



PRODUCT DISCLOSURE STATEMENT

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Issue date: 18 March 2024

Please note except where specified, this Product Disclosure Statement relates to BOTH Margin Foreign Exchange and Contracts for Difference transactions simultaneously.

The financial products in this Product Disclosure Statement are issued by STARTRADER Prime Global Pty Ltd ACN 156 005 668, holder of AFSL 421210 ("STARTRADER"). 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. This is an important document and should be read in its entirety. Before entering into a Margin Foreign Exchange ("Margin FX") or Contracts for Difference ("CFD") transaction, you should obtain independent advice to ensure this is appropriate for your particular financial objectives, needs and circumstances.

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 or 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 or CFD transaction.

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

All clients shall be bound by the contents of this PDS. The information in this PDS is current as at its issue date and may be updated from time to time where that information is not materially adverse to clients. In the event the update is an increase in fees and charges, STARTRADER will notify you at least 30 days before the change takes effect. Updated information shall be provided on our website www.startraderprime.com.au. STARTRADER 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.

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. STARTRADER is only authorised to perform financial services in Australia.

If you received this PDS electronically, we can provide a paper copy free of charge upon request. For information regarding our full range of products and services, please read our Financial Services Guide ("FSG") and visit our website. If you have any queries regarding this PDS, please contact STARTRADER.

Warning Margin FX and CFD products are considered speculative products which are highly leveraged and carry significantly greater risks than non-gearred investments, such as shares. **You may lose more than your original investment unless you are covered by regulations protecting Australian retail clients from negative balance.** In any case, you should not invest in Margin FX or CFD products unless you properly understand the nature

of Margin FX or 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 or CFD transaction to ensure this is appropriate for your objectives, needs and circumstances.

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1. **PURPOSE AND CONTENTS OF THIS PRODUCT DISCLOSURE STATEMENT (“PDS”)**

This PDS is designed to provide you with important information regarding Margin FX and CFD transactions, including the following information:

- Who we are;
- How you can contact us;
- Which products we are authorised to offer or use;
- Key features/risk/benefits of these products;
- Applicable fees and charges for these products;
- Any potential or actual conflicts of interest we may have; and
- Our internal and external dispute resolution processes.

The information in this PDS is subject to change from time to time. Where changes are material, we will issue a revised or supplementary PDS to all clients. This PDS does not constitute an offer or solicitation to anyone outside the authorised jurisdiction.

Defined terms used in this PDS are defined in the Glossary in section 27 or elsewhere in this PDS. If you would like further information, please ask us. Further detail about our services is available on our website www.startraderprime.com.au.

KEY INFORMATION

Product Purpose and Features

- Margin FX and CFDs are leveraged derivative products that allow you to speculate on the price movements of underlying assets without owning them directly.
- Margin FX enables trading on currency pairs (e.g., EUR/USD, GBP/USD) with the aim of profiting from exchange rate fluctuations.
- CFDs offer exposure to various asset classes, including indices, commodities, cryptocurrencies, and shares.
- These products are traded over-the-counter (OTC) with STARTRADER as the counterparty, not on a regulated exchange.
- Trades are executed using an online trading platform, with prices quoted by STARTRADER based on underlying market prices.
- Positions can be opened as long (buy) or short (sell), allowing potential profits in both rising and falling markets.
- Profits or losses are realized when positions are closed, based on the difference between the opening and closing prices.
- Margin FX and CFDs are leveraged, meaning you only need to post a small percentage of the total position value as margin, effectively amplifying both potential gains and losses.

- ASIC Product Intervention Order: As of 29 March 2021, leverage restrictions apply to CFDs offered to retail clients. The maximum leverage ratios are:
 - 30:1 for major currency pairs
 - 20:1 for minor currency pairs, gold, and major indices
 - 10:1 for commodities (excluding gold) and minor indices
 - 2:1 for crypto-assets
 - 5:1 for shares and other assets

Key Risks

- Leverage Risk: High leverage can magnify losses if the market moves against your position. You may lose more than your initial investment.
- Market Risk: Financial markets can be volatile and prices may move rapidly and unexpectedly, leading to significant losses.
- Counterparty Risk: As the issuer of the products, STARTRADER's financial stability is crucial. If STARTRADER becomes insolvent, you may lose your entire investment.
- Margin Call Risk: If your account equity falls below the required margin level, you may receive a margin call and need to deposit additional funds to maintain your positions. If you fail to do so, STARTRADER may close your positions at a loss.
- Liquidity Risk: Market conditions may make it difficult or impossible to close positions, potentially leading to substantial losses.
- Platform Risk: Technical issues, such as internet connectivity problems or platform malfunctions, could disrupt trading and result in losses.
- Foreign Exchange Risk: For non-AUD denominated trades, currency fluctuations can impact your profits or losses.
- Regulatory Risk: Changes in laws, regulations, or ASIC intervention orders may affect the availability or terms of these products.

Costs

- Spreads: The primary cost is the bid-ask spread, which is the difference between the buy and sell prices quoted by STARTRADER.
- Commissions: STARTRADER may charge commissions on certain products or trade sizes.
- Swap Rates: For positions held overnight, you may pay or receive swap interest based on the interest rate differentials of the currencies or the underlying asset.
- Administrative Fees: Certain actions, such as withdrawals or inactivity, may incur additional fees.

Other Important Information

- STARTRADER's services are available to both retail and wholesale clients.
- Client funds are held in segregated trust accounts with reputable Australian banks.
- STARTRADER has professional indemnity insurance in place as required by ASIC.
- For further information or to lodge a complaint, contact STARTRADER or access the Australian Financial Complaints Authority (AFCA) if the issue remains unresolved.

2. NAME & CONTACT DETAILS OF ISSUER/SERVICE PROVIDER

The issuer/service provider is STARTRADER Prime Global Pty Ltd ACN 156 005 668 ("STARTRADER").

STARTRADER holds an AFSL (No. 421210) and is authorised to provide general advice in relation to, and to deal in, and to make a market in, derivatives and foreign exchange contracts to retail and wholesale clients.

You can contact our office by any of the means listed below:

Writing to us at: STARTRADER Prime Global Pty Ltd
Level 35, 31 Market Street, Sydney NSW 2000, Australia

Sending an email to: support@startraderprime.com.au

Visiting our website: www.startraderprime.com.au

3. TERMS AND CONDITIONS

Information provided to you in our FSG, TMD and PDS is important and is binding on you, as are additional legal terms governing our relationship which are detailed in the Account Application Terms & Conditions (also known as the 'Client Agreement'). You must complete, sign and return the Application (either online, electronically or by post), and

have your Account approved by STARTRADER. STARTRADER reserves the right to refuse to open a Margin FX or CFD account for any person.

STARTRADER accepts Margin FX and CFD transaction order instructions primarily via the electronic trading platform and will not ordinarily accept order instructions via telephone. You are required to access the electronic trading platform on a daily basis to confirm that any order instructions have in fact been received by us, reconfirm all orders that you place with us and review order Confirmations we provide, to ensure their accuracy and monitor your Margin obligations. Any order discrepancies identified must be reported to us immediately.

STARTRADER will provide all clients, via the electronic trading platform or the website, with access to both daily and historical account statements allowing you to check your open positions, Margin requirements and cash balances, and trading Confirmations. Should you have any queries relating to your statements or dispute the accuracy of such statements, you must contact us immediately.

STARTRADER does not guarantee the performance, return of capital from, or any particular rate of return, of a Margin FX or CFD product or transaction. Clients may lose more than the amount of funds in their Margin FX or CFD account **unless they are covered by regulations protecting Australian retail clients from negative balances under ASIC Corporations (Product Intervention Order – Contracts for Difference) Instrument 2020/986**. Clients should in any case only invest risk capital, that is, capital they can afford to lose. Please note that the historical financial performance of any Margin FX or CFD product or underlying instrument/market is no guarantee or indicator of future performance.

