



AXICORP FINANCIAL SERVICES PTY LTD

RETAIL CLIENT AGREEMENT

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AXICORP RETAIL CLIENT AGREEMENT

1. TERMS AND CONDITIONS

1.1 INTRODUCTION

These terms and conditions are part of the Agreement between AxiCorp Financial Services Pty Ltd (ACN 127 606 348) (**we, us** or **AxiCorp**) and you, the client (**you** or **yourself**). They govern our dealings with you in our products listed in Schedule 1 of this Agreement.

You should carefully read this Agreement in its entirety, including all documents listed below, as well as our Privacy Policy (you can find this on our website).

The Agreement between you and us is constituted by the following documents:

- the Application Form;
- the Product Disclosure Statement (**PDS**);
- the Product Schedule and/or Commercial Terms Annexure, as applicable;
- the terms and conditions of this Agreement as set out in this document;
- the Commercial Terms Annexure;
- any additional terms and conditions issued by us and accepted by you, in connection with our dealings with you; and
- the market information that is located on our Trading Platform (together, the **Agreement**).

You are referred to other materials that explain the basis of our dealings with you, but which are not part of the Agreement, including:

- our Financial Services Guide (**FSG**); and
- our Website.

Transactions you enter into under this Agreement carry a high level of risk and can result in losses that exceed your initial deposit. Such transactions are not suitable for everyone. A full explanation of the risks associated with these transactions is set out in the Product Disclosure Statement and Product Schedule. You should ensure you fully understand such risks before entering into this Agreement or any transaction with us.

By signing and submitting the Application Form by post or electronically via our Website, or by taking any action consistent with your agreement to these Terms and Conditions, you confirm that you:

- have received, read and understood this Agreement and in particular, our current PDS; and
- agree that we will provide our products and services to you on the terms and conditions of this Agreement.

Contracts that arise out of the Positions we enter into with you under this Agreement are legally binding and enforceable. You must therefore read this Agreement carefully and seek

professional advice, if necessary. We particularly draw your attention to those terms and conditions which deal with Margin, those that set out our rights to terminate and/or close out a Position and those that relate to the termination of this Agreement and closing of your Account, as you need to clearly understand these important terms and the implications arising from your failure to comply with these conditions.

1.2 **WHO ARE WE?**

AxiCorp Financial Services Pty Ltd was established in 2008 to operate a foreign exchange business. It subsequently expanded its operations to include the issuing of other financial products that are the subject of our PDS, the delivery of services in respect of them and the development of platforms to facilitate the delivery of those services to Australian and international clients.

AxiCorp is owned and supported by experienced and capable staff and investors which have provided the capital to expand and support its operations.

AxiCorp is the holder of an Australian Financial Services Licence No 318232, which authorises it to:

- provide financial product advice;
- deal and make a market in foreign exchange contracts; and
- deal and make a market in derivatives to retail clients.

1.3 **ALL TRADES AT YOUR RISK**

We are under no obligation:

- (a) to satisfy ourselves as to the suitability of any Position for you;
- (b) to monitor or advise you on the status of any of your Positions;
- (c) prevent you from trading beyond your means or ability or to protect you; or
- (d) to close any open Position.

All Positions will, therefore, be made at your own risk and we will not be liable to you to the maximum extent permitted by law in accordance with clause 11.

Before you begin to trade with us, we will provide you with a clear explanation of spreads, fees, funding and other charges for which you will be liable. You should appreciate that these charges will affect your trading net profits (if any) or increase your losses. We will provide you with risk disclosure information which you should read carefully and you should not rely on any information to the contrary from any other source.

You acknowledge that no promises have been made by AxiCorp or any individual associated with us regarding future profits or losses in your Account. You understand that trading involves a substantial risk of loss and that many people lose money trading.

To the extent that that you trade in the Products offered under this Agreement pursuant to a system, course, program, research or recommendations of an Introducing Broker or another third party, you acknowledge that there is a substantial risk of loss and reliance on the information and resources provided by an Introducing Broker or another third party will not necessarily result in profits or limit losses.

Because the risk is high in trading of the Products, only genuine “risk” funds should be used in such trading. If you do not have the extra capital that you can afford to lose, you should not trade in the markets in respect of the Products.

1.4 OUR TRADING SERVICE

Our trading service is an online service and you specifically consent to the receipt of documents and information about us and our services, costs and charges and our notices via email, website or other electronic means. Upon your request we will send you the PDS and FSG in paper form at no charge.

You acknowledge that in the event that you are unable for any reason whatsoever to open or close a Position because of difficulties you may be having with our Trading Platform, you will immediately telephone our Dealing Desk on 1300 888 936 (+61 2 9965 5830).

1.5 DEFINITIONS

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

ACCOUNT	means an account you have with us;
AGREEMENT	means the agreement described in clause 1.1, as amended, varied, or replaced from time to time;
AML/CTF ACT	means the <i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006</i> (Cth) and all regulations, rules and instruments made under that Act;
APPLICABLE LAWS	means all: (a) applicable provisions of laws and regulations, including all relevant rules of government agencies, exchanges, trade and clearing associations and self-regulatory organisations, that apply to the parties, this Agreement and the transactions contemplated by this Agreement; and (b) Australian laws, procedures, standards and codes of practice that apply in relation to the parties, this Agreement and the transactions contemplated by this Agreement, including the Corporations Act, the ASIC Act, ASIC policy documents and the <i>Privacy Act 1988</i> (Cth); and (c) applicable Market Rules;
APPLICATION FORM	means the application form and account opening documentation, including documentation required to be returned for the purposes of complying with Anti-Money Laundering and Counter-Terrorism Financing legislation, completed by you and submitted to us;

ASIC	means the Australian Securities and Investment Commission;
ASIC ACT	means the <i>Australian Securities and Investment Commission Act 2001</i> (Cth);
ASSOCIATE	means: <ul style="list-style-type: none"> (a) a person who is an officer, employee, agent, representative or associate of a party; (b) a Related Body Corporate of a party; and (c) a person who is an officer, employee, agent, representative or associate of a Related Body Corporate of a party;
AUSTRALIAN CLIENT MONEY RULES	means the provisions in Part 7.8 of the Corporations Act and the Corporations Regulations made under those provisions that specify the manner in which financial services licensees are to deal with client money;
AUSTRALIAN PRIVACY LAWS	means the Privacy Act 1988 (Cth) (which includes the Australian Privacy Principles), and privacy regulations as issued by the Governor-General under section 100 of the Privacy Act 1988 (Cth);
AUTHORISATION	means: <ul style="list-style-type: none"> (a) an authorisation, consent, declaration, exemption, notarisation or waiver, however it is described; and (b) in relation to anything that could be prohibited or restricted by law if a Government Agency acts in any way within a specified period, the expiry of that period without that action being taken;
AUTHORISED PERSON	means you and/or any person authorised by you to give instructions to us under this Agreement;
AXICORP SPREAD	means the difference between the bid and offer prices of a contract quoted from time to time by us and, where appropriate, expressed as a percentage of the relevant price;
AXICORP SWAP RATE	means the rate as we may determine from time to time having regard to the Interbank Rate and the AxiCorp Spread;
BASE CURRENCY	means Australian Dollars or the currency as agreed under clause 3.4 of this Agreement;

BULLION	means gold, silver, palladium or platinum;
BULLION CONTRACT	means a CFD whose value is derived by reference to the fluctuations in the Underlying Instrument which relate to Bullion;
BUSINESS DAY	means any day other than a Saturday, Sunday or public holiday on which banks are open for business in Sydney, New South Wales, Australia;
CFD	means the contracts for difference that we offer under this Agreement;
CLAIM	means, in relation to a person, any claim, allegation, cause of action, proceeding, liability, suit or demand made against a person however it arises and whether it is present or future, fixed or unascertained, actual or contingent;
CLIENT	means you;
CLIENT MONEY	means the money Clients have deposited with us and which is held by us in accordance with Australian Client Money Rules;
CLOSE OF BUSINESS	means 17.00 Sydney time on a Business Day;
CLOSING DATE	means, in respect of a Position, the date on which the relevant Position is closed out;
COMMERCIAL TERMS ANNEXURE	means the annexure to this document setting out the relevant charges, fees and other commercial terms in respect of a Product;
COMMODITY	means oil or gas, or any other commodity acceptable to us;
COMMODITY CFD	means a CFD whose value is derived by reference to the fluctuations in the value of an Underlying Instrument relating to a Commodity;
CONFIRMATION	means a form of notification, which may be provided by us electronically, including via the internet, requiring access by the Client, confirming entry into a Position;
CONTRACT PRICE	means the price per Contract Unit of a Product, calculated under the relevant parts of Schedule 1 of this Agreement;
CONTRACT QUANTITY	means in relation to a Position, the number of Contract Units making up that Position;

CONTRACT UNIT	means a single unit of a Product, as defined in the relevant Schedule for that Product;
CONTRACT VALUE	means, in respect of a Product, the Contract Price multiplied by the Contract Quantity;
CONTROLLER	has the same meaning as in the Corporations Act;
CORPORATIONS ACT	means the <i>Corporations Act 2001</i> (Cth);
DISPUTE	means any dispute or difference between the parties arising out of, relating to or in connection with this Agreement or transactions under this Agreement, including any dispute or difference as to the formation, validity, existence or termination of this Agreement;
ELECTRONIC SERVICE	means a service provided by us, for example an internet trading service offering clients access to information and trading facilities, via an internet service, a WAP service and/or an electronic order routing system and including relevant software provided by us to enable you to use an electronic trading service;
EQUITY INDEX FUTURES CONTRACT	means a futures contract over an equity index;
EVENT OF DEFAULT	means an event described in clause 8.1 of this Agreement;
EXCHANGE RATE	means the exchange rate we may reasonably offer to you from time to time having regard to the applicable prevailing Interbank Rates and the AxiCorp Spread, and which is available to you from us via the Electronic Services or on request;
EXEMPT WHOLESALE CLIENT	Exempt Wholesale Client means a wholesale client within the meaning of the Corporations Act, but excludes wholesale clients classified as "sophisticated investors" by AxiCorp under section 761GA of the Corporations Act.
EXPIRY DATE	means the day on which a Product expires;
FOREIGN EXCHANGE CONTRACT	means a FX Contract or an NDF;
FORCE MAJEURE EVENT	means any occurrence or non-occurrence as a direct or indirect result of which a party is prevented from or delayed in performing any of its obligations (other than a payment obligation) under this Agreement and that is beyond the reasonable control of that party, including forces of nature,

industrial action and action or inaction by a Government Agency.

