MEX Exchange

Product Disclosure Statement

MEX AUSTRALIA PTY LTD

ABN: 15 155 084 058

AFSL: 416279

ISSUED ON 28TH SEPTEMBER 2018

MEX Exchange

Product Disclosure Statement ("PDS")

GENERAL INFORMATION

Financial Services are provided by and this PDS has been prepared and issued by MEX Australia Pty Ltd ACN 155 084 058 AFSL 416279 ("MEX"). Please note that the information contained in this Product Disclosure Statement ("PDS") does not constitute a recommendation, advice or opinion and does not take into account your individual objectives, financial situation, needs or circumstances. Our products are leveraged and CFDs are not suitable for all investors because of the significant risks involved. CFD, Margin FX and FX Option prices and the Underlying Instruments, securities or currencies may fluctuate rapidly and widely because of events or conditions which may not be foreseeable and cannot be controlled. This is an important document and should be read in its entirety. We will provide a paper copy of this PDS free of charge upon request and it has been placed on our website: www.mexexchange.com.

We recommend that you also obtain independent taxation and accounting advice in relation to the impact of foreign exchange gains and losses on your particular financial situation. The taxation consequences of Margin FX, FX Options and CFD transactions can be complex and will differ for each individual's financial circumstances, and your tax adviser should be consulted prior to entering into a Margin FX, FX Options and CFD transaction.

MEX does not guarantee the investment performance of Margin FX, FX Options and CFD products nor the investment performance of the underlying markets or instruments. Past performance is no indication or guarantee of future performance.

The information in this PDS is current and dated 28 September 2018, and may be updated from time to time where that information is not materially adverse to clients. Updated information shall be provided on our website www.mexexchange.com. MEX may issue a supplementary or replacement PDS as a result of certain changes, which shall be available on our website or shall be distributed in electronic form as required. ASIC takes no responsibility for the content of this PDS.

This PDS does not constitute an offer or invitation in any place outside Australia where or to any person to whom it would be unlawful to make such an offer or invitation. The distribution of this PDS (electronically or otherwise) in any jurisdiction outside Australia may be restricted by law and persons who come into possession of this PDS should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable law.

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GENERAL ADVICE ONLY

We only provide you with general advice, which does not take into account your particular needs, objectives and circumstances. No personal advice will be provided to any client under any circumstances.

This PDS does not take into account your investment objectives, financial situation or needs. Accordingly, nothing in this PDS should be construed as a recommendation by us or any other person to invest in Margin FX or CFDs or any other financial product.

WARNING Margin FX and CFD products are considered speculative products which are highly leveraged and carry significantly greater risks than non-geared investments, such as shares. You should not invest in Margin FX and CFD products unless you properly understand the nature of margin FX and CFD products, and are comfortable with the attendant risks. You should obtain financial, legal, taxation and other professional advice prior to entering into a Margin FX and CFD transaction to ensure this is appropriate for your objectives, needs and circumstances.

CFD and FX products are speculative products which are not suitable for all investors. They enable you to significantly leverage your investments meaning that you are exposed to a much greater risk of financial loss than other types of conventional investments such as share trading. You may incur a loss which is far greater than the amount you invested. You should read section 6 which sets out the risks associated with CFD and Margin FX products.

MEX (Australia) Pty Ltd is authorized and regulated by the Australian Securities and Investments Commission, holder of an Australian Financial Service Licence No. 416279.

1. ABOUT US

MEX Exchange is the trading name of MEX (Australia) Pty Ltd which is a company incorporated in Australia (ACN 155 084 058). We hold an Australian Financial Service Licence No. 416279 which authorises us to issue the products in this PDS. We are regulated by The Australian Securities and Investments Commission wherein you can check our registration credentials on the ASIC website.

1.2 HOW TO CONTACT US

Writing to us at:
Level 22, 227 Elizabeth St,
Sydney
NSW 2000, Australia

Phone: +612 9195 4000
Email: support@mexexchange.com
Website: www.mexexchange.com

1.3 TRADING HOURS

Trading hours for Margin FX and CFDs will depend on the relevant Underlying Market's hours of operation, and are set out on our Website. We are under no obligation to quote prices or accept orders or instructions in respect of any Contract to which limited trading hours applies during any time when the relevant underlying exchange is closed for business.

1.4 OFFICE HOURS

Our office hours are Monday to Friday, 8.00am to 6.00pm AEST, subject to Underlying Market holidays, to service your Account. During this time you can contact our Customer Service team. Our trading desk is open 24 hours whilst the Underlying Market is operating.

1.5 ANTI-MONEY LAUNDERING LEGISLATION

We may require further information from you from time to time to comply with the Anti-Money Laundering and Counter-Terrorism Financing Act (AML/CTF Act). By opening an account and transacting with us, you undertake to provide us with all additional information and assistance that we may reasonable be require to comply with the AML/CTF Act.

You also warrant that:

- the funds invested in your Account did not originate from trafficking drugs, abduction, or any other criminal activity, and that investment or dealing in those funds does not break the law in your country of residence;
- You are not aware and have no reason to suspect that:
- The monies used to fund your transactions have been or will be derived from or related to any money laundering, terrorism financing or other illegal activities, whether prohibited under Australian law, international law or convention or by agreement;
- The proceeds of your investment will be used to finance any illegal activities; and
- You are not a politically exposed person or organization as the term is used in the Anti-Money Laundering and Counter-Terrorism Rules Instrument 2007 (No. 1).

1.6 JURISDICTION

The distribution of this PDS outside Australia may be restricted by the laws of places where it is distributed and therefore prospective Clients should seek professional legal advice on local laws and regulatory restrictions regarding this type of investment. This PDS does not constitute an offer or solicitation to anyone in any jurisdiction in which such an offer is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

If you are a non-resident of Australia dealing with us you should note:

- The law governing your dealings with us is the law of New South Wales and the Commonwealth of Australia;
- Your rights against us are restricted as set out in the Client Agreement;

- Moneys which you deposit with us are not loans to us, and will be regulated by the Australian Client Money Rules;
- Times are AEST times, unless stated otherwise.

2. REGULATORY BENCHMARK DISCLOSURE

Benchmarks for OTC Margin FX and CFDs

The Australian Securities and Investments Commission (ASIC) has developed seven disclosure Benchmarks for over-the-counter contracts for difference (OTC CFDs) and equivalent products including margin foreign exchange (Margin FX), to assist retail investors better understand the risks and advantages associated with these products and whether investment in CFDs or Margin FX is suitable for them. This table sets out the benchmark and the information which describes how we deal with the benchmarks. More information about this disclosure benchmarks can be found in Regulatory Guide 227: Over the Counter Contracts for Difference: Improving Disclosure for Retail Clients.

Disclosure Benchmark	How does MEX meet this benchmark?
Client Qualification Addresses the issuer's policy on investors qualification for CFD or Margin FX trading	Trading in CFDs and Margin FX products is not suitable for all investors because of the significant risks involved. We maintain and apply a written policy which sets out the minimum qualification criteria that prospective retail clients need to demonstrate before we will open a trading account for them. Before opening an account for you, you will need to pass the qualification test. The qualification test consists of a number of questions from the following categories: 1. Previous experience in investing in derivatives and foreign exchange contracts 2. Understanding of the concepts of leverage, margins and volatility 3. Understanding of the nature of CFD trading 4. Understanding of the processes and technologies used in trading 5. Preparedness to monitor and manage the risks of trading Retail clients who do not achieve the number of correct answers as required by our policy may not be accepted. Such clients may re-sit the tests and may be provided with demo accounts to practice trading before they are allowed to open an account with us. We also maintain records of our assessments. Further information can be found in section 8.3 of this PDS.
Opening Collateral Addresses the issuer's policy on the types of assets accepted from	MEX accepts funds deposited through online banking facilities and credit card payments as collateral for CFD and margin FX trading accounts. No other financial products or properties will be accepted as collateral to open a trading account. ASIC recommends that an issuer should accept no more than $1,000 via credit card to fund the

investors as opening collateral	account when an account is established. We recommend the same but do not enforce this benchmark. MEX may accept credit card payments for more than $1,000 as initial funding in order to provide clients with efficient and flexible payment options. You should be aware that using a credit card as opening collateral exposes you to the risk of double leverage, being the combined effect of using a credit card to fund a leveraged trading account. This may make it more likely that you may experience financial difficulty should you incur trading losses than if you funded your account with cash.
Counterparty Risk - Hedging Addresses the issuer’s practices in hedging its risk from client positions and the quality of this hedging	MEX’s counterparty risk - hedging policy is designed to protect MEX and its clients from any sudden changes in the liquidity, credit quality or solvency of its hedging counterparties. However, MEX has the discretion to not hedge some or all trades. In the case where MEX does not hedge against a trade, MEX will be exposed to the market risk of that trade. Where MEX does hedge against trades using a counterparty it will select these on the basis of a risk Assessment using set criteria, including the counterparty’s financial standing, reputation and whether the counterparty is regulated by a regulatory authority. Further information can be found in section 6.6 of this PDS.
Counterparty Risk - Financial Resources Address whether the issuer holds sufficient liquid funds to withstand significant adverse market movements	MEX maintains and applies a policy for monitoring compliance with its AFSL financial requirements and to ensure it holds sufficient net tangible assets to withstand significant market movement. We produce a range of financial reports on a monthly basis including cash flow projections, a profit & loss statement and a balance sheet to enable us to monitor our compliance with the financial requirements under our license. MEX financial resources requirement are monitored on a daily basis. Further our external independent auditor conducts an audit at the conclusion of every financial year. Stress testing is conducted by the MEX to ensure it holds sufficient liquid funds to withstand significant adverse market movements. Further information can be found in section 6.6 of this PDS.
Client Money Addresses the issuers policy on client money	Under MEX’s client money policy, all client money is deposited in a segregated client trust account and held on trust for the client in accordance with the requirements under the Corporations Act. Client money is segregated from MEX’s own funds. **Under MEX’s client money policy:** • Client money is segregated from MEX’s own money; • Client money is held on trust with an Australian Authorized Deposit-Taking institution (ADI). Note that this does not offer absolute protection of your funds against claims in the unlikely event of MEX’s insolvency; • MEX retains any interest earned on client money; • To the extent permitted by the Australian Client Money Rules, MEX may withdraw client money for the purpose of making margin payments, adjusting or settling dealing in MEX’s

	products on behalf of the client and payment of finance charges, transaction fees, data fees and interest payments on behalf of the client; • For wholesale clients who are not sophisticated investors, MEX may withdraw their client money for the purpose of margining, guaranteeing, securing, transferring, adjusting or settling dealings in derivatives by MEX or people other than the client. Retail and sophisticated investor funds are not used for margining, guaranteeing, securing, transferring, adjusting or settling dealings in derivatives by Mex or on behalf of people other than the client; • MEX may withdraw funds from client money accounts to satisfy payment of money owing by the relevant client to MEX, including bank transfer charges and unrealized losses on the account; • Since MEX may use certain client funds (such as those belonging to a wholesale client other than a sophisticated investor) to margin, adjust or settle derivative dealings for persons other than the client and funds may be comingled amongst retail and wholesale clients, there is a potential for the segregated client account to be in deficit. In the unlikely event of MEX's insolvency, this deficit will be borne by all clients. Further information can be found in section 7 of this PDS.
Suspended or Halted Underlying Assets Addresses the issuers practices in relation to trading when the Underlying asset is suspended or halted	Foreign exchange markets trade continuously. They open at 05:00 pm American EST Sunday evening and close at 05:00 pm American EST on Friday evening. They are open 24 hours during this period. Prices are continuously streamed during this period. Because foreign exchange is not an exchange-traded product, it is not possible to suspend or halt the streaming of these prices. For our futures, commodities and Index CFD products, we will halt trading by cancelling all unfilled orders, not accepting any new orders and ceasing the use of client money in an asset or derivative when a trading halt exists for the underlying asset, or trading in the underlying asset has been suspended through an exchange or otherwise. We have the discretion to: • Change the margin requirements for the position; • reprice a position; or • Close out a position.
Margin Calls Addresses the issuers practices in the event of client accounts entering into margin call	MEX maintains a written policy in relation to its margining practices. You should be aware trading in Margin FX and CFD involve the risk of losing substantially more than the initial investment. In cases where you might lose more than your initial investment in your account, it will be necessary for you to deposit additional funds with MEX. It is your responsibility to manage and monitor your open positions with us and to ensure that you meet your margin obligation. We may in our absolute discretion notify you of margin calls on the Trading Platform, however,

	we reserve the right to close positions without further reference to you, as provided in our Client Agreement. For further information about margin call and close out please refer to section 9 of the PDS and clause 10 of the Client Agreement.

3. PDS SUMMARY

This is a summary only of the key features and characteristics involved in dealing in our Margin FX and CFDs. In addition to this summary, you should ensure you have read and understood the contents of this PDS, the Client Agreement and our Financial Services Guide (FSG).

Question	**Answer**
Who is MEX (Australia) Pty Ltd?	MEX Australia Pty Ltd is a Company incorporated in Australia (ACN 058) and is the holder of an Australian Financial Services License No. 416279.
Who is the issuer of this PDS, the Margin FX and the CFDs?	We are both the issuer of this PDS and the provider of Margin FX and CFDs.
What is a foreign exchange transaction?	Foreign exchange is about exchanging one currency for another. In a foreign exchange transaction one currency can be bought or sold in exchange for another currency.
What financial products do we provide?	Deposit and payment products, Foreign exchange spot contracts, foreign exchange forward contracts, and securities, Margin FX, FX Options and CFDs. This PDS only deals with Margin FX, FX Options and CFDs.
What is Margin FX?	Margin FX is an over-the-counter derivative product which enables traders to leverage a small margin deposit for a much greater market effect in relation to currencies. A Margin FX Contract is an agreement under which you may make a profit or incur a loss arising from fluctuations in the price of the contract. The price of our Margin FX Contracts is based on the price of an underlying currency or commodity (Underlying Instrument). However, you do not own that Underlying Instrument or trade it on an exchange by owning a Margin FX Contract. Margin FX differs from spot and forward foreign exchange trading in that they are legally classified as derivatives rather than foreign exchange contracts, and are cash settled (ie no physical delivery is available). By entering into a Margin FX transaction, you are either entitled to be paid an amount of money or required to pay an amount of money depending on movements in the price of the contract. The amount of any profit or loss made on a Margin FX transaction will be the net of:

	• the difference between the price of the contract when the position is opened and the price of the contract when the position is closed; • any Margin adjustments in respect of the contract; • any Rollover Charges and Rollover Benefits relating to the contract. The balance in your Account will also be affected by other amounts you must pay to us in respect of your Account such as interest on debt balances.
What is a CFD?	A contract for difference or CFD is an agreement which allows you to make a profit or loss from fluctuations in the price of the CFD. The price of the CFD is based on the price of an underlying instrument (Underlying Instrument); for example, a share on an exchange. However, you do not own that Underlying Instrument or trade it on an exchange by owning a CFD. By entering into a CFD, you are either entitled to be paid an amount of money, or required to pay an amount of money, depending on movements in the price of the CFD. The amount of any profit or loss made on a CFD will be the net of: • the difference between the price of the CFD when the CFD • position is opened and the price of the CFD when the CFD position is closed; • any adjustments made in respect of the CFD; and • any Rollover Charges, Rollover Benefits, Financing Charges • and Financing Benefits relating to the CFD The balance in your Account will also be affected by other amounts you must pay to us in respect of your Account such as exchange fees and interest on debt balances.
What is a Non-Delivery Forward	A Non-Deliverable Forwards (NDF) is an outright forward or futures contract on currencies in which counterparties settle the difference between the contracted NDF price or rate and the prevailing spot price on an agreed notional amount. Similar to Margin FX and CFDs, NDF market is an over-the-counter market.
What are FX Options?	A buyer of an option acquires the right, but not the obligation, to buy or sell a specific amount of one currency for another at a predetermined price and date in the future. A "call" option is the right, without the obligation, to buy a currency. A "put" option is the right, without the obligation, to sell a currency.
What is a Position?	A Position is a Margin FX or CFD entered into by you under the Client Agreement.
Margin FX or CFD is issued "over the counter". What does this mean?	Over the counter ("OTC") means that you do not trade in Margin FX or CFDs through an exchange or market; rather, it is a transaction between you and us. This means you can only enter into contracts in relation to our products with us.

