



WHOLESALE CLIENT INFORMATION STATEMENT

MITRADE GLOBAL PTY LTD

APRIL 2022

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RISK WARNING: CFDS ARE A LEVERAGED PRODUCT AND CAN RESULT IN THE LOSS OF YOUR ENTIRE CAPITAL. TRADING CFDS MAY NOT BE SUITABLE FOR EVERYONE. PLEASE CONSIDER OUR PDS, FSG, RISK DISCLOSURE STATEMENT, CLIENT AGREEMENT AND TARGET MARKET DETERMINATION BEFORE USING OUR SERVICES AND ENSURE THAT YOU UNDERSTAND THE RISKS INVOLVED. YOU DO NOT OWN OR HAVE ANY INTEREST IN THE UNDERLYING ASSETS.

ABN 90 149 011 361 | AFSL NO. 398528

1. IMPORTANT INFORMATION

- 1.1 Financial services and products are provided and issued by Mitrade Global Pty Limited ABN 90 149 011 361 (“Mitrade”, “we”, “us”, “our”). This Wholesale Client Information Statement (referred to as the “Information Statement”) has been prepared to provide you, **as a Wholesale Client**, with a non-exhaustive overview of the key risks and other important information about Mitrade’s financial products, being margin foreign exchange contracts (referred to as “Margin FX”) and contracts for difference (“CFDs”). Please note that the information contained in this Information Statement does not constitute a recommendation, advice or opinion and does not take into account your objectives, financial situation or needs. It is important that you carefully read this Information Statement in conjunction with other relevant legal documents to fully understand the risks involved and consider whether you understand how CFDs work and whether you can afford the high risk of losing your money before deciding to trade with us. Past performance, simulation or prediction of CFDs does not guarantee future results. You should note that the value of your investment can decrease (as well as increase) as the market price of the underlying asset may fluctuate downwards (or upwards).
- 1.2 **We do not provide personal advice.** During the course of your relationship with Mitrade, we may make representations either written or verbal that may be construed as general financial advice. However, at no point will Mitrade provide you with personal financial advice. For that reason, before entering into a Margin FX or CFD transaction, you should obtain independent advice to ensure that any proposed trade or your continued relationship with us is appropriate for your particular financial situation, objectives and needs.
- 1.3 Mitrade holds Australian Financial Services Licence (“AFSL”) No. 398528 and is regulated by the Australian Securities & Investments Commission (“ASIC”). You should be aware that ASIC does not endorse specific issuers, financial products or contracts. ASIC’s regulation of us applies in respect of our Australian financial services activities only and may not apply, depending on your jurisdiction of residence. You should be mindful of the risks of trading Margin FX Contracts and CFDs and note that you can incur losses up to all your initial deposits. Returns are not guaranteed. Neither ASIC, the Australian Government nor any other person guarantees any monies in your Account.
- 1.4 Trading leveraged derivative products like Margin FX Contracts and CFDs involves many risks. You do not own, or have any rights to, the underlying assets. The markets you’re exposed to can be very volatile. Trading is not suitable for everyone and may result in losses as much as all of your initial deposits. You should only trade with money you can afford to lose.
- 1.5 **Your status as a Wholesale Client.** This Information Statement has been prepared only for use of persons that are Wholesale Clients or Sophisticated Investors. You should also be aware that as a Wholesale Client you will not receive the same protections that are offered to Retail Clients in Australia. We recommend that you seek independent advice if you are unsure of the risks of trading our products or if you need more information about what it means to be classified as a Wholesale Client in Australia.
- 1.6 As a Wholesale Client or Sophisticated Investor, you acknowledge that you have the necessary level of experience and knowledge to transact with us in relation to the Products.
- 1.7 As a Wholesale Client you will not receive certain disclosures from us or benefit from certain protections which you may have been given in the past. In particular, we are not required to provide you with a Product Disclosure Statement or Financial Services Guide. Also, we do not have any obligation to you under Chapter 7 of the Corporations Act that we would have if the financial products and services we provide were provided to you as a Retail Client. The Australian Financial Complaints Authority also has the discretion to exclude complaints lodged by Wholesale Clients and Sophisticated Investors.
- 1.8 When you open an Account with us, you will be provided with a separate document titled “Wholesale Client Agreement”. It contains the terms and conditions that govern Mitrade’s relationship with you. You can obtain a free copy of the Wholesale Client Agreement by visiting our website or by requesting via email.
- 1.9 We may voluntarily provide some of the Retail Client protections to you from time to time (e.g Negative Balance Protection), at our absolute discretion. If we provide these protections to you at any particular time, this does not create any entitlement for you to continually receive the protections and does not affect our right to treat you as a Wholesale Client.
- 1.10 We may, at our absolute discretion and at any time, withdraw your classification as a Wholesale Client or Sophisticated Investor, and treat you as a Retail Client.
- 1.11 It is your responsibility to tell us if you no longer meet the criteria to be categorised as a Wholesale Client or Sophisticated Investor.

2. YOUR CATEGORISATION AS A WHOLESALE CLIENT BASED ON WEALTH

Mittrade can categorise you as a Wholesale Client pursuant to section 761G(7) of the Corporations Act 2001 (Cth) if you provide us with a copy of a certificate from a Qualified Accountant that states that

- (i) you have net assets of at least AUD 2.5 million or
- (ii) gross income for each of the last 2 financial years of at least AUD 250,000 a year.

The certificate is valid for two years from the date of issue. In addition, you cannot use Mittrade's financial products or services in connection with a business for the purpose of the wealth test.

3. YOUR CATEGORISATION AS A SOPHISTICATED INVESTOR BASED ON EXPERIENCE

Mittrade can categorise you as a Sophisticated Investor pursuant to section 761GA of the Corporations Act 2001 (Cth) if Mittrade is satisfied on reasonable grounds that the client has previous experience in using financial services and investing in financial products that allows the client to assess:

- (i) The merits of the product or service; and
- (ii) The value of the product or service; and
- (iii) The risks associated with holding the product; and
- (iv) The client's own information needs; and
- (v) The adequacy of the information given by the licensee and the product issuer.

In addition, Mittrade is required to provide the client with a written statement setting out the reasons Mittrade considers that the client satisfied the above criteria, which the client must then acknowledge in writing.

In order to be classified as a Sophisticated Investor, you cannot use Mittrade's products in connection with a business.

4. NAME OF ISSUER AND HOW TO CONTACT US

4.1 The issuer is Mittrade Global Pty Limited ('Mittrade') ABN 90 149 011 361.

4.2 Mittrade holds an AFSL (398528) and is authorised to provide financial product advice, deal in financial products by issuing and making a market in relation to:

- derivatives; and
- foreign exchange contracts; for retail and wholesale clients.

- 4.3 Mitrade does not provide managed discretionary account services.
- 4.4 You can contact us by any of the means listed below:
- Writing to us: Level 13, 350 Queen Street, Melbourne, VIC 3000, Australia;
- Sending an email to: cs.au@mitrade.com; or
- Starting a Live Chat at: www.mitrade.com

5. MARGIN FX AND CFDS OFFERED BY MITRADE

- 5.1 Mitrade offers Margin FX Contracts over a wide range of currency pairs. The price of these contracts is derived from the real-time changes in the price of the Underlying Security, being currency pairs.
- 5.2 Mitrade's Margin FX products do not result in the physical delivery of the currency but are cash adjusted or closed by the Client taking an equal but offsetting opposite Position i.e. there is not a physical exchange of one currency for another. Margin FX products are derivatives. Positions will ultimately be closed and the Client's Account will be either credited or debited according to the profit or loss of the trade.
- 5.3 A contract for difference (CFD) is an over-the-counter derivative product comprising an agreement under which one party is entitled to be paid an amount of money (profit) or has to pay an amount of money (loss), resulting from movements in the price or value of an underlying instrument or security (without actually owning that underlying instrument or security). This transaction concludes with the parties settling the difference between the purchase price and the sale price.
- 5.4 We offer a number of different types of CFDs, including Margin FX Contracts and CFDs based on indices, individual shares, cryptocurrencies, commodities and other CFDs as may be notified to you from time to time. For full details of the CFDs that we offer, please visit our website.
- 5.5 By entering into a CFD or Margin FX contract, you are either entitled to be paid an amount of money, or required to pay an amount of money, depending on movements in the price of the underlying asset.
- 5.6 Expiry and Roll Overs
- (1) For the main commodities Mitrade offers Cash and Futures CFDs. Futures CFDs have expiry dates, details of which are disclosed on our website and Trading Platform at all times for your reference. For the instruments based on futures contracts and have expiry dates, Positions will be automatically closed when the current contract expires and new positions based on next future contract will be opened. Mitrade will adjust the difference in price between the two contracts. The date and time of the rollover is shown on each instrument's details section on the Trading Platform and our website.
 - (2) If the new contract is trading at a premium to the expiring contract (higher price), long (buy) Positions will receive a negative adjustment, and short (sell) Positions will receive a positive adjustment. However, if the new contract is trading at a discount to the expiring contract, long (buy) Positions will receive a positive adjustment, and short (sell) Positions will receive a negative adjustment. In addition, Positions may be charged a spread at the time of rollover.
- 5.7 Corporate Actions
- (1) Mitrade does not take advantage of corporate actions to make a profit.
 - (2) A dividend adjustment is applied after a share (or a component share in the case of stock indices) finishes trading cum-dividend in the underlying market. In the case of long positions, the dividend adjustment is credited to your account, in the case of short positions it is debited from your account. The dividend adjustment for shares (Australian or otherwise) varies depending on local tax arrangements which may vary from time to time. If an instrument becomes subject to a possible adjustment as the result of any corporate or comparable event, we will determine the appropriate adjustment to your CFD position(s) as the result of any such event. This may include, but is not limited to, special dividends, bonus share issues, scrip or rights issues, stock splits or consolidations.