A Force Majeure Event includes:

- (a) us, in our opinion, becoming unable to maintain an orderly market in respect of a Product for one or more of the Underlying Instruments as a result of the occurrence of any act, omission or event (including a strike, riot, civil unrest or failure of power supply, communications or other infrastructure);
- (b) the suspension, closure, liquidation or abandonment of any relevant market or Underlying Instruments;
- (c) the imposition of limits or special or unusual terms in the relevant markets or Underlying Instruments;
- (d) the excessive movement, volatility or loss of liquidity in the relevant markets or Underlying Instruments; or
- (e) where we reasonably anticipate that any of the circumstances listed in sub-sections (a) to (e) above are about to occur;

FSG means our financial services guide, including any supplementary and replacement financial services guide;

INDEX means an index which is, or forms part of or is referenced by, an Underlying Instrument;

INDEX FUTURES CFD means a CFD where the Underlying Instrument is an Equity Index Futures Contract;

INSOLVENCY EVENT means any of the following:

- (a) you are dying, or ceasing to be of full legal capacity or otherwise becoming incapable of managing your own affairs for any reason;
- (b) you become, or you take any step that could result in you becoming, an insolvent under administration (as defined in section 9 of the Corporations Act);
- (c) an administrator is appointed to you;
- (d) any of the following occurs:
 - (i) a Controller or analogous person is appointed to you or any of your property;
 - (ii) an application is being made to a court for

an order to appoint a Controller, provisional liquidator, trustee for creditors or in bankruptcy or analogous person to you or any of your property; or

- (iii) an appointment of the kind referred to in (ii) is being made (whether or not following a resolution of application);
- (e) the holder of a security interest or any agent on its behalf, appoints a Controller or takes possession of any of your property (including seizing your property within the meaning of section 12 of the *Personal Property Securities Act 2009* (Cth)) or otherwise enforcing or exercising any rights under the security interest or Chapter 4 of that Act;
- (f) you fail to comply with a statutory demand under section 459F(1) of the Corporations Act;
- (g) an application is being made to a court for an order for your winding up;
- (h) an order is being made, or the passing of a resolution for your winding up;
- (i) you:
 - (i) suspend payment of your debts, cease (or threaten to cease) to carry on all or a material part of your business, stating that you are unable to pay your debts or being or becoming otherwise insolvent; or
 - (ii) are unable to pay your debts or otherwise are insolvent;
- (j) you take any step towards entering into a compromise or arrangement with, or assignment for the benefit of, any of your members or creditors;
- (k) a court or other authority enforces any judgment or order against you for the payment of money or the recovery of any property; or
- (l) any analogous event under the laws of any applicable jurisdiction,

unless this takes place as part of a solvent, amalgamation, merger or consolidation that has been approved by us;

INTERBANK RATE

means the mid Interbank Rate calculated by us with reference to the bid and offer prices for the Underlying

	Instrument most recently quoted by any one or more third party banks;
INTRODUCING BROKER	means an independent entity that refers clients to us, including pursuant to an introducing broker agreement;
LONG PARTY	means, in relation to a Product, the party that has notionally taken a long position in respect of the relevant Underlying Instrument;
LOSS	includes any loss, damage, liability or obligation, compensation, fine, penalty, charge, payment, cost or expense (including any legal costs and expenses on a full indemnity basis) however it arises and whether it is present or future, fixed or unascertained, actual or contingent;
MARGIN	means the amount that you must have in your Account to enter into a Position with us;
MARGIN PERCENTAGE	means such percentage of the Contract Value as specified by us in the Commercial Terms Annexure;
MARGIN REQUIREMENT	means the total amount of money that you are required to deposit with us as consideration for entering into and maintaining all open Positions under this Agreement;
MARKET RULES	means the rules, regulations, customs and practices from time to time of any exchange, financial market, clearing house, clearing and settlement facility, or other organisation or market involved in the conclusion, execution or settlement of a transaction or contract (including in respect of an Underlying Instrument) and any exercise by such exchange, clearing house or other organisation or market of any power or authority conferred on it;
MATERIAL ERROR	has the meaning given in clause 3.6(a);
MATURITY DATE	means, in respect of an NDF, the date on which the NDF is to be closed out (unless terminated earlier);
MINIMUM MARGIN REQUIREMENT	has the meaning given in the Commercial Terms Annexure;
MINIMUM TRADING SIZE	means the size specified in this Agreement;
NDF	means a non-deliverable forward contract in respect of a currency pair offered under this Agreement;
NEXT SERIAL FUTURES CONTRACT	means a contract of the same series as the futures contract which is the Underlying Instrument of a CFD, but with the

Expiry Date being the next occurring Expiry Date in the relevant series;

OPENING VALUE	means in relation to a Position, the Contract Value as at the time of opening the Position;
PERSONAL INFORMATION	has the meaning ascribed to it under the Privacy Act 1988 (<i>Cth</i>);
PDS	means our product disclosure statement available on our website, including a supplementary and replacement product disclosure statement, as replaced or amended from time to time;
POSITION	means a long or short position you have taken in respect of a Product;
PRIVACY POLICY	AxiCorp's privacy policy as set out on its websites, and as amended from time to time.
PRODUCT	means a product offered and entered into under this Agreement, as described in Schedule 1;
RELATED BODY CORPORATE	has the meaning as in the Corporations Act, with any necessary modifications for companies incorporated outside Australia;
REPORT	means any daily statement, monthly statement or other report we provide to you;
ROLLOVER BENEFIT	means a benefit you may receive on certain Positions held overnight and which are described in the relevant parts of Schedule 1 of this Agreement;
ROLLOVER CHARGE	means a charge you may have to pay on certain Positions held overnight and which is described in the relevant parts of Schedule 1 of this Agreement;
SERVICES	means the services provided by us under this Agreement;
SETTLEMENT DATE	means such settlement date following the Closing Date or Maturity Date (if applicable) as we may reasonably determine in accordance with practice in the relevant market and notify to you at the time of entering into a Position;
SHORT PARTY	means in relation to a Product, the party that has notionally taken a short position in respect of the Underlying Instrument;

TRADING DAY	means in the case of Positions over an Underlying Instrument which is traded on, or references, an Underlying Market, a day on which the Underlying Market is open for trading in the ordinary course (and if there is more than one Underlying Market, a day on which all applicable Underlying Markets are open for trading in the ordinary course);
TRADING PLATFORM	means the trading platform we make available to you by which you may trade with us online and includes the Client portal of the back office accounting system through which we will report confirmation statements, etc;
UNDERLYING INSTRUMENT	means the instrument, Index, Commodity, currency, futures contract, Bullion or other instrument or asset or factor by reference to which the value of a contract is determined;
UNDERLYING MARKET	means the underlying market in which the Underlying Instrument is traded;
VALUATION TIME	means, in respect of a Position: <ul style="list-style-type: none"> (a) the time the Position is opened; (b) the Close of Business on each Trading Day the Position is open (other than the Trading Day the Position is closed); and (c) the time the Position is closed;
WEBSITE	means the internet address www.axitrader.com.au and includes the Trading Platform.

1.6 INTERPRETATION

- (a) Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.
 - (i) A reference to:
 - (A) a legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (B) a document (including this document) or agreement, or a provision of a document (including this document) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

- (C) a party to this document or to any other document or agreement includes a successor in title, permitted substitute or a permitted assign of that party;
 - (D) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and
 - (E) anything (including a right, obligation or concept) includes each part of it.
- (ii) A singular word includes the plural, and vice versa.
 - (iii) A word which suggests one gender includes the other genders.
 - (iv) If a word or phrase is defined, any other grammatical form of that word or phrase has a corresponding meaning.
- (b) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.
 - (c) Unless otherwise specified in this Agreement, a reference in this Agreement to a transaction, asset, act or liability of any nature of you includes your transactions, assets, acts or liabilities as trustee of the Trust (if applicable).
 - (d) If you enter into this Agreement in your capacity as trustee of a Trust, this Agreement will be binding on you personally and in your capacity as trustee of the Trust.
 - (e) If there is any inconsistency between a Confirmation and this Agreement, the Confirmation will prevail.

2. ACCOUNT OPERATION

2.1 OPENING

After we accept your Application, we will open an Account in your name. The Account may be split into different sub-accounts denominated in different currencies. References in this Agreement to your Account is taken to include reference to sub-accounts or the relevant sub-accounts, as the case may be. We may at our absolute discretion refuse to open an Account with you for any reason we consider appropriate.

2.2 ACCOUNT INFORMATION

- (a) You undertake and warrant to us that any information provided to us at any time is true and correct and that you will immediately inform us of any material change to that information.
- (b) You are required to keep all security information relating to the Account, including, but not limited to, any user name, account number, user ID and password, confidential and we do not have to establish the authority of anyone using these items. If you are aware or suspect that these items are no longer confidential, you should contact us as soon as practicable.

2.3 INTRODUCING BROKER

You understand and agree that if your Account with us is introduced by an Introducing Broker, that Introducing Broker shall have the right to access your Account, but the Introducing Broker shall not have the right to enter into any trades on your Account unless authorised by you under

a power of attorney between you and the Introducing Broker granting such Introducing Broker the right to trade on your Account.

2.4 CHANGING AUTHORISED PERSONS

You may, by written notice, change the persons who are authorised to give us instructions on your behalf. We are not bound by any such variation until we receive written notice and agree to such requested change. We may act upon the orders or instructions of any Authorised Person, or any person who appears to us to be an Authorised Person, despite the fact that the person may not be authorised. We are under no obligation to verify the authority of any person who purports to be authorised by you in connection with this Agreement.

2.5 CHARGES AND CREDIT TO YOUR ACCOUNT

- (a) You agree to pay the interest, charges and fees as specified in this Agreement (including any Schedule) and in the Commercial Terms Annexure from time to time and to receive the benefits set out in this Agreement.
- (b) Any charges will be deducted from your Account the day following the day on which the charges were incurred and benefits will be paid the day on which they are derived. Deductions will be made any time without notice or recourse provided to you.
- (c) If we discover that we have made an error in respect of any fee calculation, we may rectify that error by giving you notice within 28 days.
- (d) If a Position is closed at a loss, that loss will immediately be deducted from your Account and your available trading resources will be adjusted accordingly.
- (e) If a Position is closed at a profit, that profit will immediately be credited to your Account and your available trading resources will be adjusted accordingly, subject to clauses 2 and 3.