	You do not have the protections normally associated with trading on a regulated market. It is not possible to close a Margin FX or CFD position by giving instructions to another provider, broker or Australian financial services licensee.
What charges are payable when dealing in Margin FX?	The common fees and charges you will incur when dealing in Margin FX may incorporate any or all of the following: • Payment of Margins; • Margin adjustments; • Premiums in the case of FX Options; • Swap charges and/or Credits at the applicable Swap Rates; • Interest charges applied to debit balances in your Account; • Administration charges; • Data fees; and In addition, we will apply a bid / offer spread in respect of financial products, which will also affect the profits or losses you make when dealing with these contracts.
What charges are payable when dealing in CFDs?	The common fees and charges when dealing in CFDs may incorporate any or all of the following: • Margin adjustments and Financing Charges; • Rollover Charges calculated at MEX's Rollover Rates; • Interest charges applied to debit balances in your Account; • Exchange fees; • Administration charges; • Data fees; and • Commissions in the case of Share CFD's In addition, we will apply a bid / offer spread in respect of our CFDs, which will also affect the profits or losses you make when dealing in CFDs.
How do I open an Account?	Read this PDS, the Client Agreement and our FSG, and then complete an Application Form. You may obtain these documents by: • telephoning us (+612) 9195 4000 • going to our website at www.mexaustralia.com
What is the minimum balance to open an account?	AUD$1,000 for Australian clients. AUD$250 or its currency equivalent for Foreign Clients. Unless otherwise specified, all dollar amounts referred to in this PDS are denominated in Australian Dollars.
How do you deal in Margin FX or CFDs with us?	You may place orders to deal in Margin FX or CFDs in two ways: • by telephoning on (+612) 9195 4000; or • using our Trading Platform through a computer connected to the internet or your mobile telephone We will not accept orders or instructions from you through any other means, such as email, unless we have previously agreed with you to do

	so. It is possible for a third party to place orders on your behalf provided that a written Power of Attorney or authority has been received and accepted by us.
What are "long" and "short" positions?	You go "long" when you buy a Margin FX or CFD or place an order to open a Position in the expectation that the price of the Underlying Instrument will increase, which would have the effect that the Position's price will increase you go "short" when you sell a Margin FX or CFD or place an order to open a Position in the expectation that the price of the Underlying Instrument will decline, which would have the effect that the Position price will decline. If this occurs, because you have sold a Margin FX or CFD (rather than bought a Margin FX or CFD), you would make a profit if you closed the position at this point, subject to our fees and charges. Note that you may not "short" a FX Option with us.
How do I close-out a position?	You close a Position in a Margin FX or CFD by you taking an equal and opposite Position with us either by single Position Closing or opposite Position closing.
How do we deal with your money?	Under MEX's client money policy, all client money is deposited in a segregated client trust account and held on trust for the client in accordance with the requirements under the Corporations Act. Client money is segregated from MEX's own funds. • Further information can be found in section 7 of this PDS.
What is Margin?	Margin is initially the amount that you must have in your Account to enter into a Margin FX or a CFD transaction with us. The level of Margin required to open and maintain these contracts is called the "Initial Margin Requirement". The sum of your Margin Requirements for all of your open Positions is called the "Total Margin Requirement". Margin Requirements will fluctuate with the value of the Underlying Instrument on which the contract is based. Further, where you deal in a contract that is denominated in a currency other than the Base Currency of your Account, your Margin Requirement may also be affected by fluctuations in the relevant foreign exchange rate. You are required to pay a Premium when entering into a FX Option.
What is a Margin Call by us?	A Margin Call is a demand for additional funds to be deposited into your Account to meet your Total Margin Requirement because of adverse price movements on your open Positions.
How are payments made in and out of my Account?	You may deposit funds by credit card, electronic transfer, B-Pay® or by cheque. All funds must be Cleared Funds in your Account before they are treated as satisfying a Margin Call or can be made available for you to use in dealing in Margin Contracts or CFDs. Payments using B-Pay® are not Cleared Funds in your Account at the time of use of B-Pay®. Generally, Cleared Funds are received in your Account 24 hours after the use of B-Pay®.

	We will pay you through electronic transfer or cheque.
Do I receive interest on moneys held in my Account or pay interest on moneys I owe to you?	You will not receive any interest on your money held in your trading account. We will charge interest on any debit balances in a currency ledger on your Account.
What is Tom/Next Swap	Open spot FX and Bullion positions held at the end of a trading day at 17:00 New York Time will be rolled over for a new value date on a tom/next basis immediately after the changing of trading day. As part of the tom/next rollover operation, FX and Bullion positions are subject to a swap charge or credit. The calculated swap charge or credit are referred as swap point and the amount is debited or credited to your account. For further details please refer to section 10.
What are the key benefits?	Some of the key benefits for each type of Margin FX and CFDs offered by us in this PDS are set out in section 5.
What are the risks of Margin FX, FX Options and CFDs?	Margin FX and CFDs are derivative products that are speculative, highly leveraged and carry significantly greater risk than non-geared investments such as shares. You may incur losses to the extent of your total exposure to us and any additional fees and charges that apply. With the exception of FX Options, these losses may be far greater than the money that you have deposited into your Account or are required to deposit to satisfy Margin Requirements. However, FX Option holders risk losing the entire Premium and the option they hold may be worthless due to the changed nature of the Position it refers to. You should obtain your own independent financial, legal, taxation and other professional advice as to whether Margin FX or CFDs are an appropriate investment for you.
What procedures are in place to deal with your complaints?	We provide a complaint handling and dispute resolution process for our clients and are a member of the Australian Financial Complaints Authority (AFCA), an external complaints resolution body.
What are the taxation Implications of entering into Margin Contracts and CFDs?	The taxation consequences of dealing in Margin FX and CFDs depend on your personal circumstances. Some general taxation consequences are set out in section 15. The taxation consequences can be complex and will differ for each individual’s financial circumstances. We recommend that you obtain independent taxation and accounting advice in relation to the impact of foreign exchange and CFD transactions and products on your particular financial situation.
How do I learn to use the Trading Platform and how to deal with you?	We offer online tutorials on the use of our Trading Platform. We recommend that you apply for a demo Account and trial our Trading Platform prior to opening an Account. The demo Trading Platform mirrors the live Trading Platform and provides you with a virtual cash

	balance to trade, enabling you to become familiar with the features of the Trading Platform.
What are your trading and office hours?	**Trading Hours** Trading hours for Margin FX and CFDs will depend on the relevant Underlying Instrument Market's hours of operation, and are set out on our website. **Office Hours** Our office hours are Monday to Friday, 8.30am to 5.30pm, subject to public holidays, to service your account.
What if I need further information?	You should speak to your financial advisor, or, alternatively, you can contact us by: • telephone: (+61) 2 9195 4000 • email: support@mexaustralia.com • internet: www.mexaustralia.com
What additional fees and charges are payable in respect of a Margin Contract or CFD?	Whilst we endeavor to include all fees and charges in the spread quoted, in some circumstances you may incur fees and charges; for details refer to section 10.

4. SIGNIFICANT FEATURES OF MARGIN FX, FX OPTIONS AND CFDS

4.1 WHAT IS MARGIN FOREIGN EXCHANGE?

Margin FX is an over-the-counter derivative product which enables traders to leverage a small margin deposit for a much greater market effect in relation to currencies.

A Margin FX Contract is an agreement under which you may make a profit or incur a loss arising from fluctuations in the price of the contract. The price of our Margin FX Contracts is based on the price of an underlying currency or commodity (Underlying Instrument). However, you do not own that Underlying Instrument or trade it on an exchange by owning a Margin FX Contract. Margin FX differs from spot and forward foreign exchange trading in that they are legally classified as derivatives rather than foreign exchange contracts, and are cash settled (i.e. no physical delivery is available). By entering into a Margin FX transaction, you are either entitled to be paid an amount of money or required to pay an amount of money depending on movements in the price of the contract. The amount of profit or loss will be the difference between the price when a Margin FX transaction is opened and the price when it is closed, adjusted to reflect fees and charges, where applicable.

4.2 WHAT IS A CONTRACT FOR DIFFERENCE?

A contract for difference (CFD) is a financial product that gives the holder an exposure to an underlying asset without giving any proprietary rights in that asset. You can make a profit or loss by reference to fluctuations in the price of an underlying share or other instrument. The amount of profit or loss will be the difference between the price when the CFD is opened and the price when it is closed, adjusted to reflect financing charges, dividend adjustment in the case of share CFD, where applicable.

MEX offer CFDs based on the following Underlying Instruments:

- shares and other securities (Share CFDs);
- gold and silver (Bullion CFDs);
- commodities (Commodity CFDs);and
- Equity index futures contracts (Index Futures CFDs).

4.3 WHAT IS A NON-DELIVERABLE FORWARDS

A Non-Deliverable Forwards (NDF) is an outright forward or futures contract on currencies in which counterparties settle the difference between the contracted NDF price or rate and the prevailing spot price rate on an agreed notional amount. Similar to Margin FX and CFDs, NDF market is an over-the-counter market.

Because a NDF is a cash-settled instrument, the notional amount is never exchange. The only exchange of cash flow is the difference between the NDF rate and the prevailing spot market rate that is determined on the fixing date or when you do an opposite trade to close the NDF position and exchanged on the settlement date.

4.4 WHAT ARE THE CHARACTERISTICS OF MARGIN FX AND CFDS OFFERED BY MEX?

Margin FX and CFDs are over-the-counter (OTC) derivatives. Margin FX and CFDs are not traded on a licensed financial market, or exchange, but are bilateral agreements between you and MEX, with each party responsible for assessing the credit standing and capacity of the other party before entering into the transaction.

Key features of Margin FX and CFD offered by MEX include:

- The underlying product in the Margin FX and CFDs are non-deliverable and automatically roll over at the end of the day or expiry date until the position is closed;
- Margin FX and CFDs are traded between you and MEX and are not traded on any exchange; and
- Margin FX and CFDs are non-transferrable so that a Margin FX or CFD position with MEX cannot be sold to another broker, trader or financial service provider.

Key benefits and risks of CFDs and Margin FX are discussed in sections 5 and 6 below.

4.5 WHAT ARE FX OPTIONS

MEX offers options in a variety of currency pairs.

A buyer of an option acquires the right, but not the obligation, to buy or sell a specific amount of one currency for another at a predetermined price and date in the future. In every foreign exchange transaction, one currency is purchased and another currency is sold. Consequently, every currency option is both a call and a put. For example: an option to buy USD against YEN is both a USD call (i.e. buy US dollars) and a YEN put (i.e. sell Yen).

There are always two (2) parties to an option contract - the buyer and the seller. The buyer of the option acquires the right to exercise the option and the right not to exercise the option (i.e. to let it lapse). The seller (also known as the ‘writer’ or ‘grantor’) of the option has the obligation to deal at the contracted rate if the buyer elects to exercise the option. Please note that the risk of the option buyer is limited to loss of the option premium paid, whilst an option seller has potentially unlimited risk.

The price of the option is known as the option premium. The buyer pays the premium to the seller as compensation for the risk involved in writing the option. The option premium is paid on the spot value from the date on which the option is contracted.

In other words, to facilitate the option deal, the buyer of the option (usually the client) is required to pay an amount (Premium) to the seller (usually MEX). Paying the premium allows the client to keep the option until its maturity date, or to sell it at any given point of time prior to its maturity. The seller of the option (usually MEX) determines the price of the premium at which it is willing to grant the option, based on current rates, nominated delivery and expiry dates, the nominated strike rate and option style.

4.5.1 USE OF MARGIN FX OPTIONS TO MANAGE RISK

A FX Option is a risk management tool which gives the buyer of the option a right, but not the obligation to exchange a specific amount of one currency for another at a predetermined price and date in the future.

Buyers of options may purchase currency options to manage their foreign exchange risks and protect against adverse exchange rate movements. Sellers may sell currency options to speculate on future currency movements, whilst generating cash flow through the receipt of the option premium, or in order to offset their existing foreign currency positions.

4.5.2 CALL OPTIONS AND PUT OPTIONS

There are broadly 2 types of currency options - call options and put options. Call options give the holder of the option the right to buy the specified currency. Put options give the holder of the option the right to sell the specified currency.

4.5.3 AMERICAN AND EUROPEAN STYLE OPTIONS

There are two types of option styles - American-style and European-style. American-style options can be exercised on any business day prior to the expiry date. European-style options can be exercised only on the expiry date. We will only offer European-style options.

4.5.4 EXPIRY DATE

Every option has an expiry date which is the last (or in the case of a European style option, the only) date on which the option can be exercised by the holder of the option. If an option is not exercised on or before the expiry date, the option lapses. Because the holder of an option has the right, but not the obligation to exercise the option, the holder will usually only exercise the option if the option is "in-the- money" (refer below).

4.5.5 EXERCISE (OR "STRIKE") PRICE

Every option has an exercise price (also known as a strike price). That is the rate at which the currency can be purchased by the holder (in the case of a call option) or sold by the holder (in the case of a put option).

4.5.6 PREMIUM

In exchange for the right which is the option, the buyer of the option pays a premium to the seller of the option (us). The level of the premium will depend on a range of factors including the following:

- the current exchange rate
- The nominated delivery and expiry dates
- The exercise price
- The option style (ie. American or European)

The premium is generally comprised of two elements known as intrinsic value and time value.

Intrinsic value is simply the difference between the spot price and the exercise price at any point in time.

For example, a call option will have intrinsic value at a point in time when the spot price is above the exercise price (because the buyer of the option could exercise the right at that point in time to purchase the specified currency at the exercise price and then resell the currency at the spot price, thus realizing a profit). On the other hand, a put option will have intrinsic value only when the spot price is below the exercise price (because the buyer of the option could exercise the right at that point in time to sell the specified currency at the exercise price and then purchase the currency at the spot price, thus realizing a profit).

Time value is more complex. When the price of a call or put option is greater than its intrinsic value, it is because it has time value. Time value is determined by five variables: the spot or underlying price, the expected volatility of the underlying currency, the exercise price, time to expiry of the option, and the difference in the "risk-free" rate of interest that can be earned by the two currencies. Time value falls toward zero as the expiry date approaches. Interest rate differentials between the relevant countries and temporary supply/demand imbalances can also have an effect on option premiums.

