

# Terms and Conditions

Pepperstone Group Limited

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Risk Warning: Trading leveraged products like Margin FX and CFDs puts your capital at risk and if you're a Wholesale Client, losses can exceed deposits. You should consider whether you can afford to take the high risk of losing your money.

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## 1. Getting started

### Applying for an Account

- 1.1 You need to have an active Account before you can trade with us. You can apply for more than one Account.

- 1.2 This is the process for applying for, opening and activating your Account:
- (a) you need to complete an Application Form, which we'll decide to accept in our sole discretion;
  - (b) if we accept your Application Form, we'll open an Account for you;
  - (c) if we need you to pay us money as Margin, subject to clause 1.3:
    - (i) you need to deposit the Margin that we ask for into our trust account; and
    - (ii) once your money has been cleared, we'll credit your Account with the Margin that you've deposited.

1.3 We'll hold any money that you pay to us in compliance with Australian Client Money Rules and clauses 4.6 to 4.8 of these Terms.

### Term

1.4 The Agreements take effect when you accept them online as part of your Account application process and will remain in force unless terminated under these Terms.

### No personal advice

1.5 The contents of these Terms and any advice that we give you is general information only and doesn't take into account your personal situation, financial objectives or needs. In particular, we don't provide personal advice about whether you should open, hold or Close-Out a Contract. You're entirely responsible for assessing the features and risks of the products that we offer and seeking your own independent advice about whether they're suitable for you, before you trade with us.

### Underlying Assets

1.6 You acknowledge that when you trade with us, you don't own, have any rights in, or take physical delivery of any Underlying Assets, and there's no exchange of one Underlying Asset for another.

### Appropriateness

1.7 We're required to ensure that our products are only distributed to people who have suitable levels of knowledge and experience to trade them. Before you're able to trade, you'll need to pass our appropriateness test, which contains questions about your financial strength and your knowledge and experience in products that we offer. You must ensure that the information that you provide in the

appropriateness test is true and accurate. Unless you tell us otherwise in writing that the information you've previously provided is out of date, we'll be entitled to rely on it.

### Client classification

- 1.8 Your client classification will determine the level of regulatory protection that you'll get when you trade with us. Unless you apply for and are approved as a Wholesale Client, you'll be treated as a Retail Client in compliance with the Corporations Act. Retail Clients are given the highest regulatory protections available.
- 1.9 If you want to be classified as a Wholesale Client, you'll need to meet one of the Corporations Act wholesale classifications and our policy requirements.
- 1.10 If you're a Wholesale Client and want to be re-classified as a Retail Client, you'll need to provide us with a written request for re-classification.
- 1.11 If you're a Wholesale Client, you're responsible for letting us know if you have a change in circumstances that warrants a re-classification of your client status to a Retail Client.
- 1.12 We may carry out additional reviews of your client classification at any time, at our discretion. We'll tell you in writing if anything impacts your classification.

### Entering into a Contract with you

- 1.13 We enter into a Contract with you when we accept an Order that you've submitted, provided that you comply with your obligations under the Agreements. Please refer to clause 2 of these Terms for more information on Orders and pricing.
- 1.14 Whenever we send you a notice that sets out an amount or rate for a Contract or Order, you should take it as evidence of that amount or rate, unless it's proven incorrect. You're responsible for verifying the contents of each notice that you receive from us. We'll take our notices to be correct and conclusive, unless you tell us otherwise in writing within 3 Business Days of receiving it.
- 1.15 We enter into each Contract with you as a principal. We don't enter into Contracts as an agent on your behalf.
- 1.16 You also enter into each Contract with us as a principal, unless we otherwise agree with you in writing.

- 1.17 You can instruct us to enter into a Contract which is opposite to one or more of your open Contracts.

### **Closing-Out your Contract**

- 1.18 Your open Contract is Closed-Out:
- (a) when we accept your Order requesting Close-Out of your Contract (including where the Order is deemed to be a Close-Out under clause 1.18 of these Terms);
  - (b) automatically by the Platform if a Margin stop out is triggered under clause 5; or
  - (c) by us under clauses 2.21, 5.6, 8.1, 9.2, 10.4, 11.2 or 15.2.
- 1.19 If your Contract is Closed-Out, we'll pay you any Profit and you must pay us any Loss on your Account, to the extent that these amounts haven't already been prepaid under clause 5 of these Terms.

### **Trading on your Account**

- 1.20 You must not permit another person to trade on your Account (as your agent or otherwise) without our written approval and without first completing any documents and due diligence process that we require from you and your proposed agent regarding these arrangements. You acknowledge that you're entirely responsible for any activities carried out by another person on your Account, whether or not you've appointed them as an agent in compliance with these Terms.
- 1.21 If you act as an agent for another person, we won't accept that person as a 'client' (as defined in the Corporations Act) unless we agree with them in writing and have them complete the required documents, regardless of whether you identify that person to us.
- 1.22 You must let us know immediately if you've withdrawn your agent's authorisation.
- 1.23 We reserve the right to decline or terminate any agency arrangements in our sole discretion.

### **Treating your Accounts separately**

- 1.24 If you've opened more than one Account with us, we'll treat your Accounts as entirely separate, except as otherwise set out in the Agreements.
- 1.25 If you have a credit on one of your Accounts, you're not released from any of your liabilities regarding your other Accounts, except where

we exercise our rights under clause 5 and clause 15.3 of these Terms.

- 1.26 We can, in our absolute discretion, agree to treat your Accounts as one Account if you ask us to do so in writing. In this case, all references to your Account in the Agreements will be taken to be your total Accounts. We'll let you know whether we agree to treat your Accounts as one Account within 7 days of receiving your request.

### **Our Platform**

- 1.27 The Platform is an online facility that allows you to execute your trades as well as view, download and print the Confirmations and other reports that we provide about your Account.
- 1.28 It's your responsibility to understand and assess the Platform before trading with us.
- 1.29 You can access and use the Platform to:
- (a) submit Orders to us;
  - (b) receive Confirmations and other reports that we make available to you by posting in the Platform;
  - (c) review your Contracts; and
  - (d) monitor your obligations under the Agreements.
- 1.30 The Platform is provided by third parties and because of this, we don't control, endorse or vouch for the accuracy or completeness of the Platform. It's provided to you on an "as is" basis, without any express or implied warranty or guarantee from us and we don't promise that it's fit for a particular purpose.
- 1.31 You agree that with respect to any market data or other information that we or our third party providers provide to you in connection with your use of the Platform:
- (a) we and our third party providers exclude any express or implied warranty or guarantee and we're not responsible or liable if any data or information is inaccurate or incomplete in any respect;
  - (b) we and our third party providers aren't responsible or liable for any actions that you take or don't take based on the data or information;
  - (c) you'll use the data or information solely for the purposes set out in this Agreement; and

- (d) the data or information is proprietary to us or our third party providers (as relevant) and you won't redistribute, publish, disclose or display in any data or information to third parties, in whole or in part, except as required by any applicable laws or as agreed by us.

1.32 These terms apply to Contracts that you execute through our Platform:

- (a) we're not liable to you for any loss, expense, Cost or liability that you suffer or incur because of any failure of the Platform, the Platform being unavailable (including planned maintenance), data or service interruptions, transmission failure or delays or similar technical errors arising out of or in connection with the use, operation, performance and/or error or malfunction of the Platform, other than as a result of our fraud, willful default or negligence;
- (b) we're not liable to you for any removal of Profits or Losses you might suffer due to errors in quotes which are the result of our typing errors, feed errors or any incorrect perception of information that you enter into the system other than as a result of our fraud, willful default or negligence;
- (c) we're entitled to make the necessary corrections in your Account based on the market value of the relevant Underlying Asset the time an error occurs;
- (d) the price of your Contract may change in the time between when we initially offer it to you and when we receive your Order, because of delays in transmission between you and us. If we offer automatic Order execution to you, we're entitled to change the price at which your Order is executed to the market value at the time we receive the Order from you;
- (e) our Platform may be available in several versions, which can vary regarding certain features, including but not limited to the level of security applied and products and services available. We're not liable to you for any loss, expense, Cost or liability that you suffer or incur because you've used a different version of the Platform than our current standard version (with all available updates installed);
- (f) you're responsible for all Orders and for the accuracy of all information sent via the Platform using your name, password or any

other means of personal identification implemented to identify you;

- (g) you must keep all passwords secret and ensure that no one else accesses your Account;
- (h) you're liable to us for Contracts executed via your password even if you haven't allowed your password to be used or your Account is wrongfully accessed; and
- (i) any Confirmation that we send or make available to you on the Platform is our confirmation of a Contract, regardless of whether the Platform confirms that the Contract is executed immediately when you send your instructions.

## Our Trading Hours

1.33 The Platform opens on Sunday at 5:01pm New York (EST) time and closes at 4:55pm New York (EST) time Friday. You can view live prices and place live Orders during these hours except during rollover from 4:59pm to 5:01pm New York time, when trading is disabled. You can still access the Platform and view your Account, market information, research and our other services outside of these hours, but you acknowledge that you won't be able to trade or access any live prices.