- (3) We may ask you to make a decision about whether a corporate action should be reflected in your Account. In some cases, the treatment of corporate actions (such as consolidations, rights issues, takeovers, stock splits and share distributions) may be less beneficial to you than if you were holding the underlying shares. Mitrade will endeavour when possible to notify you beforehand of a corporate action. However, this cannot be guaranteed and Mitrade is under no obligation to do so.
- (4) We may attempt to cancel relevant Orders from you where a corporate action has taken place. It is your responsibility to re-enter working Orders once this has happened.

6. KEY RISKS ASSOCIATED WITH TRADING MARGIN FX CONTRACTS AND CFDS

- 6.1 Trading in Margin FX and CFD products carries a high level of risk and returns are volatile. The risk of loss in trading can be substantial, and you can lose your entire capital invested. You should obtain independent professional advice and carefully consider whether Margin FX or CFD products are appropriate for you in light of your knowledge, experience and investment objectives, financial needs and circumstances.
- 6.2 It is also important that you read and understand the terms and conditions of the Wholesale Client Agreement and this Information Statement before entering into any Margin FX or CFD transactions
- 6.3 Some of the key significant risks involved in Margin FX and CFD trading include, but are not limited to, the following:

1) Market Risk

- a) This is the risk that the markets move against you. External market forces are difficult to predict and can cause markets and prices to change quickly. Such forces include changing supply and demand relationships, governmental, national and international political and economic events and the prevailing psychological characteristics of the marketplace. It is important that you closely monitor your Positions and markets at all times. As the price of your Position is based on an Underlying Instrument, these factors may affect your Position and our ability to execute, settle or close out transactions on your behalf.
- b) No CFD or margin FX transactions available via our Trading Platform can be considered “risk free” or “safe”. You may reduce some of your downside risk by our risk management tools.
- c) Holding both long (i.e. bought) and short (i.e. sold) Positions is not necessarily less risky than holding a simple long (i.e. bought) or short (i.e. sold) Position. You may incur further losses holding Positions of both directions than holding Positions of one direction.
- d) During extreme times of volatility, the Overnight Funding fee may increase significantly and may quickly erode your initial deposits even before accounting for market price movements. The latest applicable overnight funding rate is available on the Trading Platform and upon request. You should closely monitor your positions and the applicable rates before making decisions to hold your Positions overnight.

2) Trading Over the Counter and Not on a formal exchange

Mitrade’s products are all Over-The-Counter (“OTC”) products. Unlike securities exchanges, there is no clearing house for Margin FX Contracts and CFDs. This means that Mitrade’s products are not covered by the protections for exchange-traded products arising from exchange rules, and are not guaranteed by any exchange or clearing house. However, because Mitrade endeavours to reflect the changes in the underlying markets and pass on the changes to your Positions, the rules of the relevant underlying market (if any) or Exchange may indirectly affect your dealing in the products offered by Mitrade. You should consider all of the rules of each relevant Exchange may be relevant to Mitrade contracts. The details of those rules are outside the control of Mitrade and they may change at any time and without notice to you.

3) Conflict of Interests

Trading with Mitrade carries an automatic risk of an actual conflict of interest because Mitrade is acting as principal in its Positions with you and Mitrade sets the price of the contracts as a market maker. Mitrade may also be transacting with other persons or other market participants. Mitrade does not guarantee that the price given to you is the best price. You can reduce the risks to you of unfavourable pricing or opaque pricing by monitoring Mitrade's contract pricing and by monitoring the underlying market. Mitrade also mitigates this risk by retaining external legal advisors, ongoing Board supervision and implementing compliance procedures.

4) Loss by Spread

Since Mitrade charges a spread on some transactions, the price will have to move in your favour before you can break even. That is, even if the price does not move, you will be making a loss when entering the transaction because of the spread.

5) Slippage

In extremely fast moving or illiquid markets, gaps (also known as Slippage) may occur. Slippage occurs when market prices do not follow a "smooth" or continuous trend and are typically caused by external factors such as world, political, economic and corporate related events. Should slippage occur in the Underlying Instrument on which your product is based, you may not be able to close out your Position or open a new Position at the price at which you have placed your order. Further, in instances of slippage, any conditional orders opened on your Account will be filled at the next best available price which may be substantially different from the price selected when entering your conditional order.

6) Margin Call

Should the price of the Margin FX Contract or CFD move against you, you may receive a Margin Call from us preventing your Account from opening any further exposures and enlivening our discretion to close out your open Positions without further notice. Should we make a Margin Call, you must increase your Equity to above 100% of Total Initial Margin required to remove the trading restrictions on your Account and prevent your Positions from being closed out. In the event that your Equity falls below Maintenance Margin levels, we may also reduce or close all your open Positions without further notice and you will be liable for any shortfall. Positions are marked-to-market with payments being settled daily to Account for market movements. You must be in a position to fund such requirements at all times. Margin Calls must be addressed as soon as possible and are only considered paid once we receive cleared funds in our account. While Mitrade will already have an absolute discretion to close out open Positions once a Margin Call is issued, Mitrade may (in its absolute discretion), delay exercising that right to give you an opportunity to address the Margin Call. In some circumstances, the markets could move against your Position giving Mitrade no time to make a Margin Call before your Account has breached the Maintenance Margin, allowing Mitrade to liquidate your Positions in order for Mitrade to protect itself and other clients.

7) Leverage

As these products might be highly leveraged based on the applicable margin percentage, a small price movement in the price of the Underlying Instrument on which they are based can result in substantial profits or losses exceeding your Initial Margin. In addition, you could be required to pay further funds representing losses and other fees on your open and closed Positions. The prices of our products may be volatile and fluctuate rapidly over wide ranges. Price fluctuations may be as a result of uncontrollable events or changes in a variety of conditions as described above under Market Risk.

8) Liquidity

There may be periods where certain currency pairs or CFDs become illiquid. The lack of liquidity may prevent you from taking Positions in FX or CFDs or from liquidating from unfavourable Positions resulting in you incurring a loss.

9) Guaranteed Stop Orders unavailable

Certain products can be traded in conjunction with our limit and stop loss orders which are designed to either optimise your exposure to the market or limit your loss by instructing that trades be executed at pre-determined price levels. Stop losses are instructions placed by you with Mitrade to close out an open Position if a market trades through a specific level. Stop loss orders are often used to attempt to limit the amount which can be lost on a Position. You should be aware that stop losses are not guaranteed and the execution of such orders will depend on market volatility and liquidity. So, whilst stop losses generally allow you to control potential losses should the market move against you, please be aware that stop loss orders are not guaranteed and may not always limit your losses the way you anticipate.

10) Our Right to exercise certain discretions

You should note that there are a number of provisions in the Wholesale Client Agreement that confer discretion on us which could affect your Product. In addition, we can close out all or part of your position in a Product, limit the total value of the Positions you can open, refuse an order or terminate or suspend the agreement between us if certain circumstances arise including but not limited to where we:

- decide in our absolute discretion provided we give you prior written notice of such decision; or
- reasonably consider it necessary for the protection of our rights under the Wholesale Client Agreement. You do not have the power to direct us in the exercise of our discretions.

You should read the Wholesale Client Agreement carefully.