Please note that the examples provided in this PDS are only provided for illustrative purposes only and do not necessarily reflect current or future market or product movements, the values that STARTRADER will apply to a trade, nor how such trades impact your personal circumstances. The figures used in the examples do not necessarily reflect your personal circumstances and do not restrict in any manner the way in which STARTRADER may exercise its powers or discretions. Those examples do not constitute general or personal financial product advice to any person reading this PDS.

4. **GENERAL ADVICE ONLY**

STARTRADER is authorised to buy and sell Margin FX and CFD contracts and to give advice in relation thereto. We will never provide you with personal advice regarding CFDs or Margin FX transactions (without express written agreement in advance). You should assume at all times that any advice given (whether online, by telephone, email or other medium) is general advice that does not take into account your financial situation, objectives or needs.

The information contained in this PDS is general advice only and does not take into account your particular financial objectives, needs and circumstances. In general, we only provide general advice and we neither collect, nor take into consideration, information regarding your financial circumstances and needs, and we recommend that you obtain

your own professional advice to ensure you fully understand the nature and risks of these products and determine their suitability for your situation.

Neither the contents of this document nor any prior or subsequent communications from STARTRADER or any of its officers, agents, representatives and/or directors, should be construed as constituting personal financial, legal, tax or any other advice.

5. ASIC REGULATORY GUIDE 227 DISCLOSURE BENCHMARKS

ASIC Regulatory Guide 227 requires Margin FX and CFD issuers to publish certain information addressing a range of disclosure benchmarks. These benchmarks are required to be addressed on an 'if not, why not' basis, and are intended to assist retail investors to properly understand the complexity and risks of trading in OTC derivative products, particularly with regard to leverage.

There are 7 disclosure benchmarks required to be addressed. STARTRADER's compliance with each benchmark is addressed in the following table:

Benchmark description	How does STARTRADER meet this benchmark?	Relevant sections of the PDS which provide further relevant information
Client qualification	<p>Trading in CFDs is not suitable for all investors because of the significant risks involved. Please refer to the TMD first and the appropriate target market for STARTRADER's products and services. STARTRADER maintains and applies a written policy which sets out the minimum qualification criteria that prospective retail investors will need to demonstrate before we will open a trading account for you. STARTRADER also maintains a written policy/procedure to ensure such criteria are properly applied, and unsuitable investors are not accepted. We also maintain records of our assessments.</p> <p>Please note that we do not provide personal advice regarding the suitability of trading in these products for</p>	<p>3. Terms and Conditions 4. General Advice Only 7. Margin FX Contracts offered by STARTRADER 9. CFD contracts offered by STARTRADER 20. Application Terms and Conditions</p>

	<p>your personal financial circumstances and objectives.</p> <p>STARTRADER does not accept retail investors unless they are able to satisfactorily answer the questionnaire in our trading account application form which addresses the following criteria:</p> <ul style="list-style-type: none"> - Previous trading experience in financial products - Understanding of leverage, margins and volatility - Understanding of the key features of the product - Understanding the trading process and relevant technology - Ability to monitor and manage the risks of trading - Understanding that only risk capital should be traded 	
<p>Opening collateral</p>	<p>ASIC recommends that an issuer should accept no more than \$1,000 via credit card to fund the account when an account is established.</p> <p>STARTRADER does not meet this benchmark because STARTRADER may accept credit card payments for more than \$1,000 as initial funding in order to provide clients with efficient and flexible payment options.</p> <p>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. Your losses can be magnified by the use of a credit card. We do not provide personal advice to you which takes into account your</p>	<p>3. Terms and Conditions 18. Funding your account</p>

personal situation including the use of credit card funding.

STARTRADER permits clients to open an account and trade with cleared funds (i.e. transfer of cash from your banking account to your trading account). Please note that an account may be opened with a cash transfer from your bank account or with a credit card (to the extent regulations allow). No other financial products will be routinely accepted, although we may accept other collateral such as liquid securities to open a trading account and meet subsequent Margin Calls in special agreed circumstances at our absolute discretion. If we agree to this, the holding of those financial products will be subject to a written agreement between you and us, setting out how your assets will be held by us and the circumstances in which they may be realised. *In no circumstances does or will STARTRADER accept cash deposits.*

Funds deposited with us may take up to three days or more to clear. It is your responsibility to ensure that the amounts transferred to our trust account are cleared in sufficient time to meet all of your payment obligations. A failure to do so could result in your orders being cancelled and your open positions being closed out and you being charged default interest. If you are not sure how long it will take for your payments to clear, you should contact your financial institution.

<p>Counterparty risk – hedging</p>	<p>STARTRADER maintains and applies a written policy to manage our exposure to market risk from client positions. The policy includes strict risk management controls to monitor and manage (hedge) our trading exposures on an intraday basis, and includes a process for assessing our hedging counterparties (to ensure they are of sufficient financial standing, are appropriately licensed, and have adequate risk management systems in place).</p> <p>Our fully detailed policy is available on the STARTRADER website (www.startraderprime.com.au). Please note that some of our trades may not be hedged. As a result, we retain risks in respect of client trades.</p>	<p>13. Key risks of trading Margin FX and CFD Contracts</p>
<p>Counterparty risk- financial resources</p>	<p>STARTRADER maintains and applies a written policy to ensure the ongoing maintenance of adequate financial resources. We further maintain a detailed Risk Register, in which the key risks of our business are addressed and reviewed. Please note that we have processes in place to ensure we monitor our compliance with our licence conditions and ASIC RG 166 (financial) obligations, as well as obtain a review and input from our independent external legal and accounting advisers. Further, our external independent auditor conducts an audit at the conclusion of every financial year, a copy of which can be provided to you upon written request.</p>	<p>13. Key risks of trading Margin FX and CFD Contracts</p>

	<p>Please note we do not undertake stress testing in relation to unhedged market exposure. All hedged positions are with counterparties who are reputable licensed third-party financial services providers.</p>	
<p>Client money</p>	<p>STARTRADER maintains and applies a clear policy with regard to the use of client money. Please note that money you deposit into your trading account is co-mingled with other client money in our client trust account. Such monies are only applied to client trades/settlement, and hedging obligations and to pay agreed fees, exchange fees and settlement obligations in line with the Corporations Act requirements.</p> <p>STARTRADER complies with Australian regulations forbidding it from using retail or sophisticated investor money to margin, guarantee, secure, transfer, adjust or settle dealings in derivatives on behalf of people other than you.</p> <p>To the extent permitted by law, STARTRADER reserves the right to use and immediately on-forward wholesale client money in its trust account to meet margins, deposits, fees, transaction settlements, or other costs to our licensed third party clearing and execution providers.</p> <p>STARTRADER also uses its house funds for such purposes.</p> <p>Client monies which are held pending future transactions and payments are retained in our segregated client trust</p>	<p>21. Client Monies</p>

	<p>account in accordance with the Corporations Act. It is important to note that holding your money in one or more segregated accounts may not afford you absolute protection.</p> <p>STARTRADER may enter into arrangements with third-party execution and clearing providers for the facilitation of transactions and settlements. Accordingly, clients are indirectly exposed to the financial risks of our counterparties and organisations with whom STARTRADER holds client funds. If the financial condition of STARTRADER or assets of our counterparties or the parties with which we hold client assets deteriorate, then clients could suffer loss in the event STARTRADER is unable to honour its obligations to its clients.</p> <p>Client trades can only be placed when there are cleared funds in the client's account. Accordingly, no scenario is anticipated which would result in a shortfall in the client trust account, necessitating the use of one client's money to cover the obligations of another client.</p>	
<p>Suspended or halted underlying assets</p>	<p>An underlying financial product may be placed in a trading halt on the relevant exchange in various circumstances. Additionally, it may be suspended or delisted in certain circumstances. STARTRADER may, in its absolute discretion, cancel your order in respect of a CFD transaction which has not yet been opened, or close any open CFD, where the underlying financial product is</p>	<p>3. Terms and Conditions 20. Application Terms and Conditions</p>

the subject of a trading halt, suspension or delisting.