1.34 We'll provide services to you outside of these hours at our sole discretion. Trading times for each Contract may vary within these times, please check our [website](#) for further information on trading sessions for your Contract.

1.35 We're not obliged to quote Underlying Asset prices or accept Orders on a public holiday in any jurisdiction which, in our reasonable opinion, affects the relevant Underlying Asset. We provide notices of public holidays and the Underlying Assets affected within the Platform.

## 2. Orders and pricing

### Quoting Underlying Asset prices

2.1 We quote the prices at which we're prepared to enter into a Contract with you.

2.2 You acknowledge that:

- (a) any quote that we provide you under this clause 2 is indicative only; and
- (b) we don't enter into a Contract with you until we accept your Order, in compliance with the Agreements.

## Placing an Order with us

- 2.3 By placing an Order with us, you can:
- (a) offer to enter into a new Contract with us; or
  - (b) ask us to Close-Out an open Contract.
- 2.4 You can provide us with verbal or written Orders (including via the Platform as set out below). We'll acknowledge your instructions either verbally or in writing, as appropriate.
- 2.5 Your Order can be:
- (a) a day Order, which means that your Order will be automatically cancelled at 22.00 GMT; or
  - (b) a "good 'til cancelled" Order, which means that your Order will remain capable of being accepted by us, until either you cancel it or we accept it.
- 2.6 Before placing an Order you're responsible for ensuring that:
- (a) the amount of money that you have on deposit in your Account is equal to or more than the Margin that we require for your Order; and
  - (b) you comply with clauses 5 and 7 of these Terms.
- 2.7 You must provide us with these details when you place an Order with us:
- (a) whether you intend to be the Long Party or the Short Party under the Contract;
  - (b) the Contract Quantity; and
  - (c) the Underlying Asset and any other information that we require for your Order.

## Our acceptance of your Order

- 2.8 We can accept an Order from you in whole or in part, at our discretion. We accept your Order when we record the transaction that relates to your Contract in our system.
- 2.9 If we decide not to accept your Order, we'll let you know.
- 2.10 If we accept your Order, we'll send you a Confirmation. We can email Confirmations and other reports to you in addition to making them available to you within the Platform. You acknowledge that we're not obliged to provide you with any other notice of acceptance.
- 2.11 Once we accept your Order, it's binding on you. You acknowledge that the validity of your Order

and/or your Contract won't be affected if you don't receive a Confirmation.

- 2.12 You can place these types of Orders (or a combination of them) with us:
- (a) market Orders, to trade a Margin FX Contract or CFD as soon as possible at the price available in the market; or
  - (b) Limit Orders and Stop Loss Orders to trade when the price reaches a predefined level, as applicable to the various Underlying Assets offered.
- 2.13 You must place Limit Orders to buy and Stop Loss Orders to sell below the current market price.
- 2.14 You must place Limit Orders to sell and Stop Loss Orders to buy above the current market price.
- 2.15 If the bid price for a sell Order or ask price for a buy Order is reached, the Order will be filled as soon as possible at the price available in the market. We can't guarantee that Limit Orders or Stop Loss Orders will be executed at the specific level or amount you set.
- 2.16 If you ask us to cancel an Order and we don't receive your request until after we've accepted that Order, the Contract or Close-Out resulting from our acceptance of your Order is valid and binding on you and us under the Agreements.
- 2.17 You acknowledge that any action you take to modify or cancel an Order is ineffective unless:
- (a) we've received a cancellation notice from you in a form that's acceptable to us; or
  - (b) we've cancelled the Order in our system.
- 2.18 If there's a conflict between:
- (a) the Agreements; and
  - (b) our records of a Contract or an Order, our records of the transaction will prevail.

## Pricing errors

- 2.19 It's possible for errors, omissions or misquotes ("**Material Errors**") to occur in the pricing that we quote for Contracts.
- 2.20 A Material Error may include an incorrect price, date, time or any error or lack of clarity of any information regarding a Contract.



- 2.21 If your Contract is based on a Material Error, we reserve the right to do any of these things (or a combination of them), without your consent:
- (a) amend the terms and conditions of the Contract to reflect what we consider to have been a fair price at the time the Contract was entered into, had there been no Material Error;
  - (b) apply an equity adjustment to your Account, if:
    - (i) the value of the adjustment reflects what we consider to have been the fair price at the time the Contract was entered into, had there been no Material Error; and
    - (ii) we provide you with a record of the adjustment as soon as reasonably practical afterwards;
  - (c) Close-Out your Contract;
  - (d) require you to repay us any money we've paid you regarding the Contract;
  - (e) void the Contract from the outset; or
  - (f) not take any action to amend or void the Contract.

2.22 We'll exercise our rights under clause 2.21 reasonably, in good faith and as soon as we're reasonably able to after we become aware of the Material Error. Where possible, we'll let you know before we take any action under this clause, but if that's not possible, we'll let you know as soon as possible afterwards.

2.23 In the absence of fraud or gross negligence on our part, we're not liable to you for any loss, Cost, claim, demand or expense that you incur or suffer (including loss of profits or indirect or consequential losses), arising from or connected with a Material Error, including where the Material Error arises from an information service that we rely on.

### 3. Dealings between you and us

3.1 We're entitled to act on the verbal or written Orders that we receive using your username, account number, user ID and/or password:

- (a) of any Authorised Person; or
- (b) of any person who appears to us to be an Authorised Person, even if that the person doesn't actually have authority.

3.2 You agree to promptly provide us with the relevant instructions when we require them from you. If you don't give us prompt instructions, we may, in our absolute discretion, take whatever steps we think are necessary (at your cost) for the protection of you or us, at our discretion. This provision also applies in situations when we're unable to contact you.

3.3 If we receive an instruction to pay you money that's due to you, or if we otherwise think it's warranted, we may ask you for confirmation of your instructions.

3.4 If you're more than one person entering into the Agreements (for example, joint account holders):

- (a) you're jointly and severally liable under the Agreements;
- (b) we may act on instructions received from any one of you, provided those instructions come from, or appear to us to come from, you, whether or not you're an Authorised Person;
- (c) any notice or other communication that we provide to one of you, is taken to be provided to all of you; and
- (d) our rights under clause 15 apply if an Event of Default occurs regarding any one of you.

## 4. Payments to and from your Account

### Adjustments to your Account

4.1 You can access this information in your Account:

- (a) the Contracts that you've entered into with us;
- (b) the payments you've made or that you're required to make to us; and
- (c) the payments we've made or that we're required to make to you.

4.2 You permit and direct us to do any of these things regarding your Account, without letting you know:

- (a) debit from your Account any Free Balance that you request to withdraw and any money that you owe us under the Agreements;
- (b) credit to your Account any money that you deposit and any amounts that we owe you under the Agreements; and
- (c) designate the money in your Account as either Free Balance or Margin depending on

the amount of money that you deposit with us, your Orders, Contracts and market movements, in compliance with the Agreements.

## Payment methods

- 4.3 We reserve the right to remove or restrict the payment methods that you use to deposit and withdraw money from your Account.
- 4.4 We'll only accept withdrawals/deposits of money if we're satisfied that you or your Authorised Person is the sender of the money. You mustn't use third parties to fund your account.. If we decide that the money has come from someone other than you (i.e. from a funding method in someone else's name), we reserve the right to decline your deposit and return the money to the original payment method, net of any transfer fees and charges that we've incurred.
- 4.5 If we're not satisfied that a payment method is in your name, we reserve the right to ask you for documents to prove this before we decide whether to credit your Account.

## How we use the money that you deposit with us

- 4.6 We deposit the money that you pay us into our trust account, which is an account operated in compliance with the Corporations Act and the Australian Client Money Rules.
- 4.7 You acknowledge and agree that:
- (a) we don't keep your money separate from the money of other clients in our client money trust account;
  - (b) we'll only withdraw your money from our client money trust account to:
    - (i) make a payment in line with your written directions;
    - (ii) withdraw fees charged as part of a deposit or withdrawal transaction;
    - (iii) pay money to us that we're entitled to as a result of you trading with us;
    - (iv) make a payment that's otherwise permitted by law or in compliance with the operating rules of a licensed market; and
    - (v) we reserve the right, at any time in our sole discretion, to setoff the net sum of any unrealised profits and losses you have incurred on an open Contract against any money that we hold on your behalf to your credit;

- (c) we're entitled to invest the money in our client money trust account in compliance with the Corporations Act and associated regulations, including in:
  - (i) investments that we're permitted to invest in;
  - (ii) investment on deposit with any eligible money market dealer;
  - (i) investment on deposit at interest with any Australian ADI;
  - (ii) the acquisition of cash management trust interests;
  - (iii) investment in a security issued or guaranteed by the Commonwealth or a state or territory; and/or
  - (iv) investment on deposit with a clearing and settlement facility;
- (d) unless we otherwise agree in writing with you:
  - (i) we're solely entitled to any interest or earnings derived from your money being deposited in our client money trust account, the bank account of our Liquidity Providers or invested by us in compliance with the Corporations Act;;
  - (iii) if an investment of your money is realised, we must either re-invest the money in another investment permitted by the Corporations Act or deposit it into a trust account operated in compliance with the Corporations Act;
  - (ii) if the amount we receive when an investment of your money is realised is less than the initial amount that you invested, we must pay an amount equal to the difference into our client money trust account for your benefit, except where that difference is the result of money paid to us out of the investments in compliance with the Agreements; and
  - (iii) we won't charge you a fee for investing your money in compliance with the Corporations Act; and.
- (e) in line with the Australian Client Money Rules, if you're a Retail Client or Sophisticated Investor, we don't use your money in our client money trust account to meet our hedging obligations with our



Liquidity Providers, or for meeting trading obligations with other clients.