11) Electronic Trading Platform and System Risk

- a) We rely on technology to provide our Trading Platform to you. You shall be responsible for providing and maintaining the means by which to access our Trading Platform, which may include without limitation a personal computer, smartphone, modem and telephone or other access line. While the internet and the World Wide Web are generally reliable, technical problems or other conditions may delay or prevent access thereto. If you are unable to access the internet and thus, our electronic Trading Platform, it will mean you may be unable to trade in a product offered by Mitrade when desired and you may suffer a loss as a result.
- b) We also rely on a number of technology solutions to provide you with efficient services. Prior to engaging these providers, Mitrade has performed due diligence and entered into service agreements with each provider. Disruption to Mitrade's operational processes such as communications, computers, networks or external events may lead to delays in the execution of or settlement of a transaction. An example of disruption includes the "crash" of our computer-based trading system. Mitrade mitigates this risk by conducting regular backups and using appropriate IT systems and protections. This means that you may be unable to trade in a particular market that we offer and you could suffer a financial loss or an opportunity loss as a result.
- c) We reserve the right to suspend a part of or the entire operation of our Trading Platform and website. In such event, we may, at our sole discretion (with or without notice), close out your open Positions at prices we consider fair and reasonable.

12) Regulatory Risk

Changes in taxation and other laws, government, fiscal, monetary and regulatory policies may have a material adverse effect on your dealings in Margin FX Contracts or CFDs, as may any regulatory action taken against Mitrade. We will use our best endeavours to notify you of a change in legislation which may impact the way that you deal with us.

13) Foreign Exchange Risk

- a) Your Account is maintained in the currency you have nominated, that is, the Base Currency. Where you deal in a product that is denominated in a currency other than the Base Currency, all Initial and Maintenance Margins, profits, losses, interest rate payments/receipts and financing credits and debits in relation to that product are calculated using the currency in which the product is denominated.
- b) Accordingly, your profits or losses may be affected by fluctuations in the relevant foreign exchange rate between the time the order is placed and the time the Position is closed, liquidated, offset or exercised.
- c) Upon closing a Position that is denominated in a currency other than the Base Currency of your Account, the foreign currency balance will be converted to the Base Currency of your Account. Any conversion will be at the exchange rate quoted by Mitrade. Until the foreign currency balance is converted to the Base Currency, fluctuations in the relevant foreign exchange rate may affect the unrealised profit or loss made on the Position.

14) Cryptocurrencies Risks

- a) Cryptocurrency CFDs involves high risk as their value can fluctuate significantly. In addition, Cryptocurrencies are subject not only to markets risks (such as supply and demand), but also technology risks. If you choose to invest in Cryptocurrency CFDs, you do so acknowledging that these instruments are much more volatile than traditional currencies, so sharp and sudden moves in the price could see you lose significant amounts of money very quickly.

- b) Mitrade does not buy or sell Cryptocurrency, nor does it operate as a digital currency exchange provider. When you trade Cryptocurrency CFDs with us, you are not buying or selling a specific Cryptocurrency. You are entering into a contract with us regarding the price movement of the underlying Cryptocurrency you select and as in other CFDs, there is never any physical delivery. Your account will be credited or debited with any profit or loss derived from the Position.
- c) Cryptocurrencies are digital currencies. It is important to note that while the instrument structure and specifications of such offerings are substantially similar to that of other CFDs or Margin FX Contracts, the underlying markets are themselves very different. Each Cryptocurrency is different and subject to its own rules of creation, storage and transfer of ownership of their various units. Given that Cryptocurrency CFDs do not involve physical delivery, it is beyond the scope of this PDS to describe the mechanics behind these underlying Cryptocurrency markets. You should familiarise yourself with the operations of the Cryptocurrency markets on which the CFDs you wish to trade are written, prior to trading.
- d) We base the price of our Cryptocurrency contracts on the underlying market, made available to us by our liquidity providers. You should be aware that the pricing formation rules of the Cryptocurrency exchanges are not subject to any regulatory supervision and may be changed at the relevant digital exchange's discretion at any time. Similarly, such digital exchanges may introduce trading suspensions or take other actions that may result in suspension or cessation of trading on such exchanges or the price and market data feed becoming unavailable to us. Due to the volatile nature of Cryptocurrencies, where there is an event of a consensus among the exchanges and the instrument is no longer offered, we can delist the instrument in short notice. The above factors could result in a material adverse effect on your open Positions, including the loss of all of your invested amounts.
- e) When you trade CFDs on cryptocurrencies, you need to be aware of the risk of a hard fork occurring. A hard fork is when a single cryptocurrency splits in two and occurs when a cryptocurrency's existing code is changed, resulting in both an old and new version of the cryptocurrency. Mitrade reserves the right to determine which blockchain (ledger of cryptocurrency transactions) and cryptocurrency unit has the majority consensus behind them and use this as the basis for cryptocurrency contracts. We will endeavour to notify you of potential forks, however it is your responsibility to make yourself aware of the forks that could occur.
- f) Cryptocurrency CFDs are generally considered of a higher risk than other Margin FX or CFD products. You should seek independent advice before entering into a transaction with us. Cryptocurrencies are also traded over the weekend, therefore the market is effectively always open unlike other financial products.

15) Third Party Market Information

- a) Mitrade may make available to you through one or more of its services, a broad range of financial information that is generated internally or obtained from agents, vendors or third-party providers. This includes, but is not limited to, financial market data, quotes, news, analyst opinions and research reports, graphs or data (Market Information). Market Information provided by us by email or through our website is not intended as advice. Mitrade does not endorse or approve the Market Information and we make it available to you only as a service for your own convenience. Mitrade and its third party providers do not guarantee the accuracy, timeliness, completeness or correct sequencing of the Market Information or warrant any results from your use or reliance on the Market Information.
- b) Market Information may quickly become unreliable for various reasons including, for example, changes in market conditions or economic circumstances. Neither Mitrade nor the third-party providers are obligated to update any information or opinions contained in any Market Information and we may discontinue offering Market Information at any time without notice.

16) Risk Capital Only

You could lose all of your deposits to establish or maintain a Position. All derivatives trading involves risk and there is no trading strategy that can eliminate it entirely. The placing of contingent orders (such as a stop-loss order) may not always limit your losses to the amounts that you may want. Market conditions may make it impossible to execute such orders. In cases where you are speculating we suggest that you do not risk more capital than you can afford to lose. A good general rule is never to speculate with money which, if lost, would alter your standard of living.

7. OPENING AN ACCOUNT

- 7.1 Prior to transacting in the Products, you must read and understand this Information Statement and the Wholesale Client Agreement.
- 7.2 By opening an Account, you agree to be bound by our Wholesale Client Agreement. This is an important legal document containing the terms and conditions which govern our relationship with you. It is provided to you separately by Mitrade.
- 7.3 We recommend that you consider seeking independent legal advice before entering into the Wholesale Client Agreement, as the terms and conditions detailed in this agreement are important and affect your dealings with us.
- 7.4 All deposits are accounted for in the Base Currency which the client can choose. When sending funds to Mitrade, please send the same currency as the Base Currency of your Account.
- 7.5 If your application is accepted, we may require you to pay to us, and maintain at all times, a balance in your Account representing Cleared Funds. Cleared Funds are amounts deposited or credited to your Account which can be withdrawn by us for the purposes of acquiring Products and making Margin or other payments.
- 7.6 We will comply with our obligations to report all relevant transactions to AUSTRAC in accordance with anti- money laundering requirements.

8. TRADING MARGIN FX CONTRACTS AND CFDS WITH MITRADE

8.1 Mitrade Trading as Principal

- (1) Mitrade will regularly state, via the electronic Trading Platform, the price at which it is prepared to deal with you as principal. When dealing in Margin FX Contracts and CFDs, as with all over-the-counter derivatives, Mitrade is the issuer and a market maker, not a broker. Accordingly, each transaction agreed and entered into with you will be entered into as principal, not as agent. Should you decide to transact with Mitrade, then Mitrade will enter into a legally binding contract with you (as principal)
 - i.e. it will be the counterparty to the transaction and each contract purchased (or sold) by you will be an individual agreement made between you and Mitrade.

8.2 Open and Close a Position/Contract

- (1) How to open a Position/Contract
 - (a) A Position (also known and referred interchangeably herein as a Contract) is opened by either buying (going long) or selling (going short) a Margin FX Contract or CFD.
 - BUYING – If you expect the Underlying Instrument to rise, you buy the Margin FX Contract or the CFD
 - SELLING – if you expect the Underlying Instrument to fall, you sell the Margin FX Contract or the CFD
- (2) How to close a Position/Contract
 - (a) To close a 'long' Position you close it at the market sell price, and to close a 'short' Position you close it at the market buy price. You can hold a Position for as long as you like. This may be for less than a day, or for months. For CFDs which do not have expiry dates, Positions will be automatically rolled over to the next contract period unless you close the Positions. For CFDs that have expiry dates, Positions will be automatically closed. Further details can be found in section 3.6.