2.6 CORRECT DESIGNATION

It is your responsibility to ensure that money sent to us is correctly designated, including, where applicable, that the moneys are by way of Margin and to which of your Accounts the money should be applied.

2.7 REPORTING TO YOU

We will provide Confirmations and Reports to you via our Trading Platform or by email or post. Any Confirmation or Report will, in the absence of manifest error, be conclusive unless you notify us in writing to the contrary within two (2) Business Days of the Confirmation or Report being issued. You will access and use the Trading Platform to confirm all your Positions with us, to download and view the Confirmations and Reports and to monitor your obligations under this Agreement.

3. TRADING

3.1 INSTRUCTIONS

You may give us instructions by:

- (a) **Telephone:** Your instructions to open or close a trade must be given to our trader during the same telephone conversation in which the quote was given. We have no liability to you if this telephone conversation is interrupted before we receive an instruction from

you to trade on that quote; nor are we under an obligation to repeat the quote in a subsequent conversation; or

- (b) **Trading Platform:** Your instruction to open or close a Position or to execute orders on a trade will only be deemed to be a valid, binding instruction received when such order or instruction has been recorded as accepted and confirmed by us.

If you indicate that you wish to trade at the price quoted you will be deemed to be making an offer to trade at the quoted price. A contract in respect of the Product and the quoted price offered by you will not be binding until your order has been accepted and confirmed by us. We reserve the right to decline to enter into any Position proposed by you. We will not be obliged to provide you with a reason but we will provide you with prompt notice in such event. We may from time to time require instructions from you in respect of any Position or proposed Position and if we do, you must promptly provide us with those instructions. If you do not do so, we may in our absolute discretion take all such steps at your cost as we reasonably consider necessary or desirable for our or your protection.

3.2 **MINIMUM TRADING SIZE**

The size of your Positions must exceed the Minimum Trading Size.

3.3 **NO RIGHTS IN UNDERLYING INSTRUMENT**

A Position does not entitle you to any rights in relation to the Underlying Instrument being traded and you will not be entitled to any rights in respect of any Underlying Instrument. This means that you will not own or have any interest in the instrument, Index, Commodity, currency, futures contract or Bullion, or other instrument or asset or factor in the subject of the Product.

3.4 **CURRENCY**

- (a) All Positions will be entered into in the currency specified for the trade and will be converted into Australian dollars at the previous day's official closing Exchange Rate for the purposes of calculating the components of your account summary.
- (b) All payments made by you to us and by us to you will be in Australian dollars unless otherwise agreed.

3.5 **OPPOSING POSITIONS**

Subject to Schedule 1, you may run opposing Positions in the same market, and a Position in a market where you have an opposing Position already open will automatically be deemed to be an instruction to close out the earlier Position (to the extent of any overlap).

3.6 **MATERIAL ERRORS IN PRICES**

- (a) It is possible that an error, omission or misquote (**Material Error**) may occur in the pricing of a Position. We will determine whether a material error has occurred, acting reasonably.

If we determine that a Position is based on a Material Error, we reserve the absolute discretion to:

- (i) amend the terms and conditions of the relevant Position to reflect what we consider to have been the fair price at the time the Position was entered into had there had been no Material Error;

- (ii) close the trade and any open Positions resulting from it; or
 - (iii) void the contract entered into in relation to the Position.
- (b) We will exercise the right in paragraph 3.6(a) reasonably and in good faith. To the extent reasonably practicable, we will give you prior notice of any action we take under this clause; but if this is not possible we will give you notice as soon as practicable afterwards.

3.7 CLOSE OPEN POSITIONS

In some circumstances, we may be unable, after using all reasonable efforts, to acquire, substitute, maintain, unwind or dispose of any Underlying Instrument we consider necessary to hedge or protect our exposure to the market and other risks arising from an open Position. In such circumstances, we may close that open Position at the Contract Price.

4. MARGIN

4.1 INITIAL MARGIN

Upon placing a trade that creates an open Position you are required to pay into your Account the Margin for that Position as calculated by us, as set out in the Commercial Terms Annexure (**Initial Margin**).

4.2 YOUR MARGIN OBLIGATIONS

- (a) You must pay to us such amounts of Margin as we may require under this Agreement.
- (b) It is your sole responsibility to monitor at all times the Margin deposited and the Margin or any necessary Margin required under this Agreement having regard to such matters as:
 - (i) your open Positions;
 - (ii) the volatility of any relevant Underlying Instrument;
 - (iii) the volatility of the relevant market and the markets generally;
 - (iv) any applicable Exchange Rate risk; and
 - (v) the time it will take for you to remit sufficient cleared funds to us.
- (c) You must always ensure your Account balance meets the higher of the Margin Requirement or the Minimum Margin Requirement.
- (d) We may, in our absolute discretion, provide you with further time to meet your Margin Requirements. Such permission will only be effective once confirmed in writing by us, and only to the extent specified in that written notice.

4.3 CHANGING MARGIN PERCENTAGE

- (a) We may vary the Margin Percentage in respect of any Position at any time by giving notice in accordance with clause 17.
- (b) Any variation of the Margin Percentage and/or increase in Margin or Margin requirement will be due and payable immediately on our demand.

5. DAILY VALUATION

5.1 CONTRACT VALUE

We will calculate the Contract Value for each Position, as at each Valuation Time during the term of a Position. The Contract Price for each Position at Close of Business is to be calculated in accordance with the relevant parts of Schedule 1.

5.2 VALUATION

If, at any Valuation Time:

- (a) the Contract Value exceeds the Contract Value at the preceding Valuation Time, the Short Party will pay to the Long Party such excess; and
- (b) the Contract Value at the preceding Valuation Time exceeds the current Contract Value, the Long Party will pay to the Short Party such excess.

5.3 WHEN WE MAKE ACCOUNTING PAYMENTS

Any payments due under this clause 5 will, subject to clause 9 of this Agreement, be made by us adjusting the Account with effect immediately after the relevant Valuation Time.

6. CLOSING POSITIONS

6.1 GENERAL

- (a) You may provide instructions to close out a Position at any time which we will action as soon as reasonably practicable. We will determine the Contract Price at the time of closing of a Position in our commercially reasonable discretion.
- (b) Details of the last day and time for closing out a Position are available on request. It is your responsibility to be aware of the last day and time for closing out a particular Position.

6.2 AUTOMATIC CLOSURE

A Position will close automatically on the fifth anniversary of the date on which the Position was first entered into.

6.3 TIMING OF PAYMENTS

Any payment due by either us or you under this clause 6 in respect of dates on or after the Closing Date will be made by us adjusting your Account at Close of Business on the Settlement Date. If you have insufficient funds in your Account to meet a payment obligation, you must immediately pay to us as a debt an amount equal to the shortfall.

6.4 DIFFERENCE IN BUY AND SELL PRICES

You acknowledge that you understand that there may be a difference between 'buy' and 'sell' prices you are quoted on closing a Position than on opening a Position.

6.5 PROFIT AND LOSSES

You also acknowledge that you understand that a payment will pass between us equal to the difference in value between the Opening Value of a Position and the Contract Value at the time

the Position is closed out. If you make a profit we must pay a sum to you equal to that profit. If you make a loss you must pay to us a sum equal to that loss.

7. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

7.1 YOUR WARRANTIES

You represent, warrant and undertake to us, at the time of entering into this Agreement and each time you provide instructions to us:

- (a) **status:** you are not bankrupt, of unsound mind or incapable of managing your own affairs;
- (b) **power:** you have full legal capacity and power to enter into this Agreement and to carry out the transactions that it contemplates;
- (c) **this Agreement:** this Agreement constitutes your legal, valid and binding obligations, enforceable against you in accordance with its terms;
- (d) **authorisation:** you are empowered by, and have obtained, all necessary authorities under your constitution and at law to enable you to:
 - (i) properly execute this Agreement and to carry out the transactions contemplated;
 - (ii) ensure this Agreement is legal, valid, binding and admissible in evidence; or
 - (iii) enable you to properly carry on your business as it is now being conducted,and you are complying with any conditions to which any of these authorisations is subject;
- (e) **consents:** you have obtained all necessary consents and have the authority to enter into this Agreement;
- (f) **compliance with laws:** you are complying with all laws to which you are subject;
- (g) **no litigation:** no litigation, arbitration, mediation, conciliation or administrative proceedings are taking place, pending, or to your knowledge after due enquiry, threatened which, if adversely decided, could have a material adverse effect on it;
- (h) **solvency:** you are able to pay your debts as and when they fall due and are not otherwise insolvent or presumed to be insolvent under any law;
- (i) **information accurate:** at all times the information provided by you to us in connection with this Agreement, whether in the Application Form or otherwise will be complete, true and accurate and not misleading (including by omission);
- (j) **disclosure of relevant information:** you have disclosed to us all the information that is reasonably likely to be material to an assessment by us of the risks that we assume by entering into this Agreement with you;
- (k) **no contravention:** neither your execution of this Agreement nor your carrying out of the transactions under this Agreement contemplates does or will:
 - (i) contravene any law to which you or any of your property is subject or any order of any Government Agency that is binding on you or any of your property;

- (ii) contravene any Authorisation;
 - (iii) contravene any agreement binding on you or any of your property; or
 - (iv) contravene your constitution or the powers or duties of your directors;
- (l) **independence:** you acknowledge and agree that we operate independently of any Introducing Brokers or any other third party vendors that you may interact with in relation to a Position under this Agreement. You understand that the agreement between us and the Introducing Broker does not establish a joint venture or partnership and any such Introducing Broker is not an agent or employee of AxiCorp. You also understand that we make no warranty as to an Introducing Broker's or a third party's regulatory status, compliance with Applicable Laws or their quality of service provided to you in relation to any Products entered into under this Agreement;
- (m) **spread:** you understand and acknowledge that AxiCorp may compensate an Introducing Broker for introducing you to us and that such compensation may be on a per-trade basis or other basis. Such compensation to the Introducing Broker may require you to incur a mark-up above and beyond the ordinary spread generally provided by AxiCorp. You may request for information as to the precise nature of such remuneration; and
- (n) **payment:** you will pay any amount due and payable by you under this Agreement when it is due.