- 4.8 If there's been no activity on your Account for at least six years and we haven't been able to contact you after taking reasonable steps to, you understand that we may stop treating your money as client money and can deal with that money in accordance with the Unclaimed Money Act 2008 (Vic).

### Withdrawing your Free Balance

- 4.9 If your Account shows that you have Free Balance, you can ask us to pay some or part of that Free Balance to you.
- 4.10 Please note that we can choose to withhold some or all of any withdrawal that you request at our discretion if:
- (a) we need you to maintain a certain amount of money in your Account to meet our Margin requirements under clause 5;
  - (b) we're entitled to withhold the amount under the Corporations Act; or
  - (c) in line with clauses 4.3 and 4.5 of these Terms.
- 4.11 We'll let you know as soon as reasonably possible if we decide to withhold any part of your Free Balance under clause 4.9.
- 4.12 It may take us up to 3 business days to process your withdrawal request. If further information is required under clause 4.5, this may further delay processing of your withdrawal. We'll take all reasonable steps to keep you informed about the progress of your withdrawal requests under this clause, including any delays and other information that we need.
- 4.13 You acknowledge and agree that we'll deposit the money that you withdraw into your registered bank account or another facility supported by us:
- (a) on the value date received by the institution, net of any transfer fees or other charges that we've incurred which have been imposed by the institution (or intermediary involved in the process) that holds the funds;
  - (b) using the same transfer method, and the same remitter through which we originally received the money from you. In this situation, we'll return the part of the money you've requested net of any transfer fees or other charges that we incur; and

- (c) at our discretion, in the same currency as we originally received the deposit from you. If the deposit currency is different to your nominated Account currency (from those listed in clause 6.8), we'll convert the amount into the deposit currency in compliance with clauses 7.7 to 7.11 of these Terms.

- 4.14 We reserve the right to decline a withdrawal that you have requested using a specific payment method and suggest an alternative to your chosen payment method.
- 4.15 You acknowledge that the holding institution may reverse some or all of the money you've requested to withdraw, for any reason. If this happens, we'll need to immediately reverse the amount from your Account, net of any transfer fees or other charges that we've incurred, using the same payment method through which we originally received the funds.

## 5. Margin requirements and Platform systems

### Your Margin obligations

- 5.1 You acknowledge that it's your responsibility to be aware of our Margin requirements and agree to pay money into your Account to meet those requirements, at all times while your Contract is open. We're not obliged to let you know when the money you have on deposit in your Account is less than our Margin requirements (i.e. to make a Margin Call).
- 5.2 Margin requirements are available within the Platform or our Website. Margin tiers for Wholesale Clients are available on our website.
- 5.3 If you have multiple Accounts:
- (a) we'll calculate your Margin requirements separately for each of your Accounts;
  - (b) we may, but we're not obliged to, automatically transfer any Free Balance that you have in any of your Account(s) to your other Account(s) to meet our Margin requirements.
- 5.4 The Margin requirements for hedged positions may vary depending on the Platform that you're using.
- 5.5 If the money in your Account isn't enough to cover our Margin requirements for your

Contract, you must Close-Out your Contract and/or transfer the necessary additional money to us in cleared funds.

- 5.6 If we ask you to transfer money to us to meet our Margin requirements, you must take this action immediately. If you don't, we'll consider it an Event of Default under these Terms. We may also cancel any Orders or Close-Out one or more of your Contracts or part of a Contract at our sole discretion without being liable to you, regardless of whether you transfer additional money to us under this clause 5.
- 5.7 If you are a Retail Client and your Net Equity falls below 50% of your margin requirement, we will, as soon as market conditions allow, Close-Out one or more of your open Contracts until the Net Equity is equal to or greater than 50% of your Margin requirement.
- 5.8 You can calculate the Margin requirements for your Contract from within the Platform. When placing Orders over the phone, it's your responsibility to request all relevant information in respect of your Account, including any open Contracts, to ensure you meet our Margin requirements. We're not responsible for any losses you incur as a result of failing to request this information.
- 5.9 There may be differences between the way Margin is calculated on an Account basis between the Platforms. Before using a Platform, we recommend that you make yourself aware of the specific Margin requirements by visiting our website or the Platform.
- 5.10 Each type of Platform that we offer has a different Margin Call and stop-out system. We don't provide any guarantee regarding your receipt of Margin Call notifications. We're not responsible for any transmission failures, delays or technical errors of any Margin Call triggered by us or the Platform. We, or the Platform, may change the Margin Percentage trigger for Margin Call notifications from time to time. If this occurs, we'll let you know.

### Accessing the Platform

- 5.11 If we're not able to give you access to the Platform to view your Account information because of circumstances outside of our control, we'll attempt to contact you to ask you to deposit more money into your Account to meet our Margin requirements. You

acknowledge that in extreme circumstances where your Contract is moving or has moved particularly quickly against you, we may not be able to contact you before exercising our rights to Close-Out your Contract under the Agreements. This waiver applies to you regardless of any communications we have with you.

## 6. Negative equity balances

- 6.1 When certain market conditions take place that are outside of our control, the Platform's automated stop-out procedures may not prevent you from incurring a negative equity balance on your Account.

### *Negative Balance Protection for Retail Clients*

- 6.2 In this situation, if you're a Retail Client, you won't be liable for any negative equity balance on your Account.

### *Negative Balance Protection for Wholesale Clients*

- 6.3 As a Wholesale Client, we may, in our sole discretion, provide you with Negative Balance Protection of up to AUD\$100,000 of your total Account balance, which is the combined equity balance of all of your Accounts after all your open Contracts have been Closed-Out. We'll only provide you with this Negative Balance Protection one time. After this, you'll be liable for any negative equity balance on your Account.
- 6.4 We reserve the right to not grant you Negative Balance Protection in cases where we reasonably consider, in our sole discretion, that your negative Account balance has been caused by misconduct or market abuse. Where this is the case, we'll let you know why we haven't applied Negative Balance Protection to your Account.

## 7. Commissions , charges and other costs

### Commissions

- 7.1 You're required to pay us the commissions and other charges that apply to your Contract. To view the commissions and charges applicable

to your Contract, please visit our 'Accounts Overview' page on [www.pepperstone.com](http://www.pepperstone.com) and select the relevant product from the list provided, or refer to the commission and charges information that we have sent you.. For more information on our commissions and other costs if you're a Retail Client, please refer the PDS, or if you're a Wholesale Client, please refer to the Wholesale Client Information Statement.

- 7.2 Generally, we'll vary our commissions and charges (excluding Swap Rates) by giving you 14 days' notice. Sometimes we might need to make these changes more quickly because of circumstances beyond our control. If this happens, we'll give you as much notice as possible. These circumstances include:
- (a) changes in our relationship with our Liquidity Providers which affect our cost structures; and
  - (b) changes in commissions (including as a result of significant currency fluctuations because we're charging commission in foreign currency) and charges from exchanges, clearing houses, information providers or other third party providers that we pass on to you.

- 7.3 We debit our commissions and charges from your Account at Close of Business on the day you incur them.

### **Interest on open Contracts**

- 7.4 If you don't pay us the money that you owe us under the Agreements within our required timeframe, we may charge you interest on the unpaid amount at the default interest rate, which will be the central bank target cash rate for the relevant Underlying Asset, plus 3%, as decided by us. We'll debit the default interest amount from your Account each day until you pay us what you owe under the Agreements.
- 7.5 We may change our default interest rates without giving you notice when the changes are to your advantage, or because of any of these external circumstances that are beyond our control:
- (a) changes in domestic or overseas monetary or credit policies, or developments in money or bond markets that affect interest rates; or
  - (b) changes to our relationships with our Liquidity Providers which affect our cost structures.

- 7.6 In all other situations, we'll give you 14 days' notice before we change our interest rates.

### **Currency conversions**

- 7.7 Money can be paid under the Agreements in these currencies, on the terms set out in this clause: Australian Dollars (AUD), United States Dollars (USD), British Pound Sterling (GBP), Euro (EUR), Canadian Dollars (CAD), Japanese Yen (JPY), New Zealand Dollars (NZD), Swiss Franc (CHF), Singapore Dollars (SGD) or Hong Kong Dollars (HKD).
- 7.8 If you transfer amounts of money that are denominated in different currencies between your Accounts, we'll convert each amount into your nominated currency (from those listed in clause 7.7 above) at the current spot rate, minus a conversion fee that we'll charge you of up to 1 per cent.
- 7.9 Your realised Profits and Losses will be converted into your nominated currency (from those listed in clause 7.7 above) at the current spot rate immediately on Closing-Out your Contract.
- 7.10 We'll debit any money you owe us under clause 7.8 from your Account at Close of Business on the day that a currency conversion occurs.
- 7.11 We may waive or defer our conversion calculation fee at our discretion.