- (b) Mitrade's CFDs can be closed, provided that you do so before the trading session ends for each day. The details regarding trading sessions for all products are available in the Trading Platform, our website and upon request from our customer service team. It is your responsibility to make yourself aware of the times for each trading session for any CFDs in which you deal. If a Position has not been closed prior to the end of the trading session, it may be automatically rolled over or closed. The Closing Price will generally be the last traded price at or prior to the close or the applicable official closing quotation or value in the relevant underlying market; minus any commission or spread which is applied to the CFD when it is closed.

8.3 Leverage

Leverage is a key feature of CFD and Margin FX Contract trading. Our products allow you to trade on rises and falls in a notional volume of currencies and other instruments while only putting up certain amount of your own money. With leveraged CFDs, you only have to put in a portion of the market value of the underlying instrument when making a trade, and the remaining value of the instrument is covered by Mitrade. Even though you only put up a portion of the value, you are entitled to the same gains or losses as if you had paid 100%. The actual percentage of the market value that you will be asked to put in will vary for different underlying instruments. In some circumstances, Mitrade may allow you to determine the amount of leverage for a specific product. It is your sole responsibility to frequently check our website and Trading Platform for the latest leverage requirements as amended from time to time.

8.4 Calculation of Profit and Loss

- (1) Margin FX Contracts:
 - (a) The profit or loss from a Margin FX Contract is calculated by keeping the units of the base currency constant and determining the difference in the number of units of the term currency.
 - (b) The amount of any profit or loss made on a Margin FX Contract will be the net of:
 - (i) the difference between the price at which you opened the Contract and the price at which you closed the Contract; and
 - (ii) the costs of applicable daily financing
- (2) CFDs
 - (a) When you close a CFD, you are either entitled to an amount of money or will be required to pay an amount of money, depending on the movements in the price of the CFD with reference to the Underlying Instrument.
 - (b) The amount of any profit or loss made on a CFD will be the net of:
 - (i) the difference between the price at which you bought the CFD and the price at which you sold the CFD;
 - (ii) the costs of daily financing; and
 - (iii) any other fees, adjustments or benefits relating to the CFD.

8.5 Long And Short Positions

- (1) You can open both long and short Margin FX and CFD Positions with Mitrade. Should you open a long Position, your intention would be to profit from a rise in the price of the Underlying Instrument, and you would suffer a loss should the price of the Underlying Instrument fall. Conversely, should you open a short Position, your intention would be to profit from a fall in the price of the Underlying Instrument, and you would suffer a loss should the price of the Underlying Instrument rise.
- (2) In order to close an open long or short Position, you need to select the Position and you can choose to close part of, or all of the Position. The closure of a Position will generally result in a profit or loss being realised in your Account.
- (3) You should note that Mitrade is not obliged to accept your orders. Generally, this would occur should you exceed the limits imposed on your Account by Mitrade, or where there are insufficient funds in your Account to meet your Margin obligations, but there may be other reasons as determined by Mitrade in its sole and absolute discretion.
- (4) The rates quoted for a Margin FX Contract or CFD by Mitrade include a spread which favours Mitrade. This spread is not an additional charge or fee payable by you. These spreads will differ depending on various factors including but not limited to market volatility, the Margin FX Contracts and CFDs traded.

8.6 Overnight Funding Fee

- (1) Any open Position held by you at the end of the trading session on which the relevant Underlying Instrument is traded or over the weekend when the relevant underlying market is closed, shall automatically be rolled over to the next trading session to avoid an automatic close out and physical settlement of the Transaction. You acknowledge that, when rolling such Transactions to the next trading session, an Overnight Funding fee will apply to those applicable open Positions where the Overnight Funding fee could be either added to or subtracted from the balance of your Account. The Overnight Funding fee is charged based on a percentage on your Contract Value or borrowed amount (Contract Value less Initial Margin requirement) depending on the Underlying Instrument of your Positions. The Overnight Funding fee percentage rate is derived from a number of factors including amongst others, whether the Transaction is a buy or a sell, interest rates, instrument differentials, daily price fluctuations and other economic and market related factors. The Overnight Funding fee percentage for each Instrument is displayed on the Mitrade Trading Platform. In deciding whether to open a Transaction for a specific Instrument, you acknowledge that you are aware of the Overnight Funding fee.
- (2) You hereby authorise us to add or subtract an Overnight Funding fee to or from the balance of your Account for the applicable open Transactions that have accrued an Overnight Funding fee, in accordance with the applicable leverage and rate thereto, each day at the time of collection specified on the Mitrade Trading Platform for each individual Instrument, as applicable.

8.7 Stop Loss and Take Profit Orders

- (1) We may, in our sole discretion, allow you to specify a closing price for a Transaction through a Stop Loss and Take Profit order, subject always to the clauses of the Wholesale Client Agreement, and any other terms and conditions we may implement from time to time.
- (2) Upon your offer and our acceptance of your Order, you hereby authorize us to close the Transaction at the Stop Loss price or Take Profit price, as applicable, and as agreed in the Order, without further instruction from or notification to you. We may, in our sole discretion, close the Transaction when the price quoted by us on the Trading Platform equals or exceeds the price accepted by us for such an Order.
- (3) We may, in our sole discretion, allow you to request the opening or closing of a Transaction, including a Stop Loss and Take Profit Order, within a specific time period determined by you. If we have accepted such a request, we may in our sole discretion, close the Transaction within such specific time period. You acknowledge and agree that we shall not be obliged to close such Transaction outside such specific time period or which does not otherwise comply with any other limitations agreed upon with respect to such Transaction.
- (4) We may, in our sole discretion, accept an offer to place a trailing stop in relation to a stop loss. You acknowledge that the original price level set forth in a Stop Loss may be amended as the market on the Mitrade Platform moves in your favour. Whilst your trailing Stop Loss is still in effect, you agree that each change in the market by at least one pip in your favour shall constitute a new offer by you to raise the level of your trailing Stop Loss by one pip. Changes in a Pip will be rounded to the nearest absolute value in your Base Currency.
- (5) You acknowledge and agree that due to market volatility and factors beyond our control, we cannot guarantee that an Order will be executed at the level specified in your Order, for example, an Order may be closed at a worse price than as originally specified by you in such an Order. In such an event, we will close the Transaction at the next best price. For example, with respect to a Stop Loss, in the case of a long position, the price may suddenly decrease below the Stop Loss price, without ever reaching the specified price. In the case of a short position, the price may suddenly increase above the Stop Loss price, without ever reaching the specified price.
- (6) With respect to a Take Profit, where the price for the Underlying Instrument moves to your advantage (for example, in relation to a long position, if the price goes down as you buy or the price goes up as you sell), you agree that we can (but we are under no obligation to) pass such price improvement on to you. For example, in the case of a long position, the price of the Underlying Instrument may suddenly increase above the Take Profit price, without ever reaching the specified price. In the case of a short position, the price of the Underlying Instrument may suddenly decrease below the Take Profit price, without ever reaching the specified price.

8.8 Balance on your Account

- (1) The following figures on your Account are calculated in real time and are detailed as follows:

Balance: (which does not include the unrealised P&L of the current open Positions)

= Deposits -Withdrawals + Realised Total P&L of closed positions (but does not include the unrealised P&Ls on the open positions)

Initial Margin: (for each Position)

= Initial Margin percentage rate x Quantity x current market price of Position

Maintenance Margin: (for each Position)

= Initial Margin percentage rate x 50%

Available Balance: (which means amount available to be used for new Positions or to withdraw)

= Balance + Unrealised Total P&L on open Positions + daily Overnight Funding rate for all applicable open Positions x number of days - Total of Initial Margins

Net P&L: (which means the profit and loss for all open Positions)

= the total of (P&L + daily Overnight Funding rate x number of days)

Equity: (which means the current account valuation when all Positions are liquidated)

= Balance + Net P&L

Your 'Available Balance', 'Initial Margin', 'Maintenance Margin', 'Net P&L' and 'Equity' are constantly calculated in line with the market movements. If the 'Equity' touches or falls below the total of Initial Margin requirements you will receive an alert when you log onto your Account and your positions are at risk of being liquidated. If the "Equity" falls below the total of Maintenance Margin requirements your positions are at immediate risk of being liquidated.

- (2) It is your responsibility to ensure that your account is sufficiently funded at all times, especially during volatile periods.
- (3) If your positions are denominated in a currency other than the base currency of your Account, the unrealised P&Ls will be continually valued and converted to your base currency.