7.2 TRUSTEE OF A TRUST

Where you are the trustee of a trust, settlement or fund (including a superannuation fund) (the **Trust**) you further represent, warrant and undertake to us, at the time of entering into this Agreement and each time you provide instructions to us:

- (a) **status of the Trust:** the Trust is validly constituted and has not terminated, nor has the date or any event occurred for the vesting of the assets of the Trust. You will notify us immediately in writing if the Trust is determined or ceases to exist;
- (b) **status as trustee:** you are the sole trustee or trustees of the Trust and you have been validly appointed. You have not given any notice of resignation and no action has been taken to remove you or to appoint an additional trustee of the Trust. You will notify us immediately in writing if you cease for any reason to be the trustee of the Trust;
- (c) **trust power:** you have power under the agreement that constitutes the Trust (**Trust Deed**) to:
 - (i) own the Trust assets and carry on the business of the Trust as it is now being conducted; and
 - (ii) enter into this Agreement and to perform your obligations under this Agreement. You will ensure that your powers under the Trust Deed are not revoked or modified;
- (d) **trust authority:** all action has been taken that is necessary or desirable under the Trust Deed or at law to:
 - (i) authorise your entry into the Agreement and to perform your obligations under this Agreement;
 - (ii) ensure that this Agreement is binding on you as trustee of the Trust; and

- (iii) enable you to properly carry on the business of the Trust;
- (e) **no amendment:** the Trust Deed has not been amended;
- (f) **benefit of beneficiaries:** you are entering into this Agreement as part of the proper administration of the Trust, for the commercial benefit of the Trust and for the benefit of the beneficiaries of the Trust;
- (g) **right of indemnity:**
 - (i) you have the right to be indemnified out of the Trust assets in relation to any liability arising under or in connection with the proper performance of your rights and obligations under this Agreement; and
 - (ii) the Trust assets are sufficient to satisfy that right in full; and
 - (iii) you have not released or disposed of your equitable lien over the Trust assets;
- (b) **right of beneficiaries:** the rights of the beneficiaries to and their interest in the Trust assets are subject to:
 - (i) our rights and interests in the Trust assets under this Agreement; and
 - (ii) any rights and interests that you hold in the Trust assets to which ours may be subrogated;
- (h) **priority against beneficiaries:** this Agreement has priority over the interests of the beneficiaries of the Trust;
- (i) **terms of Trust:** you have disclosed to us the full particulars of the Trust and of any other trust or fiduciary relationship affecting the Trust assets and have given us a complete and up-to-date copy of the Trust Deed;
- (j) **compliance:** you will comply with all of your obligations as trustee of the Trust, whether under the Trust Deed or otherwise;
- (k) **no breach:** you are not in breach of any of your obligations as trustee of the Trust, whether under the Trust Deed or otherwise;
- (l) **no termination:** no action has been taken nor is there any proposal or requirement to wind up, terminate, reconstitute or resettle the Trust, and that no date or event for the vesting of the Trust occurs before the final vesting date for distribution specified in the Trust Deed;
- (m) **no other business:** you will not act as trustee of any other trust or fund, or carry on any business except as trustee of the Trust, without our consent;
- (n) **no distribution of capital or income:** you will not make any distribution of any income or capital or assets of the Trust that results in there being insufficient assets of the Trust to meet any of your liabilities under this Agreement;
- (o) **right of indemnity:** you will not release, dispose of or otherwise prejudice your:
 - (i) rights of indemnity against the Trust assets; or
 - (ii) equitable lien over the Trust assets,

and, at our request, must exercise those rights and that lien and facilitate the subrogation of our rights to them;

- (p) **other information:** you will give us promptly on request and in any event, within five (5) Business Days any information relating to the financial condition, business, assets and affairs of the Trust that we reasonably request. As at the date of this Agreement or, if given later, when given you represent and warrant that:
- (i) the other information and reports (if any) relating to the Trust that you have given to us in connection with this Agreement are true and accurate in all material respects and not misleading in any material respect (including by omission); and
 - (ii) any forecasts, projections and opinions in that other information and reports are fair and reasonable (and were made or formed on the basis of recent historical information and reasonable assumptions after inquiry and consideration).

7.3 SUPERANNUATION FUNDS

If you are the trustee of a superannuation fund you further represent, warrant and undertake to us, at the time of entering into this Agreement and each time you provide instructions to us that:

- (a) **no breach:** you have sought advice in respect of dealing in the Products and are satisfied that in so doing you comply with all your fiduciary duties and obligations under the *Superannuation Industry (Supervision) Act 1993* (Cth) and the regulations made under it, and that your dealings do not in any way breach that legislation;
- (b) **remain sole trustee:** you will not retire as trustee of the superannuation fund, do anything which would cause or permit its removal or permit any additional or substitute trustee to be appointed; and
- (c) **powers:** you will ensure that your powers under the superannuation fund are not revoked or modified.

7.4 NOTIFICATION OF CHANGES

You undertake that throughout the term of this Agreement you will promptly notify us of:

- (a) any change to the details supplied by you in your Application Form; and
- (b) any change to your officeholders, share structure or control and any material or anticipated change in your financial circumstances.

7.5 ELECTRONIC SERVICES

We give no warranty as to the availability, accessibility, description, quality, performance or fitness of the purposes for you of the Electronic Services or any component of such Electronic Services.

8. DEFAULT

8.1 EVENTS OF DEFAULT

The following constitute Events of Default, which upon their occurrence give us the right to take action in accordance with clause 8.2:

- (a) an Insolvency Event occurs in relation to you;

- (b) you are an individual and you die or become of unsound mind;
- (c) you fail to provide any Margin or other sum due under this Agreement in respect of any Position, or the Margin held by us in respect of your Positions falls below our Margin Requirement;
- (d) you are in breach of any representation, warranty or undertaking made under this Agreement or any other material term of this Agreement and/or any information provided to us in connection with this Agreement is or has become untrue or misleading;
- (e) you knowingly take advantage of an incorrect price when dealing with us and a reasonable person in your position would have known the price offered was incorrect or we consider that you have, or have attempted to, manipulate the Platform or any other system of ours in any way;
- (f) any fee or charges or other payments due to us are not paid in accordance with this Agreement;
- (g) at any time or for any period deemed reasonable by us you are not contactable or you do not respond to any notice or correspondence from us;
- (h) we reasonably believe it is prudent for us to take any or all of the actions described in clause 8.2 in light of any relevant legal or regulatory requirement applicable either to you or to us;
- (i) we reasonably consider it necessary for the protection of our rights under this Agreement;
- (j) we consider that you may be in breach of or have failed to comply with any Applicable Law;
- (k) we are so requested by ASIC or any other regulatory body or authority;
- (l) your Account balance falls below the Minimum Margin Requirement;
- (m) any Dispute occurs or litigation is commenced and, in view of the subject matter of or any issues in dispute in relation to that litigation, we reasonably decide that we cannot continue to deal with you while the litigation is pending;
- (n) where we have not received, within ten days of a written request, all information which we have requested in connection with this Agreement;
- (o) where we believe on reasonable grounds that you are unable to manage the risks that arise from your Positions;
- (p) any restriction on your Position size is, or is likely to be, exceeded;
- (q) where you are trustee of a Trust, and without our consent, you cease to be sole trustee of the Trust, or any step is taken to:
 - (i) remove you as trustee, or to appoint a substitute or additional trustee; or
 - (ii) bring any part of the Trust assets under the control of any court;
- (r) any of the following were to occur where you are trustee of a Trust:
 - (i) any application or order is made in any court for:

- (A) accounts to be taken in respect of the Trust; or
- (B) any property of the Trust is to be brought into court or administered by the court under its control;
- (ii) the beneficiaries of the Trust resolve to wind up the Trust;
- (iii) you are required to wind up the Trust under the Trust Deed or applicable law; or
- (iv) the winding up of the Trust commences for any other reason;
- (s) where you are trustee of a Trust, the Trust is held, or is conceded by you, not to have been properly constituted;
- (t) where you are trustee of a Trust, you cease to be authorised under the Trust Deed or at law to own the Trust assets in your name or to perform your obligations under this Agreement; or
- (u) where you are trustee of a Trust, you breach any of your obligations as trustee of the Trust.

8.2 CONSEQUENCES OF DEFAULT

If an Event of Default occurs we may take all or any of the following actions;

- (a) immediately require payment of any amount you owe us, including Margin;
- (b) terminate this Agreement;
- (c) close or limit the size of all or any of your open Positions or the number of Positions you have with us;
- (d) refuse orders to establish new Positions;
- (e) convert any ledger balances to the Base Currency of your Account;
- (f) exercise our rights under clause 8;
- (g) change the Margin level at which we may close your Account;
- (h) impose new Margin requirements to your Trading or Account;
- (i) limit or withdraw the credit on your Account;
- (j) call on any guarantee in respect of your obligations;
- (k) enter into any transaction at such rates and times as we may determine in order to meet or hedge any obligation you may have incurred under a Position; or
- (l) retain any amount owed by us to you against any contingent liability of yours to us or so long as the contingency subsists.

9. NETTING

- (a) This Agreement and all Positions under it form part of a singular Agreement between us and you.

- (b) When an Event of Default occurs, we shall:
- (i) calculate a final Contract Value in respect of all Positions;
 - (ii) calculate all amounts owing by you to us or us to you, under this Agreement or otherwise (including any costs arising from the Event of Default);
 - (iii) if a relevant amount in paragraph 9(b)(i) or 9(b)(ii) is denominated in a currency other than Australian dollars, then we shall determine the amount in Australian dollars that would be required to purchase such amount of such other currency on the date of the calculation at such rate as we in our absolute discretion shall determine, acting reasonably;
 - (iv) as soon as reasonably practicable, following our determination of the above amounts, we shall aggregate all such amounts and set-off the total of all amounts due from us to you against the total of all amounts due from us to you, and the only net difference between such amounts (the **Net Termination Amount**) is payable by the relevant party having a net payment obligation; and
 - (v) we will notify you in writing of our calculation of the Net Termination Amount promptly following our determination. The Net Termination Amount shall be payable on the date on which such notice is effective.
- (c) The Net Termination Amount shall accrue interest at the rate reasonably determined by us from (and including) the date of the close out (but excluding) the date on which the relevant Net Termination Amount is paid in full.