### **Swap Rates**

- 7.12 If your Contract is open at Close of Business it will be subject to a Swap Charge or Swap Benefit, or daily financing costs.
- 7.13 We do this by adjusting the value of your open Contract by an amount equal to the Swap Charge or Swap Benefit, in line with these terms:
- (a) if you're the Long Party and:
    - (i) the bought Swap Rate is positive, we'll credit your Contract with a Swap Benefit; or
    - (ii) the bought Swap Rate is negative, we'll debit your Contract with a Swap Charge;
  - (b) if you're the Short Party and:
    - (i) the sell Swap Rate is positive, we'll credit your Contract with a Swap Benefit; or
    - (ii) the sell Swap Rate is negative, we'll debit your Contract with a Swap Charge.

7.14 We may change our Swap Rates via the Platform without giving you notice. These changes will take effect immediately.

### Other costs

7.15 If you subscribe for certain products, a market data subscription fee may apply. Different market data subscription fees will apply depending on whether or not you are classified as a Private Investor. If market data subscription fees apply, we'll let you know and will provide you with full details.

7.16 If there's been no trading activity on your Account for an extended period of time, we may impose inactivity fees. If we do this, we'll let you know.

## 8. Our rights

8.1 In addition to any other rights we have under the Agreements, we can do these things, with or without letting you know:

- (a) Close-Out all or part of your Contracts in our absolute discretion;
- (b) reduce your position limit;
- (c) refuse your Orders;
- (d) enforce the Contract against you if you owe money to us under the Contract;
- (e) treat the Contract as void from the outset if we owe money to you under the Contract;
- (f) withhold any funds and recover any transfer fees and charges that we've incurred processing your deposit or withdrawal;
- (g) make any corrections or adjustments to your Account;
- (h) terminate the Agreements between us and you, including these Terms;
- (i) adjust the price, size or value of your Contract;
- (j) trigger a password reset on your Account
- (k) adjust the Margin requirements for your Contract; and/or
- (l) take any other action that we consider appropriate.

8.2 We may exercise our rights under clause 8.1 if:

- (a) an Event of Default has occurred;
- (b) we reasonably consider that there are abnormal trading conditions;
- (c) we reasonably consider that it's necessary for the protection of our rights under the Agreements;
- (d) we're unable to make prices in the relevant Contract because the necessary market information isn't available, for reasons beyond our control;

(e) we reasonably consider that it's necessary for the protection of our systems or trading servers;

(f) we decide to do so in our absolute discretion and, in this case only, let you know in writing;

(g) we consider that you may be in possession of 'inside information' within the meaning of section 1042A of the Corporations Act;

(h) we, acting reasonably, believe that you've manipulated our prices, our execution processes or the Platform, including using any electronic device, software, algorithm, trading strategy or arbitrage practice (including but not limited to latency abuse, price manipulation or time manipulation) or carried out any activity with the intent to take unfair advantage of the way that we construct, provide or convey our bid or ask prices or to commit any form of market abuse;

(i) we consider that you may be in breach of any applicable law;

(j) either party is asked to do so by ASIC or any other regulatory agency or authority;

(k) you don't have enough money in your Account to meet our Margin requirements in respect of your Account; or

(l) the total value of your Orders and all other orders for an Underlying Asset is below the minimum or above the maximum values that we reasonably consider appropriate in the market.

8.3 You acknowledge that we're not under any duty to open or Close-Out your Contract or pay any Free Balance to you if we, acting reasonably, believe that doing so would breach our legal or regulatory obligations. If you've opened a Contract before we've formed this belief we may, at our discretion, either Close-Out your Contract at the then prevailing bid or ask price, or void the Contract from the outset.

## 9. Market suspension and disruption

9.1 If, at any time:

(a) trading in an Underlying Asset on any exchange is limited or suspended; or

(b) trading is limited or suspended on any exchange which restricts trading within any relevant index, so that we're prevented from determining the price of the Underlying Asset, then we'll take the price



of the Underlying Asset as being the price immediately preceding the limitation or suspension.

- 9.2 If the limitation or suspension continues for 5 Business Days, we may Close-Out your part or all of your Contract in our discretion. When this happens, we'll decide the Close-Out date and the Close-Out value of your Contract in good faith (the Close-Out value will be the Underlying Asset price x the number of Contracts).
- 9.3 We reserve the right at all times during any limitation or suspension period to adjust the price of any affected Underlying Asset in our reasonable discretion, taking into account the prevailing market conditions.

## 10. Corporate Actions

### Corporate Actions

- 10.1 If your Contract is the subject of a Corporate Action, we'll decide what adjustment, if any, we'll make to your Contract or your Order to:
- (a) preserve the economic equivalent of the rights and obligations of you and us in relation to the Contract immediately before the Corporate Action took place; and/or
  - (b) replicate the same effect of the Corporate Action on your Contract that it would have on someone with an interest in the relevant Underlying Asset. This may include Closing-Out a Contract or opening a new Contract.
- 10.2 We'll act reasonably to decide on any adjustments that we make to your Contract or Order under this clause 10. These adjustments can include changes to the size, value or number of your Contracts and to the level of your Order. Any action that we take under this clause 10 will be effective from a date that we set and may be retrospective. Once we make an adjustment to your Contract or Order, it's binding on you.
- 10.3 If you're the Long Party on the Contract that's affected by a Corporate Action, we'll consider any preferences you have about the action or adjustment we should make to your Contract or Order, provided that you let us know within a reasonable period of time after the Corporate Action. If you're the Short Party, we'll take whatever action that we consider necessary, in line with clause 10.2. We'll let you know about

any adjustment as soon as reasonably practicable.

### Takeovers

- 10.4 If your Contract's Underlying Asset is shares in a company that's the subject of a takeover offer, then:
- (a) we'll use our reasonable endeavours to let you know about the takeover offer;
  - (b) we'll apply the terms of the takeover offer to your Contract, as if you were a holder of the Underlying Asset;
  - (c) we may offer you the opportunity to agree to the takeover offer (as it applies to your Contract), or we may choose to agree to it on your behalf where we, acting reasonably, believe it's in your best interests. In either case, your Contract will be suspended and you won't be able to trade it until the closing date of the takeover offer, when the Contract will be Closed-Out in line with the terms of the takeover offer;
  - (d) you acknowledge and agree that we're entitled to cancel or adjust your Contract or Order to reflect the takeover offer, and that you'll be bound by any cancellation or adjustment that we make;
  - (e) if you don't agree to the takeover offer and we don't agree to it on your behalf, but the takeover goes ahead anyway (for example, if drag-along rights apply), you agree that we're entitled to cancel or adjust your Contract or Order to reflect the takeover offer, and that you'll be bound by any cancellation or adjustment that we make; and
  - (f) we may let you know of our intention to Close-Out your Contract at any time before the closing date of the takeover offer. The Close-Out date of the Contract will be the date that we send this notice to you. We'll decide the price that your Contract is Closed-Out at, based on our reasonable assessment of the market value of the Underlying Asset at the relevant time.

### Voting rights

- 10.5 You acknowledge that we won't transfer voting rights in an Underlying Asset to you, or otherwise allow you to influence how we or any agent that we appoint exercise any voting rights that we hold.

### Interest

- 10.6 We'll assess the value of your open Contracts and calculate the cost of holding the position at the benchmark interest rate plus (or minus) our



fixed overnight charge, which is available on our website. We'll apply a different final interest rate depending on whether you're the Long Party or Short Party:

- (a) if you're the Short Party, you'll receive the benchmark interest rate minus our fixed overnight charge; and
- (b) if you're the Long Party, you'll pay the benchmark interest rate plus our fixed overnight charge.

10.7 For some expiring Contracts, our quote for that Contract (which is based on the Underlying Market), will include an interest component. Please check the Platform to see which of our Contracts contain interest components. We won't adjust expiring Contracts for interest as set out in clause 10.6.

## Dividends

10.8 We'll either credit or debit your Account with a dividend adjustment if the Underlying Asset for your Contract is a stock, share or index which pays a dividend, and your Contract is open on the ex-dividend day for that Underlying Asset.

10.9 If you're the Long Party, unless we agree otherwise with you, we'll credit your Account with a cash adjustment which will generally reflect:

- (a) the net dividend that an Australian taxpayer would receive if they held the same position in the Underlying Asset, if the Underlying Asset is Australian; usual practice if the Underlying Asset isn't Australian.

10.10 If you're the Short Party, we'll debit your Account with a cash adjustment which will generally reflect the pre-tax dividend amount, unless we agree otherwise with you.

10.11 For some expiring Contracts, our quote for that Contract (which is based on the Underlying Market) will include a forecasted dividend component. Please check the Platform to see which of our Contracts contain interest components. We won't adjust expiring Contracts for dividends as set out in clauses 10.8 to 10.10.

