incur, despite us having the right to close out your Position before the losses were incurred.
We may place a liquidation order for your open Position(s) when your Equity balance falls below the Liquidation Level or zero, whichever is the greater. The Liquidation Level is the ratio between Equity versus Initial Margin Requirement. At or below this Liquidation Level, your open Positions may be liquidated as follows:

- **MT4 and MT5 platforms:** When the MT4 or MT5 platform automatically liquidates your Positions in markets that are open, those Positions will be ranked in order of profitability. The most unprofitable Position will be closed first, then the next most unprofitable and this pattern will continue until your Account is no longer in Margin Call.
- **Axi Platform:** When your Equity balance falls below the Liquidation Level, an Auto-Closeout process will automatically occur across your open Positions. The Auto-Closeout process will reduce some or potentially all of your open trades and orders (on open markets) by a percentage at our discretion or the amount required to return you above the Auto-Closeout Liquidation Level; whichever is bigger. If your Free Equity balance subsequently falls below the Liquidation Level again, the Auto-Closeout process will be repeated. You should note:
    - Trades and order (stop or limit order) are treated equally, in that equal percentages of trades and orders are closed out; and
    - the Auto-Closeout process will not be triggered if you hold any position on a market with an indicative price, such as a price that falls outside the platform's price tolerance settings.

Important Note: We are not obligated to, and do not represent or warrant that liquidation orders in MT4, MT5 or the Axi Platform as described above will occur, that they will be executed, or that your open Positions will be closed out at any particular level.

The Liquidation Level is specified in the Product Schedule. Your current ratio is displayed in the "Trade" tab of the within the MT4 and MT5 trading platforms. We may vary the Liquidation Level by providing details on the website and in our Product Schedule or otherwise in accordance with the Client Agreement.

### 7.16 LIQUIDATION IN THE EVENT OF ACCOUNT CLOSURE

In circumstances in which an Account becomes subject to forced closure (Liquidation) and there are open Contracts in a number of Products or multiple Contracts open in the same Product; Contracts will be closed according to the following rules:

- **MT4 and MT5 platforms:**
    - Contracts which are currently open and quoted by us;
    - the Contract with the largest loss will be closed first; and
    - remaining contracts will be closed in descending order based on their Initial Margin requirement.
- **Axi Platform**
    - open Contracts will be closed in their entirety.

For any open Position in a Product closed for trading, suspended or halted the liquidation will be effected when trading resumes at the opening price quoted by us should the Liquidation Level still be in breach.

## 8. FEES, COSTS AND CHARGES

### 8.1 GENERAL

The fees and charges when dealing in Margin FX Contracts and CFDs may incorporate any or all of the following:

- Margin Requirements;
- commissions;
- , Financing Charges or Rollover Charges;
- exchange fees;
- Share CFD market data charges;
- interest applied to negative balances;
- deposit or withdrawal charges; and
- administration charges.

The Product Schedule available on our website sets out the current fees and commissions charged on Accounts, Pro Accounts, the Margin Requirements and administration charges.

### 8.2 COMMISSIONS

**Standard Account – all trading platforms**

Our transaction fees are incorporated into the bid-offer spread for each Product (our spread). Because we deal as principal, the prices we offer you may not be the same as those in the Underlying Market and may be wider.

The price offered to you may depend upon several factors including transaction size, term of the Product, our business relationship with you, the prevailing Underlying Market rates and, in the case of Financing and rollovers, on the differing interest rates applicable to the currency pair involved in a foreign exchange transaction.

**Pro Account - MT4 and MT5 platforms only**

Our commission on Pro Accounts pays for our clearing and aggregation costs, together with our cost of providing the service to you.

The commissions are set out in the Product Schedule available on our website.

## 8.3 FINANCING AND ROLLOVERS

**MT4 and MT5 platforms**

In relation to Margin FX Contracts and Bullion Spot CFDs, a Financing Charge or Financing Benefit may accrue daily for any open Contracts as at the market close (5PM New York time (00:00 MT4 server time Monday to Friday). Financing Charges and Financing Benefits are displayed in a points per calendar day format.

In relation to Futures CFDs, no daily Financing Charge or Financing Benefit will accrue. However, for any Contracts open at the Rollover Date, a Rollover Charge or Rollover Benefit will accrue. These rollovers occur every 1 or 3 months depending on the Underlying Instrument.