8.9 Currency Conversion

If any of your open Positions are denominated in a currency other than the Base Currency of your Account (e.g. you have an AUD trading account but you have a position on Gold which is denominated in USD), the details of your open Positions (including running P&Ls, 'Initial Margin' and 'Maintenance Margin') will be continually valued in your Base Currency based on the applicable Mittrade's foreign exchange rate. Upon opening a Position, the Initial Margin Requirement and the Maintenance Margin Requirement will be converted to your Base Currency based on the applicable Mittrade's foreign exchange rate. Note that Initial Margin and Maintenance Margin are updated real time based on the market price of the underlying instrument. Upon closing a Position, the Realised P&Ls will be converted to your Base Currency based on the applicable Mittrade's foreign exchange rate. Your statement will also value all your Positions in your Base Currency.

8.10 Use of Mittrade's Electronic Trading Platform

- (1) Mittrade provides an electronic Trading Platform which enables clients to trade in our products i.e. clients are provided direct access to Margin FX and CFD rates over the internet. The terms of use applicable to utilising our electronic Trading Platform, are detailed in the Wholesale Client Agreement you are required to execute prior to trading. Some of the key provisions include the following:
- (a) Mittrade reserves the right, in its sole discretion, to institute or change any policies at any time relating to the use of our electronic Trading Platform. Any such changes will be advised to you directly via our electronic Trading Platform, email or our website.
 - (b) Clients are granted a non-exclusive and non-transferable licence to use the electronic Trading Platform subject to the terms of the Wholesale Client Agreement.
 - (c) Clients shall only use our electronic Trading Platform for its internal business or investment purposes.

- (d) Clients shall not permit any third party to copy, use, modify, disassemble, translate or convert in connection with use of our electronic Trading Platform or distribute the platform to any third party.
- (e) Our electronic Trading Platform may be used to transmit, receive and confirm the execution of orders, subject to market conditions and applicable rules and regulations.
- (f) Mitrade consents to the Client's access and use in reliance upon the Client having adopted procedures to prevent unauthorised access to and use of the electronic Trading Platform, in any event, the Client agrees to any financial liability for trades executed through the electronic Trading Platform.
- (g) Where a Client is granted access to the electronic Trading Platform, the Client acknowledges and warrants that it has received a password granting it access to the electronic Trading Platform; is the sole owner of the password provided; and accepts full responsibility for any transaction that may occur on an Account opened, held or accessed through the use of the password provided to the Client by Mitrade.
- (h) Clients agree to accept full responsibility for the use of the electronic Trading Platform and for any orders transmitted through the electronic Trading Platform. Mitrade must be notified immediately should a Client become aware of any unauthorised use, loss or theft of the Client's username, password or Account numbers; or inaccurate information with respect to the content of statements including, cash balances, open Positions or transaction history.
- (i) The electronic Trading Platform is provided on an "as-is" basis and Mitrade makes no express or implied representations or warranties to the Client regarding its operation or usability.
- (j) Mitrade does not warrant that access to or use of the electronic Trading Platform will be uninterrupted or error-free, or that the service will meet any particular criteria with respect to its performance or quality nor do we make any warranty as to the timeliness, sequence, accuracy, completeness, reliability or content of any information, service or transaction provided through the use of the electronic Trading Platform or the results obtained from its use. Mitrade expressly disclaims all implied warranties, including without limitation warranties of merchantability, title, fitness for a particular purpose, non-infringement, compatibility, security or accuracy.
- (k) Under no circumstances, including negligence, will Mitrade be liable for any direct, indirect, incidental, special or consequential damages including, without limitation, business interruption or loss of profits that may result from the use of, unavailability of, or inability to use the electronic Trading Platform.
- (l) Clients agree that the use of the electronic Trading Platform is at the Client's risk and the Client assumes full responsibility for any losses resulting from the use of or materials obtained via the electronic Trading Platform.
- (m) Please note that Close-Outs are implemented on our electronic Trading Platform at the sole discretion of Mitrade, and no liability for the direct or indirect consequences thereof shall be accepted by Mitrade in relation thereto.

8.11 Suspended or Halted Underlying Instruments

- (1) An Underlying Instrument may be placed in a trading halt on the Relevant Exchange in various circumstances. Additionally, it may be suspended or delisted in certain circumstances. Mitrade may, in its absolute discretion, cancel your order in respect of a CFD transaction which has not yet been opened, adjust the terms of a Position, change Margin Requirements or close any open CFD, where the Underlying Instrument is subject to a trading halt, suspension or delisting.
- (2) When you place an order for a CFD or Margin FX Contract with us, we may place a corresponding order to hedge our market risk. Mitrade has the discretion as to when and if it will accept an order. Without limiting this discretion, we may elect not to accept an order in circumstances where our hedge order cannot be filled.
- (3) Accordingly, Mitrade may at any time determine, in our absolute discretion, that we will not permit the entry into CFDs or Margin FX Contract transactions over one or more Underlying Instruments, securities or currencies and reject your offer to transact with us.

8.12 Confirmations and Statements

- (1) Margin FX Contracts and CFDs opened or closed via the Mitrade Platform will be confirmed on-screen. Statements are also at all times available for you to download from the Mitrade Platform and we will send you email notifications regarding the availability of the statement(s), should you choose to receive such notification by changing your settings on the Platform. If you elect to receive statements by post, we reserve the right to levy an administration charge. Confirmations will give the details of any Transactions that you open or close with us. Your statements will include a summary of the financial Position of your Account and details of all transactions on your Account for the statement period. We make every effort to ensure that all details are correct. However, it is very important that you read your statements and contact us if you disagree with the contents or if you do not receive your statements within 48 hours of the trade.
- (2) You need to be aware of your Account balance, your Margin Requirements for open Positions, and whether you are approaching your Maintenance Margin. Your statement will also show whether your Account has any excess funds available.
- (3) When we send you a Confirmation or a statement you must review it and advise us of any mistake or inaccuracies within 48 hours or you will be deemed to have accepted them, and they will be binding on you.
- (4) Any queries about your Confirmations and statements should be made to our Customer Services Department. Any failure to advise of a mistake or inaccuracy will not preclude your right to make a complaint in accordance with our dispute resolution procedure (see section 16) but we reserve the right to rely upon the clauses of the Wholesale Client Agreement

9. MARGIN

Margin FX Contracts and CFDs are subject to Margin obligations i.e. you must deposit funds for margining purposes. You must pay all Margin payments required by us in respect of your Account.

9.1 Initial Margin requirements

Where you enter a Transaction, you will be required to pay an Initial Margin (an initial deposit/up-front payment). An Initial Margin means an amount of collateral that is required from you as security to enter into a Margin Position. We will require an Initial Margin calculated as a percentage of the Contract Value and updated in real time based on the market price of the Underlying Instrument. The Initial Margin percentage rate will vary depending on various factors such as but not limited to, market volatility and the liquidity of the Underlying Instrument on which the product is based and is determined at Mitrade's discretion. In some circumstances, you may be able to select the amount of Initial Margin percentage rate you would like to pay for that specific product. The rates and amount of Initial Margin are displayed on the Trading Platform and our website for your reference at all times. The Initial Margin is updated real time based on the market price of the position.

Mitrade reserves the right to change the Initial Margin percentage in its sole and absolute discretion from time to time. This may (but is not necessarily) be due to changes in the volatility of the market or the perceived risk of the specific Margin FX Contract or CFD. It is therefore vital that you frequently monitor the website and the Trading Platform for any such changes. Where a change in Initial Margin percentage rate occurs, an email notification will be issued (even where you have already meet the Initial Margin and the Maintenance Margin), informing you of the new rates which will apply to both existing and new Positions. Such changes to Initial Margin percentage rate may trigger a Margin Call if you have not met the new margin requirement, and in this case, a separate Margin Call email may be sent to you. You will be prevented from opening any further exposures on your Account and Mitrade will have the discretion to close out your open Position unless and until the new Initial Margin amount is paid to Mitrade in cleared funds for all your open Positions. This figure is calculated as the new Initial Margin percentage multiplied by the current Contract Value as at the date of the Margin Call.