10.12 If a dividend is declared or paid for an Underlying Asset of an expiring Contract:

- (a) and the dividend is:
  - (i) a special dividend;
  - (ii) unusually large or small; or

- (iii) payable on an ex-dividend date that's unusually early or late; or

- (b) if a previously regular dividend is omitted, we may make an appropriate adjustment (which may be retrospective) to the price that your Contract is opened at, or the size of your Contract, having regard to dividend payments in previous years for the same Underlying Asset.

## 11. Market abuse

11.1 We may hedge our liability to you by opening analogous positions with other institutions or in the Underlying Market. This can result in your transactions exerting a distorting influence on the Underlying Market when you open or close a transaction as well as an impact on our prices.

11.2 Each time you open or close a transaction, you represent and warrant to us that:

- (a) you haven't and won't place the particular Order with us if doing so would result in either:

- (i) you, or others that you're acting together with; or
  - (ii) us, as a result of our automatic hedging of our exposure to you in respect of your Order;

having an exposure to the price of the Underlying Asset which is equal to or exceeds the amount of a declarable interest in the relevant financial instrument. For the purpose of these Terms, the level of a declarable interest will be the prevailing level at the material time, set by law or regulation or by the relevant exchange upon which the Underlying Asset is listed; and

- (b) you haven't and won't place an Order with us in connection with:

- (i) a placing, issue, distribution or other similar event;
  - (ii) an offer, take-over, merger or other similar event; or
  - (iii) any other corporate finance style activity that you're involved or otherwise interested in; and

- (c) you will disclose any economic interest that you have in the Underlying Asset to which your Order relates, where required by law or regulation;

- (d) you won't open or close any Transaction or place an Order that breaches any law or

regulation regarding insider dealing or market manipulation.

11.3 You acknowledge that for the purpose of complying with our legal and regulatory obligations we may, in our absolute discretion and without being under any obligation to let you know our reason for doing so, cancel any Orders, Close-Out all or part of your Contracts and/or treat your transactions as void. This is in addition to any other rights that we may have under clause 8 of these Terms.

## 12. Your obligations

### Warranties and representations

12.1 You warrant and represent that:

- (a) you've obtained all relevant and necessary consents regarding the performance, validity or enforceability of the Agreements and any Contract or Order you enter into;
- (b) you're not subject to any law or regulation which prevents your performance under the Agreements or any Contract or Order;
- (c) you comply with all laws that apply to you including, without limitation, all tax laws and regulations, exchange control and registration requirements;
- (d) the information you give us is complete, accurate and not misleading;
- (e) unless stated in the Application Form, you're not acting as trustee of a trust;
- (f) none of the money that you've deposited in your Account is subject to an Encumbrance;
- (g) you haven't committed an Event of Default which continues un-remedied;
- (h) you're not subject to any current or pending actions or claims which might have a material adverse effect on your ability to perform your respective obligations under the Agreements, or any Contract or Order; and
- (i) you're not entitled to claim for yourself or any of your assets or revenues, any right of general immunity or exemption on the grounds of sovereignty or otherwise from suit, execution, attachment or other legal process, in respect of your obligations under the Agreements or any Contract or Order;
- (j) if you completed the Application Form in the name of company:
  - (i) you're validly existing under the laws of your country of incorporation; and

- (ii) you have the necessary authority to enter into the Agreements with us;
- (k) if you completed the Application Form in the name of a trustee:
  - (i) you're the only trustee of the trust;
  - (ii) no action has been taken or proposed to either terminate the trust or remove you as trustee of the trust;
  - (iii) you have power under the trust deed to enter into and comply with your obligations under the Agreements and any Contract or Order;
  - (iv) you have a right to be fully indemnified out of the assets of the trust regarding the obligations that you incur under the Agreements and any Contract or Order and the trust fund is sufficient to satisfy that right of indemnity;
  - (v) you're not, and have never been, in default under the trust deed;
  - (vi) you and your directors and other officers (as relevant) have complied with their obligations in connection with the trust; and
  - (vii) you've carefully considered the purpose of the Agreements and any Contract or Order and consider that entering into these documents and transactions is for the benefit of the beneficiaries and that their terms are fair and reasonable; and
- (l) you'll use the services offered by us under the Agreement, Contract or Order in good faith, including:
  - (i) not using any electronic device, software, algorithm, any trading strategy or any arbitrage practices (such as but not limited to latency abuse, price manipulation or time manipulation) that aims to manipulate or take unfair advantage of the way in which we construct, provide or convey our bid or offer prices. You agree that using any device, software, algorithm, strategy or practice in your dealings with us whereby you are not subject to any downside market risk will be evidence that

- you are taking unfair advantage of us; and
  - (ii) not using any electronic device, software, algorithm, or any trading strategy that aims to manipulate or take unfair advantage of our Platform.
- 12.2 The above warranties and representations will be taken as repeated each time you place an Order.
- 12.3 You acknowledge that we've entered into the Agreements in reliance on the representations and warranties in this clause 12.
- 12.4 You agree to:
  - (a) let us know immediately if any warranty or representation that you have made under this clause 12 is or becomes incorrect or misleading;
  - (b) do everything necessary to ensure that no Event of Default occurs; and
  - (c) provide us with any financial or other information relating to you that we may reasonably request.

## 13. Indemnity and Liability

### Indemnity

- 13.1 For the purpose of this clause 13, **the Indemnified Parties** means us, our officers, employees, contractors and agents.
- 13.2 You indemnify us for any Liability or Claim suffered or incurred by the Indemnified Parties in connection with your (including your Authorised Person's) negligence, misrepresentation, fraud, breach of law or breach of the Agreements.
- 13.3 You acknowledge that the indemnity in clause 13.2 applies in circumstances where we've acted in good faith in connection with the Agreements or any Contract or Order, based on instructions which objectively appear to originate from either you or from an Authorised Person on your Account.
- 13.4 If any of the Indemnified Parties contributed to the relevant Liability or Claim then your liability under clause 13.2 is limited to the amount of the Liability or Claim that's directly caused by your conduct.

- 13.5 You agree to pay any amounts that you owe any Indemnified Party under this indemnity on demand from us.
- 13.6 This indemnity survives termination of the Agreements.

### Exclusion of liability

- 13.7 We're not responsible for any Liability or Claim that you suffer or incur through:
  - (a) any action or inaction of any person who uses your login credentials to access your Account, whether or not they're an Authorised Person;
  - (b) any action or inaction of any third party or Related Company of ours in relation to your Account or the Agreements;
  - (c) your exercise or attempted exercise of, failure to exercise, or delay in exercising, a right or remedy under the Agreements;
  - (d) us not accepting your Orders or our delay in accepting your Orders;
  - (e) us not designating or delaying in designating amounts of money in your Account as either Margin or Free Balance; or
  - (f) us acting in compliance with any direction, request or requirement of any regulatory authority or government body,

except where you incur a liability, loss or Cost as a result of our negligence, fraud or willful default.

- 13.8 We're not responsible for any Liability or Claim that you suffer or incur through any failure by us to comply with the Agreements, in circumstances where we couldn't reasonably control or prevent the cause of that failure.
- 13.9 We're not responsible for any indirect or consequential losses or Costs that you suffer or incur including, without limitation, loss of business, loss of profits, failure to avoid a loss, loss of data, loss or corruption of data, loss of goodwill or reputation.

## 14. Taxes

### Stamp Duty

- 14.1 You must pay and account for any transfer or similar duties or taxes, and any loan security or other stamp duties chargeable in connection with any transaction made under the

Agreements. You agree to indemnify us and keep us indemnified against any liability arising as a result of your failure to comply with this clause.

## GST

14.2 Consideration for any supply under the Agreements is exclusive of GST unless we expressly state it to be inclusive of GST.

14.3 If we or any members in our group of companies have to pay GST on any supply under the Agreements, in addition to providing any consideration for that supply (which is exclusive of GST), you must:

- (a) pay us or the relevant member of our group of companies (as the case may be) an amount equal to the GST payable on the supply, without deduction or set-off of any other amount; and
- (b) pay the consideration to us when we ask you to, noting that you don't need to make the payment unless you've received a tax invoice (or adjustment note) for that supply.

14.4 Words in this clause have the same meanings that are given to them in *A New Tax System (Good and Services Tax) Act 1999 (Cth)*.

## Withholding

14.5 If you pay us any money that's subject to any withholding or deduction, you must pay us the relevant additional amount, so that the money we actually receive equals the full amount we would have received had no withholding or deduction been made.

14.6 If we make any payment to you that's subject to any withholding or deduction, we'll pay you the net amount after making the withholding or deduction and won't pay you an additional amount.

## 15. Termination

15.1 If all of your Contracts have been Closed-Out, you may terminate the Agreements, including these Terms and your rights associated with the use of the Platform immediately by giving us notice in writing. Any withdrawal requests will be dealt in accordance with 4.9 to 4.15.

15.2 We may:

- (a) Close-Out any of your Contracts; and
- (b) terminate the Agreements, including these Terms and your rights associated with the use of our Platform, either:

- (i) at any time by giving you 7 days' notice; or
- (ii) immediately and without notice to you, after an Event of Default or to otherwise protect our or your interests.

15.3 On termination by either you or us, we may consolidate all of your Accounts and deduct all amounts that you owe us from any Account, before transferring any credit balances on any Account to you.