When you place an order for a CFD or Margin FX contract with us, we may place a corresponding order to purchase or sell the relevant product to hedge our market risk. STARTRADER has the discretion as to when and if it will accept an order.

Accordingly, STARTRADER may at any time determine, at our absolute discretion, that we will not permit the entry into CFDs or Margin FX transactions over one or more underlying instruments, securities or currencies.

STARTRADER's significant discretions are:

- whether to accept a client order (including to close out a position) or to amend it;
- any risk limits or other limits STARTRADER impose on their clients' accounts or their trading;
- determining margin requirements and leverage rates, especially the amount of Initial Margin, minimum Margin requirements, and the time to meet any changed Margin requirement;
- determining the values of STARTRADER contracts for opening and closing positions and for determining Margin;
- setting bid prices and ask prices derived from the underlying market;

	<p>and</p> <ul style="list-style-type: none"> • closing a Client's positions and determining prices derived from the underlying market. <p>When exercising discretion STARTRADER will comply with its legal obligations as the holder of an Australian Financial Services Licence including the amount of leverage Australian Regulations allow for various categories of Client. We will have regard to our policies and to managing all risks (including financial, credit and legal risks) for ourselves and all our Clients, our obligations to our counterparties, market conditions and our reputation. We will try to act reasonably in exercising our discretions but are not obliged to avoid or minimise a loss in your Account. These discretions can come into force at any time including during normal market conditions as well as when the underlying asset is suspended or halted on the underlying market.</p>	
<p>Margin calls</p>	<p>STARTRADER maintains and applies a written policy detailing our margining practices. This details how we monitor client accounts to ensure you receive as much notice as possible regarding Margin Calls, our rights regarding the levying of Margin Calls and closing out of positions when such calls are not met in a timely manner, and what factors we consider when exercising such close-out rights.</p> <p>All open positions are monitored in real-time to ensure changing Margin requirements are identified in a timely manner.</p> <p>STARTRADER seeks to provide</p>	<p>13. Key risks of trading Margin FX and CFDs</p> <p>15. Margins</p> <p>18. Funding your Account</p>

you with timely and sufficient notice of Margin Calls, to facilitate your ability to meet them. However, please note that certain market conditions or events may trigger extreme volatility, requiring urgent funds to be applied to retain your open positions. Please note that all Margin Calls will be communicated to you via the trading platform and it is your obligation to ensure you are always available to receive and action such Margin Calls when you have open positions with us.

However, we reserve our full rights to immediately close positions in relation to which Margin Calls have not been met, in order to protect against exposure to further losses in the positions.

We reiterate that trading in CFD and Margin FX products carries a high level of risk and returns are volatile. The risk of loss in trading can be substantial, and you can incur losses in excess of the capital you have invested **unless you are covered by regulations protecting retail clients from negative balances. In any case**, you should only trade with risk capital, i.e. money you can afford to lose, and which is excess to your financial needs/obligations. Please note that from 29 March 2021 regulations will require us to close out some positions held by Australian retail clients' if their account balances fall below 50% of their initial margin or the total margin required for their total open positions

6. STARTRADER MARGIN FX AND CFD SUMMARY TABLE

The following summary table is provided for ease of reference. However, please ensure that you read this PDS in its entirety.

Item	Summary	PDS Section reference
Who is the issuer of this PDS and the products?	STARTRADER Prime Global Pty Ltd ACN 156 005 668, holder of AFSL 421210	2
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 foreign exchange contract involves the exchange of one currency for another. 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). Margin FX trading generally involves taking forward positions in a foreign currency and instead of those contracts being settled by exchange of the relevant currencies, the positions are "closed out". THEY ARE NON-DELIVERABLE FORWARD FOREIGN EXCHANGE TRANSACTIONS. Closing out involves entering into an equal and opposite position with us, which generates a profit or loss on the transaction, which is then settled between us. The resulting profit or loss of the trade is the net result of the difference between the opening and closing exchange rates of each transaction, adjusted for transaction costs. That is, the amount of any profit or loss on a Margin FX Trade will be the total of the difference between the opening value of the trade (Quantity @ our price) and the closing value of the trade (Quantity @ our price)	7
What is CFD?	A Contract for Difference (CFD) is a contract under which the parties agree to exchange the cash difference between the opening value and the closing value of the contract. The CFDs we offer are over-the-counter financial products that give the holder exposure to price movements of an Underlying Instrument. Like other derivatives, CFDs allow investors to participate in the returns from movements in an Underlying Instrument, without the need to own that Underlying Instrument. CFDs allow you to make a profit or loss from the fluctuation in the Underlying Instrument and the amount of any profit or loss on a CFD Trade will be the total of the difference between the opening value of the CFD (Quantity x Our Price) and the closing value of the CFD (Quantity x Our Price); less any commission, and Daily Financing Fee you incur	9

	and are required to pay to us in respect of the CFD.	
What is Over the Counter (OTC)?	Over the Counter (“OTC”) means that you do not trade CFDs on an exchange or public market; rather it is a transaction between you and us. This means you can only enter into contracts in relation to products offered by us. You do not have the protections normally associated with trading on a regulated exchange. It is not possible to close a CFD with us by giving instructions to another provider, broker or Australian financial services licensee.	
What is Direct Market Access (“DMA”)?	In a DMA model, investors are able to interact with the order book on the Relevant Exchange. Orders placed by you to buy or sell a DMA CFD result in a corresponding order being placed into the market to buy or sell the Reference Security so that STARTRADER is able to hedge its market risk. Your order will be filled when the order for the Reference Security is filled, and at the same price. STARTRADER has certain discretions as to if and when it will accept an order. Without limiting this discretion, STARTRADER may elect not to fill an order in circumstances where it is unable to hedge its exposure to you - for instance, if the corresponding order on the Relevant Exchange has not been filled.	9
What fees and charges are payable in respect of a Margin FX and CFD contracts?	<p>The common fees and charges when dealing in Margin FX Contracts may incorporate any or all of the following:</p> <ul style="list-style-type: none"> ● Payment of margins; ● Margin adjustments; ● Interest charges applied to debit balances in your Account ● Swap charges; ● Transaction fees (commission & spread) ● Administration charges <p>The common fees and charges when dealing in CFDs may incorporate any or all of the following:</p> <ul style="list-style-type: none"> ● Payment of margins; ● Margin adjustments; ● Swap charges or rollover charges; ● Interest charges applied to debit balances in your Account; ● Transaction fees (commission & spread) ● Exchange fees; and ● Administration charges <p>You will also be liable for fees for related services</p>	14

	that may be charged directly by our nominated third-party service providers depending upon the type of service you use. These fees include fees for failed trades, off-market transfers, and other administrative fees including monthly fees for access to certain information and services.	
How do I open a Margin FX or CFD account?	Prior to transacting in Margin FX or CFDs, you must read and understand our FSG, this PDS and the Account Application Terms & Conditions (which will be provided to you by STARTRADER) detailing the applicable terms and conditions. You must complete, sign and return the Account Application Terms & Conditions and have your Account approved by STARTRADER. STARTRADER reserves the right to refuse to open an account for any person without giving any reason.	3, 18 and 20
How do I place a Margin FX or CFD transaction order with STARTRADER?	STARTRADER accepts Margin FX and CFD order transaction instructions electronically, via our online trading platform. CFD positions can be opened by either buying or selling a CFD, depending on whether you require a long or short position. CFD positions can be closed by taking the equal but opposite position to the open CFD position. That is, purchase a long CFD to close a short position, or sell a short CFD to close a long position.	3, 7 and 9
What is Margin?	<p>Your Initial Margin is the amount STARTRADER debits from your account as soon as you open a new Margin FX or CFD position or place an order to open a new Margin FX or CFD position. This acts as collateral or a security buffer and protects us in the event of a default by you. Typically, we will require an Initial Margin calculated as a percentage of the contract value.</p> <p>The Variation Margin is the unrealised profit or loss on your open position. This is the difference between the value of the product when it was bought or sold and its current market price. Should your position move in your favour we may refund part or all of the Variation Margin to you.</p> <p>If you do not meet a Margin Call in a timely manner or within the time frame specified in the Margin Call, positions will be reduced or closed out by STARTRADER without further reference to you in accordance with the terms of the Application Terms & Conditions. A Margin Call will not be considered to have been met unless and until cleared funds have been received in the nominated account and STARTRADER has updated the trading platform.</p>	15 and 18
How are payments made in and out of your	You may transfer funds to us using a bank transfer and credit card.	3, 5, and 18