Financing Charges apply to Commodity Cash CFDs, Index Cash CFDs, Share CFDs and to Cryptocurrency CFDs.

***Costs when Positions are Hedged or Partially Hedged on the MT4 platform***

On the MT4 platform, clients are permitted to have both long and short Positions in the same instrument at the same time. However, costs apply to each Position.

**All open Positions are rolled independently and not on a net basis. This means that there is a net cost incurred when holding hedged Positions even when the net open Position may be nil.**

**Axi Platform**

In relation to all products, a Financing Charge or Financing Benefit may apply daily for any trades held past the market close at 5PM New York time Monday to Friday. Financing Charges and Financing Benefits are displayed as a daily percentage.

**Margin FX Contracts & Financing (All Platforms)**

Any Financing Benefit or Financing Charge for Margin FX Contracts is dependent on the currency pair, the applicable financing rate in the interbank markets for the relevant dates, the size of the Position, and the financing mark-up that is applied at our discretion.

The interbank financing rate that is applied reflects the interest rate differential between the two currencies, the demand for funds in those currencies and the prevailing market conditions.

**Example:** If you hold a long Australian Dollar / US Dollar (AUD/USD) Position over end of day and interest rates are higher in AUD than in USD, then you may receive a Financing Benefit. This is because you are long the high yielding currency. Conversely, if you were short AUD/USD in the above scenario then you may incur a Financing Charge. In circumstances where the two interest rates are near parity, almost equal to each other, a Financing Charge may be imposed for both long and short open Positions, because of the impact of the spread.

**Bullion Spot CFDs Financing**

Any Financing Benefit or Financing Charge for Bullion Spot CFDs is a variable rate dependent on the applicable financing rate in the Underlying Instrument for the relevant dates, the size of the Position and the financing markup that is applied at our discretion.

The Financing Charge or Financing Benefit is calculated by multiplying the total notional value of the Position by the financing rate.

**Example:** In general, interest rates on United States Dollars are higher than bullion lending rates. In this scenario, long parties to a Bullion Spot CFD would typically incur a daily Financing Charge for Positions held over the market close. Conversely, short parties to a Bullion Spot CFD will typically receive a Financing Benefit.

**Futures CFD Rollovers**

**There is a cost incurred when rolling Futures CFD contracts. The cost is equal to the value of the bid – offer spread in the price.**

Rollover arises when the Underlying Instrument of the Product is due for expiry, and we commence deriving our price from the Next Serial Futures Contract. As the Next Serial Futures Contract will trade at either a discount or premium to the expiring futures contract the change in Underlying Instrument for revaluation purposes will cause a profit or loss on an Account. The Rollover Charge or Rollover

Benefit applied by us adjusts for this revaluation but Positions that are rolled do incur the cost of the bid – offer spread.

In order to minimise the bid – offer spread we typically switch from using the front month to the Next Serial Futures Contract 1-2 Trading Days prior to the Underlying Instrument's last Trading Day when liquidity can be limited.

**Example:**

You are the Long Party to 10 SPI200 Contracts at a price of 5,950. The Underlying Instrument is the March ASX S&P200 and is due to expire when the June contract will become the Underlying Instrument. The prevailing prices areset out below:

| | CFD | March Future | June Future |
|---|---|---|---|
| Pre-Rollover | 5,919/ 5,923 | 5,920/ 5,922 | 5,935 / 5,937 |
| After Rollover | 5,934/ 5,938 | 5,920/ 5,922 | 5,935 / 5,397 |

Your long Position is currently revalued at the bid of 5,919 and the unrealised loss is calculated as follows:

(Current bid – entry price) x AUD25.00 x 10 Contracts (5,919 – 5,950) x AUD25 x 10 = (AUD 7,750) Loss

When the Product is derived from the Next Serial Futures Contract the unrealised loss will be:

(5,934 – 5,950) x AUD25 x 10 = (AUD 4,000) Loss

Due to the change in revaluation the unrealised loss will be reduced by AUD 3,750.

To adjust for this revaluation, we apply a Rollover Charge using the following calculation:

(Opening price new Contract – closing price expiring Contract) x AUD25.00 x 10 Contracts

(5,937 – 5,920) x AUD25.00 x 10 Contracts = AUD 4,250 Debit

The net effect of the revaluation and Financing adjustment is:

Revaluation – financing adjustment = AUD 3,750 – AUD 4,250 = (AUD 500) Loss

That is, the net cost is equal to the value of the bid – offer spread in the price.