9.2 Maintenance Margin requirements

- (1) In order to maintain your open Positions, you are required to keep sufficient Equity on your Account to meet the Maintenance Margin. This is a requirement to maintain Equity equal to or above 50% (or as amended on the website from time to time) of the total Initial Margin required on the entire Account. If Equity falls below the Maintenance Margin level, Mitrade shall be entitled to close out your Positions in its sole and absolute discretion, regardless of whether you received any prior Margin Calls. For the avoidance of doubt, if you have paid \$1000 in Initial Margins, your Equity must not fall below \$500. Assuming your Positions remain unchanged from when you opened them, you may meet the Maintenance Margin with the \$1000 already paid as Initial Margin. Should your Positions deteriorate to an Equity of \$400, you will need to deposit (at the very least), an additional \$100.00 to bring your Equity back to the Maintenance Margin level, notwithstanding the Initial Margin requirement at that moment. Given the dynamic nature of financial markets you may in practice, wish to deposit a slight buffer in addition to making up the shortfall, in case your Positions move further against you and increases your margins further.
- (2) Margin Calls
 - (a) Margin Calls will be made on a net Account basis i.e. should you have several open Positions, then Margin Requirements are calculated across the group of open transactions. A first Margin Call is triggered once Equity touches or falls below 100% of the total Initial Margin required in the Account. Should Mitrade decide to issue a Margin Call in this instance, your Account will be prevented from opening any further exposures and Mitrade shall be entitled to close out your Positions without further notice unless and until you increase Equity in the account back above 100% of the Total Initial Margins required. Deposits must be received as cleared funds.
 - (b) A second Margin Call is triggered once Equity touches or falls below 75% of the total Initial Margin required in the Account. Should Mitrade decide to issue a Margin Call in this instance, you will receive a warning that Mitrade's rights to close out your Positions due to breach of Maintenance Margin has been enlivened and that your Positions are at imminent risk of close out.
 - (c) Mitrade has no obligation to issue any Margin Call. It is your sole responsibility to frequently check your Margin Requirements in your Account. You acknowledge that Mitrade may close out your Positions without further notice once your Equity falls below the Maintenance Margin level, regardless of whether you have received a Margin Call or not. It is your responsibility to ensure you have sufficient Maintenance Margin and Initial Margin prior to opening any new exposures. Given the dynamic nature of financial markets, you may in practice wish to deposit a slight buffer in addition to making up the shortfall, in case your Positions move against you and increases your margins further.
 - (d) Margin using stop orders – attaching a stop order to a Margin FX or CFD Position will not reduce your deposit requirements.

9.3 Notifications regarding Margin Requirements

Your current margin Position (and any deficit) can be viewed when you are logged onto your Account or can be obtained from our dealers by contacting us. You acknowledge that the issuing of Margin Calls is a service provided on a best endeavour basis, and our failure to notify you in no way negates your obligation to monitor your margin Position and pay any shortfall. If you do not pay us any shortfall and your Account deteriorates below the Maintenance Margin, the Wholesale Client Agreement gives us significant rights against you that you should be fully aware of. These rights include, but are not limited to, closing your open Positions without prior notice to you.

9.4 Failure to meet Margin Requirements

9.4.1 We have no obligation to provide notification when your Account is approaching a Margin Call and you are responsible for monitoring your Accounts at all times. If your Account deteriorates below the Maintenance Margin, then we may in our absolute discretion and without creating an obligation to do so, Close-Out all or some of your open Positions and deduct the resulting realised losses from any excess funds held in your Account without notice to you.

9.4.2 This process may be performed by our internal automated Close-Out Monitor ('COM') system or our dealing desk may, at our discretion, Close Out some or all open Positions until the Maintenance Margins paid on your Account are fully covered by Equity. When closing Positions, our automated COM system or our dealing desk operates on a best endeavour basis and closes the Positions with the largest running losses and applies the First In First Out ('FIFO') policy for the Positions with the same running losses. Exceptions may apply dependant on market conditions and other factors including but not limited to, accounts with multiple Positions that are held with or without stop orders. It is important to note that any open Positions are deemed to be at risk of being closed out as soon as your Account falls below the Maintenance Margin.

9.4.3 Mitrade has the right to limit the size of your open Positions, whether on a net or gross basis under any appropriate circumstances as determined by Mitrade. Mitrade also has the right to refuse any request made by you to place an order to establish a Position at any time at Mitrade's discretion without having to give you a notice.

10. CLIENT MONEY

- 10.1 Your funds will be kept in one or more segregated accounts with an Australian ADI, separated from our own money and held in accordance with the client money provisions of the Corporations Act 2001. We may hold your money in one or more trust accounts with other client money. We will not be liable for the solvency or any act or omission of any bank holding the money under 10.1, 10.5, 10.6, 10.7, 10.8 or 10.9 in respects to client money investment.
- 10.2 Your funds will not be kept separate from other client's money in this account. It can be used to meet the payment obligations of our other clients. This means that you may also potentially suffer a loss as a result of default by another client where money from the client trust account is applied to meet the payment obligations of that client and there is a deficiency in the client trust account.
- 10.3 If you are a Wholesale Client, Mitrade may use the funds in the client trust account for the purpose of meeting obligations in connection with margining, guaranteeing, securing, transferring, adjusting or settling dealings in Products we offer.
- 10.4 If you are a Sophisticated Investor, the funds in the client trust account will not be used for these purposes. In the event of our insolvency, your entitlements as a creditor will rank equally with all other clients and you may not receive all the money held by us on your behalf if there is a deficit in the client trust account.
- 10.5 We are entitled to invest the money in our trust account as set out in the Wholesale Client Agreement in compliance with the Corporation Act and associated regulations. You irrevocably and unconditionally authorise us to undertake such investment.
- 10.6 We will only make investments with client money in permitted investments as set out in the Corporations Act and Corporations Regulations.
- 10.7 You should be aware that we are solely entitled to any interest or earnings derived from client money being deposited in a trust account or invested in compliance with the Corporation Act.
- 10.8 Upon realization of an investment of your funds, the initial capital invested must either be invested in another investment permitted by the Corporations Act or deposited by us into a trust account operated in accordance with the Corporations Act.
- 10.9 If the amount we receive when an investment of your money is realized is less than the initial capital invested, we must pay an amount equal to the difference into a trust account for your benefit, except where that difference is the result of money paid to us out of the investment in compliance with the Agreement.
- 10.10 We will not charge a fee for investing your money in accordance with the Corporations Act.

11. FEES AND CHARGES

We may change these fees by notice on our website from time to time. Where the change is an increase in fees or charges, we will provide at least 30 days' notice prior to effecting the change.

11.1 Spreads

- (1) We may charge spreads (the difference between the bid and the ask price) on your trades in favour of Mitrade. Details of spreads can be found on our website. For Margin FX Contracts the spreads will be charged in the quote currency of the instrument being traded, which can then be converted into the base currency of the Account in order to determine your cost of trading.
- (2) Spreads vary according to various factors including but not limited to, the market concerned and are subject to variation, especially in volatile market conditions, and we may change our spreads at any time. The applicable spreads are provided in our website and our Platform. Because dealing spreads may depend upon activity in an underlying market, the spread when you close a CFD may be different to the spread when you opened it.

11.2 Payments of Margin

- (1) Margin is not a cost; however, Margin is the amount of capital required in your Account for you to open a Transaction. The way that we calculate Margin varies based on the Underlying Instrument being traded. Initial Margin requirements will be displayed on our Platform and we recommend that you check the details of your Contract to understand the amount of Margin required.

- (2) You can use the following formula:

Lot size or desired volume x Margin Percentage x current market price = Initial Margin required Example:

You want to open 1 lot AUD/USD (1 lot = 100,000 base currency of AUD/USD with a leverage level of 1:30. The prevailing price for AUD/USD is 0.76001.

Your calculation for initial Margin Requirement would be $1 \times 100,000 \times 0.0333 \times 0.76001 = \text{USD } \$2,530.83$

If the base currency of your Mitrade Account is denominated in a currency other than USD, the Margin Requirement will be converted to your base currency based on the applicable Mitrade foreign exchange rate.

11.3 Overnight Funding Fee

- (1) Any open Transaction held by you at the end of the trading session, over the weekend or when the relevant underlying market is closed, shall automatically be rolled over to the next trading session to avoid an automatic close and physical settlement of the Transaction. You acknowledge that, when rolling such Transactions to the next trading session, an Overnight Funding fee will apply to those applicable open Positions where Overnight Funding fee could be either added to or subtracted from the balance of your Account. The Overnight Funding fee is a percentage on your Contract Value or borrowed amount (Contract Value less Initial Margin requirement) depending on the Underlying Instrument of your Positions. The Overnight Funding fee percentage is derived from a number of factors including, amongst others, whether the Transaction is short or long, interest rates, Instrument differentials, daily price fluctuations and other economic and market related factors. The Overnight Funding fee percentage for each Instrument is displayed on the Mitrade Trading Platform. In deciding whether to open a Transaction for a specific Instrument, you acknowledge that you are aware of the Overnight Funding fee.
- (2) No interest is paid or received if you open and close a Position in the same session.

11.4 Variation of fees and costs

Under the Wholesale Client Agreement, we may charge you an additional fee and/or spread or increase the current fees and/or spread set out in this Information Statement provided we have given you 30 days' prior notice.

12. MARGIN

Margin FX Contracts and CFDs are subject to Margin obligations i.e. you must deposit funds for margining purposes. You must pay all Margin payments required by us in respect of your Account.