Account?	<p><i>In no circumstances does or will STARTRADER accept cash deposits.</i></p> <p>You will only be able to withdraw monies available to you after your Margin obligations have been met. All transfers from STARTRADER to you will be made to the bank account nominated in your Account Application Terms & Conditions. You may update your nominated bank account by written notice from time to time, subject to our approval which is given at our absolute discretion. Please note any new nominated account must be in the same name</p>	
Do I pay or receive any financing charges?	<p>You may be required to pay a swap charge or rollover charge on Positions that remain open overnight. However, you should note that on occasions when you have long Positions you may in fact receive swap credits.</p> <p>If you hold a Position that we designate on our website as a swap-free Position, then you will not pay any swap charges in relation to that Position for the first seven (7) days that the Position remains open overnight. If you hold the swap-free Position open for more than seven (7) days, you may have to pay swap charges on that Position from day eight (8) onwards where the Position remains open overnight.</p> <p>If you have a Swap Free Account, then you will not pay any swap charges or rollover charges, but you will have to pay an administration fee.</p> <p>You may receive a swap credit or rollover credit on Positions that remain open overnight. However, you should note that on occasions when you have short Positions you may in fact pay rollover charges or swap charges.</p> <p>If you hold a Position that we designate on our website as a swap-free Position, then you will not receive any swap credits in relation to that Position for the first seven (7) days that the Position remains open overnight. If you hold the swap-free Position open for more than seven (7) days, you may receive swap credits on that Position from day eight (8) onwards where the Position remains open overnight.</p>	14
What are the key risks of Margin FX and CFDs transactions?	<p>Investment in Margin FX and/or CFD products carries a high level of risk, and returns are volatile. You should only ever trade with risk capital i.e. money you can afford to lose, and should obtain independent professional advice to carefully</p>	13

	<p>consider whether these products are appropriate for you in light of your knowledge, experience and financial needs and circumstances.</p> <p>Some of the key significant risks involved in Margin FX and/or CFD trading include (and should be read in detail in section 13 herein):</p> <ul style="list-style-type: none"> ● Credit risk ● Counterparty risk ● Operational risk ● External market forces ● Currency risk ● Loss of Margin ● Gapping ● Variation Margins ● Leverage ● Liquidity ● Online trading platform risk ● Stop-loss orders unavailable ● Powers of STARTRADER ● Reliance on third parties ● Regulatory risk <p>Only trade with risk capital that you can afford to lose. Losses can exceed the amounts in your account except for retail clients who are regulatorily protected from having such negative balances through 50% margin close out protections. Australian regulations also restrict the leverage we can offer to retail clients as set out in section 13</p>	
What are the tax implications of Margin FX trading?	Margin FX and CFD transactions may have tax implications. The taxation consequences of trading in Margin FX and CFDs 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 Margin FX and CFD transactions on your particular financial situation. We cannot provide such advice.	22
STARTRADER's powers in the event of default	STARTRADER has extensive powers under the terms of the Application Terms & Conditions to take action in response to a range of default events. STARTRADER may terminate your account, and close out all or any of your Margin FX or CFD positions, including cancelling any outstanding orders.	3 and 20
How do I obtain further information?	You can contact our head office as per the contact details in this PDS. We prefer this to be by online chat through our website, by email or in writing.	2

7. MARGIN FX CONTRACTS OFFERED BY STARTRADER

Please note: this section applies to Margin FX ONLY

Margin FX contracts provided by STARTRADER are available in many pairs of currencies. This means that most major currency pairs are available. However, some of the minor or more exotic currency pairs cannot be traded with STARTRADER. Please check our website (<https://www.startraderprime.com.au/>) for up-to-date information regarding which currency pairs are currently available.

STARTRADER's Margin FX products do not result in the physical delivery of the currency but are cash adjusted or closed by the Client taking an offsetting opposite position **i.e. there is not a physical exchange of one currency for another**. Margin FX products are derivatives, not foreign exchange contracts. They are non-deliverable forward foreign exchange transactions. You will not have any rights of ownership or otherwise in any underlying instrument as a result of the trade with us. This means you will not own or have any interest in the physical currency the subject of the Margin FX. Positions will always be closed, and the client's account will be either credited or debited according to the profit or loss of the trade.

8. PURPOSE OF TRADING MARGIN FX CONTRACTS

Please note: this section applies to Margin FX ONLY

People who trade in Margin FX contracts may do so for a variety of reasons. Some trade for **speculation**, that is, with a view to profiting from fluctuations in the price or value of the underlying instrument or currency. For example, Margin FX traders may be short-term investors who are looking to profit from intraday and overnight market movements in the underlying currency. Margin FX traders may have no need to sell or purchase the underlying currency themselves, but may instead be looking to profit from market movements in the currency concerned.

Others trade Margin FX to **hedge** their exposures to the underlying currency. Foreign exchange exposures may arise from a number of different activities.

Companies or individuals that are dependent on overseas trade, are exposed to currency risk. This could for example be to purchase or sell physical materials such as machinery or commodities (or even financial products such as investing in securities listed on an international stock exchange. An exporter who sells its product priced in foreign currency has the risk that if the value of that foreign currency falls then the revenues in the exporter's home currency will be lower. Conversely, an importer who buys goods priced in a foreign currency has the risk that the foreign currency will appreciate thereby making the cost, in local currency terms, greater than expected.

A person going on a holiday to another country has the risk that if that country's currency appreciates against their own, their trip will be more expensive.

In each of the above examples, the person or the company is exposed to currency risk.

Currency risk is the risk that arises from international business which may be adversely affected by fluctuations in exchange rates. STARTRADER offers its clients the facility to buy or sell foreign exchange notionally to manage or hedge this risk.

This enables clients to protect themselves against adverse currency swings, thereby protecting the profit margin made during the business transaction relating to the foreign currency trade or protecting the cost of the client's international holiday in the case of the traveller.

Note: The risk of loss in trading in derivatives and/or leveraged products can be substantial. A client should carefully consider whether trading such products is appropriate for them in light of their financial circumstances and objectives.

Please refer to Section 16 for worked examples.

9. CFD CONTRACTS OFFERED BY STARTRADER

Please note: this section applies to CFDs ONLY

A CFD is an over-the-counter derivative product comprising an agreement under which one party is entitled to be paid an amount of money (profit), or has to pay an amount of money (loss), resulting from movements in the price or value of an underlying instrument or security without actually owning that underlying instrument or security. You will not have any rights of ownership or otherwise in any underlying instrument as a result of the trade with us. This means you will not own or have any interest in the index, commodity, bullion or the subject of the CFD. This transaction concludes with the parties settling the difference between the purchase price and the sale price. With the exception of index futures CFDs and commodity CFDs a position has no inherent limit to its duration and, subject to the payment of margin and other relevant sums, can continue indefinitely.

During the term of the CFD transaction, the price of the underlying product will be marked-to-market daily so that at the end of each Business Day, a payment will generally have to be made by you to STARTRADER or by STARTRADER to you, to reflect any changes in the value of the underlying product during that Business Day.