If you were the Short Party to this contract in the same circumstances the revaluation would have resulted in a reduced unrealised profit. The Rollover Benefit would be a positive amount to compensate for the revaluation effect and the net cost would again be equal to the bid – offer spread in the price.

Rollovers typically occur on a quarterly basis for Commodity CFDs and Index CFDs. The rollover dates can be found on our website.

### 8.4 SETTLEMENT OF FINANCING AND ROLLOVER CHARGES AND BENEFITS

In the MT4 and MT5 platforms, Rollover Charges, Rollover Benefits, Financing Charges and Financing Benefits are accrued in the swap value field of the open trade Position when performed daily and are included in the calculation of Free Equity. When the Position is closed the total Rollover Charges are debited from the client Account in the Account Currency. If there are insufficient funds in your Account, the Fees will be debited and any balance due becomes a debt due and owing by you to us.

**In the Axi Platform**, Financing Charges and Financing Benefits are applied daily and are reflected in the cash balance.

### 8.5 SHARE CFD LIVE MARKET DATA CHARGES

Some Share CFD product sets will incur a monthly market data charge when you opt to subscribe to those Share CFDs product sets Further information on the Share CFD product sets that will incur additional market data charges are provided in the Product Schedule.

### 8.6 CONVERSION FEES

Profits or losses accumulated in your Account in currencies other than the Account Currency nominated by you will be converted to the nominated Account Currency, but at spreads that may differ from those shown on the trading platform.

### 8.7 INTEREST CHARGES APPLIED TO BALANCES

If you fail to make any payment required under the Client Agreement when it falls due, interest will be charged on the outstanding sum at a rate of 5% per annum over the cash rate determined and published by the relevant foreign government authority. Interest accrues and is calculated daily on the outstanding sum from the date payment was due until the date the client pays in full and is compounded monthly.

### 8.8 ADMINISTRATION CHARGES

Certain administrative fees and charges apply to our Services. These may include:

- deposit and withdrawal fees;
- international remittance fees;
- duplicate statements and audit letter fees;
- debt collection or returned cheque fees; and
- inactivity fees (if applicable).

Current fees and charges are set out in the Product Schedule.

# 9. CORPORATE ACTIONS AND EVENTS

### 9.1 WHAT IS A CORPORATE ACTION?

A corporate action is an event that brings about a material change to a share, or an event that is initiated by a company that has an impact on its shareholders. Dividends, share splits, acquisitions, and share buy backs are all examples of corporate actions. A corporate action can impact Share CFDs. ETF CFDs and Index CFDs.

### 9.2 NO SHAREHOLDER BENEFITS

As a holder of a CFD, if the CFD's Underlying Instrument is a share or other voting security, you do not have rights to vote, attend meetings or receive the issuer's reports, nor can you direct us to act on those rights. Other benefits such as participation in shareholder purchase plans or discounts are unavailable.

### 9.3 CORPORATE ACTION EVENTS

If there is a corporate action by the company which issues a CFD's Underlying Instrument, we may at our discretion make an adjustment to the terms of the CFD.

For example an adjustment may be made for share splits, consolidations or reclassifications of shares, bonus issues or other issues of shares for no consideration, rights issues buy backs, in specie distributions, takeovers, schemes of arrangement or similar corporate actions, a corporate action event that has a dilutive effect on the market value of the shares or, if the CFD relates to an Index, a substantial adjustment to the composition of the Index outside its own terms allowing for adjustments or weightings, a failure to publish the Index or a suspension or a cancellation of the Index.

We reserve the right to decide to make an adjustment in any circumstance we consider an adjustment is appropriate. We have discretion to determine the extent of the adjustment so as to place the parties substantially in the same economic position they would have been in had the adjustment event not occurred.

We may elect to close a Position (without prior notice to you) if a corporate event occurs and we determine that it is not reasonably practicable to make an adjustment.

### 9.4 SUSPENSIONS, INSOLVENCY and DE-LISTINGS

If an Underlying Instrument to which a CFD Contract relates is de-listed, insolvent, suspended or has halted trading for whatever reason, we may suspend trading in the CFD and we may increase the amount of Margin required to support that open Position in our reasonable discretion. If the open Position remains suspended for a time that we consider is unacceptable to us in our sole discretion, we may close out the open Position at the closing price. If an Underlying Instrument related to a CFD Contract has been de-listed, we may, at our discretion, close out all affected open Positions at the closing price.