10. DISPUTE RESOLUTION

10.1 INFORMING US ABOUT DISPUTES

You should inform us immediately in writing of any Dispute. We will endeavour to investigate and resolve any Dispute in accordance with our internal complaints handling system. You should contact us for information on how complaints are handled by us internally.

10.2 HOW DISPUTES ARE DEALT WITH

- (a) If the matter is unable to be resolved by us to your satisfaction in accordance with our internal complaints handling system and you are a retail client in respect of the transaction that is the subject matter of your complaint, you may then refer the Dispute for external dispute resolution to the relevant external dispute resolution scheme. In Australia, this is the Financial Ombudsman Service (FOS).
- (b) If you elect to refer your complaint to FOS (or equivalent), you hereby consent to and authorise us to disclose such Personal Information about you including, without limitation, records of telephone conversations between you and us as we, at our absolute discretion, deem appropriate or necessary to enable us to detail, defend or make our case in the dispute resolution process.

10.3 CONTINUANCE OF PERFORMANCE

Despite the existence of a Dispute, the parties must continue to perform their respective obligations under this Agreement, unless the parties have agreed otherwise. If you have submitted your complaint to FOS (or equivalent), you are still required to do what you can to mitigate your losses. If we agree to submit to an independent dispute resolution scheme, this does not constitute a waiver of any default by you.

11. LIABILITY AND INDEMNITY

11.1 EXCLUSION OF LIABILITY

To the maximum extent permitted by law, we have and are under no liability (whether in negligence or otherwise) to you for any Loss or Claim in connection with or relating to this Agreement or a transaction under this Agreement.

In particular, we are not liable for:

- (a) any Loss or Claim in respect of an alleged loss of profits, loss of revenue or loss of opportunity;
- (b) any Loss that was not reasonably foreseeable;
- (c) any action we may take under this Agreement, so long as we act within the terms of its provisions;
- (d) any action taken by or on the instruction of a market, clearing house or regulatory body;
- (e) any breach of this Agreement, except in the case of our fraud, negligence or wilful default;
- (f) any Material Error that may occur;
- (g) any Claim in respect of general product financial advice provided by us;
- (h) any error or inaccuracy in, or unsuitability of, or omission from the Agreement, or any other information provided by us, whether negligent or otherwise;
- (i) any Loss or Claim suffered or incurred by you in respect of our Electronic Services including due to the unavailability of the Trading Platform or Electronic Services, system and data errors, delays, inaccuracies, errors or omissions in data provided to you, software or computer viruses or the unauthorised use of the Electronic Services at any time; and
- (j) any errors, actions or inactions of any Introducing Broker, Associate or any other third party.

11.2 TRADING PLATFORM

We do not warrant that the Trading Platform will always be available and we reserve the right to remove altogether or reduce the Trading Platform service at any time for any purpose, without thereby incurring any liability to you.

11.3 INDEMNITY

You agree to indemnify us against all Losses or Claims which may be suffered or incurred or brought against us or in connection with or caused by:

- (a) your breach of this Agreement;
- (b) any Loss suffered by us as a result of any computer viruses, worms, software bombs or similar items introduced into the system via the Electronic Service or any software provided by us to you in order to enable you to use the Electronic Service;
- (c) us entering into any Position with you;

(d) us taking any action under clause 8 of this Agreement,

unless such Loss or Claim is suffered or incurred as a result of our fraud, negligence or wilful default.

12. AMENDMENT, ASSIGNMENT AND TERMINATION

12.1 AMENDING AGREEMENT

We may amend or replace this Agreement at any time by giving written notice to you of the changes. You may amend this Agreement with our written consent.

12.2 TERMINATION

Notwithstanding any other termination rights we have under this Agreement, we may immediately terminate this Agreement at any time by giving written notice to you. You may terminate this Agreement at any time by giving ten Business Days' written notice to us. Your Account will be closed as soon as reasonably practicable after the expiry of the termination notice period, with all open Positions, or orders cancelled, and all of your obligations discharged.

12.3 RESERVATION OF RIGHTS

If you provide notice to terminate this Agreement under this clause 12, we reserve the right to refuse to allow you to enter into any further Positions or orders which may lead to you holding further open Positions during the termination notice period.

12.4 ASSIGNMENT AND DELEGATION

- (a) You may not assign any of your rights or delegate any of your obligations under this Agreement to any person without our prior written consent.
- (b) You may not create any security interest over any of your rights under this Agreement, including any rights to deposits held by us.
- (c) We may assign our rights or delegate any of our obligations under this Agreement to any person on giving not less than seven Business Days' notice to you.
- (d) If you are in default of any of your obligations under this Agreement, we will be entitled (without prejudice to any other rights we may have) to assign to any person with immediate effect all or any of our rights in respect of moneys owing to us under this Agreement, as well as any security or other remedies available to us in respect of such moneys. You may be required to acknowledge in writing to us that the assignee has assumed our rights and obligations under this Agreement in relation to the relevant moneys owing by you.

13. FORCE MAJEURE

13.1 NOTICE AND SUSPENSION OF OBLIGATIONS

If a party to this Agreement is affected, or likely to be affected, by a Force Majeure Event:

- (a) that party must immediately give the other prompt notice of that fact including:
 - (i) full particulars of the Force Majeure Event;
 - (ii) an estimate of its likely duration;

- (iii) the obligations affected by it and the extent of its effect on those obligations; and
 - (iv) the steps taken to rectify it; and
- (b) the obligations under this Agreement of the party giving the notice are suspended to the extent to which they are affected by the relevant Force Majeure Event as long as the Force Majeure Event continues.

13.2 **EFFORT TO OVERCOME**

A party claiming a Force Majeure Event must use reasonable endeavours to remove, overcome or minimise the effects of that Force Majeure Event as quickly as possible. This does not require a party to settle any industrial dispute in any way that it considers inappropriate.

13.3 **TERMINATION**

- (a) If a Force Majeure Event continues for more than five (5) Business Days, either party may terminate this Agreement immediately by giving written notice to the other party; and
- (b) In the event of termination under paragraph (a), neither party is liable to the other except to the extent of rights or obligations which accrued before the termination.

13.4 **ADDITIONAL ACTIONS**

Notwithstanding clauses 13.2 and 13.3 above, if we determine that a Force Majeure Event exists then we may (without prejudice to any other rights under this Agreement and at our sole discretion) take any one or more of the following actions:

- (a) alter normal trading times;
- (b) alter the Margin Requirement;
- (c) amend or vary this Agreement and any transaction contemplated by this Agreement, including any Position, insofar as it is impractical or impossible for us to comply with our obligations to you;
- (d) close any or all existing Positions, cancel instructions and orders as we deem to be appropriate in the circumstances; or
- (e) take or omit to take all such other actions as we deem to be reasonably appropriate in the circumstances having regard to the Positions of us, you and other clients.

To the extent practicable, we will take reasonable steps to notify you of any action that we propose to take under this clause 13.4. If it is not practicable to give you prior notice, we will notify you promptly after taking any such action.

13.5 **LIABILITY**

If we determine in our absolute discretion that a Force Majeure Event exists, we will not be liable to you for any failure, hindrance or delay in performing our obligations under this Agreement or for taking or omitting to take any action in accordance with clauses 13.2 or 13.3 of this Agreement.

14. ELECTRONIC SERVICES

14.1 USE OF INFORMATION, DATA AND SOFTWARE

If you receive any data, information or software via the Electronic Service other than that which you are entitled to receive pursuant to this Agreement, you will immediately notify us and will not use, in any way whatsoever, such data, information or software.

14.2 MAINTAINING STANDARDS

When using the Electronic Service you must:

- (a) ensure that the system is maintained in good order and is suitable for use with such Electronic Service;
- (b) carry out virus checks on a regular basis;
- (c) not at any time leave the terminal from which you have accessed such Electronic Service or let anyone else use the terminal until you have logged off such Electronic Service;
- (d) run such tests and provide such information to us as we reasonably consider necessary to establish that the system satisfies the requirements notified by us to you from time to time; and
- (e) inform us immediately of any system defect, or any unauthorised access to an Electronic Service or any unauthorised transaction or instruction which you know of or suspect and, if within your control, cause such unauthorised use to cease and cease all use of such Electronic Service until you have received permission from us to continue.

14.3 SYSTEM DEFECTS

In the event you become aware of a material defect, malfunction or virus in the system or in an electronic service, you will immediately notify us of such defect, malfunction or virus and cease all use of such electronic service until you have received permission from us to resume use.

14.4 INTELLECTUAL PROPERTY

All rights in patents, copyrights, design rights, trade-marks and any other intellectual property rights (whether registered or unregistered) relating to the Electronic Services remain vested in us or our licensors. You will not copy, interfere with, tamper with, alter, amend or modify the Electronic Services or any part or parts thereof unless expressly permitted by us in writing, reverse compile or disassemble the Electronic Services, nor purport to do any of the same or permit any of the same to be done, except in so far as such acts are expressly permitted by law. Any copies of the Electronic Services made in accordance with law are subject to the terms and conditions of this Agreement. You must ensure that all the licensors trademarks and copyright and restricted rights notices are reproduced on these copies. You must maintain an up-to-date written record of the number of copies of the Electronic Services made by you. If we so request, you must as soon as reasonably practicable, provide to us a statement of the number and whereabouts of copies of the Electronic Services.

14.5 IMMEDIATE SUSPENSION OR PERMANENT WITHDRAWAL

We have the right, unilaterally and with immediate effect, to suspend or withdraw permanently your ability to use the Electronic Service, or any part thereof, without notice,

where we consider it necessary or advisable to do so. In addition, your use of an Electronic Service will be terminated automatically, upon the termination (for whatever reason) of (i) any licence granted to us that relates to the Electronic Service; or (ii) this Agreement.

14.6 EFFECTS OF TERMINATION

If either party terminates your use of the Electronic Service for any reason, upon request by us, you must, at our option, return to us or destroy all hardware, software and documentation that we have provided you in connection with such Electronic Service and any copies thereof.