4.5.7 "IN-THE-MONEY" AND "OUT-OF-THE-MONEY" OPTIONS

A currency option is said to be "in-the-money" when it has intrinsic value and "out-of-the-money" when it does not. Just because an option is 'out-of -the- money" at a point in time does not mean it does not have value. That is because it may still have time value.

	Call Options	Put Options
Spot exchange rate is greater than strike price	in-the-money	out-of-the-money
Spot exchange rate is equal to strike price	at-the-money	at-the-money
Spot exchange rate is less than strike price	out-of-the-money	in-the-money

If you are contemplating purchasing a deep out-of-the-money option (i.e. an option with an exercise price significantly above, in the case of a call option, or significantly below, in the case of a put option, the current price) you should be aware that the chance of such an option becoming profitable is generally remote.

5. KEY BENEFITS OF MARGIN FX AND CFDS

The trading of Margin FX and CFDs provide a number of benefits which must, of course, be weighed up against the risk of using them. Benefits include:-

5.1 HEDGING

You can use Margin FX product to hedge foreign exchange exposures. Our foreign exchange products provide foreign exchange risk management tools to enable those with foreign currency exposures to protect their business against adverse exchange rate movements, provide certainty of foreign exchange rates, exposures and cash flow certainty. Our CFDs can also provide a hedge against rising or falling prices in asset prices.

5.2 SPECULATION

You can also use these financial products for speculation, or the view to profiting from exchange rate fluctuations and the rises and falls in the gold silver and oil prices.

5.3 FLEXIBILITY

The use of Margin FX Options provides a certain degree of flexibility in decision making, by giving the holder of the option time to decide whether or not to exercise the option. Of course, the holder of an option will pay a Premium for that flexibility.

5.4 MARKET POSITION

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

5.5 LEVERAGE

The use of our financial products involves a high degree of leverage. These contracts enable a user to outlay a relatively small amount (in the form of premium or initial margin) to secure an exposure to the underlying currency or financial product. This leverage can work against you as well as for you. The use of leverage can lead to large losses as well as large gains.

5.6 THE TRADING PLATFORM

There are significant benefits associated with the use of our Trading Platform. These include:-

- The ability to trade in small amounts as little as AUD1,000 for Standard Accounts and AUD10,000 for Pro Accounts;
- Real-time streaming of quotes and the facility to check your accounts and positions in real time and 24 hours a day on any global market which is open for trading;
- Margin FX market open at 05:00 pm in New York on Sunday and close at 05:00 pm in New York on Friday night. They are open 24 hours during this period other than a daily 5 minute outage at 05:00 pm - 05:05 pm for rollover;
- CFDs are available to trade during times the underlying market is open;
- Competitive spreads, no commissions: you do not pay any commission in respect of the transactions you enter into with us other than share CFD's. We are a market maker, not a broker, and we generally make our money from the spreads that are embedded in the price of the instruments;
- Fast execution;
- Multi-bank liquidity; flexible lot size;
- Free trading tools and charts; and
- Full control over your account and positions.

5.7 WORKING ORDERS

We offer clients a way of managing the volatility of dealing in our Margin FX and CFDs by offering a range of working orders. Certain Positions can be traded in conjunction with our limit and stop loss orders which are designed to either optimize your exposure to the market or limit your loss by instructing that trades be executed at pre-determined price levels.

Important notice about this section
If you request placement of one of the types of orders described in this section, we have an absolute discretion whether or not to accept and execute any such request.

5.7.1 STOP-LOSS ORDERS

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

Stop-loss orders must be placed at a minimum distance from our current bid and offer prices. The minimum distance away from a stop-loss order placement is specified on our website and will be advised to you upon request.

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

We note that stop losses are not guaranteed and the execution of such orders will depend on market volatility and liquidity. A stop-loss order is triggered automatically when the stop-loss price is reached.

Once the stop-loss price is reached, the stop-loss order becomes a market order to buy or sell (depending on your instructions). The stop-loss order could be activated by a short-term fluctuation in the markets, or in a fast moving market, the price at which the trade is executed could be much different from the stop-order price. This is known as “gapping” and is due to market movements during the time it takes to open or close Positions.

The operation of these order types should be discussed with one of our representatives. You should also refer to our Client Agreement with respect to the operation of these order types.

5.7.2 STOP-ENTRY ORDERS

A stop-entry order is an order placed to open a new Position or increase an existing Position at a price which is inferior to the current market price. You may use this type of order when you expect that the price will move significantly in the future from its existing trading range.

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

You should also note that stop-entry orders must be placed at a minimum distance from a current bid and offer prices, which distance is determined at our discretion. You should refer to our website or contact us for information about the levels at which you may place stop-entry orders.

5.7.3 LIMIT ORDERS

A Limit Order may be used by you to either open a closed position at a predetermined price that is more favourable to you than the current market price.

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

5.7.4 PENDING ORDER

A Pending Order fulfils the same function as a New Order. .

A New Order is an instruction by you to either buy or sell a Margin FX or CFD at a price outside the current quote. There are four types of Pending Order:

- Buy Stop Order - an Order to open a long Margin FX or CFD at a price higher than the price at the time of placing the Order.
- Sell Stop Order - an Order to open a short Margin FX or CFD at a price lower than the price at the time of placing the Order.
- Buy Limit Order- an Order to open a long Margin FX or CFD at a lower price than the price at the time of placing the Order.
- Sell Limit - an Order to open a short Margin FX or CFD at a price higher than the price at the time of placing the Order.

Pending Orders are subject to Gapping.

5.7.5 ONE CANCELS THE OTHER ORDER (OCO)

An OCO Order is actually two Orders linked together. When one Order is executed the other Order is automatically cancelled.

5.7.6 TRIALING STOP ORDER

A Trailing Stop Order is a type of Stop Loss Order and is an instruction by you to close an Open Position at a price less advantageous than the Quote at the time it is placed but it is designed to track the movement of profitable positions and move accordingly.

You may set a Trailing Stop Order at the following times:

- When you place a trade which then acts as a Trailing Stop Loss Order instruction to close the Open Position; or
- When you amend a Stop Loss Order to a Trailing Stop Order

Trailing Stop Orders are subject to Gapping.

Trailing Stop Order Example
The market price for the AUD/USD is 1.0200/1.0203. You believe that the AUD/USD will rise and so you Buy 1 lot AUD/USD at 1.0203. You would like the Stop Loss Order affiliated to the position to track a rise in the AUD/USD and so you opt for a Trailing Stop Order, which is set at 1.0175. The increment size for the AUD/USD is 25 pips, which means the Order moves in increments of 25 pips.

The price of AUD/USD moves higher. When the bid price of our quote reaches 1.0228, the level of the Trailing Stop Order moves up 25 pips to 1.0200. For every further 25 pips move higher in the bid price of the quote above 1.0228 there is a 25 pips move higher in the level of the Trailing Stop Order. The price of the AUD/USD continues to move higher and the bid price of the quote reaches a high of 1.0328, by which time the level of the Trailing Stop Order has moved up to 1.0300, before the price starts falling. As the AUD/USD price falls, the level of the Trailing Stop Order stays set at the highest level it reached 1.0300. The price continues to fall and the bid price of the quote falls to 1.0300 at which point the Trailing Stop Order is activated and your position is closed.

5.7.7 GOOD UNTIL CANCELLED (GTC)

This means that the Order that you have placed will remain in effect until cancelled by you. New Orders and Limit Orders default to GTC Orders. All Orders placed through the MT4 platform are GTC Orders.

5.7.8 ORDER DURATIONS

Notwithstanding the Order duration types above, an Order will remain in effect until one of the following occurs: (1) it has been cancelled by you or us; or (2) the Order is executed by us; or (3) we no longer provide a quote for that particular Margin FX or CFD.

In addition, Limit Orders, Stop Loss Orders, Pending Orders and Trailing Stop Orders will no longer be in effect if the Open Position to which such Order relates is closed by you or us or otherwise in accordance with the Client Agreement including as a result of that open Position expiring or being rolled-over.

5.7.9 HOW TO PLACE MARKET ORDERS WITH US

Market orders may be placed online via our Trading Platform. If you require assistance you should contact one of our representatives.

5.7.10 FEES FOR PLACING MARKET ORDERS

There are no fees associated with using working orders via our online Trading Platform.

5.7.11 OUR RIGHT TO IMPOSE ORDERS

You acknowledge that under the Client Agreement we may impose a Stop-loss order on one or more of your Positions.

6. KEY RISKS OF MARGIN FX AND CFDS

6.1 INTRODUCTION

You should carefully consider whether dealing in Margin FX or CFDs is appropriate for you in the light of your personal circumstances, financial situations or needs. In deciding whether or not you wish to become involved in these transactions, you should be aware that these products are speculative in that they are highly leveraged and carry a significantly greater risk than non-geared investments. Consequently, you could lose large amounts of money and may sustain losses in excess of the moneys you initially deposited with us and also in excess of the Margin required to establish and maintain your Margin position.

We will not (unless specifically requested) give you any personal financial product advice in relation to Margin Contracts or CFDs. We will only be providing you with general advice and as such, this advice will not take into account your objectives, financial situation or needs. Accordingly, you should obtain your own financial, legal, taxation and other professional advice as to whether Margin Contracts or CFDs are an appropriate investment for you.

The risks also include the following:

6.2 LOSS OF MONEYS

You may incur losses to the extent of your total exposure to us and any additional fees and charges that you are liable to pay to us. Except in the case of our Margin FX Option product, these losses may be far greater than the money that you have deposited into your Account or are required to satisfy Margin requirements. In addition, you could be required to pay further funds that represent losses and other fees on your open and closed positions.

You should be aware that if you acquire a Margin Contract or CFD for other than proper hedging purposes you will be fully exposed to movements in the price of the Underlying Instrument. The risk of loss will be increased where you borrow to acquire the product as the total loss which may be incurred will be the loss on the product together with the amount you borrowed and any associated borrowing costs.

6.3 RISK RESULTING FROM MARGIN CALLS

The risks associated with the obligation to meet Margin Calls are described in sections 9.4 and 9.5. If the Margin Contract or CFD price moves against your Margin FX Contract Position or CFD Position you may be required, at short notice, to deposit further moneys with us in order to satisfy your Total Margin Requirement and maintain your Position. The amount of the additional Margin may be substantial and failure to pay it promptly may result in:

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

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

6.4 DERIVATIVE MARKETS

Derivative markets are speculative and volatile, as explained elsewhere in this PDS. Margin Contracts and CFDs are derivative instruments and can be highly volatile. Under certain market conditions, the price of contracts may not maintain the usual relationship with the Underlying Markets because of unforeseeable events or changes in conditions, none of which can be controlled by us.

MEX operates what is known as a market maker model. Under this model, each Margin Contract and CFD transaction creates a direct financial exposure for the provider, which may or may not be hedged in the Underlying instrument or with a counterparty using OTC derivatives.

This enables the provider to offer CFDs against synthetic assets, even if there is little Liquidity in the Underlying instrument, which can result in a wider range of products on offer than with the direct market access model. Volatility and illiquidity in the Underlying instrument can affect the pricing of market maker products.

The prices of Margin Contracts and CFDs will be influenced by, amongst other things, changing supply and demand relationships, governmental, agricultural, and commercial and trade programs and policies, currency valuations, interest rate fluctuations, suspensions in the trading of the underlying instrument or market, liquidity of the underlying instrument, national and international political and economic events and their prevailing psychological characteristic of the underlying markets.

6.5 LEVERAGE RISK

You should be aware that trading in leveraged products such as Margin FX and CFDs offered by MEX is one of the riskiest forms of investment available in the financial markets and may not be suitable for all investors. In deciding whether or not you wish to become involved in dealing in Margin FX and CFDs, you should be aware that Margin FX and CFDs are highly leveraged and carry significantly greater risk than non-geared investment products such as share trading and you could lose large amounts of money. You may sustain losses in excess of the Margin Requirement needed to establish and maintain a Margin FX or CFDs position. It is possible that you could sustain a loss of all of your initial investment or even more in extreme market circumstances (such as gapping in the underlying market) and therefore, you should not invest money that you cannot afford to lose. In particular, you should be aware that using a credit card as opening collateral exposes you to the risk of double leverage, being the combined effect of using a credit card to fund a leveraged trading account.

6.6 COUNTERPARTY RISK

As MEX is the market maker i.e. the issuer of the Margin FX and CFD products described in this PDS, MEX is the counterparty to every contract. You will have an exposure to us in relation to each contract as is common to all OTC financial market products. You are therefore exposed to the financial and business risks, including credit risk, associated in dealing with MEX and reliant on MEX’s ability to meet its counterparty obligations to you to settle the relevant contract. Our ability to fulfil our obligations is linked to our financial wellbeing, which is commonly referred to as credit or counterparty risk. You must make your own assessment of our ability to meet our obligations.

MEX has not been rated by an external credit rating agency. If we were to become insolvent, we may be unable to meet our obligations to you. If we default on our obligations, you may become an unsecured creditor in an administration or liquidation, and you will not have recourse to the underlying assets in the event of insolvency. MEX may become unable to operate its Margin FX and CFD market as a result of a regulatory impediment (for example MEX ceasing to hold an Australian Financial Services License or because ASIC imposes a stop order on the PDS issued by MEX).

Subject to the Australian Client Money Rules, MEX may enter into arrangements with third party execution and clearing providers for the facilitation of transactions and settlements, and avails monies received from certain clients such as wholesale clients (except for sophisticated investors)to such providers for this purpose. Accordingly, clients are indirectly exposed to the financial risks of our counterparties. If the financial condition of MEX or assets of our counterparties or the parties with which we hold client assets deteriorate, then clients could suffer loss because the return of the client capital could become difficult. However, please note that MEX will not use retail client money for margining, guaranteeing, securing, transferring, adjusting or settling dealings in derivatives by Mex or on behalf of people other than the client.

You are reliant on MEX’s ability to meet its counterparty obligations to you to settle the relevant contract. MEX may, but is not obliged to hedge its Margin Contract and CFD transactions. Where this occurs, you will indirectly be exposed to market risk as a result of your counterparty risk to MEX.

MEX employs a high level of corporate governance. We produce a range of financial reports on a daily and monthly basis including cash flow projections, client money reconciliations, a profit & loss statement and a balance sheet. The cash flow projections are prepared for the ensuing 12 month period and updated on a monthly basis, taking into account all the projected costs and revenues of running the business. All the assumptions made in deriving the projections are documented. The cash flow projections, the profit & loss statement calculation of surplus liquid fund and net tangible asset requirements, and the balance sheet are presented at the monthly board meeting. Projections are approved and the balance sheet is considered to ensure that the company can meet its financial obligations.

Financial markets can be very volatile and market exposure can sometimes have a substantial impact on financial resources. Since MEX may not hedge every transaction, MEX may be exposed to Market Risk. Stress testing is conducted by the MEX to ensure it holds sufficient liquid funds to withstand significant adverse market movements. Scenario testing is also conducted and where MEX does not use counterparties to hedge its position, it will ensure it enhances its monitoring of all positions. Where MEX does not use counterparties the risk of insolvency as a result of a significant adverse movement increases.

MEX may hedge their market exposure on the underlying FX and derivatives markets by using the services of reputable counterparties. In selecting the counterparties, MEX considers competitive rates, efficiency of service, and reliability of technology, financial standing and reputation. MEX constantly monitors the financial standing, creditworthiness and reputation of these counterparties.