### 9.5 TAKEOVERS

If your Contract's Underlying Instrument is shares in a company that is the subject of a takeover offer, your Contract will be suspended until the closing date of the takeover offer, when the Contract will be closed-out in line with the terms of the takeover offer. If the takeover offer is accepted or goes ahead anyway then the Contract will be closed out at an appropriate market value. We may also elect to close a CFD if the Underlying Instrument is the subject of a take-over offer, scheme of arrangement or other mechanism for change in control, prior to the closing date of the offer.

### 9.6 SHARE & ETF CFD DIVIDEND ADJUSTMENTS

If you hold a long Share CFD, you will be credited a dividend adjustment after the share finishes trading cum-dividend for an amount equal to the unfranked dividend value net of any applicable withholding tax on the relevant number of the CFD's Underlying Instrument. CFDs do not confer rights to any dividend imputation credits hence the dividend is unfranked.

Conversely, if you hold a short Share CFD, your Account will be debited a dividend adjustment after the share finishes trading cum-dividend for an amount equal to the pre-tax unfranked dividend on the Underlying Instrument.

### 9.7 INDEX CFD DIVIDEND ADJUSTMENTS

Index CFDs are made up of a group of shares that may pay dividends throughout the year. When a dividend is paid on a share, the value of the share will drop and therefore so does the value of the Index. Dividend adjustments are applied on these Products to negate the impact of the drop in Index price.

Short Positions will be positively impacted by the drop in Index price, so you will be debited the dividend adjustment value. Long Positions are negatively impacted so you are credited the dividend adjustment.

## 10. TAXATION IMPLICATIONS

Clients should, seek professional taxation advice that is based on their individual circumstances and the laws of their country of taxation.

## 11. CLIENT AGREEMENT

This PDS summarises many important elements of the Client Agreement. However, it is not a comprehensive description of the terms and conditions of the Agreement, and you must read it in its entirety. Indeed, you should consider seeking legal advice before entering into the Client Agreement, as the terms and conditions contained in it are important and affect your dealings with us.

You should note clause 13.1 of the Client Agreement, which empowers us to amend the Client Agreement.

### 11.1 DISCRETIONS

Under the Client Agreement, we may exercise a variety of discretions. In exercising such discretions, we will act in accordance with the following:

a) we will have due regard to our commercial objectives, which include;
   (i) maintaining our reputation as a product issuer;
   (ii) responding to the market forces;
   (iii) managing all forms of risks, including, but not limited to operational risk and market risk; and
   (iv) complying with our legal obligations;
b) we will act when necessary to protect our position in relation to the trade or event;
c) we will take into account the circumstances existing at the time and required by the relevant provision, and not take into account irrelevant or extraneous considerations or circumstances;
d) we may take into account your trading or investment experience; and
e) at all times, we will act reasonably, commercially and bona fide, and where required or appropriate provide you with prior notice before exercising that discretion.

## 12. REMUNERATION OF OUR ADVISERS AND THIRD PARTIES

### 12.1 REMUNERATION AND OTHER BENEFITS RECEIVED BY OUR EMPLOYEES

Our employees who provide you with transaction execution may receive remuneration for the provision of these Services. Our employees also receive salaries, performance-related bonuses and other benefits.

### 12.2 SHARING OF COMMISSIONS AND OTHER AMOUNTS

We may share charges or benefits with our associates or other third parties or receive remuneration from them in respect of transactions we enter into with you. We may share such amounts with introducing advisers and referrers for the introduction or referral of clients to us.

### 12.3 REFERRAL BENEFITS FO R OTHER SERVICES PROVIDERS

You may have been referred to us by a service provider who may receive financial or non-financial benefits from us. These should have been disclosed to you by the service provider in question. Please note that such benefits will not impact transaction fees, the rate you will be offered or deposits or instalments payable for financial Products or Services undertaken with us.