15. YOUR PRIVACY & DISCLOSURE

- (a) By providing us with information about yourself through any associated AxiCorp websites (including AxiTrader and regardless of the jurisdiction you may be in when doing so), you consent to the collection, use, disclosure and transfer of that information as set out in our Privacy Policy and as summarised below.
- (b) Our Privacy Policy can be found on our website or you may contact us for a free copy.
- (c) You understand and agree that we will collect your Personal Information for the purposes of assessing your application and, if applicable, opening, maintaining and operating your Account which includes the enforcement of this Agreement.
- (d) You are under no obligation to provide us with your Personal Information, however if you choose not to, we may not be able to process or progress your application which will result in us not being able to open your Account.
- (e) **If you apply to open an Account, your Application Form (whether written or electronic, or in any other form (including verbal)) will constitute your express consent to the use and (in certain circumstances) disclosure of your Personal Information, as set out below and in our Privacy Policy.**
- (f) You **consent** to the use of your Personal Information where we use this information to:
 - (i) assess your application, conduct identity checks, verify you and do anything else necessary in order to open your Account. This includes conducting screening checks in accordance with our obligations under applicable AML/CTF Laws and also includes your consent to us processing all such information for the purposes of performing any contractual obligations, including other obligations we have at law, and administering the relationship between you and us; and
 - (ii) if applicable, open, maintain and operate your Account, which includes the enforcement of this Agreement.
- (g) You **consent** to the disclosure of your Personal Information where we disclose such information to:
 - (i) relevant regulators or government authority as required, authorised, permitted or compelled by law;
 - (ii) other companies within the AxiCorp group (including our Associates in other jurisdictions) who may be involved in administering your Account or providing other services for the AxiCorp group;
 - (iii) where applicable, anyone authorised by you;

- (iv) an Introducing Broker, referrer or agent who may have introduced or referred you to us (this is necessary in order to pay fees or commissions for such a referral and can include any click-through links you may have clicked on);
 - (v) third party service providers, including those who help facilitate or support our business, or develop new software to run our business more efficiently (these could include specialist advisers who have been contracted to provide us with administrative, IT, financial, regulatory, compliance, taxation, insurance, research or other services); and
 - (vi) comply with our legal, regulatory or professional obligations (including compliance with AML/CTF Laws);
- (h) Where we share your Personal Information in the ways set out above, you acknowledge and understand that this may result in your Personal Information being sent outside Australia. Where this occurs, while we make reasonable attempts to, you acknowledge that we may not be able to extract an undertaking from the overseas recipients that they will comply with Australian Privacy Laws and the ability to enforce Australian Privacy Laws or any other contractual privacy obligation in relation to any breach may be very limited. As such, we will not be accountable for any breaches of the Australian Privacy Laws by that overseas recipient.

16. CONFIDENTIALITY

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

- (a) with the consent of the party who provided the information (such consent not to be unreasonably withheld);
- (b) if allowed, compelled or required by law, the Agreements, our Privacy Policy or required by any market 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 when dealing with rights or obligations under the Agreements (including in connection with preparatory steps such as in relation to assignments).

This clause does not apply in relation to Personal Information (as defined and as set out in clause 15 above).

17. SURVIVAL OF OBLIGATIONS

Clauses 1, 7, 10, 11, 12, 13, 14, 15, 16, 17, 18 and 19 survive any termination or expiry of this Agreement.

18. NOTICES

18.1 NOTICES MUST BE IN WRITING

Subject to clause 17.2, any notice or other communication (including any Confirmations, Reports, statements or supplementary PDS) given or made under or in connection with the matters contemplated by this Agreement will, except where oral communication is expressly provided for, be in writing and will be sent to the address below:

- (a) Us

AxiCorp Financial Services Pty Ltd
Group Risk

Address: PO Box 1079
North Sydney NSW 2059

Fax No.: +61 2 9965 5899

Email: GroupRisk@axicorp.com.au

- (b) You: The address, facsimile number and electronic mail address provided by you in the Application Form.

18.2 PROVISION OF NOTICE

A notice in writing can be provided by letter, fax, email or to the extent permitted by Applicable Laws, the Website including the Trading Platform.

18.3 WHEN NOTICES ARE RECEIVED

Any such notice will be deemed to have been received:

- (a) if delivered personally or by hand, at the time of delivery;
- (b) if sent by mail, when it would be delivered in the ordinary course of post, but in any event:
 - (i) not later than three (3) Business Days after posting within Australia; or
 - (ii) not later than seven (7) Business Days after posting internationally; or
- (c) if sent by facsimile, one hour after completion of its transmission, unless after Close of Business in which case deemed the next Business Day;
- (d) if sent by electronic transmission, when received and opened by the recipient in readable form:
 - (i) by 5.00 pm (local time in the place of receipt) on a Business Day – on that day; or
 - (ii) after 5.00 pm (local time in the place of receipt) on a Business Day, or on a day that is not a Business Day – on the next Business Day; and
- (e) if it is given in any other manner permitted by law, when actually received by that person, unless a later time of receipt is specified in it.

18.4 CHANGE OF NOTICE DETAILS

You may alter the address (including electronic mail address) to which Confirmations, Reports, notices and other communications are issued, by written notice to us. You agree and acknowledge that you are solely responsible for ensuring that we have your current address, telephone number, facsimile number and electronic mail address.

19. GOVERNING LAW AND JURISDICTION

19.1 LAW

This Agreement, and each Position between us and you will be governed by and construed in accordance with the laws of the State of New South Wales, Australia.

19.2 JURISDICTION

Both parties submit irrevocably, for our benefit only, to the exclusive jurisdiction of the laws of the State of New South Wales, Australia. Both parties waive any objection they may have to proceedings being brought in such courts, waive any claim that such proceedings have been brought in an inconvenient forum and further waive the right to object, with respect to such proceedings, that such courts do not have any jurisdiction over such party. For the avoidance of doubt, this clause 18 will not prevent us from commencing proceedings in any other relevant jurisdiction.

20. MISCELLANEOUS

20.1 PRINCIPAL

In our dealings with you, we will act as a principal counterparty to all of your Positions. Unless we agree otherwise in writing, you will also deal with us as principal, and not as an agent or representative of another person.

20.2 NO PERSONAL FINANCIAL ADVICE

We will not provide any personal financial product advice to you. Personal financial product advice is advice about a financial product that is given or directed to a person in circumstances where the provider of the advice has considered one or more of the person's objectives, financial situation and needs, or a reasonable person might expect the provider to have considered one or more of those matters. We deal with you on an execution-only basis and any advice we give you will be general advice only. Any advice we give you will not take into account your objectives, financial situations or needs. In the circumstances, you should seek professional advice as to the suitability of our financial products for your purposes having regard to your objectives, financial situation or needs. You should obtain and read our PDS before making any decisions in relation to our Products or Services.

20.3 ANTI-MONEY LAUNDERING LEGISLATION

- (a) You acknowledge that by entering into this Agreement, we may require further information from you from time to time to comply with the AML/CTF Act. By entering into this Agreement, opening an account and transacting with us, you undertake to promptly provide us with all additional information and assistance that we may reasonably require to comply with the AML/CTF Act.
- (b) You also warrant that:
 - (i) you are not aware and have no reason to suspect that:
 - (A) the moneys used to fund your transactions have been or will be derived from or related to any money laundering, terrorism financing or other illegal activities, whether prohibited under Applicable Laws, international law or convention or by agreement; or

(B) the proceeds of your investment will be used to finance any illegal activities; and

(ii) neither you nor your directors are a politically exposed person or organisation as the term is used in the Anti-Money Laundering and Counter-Terrorism Rules Instrument 2007 (1).

20.4 **CONSENT TO RECORDING OF TELEPHONE CONVERSATIONS**

You consent to the electronic recording of your telephone discussions with us and the use of recordings or transcripts from such recordings for any purpose.

20.5 **OUR ACTIONS TO COMPLY WITH THE LAW**

Despite any other provision of this Agreement, in providing the Services in this Agreement, we will be entitled to take any action as we consider necessary in our absolute discretion to ensure compliance with all Applicable Laws.

20.6 **CLIENT MONEY**

(a) Australian Client Money Rules and authorisations

All moneys deposited by you or a person acting on your behalf to the credit of your Account is Client Money within the meaning of the Australian Client Money Rules and will be held in an account with an Australian Authorised Deposit-taking Institution (**ADI**) or an approved foreign bank in accordance with the Australian Client Money Rules, unless you are deemed to be an Exempt Wholesale Client (as explained below). Please read our PDS for a description of the operation of the Client Money Rules and how you are affected by them. Client Money is held in trust for the clients entitled to it. You agree and acknowledge that individual Accounts of our clients are not separated from each other within the trust accounts operated by us. Furthermore, you acknowledge that you understand the possible risks of this as explained in our PDS that you have read and considered.

(b) Withdrawal of Client Money

The Australian Client Money Rules relevantly permit us to withdraw money from the segregated trust account in the following circumstances:

- (i) to defray brokerage and other proper charges (e.g. commissions);
- (ii) from 4 April 2018, to meet an obligation incurred by us in connection with derivative transactions which will be cleared through a domestic licensed clearing and settlement facility or a foreign clearing and settlement facility (note this will not usually be the case with financial products offered under this document); and
- (iii) where interest is earned on the account, and we have disclosed to you that we intend to keep any interest payments (which we have done in section 20.6(e) below).

(c) Exempt Wholesale Clients

Where you are an Exempt Wholesale Client, in agreeing to these terms, you are providing written agreement to opt-out of the Australian Client Money Rules to the extent permissible by the Applicable Laws.

Please note that we will assess wholesale client or retail client status from time to time. If you satisfy the criteria to be classified as a "wholesale client" we may classify you as such. We are under no obligation to inform you if we classify you as a wholesale client.

(d) Investment of Moneys held

We may invest any of your money held in any trust account according to the Australian Client Money Rules and you irrevocably and unconditionally authorise us to undertake any such investment.

(e) Treatment of Investment Capital and Interest

Unless otherwise agreed in writing with you:

- (i) we are solely entitled to any interest or earnings derived from your moneys being deposited in a trust account or invested by us in accordance with the Australian Client Money Rules;
- (ii) in the event that the amount received upon realisation of an investment of your moneys is less than the initial capital invested, we must pay an amount equal to the difference into a trust account for the benefit of you, except where any such difference is the result of amounts paid out of the investment to us and/or any Associate of ours in accordance with the terms and conditions of this Agreement; and
- (iii) we will not charge a fee for investing your moneys.