15.4 The rights and obligations listed below will continue to apply to you after the Agreements have been terminated, in addition to the rights set out at clause 15.3:

- (a) any indemnity granted by you;
- (b) all of your confidentiality obligations;
- (c) your obligations regarding the Platform under clause 1;
- (d) the representations and warranties that you have given to us;
- (e) any exclusion of our liability under the Agreements; and
- (f) any other rights or obligations you have which arise before the Agreements are terminated.

## 16. General

### Confidentiality

16.1 Each party agrees not to disclose information provided by any other party that isn't publicly available (including the existence or contents of the Agreements) except:

- (a) with the consent of the party who provided the information (and that consent isn't to be unreasonably withheld);
- (b) if allowed or required by law, the Agreements, our Privacy Policy or required by a stock exchange;
- (c) in connection with any legal proceedings relating to the Agreements; or
- (d) to any person in connection with an exercise of rights or a dealing with rights or obligations under the Agreements (including in connection with preparatory steps such as negotiating with any potential assignee or potential sub-participant or other person who is considering contracting with us in connection with the Agreements).

## Consent to telephone recording

16.2 You agree that we may record all telephone conversations, internet conversations (chat and messaging apps), and meetings between you and us and use or disclose those recordings, or transcripts from those recordings, to any party (including but not limited to any regulatory authority and/or court of law) in connection with any dispute or anticipated dispute between us and you or in line with our legal and regulatory obligations.

## Anti-money laundering legislation

16.3 Sometimes we may need you to provide us with information, including identity documents, so that we can comply with AML Laws. By accepting these Terms, you agree to provide us with any information and assistance that we need to comply with AML Laws.

16.4 You acknowledge that we can pass on information that we've collected from you or about your trading activities to government agencies and regulators in compliance with AML Laws or other relevant laws and regulations, without letting you know. We may also carry out checks on you (including checks of restricted lists, blocked people and countries lists) for anti- money laundering and other purposes that we consider to be necessary or appropriate. We reserve the right to take any action regarding these checks without any liability to you.

16.5 You warrant that:

- (a) you're not aware, and have no reason to suspect, that the money you use to fund your Account has been or will be derived from or related to any money laundering, terrorism financing or other illegal activities, whether prohibited under Australian law or international law or convention or by agreement; and
- (b) the proceeds of your investment will not be used to finance any illegal activities.

## Netting

16.6 If at any time both you and we owe each other the same amounts of money under the Agreements, in the same currency, then each of our obligations to make payment of that money will be automatically satisfied and discharged. If the amounts aren't in the same currency, we'll convert the amounts in compliance with clauses 7.16 to 7.20 of these Terms.

16.7 If the total amount of money that's owed by one party exceeds the total amount that's owed by

the other, then both of our obligations to pay each other will be satisfied and discharged when the party who owes the larger total amount pays the excess to the other party.

16.8 You agree that any claims we have against each other are finally discharged by means of Close-Out netting if the Agreements are terminated under clause 15. We'll decide the Close-Out values for each affected Contract in our sole discretion. The final amount of money that one party will pay to the other will be the difference between the payment obligations of both parties.

## How we can exercise our rights

16.9 We may exercise a right or remedy or give or refuse our consent in any way that we consider appropriate (including by enforcing clauses under the Agreements).

16.10 If we don't exercise a right or remedy fully or at a given time, we may still exercise it later.

16.11 Our rights and remedies under the Agreements are in addition to our other legal rights and remedies. We may enforce our rights and remedies in any order we choose.

## Set-off

16.12 We may set off any amount of money that we owe you (whether or not it's due for payment) against any amount of money that you owe us under the Agreements, any Contract or an Order.

16.13 We may do anything necessary to action any set-off under this clause (including varying the date for payment of any amount of money that we owe you). This clause applies despite any other agreement between you and us.

## Reinstatement of rights

16.14 Under liquidation, administration, solvency or creditor protection laws, a person may claim that a transaction (including a payment) in connection with the Agreements is void or voidable. If a claim is made and upheld, conceded or compromised, then:

- (a) we're immediately entitled to the rights under the Agreements to which we were entitled immediately before the transaction; and
- (b) on our request, you agree to do anything (including signing any document) to restore any rights that we held immediately before the transaction.



## No merger

16.15 Our rights under the Agreements are in addition to and aren't affected by any Encumbrance that we hold or any of your other obligations, despite any rule of law or equity or any statutory provision that says otherwise.

## Further steps

16.16 You agree to do anything we ask of you (such as obtaining consents, signing and producing documents and getting documents completed and signed):

- (a) to bind you and any other person intended to be bound under the Agreements; and
- (b) to show whether you're complying with the Agreements.

## Changes

16.17 We may vary these Terms at any time, with notice to you. In doing so we must comply with any applicable law.

16.18 By giving you 14 days' notice, we may charge you additional fees and/or commissions or increase the current fees and/or commissions under the Agreements, in line with clause 7.11 of these Terms.

16.19 If you don't agree with any changes, you may terminate these Terms at any time in line with clause 15.1.

## Waivers

16.20 A provision of these Terms, or right created under them, may not be waived or varied except in writing.

## Assignment

16.21 You can't assign or otherwise deal with your rights under the Agreements or a Contract or allow any interest in them to arise or be varied without our consent.

16.22 We can assign or otherwise deal with our rights under the Agreements or a Contract without your consent. You agree that we may disclose any information or documents we consider necessary to help us exercise this right.

## Inconsistent law

16.23 If you're a Retail Client and there are any inconsistencies between these Terms and the PDS, the PDS will prevail.

16.24 If you're a Wholesale Client and there are any inconsistencies between these Terms and the Wholesale Client Information Statement, the

Wholesale Client Information Statement will prevail.

16.25 A provision of the Agreements that's void, illegal or unenforceable is ineffective only to the extent of the voidness, illegality or unenforceability, but the remaining provisions aren't affected.

16.26 Neither our rights or your liabilities under the Agreements are affected by anything which might otherwise affect them at law.

16.27 Any present or future legislation that works to vary your obligations in connection with the Agreements, and which adversely affects our rights, powers or remedies (including by way of delay or postponement) is excluded except to the extent that its exclusion is prohibited or rendered ineffective by law.

## Notices and other communications

16.28 We may, to the extent of your authorisation, send a communication under the Agreements to you or your Authorised Person.

16.29 Unless the Agreements expressly say otherwise, all notices, certificates, consents, approvals, waivers and other communications in connection with the Agreements:

- (a) must be sent by email (to your registered email or via the Platform or secure client area) or other means that we specify from time to time;
- (b) must be signed or issued by the sender (if an individual) or an Authorised Officer of the sender; and
- (c) will be taken to be received upon sending, unless the sender receives an automated message informing them that the email has not been delivered.

16.30 Communications take effect from the time they're received unless a later time is specified in them.

## Applicable law

16.31 The Agreements are governed by the laws in force in the State of Victoria, Australia and you submit to the non-exclusive jurisdiction of the courts of that place.

## Currency of payments

16.32 All payments under the Agreements must be made in Australian dollars or any other currency that we may agree to.

## Defaults

- 16.33 Each failure by you to pay an amount payable to us under the Agreements is deemed to be an application for credit from us.

## Disputes

- 16.34 Please refer to the PDS (if you're a Retail Client) or the Wholesale Client Information Statement (if you're a Wholesale Client) for further information on how we handle complaints under the Agreements. You acknowledge that our internal and external dispute resolution procedures don't prevent us from commencing proceedings in any other relevant jurisdiction for the enforcement of any complaint determination.

## 17. Disclosure of conflicts of interest

- 17.1 We may have a conflict of interest in acting as principal on both sides of a transaction. Because of the nature of the financial products that we provide, we can sometimes have residual long or short Contracts as a result of total client volume in one particular direction.
- 17.2 You accept that we and our Affiliates may have interests that conflict with your interests and consent to our acting in any manner which we consider appropriate in such cases subject to the applicable regulations.
- 17.3 We'll comply with the applicable regulations binding on us, but shall be under no duty to disclose any interest to you, including any benefit, profit, commission or other remuneration made or received by reason of any transaction or position.
- 17.4 Where a material connection exists between us and a connected broker, you agree that you do not require us to give you notice of that.
- 17.5 We're required to have arrangements in place to manage conflicts of interest between us and our clients and between different clients. We operate in accordance with a conflicts of interest policy we have put in place for this purpose.  
Privacy
- 17.6 Before completing the Application Form, you should read the Agreements, including these Terms and our Privacy Policy, carefully. The Application Form requires you to disclose personal information to us. Our Privacy Policy explains how we collect, use and disclose personal information.

- 17.7 We recognise the need to treat your personal information in an appropriate way and in compliance with Australian, UK and EEA privacy and data protection laws and regulations (as relevant). Under UK and EEA data protection laws and regulations, we're the data controller and the data processor.