6.7 DEALING MAY BE AFFECTED BY FACTORS IN THE UNDERLYING MARKET

Our prices are derived from prices in the Underlying Market under certain market conditions, it could become difficult or impossible for you to manage the risk of open Positions by entering into opposite Positions in another contract or closing existing Positions.

The prices of the CFDs are derived from the prices in the Underlying Markets. Sometimes markets move so quickly that "gapping" occurs. Gapping is the exposure to loss from failure of market prices or rates to follow a "smooth" or continuous path due to external factors such as world, political, economic and specific corporate events. If gapping occurs in the Underlying Market, it will also occur in the price of the relevant CFD and may mean that you are unable to close-out your position or open a new position at the price at which you have placed your order or may have liked to place your order.

The Underlying Market may lack liquidity, caused by insufficient trading activity or because the aggregate of all requests for orders at a particular price determined by us exceeds the available volume in that market. This may affect our ability to offer Margin FX or CFDs in sufficient volume to allow you to closeout your Position or open a new Position.

As a result, a potentially profitable deal may not be executed, or it may not be possible to close-out a Position in a timely fashion at the price you require. This may lead to reduced profits and high losses. We have the right to close your open Position, limit the size of your open Position or refuse orders to establish new Positions, by giving you notice orally or in writing. You should refer to clause 14.1 of the Client Agreement.

6.8 YOUR ACCOUNT WILL BE MAINTAINED IN THE CURRENCY THAT YOU HAVE NOMINATED: THAT IS, THE BASE CURRENCY

When you deal in a Margin FX or CFD that is denominated in a currency other than the Base Currency, all initial and variation Margins, option Premiums, profits, losses, rollover fees, interest rate payments/receipts in relation to that product are calculated using the currency in which the product is denominated. Accordingly, your profits or losses may be affected by fluctuations in the relevant Underlying Market price between the time the order is placed and the time the Position is closed, liquidated or offset.

Upon closing a Position that is denominated in a currency other than the Base Currency of your account you will be able to request that the foreign currency balance be converted to the Base Currency of your account. Any conversion will be at the exchange rate quoted by us and subject to the Conversion Fee (please refer to subsection 10.5 of this PDS). Until the foreign currency balance is converted to the Base Currency, fluctuations in the relevant foreign exchange rate may affect the unrealised profit or loss made on the Position.

6.9 LOSS CAUSED BY SPREAD

Because of the difference between the buying and selling price of a Margin FX or CFD, the relevant price must move favourably before you can break even. In other words, even if the price does not move at all and you close-out your Position, you will make a loss to the extent of our spread and any other charges you have incurred to us.

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

You should also note that a "spread position", that is, the holding of a bought contract for one specified date and a sold contract for another specified date, is not necessarily less risky than a simple "long" (ie bought) or "short" (i.e. sold) Position.

6.10 NOT A REGULATED MARKET

Financial markets can change rapidly; they are speculative and volatile. Prices even of securities depend on a number of factors including, for example, commodity prices, index levels or central bank decisions, interest rates, demand and supply and actions of governments.

Our products are highly speculative and volatile. There is a high risk that market prices will move such that contract value of the position on closing can be significantly less than the amount you invested in them.

There is no guarantee or assurance that you will make profits, or not make losses, or that unrealized profits or losses will remain unchanged.

You can reduce your risk by understanding the market relevant to the Margin FX or CFD, monitoring your positions carefully and closing your open before unacceptable losses arise.

6.11 NOT A REGULATED MARKET

As pointed out above, we are the market maker and contracts entered into with us are not traded on a licensed market. Accordingly, the protections associated with licensed markets are not available to individuals, corporations or other entities trading in our products.

6.12 REGULATORY RISK

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

6.13 CHANGES IN MARGIN PERCENTAGE

We may under clauses 10.5 of the Client Agreement exercise our right to alter the Margin Percentage in relation to any of our products at any time at its discretion. Notification of this alteration can be given to you either orally or in writing. The alteration will take immediate effect over the affected open positions. This change will affect your Margin Requirement.

You should refer to section 9 of this PDS for further information.

6.14 SYSTEMS RISK

We may outsource the operation of our online Trading Platform for dealings in Margin FX and CFDs to a third party. Accordingly, we rely upon this third party to ensure the systems are updated and maintained. But, there are operational risks associated with any trading platform and any disruption may mean that you will be unable to trade in the product with us when desired. Accordingly, you may suffer a loss as a result caused by a delay in our operational processes such as communications, computers, computer networks, software or external events that cause delays in the execution and settlement of a transaction. We do not accept or bear any liability whatsoever in relation to the operation of the Trading Platform, except to the extent that it is caused by fraud or dishonesty on our part or on the part of our employees, agents or representatives.

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

6.15 STOP ORDERS AND LIMIT ORDERS ARE NOT GUARANTEED

The placing of a Stop Order can potentially limit your loss, however, we do not guarantee that a Stop Order will do so. Similarly, a Limit Order can maximize your profit but there is also no guarantee of this. This is because, for example, foreign exchange markets can be volatile and unforeseeable events can occur which mean that it is possible that Stop Orders and Limit Orders may not be accepted, or may be accepted at a price different to that specified by you. You should anticipate being stopped out at or limited at a price worse than the price you set. You may suffer losses as a result.

6.16 SUSPENSION AND MARKET DISRUPTION

The nature of Underlying Instrument and Margin Contract and CFDs offered by us may not be constant.

It could be affected by changes in market conditions or its own conditions. These changes may include:

i. A monetary union resulting from an arrangement where several countries have agreed to share a single currency amongst themselves (e.g. EURO);
ii. A change in Underlying Instrument that may result in MEX unable to hold, purchase or borrow any relevant underlying securities or our ability to hold, purchase or borrow such securities becomes in our reasonable opinion at any time materially impaired or restricted for whatever reason;
iii. Trading in any relevant Underlying Instrument on any exchange is limited or suspended; or
iv. Trading on any exchange or market is limited or suspended so as to restrict trading of any relevant Underlying Instrument.

As a results of these changes, we may no longer be able perform our obligations under the Margin Contract and/or CFD on the same economic basis as that Underlying Instrument the terms of the Contract was originally entered into. In considering the circumstances, prevailing market conditions and the effects of the change on the Underlying Instrument, we may, at our discretions, determine and undertake the necessary actions, including the following:

a) closing out the relevant position;
b) by notice inform you of an amendment to the Initial Margin requirement with respect to the relevant position;
c) we may reserve the right to pass on to you any additional stock borrowing costs incurred by us during exceptional market conditions, as reasonably determined by us and notified in advance to you;
d) We may determine and make the appropriate adjustment, if any, to the Contract Price and/or the relevant Contract quantity as we will reasonably consider appropriate to account for the diluting or concentrative effect of the adjustment or otherwise necessary to preserve the economic equivalent of the rights and obligations of the parties under the relevant contracts.

6.17 DEFICIT IN SEGREGATED CLIENT ACCOUNT

Segregated accounts may not protect your moneys from a deficit in the segregated customer accounts. Should there be a deficit in the segregated accounts and in the unlikely event that we become insolvent before the topping up of the segregated accounts in deficit, you will be an unsecured creditor in relation to the balance of the moneys owing to you.

6.18 TRADING PLATFORM RISK

You are responsible for the means by which you access the online trading platform or your other contact with MEX. If you are unable to access, use or issue orders on the online trading platform, it may mean that you are unable to trade in our products or you may not be aware of the current margin requirements and so you may suffer a loss as a result.

6.19 CONFLICTS OF INTEREST

Trading with MEX carries an automatic risk of conflicts of interests because MEX is acting as principal in its positions with you and MEX sets the price of the contracts and also because it might be transacting with other persons at different prices or rates. You can reduce the risks of unfavourable pricing or opaque pricing by monitoring MEX's contract pricing and monitoring the underlying market.

6.20 MEX'S POWERS

MEX has extensive discretions under the Client Agreement including but not limited to providing pricing and valuations or suspending the operation of the Trading Platform without prior notice to you. You should carefully read the Client Agreement to carefully understand these discretions.

7. HOLDING YOUR MONEY

7.1 SEGREGATED ACCOUNT

We will handle all client funds we received in accordance with and subject to Part 7.8 of Division 2 of the Corporations Act and ASIC Regulatory Guide 212: Client money relating to dealing in OTC Derivatives. After receiving client funds, they will be deposited into a segregated trust account maintained by us with an authorised deposit-taking institution. The Corporations Act permits money belonging to a wholesale client who is not a sophisticated investor to be used for the purpose of meeting liabilities incurred by us in connection with margining, guaranteeing, securing, transferring, adjusting or settling dealings in derivatives such as the Margin Contracts and CFDs, on behalf of people other than the client. Retail and sophisticated investor funds will not be used for those purposes; nor will the funds be used for the licensee's working capital.

You should note that we are entitled, to the extent permitted by law to:

- Withdraw, deduct or apply any amounts payable by you to us and/or any associate of ours under the Client Agreement from your money's held in any segregated account or invested by us including, without limitation making a payment for, or in connection with the deposits, instalments, adjustments or setting of dealings in our products entered into by you or the payment of charges or interest to us, with all such amounts belonging to us under the Client Agreement;

- Pay, withdraw, deduct or apply any amounts from your money’s held in any segregated account or invested by us as permitted by law; and To the extent permitted by law, use such moneys for the payment of amounts to counterparties with whom we enter into derivatives to hedge our exposure to you in connection with Margin FX and/or CFDs or hedge our exposure to other clients who have entered into these financial products under their Client Agreements with us noting that retail and sophisticated investor funds will not be used for margining, guaranteeing, securing, transferring, adjusting or settling dealings in derivatives by the Licensee or on behalf of people other than the client.

Your moneys may be co-mingled into one or more segregated accounts with our other customers’ moneys, regardless whether they are wholesale or retail money.

You should note that you are not entitled to interest earned on your account. Furthermore, the client moneys will not be invested by us.

We are also obliged to deposit any moneys due to you in relation to dealings in our products and we must deposit them into a segregated account.

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

7.2 PROTECTION AFFORDED BY THE AUSTRALIAN CLIENT MONEY RULES

Under the Australian Client Money Rules, we must hold your moneys on trust. Furthermore, the Australian Client Money Rules provide that in the event that we lose our Australian Financial Services License, become insolvent, merge with another licensee or cease to carry on some or all of the activities authorized by the license, customer money held by us or an investment of customer money, will be dealt with as follows:

- money in the segregated account is held in trust for the persons entitled to it, and is paid in the order set out below in the third bullet point below;
- if money in the segregated account is invested, the investment is likewise held in trust for each person entitled to money in the account;
- the money in the account is to be paid in the following order:
    i. Money that has been paid into the account in error;
    ii. The next payment is payment to each person who is entitled to be paid money from the account;
    iii. If the money in the account is not sufficient to be paid in accordance with the above paragraphs, the money in the account must be paid in proportion to the amount of each person’s entitlement; and

iv. If there is any money remaining in the account after payments made in accordance with the above paragraphs, the remaining money is payable to us.

These rules override anything to the contrary in the Bankruptcy Act 1966, in the Corporations Act or other law, in the Client Agreement.

We are entitled to keep hold of your funds in your account to cover negative cash balances, Margin, any funds, including without limitation, cheque or credit card payments, unrealized losses and realized losses and any other amounts due under the Client Agreement. We also have the right to deduct, without notice or recourse to you, any monies deposited or credited to your account in error by us.

7.3 WARNING ABOUT SEGREGATED ACCOUNTS

It is important to note that our holding your moneys in one or more segregated accounts does not afford you absolute protection. The purpose of segregated accounts is to segregate our customers’ money, including your moneys, from our own funds. However, individual customers’ money are co-mingled into one or more segregated customer accounts. Furthermore, segregated accounts may not protect your moneys from a deficit in the segregated customer accounts. Should there be a deficit in the segregated accounts and in the unlikely event that we become insolvent before the topping up of the segregated accounts in deficit, you will be an unsecured creditor in relation to the balance of the moneys owing to you.

7.4 WHAT IS AN UNSECURED CREDITOR?

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

7.5 CLIENT MONEY RECONCILIATIONS

Under the ASIC Client Money Reporting Rules, we are required to comply with various record-keeping, reconciliation and reporting obligations in relation to the retail and sophisticated client money held in the client money trust. Under these rules, MEX must:

- Keep records of retail and sophisticated client money received and retain such records for 7 years;
- Perform a daily and monthly reconciliation of the retail and sophisticated client money on MEX’s accounts with the actual retail and sophisticated client money held in the client money trust;
- Notify ASIC within 5 business days if MEX identifies a breach of the ASIC Client Money Reporting Rules or if a discrepancy is identified by the reconciliation;

- Lodge with ASIC an annual director's declaration and an external auditor's report on MEX's compliance with the ASIC Client Money Reporting Rules within 4 months of the end of MEX's financial year; and
- Establish, implement and maintain policies and procedures designed to ensure MEX's compliance with the ASIC Client Money Reporting Rules

8. TRADING MARGIN FX AND CFDS WITH MEX

8.1 WHAT ACCOUNT TYPES ARE OFFERED BY MEX

We offer one standard account which allows clients to trade micro, mini and standard lot through our MT4 Trading Platform. The MT4 Trading Platform is a third party software that we are licensed to use and offer to clients. We do not warrant its error free functionality. Details of our platforms are set out below.

Description/Platform	FX & Metal Turbo Meta	MT4 Maximus	Prodigy
Fixed/Floating	Fixed	Fixed or Floating	Floating
Instruments	45 pairs	45 pairs	31 pairs
Pricing Digits	4	5	5
Lot Size	Standard 1.0 Mini 0.1 Micro .01	Standard 1.0 Mini 0.1 Micro .01	Standard 1.0 Mini 0.1 Micro .01
Expert Advisors	Yes	Yes	Yes
Leverage/Account Size	100:1 Unlimited 200:1 Unlimited 300:1 $50,000	100:1 Unlimited 200:1 Unlimited 300:1 $50,000	100:1 Unlimited 200:1 Unlimited 300:1 $50,000
Index Futures CFDs	No	Yes	No
Commodities CFDs	No	Yes	No
FX Futures CFDs	No	Yes	No
FX Options	No	No	Yes
Non-Deliverable Forwards (NDF)	No	No	Yes

We also offer institutional platform for high volume traders, professional traders and institution traders. This is MT4 trading platform delivers instantaneous trade execution from over 20 instantaneous bank price feeds. If you are in the category please contact our sales or customer service for details.

Important note: It is your sole responsibility to familiarize yourself with the features of various trading platforms, such as leverage and account size. We are not liable for any loss incurred by you as a result of, or in connection with the use of such trading platforms. If you are unsure of the features of the platforms or how they operate, please ensure to speak to one of our customer service representatives before opening an account with us.

8.2 HOW DO I COMMENCE TRADING WITH MEX?

Before you begin dealing in our Margin FX and CFD products, you must complete an Application Form and be approved by us to open an account. There are 3 Application Forms, one for applicants that are individuals (including joint applicants), one for corporations and one for trusts. Before completing the appropriate Application Form you should read:

- this PDS,
- the Client Agreement, and
- the FSG.