(f) You authorise us to deal with your Account

You irrevocably and unconditionally authorise us and/or any Associate of ours to:

- (i) withdraw, deduct or apply any amounts payable by you to us under this Agreement from your trust account, including, without limitation making a payment for, or in connection with, the margining, adjusting or settling of dealings in Positions entered into by you or the payment of interest or fees or charges to us, it being acknowledged and agreed by you that such amounts belong to us under this Agreement and may be used by us in our business from time to time, including for the payment of amounts to our counterparties;
- (ii) deal with any property, other than money, given to us in accordance with the terms and conditions of this Agreement, including, without limitation:
 - (A) dealing with such property in connection with the margining, adjusting or settling of dealings in Positions entered into by you: or
 - (B) selling or charging in any way any or all of your property which may from time to time be in the possession or control of us or any of our Associates following the happening an Event of Default.

(g) Record-keeping, reconciliation and reporting under the Australian Client Money Rules

From 4 April 2018, new derivative retail client money reporting rules will apply to us. Under the client money reporting rules, we will be required to comply with various record-keeping, reconciliation and reporting obligations in relation to any "reportable client money" we hold. "Reportable client money" is money held by a retail client in connection with OTC derivatives or overseas exchange-traded derivatives (such as foreign futures contracts).

Under the new client money reporting rules, we must:

- (i) keep accurate records of the amount of reportable client money we receive from you, and retain them for seven years;
- (ii) perform a daily and monthly reconciliation of the amount of reportable client money we have recorded against the amount actually held in the client money account, some of which will include your client money;
- (iii) notify ASIC within five business days if we fail to perform a reconciliation in accordance with the client money reporting rules or if we identify a discrepancy when performing a reconciliation;
- (iv) prepare and give to ASIC an annual directors' declaration and an external auditor's report on our compliance with the client money reporting rules within three months of the end of the financial year; and
- (v) establish, implement and maintain policies and procedures designed to ensure our compliance with the client money reporting rules.

20.7 OPERATION OF THIS AGREEMENT

- (a) Any provision of this Agreement which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this Agreement enforceable, unless this would materially change the intended effect of this Agreement.
- (b) If there is any inconsistency between the English version of this Agreement and any translation of this Agreement, the English version will prevail to the extent of any inconsistency.

20.8 RIGHTS AND REMEDIES

The rights and remedies contained in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

20.9 RIGHTS OF THIRD PARTIES

Nothing in this Agreement is intended to confer on any person other than us or you any right to enforce any term of this Agreement.

20.10 WAIVER AND VARIATION OF RIGHTS

- (a) No delay or omission on our part in exercising any right, power or remedy provided by law or under this Agreement, or partial or defective exercise thereof, will:
 - (i) impair or prevent further or other exercise of such right, power or remedy;
or
 - (ii) operate as a waiver of such right, power or remedy.
- (b) No waiver of any breach of any term of this Agreement will (unless expressly agreed in writing by us) be construed as a waiver of a future breach of the same term or as authorising a continuation of the particular breach.
- (c) Our exercise of a right partially or on one occasion does not prevent any further exercise of that right in accordance with the terms of this Agreement. Neither a forbearance to

exercise a right nor a delay in the exercise of a right operates as an election between rights or a variation of the terms of this Agreement.

20.11 **OUR OFFICE AND TRADING HOURS**

- (a) **Hours:** Our office and trading hours and general practices are set out on our Website.
- (b) **Access to information:** You may contact us at the address listed in our PDS if you wish to request access to any Personal Information that we hold about you.

20.12 **MULTIPLE PARTIES**

If a party to this document is made up of more than one person, or a term is used in this document to refer to more than one party, then unless otherwise specified in this document:

- (a) an obligation of those persons is joint and several;
- (b) a right of those persons is held by each of them severally; and
- (c) any other reference to that party or that term is a reference to each of those persons separately, so that (for example):
 - (i) a representation, warranty or undertaking relates to each of them separately; and
 - (ii) a reference to that party or that term in clause 8 is a reference to each of those persons separately.

20.13 **TIME IS OF THE ESSENCE**

Time is of the essence for this Agreement.

20.14 **LIABILITY FOR EXPENSES**

Each party must pay its own expenses incurred in executing this Agreement and negotiating any additional terms and conditions as it relates to a Position.

20.15 **GIVING EFFECT TO TRANSACTIONS**

Each party must do anything (including execute any document), and must ensure that its employees and Authorised Person does anything (including execute any document), that any other party may reasonably require to give full effect to this Agreement.

20.16 **COUNTERPARTS**

This Agreement may be executed in counterparts. Delivery of a counterpart of this Agreement by email attachment or fax constitutes effective mode of delivery.

SCHEDULE 1

PRODUCTS

PART A – FOREIGN EXCHANGE CONTRACTS

1. TRADING: Calculation of Contract Value

For the purpose of calculating the prices quoted at which we are prepared to deal, the following is to be noted:

- (a) **Contract Unit:** of a Foreign Exchange Contract will be one currency unit of the primary reference currency.
- (b) **Our pricing:**
 - (i) The Contract Price of a Foreign Exchange Contract will be a bid or offer price (whichever is applicable) calculated by us by applying the AxiCorp Spread to the Interbank Rate.
 - (ii) If the Closing Date of a Foreign Exchange Contract is other than a date generally quoted in the market, we will calculate the Interbank Rate from the available market prices for another value date as we consider representative, fair and reasonable.

2. MARGIN

2.1 Initial Margin

Initial Margin will be calculated as follows:

Initial Margin requirement = (Margin Percentage x Contract Price) x Quantity of Contract.

2.2 Margin Percentage

We will specify the Margin Percentage for each Foreign Exchange Contract in the relevant Commercial Terms Annexure.

In accordance with clause 4.3 of this Agreement, Margin Percentages may be subject to change without notice.

PART A.1 – FOREIGN EXCHANGE CONTRACTS: FX CONTRACTS

1. DAILY VALUATION

1.1 Long FX Contracts

If you are long on a FX Contract where the bought currency interest rates are higher than the sold currency interest rates you will receive interest at the AxiCorp Swap Rate if you hold the Position overnight and do not close it before the settlement time. This is because you are holding the higher yielding currency. On the other hand, if you are long on a FX Contract where the bought currency interest rates are lower than the sold currency interest rates then you will pay interest at the AxiCorp Swap Rate if you hold the Position overnight and do

not close it before the settlement time. This is because you are holding the lower yielding currency

1.2 Short FX Contracts

If you are short on a FX Contract where the sold currency interest rates are higher than the bought currency interest rates you will pay interest at the AxiCorp Swap Rate if you hold the Position overnight and do not close it before the settlement time. This is because you are holding the lower yielding currency. On the other hand, if you are short on a FX Contract where the sold currency interest rates are lower than the bought currency interest rates then you will receive interest at the AxiCorp Swap Rate if you hold the Position overnight and do not close it before the settlement time. This is because you are holding the higher yielding currency.

2. CLOSING POSITIONS

2.1 When can a FX Contract be closed?

A FX Contract may be closed out if:

- (a) You give instructions to close a FX Contract by entering into an equal and opposite Position irrespective of the date on which either Position closes automatically under clause 6.2 of the Agreement as follows:
 - (i) **Single Position Closing:** a single open Position can be closed by choosing the close button when you execute the trade online. The Position will be closed and offset by the opposite Position; or
 - (ii) **Close by Opposite Positions:** you can choose to close a Position by an opposite Position but not offsetting the two Positions. You can execute an opposite Position and both long and short Positions will appear in your trade account. You can choose to offset the Positions at a later time when you prefer.

We may exercise any of our rights under this Agreement to close a FX Contract at any time before the Position closes automatically under clause 6.2 of this Agreement.

2.2 Closure: Long and Short contract

If you are long and short on a FX Contract, with effect immediately after Close of Business on the Closing Date, we will close the relevant long and short Positions and record in your account the balance, if any, of your then outstanding long or short Position, as appropriate. If there is more than one Position in relation to the particular Underlying Instrument, we may close out whatever Position we consider appropriate.

2.3 Closure: Two or more FX Contracts

Where you have two or more FX Contracts:

- (a) which are in respect of the same Underlying Instrument; and
- (b) where you are in the FX Contracts as either the Long Party or the Short Party; we will with effect immediately after Close of Business on each Trading Day replace such FX Contracts with a single aggregated FX Contract equivalent to the total of the Contract Quantities of each FX Contract. The date on which such replacement FX Contract will expire automatically under clause 6.2 of the Agreement will be the latest of the Expiry Dates of each of the original FX Contracts.

PART A.2 – FOREIGN EXCHANGE CONTRACTS: NDFs

CLOSING POSITIONS

NDFs, if not terminated earlier under this Agreement, will close automatically at Close of Business on the Maturity Date and will settle on the Settlement Date.

PART B - CFDS

PART B.1: INDEX FUTURES CFDS

1. TRADING: Calculation of Value

For the purpose of calculating the prices quoted at which we are prepared to deal, please note:

- (a) **Contract Unit:** The Contract Unit of an Index Futures CFD will be the points total of the relevant Equity Index Futures Contract and our quoted prices in the relevant currency of the Equity Index Futures Contract at the relevant currency amount per index point (as specified in our PDS).
- (b) **Our pricing:**
 - (i) The Contract Price of an Index Futures CFD will be the bid or offer price (whichever is applicable) calculated by us by applying the AxiCorp Spread to the mid market price of the relevant Equity Index Futures Contract on the relevant exchange.
 - (ii) If the Closing Date of an Index Futures CFD is other than a Trading Day, we will calculate the relevant Exchange Rate from the available exchange prices for another value date as we consider fair and reasonable.

2. MARGIN

2.1 Initial Margin

Initial Margin will be calculated as follows:

Initial Margin requirement = (Quantity of Contract Units x Contract Price) x Margin Percentage.

3. DAILY VALUATION: Rollover of index futures CFDs

A rollover will arise in Index Futures CFDs when the underlying front month futures contract is approaching the Expiry Date and we change our CFD pricing fee from the front month to the Next Serial Futures Contract. When the new price feed takes effect you will immediately create a gain or loss in your open Position. This profit or loss will depend on your Position size and the direction and price differential of the expiring Position and the new Position on which the price will be now based. You will be credited or debited with a Rollover Charge or Rollover Benefit that will fully offset the effect of the abovementioned profit or loss. For example, if you have made a profit on the change the new Contract Price feed you will receive a Rollover Charge which will offset the gain.

4. CLOSING POSITIONS

4.1 When can an Index Futures CFD be closed?

An Index Futures CFD can be closed by the same process as set out in clause 6.1 of this Agreement.