## 13. COMPLAINTS AND DISPUTE RESOLUTION

We have an internal dispute resolution process in place to resolve any complaints or concerns you may have, quickly and fairly. Any complaints or concerns should be directed to the client services team. We will do our best to resolve the issue at the first point of contact. However, if we are unable to do so to your satisfaction you may refer the complaint to the Complaints Officer. We will investigate your complaint and provide you with our decision and the reasons on which it is based, in writing.

If we are unable to resolve the complaint, we will: (a) inform you of the reasonsfor the delay; (b) provide you with updates on progress of the complaint; and (c) specify a date when a decision can be reasonably expected. We would expect that in most cases the above process would deal with the matter fully and to your satisfaction.

If you are dissatisfied with the outcome you may lodge a complaint with the Financial Commission, an alternative dispute resolution forum external to us using the contact details available on our website.

## 14. PRIVACY POLICY

The information you provide to us upon application and in connection with your transactions will primarily be used for the processing of your application and for complying with certain laws and regulations. We collect, maintain, use and disclose Personal Information in the manner described in our Privacy Policy. Our Privacy Policy is available on our website or by calling our client services team.

# 15. INTERPRETATION AND GLOSSARY

## 15.1 INTERPRETATION

1. The defined terms used in this PDS are capitalised and set out in this section.
2. If there is any conflict between the terms of this PDS and any applicable law, the applicable law will prevail.
3. In this PDS any reference to a person includes bodies corporate, unincorporated associations, partnerships and individuals.
4. In this PDS, all references to times of the day are to the time in New York, United States, unless otherwise specified.
5. Headings, notes and examples in this PDS are for reference only and do not affect the construction of the document.
6. In this PDS any reference to any enactment includes references to any statutory modification or re-enactment of such enactment or to any regulation or order made under such enactment (or under such a modification or re-enactment).

In this PDS the following terms and expressions have, unless the context otherwise requires, the following meanings:

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| **ACCOUNT** | means the account(s) that has been opened by us for the Client; |
| **ACCOUNT CURRENCY** | means the currency selected by you under the Client Agreement and which, in the absence of a selection will be US Dollars; |
| **AGREEMENT** | means the agreement described in clause 1.1 of the Client Agreement, as amended, varied, or replaced from time to time; |
| **AML REGULATIONS** | means any relevant anti-money laundering and counter-terrorist financing laws, regulations, rules and instruments |
| **APPLICATION** | means the application and account opening documentation, including documentation required to be returned for the purposes of complying with Anti-Money Laundering and Counter-Terrorism Financing legislation, completed by you and submitted to us whether electronically or in hard copy; |
| **AUTHORISATION** | means:<br>(a) an authorisation, consent, declaration, exemption, notarisation or waiver, however it is described; and<br>(b) in relation to anything that could be prohibited or restricted by law if a government agency acts in any way within a specified period, the expiry of that period without that action being taken; |
| **AUTO-CLOSEOUT** | means the mechanism used in the Axi Platform to automatically close out open Positions when a client no longer has sufficient Free Equity to meet their Margin Requirement, and which is described in section 7.15; |
| **AXI PLATFORM** | means our proprietary trading platform available for download on IOS and Android; |
| **BULLION** | means gold, silver, palladium or platinum; |
| **BULLION SPOT CFD** | means a CFD whose price is derived from the valuation of an Underlying Instrument (being Bullion); |
| **BUSINESS DAY** | means any day other than a Saturday, Sunday or public holiday on which banks are open for business in London, England, New York, United States and Sydney, Australia<br><br>(a) in the case of services relating to an index to which limited trading hours applies, any day on which the exchange on which the relevant security or each constituent security has its primary listing, or the exchange on which the index operates, whichever is applicable, is open for trading, and will exclude any day on which all trading on the relevant exchange is closed or suspended; and<br>(b) in the case of services relating to an index to which Limited Hours Trading does not apply, any day on which any relevant exchange is open for trading; |