The CFD is a contract between you and STARTRADER, which means both parties act as principals to the transaction and have a direct credit exposure to each other. You do not trade through an exchange and are not afforded the protections normally associated with exchange-traded, such as guarantee arrangements.

Please refer to Section 17 for worked examples.

STARTRADER offers CFDs in relation to indices.

STARTRADER operates a market made model for offering CFDs to clients.

The market made CFD model can only be traded during the open hours of the applicable exchange, and allows the use of stop-loss orders. You cannot place any limit/market orders outside of market hours. The spread between the bid price and the offer price will be a

combination of the natural market spread in the underlying stock market plus the relevant commission-based markup.

For example, if the mark-up is 0.05% then, if BHP is trading at 48.86/ 48. 88, the price you will receive for CFD trading will be 48.84/48.90 (that is $48.86 \times 99.5\%$ / $48.88 \times 100.05\%$). It is important that you note that when we mark up your price, we add a digit compared to the underlying stock in the calculation and round off using the usual mathematical rules for rounding. These are: below 5, we round down; equal or above 5, we round up. The result is that in some cases you may pay a little more in commission and in others, you may pay a little less (that is, in the above BHP example, NOT 48.8356/48.9044).

EQUITY DMA CFDs

Equity DMA CFDs are those where the underlying asset is a listed stock, otherwise known as a Reference Security. Certain actions or events in these Reference Securities require STARTRADER to reflect them in the CFD.

Adjustments and Corporate Actions

When a Reference Security is affected by a corporate action (such as a special dividend, subdivision, consolidation, bonus issue of shares, or any analogous event which dilutes or concentrates the value of the underlying asset) or if any other event occurs in respect of which STARTRADER determines in its absolute discretion that an adjustment is appropriate, STARTRADER has broad discretion to deal with your orders and CFD positions and may vary the terms of your orders and CFDs. In such a case, STARTRADER shall determine the appropriate adjustment (if any) to the contract value of an underlying asset which is affected by a corporate action or other adjustment event and/or to the related quantity of securities to which the CFD relates. Any determination STARTRADER makes in relation to corporate actions is binding on you. You should note that STARTRADER may have regard to any adjustments to its hedge position in determining adjustments to the terms of your CFDs or orders. Certain corporate actions or other adjustment events may not apply to STARTRADER's Hedge Position, for example, if a particular corporate action is only available to retail clients (STARTRADER is not a retail client under its Hedge Position) or to investors who hold a particular amount of the relevant underlying asset. Accordingly, as a general principle, if a corporate action or other adjustment event occurs in respect of an underlying asset to which your CFD relates, but STARTRADER's Hedge Position is not adjusted, STARTRADER will not adjust your CFD or order (for both long and short positions). You should be aware that if STARTRADER determines that it is not reasonably practicable in the circumstances to make an adjustment to the CFD, STARTRADER may give you notice of its intention to close the CFD.

Dividends/Distributions

Holders of long CFD positions will receive from STARTRADER the value of cash dividends or distributions (without franking credits) paid to holders of the underlying asset based on the number of securities to which the CFD relates on close of business on the Business day immediately preceding the ex-dividend or distribution date. Holders of short CFD

positions must pay to STARTRADER a cash amount equal to the value of the dividend or distribution (plus, in some circumstances, the value of any franking credits applicable to that dividend or distribution) paid to the holders of the underlying asset based on the number of securities to which the CFD relates on close of business on the Local Business Day immediately preceding the ex-dividend or distribution date.

Imputation Credits on Dividends

Where you hold a short CFD position in relation to an Australian-based underlying asset, STARTRADER will seek on a reasonable endeavours basis to borrow stock from an offshore lender who is not a resident of Australia for Australian tax purposes to facilitate the hedging of STARTRADER's exposure to that short position. However, if offshore borrowing is unavailable and an Australian-based underlying asset pays a franked dividend or a distribution which includes a franked dividend, the relevant dividend amount debited to your CFD Account will include the value of any related franking credit, as well as the value of the cash dividend. Corporate actions and dividends may have an impact on any positions that you hold, or the total equity of your Account, which may result in your Account going into margin call or even being closed out. Depending on the CFD positions that you hold, the treatment of dividends, imputation credits and withholding tax may be different which may have an impact on your returns.

For example, the amount you receive may be adjusted by an amount equivalent to withholding tax for transactions undertaken in certain jurisdictions in accordance with the applicable laws and regulations. It is your responsibility to check the requirements that apply to your position.

Trading Halts, Suspensions and Delisting's

A relevant security may be suspended, delisted or subject to a trading halt on the Relevant Exchange in various circumstances. In these circumstances, STARTRADER may, in its absolute discretion, cancel your order in respect of a CFD transaction which has not yet been opened, or close any open CFD, where the relevant security is the subject of a trading halt or suspension or is delisted. If the CFD over a security which ceases to be quoted on the Relevant Exchange or is suspended from quotation for three consecutive Business Days on that exchange, or such lesser period agreed between you and STARTRADER, STARTRADER may elect to close the CFD. In any other circumstances where STARTRADER is unable to maintain its Hedge Position in a relevant security, STARTRADER may close any open CFD that you hold over that relevant security.

Restrictions on Underlying Assets

STARTRADER may at any time determine, in its absolute discretion, that it will not permit the entry into CFDs over one or more underlying assets.

Voting Rights

CFDs do not entitle you to any voting rights in connection with the underlying asset.

ARE CFDS APPROPRIATE FOR YOU?

You must carefully consider whether CFDs are appropriate for you in light of your financial circumstances, experience and investment objectives. In making this decision you should be aware you could both gain and lose large amounts of money. You risk losing money because:

- (a) You could lose all the Margin funds you deposit with STARTRADER to establish or maintain a CFD position. Indeed, you could lose more than the funds you initially deposited.
- (b) If the market moves against your position, or your position is rolled over into a new contract with a differing value, you may be required, at short notice, to deposit with STARTRADER further money as Margin in order to maintain your CFD position. Those additional funds may be substantial. If you fail to provide those additional funds within the required time your CFD position may be closed. You will be liable for any shortfall in your Account resulting from the closure.
- (c) You could lose all monies deposited with STARTRADER, and in addition, be required to pay us further funds representing losses and other fees on your open and closed CFD positions. For example, although you may only invest \$1,000 in a CFD position, if the market moves against you, you could lose the full value of the CFD position. Under certain conditions, it could become difficult or impossible for you to liquidate or close a CFD position. For example, this can happen when there is a significant change in prices over a short period. Australian regulations protect retail clients from such negative account balances as set out in Section 13.

A NOTE ON "CRYPTOCURRENCIES"

STARTRADER does not provide digital currency exchange services and all cryptocurrency products issued by STARTRADER are cash-settled. STARTRADER may from time to time offer pricing on selected cryptocurrencies such as Bitcoin and Ethereum, and related indexes on baskets of them. It is important to note that while the instrument structure and specifications of such offerings from STARTRADER are substantially similar to that of other CFDs or indeed Margin FX, the underlying markets are themselves very different. Broadly, although a variety of these different markets have become collectively known as "cryptocurrencies" or digital currencies each one is different and subject to its own rules of creation, storage and transfer of ownership of their various units. Our contracts are of course only for differences in the changes of the prices of those units as they trade in their underlying markets without creating any direct equity interest in them, as with all CFDs.

It is beyond the scope of this PDS to describe the mechanics behind these underlying markets. Clients are urged to familiarise themselves with the operations of these underlying markets prior to trading CFDs on them with STARTRADER.

STARTRADER cautions that these cryptocurrency markets tend to have thinner liquidity and higher pricing volatility than other CFDs and Margin FX. STARTRADER would also like to highlight the increased priced volatility due to the weekend gap. That is, cryptocurrency markets operate 24/7 whereas STARTRADER only offers the CFDS during the standard 24/5 market hours. As such, the gapping risk (as described on p 22) is increased upon opening hours for the cryptocurrency CFDs.