The Application Forms are available on our website or can be obtained by contacting us. You must provide us with your Application Form, or at any time requested by us, such of the documentation as set out in the Application Form.

The Application Forms require you to disclose personal information. You will also be asked to provide us with your trading experience, frequency of trading and risk capital. You should refer to the privacy statement in section 25, which explains how we collect personal information and then maintain, use and disclose that information.

8.3 QUALIFICATION POLICY

Further to the suitability assessment performed when completing the Application Form, MEX operates a client qualification policy, which is intended to ensure that new clients are reasonably qualified to trade in Margin FX and CFDs. All new clients are assessed and have to pass a qualification test before they are enabled for trading. The test is designed to assess the understanding of and experience in Margin FX and CFDs.

The qualification test consists of a number of questions from the following categories:

1. Previous experience in investing in derivatives and foreign exchange contracts
2. Understanding of the concepts of leverage, margins and volatility
3. Understanding of the nature of CFD trading
4. Understanding of the processes and technologies used in trading
5. Preparedness to monitor and manage the risks of trading

We require clients to correctly answer a certain number of questions in order to pass. If clients pass, they are deemed reasonably qualified to trade in Margin FX and CFDs and their accounts are then enabled for trading. If clients do not pass, they are advised to open a demo account to gain a better understanding of the product in the virtual environment.

Once failed clients have placed a certain number of opening trades on the demo platform, they are deemed to have sufficiently increased their experience of the product to be reassessed with a different set of questions.

Please note that the assessment undertaken by us is not to be taken as us giving your personal financial product advice that takes into account your personal circumstances, financial situation or needs.

The full client qualification policy is listed on our website.

We also 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.

8.3.1 OPENING A DEMO ACCOUNT

If you are in any way unsure as to how the transactions work, we recommend that you apply for a demo account and trial our trading platform prior to opening an Account.

The demo trading platform mirrors the live trading platform and provides you with a virtual cash balance to trade, enabling you to become familiar with the features of the trading platform and to make a decision about whether CFD trading is suitable for you or not.

8.4 WHAT CFDS ARE OFFERED BY MEX?

Spot Metals CFD Futures Metal CFD Futures Oil CFD Index Future CFD Currency Futures CFD	Gold (XAU/USD) Copper (HG) Light Sweet (CL) Mini Dow Jones (DM) Gold (GC)	EUR (EC) AUD (AU) NZD (NZ) Silver (XAG/USD) Natural Gas (NG) CHF (CF)	S&P Emini (ES) JPY (JY) CAD (CD) Silver (SI) Mini Nasdaq (NQ) GBP (BP)

8.5 WHAT CURRENCY PAIRS ARE OFFERED BY MEX?

EUR/USD USD/CHF USD/JPY GBP/USD AUD/USD NZD/USD USD/CAD	EUR/JPY EUR/GBP EUR/CHF EUR/AUD EUR/NZD EUR/CAD GBP/JPY	GBP/CHF AUD/CHF AUD/JPY AUD/NZD AUD/CAD NZD/JPY CAD/JPY	CHF/JPY EUR/TRY USD/TRY

8.6 WHAT CURRENCY OPTIONS PAIRS ARE OFFERED BY MEX?

EUR/USD	USD/CAD	GBP/CAD
USD/CHF	EUR/JPY	EURY/TRY
USD/JPY	EUR/GBP	EUR/GBP
GBP/USD	EUR/CHF	USD/TRY
AUD/USD	GBP/JPY	XAU/USD
NZD/USD	GBP/CHF	XAG/USD

Should there be any changes to the list above, such will be available on the MEX MT4 Trading Platform, accessible through our website www.mexaustralia.com.

8.7 THE BASE CURRENCY OF YOUR ACCOUNT

MEX offers account denominations in Australian Dollar, US Dollar, Euro, British Pounds, Singapore and Hong Kong Dollars.

All your profits, losses, Rollover Charges and Benefits and Financing Charges or Benefits in relation to a Margin FX or CFD are denominated in the currency of the Margin FX or CFD. If you do not nominate a base currency, it will be defaulted to US Dollars.

All foreign currency cash balances and unrealized profits and losses shown in your Account can be notionally converted by us into your Base Currency using our applicable prices in order to calculate your Total Equity in the Base Currency of your Account.

Upon you closing or offsetting a Margin FX or CFD Position denominated in a foreign currency, all profit or loss will be automatically converted to the Base Currency of your Account using our exchange rate.

8.8 HOW DO I OPEN AND CLOSE A MARGIN FX OR CFD?

A position is opened by either buying or selling a Margin FX or CFD transaction.

Buying: In general, if you expect an instrument to rise in value, you will buy to open a "long" position. Selling: In general, if you expect an instrument to fall in value, you will sell to open a "short" position. Margin FX Example:

If the current exchange rate for the AUD against the US dollar is quoted at 1.0300, this means that one AUD is equal to 1.0300 US dollars.

A foreign exchange quote: e.g. AUD/USD 1.0300/1.0302 represents the Bid/Offer spread (in this case for AUD/USD). This quote means that you can:

- Buy AUD at 1.0302 against the US dollar; and/or
- Sell AUD at 1.0300 against the US dollar

CFD Example:
If the current price of Gold against the US dollar is quoted to be XAU/USD 1,649.25, this means that 1 oz. of gold is equal to US$1,649.25. A gold quote: e.g. XAU/USD

1,649.25/1,649.75 represents the Bid/Offer spread (in this case for XAU/USD). This quote means that you can:

- Buy Gold at $1,649.75 per ounce against the US dollar; and/or
- Sell Gold $1,649.25 per ounce against the US dollar

Closing a Margin FX or CFD Position:
You close a Margin FX or CFD position by right clicking on the position and selecting “Close Order” within the MT4 Trading Platform and then confirming the close by clicking "Close" in the order window. We are entitled to close open Positions for a number of reasons including without limitation: event of default, force majeure event, suspension or de-listing of an Underlying instrument to which a transaction relates, suspension of an account and termination of the Client Agreement. Events of default include, for example, where you fail to make a payment or perform your obligations, where you become bankrupt or insolvent or where we have been unable to contact you for urgent instructions. Our powers enable us to terminate or close-out positions, recover amounts owing from you, enforce securities we hold and set off payments, amongst others.

TRADE EXAMPLE
MARGIN FX TRADE EXAMPLE

1. Buying AUD/USD

Opening the position
You decide to go long of the AUD against USD, and ask for a quote for 1 lot, the equivalent of A$100,000 (lot sizes are set out in the Market Information Sheet). We quote you 1.0300/1.0302 and you buy 1 lot at 1.0302. There is no commission to pay on Margin FX trades.

Swap adjustments
While the position remains open, an overnight adjustment is debited or credited to your account using the applicable Tom-Next rate. In this example, the credit for one day might be US$7.89 (see Section 10.3 for detail of overnight Tom-Next).

Closing the position
One week later, AUD/USD has risen to 1.0412/1.0414, and you take your profit by selling 1 lot at 1.0412. Your gross profit on the trade is calculated as follows:

Closing transaction: A$100,000 (1 lot) x 1.0412 = US$104,120.00
Opening transaction: A$100,000 (1 lot) x 1.0302 = US$103,020.00
Gross profit on trade: = US$1,100.00

Calculating the overall result
To calculate the overall or net profit, you also have to take account of the interest credit. In this example, you might have held the position for 7 days, earning a total interest credit of US$55.23:

Gross profit on trade: US$1,100.00

Interest credit: US$55.34
Net profit: US$1,155.34 = A$1,109.62 equivalent
You can choose which currency you wish to hold your account balance in.

Conversions will be at a rate no less favourable to you than 0.5% below or above (as the case may be) the interbank spot exchange rate at the time of conversion.

Please note: If the AUD decreases in value (the USD increases in value) and you close out your position, you make a loss. For example if the AUD falls and the AUD/USD is now quoted at 1.0200 - 1.0202 you sell the AUD at the bid of 1.0200 you will make the following loss: US$1,020.00.

2. Selling AUD/USD

Opening the position

You decide to short the AUD against USD, and ask for a quote for 1 lot, the equivalent of A$100,000 (lot sizes are set out in the Market Information Sheet). We quote you 1.0300/1.0302 and you sell 1 lot at 1.0300. There is no commission to pay on Margin FX trades.

Swap adjustments

While the position remains open, an overnight adjustment is debited or credited to your account using the applicable Tom-Next rate.

In this example, the debit for one day might be US$18.12 (see Section 10.3 for detail of overnight Tom-Next).

Closing the position

One week later, AUD/USD has fallen to 1.0200/1.0202, and you take your profit by buying 1 lot at 1.0202. Your gross profit on the trade is calculated as follows:

Closing transaction: A$100,000 (1 lot) x 1.0202 = US$102,020.00
Opening transaction: A$100,000 (1 lot) x 1.0300 = US$103,000.00
Gross profit on trade: = US$1,080.00

Calculating the overall result

To calculate the overall or net profit, you also have to take account of the interest debit. In this example, you might have held the position for 7 days, paying a total interest debit of US$126.84:

Gross profit on trade: US$1,080.00
Interest debit: US$126.84
Net profit: US$953.16 = A$934.28 equivalent

You can choose which currency you wish to hold your account balance in.
Conversions will be at a rate no less favourable to you than 0.5% below or above (as the case may be) the interbank spot exchange rate at the time of conversion.

Please note: If the AUD increases in value (the USD decreases in value) and you close out your position, you make a loss. For example if the AUD rises and the AUD/USD is now quoted at 1.0400 -1.0402 you buy the AUD at the offer of 1.0402 you will make the following loss: US$1,000.00.

3. Buying AUD/USD with a loss

Opening the position

You decide to go long of the AUD against USD, and ask for a quote for 1 lot, the equivalent of A$100,000 (lot sizes are set out in the Market Information Sheet). We quote you 1.0300/1.0302 and you buy 1 lot at 1.0302. There is no commission to pay on Margin FX trades.

Swap adjustments

While the position remains open, an overnight adjustment is debited or credited to your account using the applicable Tom-Next rate.

In this example, the credit for one day might be US$7.89 (see Section 10.3 for detail of overnight Tom-Next).

Closing the position

One week later, AUD/USD has fallen to 1.0212/1.0214, and you take your loss by selling 1 lot at 1.0212. Your gross loss on the trade is calculated as follows:

Closing transaction: A$100,000 (1 lot) x 1.0212 = US$102,120.00 Opening transaction: A$100,000 (1 lot) x 1.0302 = US$103,020.00 Gross loss on trade: = US$900.00

Calculating the overall result

To calculate the overall or net loss, you also have to take account of the interest credit. In this example, you might have held the position for 7 days, earning a total interest credit of US$55.23:

Gross loss on trade: US$900.00
Interest credit: US$55.34
Net loss: US$844.66 = $827.15 equivalent

You can choose which currency you wish to hold your account balance in.

Conversions will be at a rate no less favourable to you than 0.5% below or above (as the case may be) the interbank spot exchange rate at the time of conversion.

4. Selling AUD/USD with a loss

Opening the position

You decide to short the AUD against USD, and ask for a quote for 1 lot, the equivalent of A$100,000 (lot sizes are set out in the Market Information Sheet). We quote you 1.0300/1.0302 and you sell 1 lot at 1.0300. There is no commission to pay on Margin FX trades.

Swap adjustment
While the position remains open, an overnight adjustment is debited or credited to your account using the applicable Tom-Next rate.

In this example, the debit for one day might be US$18.12 (see Section 10.3 for detail of overnight Tom-Next).

Closing the position
One week later, AUD/USD has risen to 1.0400/1.0402, and you take your loss by buying 1 lot at 1.0402. Your gross loss on the trade is calculated as follows:

Closing transaction: A$100,000 (1 lot) x 1.0402 = US$104,020.00
Opening transaction: A$100,000 (1 lot) x 1.0300 = US$103,000.00
Gross loss on trade: = US$1,020.00

Calculating the overall result
To calculate the overall or net loss, you also have to take account of the interest credit. In this example, you might have held the position for 7 days, paying a total interest debit of US$126.84:

Gross loss on trade: US$1,020.00
Interest debit: US$126.84
Net profit: US$1,146.84 = A$1,102.73 equivalent

Conversions will be at a rate no less favorable to you than 0.5% below or above (as the case may be) the interbank spot exchange rate at the time of conversion.

BULLION CFD TRADE EXAMPLE

1. Buying XAG/USD (Silver)

Opening the position
You decide to go long of the XAG/USD and ask for a quote for 1 lot, the equivalent of 5,000 OZ of silver (lot sizes are set out in the Market Information Sheet). We quote you 27.4275/27.4750 and you buy 1 lot at 27.4750. There is no commission to pay on Bullion CFDs.

Swap adjustments
While the position remains open, an overnight adjustment is debited or credited to your account using the applicable Tom-Next rate.

In this example, the swap cost for one day might be US$8.28 (see Section 10.3 for a detailed of overnight Tom-Next).

Closing the position
One week later, XAG/USD has risen to 29.0600/29.1100, and you take profit by selling 1 lot at 29.0600. Your gross profit on the trade is calculated as follows:

Closing transaction: 5,000oz (1 lot) x 29.0600 = US$145,300

Opening transaction: 5,000oz (1 lot) x 27.4750 = US$137,375.00
Gross profit on trade: = US$7,925.00

Calculating the overall result
To calculate the overall or net profit, you also have to take account of the interest credit. In this example, you might have held the position for 7 days, paying a total interest debit of US$57.96:

Gross profit on trade: US$7,925.00 Interest debit: US$57.97
Net Profit: US$7,867.04 = A$7,564.46 equivalent

Conversions will be at a rate no less favorable to you than 0.5% below or above (as the case may be) the interbank spot exchange rate at the time of conversion.

2. Selling XAG/USD

Opening the position
You decide to short the XAG against USD, and ask for a quote for 1 lot, the equivalent of 5,000 oz (lot sizes are set out in the Market Information Sheet). We quote you 27.4275/27.4750 and you sell 1 lot at 27.4275. There is no commission to pay on Bullion CFD trades.

Swap adjustments
While the position remains open, an overnight adjustment is debited or credited to your account using the applicable Tom-Next rate.

In this example, the swap cost for one day might be US$0.00 (see Section 10.3 for detail of overnight Tom-Next).

Closing the position
One week later, XAG/USD has fallen to 26.4275/26.4750, and you take profit by buying 1 lot at 26.4750. Your gross profit on the trade is calculated as follows:

Closing transaction: 5,000oz (1 lot) x 26.4750 = US$132,375.00
Opening transaction: 5,000oz (1 lot) x 27.42750 = US$137,137.50
Gross profit on trade: = US$4,762.50

Calculating the overall result
To calculate the overall or net profit, you also have to take account of the interest credit. In this example, you might have held the position for 7 days, paying a total interest debit of US$0.00:

Gross profit on trade: US$4,762.50
Interest US$0.00
Net profit: US$4,762.50 = A$4,579.33 equivalent

Conversions will be at a rate no less favorable to you than 0.5% below or above (as the case may be) the interbank spot exchange rate at the time of conversion.

3. Buying XAG/USD (Silver) with a loss

Opening the position

You decide to go long of the XAG/USD and ask for a quote for 1 lot, the equivalent of 5,000 OZ of silver (lot sizes are set out in the Market Information Sheet). We quote you 27.4275/27.4750 and you buy 1 lot at 27.4750. There is no commission to pay on Bullion CFDs.