4.2 Automatic closure: Index Futures CFDs

Subject to clauses 6.2 of this Agreement and clauses 4.3 and 4.4 of this Part B.1, an Index Futures CFD will close automatically at Close of Business on the Closing Date and not on the daily Close of Business:

- (a) If the period from the date of the transaction to the Closing Date of the Index Futures CFD is, or is part of, a market standard period during which equivalent Positions are traded on the relevant exchange, as reasonably determined by us, such Index Futures CFD will be replaced with effect immediately after Close of Business on the Closing Date by an equivalent Index Futures CFD for the same market standard period to the replacement specified Closing Date. The Opening Value of that replacement Index Futures CFD must equal the current Contract Price of the replacement Index Futures CFD multiplied by the applicable Contract Quantity. The provisions of this Agreement will then apply to such Index Futures CFD, but this will not affect the automatic closing of an Index Futures CFD under clause 6.2 of the Agreement, with effect that the 5 year period will run from the date on which the original Index Futures CFD was first entered into, and when that Index Futures CFD closes automatically under this clause 4.2 it will not be reopened in accordance with this clause 4.2.
- (b) When an Index Futures CFD is closed by another Index Futures CFD under this clause 4.2 at Close of Business on the Closing Date of the original Index Futures CFD, we will calculate the difference between the closing Contract Value of the original Index Futures CFD and the Opening Value of the replacement Index Futures CFD and we will:-
 - (i) if the amount calculated as the Contract Value is greater than the amount calculated as the Opening Value, credit the difference to the Account; and/or
 - (ii) if the amount calculated as the Opening Value is greater than the amount calculated as the Contract Value, debit the difference from your account.

4.3 Closure: Long and Short Contract

If you are long and short on an Index Futures CFD, with effect immediately after Close of Business on the Closing Date, we will close the relevant long and short Positions and record in your Account the balance, if any, of your then outstanding long or short Position, as appropriate. If there is more than one Position in relation to the particular Underlying Instrument, we may close out whatever Position we consider appropriate.

4.4 Closure: Two or more CFDs

Where you have two or more Index Futures CFDs:

- (a) which are in respect of the same Underlying Instrument with the same Closing Date; and
- (b) where you are in the Index Futures CFDs as either the Long Party or the Short Party; we will with effect immediately after Close of Business on each Trading Day replace such Index Futures CFDs with a single aggregated Index Futures CFD equivalent to the total of the Contract Quantities of each Index Futures CFD. The date on which such replacement Index Futures CFD will expire automatically under clause 6.2 of the Agreement will be the latest of the Expiry Dates of each of the original Index Futures CFDs.

PART B.2: BULLION Contracts

1. TRADING

1.1 Position Duration

A Position in respect of a Bullion Contract has no inherent limit to its duration and, subject to the payment of Margin and other relevant sums, can continue indefinitely. Any Position opened by you may be closed by us at the prevailing rate if there is an Event of Default.

1.2 Calculation of Contract Value

For the purpose of calculating the prices quoted at which we are prepared to deal, the following should be noted:

- (a) **Contract Unit:** The Contract Unit of a Bullion Contract will be one ounce of the relevant metal (gold, silver, palladium or platinum) and we quote prices in the customary currency of the relevant market per ounce.
- (b) **Our pricing:** The Contract Price of a Bullion Contract will be a bid or offer price (whichever is applicable) calculated by us by applying the AxiCorp Spread to the Interbank Rate.

2. MARGIN

2.1 Initial Margin

Initial Margin will be calculated as follows:

Initial Margin requirement = (Quantity of Contract Units x Contract Price) x Margin Percentage.

3. DAILY VALUATION

3.1 Long Bullion Contracts

If you have a long US dollar/short Bullion Position and interest rates in the USA are higher than the Bullion swap rate determined by us you will receive a Rollover Benefit at the AxiCorp Swap Rate if you hold the Position overnight and do not close it before settlement time. This is because you are holding the lower yielding asset.

3.2 Short Bullion Contracts

If you have a short Australian dollar/short Bullion Position and interest rates in the USA are higher than the Bullion swap rate determined by us you will pay a Rollover Charge at the AxiCorp Swap Rate if you hold the Position overnight and do not close it before settlement time. This is because you are holding the higher yielding asset.

4. CLOSING POSITIONS

4.1 When can a Bullion Contract be closed?

A Bullion Contract may be closed out if:

- (a) You give instructions to close a Bullion Contract by entering into an equal and opposite Position irrespective of the date on which either Position closes automatically under clause 6.2 of the Agreement as follows:

- (i) **Single Position Closing:** a single open Position can be closed by choosing the close button when you execute the trade online. The Position will be closed and offset by the opposite Position; or
 - (ii) **Close by Opposite Positions:** you can choose to close a Position by an opposite Position but not offsetting the two Positions. You can execute an opposite Position and both long and short Positions will appear in your trade account. You can choose to offset the Positions at a later time when you prefer.
- (b) We may exercise any of our rights under this Agreement to close a Bullion Contract at any time before the Position closes automatically under clause 6.2 of this Agreement.

4.2 Closure: Long and Short Contract

If you are long and short on a Bullion Contract, with effect immediately after Close of Business on the Closing Date, we will close the relevant long and short Positions and record in your account the balance, if any, of your then outstanding long or short Position, as appropriate. If there is more than one Position in relation to the particular Underlying Instrument, we may close out whatever Position we consider appropriate.

4.3 Closure: Two or more Bullion Contracts

Where you have two or more Bullion Contracts:

- (a) which are in respect of the same Underlying Instrument; and
- (b) where you are in Bullion Contracts as either the Long Party or the Short Party; we will with effect immediately after Close of Business on each Trading Day replace such Bullion Contracts with a single aggregated Bullion Contract equivalent to the total of the Contract Quantities of each Bullion Contract. The date on which such replacement Bullion Contract will expire automatically under clause 6.2 of the Agreement will be the latest of the Expiry Dates of each of the original Bullion Contracts.

PART B.3: Commodity CFDS

1. TRADING: Calculation of Contract Value

For the purpose of calculating the prices quoted at which we are prepared to deal, the following should be noted:

- (a) **Contract Unit:** The Contract Unit of a Commodity CFD will be 1SI unit (e.g. one ounce, pound or barrel) according to the custom of the relevant market and we quote prices in the customary currency of the relevant market per unit.

If, in accordance with the custom of the relevant market, prices for a Commodity are quoted in different currencies in different markets, you may request us to quote a price for the Commodity CFD in any of the customary currencies.

- (b) **Our pricing:**

- (i) The Contract Price of a Commodity CFD will be a bid or offer price (whichever is applicable) calculated by us by applying the AxiCorp Spread to the last traded price of the relevant Underlying Instrument (being a futures contract over a Commodity) on the relevant exchange.

- (ii) If, in accordance with the custom of the relevant market, prices for a Commodity are quoted in different currencies in different markets, you may request us to quote a price for the Commodity CFD in any of the customary currencies.

2. MARGIN

2.1 Initial Margin

Initial Margin will be calculated as follows:

Initial Margin requirement = (Margin Percentage x Contract Price) x Quantity of Contract.

3. DAILY VALUATION: Rollover of Commodity CFDS

A rollover will arise in Commodity CFDs when the underlying front month futures contract is approaching the Expiry Date and we change our CFD pricing fee from the front month to the Next Serial Futures Contract. When the new price feed takes effect you will immediately create a gain or loss in your open Position. This profit or loss will depend on your Position size and direction and price differential of the expiring contract and the new contract on which the price will be now based. You will be credited or debited with a Rollover Charge or Rollover Benefit that will fully offset the effect of the abovementioned profit or loss. For example, if you have made a profit on the change the new Contract Price feed you will receive a Rollover Charge which will offset the gain.

4. CLOSING POSITIONS

4.1 When can a Commodity CFD be closed?

A Commodity CFD can be closed by the same process as set out in clause 6.1 of this Agreement.

4.2 Automatic closure: Commodity CFDs

Subject to clauses 6.2 of this Agreement and clauses 4.3 and 4.4 of this Part B.3, a Commodity CFD will close automatically at Close of Business on the Closing Date and not on the daily Close of Business:

- (a) If the period from the date of the transaction to the Closing Date of the Commodity CFD is, or is part of, a market standard period during which equivalent Positions are traded on the relevant exchange, as reasonably determined by us, such Commodity CFD will be replaced with effect immediately after Close of Business on the Closing Date by an equivalent Commodity CFD for the same market standard period to the replacement Closing Date. The Opening Value of that replacement Commodity CFD must equal the current Contract Price of the replacement Commodity CFD multiplied by the applicable Contract Quantity. The provisions of this Agreement will then apply to such Commodity CFD, but this will not affect the automatic closing of an Commodity CFD under clause 6.2 of the Agreement, with effect that the 5 year period will run from the date on which the original Commodity CFD was first entered into, and when that Commodity CFD closes automatically under this clause 4.2 it will not be reopened in accordance with this clause 4.2.
- (b) When a Commodity CFD is closed by another Commodity CFD under this clause 4.2 at Close of Business on the Closing Date of the original Commodity CFD, we will calculate the difference between the closing Contract Value of the original Commodity CFD and the Opening Value of the replacement Commodity CFD and we will:
 - (i) if the amount calculated as the Contract Value is greater than the amount calculated as the Opening Value, credit the difference to the Account; and/or
 - (ii) if the amount calculated as the Opening Value is greater than the amount calculated as the Contract Value, debit the difference from your account.

4.3 Closure: Long and Short contract

If you are long and short on a Commodity CFD, with effect immediately after Close of Business on the Closing Date, we will close the relevant long and short Positions and record in your Account the balance, if any, of your then outstanding long or short Position, as appropriate. If there is more than one Position in relation to the Underlying Instrument, we may close out whatever Position we consider appropriate.

4.4 Closure: Two or more Commodity CFDs

Where you have two or more Commodity CFDs:

- (a) which are in respect of the same Underlying Instrument; and
- (b) where you are in the Commodity CFDs as either the Long Party or the Short Party; we will with effect immediately after Close of Business on each Trading Day replace such Commodity CFDs with a single aggregated Commodity CFD equivalent to the total of the Contract Quantities of each Commodity CFD. The date on which such replacement Commodity CFD will expire automatically under clause 6.2 of the Agreement will be the latest of the Expiry Dates of each of the original Commodity CFDs.

ANNEXURE A

COMMERCIAL TERMS ANNEXURE

The Commercial Terms Annexure is as set out in the Product Schedule available on our Website.