Consequently, trading cryptocurrency CFDs is typically substantially riskier than those traditional markets. STARTRADER will be adjusting its Margin and leverage limits accordingly and urges its customers also to adopt appropriate caution. Australian regulations restrict the leverage we can offer retail clients as set out in section 13

10. PURPOSE OF TRADING CFD CONTRACTS

Please note: this section 10 applies to CFDs ONLY

People who trade in CFD contracts may do so for a variety of reasons. Some trade for **speculation**, that is, with a view to profiting from fluctuations in the price or value of the underlying instrument. For example, CFD traders may be short-term investors who are looking to profit from intra-day and overnight market movements in the underlying instrument. CFD traders may have no need to sell or purchase the underlying instrument themselves, but may instead be looking to profit from market movements in the instrument concerned.

Others may trade CFDs to **hedge** their exposures to the underlying instrument.

11. MARGIN FX AND CFD PRODUCT FEATURES

STARTRADER Trading as Principal

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

Long & Short Positions

You can open both long and short Margin FX and CFD positions with STARTRADER. Should you open a long position, your intention would be to profit from a rise in the price of the underlying instrument, and you would suffer a loss should the price of the underlying instrument fall. Conversely, should you open a short position, your intention

would be to profit from a fall in the price of the underlying instrument, and you would suffer a loss should the price of the underlying instrument rise.

In order to close an open long or short position, you would open an equivalent offsetting position. The closure of a position will generally result in a profit or loss being realised in your Account. Should you wish to close only part of your open long or short position, you can do so by entering into an equivalent offsetting position of a lesser amount than your current open position.

Aside from index futures CFDs and commodity futures CFDs, other Margin FX and CFD positions do not have an expiry date; that is, they remain open unless they are closed in accordance with mandatory regulations regarding retail client margin close outs and negative balance protection. Index futures CFDs or commodity CFDs may only be closed by contracts with the same specified date. A Margin FX or CFD position can only be closed by contacting STARTRADER. To close a Margin FX or CFD position, you must access the electronic trading platform to determine the current market price for the underlying instrument, with the view to close the position (or part of it). STARTRADER will confirm the current market price and you will then decide whether to accept the price, and if so, you will instruct STARTRADER to close your open position in accordance with your instructions.

You should note that STARTRADER is not obliged to accept your orders. Typically, this would occur should you exceed the limits imposed on your Account by STARTRADER, or where there are insufficient funds in your Account to meet your Margin obligations, or where regulations require us to restrict your trading because you are an Australian retail client. Trades are subject to a minimum trading size which is specified on our website and updated from time to time.

STARTRADER cannot predict future exchange rates and our rate quotations are not a forecast of where we believe a foreign exchange rate will be at a future date. STARTRADER calculates foreign exchange rates taking into consideration the current spot "interbank" exchange rates and the amount of currency that you wish to buy or sell

The rates quoted for a Margin FX or CFD by STARTRADER include a spread which usually favours STARTRADER. This spread is not an additional charge or fee payable by you. These spreads will differ depending on the particular Margin FX and CFD product traded.

When trading STARTRADER products you should always be aware of the risks and benefits as detailed in this PDS.

Electronic Platform

STARTRADER provides an electronic trading platform which enables clients to trade our products i.e. clients are provided direct access to Margin FX and CFD rates over the internet. The terms of use applicable to using our electronic trading platform, are detailed in the Account Application Terms & Conditions we require you to execute prior to opening an account enabling you to trade with us. Some of the key provisions include the following:

- STARTRADER reserves the right, in its sole discretion, to institute or change any policies at any time relating to the use of our electronic trading platform. Any such changes will be advised to you directly via our electronic trading platform, email or our website.
- Clients are granted a non-exclusive and non-transferable licence to use the electronic trading platform subject to the terms of the Account Application Terms & Conditions.
- Clients shall only use our electronic trading platform for their own internal business or investment purposes.
- Clients shall not permit any third party to copy, use, modify, disassemble, translate or convert in connection with use of our electronic trading platform or distribute the platform to any third party.
- Our electronic trading platform may be used to transmit, receive and confirm the execution of orders, subject to market conditions and applicable rules and regulations.
- STARTRADER consents to the Client's access and use in reliance upon the Client having adopted procedures to prevent unauthorised access to and use of the electronic trading platform; in any event, the Client agrees to any and all financial liability for trades executed through the electronic trading platform.
- Where a Client is granted access to the electronic trading platform, the Client acknowledges and warrants that it has received a password granting it access to the electronic trading platform; is the sole owner of the password provided; and accepts full responsibility for any transaction that may occur on an account opened, held or accessed through the use of the password provided to the Client by STARTRADER.
- Clients agree to accept full responsibility for the use of the electronic trading platform and for any orders transmitted through the electronic trading platform. STARTRADER must be notified immediately should a Client become aware of any unauthorised use, loss or theft of the Client's username, password or account numbers; or inaccurate information with respect to the content of statements including cash balances, open positions or transaction history.
- The electronic trading platform is provided on an "as-is" basis and STARTRADER makes no express or implied representations or warranties to the Client regarding its operation or usability.
- STARTRADER does not warrant that access to or use of the electronic trading platform will be uninterrupted or error-free, or that the service will meet any particular criteria with respect to its performance or quality. Nor do we make any warranty as to the timeliness, sequence, accuracy, completeness, reliability or content of any information, service or transaction provided through the use of the electronic trading platform or the results obtained from its use. STARTRADER expressly disclaims all implied warranties, including without limitation warranties of merchantability, title, fitness for a particular purpose, non-infringement, compatibility, security or accuracy.
- Under no circumstances, including negligence, will STARTRADER be liable for any direct, indirect, incidental, special or consequential damages including, without limitation, business interruption or loss of profits that may result from the use of, unavailability of, or inability to use the electronic trading platform.

- Clients agree that the use of the electronic trading platform is at the Client's risk and the Client assumes full responsibility for any losses resulting from the use of or materials obtained via the electronic trading platform.
- Please note that stop-outs (automatic closing of a position when Margin Calls have not been met) are implemented on our electronic trading platform at the sole discretion of STARTRADER, and no liability for the direct or indirect consequences thereof shall be accepted by STARTRADER in relation thereto.
- Only retail clients benefit from regulatory protection against negative account balances arising for example from swift market moves against a client's positions.

Pricing

When you trade Margin FX or CFD products you are normally quoted an immediate price. This means that if you take no further steps, your trade will be automatically rolled over after one Business Day unless you close the position. Alternatively, you may wish to swap the trade forward to a later date. This may be anywhere from a week up to several months depending on the time frame of the investment.

Although a forward trade is for a future date, the position can be closed out at any time - the closing part of the position is then swapped forward to the same future value date.

IN Margin FX you trade a combination of two currencies. For example, you may buy US dollars and sell Euro, or buy Euro and sell Japanese yen, or any other pair of widely traded currencies. There is always a long (bought) and a short (sold) side to a trade, which means that you are speculating on the prospect of one of the currencies strengthening and one of them weakening.

When trading US dollars against Japanese yen, the normal way to trade is buying or selling a fixed amount of US dollars, e.g. USD1,000,000. When closing the position, the opposite trade is done, again USD1,000,000. The profit or loss will be apparent in the change of the amount of yen credited and debited for the two transactions. In other words, your profit or loss will be denominated in Japanese yen that is known as the price currency. As part of our service, STARTRADER will automatically exchange your profits and losses into your Account Base Currency if it is required, that is the currency in which your account is denominated, typically but not always Australian Dollars.

This way of trading is different to the exchange-traded derivative markets (futures markets), for example, where the Euro and yen are the fixed trade currencies, resulting in a US dollar-denominated profit or loss. You can, however, also choose to trade in this reciprocal manner in foreign exchange markets but it is not the norm.