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| **CASH CFD** | means a CFD whose price fluctuates by reference to the fluctuations in the value of an Underlying Instrument (being a Commodity or an Index) and that may incur an overnight Financing Benefit or Financing Charge; |
| **CFD or CONTRACTS FOR DIFFERENCE** | means a Contract between you and us to buy or sell a derivative which is cash settled and whose price is derived from the value of an Underlying Instrument; |
| **CLIENT** | means you; |
| **CLIENT AGREEMENT** | means the Client Agreement for Margin FX Contracts and Contracts for Difference issued by us; |
| **CLIENT MONEY** | means the money Clients have deposited with us that are held by us; |
| **CLIENT PORTAL** | means the electronic gateway accessible over the Internet through our web browser. |
| **CLOSE OF BUSINESS** | means 17.00 New York time on a Business Day; |
| **CLOSING DATE** | means, in respect of a Position, the date on which the relevant Position is closed out; |
| **COMMODITY** | means oil or gas, or any other commodity acceptable to us; |
| **COMMODITY CASH CFD** | means a CFD whose value fluctuates by reference to the fluctuations in the value of Underlying Instrument relating to a spot priced crude oil Commodity and that may incur an overnight Financing Benefit or Charge; |
| **COMMODITY CFDS** | means a CFD whose price fluctuates by reference to the fluctuations in the value of an Underlying Instrument (being a Commodity); |
| **COMMODITY FUTURES CFDS** | means a CFD whose value fluctuates by reference to the fluctuation in the value of the Underlying Instrument relating to a Commodity future that may incur a periodic Rollover Benefit or Rollover Charge. |
| **CONFIRMATION** | means a form of notification, which may be provided by us electronically, including via the internet, requiring access by the Client, confirming entry into a Position; |
| **CONTRACT** | means any transaction entered into between us and you, whether oral or written, including any derivative, option, future, contract for difference or other transaction relating to the financial products issued by us; |
| **CONTRACT PRICE** | means the price we offer you to trade in our financial products from time to time and which is calculated by us according to the Client Agreement; |
| **CONTRACT QUANTITY** | means in relation to a Position, the number of Contract Units making up that Position; |
| **CONTRACT SIZE** | means in relation to a Product, the quantity of the Underlying Instrument included in a Contract Unit; |
| **CONTRACT UNIT** | means a single unit of a Product; |
| **CONTRACT VALUE** | means, in respect of a Product, the Contract price multiplied by the Contract Quantity multiplied by the Contract Size; |
| **CONTROLLER** | in relation to the property of a corporation, means:<br>(a) a receiver, or receiver and manager of that property; or<br>(b) anyone else who (whether or not as an agent of the corporation) is in possession, or has control, of that property for the purpose of enforcing a security interest. |
| **CRYPTOCURRENCY CFD** | means a CFD whose value fluctuates by reference to the fluctuations in the value of an Underlying Instrument, which is a cryptocurrency exchange price; |
| **EQUITY** | the way your Equity is calculated is described in section 3.14 |
| **ERROR** | has the meaning given in clause 3.4 of the Client Agreement; |
| **EVENT OF DEFAULT** | means an event described in clause 9.1 of the Client Agreement; |
| **EXCHANGE RATE** | means the exchange rate we may reasonably offer to you from time to time having regard to the applicable prevailing Interbank Rates and the spread that is available to you from us via the trading platform or on request; |