12.1 Initial Margin requirements

Where you enter a Transaction, you will be required to pay an Initial Margin (an initial deposit/up-front payment). An Initial Margin means an amount of collateral that is required from you as security to enter into a Margin Position. We will require an Initial Margin calculated as a percentage of the Contract Value and updated in real time based on the market price of the Underlying Instrument. The Initial Margin will vary depending on various factors such as but not limited to, market volatility and the liquidity of the Underlying Instrument on which the product is based and is determined at Mitrade's discretion. The rates and amount of Initial Margin are displayed on the Trading Platform and our website for your reference at all times. The Initial Margin is updated real time based on the market price of the position.

Mitrade reserves the right to change the Initial Margin percentage in its sole and absolute discretion from time to time. This may (but is not necessarily) be due to changes in the volatility of the market or the perceived risk of the specific Margin FX Contract or CFD. It is therefore vital that you frequently monitor the website and the Trading Platform for any such changes. Where a change in Initial Margin percentage rate occurs, an email notification will be issued (even where you have already meet the Initial Margin and the Maintenance Margin), informing you of the new rates which will apply to both existing and new Positions. Such changes to Initial

Margin percentage rate may trigger a Margin Call if you have not met the new margin requirement, and in this case, a separate Margin Call email may be sent to you. You will be prevented from opening any further exposures on your Account and Mitrade will have the discretion to close out your open Position unless and until the new Initial Margin amount is paid to Mitrade in cleared funds for all your open Positions. This figure is calculated as the new Initial Margin percentage multiplied by the current Contract Value as at the date of the Margin Call.

12.2 Maintenance Margin requirements

- (1) In order to maintain your open Positions, you are required to keep sufficient Equity on your Account to meet the Maintenance Margin. This is a requirement to maintain Equity equal to or above 50% (or as amended on the website from time to time) of the total Initial Margin required on the entire Account. If Equity falls below the Maintenance Margin level, Mitrade shall be entitled to close out your Positions in its sole and absolute discretion, regardless whether you received any prior Margin Calls. For the avoidance of doubt, if you have paid \$1000 in Initial Margins, your Equity must not fall below \$500. Assuming your Positions remain unchanged from when you opened them, you may meet the Maintenance Margin with the \$1000 already paid as Initial Margin. Should your Positions deteriorate to an Equity of \$400, you will need to deposit (at the very least), an additional \$100.00 to bring your Equity back to the Maintenance Margin level, notwithstanding the Initial Margin requirement at that moment. Given the dynamic nature of financial markets you may in practice, wish to deposit a slight buffer in addition to making up the shortfall, in case your Positions move further against you and increases your margins further.
- (2) Margin Calls
 - a) Margin Calls will be made on a net Account basis i.e. should you have several open Positions, then Margin Requirements are calculated across the group of open transactions. A first Margin Call is triggered once Equity touches or falls below 100% of the total Initial Margin required in the Account. Should Mitrade decide to issue a Margin Call in this instance, your Account will be prevented from opening any further exposures and Mitrade shall be entitled to close out your Positions without further notice unless and until you increase Equity in the account back above 100% of the Total Initial Margins required. Deposits must be received as cleared funds.
 - b) A second Margin Call is triggered once Equity touches or falls below 75% of the total Initial Margin required in the Account. Should Mitrade decide to issue a Margin Call in this instance, you will receive a warning that Mitrade's rights to close out your Positions due to breach of Maintenance Margin has been enlivened and that your Positions are at imminent risk of close out.

- c) Mitrade has no obligation to issue any Margin Call. It is your sole responsibility to frequently check your Margin Requirements in your Account. You acknowledge that Mitrade may close out your Positions without further notice once your Equity falls below the Maintenance Margin level, regardless whether you have received a Margin Call or not. It is your responsibility to ensure you have sufficient Maintenance Margin and Initial Margin prior to opening any new exposures. Given the dynamic nature of financial markets, you may in practice wish to deposit a slight buffer in addition to making up the shortfall, in case your Positions move against you and increases your margins further.
- d) Margin using stop orders – attaching a stop order to a Margin FX or CFD Position will not reduce your deposit requirements.

12.3 Notifications regarding Margin Requirements

Your current margin Position (and any deficit) can be viewed when you are logged onto your Account or can be obtained from our dealers by contacting us. You acknowledge that the issuing of Margin Calls is a service provided on a best endeavour basis, and our failure to notify you in no way negates your obligation to monitor your margin Position and pay any shortfall. If you do not pay us any shortfall and your Account deteriorates below the Maintenance Margin, the Client Agreement gives us significant rights against you that you should be fully aware of. These rights include, but are not limited to, closing your open Positions without prior notice to you.

12.4 Failure to meet Margin Requirements

- (1) We have no obligation to provide notification when your Account is approaching a Margin Call and you are responsible for monitoring your Accounts at all times. If your Account deteriorates below the Maintenance Margin, then we may in our absolute discretion and without creating an obligation to do so, Close-Out all or some of your open Positions and deduct the resulting realised losses from any excess funds held in your Account without notice to you.
- (2) This process may be performed by our internal automated Close-Out Monitor ('COM') system or our dealing desk may, at our discretion, Close Out some or all open Positions until the Maintenance Margins paid on your Account are fully covered by Equity. When closing Positions, our automated COM system or our dealing desk operates on a best endeavour basis and closes the Positions with the largest running losses and applies the First In First Out ('FIFO') policy for the Positions with the same running losses. Exceptions may apply dependant on market conditions and other factors including but not limited to, accounts with multiple Positions that are held with or without stop orders. It is important to note that any open Positions are deemed to be at risk of being closed out as soon as your Account falls below the Maintenance Margin.
- (3) Mitrade has the right to limit the size of your open Positions, whether on a net or gross basis under any appropriate circumstances as determined by Mitrade. Mitrade also has the right to refuse any request made by you to place an order to establish a Position at any time at Mitrade's discretion without having to give you a notice.

13. TAXATION

13.1 Introduction

- (1) If you trade in Margin FX Contracts or CFDs, you may be subject to Australian taxation. This section outlines general information about significant Australian income tax and GST implications of trading derivatives.
- (2) The information contained in this section is of a general nature only and is not intended to constitute legal or taxation advice and should not be relied upon as such. Mitrade recommends that you obtain independent professional taxation advice on the full range of taxation implications applicable to your own personal facts and circumstances.

13.2 Tax consequences of trading margin FX and CFDs

- (1) The ATO has not issued any specific Tax Ruling or Determination in respect of Margin FX Contracts. However, they are similar in nature to CFDs in that they are both cash settled derivatives which provide the investor with exposure to price movements in Underlying Instruments traded on markets, without directly investing in those Underlying Instruments. The taxation of CFDs is set out in ATO Tax Ruling TR 2005/15. Under TR2005/15, if you enter into a CFD Position in the ordinary course of your business or for profit-making purposes, it is likely that any profit derived or loss incurred by you will be included in, or allowed as a deduction from, your assessable income.

13.3 Goods and Services Tax

- (1) GSTD 2005/3 states that no GST should be payable in relation to your trading of Margin FX or CFDs with Mitrade. However, GST may apply to certain fees and costs charged to you.

14. DISCLOSURE OF INTERESTS

Mitrade is a market maker, not a broker, and accordingly and unavoidably will always act as principal for its own benefit in respect of all Margin FX Contracts and CFD transactions with you. Mitrade will conduct transactions to hedge its liability to you in respect of your Margin FX Contract or CFD Positions by undertaking transactions with its hedge counterparty. Such trading activities may impact (positively or negatively) the prices at which you may trade Margin FX Contracts and CFD products.

15. ETHICAL CONSIDERATIONS

Our Products do not have a managed investment component. Labour standards or environmental, social or ethical considerations are not taken into account by us when making, holding, varying or closing out our Financial Products.

16. CHANGING YOUR MIND – COOLING OFF PROVISIONS

There are no cooling-off arrangements for our Financial Products. This means that you do not have the right to return the Financial Product, nor request a refund of the money paid to acquire the Financial Product. You are bound by the Client Agreement when you enter into a Contract.

17. COMPLAINTS

17.1 Mitrade maintains a formal complaint handling procedure, please refer to the Complaint Policy on our website for details. We will investigate any complaints received in accordance with our complaints handling procedures internally. If you have any complaints, please firstly contact us using the details below to inform us about your complaint. You may do so by telephone, email, Live Chat, or letter.