When you make a request to place an order, we may provide an amended quote or make the quote subject to special conditions and requirements we consider fair and reasonable (such as if you place an order outside the normal trading size). You are not obliged to proceed with any such order and may at your absolute discretion, accept or reject the order.

For more specific information on contract unit sizes and how we price specific types of Margin FX and CFD products, refer to the STARTRADER website as updated from time to time.

12. KEY BENEFITS OF TRADING MARGIN FX AND CFD CONTRACTS

Margin FX and CFD products can provide important risk management tools for those who manage foreign currency exposures. The significant benefits of using Margin FX or CFD products as risk management tools are to **protect your exchange rate or security, commodity or index pricing and provide cash flow certainty**. Other benefits of using these products apply equally for a client as a risk management tool or for the client who is a trader or speculator. Key benefits of trading Margin FX and CFD contracts are described in the table below.

Benefit	Explanation	Margin FX	CFDs
Protect an Exchange Rate	<p>STARTRADER provides an electronic trading platform, enabling clients to trade in over-the-counter (as opposed to exchange-traded) derivatives such as Margin FX or CFD contracts over the internet. This facility provides clients with direct access to our system to enable them to buy and sell currency rates or security, index or commodity prices to protect themselves against adverse market swings.</p> <p>STARTRADER also offers clients a way of managing volatility by using stop-loss orders that enable clients to protect themselves against adverse market swings yet secure enhanced market rates when offered. Clients can significantly reduce downside risk by the use of stop-loss orders if the exchange rate or price reaches a particular level. In addition, clients may also use limit orders which allow clients the opportunity to benefit from favourable market movements.</p>	☒	☒
Provide Cash Flow Certainty	<p>By agreeing to an exchange rate now for a time in the future you will determine the exact cost of that currency, thereby giving certainty over the flow of funds. Any profit (or loss) you make using the STARTRADER product would be offset against the higher (or lower) price you physically have to pay for the foreign currency.</p> <p>In addition to using Margin FX products as a risk management tool, clients can benefit by using Margin FX products offered by STARTRADER to speculate on changing exchange rate</p>	☒	☒

	movements. You may take a view of a particular market or the markets in general and therefore invest in our products according to this belief in anticipation of making a profit.		
Leverage	Margin FX and CFDs are leveraged investment and trading instruments. While leverage can magnify losses, it can also magnify profits. Leverage allows Clients to take larger exposures, to more markets, than cash investors using the same capital base. Leverage also means that Clients can employ more investment and trading strategies than 'long only' investors. These include trading 'pairs', trading across asset classes, going short and taking exposures around short term events. Australian regulations restrict the leverage we can offer to retail clients as set out in section 13	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Trade in Small Amounts	The electronic trading platform enables you to make transactions in small amounts. You can start using the electronic trading platform even with an opening balance of as little as AUD \$5,000. When trading in a Margin FX or CFD contract offered by STARTRADER you may deposit the sum that suits you, or the amount which is in line with the amount you are willing to risk.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Access to the Foreign Exchange Markets at Any Time	When using STARTRADER you gain access to a highly advanced and multi-levelled system which is active and provides you with the opportunity to trade 24 hours a day on any global market which is open for trading. This gives you a unique opportunity to react instantly to breaking news that is affecting the markets. It should be noted however, that trading in the various currency pairs may be restricted to hours where liquidity is available for any given currency pair.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Profit Potential in falling Markets	Since the market is constantly moving, there are always trading opportunities, whether a currency is strengthening or weakening in relation to another currency. When you trade currencies, they literally work against each other. If the EUR/USD declines, for example, it is because the US dollar gets stronger against the Euro and vice versa. So, if you think the EUR/USD will decline (that is, that the Euro will weaken versus the dollar), you would sell EUR now and then later you buy Euro back at a lower price and take your profits. The opposite trading scenario would occur if the EUR/USD appreciates. Traditional securities and other financial investment products generally only deliver benefits in rising or stable markets. Margin FX and CFDs provide a simple and effective means to take advantage of falling markets by shorting them.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Investment Hedging	CFDs and Margin FX contracts can be used to hedge investments and reduce existing market risk. Clients can hedge directly, on a portfolio basis, or to cover specific risks of investments.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Lower Costs	Generally, CFD exposures come at lower transaction costs than the same exposure taken in the Underlying Instruments. Clients pay no STARTRADER fees to open or maintain a CFD trading account. In some limited circumstances, STARTRADER reserves the right to pass on exchange fees where they are charged to STARTRADER.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Superior Liquidity	The liquidity of the foreign exchange market, particularly with respect to that of the major currencies, helps ensure price stability and low spreads. The liquidity comes mainly from large and smaller banks that provide liquidity to investors, companies, institutions and other currency market players.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Real-Time Streaming Quotes	The electronic trading platform uses the latest highly sophisticated technologies in order to offer you up-to-the-minute quotes. You may check your accounts and positions in real-time and you may do so 24 hours a day (in most circumstances) on any global market which is open for trading and make a trade based on real-time information. STARTRADER believes it is highly important for you to be able to control your funds whenever you wish and base your deals on real-time information.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

BENEFITS OF A DMA CFD MODEL

The DMA Equity CFD product offered by STARTRADER works on a DMA model. The benefits of this model are:

- Transparency and accountability of pricing. DMA CFD prices mirror the price of the underlying asset on the Relevant Exchange;
- DMA CFD orders placed for a Reference Security generally result in a corresponding order being placed on the Relevant Exchange;
- Transparency and accountability of execution - clients can see their orders reflected in the order book of the Relevant Exchange, giving a firm indication as to whether or not an order should have been filled;
- When the corresponding order on the Relevant Exchange is filled, the order is filled at the identical price;
- Orders are handled directly by the originator, giving them more control over the execution

- DMA CFD clients are effectively interacting with physical stock traders in the same order book.

13. **KEY RISKS OF TRADING MARGIN FX AND CFD CONTRACTS**

Trading in Margin FX and CFD products carries a high level of risk and returns are volatile. The risk of substantial loss in trading can be high, and you can lose more than the capital invested. Retail clients are regulatorily protected from negative account balances, but not from losses. You should obtain independent professional advice and carefully consider whether Margin FX or CFD products are appropriate for you in light of your knowledge, experience and investment objectives, financial needs and circumstances.

It is also important that you read and understand the terms and conditions of trading in the Application Terms & Conditions and this PDS before entering into any Margin FX or CFD transactions.

Some of the key significant risks involved in Margin FX and CFD trading include, but are not limited to, the following:

Macro-economic Risk – the general state of the Australian and international economies as well as changes in taxation policy, monetary policy, interest rates and statutory requirements are some of the factors which may influence the progress of currency and other markets.

Market Risk – This is the risk that the markets move in a direction not anticipated. External market forces can cause markets and prices to change quickly; such forces include changing supply and demand relationships, governmental, agricultural, commercial and trade programs and policies, national and international political and economic events, and the prevailing psychological characteristics of the marketplace. As the price of your position is based on an underlying asset these factors may affect your position and our ability to execute, settle or close out transactions on your behalf.

Limited Recourse – If STARTRADER chooses to hedge your trade with a hedge counterparty, you as a client have no rights or beneficial interest in any product which STARTRADER has with its hedge counterparty and you cannot force STARTRADER to make any decision about seeking recovery against STARTRADER's hedge counterparty. You will also not have any recourse to any underlying assets to contracts you enter into with STARTRADER.

Gapping – In fast moving or illiquid markets “gapping” can and does occur. Gapping occurs when market prices do not follow a “smooth” or continuous trend. Gaps are typically caused by external factors such as world, political, economic and corporate related events. Should gapping occur in the underlying asset on which your product is based, you may not be able to close out your position or open a new position at the price at which you have placed your order. Further, in instances of “gapping” any conditional orders opened on your account will be filled at the next best available price which may be substantially different from the price selected when entering your conditional order. Because of this, we cannot and will not guarantee stop-loss orders being filled.