- 17.8 "Processing" your personal information means doing anything with your personal information including accessing, disclosing, destroying or using your personal information in any way. We process your personal information in these ways:

- (a) we collect personal information from you to process your Application Form, and if your Application Form is accepted, to provide you with the products and services you've asked for. If you don't provide us with your personal information, we may not be able to process your Application Form or provide you with these products and services;
- (b) to do these things, we may disclose your personal information on a confidential basis to our agents, contractors, or the third party providers that we outsource our services to, to our related bodies corporate, our professional advisers, or to a proposed purchaser of the whole or any substantial part of our business;
- (c) we may also disclose your personal information to:
  - (i) relevant regulators (such as ASIC or anti-money laundering regulators) as required or permitted by law;
  - (ii) third party credit or identification agencies;
  - (iii) your financial advisor, if you've given us consent to contact them;
  - (iv) a third party broker or agent that you've authorised to refer your business to us or to trade on your Account on your behalf; and
- (d) we may also use your personal information to create anonymised statistical data.

- 17.9 In addition, we may use your personal information to tell you about the other products and services that we and other members of the Pepperstone group of companies offer and for client profiling (such as targeted advertising and creating lookalike audiences). Please contact our support team on support@pepperstone.com if you want to opt-out from us using or disclosing your personal

information for this purpose. It's important that you do this because, in applying for an Account, you'll otherwise be taken to have consented to our use and disclosure of your personal information for this purpose.

- 17.10 By submitting your Application Form and accepting these Terms, you consent to our use and disclosure of your personal information in compliance with this clause 17 and our Privacy Policy. You have a right to access information that we hold about you and we reserve the right to charge you a reasonable fee for this access. You can request access to your personal information in writing by emailing [support@pepperstone.com](mailto:support@pepperstone.com) and addressing your email to the attention of our Data Protection Officer.
- 17.11 If our business is sold (in whole or in part) or we undergo a corporate re-organisation, you agree that any personal information that we hold about you may be disclosed for analysing the sale or restructure or transferred to a third party and used for the same purpose that you've agreed to under these Terms.
- 17.12 All our staff are trained to handle personal information confidentially and all personal information in our possession is held in secure computer-based storage facilities or secure paper-based files. We have security measures in place to prevent unauthorised people from accessing these storage facilities.
- 17.13 Our website may install cookies on your computer to provide you with a better service or enhance your client experience. You have the option to turn these cookies off via your personal browser settings, although this will affect your ability to view parts of our website.
- 17.14 Our Cookies Policy and full Privacy Policy is available on our [website](#).

## 18. Definitions

- 18.1 Some of the words in these Terms have particular meanings:

**Account** means the trading account that you hold with us.

**ADI** means Authorised Deposit-taking Institution.

**Agreements** means:

- (a) if you're a Retail Client these Terms, the PDS, the Application Form, the Confirmations and the information that's located on Platform or our website,

if you're a Wholesale Client these Terms, the Wholesale Client Information Sheet, the Application Form, the Confirmations and the information that's located on Platform or our website and any additional or supplementary terms agreed by us in writing, which together govern our relationship with you.

**AML/CTF Laws** 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 online form that you complete on our website to open an Account with us.

**ASIC** means the Australian Securities and Investments Commission, the regulatory body which licenses and supervises our business.

**Australian Client Money Rules** means the rules set out in Part 7.8 of Division 2 of the Corporations Act.

**Authorised Person** means the person that you authorise to give instructions to us in connection with your Account.

**Business Day** means a day on which banks are open for general banking business (a day other than a Saturday, Sunday or public holiday) in the State of Victoria, Australia.

**CFD** means a contract-for-difference, a type of OTC derivative product that we offer from time to time under the Agreements.

**Close of Business** means 5.00pm New York time.

**Close-Out** or **Closed-Out** means the termination of all or part of your Contract in compliance with the Agreements.

**Confirmation** means a message that we send you via the Platform to confirm the execution of your Order.

**Contract** means an OTC derivative Contract between you and us, which is an agreement to pay or receive the difference in value of an Underlying Asset, resulting in a long or short exposure.

**Contract Quantity** means the notional quantity to which your Contract or Order relates.

Each of these situations is a **Corporate Action**:

- (a) if the Underlying Asset is shares, a declaration by the issuer of the shares, of any of the following:
- (i) a subdivision, consolidation, redenomination or reclassification of shares, a share buy-back or

- cancellation, or a free distribution of shares to existing shareholders as a bonus, capitalisation or similar issue;
- (ii) a distribution to existing underlying shareholders of additional shares, other share capital or securities granting the right to payment of dividends and/or proceeds of the issuer's liquidation in equal proportion with payments to holders of the underlying shares, securities, rights or warrants granting the right to a distribution of shares or to purchase, subscribe or receive shares, in any case for payment (in cash or otherwise) at less than the prevailing market price per share as decided by us;
  - (iii) the voiding of an Underlying Asset that trades, or has traded, on a "when issued" basis, in which case any Contract that relates to that Underlying Asset will also be void;
  - (iv) any other event regarding shares that have the same effect as any of the above events or that otherwise dilute or concentrate the market value of the shares, whether temporary or otherwise; or
- (b) if the Underlying Asset is a digital asset (including any virtual currency), any event that we, acting reasonably, consider to have the same effect as any of the events set out in (a)(i) to (iv) above including, but not limited to, hard or soft forks, any distribution to the holder of the digital asset (including of a second digital asset) or any event the otherwise dilutes or concentrates the market value of the digital asset; or
  - (c) if the Underlying Asset is not based on shares: any other event that has the same effect as any of the above events or that otherwise dilutes or concentrates the market value of that Underlying Asset, whether temporary or otherwise.

**Corporations Act** means the Australian *Corporations Act 2001 (Cth)*, as updated, replaced or amended from time to time.

**Costs** include costs, charges and expenses, including those incurred in connection with advisers.

**Encumbrance** means any mortgage, lien, charge, pledge, assignment by way of security, security interest, title retention, preferential

right or trust arrangement, claim, covenant, profit a prendre, easement or any other security arrangement or any other arrangement having the same effect.

Each of these situations is an **Event of Default**:

- (b) you fail to pay any amount of money that you owe to us under the Agreements on time, including, for the avoidance of doubt, any situation where the money in your Account is less than the Margin we require;
- (c) you fail to comply with any of your obligations under the Agreements;
- (d) we reasonably consider that you've committed or attempted to commit fraud or you've been dishonest in your dealings with us in respect of your Account and/or the Agreements;
- (e) an event or a series of events occurs which has or is likely to have a material adverse effect on your ability to comply with the Agreements;
- (f) any change in law or interpretation which makes it unlawful for us to perform any provision of the Agreements;
- (g) we or you are requested to end a Contract (or any part of a Contract) by any regulatory agency or authority;
- (h) you die or become of unsound mind;
- (i) we find that a representation or warranty that's made by you or for you in connection with the Agreements is incorrect or misleading;
- (j) you exceed the Exposure Limit on your Account;
- (k) you become insolvent;
- (l) if you're a trustee of a trust:
  - (i) you cease to be the trustee of the trust or any step is taken to appoint another trustee of the trust, in either case without your consent; or
  - (ii) an application or order is sought or made in any court for:
    - (A) your removal as trustee of the trust;
    - (B) property of the trust to be brought into court or administered by the court or under its control; or
    - (C) a notice is given or meeting summoned for your removal as trustee of the trust or for the appointment of another



person as trustee jointly with you;

- (m) the Agreements or your Contract is or becomes (or is claimed by you or anyone for you to be) wholly or partly void, voidable or unenforceable;
- (n) distress, execution or other process is levied against any of your property and isn't removed, discharged or paid within 7 days;
- (o) any security created by any mortgage or charge becomes enforceable against you and the mortgagee or chargee takes steps to enforce the security or charge; or
- (p) any other circumstance where we reasonably consider that it's necessary to take action to protect us, our clients or our Related Companies.

**Exposure Limit** means a limit that we place on the sum of all of your Contract Values.

**FX** means foreign exchange.

**Free Balance** means the excess money (if any) in your Account that's more than our Margin requirements.

You will be considered **Insolvent** if:

- (a) you commit an act of bankruptcy;
- (b) a liquidator or trustee in bankruptcy or similar person is appointed to you;
- (c) you're insolvent (each as defined in the Corporations Act);
- (d) you're in liquidation, in provisional liquidation, under administration or wound up or have had a controller appointed to your property;
- (e) you're subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved;
- (f) an application or order has been made (and, in the case of an application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with you, which is preparatory to or could result in any of (a), (b) or (c) above;
- (g) you're taken (under section 459F(1) of the Corporations Act) to have failed to comply with a statutory demand;
- (h) you're the subject of an event described in section 459(C)(2)(b) or section 585 of the Corporations Act (or you make a statement from which we reasonably deduce you are a subject);

- (i) you're otherwise unable to pay your debts when they fall due; or
- (j) something having a substantially similar effect to (a) to (i) happens to you under the law of any jurisdiction.

**Liability or Claim** means any loss, liability, claim, action, proceeding, damage, compensation, cost or expense (including all reasonable legal costs and expenses), including liability in tort and any consequential or economic losses.

**Limit Order** means a pending Order to enter or Close-Out a Contract at a trigger price that's either the same or better than the price that's currently available in the market.

**Liquidity Provider** means a counterparty that we pass trades to, to manage our risk, also known as a hedging counterparty.