Mitrade Global Pty Ltd

Level 13, 350 Queen Street
Melbourne, VIC 3000

Phone: + 61 3 9606 0033

Email: cs.au@mitrade.com

17.2 We'll handle and investigate your complaint internally in the first instance. You may also be able to escalate your concerns to an external body for a resolution. Please note that while you can still access the external dispute resolution provider Australian Financial Complaints Authority ('AFCA') as a Wholesale Client, you may be treated differently given your status as an experienced wholesale investor and your matter may be excluded at AFCA's discretion. You can contact AFCA using these details:

Australian Financial Complaints Authority

GPO Box 3
Melbourne VIC 3001
Australia

Phone: 1800 931 678

Email: info@afca.org.au

Website: www.afca.org.au

18. PRIVACY POLICY

Your privacy is important to us. The information provided by you to Mitrade in connection with your Account will primarily be used for the processing of your Account application and for complying with certain laws and regulations. We may use this information to send you details of other services or provide you with information that we believe may be of interest to you. Full details of our Privacy Policy are available from our website

19. GLOSSARY

“Account” means the account you use to deal in the Financial Products issued by Mitrade, which is established in accordance with the Client Agreement, this PDS and other applicable disclosure documents;

“Agreement” means the Client Agreement, this PDS, the FSG and any other applicable documents and policies, which together govern our relationship with you;

“AML/CTF Act” means the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) and all regulations, rules and instruments made under that legislation, as updated, replaced or amended from time to time;

“Application Form” means the form available on our website which must be completed in order to open an Account;

“Authorised Person” means a person authorised to bind you under this Client Agreement;

“Base Currency” means the main currency used in a given Account to display account information such as Margin Requirements, Account balance and fees and charges;

“Business Day” means a day on which trading banks in Melbourne, Australia are open for business, excluding any public holidays and weekends;

“CFD” is a Contract For Difference which is an over-the-counter derivative product comprising an agreement under which one party is entitled to be paid an amount of money (profit), or has to pay an amount of money (loss), resulting from movements in the price or value of an Underlying Instrument or security (without actually owning that Underlying Instrument or security);

“Client” means you, the counterparty or prospective counterparty to Mitrade’s Margin FX Contracts and CFDs;

“Client Agreement” means the document containing the terms and conditions governing Mitrade’s relationship with you;

“Client Money” means the money that our clients have deposited with us and which is held by us under the Australian Client Money Rules;

“Close of Business” means the time at which the market of the Exchange, on which the Underlying Instrument over which a CFD is quoted, normally closes on any Business Day;

“Closing Notice” means in relation to a CFD the notice given by one party to the other to close any CFD in accordance with the Client Agreement and this PDS;

“Closing Price” means in relation to a CFD, the Underlying Instrument Price as determined by Mitrade at the time Mitrade receives the Closing Notice;

“Closing Value” means in relation to a CFD the Closing Price multiplied by the Contract Quantity;

“Collateral” means any property (including securities or other assets by agreement under special circumstances) deposited with Mitrade by you;

“Confirmation” means the email or any other notice sent to you from Mitrade on or up to 2 business days after the transaction containing the identification details of the product issuer and you, the date of the transaction, description of the transaction, amount payable and any taxes or stamp duty applicable to the transaction;

“Contract” means any contract whether verbal or written, for the purchase or sale of a financial product, entered into by you. Used interchangeably with ‘Position’;

“Contract Value” means in relation to a CFD the Underlying Instrument Price multiplied by the Contract Quantity;

“Contract Quantity” means in relation to a CFD the number of Underlying Instruments to which the CFD relates;

“Corporations Act” means the Corporations Act 2001 (Cth);

“Corporations Regulations” means the Corporations Regulations 2001 (Cth) as updated, replaced or amended from time to time;

“Cryptocurrency” means a digital asset that is subject to significant volatility and risks.

“Event of Default” means each of the following:

- (a) you fail to meet a call for Margin or make any other payment when due under this Client Agreement;
- (b) you are not contactable by Mitrade (and have not made alternative arrangements) within the time specified by Mitrade in order for Mitrade to obtain instructions (where required);
- (c) you die or become of unsound mind, or the partnership, trust or company is dissolved or ceases to exist for any reason;
- (d) you suspend payment of its debts, make any composition with your creditors, have a receiver appointed over some or all of your assets, take or has any proceedings taken against you in bankruptcy or takes or allows any steps to be taken for its winding up (except for a solvent amalgamation or reconstruction approved in advance in writing by Mitrade) or anything similar to any of these events happens to you anywhere in the world;
- (e) you fail in any respect fully and promptly to comply with any obligations to Mitrade under this Client Agreement or otherwise or if any of the representations or information supplied by you are or become inaccurate or misleading in any material respect;
- (f) any guarantee, indemnity or security for your obligations is withdrawn or becomes defective, insufficient or unenforceable in whole or in part;
- (g) any security created by any mortgage or charge binding your assets becomes defective, insufficient or unenforceable in whole or in part;
- (h) this Client Agreement has been terminated;
- (i) the Client engages or is reasonably suspected of engaging in Unauthorised Activities; or
- (j) it becomes or may become unlawful for Mitrade to maintain or give effect to all or any of the obligations under this Client Agreement or otherwise to carry on its business or if Mitrade or you are requested not to perform or to close out a transaction (or any part thereof) by any governmental or regulatory authority whether or not that request is legally binding.

“Financial Product” includes the Margin FX Contracts and Contracts for Difference issued by Mitrade;

“Governing Legislation” means the Corporations Act 2001 and the regulations made under it and all applicable financial services laws (as defined by section 761A of the Corporations Act 2001) as well as ASIC regulatory guides;

“Initial Margin” means an amount required to be deposited by you with Mitrade to open a Position, calculated as a percentage of the Contract Value as at the time the Position is opened. This amount is updated real time based on market price of the Underlying Instrument;

“Long Party” means the party identified as having notionally bought the Underlying Instrument with a view that the price of the Underlying Instrument will increase;

“Maintenance Margin” means the level below which Mitrade shall have the discretion to close out Positions without further notice, regardless of whether any Margin Calls have been issued;

“Margin” means Initial Margin or Maintenance Margin or both;

“Margin Call” means a call normally made on you in the form of a pop-up alert via the Mitrade Platform, restricting you from opening up further exposures and allowing Mitrade to close out your Positions without further notice unless and until you bring your Equity back above 100% of the Total Initial Margins required on the Account;

“Margin FX Contract” means a contract between you and us under which you may make a profit or incur a loss arising from fluctuations in the price of the foreign currency;

“Margin Percentage” means the percentage rate of Initial Margin applicable to your Contract as specified by us in our sole discretion and published on our website;

“Margin Requirement” means the amount of money that you are required to pay to us and deposit with us for entering into a trade and/or maintaining open Contracts;

“Negative Balance Protection” refers to an automatic adjustment of Account balance from negative equity to zero in the event of a stop out. See clause 20 of the Client Agreement (found on Mitrade’s website) for more information;

“Operating Rules” means the rules, regulations, customs and practices from time to time of any exchange, clearing house or other organisation or market involved in the execution or settlement of any financial product transaction or contract;

“Order” means a set of instructions from a client to Mitrade to purchase or sell a Financial Product;

“Overnight Funding” means the charge either added or subtracted from the balance of your Account when rolling transactions over to the next trading session;

“PDS” means the Product Disclosure Statement, which is part of the Agreement;

“Position” means any contract whether verbal or written, for the purchase or sale of a financial product, entered into by you or by an entity authorised to transact on your behalf. Used interchangeably with ‘Contract’;

“Relevant Exchange” means, in relation to a CFD transaction, the financial market on which the reference security which forms the subject of the CFD is quoted and is able to be traded. If the reference security is quoted on more than one financial market, Mitrade will advise you of the Relevant Exchange for the purposes of the CFD, at the time the CFD is entered into;

“Retail Client” has the same meaning as in section 761G of the Corporations Act 2001 (Cth);

“Short Party” means the party identified as having notionally sold the Underlying Instrument with a view of the price of the Underlying Instrument decreasing;

“Wholesale Client” “Wholesale Client” has the same meaning as in sections 761G and 761GA of the Corporations Act 2001 (Cth).

“Sophisticated Investor” means a person who would be a Wholesale Client only through the application of section 761GA of the Corporations Act 2001 (Cth);

“Target Market Determination” means the target market determination made for the purposes of section 994B of the Corporations Act.

“Total Initial Margins” means the total of all Initial Margins required for trades currently open on an Account at any given time;

“Trust” means where you are a trust, the trust identified in the Application Form;

“Trading Platform” means the electronic Trading Platform provided by Mitrade through which clients can trade in Mitrade’s products;

“Trust Deed” means where you are a trust, the trust deed governing the Trust as varied, substituted, supplemented or resettled from time to time;

“Unauthorised Activities” means the term as defined in the Client Agreement;

“Underlying Instrument” means the instrument which we list as being the reference on which our Margin FX Contract and CFD prices are based. An Underlying Instrument could be an index, commodity, currency, cryptocurrency or other instrument or asset or factor the reference to which the value of a financial product is determined;

“Underlying Instrument Price” means in relation to a CFD the current price of the Underlying Instrument



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