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| **EXPIRY DATE** | means the day on which the Margin FX Contract, CFD or other Product expires (if applicable); |
| **FIFO** | means 'first in, first out', as referred to in section 3.18; |
| **FINANCING** | means the aggregate of any Financing Benefits and Financing Charges accrued in the trading platform |
| **FINANCING BENEFIT** | means a benefit you may receive where you have either (i) a CFD Position held overnight in the MT4 or MT5 platform; or (ii) an open Position held overnight in the Axi Platform, and which is described in sections 8.3 and 8.4; |
| **FINANCING CHARGE** | means a payment you may be required to make where you have either (i) a CFD Position held overnight in the MT4 or MT5 platform; or (ii) an open Position held overnight in the Axi Platform, and which is described in sections 8.3 and 8.4; |
| **FORCE MAJEURE EVENT** | means the definition given in clause 14.1 of the Client Agreement; |
| **FREE EQUITY** | means your Equity less your Initial Margin Requirement. It is referred to as "Free Margin" in the MT4 & MT5 Platforms and as "Available" in the Axi Platform; |
| **FSA** | means the Financial Services Authority of St Vincent & the Grenadines; |
| **FUTURES CFDs** | means a CFD whose price fluctuates by reference to the fluctuations in the value of an Underlying Instrument, (being which is a futures contract) and that may incur an overnight Rollover Benefit or Rollover Charge; |
| **FX SWEEP** | means, in the Axi Platform, the conversion of a balance held in a foreign currency to the Account Currency when the balance is realised, which will occur at the Exchange Rate quoted by Axi (this may be different to the price quoted for a Margin FX Contract) and shown on the client's daily statement; |
| **HEDGED POSITIONS** | has the meaning as given in clause 3.18; |
| **INDEX** | means a stock exchange or other index which is, or forms part of or is referenced by, an Underlying Instrument; |
| **INDEX CASH CFD** | means a CFD whose value fluctuates by reference to the fluctuations in the value of an Underlying Instrument, which is a cash index futures contract; |
| **INDEX CFD** | means an Index cash CFD or an Index Futures CFD; |
| **INDEX FUTURES CFD** | means a CFD whose value fluctuates by reference to the fluctuations in the value of an Underlying Instrument, which is an equity index futures contract; |
| **INITIAL MARGIN** | means, Margin payable on the opening of a Position being such percentage of the Contract Value as specified by us, and as amended by us under clause 4.3 of the Client Agreement from time to time; |
| **INSOLVENCY EVENT** | means any of the following:<br>(a) you are dying, or ceasing to be of full legal capacity or otherwise becoming incapable of managing your own affairs for any reason;<br>(b) you become, or you take any step that could result in you becoming, an insolvent under administration;<br>(c) an administrator is appointed to you;<br>(d) any of the following occurs:<br>(i) a Controller or analogous person is appointed to you or any of your property;<br>(ii) an application is being made to a court for an order to appoint a Controller, provisional liquidator, trustee for creditors or in bankruptcy or analogous person to you or any of your property; or<br>(iii) an appointment of the kind referred to in (ii) is being made (whether or not following a resolution of application);<br>(e) the holder of a security interest or any agent on its behalf, appoints a Controller or takes possession of any of your property;<br>(f) you fail to comply with a statutory demand;<br>(g) an application is being made to a court for an order for your winding up; |

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| | (h) an order is being made, or the passing of a resolution for your winding up;<br>(i) you: (i) suspend payment of your debts, cease (or threaten to cease) to carry on all or a material part of your business, stating that you are unable to pay your debts or being or becoming otherwise insolvent; or<br>(ii) are unable to pay your debts or otherwise are insolvent;<br><br>(j) you take any step towards entering into a compromise or arrangement with, or assignment for the benefit of, any of your members or creditors;<br>(k) a court or other authority enforces any judgment or order against you for the payment of money or the recovery of any property; or<br>(l) any analogous event under the laws of any applicable jurisdiction,<br>(m) unless this takes place as part of a solvent, amalgamation, merger or consolidation that has been approved by us; |
| **INTERBANK RATE** | means the mid Interbank Rate calculated by us with reference to the bid and offer prices for the Underlying Instrument most recently quoted by any one or more third party banks; |
| **LIMITED TRADING HOURS** | means the ability of the client to trade Margin FX Contracts and CFDs (where available) as are designated by us from time to time under this Agreement only during such hours as the relevant exchange is open; |
| **LIQUIDATION LEVEL** | means the minimum Equity to Initial Margin Requirement percentage before we will commence closing out Positions, as discussed at section 7.15 of this PDS; |
| **LONG PARTY** | means, in relation to a Product, the party that has notionally taken a long position in respect of the relevant Underlying Instrument, for example, as shown in section 8.3 of this PDS; |
| **LOSS** | includes any loss, damage, liability or obligation, compensation, fine, penalty, charge, payment, cost or expense (including any legal costs and expenses on a full indemnity basis) however it arises and whether it is present or future, fixed or unascertained, actual or contingent; |
| **LOT** | means one standard Contract Unit; |
| **MARGIN** | means the amount that you must have in your Account to enter into a Margin FX Contract, CFD or other Position with us. It is referred to as “Margin in Use” in the Axi Platform; |
| **MARGIN CALL** | means a demand for additional funds to be deposited into your Account to meet your Total Margin Requirement because of adverse price movements in your open Positions or a change in Margin Requirement; |
| **MARGIN FX CONTRACT** | means a Contract between you and us for the taking of Positions in a foreign currency; |
| **MARGIN REQUIREMENT** | is the amount of Margin you are required to have in your Account from time to time in order to enter into a Margin FX Contract or CFD, or to maintain your Position; |
| **MARKET ORDER** | means an order platcoced to open or close a Margin FX Contract or CFD at our current price. It is referred to as “Trade” in the Axi Platform; |
| **MATURITY DATE** | means, in respect of an NDF, the date on which the NDF is to be closed out (unless terminated earlier); |
| **MINIMUM TICK INCREMENT** | represents the minimum possible price change between two successive transaction prices permitted by us. The Minimum Tick Increment can represent either an upward or downward movement in price; |
| **MINIMUM TRADING SIZE** | means such minimum Contract quantity or Contract value as we may specify on our website from time to time for any type of Margin FX Contract or CFD; |
| **MT4 PLATFORM** | means the MetaTrader 4 trading platform; |
| **MT5 PLATFORM** | means the MetaTrader 5 trading platform; |