**Long Party** is when you enter a Contract to 'buy' an OTC derivative.

**Loss** means, the difference between the opening value and the Close-Out value of your Contract if you're:

- (a) the Long Party and the value of your Contract is lower when it's Closed-Out than when you opened it; or
- (b) the Short Party and the value of your Contract is higher when it's Close-Out than when you opened it.

**Margin** means the amount of money that you need to deposit into your Account to enter into or maintain a Contract with us under the Agreements, which varies depending on the Underlying Asset and other factors.

**Margin Call** means a notification sent to you, usually via the Platform, requesting you to top up the amount of money that you have in your Account as Margin.

**Margin FX Contract** means a leveraged foreign exchange Contract, a type of OTC derivative product that we offer.

**Negative Balance Protection** is when we will waive negative equity balance incurred on your Account.

**Net Equity** means your account balance, taking into account all realized and/or unrealised profits and losses on your account.

**Margin Percentage** means the percentage of Margin required for your particular Contract, as specified by us at our discretion and published on our website.

**Order** means an offer that you make to enter into a Contract with us under the Agreements.



**OTC derivative** means an over-the-counter derivative product, which can be a Margin FX Contract or CFD, which we offer to you under the Agreements from time to time.

**Platform** means any online software that we make available to you for entering into Margin FX Contracts and CFDs under the Agreements.

**PDS** means the Product Disclosure Statement, which is part of the Agreements between our Retail Clients and us.

**Private Investor** means that you meet all of the following conditions:

- (a) you must be an individual;
- (b) you access and use our market data and similar information in an individual and personal capacity for your own personal investment activities only, and not for any commercial purpose or as a principal, officer, partner, employee or agent of any business or in connection with the professional management of any third party assets;
- (c) you are not a financial institution or registered with any securities agency, regulatory or self-regulatory body;
- (d) you are not engaged in a financial service business and are not employed as a financial adviser for the purposes of the Agreement; and
- (e) you do not engage in the business of accessing or aggregating our market data and similar information and redistributing or otherwise furnishing that information to any third parties.

**Professional Investor** has the same meaning as under section 9 of the Corporations Act;

**Profit** means the difference between the opening value of your Contract and the value of your Contract when you Close-Out if you're:

- (f) the Long Party and the value of your Contract is higher when it's Close-Out than when you opened it; or
- (g) the Short Party and the value of your Contract is lower when it's Close-Out than when you opened it.

**Related Company** means a related body corporate as defined in section 50 of the Corporations Act.

**Retail Client** has the same meaning given by sections 761G and 761GA of the Corporations Act.

**Short Party** is when you execute a Contract to 'sell' an OTC derivative.

**Sophisticated Investor** means someone who has classified as a Wholesale Client using the Sophisticated Investor Test.

**Sophisticated Investor Test** is a way that you can be classified as a Wholesale Client, by meeting:

- (a) the Wholesale Client criteria under section 761GA of the Corporations Act;
- (b) our eligibility criteria; and
- (c) our onboarding requirements.

**Specified Date** means the future value date that you nominate for your Contract.

**Stop Loss Order** means a pending order to exit a Contract if the set trigger price is reached.

**Swap Benefit** means a benefit that you could receive for holding the Contract through 5pm New York Time, which we'll calculate at our discretion.

**Swap Charge** means a charge that you could incur for holding a Contract through 5pm New York time, which we'll calculate at our discretion.

**Swap Rate** means the rate at which we'll apply a Swap Charge or Swap Benefit to you. This rate may change from day to day.

**Terms** means these Terms and Conditions.

**Underlying Asset** means the instrument or asset that underlies your Order or Contract and determines the value of that Contract – for example an index, commodity, currency, futures contract, equity, crypto currency or any other instrument or asset.

**Underlying Market** means the market in which an Underlying Asset is traded. For example, the Australian Securities Exchange.

**Wealth Test** is a way that you can be classified as a Wholesale Client, by meeting:

- (a) the Wholesale Client criteria under section 761G(7)(c) of the Corporations Act;
- (b) our eligibility criteria; and
- (c) our onboarding requirements.

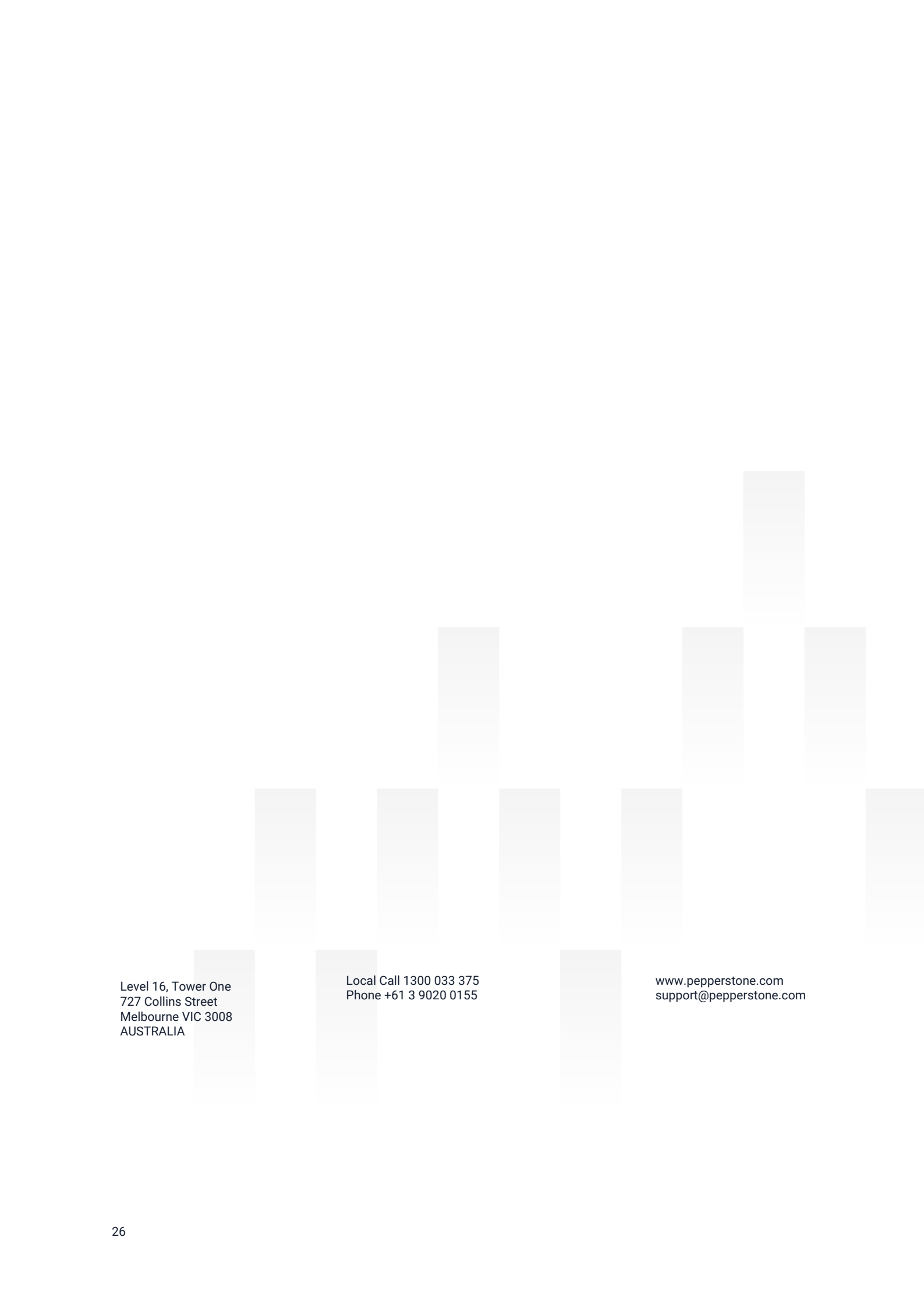
**Wealth Wholesale Client** means someone who has classified as a Wholesale Client using the Wealth Test.

**Wholesale Client** has the same meaning as under section 761G of the Corporations Act.

**Wholesale Client Information Statement** means the Wholesale Client Information Statement, which is part of the Agreements between our Wholesale Clients and us.

**Valuation Time** means the Close of Business on each Business Day or any other time that we decide in our absolute discretion.

- 18.2 A reference in the Agreements (including these Terms) to:
- (a) the singular includes the plural and vice versa;
  - (b) law means common law, principles of equity, and laws made by parliament (and laws made by the parliament include State, Territory and Commonwealth laws and regulations and other instruments under them, and consolidations, amendments, re-enactments or replacements of any of them);
  - (c) the word “person” includes an individual, a firm, a body corporate, a partnership, a joint venture, an unincorporated body or association, or any government agency;
- (d) Australian dollars, dollars, AUD, A\$ or \$ is a reference to the lawful currency of Australia; and
- (e) if a period of time dates from a given day or the day of an act or event, it’s to be calculated exclusive of that day.
- 18.3 If an event under the Agreements needs to occur on a day that isn’t a Business Day then the relevant day will be taken to be the next Business Day.
- 18.4 Headings are for convenience only and don’t affect the interpretation of the Agreements.



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