Swap adjustments

While the position remains open, an overnight adjustment is debited or credited to your account using the applicable Tom-Next rate.
In this example, the swap cost for one day might be US$8.28 (see Section 10.3 for detail of overnight Tom-Next).

Closing the position

One week later, XAG/USD has fallen to 26.0600/26.1100, and you take a loss by selling 1 lot at 26.0600. Your gross loss on the trade is calculated as follows:

Closing transaction: 5,000oz (1 lot) x 26.060 = US$130,300.00
Opening transaction: 5,000oz (1 lot) x 27.4750 = US$137,375.00 Gross loss on trade: = US$7,075.00

Calculating the overall result

To calculate the overall net loss, you also have to take account of the interest credit or debit. In this example, you might have held the position for 7 days, paying a total interest debit of US$57.96:

Gross loss on trade: US$7,075.00
Interest Debit = US$57.96
Net loss: US$7,132.96 = A$6,925.20 equivalent
Conversions will be at a rate no less favorable to you than 0.5% below or above (as the case may be) the interbank spot exchange rate at the time of conversion.

4. Selling XAG/USD with a loss

Opening the position

You decide to short the XAG against USD, and ask for a quote for 1 lot, the equivalent of 5,000 oz (lot sizes are set out in the Market Information Sheet). We quote you 27.4275/27.4750 and you sell 1 lot at 27.4275. There is no commission to pay on Bullion CFD trades.

Swap adjustments

While the position remains open, an overnight adjustment is debited or credited to your account using the applicable Tom-Next rate.
In this example, the swap cost for one day might be US$0.00 (see Section 10.3 for detail of overnight Tom-Next).

Closing the position

One week later, XAG/USD has risen to 28.4275/28.4750, and you take a loss by buying 1 lot at 28.4750. Your gross loss on the trade is calculated as follows:

Closing transaction: 5,000 oz (1 lot) x 28.4750 = US$142,375.00 Opening transaction: 5,000 oz (1 lot) x 27.4275 = US$137,137.50 Gross loss on trade: = US$5,237.50

Calculating the overall result
To calculate the overall or net loss, you also have to take account of the interest debit or credit. In this example, you might have held the position for 7 days, paying a total interest debit of US$0.00;

Gross loss on trade: US$5,237.50
Interest: US$0.00
Net loss: US$5,237.50 = A$5,084.50 equivalent

Conversions will be at a rate no less favorable to you than 0.5% below or above (as the case may be) the interbank spot exchange rate at the time of conversion.

FX OPTION TRADE EXAMPLE

1. Buying a call option with profit
AUD/USD spot is currently trading at 0.9925/0.9927
The July AUD/USD 1.0000 call option which expires on 19th July 2012 is currently trading at 0.0137/0.0147 (Premium). You decided to buy A$100,000 at 0.0147. Your account will be debited with US$1,470.00

2 days later, the AUD/USD has risen to 1.0200 and the July AUD/USD call option is trading at say, 0.0248/0.0258. You decide to take your profit by selling your call option at the bid rate, 0.0248.
Your profit will be US$1,010.00 (100,000 x (0.0248-0.0147). You pay no commission and swap adjustment on FX Options.

2. Buying a call option with loss
AUD/USD spot is currently trading at 0.9925/0.9927

The July AUD/USD 1.0000 call option which expires on 19th July 2012 is currently trading at0.0137/0.0147 (Premium). You decided to buy A$100,000 at 0.0147. Your account will be debited with
US$1,470.00

2 days later, the AUD/USD has fallen to 0.97200 and the July AUD/USD call option is trading at say, 0.0048/0.0058. You decide to take close your position by selling your call option at the bid rate, 0.0048. Your loss will be US$890.00 (100,000 x (0.0147-0.0048). You pay no commission and swap adjustment on FX Options.

Non-Deliverable Forwards (NDF) trade example:

a) Buy NDF with profit
USD/MYR One month NDF is trading at 3.1200/3.1211 and you decide to buy US$100,000 at the rate of 3.1211. There is no commission on NDF other than the spread.

2 days later, USD/MYR has risen to 3.14745/3.14755, you decide to take profit by selling US$100,000 at 3.14745 (the bid rate). Your profit will be MYR2,635.00 (100,000 x (3.14745-3.1211)). There is no commission and swap adjustment on NDFs.

b) Buy NDF with loss

USD/MYR One month NDF is trading at 3.1200/3.1211 and you decide to buy US$100,000 at the rate of 3.1211. There is no commission on NDF other than the spread.

2 days later, USD/MYR has fallen to 3.10745/3.10755, you decide to close your position by selling US$100,000 at 3.10745 (the bid rate). Your loss will be MYR1,365.00 (100,000 x (3.10745-3.1211)). There is no commission and swap adjustment on NDFs.

c) Selling NDF with profit

USD/MYR One month NDF is trading at 3.1200/3.1211 and you decide to sell US$100,000 at the rate of 3.1200. There is no commission on NDF other than the spread.

2 days later, USD/MYR has fallen to 3.10745/3.10755, you decide to take profit by buying US$100,000 at 3.10755 (the offer rate). Your profit will be MYR1, 245.00 (100,000 x (3.10755-3.1200)). There is no commission and swap adjustment on NDFs.

d) Selling NDF with loss

USD/MYR One month NDF is trading at 3.1200/3.1211 and you decide to sell US$100,000 at the rate of 3.1200. There is no commission on NDF other than the bid and offer price.

2 days later, USD/MYR has risen to 3.13745/3.13755, you decide to close your position by buying US$100,000 at 3.13755 (the offer rate). Your loss will be MYR1, 755.00 (100,000 x (3.1200-3.13755). There is no commission and swap adjustment on NDFs.

INDEX FUTURES CFD TRADING EXAMPLE

1. Buying Index Futures CFD with profit

The Jun Emini S & P (ES_M12) is trading at 1315.00-1315.25. You decide to buy 1 lot CFD at 1315.25. You pay commission US$10.00 for this transaction.

2 days later, the ES_M12 has risen to 1319.00/1319.25 you decide to take profit by selling 1 lot at 1319.00. Your profit will be US$187.50 ((1x(1319.00-1315.25)/0.25x12.50)).

2. Selling Index Futures CFD with profit

The Jun Emini S & P (ES_M12) is trading at 1315.25-1315.50. You decide to sell 1 lot CFD at 1315.25. You pay commission US$10.00 for this transaction.

2 days later, the ES_M12 has fallen to 1312.25/1312.50 you decide to take profit by buying 1 lot at 1312.50. Your profit will be US$137.50 ((1x(1312.50-1315.25)/0.25x12.50)).

3. Buying Index Futures CFD with loss

The Jun Emini S & P (ES_M12) is trading at 1315.00-1315.25. You decide to buy 1 lot CFD at 1315.25. You pay commission US$10.00 for this transaction.

2 days later, the ES_M12 has fallen to 1312.00/1312.25 you decide to close your position by selling 1 lot at 1312.00. Your loss will be US$162.50 ((1x(1312.00-1315.25)/0.25x12.50)).

4. Selling Index Futures CFD with loss
The Jun Emini S & P (ES_M12) is trading at 1315.25-1315.50. You decide to sell 1 lot CFD at 1315.25. You pay commission US$10.00 for this transaction.

2 days later, the ES_M12 has risen to 1318.25/1318.50 you decide to close your position by buying 1 lot at 1318.50. Your loss will be US$162.50 ((1x(1318.50-1315.25)/0.25x12.50)).

8.9 TRADE CONFIRMATIONS

Trades and Orders, once executed, will be confirmed on-screen. You can print the trade confirmation for your record.

Trade history and all account transactions can be viewed in the account area of the Trading Platform. You can also request full account statements by contacting our client support team.

8.10 MINIMUM TRADE SIZES

Minimum trade sizes for Margin FX and CFDs are set out in the Market Information Sheet. These may be varied from time to time and you should check the current Market Information Sheet for up to date information before entering any trades.

8.11 LIQUIDATION LEVEL

We may place a liquidation order for your open Position(s) when your Total Equity balance falls below the Minimum Total Equity balance requirement. The Liquidation Level for various leverage are listed below and can also be found on our Market Information Sheet on the website. At or below this Liquidation Level, we may liquidate some or all of your open Positions.

Margin	Maximum Account Size	Minimum Volume per click	Maximum Volume per click	Stop-Out Level
100:1	Unlimited	0.01	100	10%
200:1	Unlimited	0.01	100	10%
300:1	Unlimited	0.01	100	10%
400:1	Unlimited	0.01	70	100%
500:1	Unlimited	0.01	50	100%

However, we do not represent or warrant that we will place such liquidation orders, that they will be executed, or that your open Position(s) will be closed out at any particular level. You are responsible for losses that you may incur, despite us having the right to close out your Position(s) before the losses were incurred.

9. MARGINS AND MARGIN CALLS

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

There are two components of the Margin which you may be required to pay in connection with Positions. These are the initial Margin and variation Margin.

9.1 INITIAL MARGIN

The initial Margin is an amount of money which we will call from you at the time the Position is entered into. The initial Margin is an amount we call to protect ourselves against possible market movements. When you open a Position with us in Margin FX and CFDs you will need to have sufficient Total Equity in your Account to satisfy the Margin Requirement for that Position. Margin Percentages vary with each product and a list of them as at the date of this PDS are set out in our Market Information Sheet.

9.2 EXAMPLES OF MARGIN REQUIREMENTS

Examples of the calculation of the Margin Requirement for various types of CFDs follow. You should refer to the Market Information Sheet for the current Margin Percentages for each instrument.

Index Futures CFDs Margin Requirements

Our margin percentage on Index CFDs is generally 1%.

For example, if you bought 10 SPI200 Index Futures CFDs at a price of 4,307, the Margin Requirement would be calculated as follows:

(10 x A$4,307) x1% = AUD 430.70

Bullion CFDs Margin Requirements

Our margin percentage on Bullion CFDs is generally 1% of the notional value of your position. Margin Requirements on Bullion CFDs are calculated as follows:

Margin Requirement = (Contract Quantity x Contract Price) x Margin Percentage

For example, to buy 0.1 lot (10 oz) of XAUUSD Bullion CFDs at a price of US$1,651.53 the Margin Requirement would be calculated as follows:

(10 x 1,651.53) x 1% = USD 165.15

Commodity CFDs Margin Requirements

Our margin percentage on Commodity CFDs is generally 3%. Commodity CFDs have Minimum Point Increments (or “ticks”) of between 0.01 and 1.0. As a result, your Margin Requirement can be calculated as follows:

Margin Requirement = (Margin Percentage x current Contract Price / Minimum Point Increment) x Contract Quantity

For example, to buy 1 lot WTI Crude Oil CFDs at a price of USD103.10, the Margin Requirement would be calculated as follows:

(3% x 103.10 x 1,000) x 1 = USD3,093.00

Please refer to MEX Market Information Sheet for individual commodity tick values.

9.3 VARIATION MARGIN

The variation Margin is an amount which we may call from you when a Position moves against you. Again, this amount is determined by us in our discretion and is intended to protect us against unrealized losses which you may have incurred.

The variation Margin liability is incurred at the time of the occurrence of any movement in the market that results in an unrealized loss, regardless as to when the call to pay is made by us on you.

9.4 NOTIFICATION OF MARGIN CALL

Margin Calls will be shown on the Trading Platform, and you are required to log-in to the system on a daily basis when you have open Positions to ensure you receive notification of any such Margin Calls. Please note that if you do not check the Trading Platform for Margin Call notifications, and hence do not meet them in a timely manner, positions may be closed out by us, without further reference to you, as provided in our Client Agreement.

Derivatives can be highly volatile and consequently Margin Calls can be made by us at any time. It is your responsibility to monitor and manage your open positions and exposures and ensure Margin calls are met as required. You should ensure that you are always contactable by us. If you are unable to be contacted for the purpose of us making a Margin call, we may close-out your open positions without actually speaking to you.

9.5 YOU ARE RESPONSIBLE FOR SATISFYING THE MARGIN REQUIREMENTS

If the required amount of Margin for all your Position and orders exceeds the balance of your account, you must either deposit additional cash with us or alternatively close out your Position to reduce your required Margin to a level acceptable to us. Due to the highly volatile nature of foreign exchange and derivative markets, we cannot give you definite timeframes for you to meet your Margin requirements. In some circumstances, we may need to close out your open Positions immediately if you fail to meet Margin requirements in order to minimize our risk exposure. Under the Client Agreement, a failure to meet our Margin requirements is an event of default and we have the right to immediately close out your Positions. You must regularly monitor your own Margin requirements.

In order to manage the risk that you would not have sufficient funds in your account to maintain your Contract positions open, we may take the following measures:

- if the Margin required to keep your Contract positions open takes up 100% of the funds shown in your account, you are regarded as being on Margin Call;
- if the funds available in your account only covers 80% or less of the Margin requirements for your open Positions, you will receive a visual warning automatically on the MT4 platform for you to consider taking appropriate action which can include depositing further funds or reducing exposure; and
- if the funds available in your account only covers 10% of the Margin requirements for your open Positions, your worst offending Position (i.e. the position with the largest Margin requirements) will be automatically closed out.

You are responsible for ensuring that you have sufficient Margin. Margin FX Contracts and CFDs can be highly volatile and you should ensure that you are always contactable by us.

Your obligation to maintain sufficient Margin arises irrespective of whether we make a margin call. In other words, all trades are your responsibility so you should always be aware of your Margin requirements and act accordingly.

We are not required to make Margin Calls. If you do not meet the required Margin requirements, then we may, in our absolute discretion:

- Cancel any orders; and
- Close out, without notice, all or some of your open Positions. Any losses may result from us Closing your Positions.

9.6 CHANGE TO MARGIN PERCENTAGE

We may under the Client Agreement exercise our right to alter the Margin Percentage of any Margin FX and CFD products at any time at our discretion.

Furthermore, if we determine that a Force Majeure Event (defined in clause 27 of the Client Agreement) exists then we may, without prejudice to any other rights under the Client Agreement and at our sole discretion, take any one or more of the steps outlined in clause 27.2 of the Client Agreement. One of the steps that we may take is to increase the Margin Percentage from that specified up to 100%, Accordingly, in extreme cases, you should be prepared at any time to have funds equal to the notional value of your Margin FX (other than FX Options) or CFD available to meet any increase in the Margin Percentage by us.

10. FEES, COST AND CHARGES

Whilst we endeavor to include all fees and charges in the spread quoted, in some circumstances you may incur fees and charges.

Dealing in Margin FX and CFDs may include any or all of the following fees and charges:-

- Margin adjustments;
- Swap and Rollover Charges or benefits at the MEX Swap and Rollover Rates;
- Interest charges applied to debit balances in your Account;
- Stock borrowing costs;

- Exchange data fees;
- Commissions on Index and Commodities CFDs
- Administration charges.
- Exchange fees applied to deposits and withdrawals in foreign currencies using third party payment processors

The fees and charges may change from time to time and may differ according to whether you are an Australian Client or a Foreign Client but will be notified to you. If the change in fees or charges is an increase, you will receive at least 30 days’ notice before the change takes effect.