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| **NDF** | means a non-deliverable forward contract in respect of a currency pair offered under this Agreement; |
| **NEXT SERIAL FUTURES CONTRACT** | means a contract of the same series as the futures contract, which is the Underlying Instrument of a CFD, but with the Expiry Date being the next occurring Expiry Date in the relevant series; |
| **OTHER CFD** | means Cryptocurrency CFD, Commodity Cash CFD, Commodity Futures CFD, Share CFD, Index Cash CFD and Index Futures CFD; |
| **PDS** | means our product disclosure statement, including a supplementary and replacement product disclosure statement; |
| **PERSONAL INFORMATION** | means information or an opinion about an identified individual, or an individual who is reasonably identifiable:<br>(a) whether the information or opinion is true or not; and<br>(b) whether the information or opinion is recorded in a material form or not. |
| **POSITION** | means the long or short Position you have taken in your Margin FX Contract, CFD or other Product with us; |
| **PRIVACY POLICY** | means our privacy policy as set out on our website, as amended from time to time; |
| **PRO ACCOUNT** | means an Account where commissions are charged on transactions executed; |
| **PRODUCT** | means a product offered by us under this PDS and described in the Product Schedule; |
| **PRODUCT SCHEDULE** | means the Product Schedule published on our website; |
| **RELATED BODY CORPORATE** | means any entity that is either a holding company, parent, subsidiary or affiliate of AxiTrader Limited and includes AxiCorp Financial Services Pty Ltd (ACN 127 606 348) and its controlled entities; |
| **ROLLOVER BENEFIT** | means a benefit you may receive on Future CFD Positions held when the Underlying Instrument is changed to the Next Serial Futures Contract; and which are described in the relevant parts of the Product Schedule; |
| **ROLLOVER CHARGE** | means a charge you may have to pay on Future CFD Positions held when the Underlying Instrument is changed to the Next Serial Futures Contract; and which is described in the relevant parts of the Product Schedule; |
| **ROLLOVER DATE** | means the day on which a Future CFD has its underlying futures contract pricing changed to a later serial contract; |
| **SERVICES** | means the services provided by us under the Client Agreement; |
| **SHARE CFD** | means a CFD where the Underlying Instrument is a share (equity security) of a company; |
| **SHORT PARTY** | means in relation to a Product, the party that has notionally taken a short Position in respect of the Underlying Instrument, for example, as shown in section 8.3 of this PDS; |
| **STANDARD ACCOUNT** | means an Account where no commissions are charged on transactions executed and transaction fees are incorporated into the bid-offer spread for each product; |
| **STANDARD MARGIN RATE** | means such percentage of the Contract Value as specified by us in the Product Schedule; |
| **TOTAL MARGIN REQUIREMENT** | means the sum of your Margin Requirements for all your open Positions |
| **TRADING DAY** | means in the case of Positions over an Underlying Instrument which is traded on, or references, an Underlying Market, a day on which the Underlying Market is open for trading in the ordinary course (and if there is more than one Underlying Market, a day on which all applicable Underlying Markets are open for trading in the ordinary course); |
| **UNDERLYING INSTRUMENT** | means the underlying asset, security, currency pair, Commodity, futures contract, cryptocurrency, or index, the reference to which the value of a Margin FX Contract or CFD is determined; |
| **UNDERLYING MARKET** | means the underlying market in which the Underlying Instrument is traded; |
| **VARIATION MARGIN** | means the unrealised profit or loss on an open Position as calculated by us and reported either in the trading platform or on a Statement; |

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| **WE/US** | means AxiTrader Limited trading as CMG (Business Company Number 25417 BC 2019); |
| **YOU** | means the Client. |