10.1 NO COMMISSIONS ON MARGIN FX

There will be no commission payable on trades executed in our Margin FX, other than Share CFDs, Index Futures CFDs, Commodities Futures CFDs or Margin FX Options. Our fees for the products we offer are built into the price of the contract (MEX Spread) when you seek to transact with us. Because we deal as principal, the prices we offer you may not be the same as the market prices.

The price offered to you may depend upon a number of factors including transaction size, term of the product, our business relationship with you, the prevailing market rates and the differing interest rates applicable to the currency pair involved in a forward foreign exchange transaction.

10.2 COMMISSION ON FUTURES RELATED CFDS

On all Index Futures CFDs and Commodities Futures CFDs you will be charged a commission of US$10.00 per standard lot.

10.3 ROLLOVERS

When you hold a Position or Positions overnight, in a Margin FX, a Bullion CFD, a Commodity CFD, or an Index Future CFD, they will be rolled to the next day or next settlement period which may result in you paying interest (Rollover Charge) or receiving interest (Rollover Benefit) at the MEX Rollover Rate.

Margin FX Contracts

Open spot FX positions held at the end of a trading day at 17:00 New York Time will be rolled over for a new value date on a tom/next basis immediately after the changing of trading day. As part of the tom/next rollover operation, FX positions are subject to a swap charge or credit. The calculated swap charge or credit are referred to as swap point and the amount is debited or credited to your account. In fact, the swap point are the reflection of the interest rate differential between the two applicable currencies (Interbank Rate). For example, if you have a long Australian dollar / US Dollar (AUD/USD) position and interest rates are higher in AUD than in USD, then you may receive a Rollover Benefit of interest at the MEX Rollover Rate if you hold a position overnight and do not close it before the New York close of the markets on that day. This is because you are holding a high yielding currency. However, if the USD interest rate is higher than AUD then the interest rate differential may cause you to pay a Rollover Charge (being interest at the MEX Rollover Rate) if you hold the position overnight and do not close it before the New York close of the markets on that day.

Any interest that you pay or received is reflected in the equity balance and showing in the trade tab under swap.

Example:

AUD/USD tom/next swap is -1.28/- 0.78

You are long AUD/USD 100,000.00

At 5 p.m. New York time your position will be rolled over to the next value date. Your account will be credited with US$7.8 (100,000 x 0.78/10000)

Bullion CFDs

In the case of Bullion CFDs, the Rollover Charge or Rollover Benefit is calculated by multiplying the total notional value of the position by the tom/next swap rate.

If you are long on a Bullion CFD, you may have to pay us a Rollover Charge, whilst if you are short you may receive a Rollover Benefit from us. In some circumstances, however, the opposite may apply.

Example:

XAU/USD tom/next swap is -1.00/+0.33

You are long XAU/USD 1 lot (100 oz)

At 5 p.m. New York time your position will be rolled over to the next value date. Your account will be debited with USD3.30 (100 oz x 0.33)

Commodity CFDs

If held until our Expiry Date your Commodity CFD position will be automatically closed out by us at our "Commodity Rollover Price" (see the next paragraph) on our Expiry Date of the CFD. The CFD position will then be "rolled over" and re-opened by us in the Next Serial CFD Contract.

We determine the commodity rollover price by obtaining on the expiry date, the average difference between the trading price during that day of the Underlying Instrument and the next serial Underlying Instrument. We then subtract that difference from the settlement price of the next serial Underlying Instrument to formulate the price at which you are closed out of the expiring Commodity CFD. The application of this difference has the effect of smoothing the increased price volatility due to decreased liquidity on the day close to the expiry date of the Underlying Instrument.

The position in the Next Serial CFD contract is opened at the official settlement price of the Underlying Instrument on the expiry date of the relevant Commodity CFD.

No charges are incurred when positions are rolled over as the closing and opening prices relate directly to where the relevant instruments have been trading.

Please note that the expiry dates for our Commodity CFDs may differ to that of the underlying commodity futures contract. The expiry dates for our Commodity CFDs can be obtained from our Market Information Sheet.

Example:

You are long of Jun Crude Oil (CLM12) Futures CFD contract which expires on the 22nd May. Your position will be closed out at the settlement price on expiry date. Simultaneously a new position will be created for the next trading serial CFD CLZ12 at the settlement price.

Index Future CFDs

An Index Future CFD will expire on the last business day preceding the day of expiry of the relevant Underlying Instrument, which is an Equity Index Futures Contract that expires on a monthly or quarterly basis.

The Next Serial CFD Contract will become available 2 business days prior to the expiry of the current Index Future CFD. This is dependent upon liquidity and may be subject to change at our absolute discretion.

Pending orders on Index Future CFDs will be cancelled upon the expiry of the Index Future CFD upon which the pending order is placed.

Should an open position in relation to an Index Future CFD be held until expiry, then that position will be automatically closed at the official closing price of the relevant Underlying Instrument and re-opened at the official closing price of the relevant Underlying Instrument.

Example:

You are long of Jun E-mini (ESM12) Futures CFD contract which expires on the 15 Jun. Your position will be closed out at the settlement price on expiry date. Simultaneously a new position will be created for the next trading serial CFD ESU12 at the settlement price.

No charges are incurred when positions are rolled as the closing and opening prices relate directly to where the relevant instruments have been trading and there will be a cash adjustment made to your account to reflect the differences in the official closing and opening prices.

10.4 SETTLEMENT OF ROLLOVER CHARGES AND ROLLOVER BENEFITS

Rollover Charges and Rollover Benefits will be settled by us on each day by debiting or crediting your Account with the daily interest rate differential between the amount of interest payable by you under the open Position and the amount of interest payable by us to you under the open Position. In the event that there are insufficient funds in your Account, any amount due to us because of the Rollover Charges becomes a debt due and owing by you to us.

10.5 CONVERSION FEES

Where you make deposits or withdrawals in foreign currencies through a third party payment processors, a fee of up to 8% of the relevant funds will be payable.

Profits or losses accumulated in your Account in currencies other than the base currency nominated by you will be converted to the nominated base currency, but at spreads that may be wider than those shown on the Trading Platform.

10.6 INTEREST CHARGES APPLIED TO BALANCES

If there is a debit balance in any currency ledger in your Account after the Margins or Premiums for our products valued in the currency of the contract have been taken into account, (i.e. you owe money to meet the Margin Requirement or Premium on the relevant currency ledger), you will pay interest on the debit balance despite the fact that you may have provided collateral to us.

The interest rate used for these interest calculations is 3% over the cash rate determined by the Reserve Bank of Australia (or of such monetary authority as may replace it) for interbank loans. Interest accrues and is calculated daily from the date payment is due till the date payment is received in full, and is compounded monthly.

10.7 ADMINISTRATION CHARGES

We reserve the right to charge the following additional fees in certain circumstances:

- cheque dishonour fee of up to AUD$25
- telegraphic transfer fee of up to AUD$25
- an express delivery fee of up to AUD$25

All charges are inclusive of GST (where applicable).

Administration Service	Fee	
Receipts	**Australian Clients**	**Foreign Clients**
Electronic Funds Transfer	AUD $1.50	n/a
B-Pay	0	n/a
Cash & Cheque Deposits (AUD)	AUD $1.50	n/a
Telegraphic Transfer	AUD $3.00	n/a
Credit Card visa/MasterCard excluding corporate/commercial/platinum AUD	1.8%	1.8%
Credit Card Corporate/commercial/platinum) AUD	3%	3%
Credit Card (Non Visa/MasterCard (AUD,NZD,USD)	3%	3%

Withdrawal		
Electronic Funds Transfer	AUD $1.50	n/a
Cheque Withdrawals	AUD $5.00	n/a
Telegraphic transfers (beneficiary outside Australia)	AUD $30.00	AUD $30.00
Others		
Duplicated statements by post	AUD $4.00 per statement	AUD $4.00 per statement
Returned cheque fee	Upon application	Upon application
Transcripts of telephone conversations	Upon application	Upon application
Audit certificates	Upon application	Upon application
Debt Collection	First Call AUD $25.00 second call AUD $50.00 Referral to agency AUD$150	First Call AUD $25.00 second call AUD $50.00 Referral to agency AUD$150

10.8 INTEREST

We are also entitled to retain any interest earned on client money held in the segregated accounts we must maintain under the Corporations Act.

If you fail to make any payment required under the Client Agreement when it falls due, interest will be charged on the outstanding sum at a rate of 3% per annum over the cash rate determined by the Reserve Bank of Australia (or of such monetary authority as may replace it) for interbank loans. Interest accrues and is calculated daily from the date payment was due until the date the client pays in full and is compounded monthly.

10.9 INACTIVE ACCOUNT FEE

We will charge a monthly fee for any accounts which have had no "activity" for 3 consecutive months. By activity we mean no new trades placed or rollovers on existing open positions. The monthly inactive account fee is US$60.00 per calendar month which is a reasonable estimate of the cost of administering your inactive account. This means that the first possible account maintenance fee (for inactive accounts) would be debited from your account 4 months from the last activity as defined above. This fee will never be applied to accounts that are in debit and if the credit balance is less than the fee amount i.e. balance of $5, we would only charge the amount which would zero out the balance on the account, and never create a debit balance from a credit balance.

10.10 UNCLAIMED MONEY

Where money remains in an inactive account for a period of six (6) consecutive years and there is a credit balance, MEX will forward moneys to the New South Wales Office of State Revenue’s unclaimed money account.

11. DEFAULT POWERS

We have extensive powers under the Client Agreement to take action in a range of "default event" situations to protect our position. These include, for example, where you fail to make a payment or perform your obligations, where you become bankrupt or insolvent or where we have been unable to contact you for urgent instructions. Our powers enable us to terminate or close-out positions, enforce securities we hold and set off payments, amongst others.

Further, if your unrealized loss in relation to any Margin FX Contract Positions, CFD Position or Margin FX Option exceeds 50% of the initial margin we hold for the Position or Margin FX Option, we are entitled to close-out the Position or Margin FX Option without further instruction from you.

12. CLIENT AGREEMENT

In order to open an account, you are required to sign the Application Form, under which you agree to be bound by the Client Agreement which contains the terms and conditions which govern our relationship with you.

You should consider seeking independent legal advice before entering into the Client Agreement, as the terms and conditions detailed in it are important and affect your dealings with us.

The following are key terms and conditions in the Client Agreement, many of which have been referred to in this PDS.

- Client representations and warranties
- Margin and Premium
- Client obligations regarding confirmations (discrepancies)
- Our rights following a default event (see below)
- Indemnity in favor of us
- Fees and charges
- Restrictions on assignment of agreement
- Telephone recordings
- Governing law (New South Wales).

13. DISCRETIONS

We may exercise a variety of discretions in respect of your trading in financial products. In exercising such discretions, we will have due regard to our commercial objectives, which will include:

- Maintaining our reputation as a product issuer;
- Responding to competitive market forces;
- Managing all forms of risk including, but not limited to, operational risk and market risk; and
- Complying with our legal obligations as a holder of an Australian financial services license.

14. LIMITATIONS ON LIABILITY

If you fail to pay or provide security for amounts payable to us, or fail to perform any obligation under your contracts, we have extensive powers under the Client Agreement with you to take steps to protect our position including, for example, power to close-out positions and to charge default interest. Under the Client Agreement, you also indemnify us for certain losses and liabilities. Further, our liability to you is expressly limited. You should read the contract carefully to understand these matters.

15. TAXATION CONSIDERATIONS

This section contains a summary of the Australian taxation implications for Australian residents dealing in Margin Contracts and CFDs, and is based on Australian taxation laws as at the date of this PDS. It is provided for guidance only.

Australian residents and non-Australian residents should, therefore, seek professional taxation advice that is based on their individual circumstances and in the case of non-residents the taxation laws of both Australia and their country of taxation.

15.1 TAXATION RULING: CONTRACTS FOR DIFFERENCE

The approach of the Commissioner of Taxation to the income tax and capital gains tax consequences of dealing in financial contracts for difference, such as CFDs, is reflected in Taxation Ruling 2005/15. We set out a summary of that ruling below. Furthermore, we believe it is relevant to the income tax treatment of Margin FX and Margin Commodity Contracts.

A copy of Taxation Ruling 2005/15 is available at www.ato.gov.au.

It is the Commissioner’s view that any gain a taxpayer makes from dealing in a CFD will be assessable income under section 6-5 of the Income Tax Assessment Act 1997 (ITAA 1997), while any loss it makes from dealing in CFD will be an allowable deduction under section 8-1 of ITAA 1997 provided that:

- The CFD transaction is entered into as an ordinary part of carrying on a business; or
- The profit is made, or the loss is incurred, as a consequence of a business operation or commercial transaction entered into for the purpose of profit-making.

A gain from dealing in a CFD will also be assessable income under section 15-15 of ITAA 1997 where a taxpayer is carrying on, or has carried out, a profit-making undertaking or scheme, and the gain from it is not assessable under 6-5 of ITAA 1997. Correspondingly, a loss from dealing in a CFD where the gain would have been assessable under section 15-15 of ITAA 1997 is an allowable deduction under section 25-40 of ITAA 1997.

A gain or a loss from a CFD entered into for the purposes of recreation by gambling will not be assessable under either section 6-5 or 15-15 of ITAA 1997, or deductible under section 8-1 or 25-40 of that Act.

The Commissioner is also of the view that a capital gain or a capital loss from a CFD entered into for the purpose of recreation by gambling will be disregarded under paragraph 118-37 (1)(c) of ITAA 1997.

15.2 ADDITIONAL MATTERS NOT COVERED BY THE RULING

The following matters are also relevant when dealing in CFDs.

Capital Gains Tax

A CFD is a CGT asset under section 108-5 of ITAA 1997. On the maturity or closing-out of a CFD, CGT Event C2 happens (section 104-25 of 1997). However, to the extent that a gain from dealing in a CFD as a result of a CGT Event is assessable under section 6-5 or 15-15 of ITAA 1997, a capital gain arising from the event is reduced (section 118-20 of ITAA 1997). To the extent that a loss made from dealing in a CFD is deductible under sections 8-1 or 25-40 of ITAA 1997, the reduced cost base of the asset is reduced, thereby reducing the amount of the capital loss (subsection 110-55(4) of ITAA 1997). Finally, in calculating any capital gain or loss, a taxpayer is entitled to take into account the cost of acquiring, holding and disposing of the CFD.

Interest

Any interest received in relation to a CFD is assessable income.

Interest on debt balances

Any interest on the debit balance of an investor's account is deductible.

Interest paid or received due to holding a CFD

Interest which is paid or received due to holding a CFD forms part of any net gain or loss that a taxpayer makes when dealing in CFDs.

15.3 THE INCOME TAX TREATMENT OF MARGIN FX CONTRACTS

It is significant that Income Tax Ruling 2005/15 did not refer specifically to Margin FX Contracts.

Margin FX Contracts take the same legal form as currency CFDs. It should, therefore, be reasonably expected that the taxation implications of dealing in both instruments, will be identical and will be treated accordingly by the Commissioner. However, it may well be that he will adopt the view that currency CFDs fall under Division 775 of ITAA 1997, because not only is the physical currency caught, but also a right to receive foreign currency, with an extended definition which would appear to include cash-settled margin foreign exchange contracts. It should, however, be noted that the tax treatment would appear to be the same whether a Margin FX Contract falls for treatment under the above Ruling or under Division 775; that is they are treated on revenue account.

15.4 THE INCOME TAX TREATMENT OF MARGIN FX OPTIONS

The treatment of a Margin FX Option will depend on the nature of the option, whether it is on revenue account or capital account. If a Margin FX put option is on revenue account, the premium may be allowable as a deduction under section 8-1 of ITAA 1997. If the option is on capital account, the CGT provisions in ITAA 1997 will apply where the option is granted, exercised or expires.

15.5 GOODS AND SERVICES TAX (GST) RULING

The Commissioner has also released a determination relating to the GST implications of trading in CFDs: GST Determination GSTD 2005/3.

The Commissioner has stated that the costs incurred in having a CFD position open, such as commissions (on both opening and closing), dividend and corporate event adjustments, Daily Funding Charges and Margins are all considered financial supplies under the A New Tax System (Goods and Services Tax) Act 1999 ("the GST Act"). Consequently, they are input credit taxed and no GST is payable on their supply.

16. COOLING-OFF ARRANGEMENTS

There are no cooling-off arrangements for financial products. This means that when we arrange for the execution of a contract, you do not have the right to return the product, nor request a refund of the money paid to acquire the product. You are bound by the terms of a contract, when you enter into it, despite the fact that settlement may occur at a later date.

17. SECURITY

Please note that in accordance with the Client Agreement, and in addition to Margin, you must pay to us such sums of money as we may from time to time require as security for your obligations to us.

18. SUPERANNUATION FUNDS

You must notify us if your account is funded using superannuation, as this may impact your wholesale client or retail client classification.

Complying superannuation funds are subject to numerous guidelines and restrictions in relation to their investment activities. These are contained in the Superannuation Industry Supervision Act 1993, the regulations made under that Act, and circulars issued by past and present regulators of superannuation funds, namely the Australian Prudential Regulation Authority and the Australian Taxation Office.

Some of the issues that should be considered by a trustee of a complying superannuation fund before entering into our financial products include:

- prohibitions on borrowing and charging assets and whether dealing in financial products would breach those borrowing and charging prohibitions;

- the dealing in financial products in the context of a complying superannuation fund’s investment strategy, together with the fiduciary duties and other obligations owed by trustees of those funds;
- the necessity for trustees of a complying superannuation fund to be familiar with the risk involved in dealing in financial products and the need to have in place adequate risk management procedures to manage the risks associated in dealing in those products; and
- the consequences, including adverse taxation consequences if a superannuation fund fails to meet the requirements for it to continue to have complying status.

19. DISCLOSURE OF ANY RELEVANT CONFLICTS OF INTEREST

We do not have any relationships or associations which might influence us in providing you with our services. However, we may share fees and charges with associates or other third parties or receive remunerations from them with respect to your dealings with us.

We will always act as principal for our own benefit in respect of all transactions with you. This means that we, our associates or other persons connected with us may have an interest, relationship or arrangement that is material in relation to any Margin Contract or CFDs entered into with us, or advice provided by us.

We repeat that we a market maker, not a broker. Accordingly, you will be trading financial products directly with us, and not on any financial market. As a market maker, we set the prices that refer to, but may not always be the same as, those in the Underlying Market. We will always act as a principal, not as an agent, for our own benefit, in respect of all transactions with you.

20. REMUNERATION AND OTHER BENEFITS RECEIVED BY OUR EMPLOYEES

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

21. CLIENTS MAY BE TREATED DIFFERENTLY

We, in our absolute discretion may quote different prices, and charge Rollover Charges and other charges at different rates, to different clients.

22. SHARING OF COMMISSIONS AND OTHER AMOUNTS

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

23. REFERRAL BENEFITS FOR OTHER SERVICES PROVIDERS

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

24. MAKING A COMPLAINT

We have an internal dispute resolution process in place to resolve any complaints or concerns you may have, quickly and fairly. Any complaints or concerns should be directed to the Complaints Officer (by telephone, facsimile or letter) at the address and telephone/fax numbers provided in this PDS. We will investigate your complaint and provide you with our decision and the reasons on which it is based, in writing. We will seek to resolve your complaint within 45 days.

If you are dissatisfied with the outcome, you have the right to lodge a complaint with the Australian Financial Complaints Authority or ‘AFCA’, a new external dispute resolution (EDR) scheme to deal with complaints from consumers in the financial system. Importantly, AFCA replaces the three existing EDR schemes of the Financial Ombudsman Service (FOS), the Credit and Investments Ombudsman (CIO) and Superannuation Complaints Tribunal (SCT) so that consumers have access to a single EDR scheme.

Using AFCA is free to consumers. If you would like to access the scheme, please lodge a complaint:

- With the Financial Ombudsman Service Australia if lodged before 1 November 2018:
  In writing to:
  FOS
  GPO Box 3
  Melbourne VIC 3001
  Telephone: Free call 1800 367 287
  Facsimile: +613 9613 6399
  Email: info@fos.org.au
  Website: www.fos.org.au

- With the Australian Financial Complaints Authority if lodged on or after 1 November 2018:
  Online: www.afc.org.au
  Email: info@afc.org.au
  Phone: 1800 931 678
  Mail: Australian Financial Complaints Authority GPO Box 3 Melbourne VIC 3001

  You may also make a complaint via the ASIC free call Info line on 1300 300 630.

25. OUR PRIVACY POLICY

We are committed to protecting your privacy. The information you provide to us and any other information provided by you in connection with your transactions will primarily be used for the processing of your application and for complying with certain laws and regulations. We have systems and processes in place which safeguard against the unauthorized use or disclosure of your personal information.

We may disclose your personal information to external parties, who provide services to us in relation to your account, or to a government or regulatory body (such as ASIC, AUSTRAC or the ATO) or upon a court order, but otherwise, we will not disclose your personal information to any other external parties unless authorized by you or otherwise required by law.

We may use this information to send you details of other services or provide you with information that we believe may be of interest to you. Please contact us at if you have any concerns or if you would like to see a copy of our privacy statement.

26. RECORDING OF TELEPHONE CALLS

As a matter of common industry practice, we electronically record your telephone discussions with us. When you open an account with us, you give us consent to make such recordings, with or without an automatic tone warning device, and to use recordings or transcripts from such recordings for any purpose, including, but not limited to, their use as evidence by either you or us in any dispute.

27. LABOR STANDARDS AND ENVIRONMENTAL, SOCIAL AND ETHICAL CONSIDERATIONS

We do not take labor standards or environmental, social or ethical considerations into account when offering the Margin Contracts, CFDs and FX Options under this PDS.

28. GOVERNING LAW

This PDS, the Client Agreement and all transactions with us will be governed and construed in accordance with the laws of the Commonwealth of Australia and be subject to the jurisdiction of the Courts of New South Wales.

29. INTERPRETATION AND GLOSSARY

Interpretation

- The defined terms used in this PDS are capitalized and set out in this Schedule.
- If there is any conflict between the terms of this PDS and any applicable law, the applicable law will prevail. In this PDS any reference to a person includes body's corporate, unincorporated associations, partnerships and individuals.

- In this PDS, all references to times of the day are to the time in Sydney, New South Wales, Australia, unless otherwise specified.
- Headings, notes and examples in this PDS are for reference only and do not affect the construction of the Agreement.
- In this PDS any reference to any enactment includes references to any statutory modification or re-enactment of such enactment or to any regulation or order made under such enactment (or under such a modification or re-enactment).

Glossary

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

Account	means an account you have with us;
AEST	Means the time in Sydney, New South Wales, Australia.
AFCA	means the Australian Financial Complaints Authority.
Client Agreement	means the client agreement, as amended, varied, or replaced from time to time;
AML/CTF Act	means the Anti-Money Laundering and Counter-Terrorism Financing Act and all regulations, rules and instruments made under that Act;
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 whether electronically or in hard copy;
ASIC	means the Australian Securities and Investments Commission;
AUD or $	Australian dollars
Australian client	a client who is a resident within Australia (based on the address in their Application Form or as notified by the Client to us from time to time).
Australian Client Money Rules	means the provisions in Part 7.8 of the Corporations Act, the Corporations Regulations and the ASIC Client Money Reporting Rules, as amended from time to time..
ASIC Client Money Reporting Rules	means the ASIC Client Money Reporting Rules 2017 as amended from time to time, made under s 981J of the Corporations Act 2001 (Cth).
Base Currency	means the currency selected by you under the Client Agreement and which, in the absence of a selection will be AUD dollars;
Bullion CFDs	A CFD whose value fluctuates by reference to the fluctuations in the Underlying Instrument which relate to gold or silver.
Business Day	means: (a)in relation to services other than CFDs on a security or Index, any day (other than a Saturday, Sunday or public holiday) on which banks are open for business in Sydney, New South Wales, Australia; and

	(b) in the case of services relating to CFDs on a security or Index to which limited hours trading applies, any day on which the exchange on which the relevant security or each constituent Security has its primary listing, or the exchange on which the Index operates, whichever is applicable, is open for trading, and will exclude any day on which all trading on the relevant exchange is closed or suspended; (c) In the case of services relating to CFDs on a security or Index to which limited hours trading does not apply, any day on which any relevant exchange is open for trading.
CFDs	The contracts for difference that we offer to our clients from time to time under this PDS and the terms and conditions of the Client Agreement.
Cleared Funds	Funds that have been deposited with MEX and are immediately available to us.
Closing price	means the price determined by us, from time to time, having regard to the last traded or mid close price and our Spread as may be appropriate for the Underlying Instrument;
Commodity CFDs	a CFD whose value fluctuates by reference to the fluctuations in the value of an Underlying Instrument relating to oil or gas;
Commodity rollover	Has the meaning given to that term in section 10.3.
Contract price	means the price we offer you to trade in our financial products from time to time and which is calculated by us according to the Client Agreement;
Corporations Act	means the Corporations Act 2001 of the Commonwealth of Australia;
Currency ledger balance	Upon realizing your profit and loss for a Margin Contract or CFD Position denominated in a foreign currency you will hold a foreign currency balance in your Account that can be converted back to your Base Currency upon request (and which may be converted back to your Base Currency by us in certain circumstances as described in section 10.5).
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;.
Exceptional market conditions	means an exceptional market condition as we may in our reasonable opinion determine exists, including but not limited to, a Force Majeure Event;
Expiry date	the day on which the Margin Contract or CFD expires;
Event of default	means an event as set out in clause 15.1 of the Client Agreement;
Financing benefit	The amount that you receive one Share, Index CFD positions that remain open overnight, calculated using the Financing Rate.

Financing charge	The amount that you pay on Share, Index CFD positions that remain open overnight, calculated using the Financing Rate.
Force majeure event	has the meaning given to it in clause 27 of the Client Agreement;
FOS	means the Financial Ombudsman Service.
Free equity	is your Total Equity less your Margin Requirement;
FX Option	a contract between you and us for the taking of an option to enter into a Margin FX Contract, as described in section 4.5 of this PDS;
Gapping	Gapping is the exposure to loss from failure of market prices or rates to follow a "smooth" or continuous path due to external factors such as world, political, economic and specific corporate events.
Index futures CFDs	A CFD whose value fluctuates by reference to the fluctuations in the value of an Underlying Instrument, which is an equity Index Futures Contract.
Interbank Rate	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;
Limit Order	has the meaning described in section 5.7.3 of this PDS;
Liquidation level	The minimum Total Equity balance specified at section 8.11of this PDS.
Long party	in relation to a Margin Contract or CFD other than a Margin FX Option, the party that has notionally bought the relevant Underlying Instrument;
Margin	means the amount that you must have in your Account to enter into a Margin Contract with us;
Margin adjustment	an adjustment to the amount of Margin you need to have in your Account to maintain a Position, due to us changing the Margin Percentage or making a variation of margin or Margin Call;
Margin Call	a call on you normally made via the Trading Platform, requiring you to top up the amount of money you have in your Account as Margin in order to maintain your Margin Percentage where the market has moved against you, and where the additional payment is required in order to maintain your open Positions;
Margin Commodity contract	a contract between you and us for the taking of Positions in commodities (gold, silver, oil and such other commodities (excluding foreign exchange) offered by us under the PDS from time to time);
Margin Contract	any contract, whether oral or written or concluded electronically entered into between you and us and includes Margin FX Contracts, Margin FX Option Contracts and Margin Commodity Contracts;
Margin FX Contract	a contract between you and us for the taking of spot or forward Positions in a

	foreign currency as described in sections 5,6 and 8 of this PDS;
Margin Percentage	such percentage of the Contract Value as specified by us as described in the current PDS, and as amended by us under the Client Agreement from time to time;
Margin requirement	the amount of Margin you are required to have in your Account from time to time in order to enter into a Margin Contract or CFD, or to maintain your Position/s;
Minimum total Equity	such minimum Total Equity balance in your Account (as amended from time to time) described in paragraph 8.11 of this PDS;
Minimum Trade Sizes	minimum contract quantity or contract value as we may specify on our Market Information Sheet from time to time for any type of Margin Contract or CFD;
Market order	An order placed to buy or sell a CFD at our current price.
Mid-price	The price at the midpoint between our bid and offer prices.
MEX exchange rate	The foreign exchange rate as we may reasonably determine from time to time having regard to current market rates and which is available to the client from us on request. This rate may be different to the price quoted by us for a Margin FX.
MEX Market Information Sheet	The terms of issue and details of Margin Contracts and CFDs, as amended by us from time to time. The Market Information Sheet is available at www.mexaustralia.com
MEX rollover rate	The rate as we may determine from time to time having regard to Interbank Rates for rollovers.
Position	the long or short position you have taken in your Margin Contract or CFD with us
Premium	the amount that you must pay to enter into a Margin FX Option with us;
Relevant interest rate	such applicable interest rate as we may reasonably select from time to time which is appropriate to the currency of the outstanding amount or the Underlying Instruments (as applicable) as detailed on the daily statement, and are also available from us upon request, as set out in section 10.6 of this PDS.
Related body corporate	meaning given to it by the Corporations Act, with any necessary modifications for companies incorporated outside Australia;
Rollover Rate	the rate determined by us, from time to time, having regard to Interbank Rates for rollovers;
Rollover benefit	a benefit you may receive on Margin FX or CFDs position held overnight and which is described in section 10.3 of this PDS;
Rollover charge	a charge you may have to pay where you have a Margin FX or CFD Position held overnight and which is described in section 10.3 of this PDS;
Share CFDs	A CFD whose value fluctuates by reference to the fluctuations in the value of a security of a company that issues the shares.

Short party	In relation to a Margin Contract or CFD, the party that has sold a Margin Contract or CFD in opening a Margin Contract or CFD position.
Spread	means the difference in the bid and offer prices of a Margin Contract or CFD quoted from time to time by us and, where appropriate, expressed as a percentage of the relevant price;
Stop Loss Order	as described in section 5.7.1 of this PDS;
Total equity	means the aggregate of the current cash balance in your Account and your current unrealized profits and losses;
Trading platform	means the Trading Platform in the Electronic Service we make available to you by which you may trade with us online in our Margin Contracts and CFDs
Total margin requirement	the sum of your Margin Requirements for all of your open Positions;
Underlying entity	An entity that is the issuer of an Underlying Instrument.
Underlying instrument	means the underlying asset, security, commodity, futures contract, or index the reference to which the value of a Margin Contract or CFD is determined
Underlying market	Means the underlying market in which the Underlying Instrument is traded.
We/us	Means MEX (Australia) Pty Ltd (ACN 155 084 058).