Changing Spread – You must understand that there may be a material, widening difference between the ‘buy’ and ‘sell’ spread you are quoted on closing a position compared to the spread prevailing when it was opened in what might be very different market circumstances.

Variation Margins – Should the price of the underlying asset on which your product is based move against you, you may receive a Margin Call from us and, at short notice, be required to deposit a Variation Margin into your Account in order to maintain your position. Should we make a Margin Call which may be substantial, you must deposit the amount of funds that we request into your account immediately. In the event of you failing to make Margin payments we may reduce or close all your open positions without further notice and you will be liable for any shortfall. Positions are marked-to-market daily, with payments being settled daily to account for market movements. You must be in a position to fund such requirements at all times. Initial and Variation Margin must be paid immediately after the call. The general policy of STARTRADER is that payment of the call must be received within 24 hours of the call although in times of extreme price volatility this may be as little as 1 hour. In rare circumstances, the markets could move against your position giving STARTRADER no time to make a Margin Call on you to request additional funds for STARTRADER to protect its positions. Regulations require us to begin automatically closing retail clients’ positions immediately once their cash margin falls below 50% of the margin required to maintain that position.

Leverage – As these products are highly leveraged a small price movement in the underlying asset on which they are based can result in substantial profits or losses. Such losses can exceed your Initial Margin and you could be required to pay further funds representing losses and other fees on your open and closed positions leading to an overall negative account balance of additional funds you would owe us.

However, retail clients are regulatorily protected from having such a negative account balance and we are required to restrict the leverage we can offer them (see below).

The prices of our products may be volatile and fluctuate rapidly over wide ranges. Price fluctuations may be as a result of uncontrollable events or changes in a variety of conditions as described above in Market Risk.

Below is a hypothetical example of how gearing (leverage) magnifies losses/profits (without taking into account fees & charges):

	Index purchase amount	CFD purchase amount
Initial outlay	\$10,000	\$10,000 (as initial margin)
Reference index purchased	1000	10,000
Initial price	\$10.00	\$10.00

Value	\$10,000	\$100,000
Gearing	0%	90%
Result where index price falls	Index price falls to \$8.75. Index holding now worth \$8,750 (i.e. loss of \$1,250 or -12.5%)	Index price falls to \$8.75. CFDs now worth \$87,500 (i.e. loss of \$12,500 or -125% on original outlay of \$10,000)
Result where index price rises	Index holding now worth \$11,000 (i.e. profit of \$1,000 or +10%)	CFDs now worth \$110,000 (i.e. profit of \$10,000 or +100% on original outlay of \$10,000)

Liquidity – Under certain conditions, it may be difficult for example, very costly with a wide bid/offer spread or even impossible to close out a position. This can occur when there is a significant change in the price of the underlying asset over a short period of time.

Double Leverage – 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 credit to fund a leveraged trading account.

Stop-Loss Orders unavailable – Certain products can be traded in conjunction with our limit and stop-loss orders which are designed to either optimise your exposure to the market or limit your loss by instructing that trades be executed at predetermined price levels. Stop losses are instructions placed by the client with STARTRADER to close out an open position if a market trades through a specific level. Stop-loss orders are often used to attempt to limit the amount which can be lost on a position. We note that stop losses are not guaranteed and the execution of such orders will depend on market volatility and liquidity. So whilst stop losses generally allow you to control potential losses should the market move against you, please be aware that stop-loss orders may not always limit your losses the way you anticipate. The operation of these order types should be discussed with your STARTRADER representative.

Powers of STARTRADER – Should you fail to pay any amounts due and payable, including Margin Calls, or maintenance of minimum account balances, STARTRADER have extensive powers to close out positions and charge default interest. Under the Account Application Terms & Conditions, you also indemnify STARTRADER and its employees, agents and representatives against certain losses and liabilities. You should read the Account Application Terms & Conditions carefully to ensure you understand these powers and responsibilities. Regulations require us to begin closing out retail clients' positions once their cash margin falls below 50% of the total margin required to support those positions

Negative account balance – Markets may move adversely against a client's positions such that the client's total account balance becomes negative. This may arise for example because the relevant markets have gapped or moved faster than we can close them out whether at our discretion or because those markets have gapped through the client's stop-loss or other order levels. Regulations prevent us from allowing retail clients to have such a negative account balance; they also require us to begin closing out such retail

clients' positions once their margin falls below 50% of the total margin required to support their positions.

Electronic Trading platform risk – You are responsible for providing and maintaining the means by which to access the electronic trading platform, which may include without limitation a personal computer, modem and telephone or other access lines. While the internet and the World Wide Web are generally reliable, technical problems or other conditions may delay or prevent access to it. If you are unable to access the internet, and thus the electronic trading platform, it will mean you may be unable to trade in a product offered by STARTRADER when desired and you may suffer a loss as a result. Should the system be unavailable, clients may place their orders via telephone with a representative of STARTRADER. Furthermore, in unforeseen and extreme market situations, such as an event like September 11, or a global catastrophe, STARTRADER reserves the right to suspend the operation of the electronic trading platform or any part or sections of it. In such an event, STARTRADER may, at its sole discretion (with or without notice), close out your open contracts at prices it considers fair and reasonable at such a time. STARTRADER may impose volume limits on client accounts, at its sole discretion. Please note that such measures would only be implemented in extreme market conditions.

Regulatory Risk – Changes in taxation and other laws, government, fiscal, monetary and regulatory policies may have a material adverse effect on your dealings in Margin FX or CFDs, as may any regulatory action taken against STARTRADER.

STARTRADER Risk – The risk of STARTRADER being unable to operate its business as a result of a regulatory impediment such as STARTRADER ceasing to hold an Australian Financial Services Licence or because ASIC imposes a stop order on the PDS issued by STARTRADER or STARTRADER ceasing to exist. Since STARTRADER may decide not to hedge certain transactions with its clients this will expose STARTRADER to market risk which may impact on its ability to settle liabilities owing to you.

Counterparty Risk - STARTRADER is authorised to “make a market” for foreign exchange and Derivatives contracts. This means that STARTRADER sets its own prices for the Products. The price set by STARTRADER may diverge significantly from the current market or exchange price or competitor's price for the same underlying asset. If the market moves against you and you lose on a trade, we may directly benefit from the trade. As STARTRADER is the market maker, i.e. the issuer of the Product described in this PDS, STARTRADER is the counterparty to every contract.

You will have exposure to us in relation to each contract. You are therefore exposed to the financial and business risks, including credit risk, associated with dealing with STARTRADER, and you are reliant on STARTRADER'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 by reviewing our financial information.

You can request a free summary of our annual financial statements by contacting us. STARTRADER 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. STARTRADER may become unable to operate the market in the Products as a result of a regulatory impediment (for

example STARTRADER ceasing to hold an Australian Financial Services Licence or because AISC imposes a stop order on the PDS issued by STARTRADER).

STARTRADER enters into arrangements with third-party execution and clearing providers for the facilitation of transactions and settlements, and avails monies received for margin calls and settlements to such providers for this purpose. Accordingly, clients are indirectly exposed to the financial risks of our counterparties and organisations with which STARTRADER holds client funds. If the financial condition of STARTRADER 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.

You are reliant on STARTRADER's ability to meet its counterparty obligations to you to settle the relevant contract. STARTRADER may choose to limit this exposure by entering into opposite transactions as principal in the wholesale market in relation to its exposures with clients. In addition, STARTRADER must comply with the financial requirements imposed under its AFSL.

No cooling off – There are no cooling-off arrangements for Margin FX or CFD contracts. This means that when STARTRADER arranges for the execution of a Margin FX or CFD contract, you do not have the right to return the product or request a refund of the money paid to acquire the product.

Trading Halts, Suspensions and Delisting's – You will not be able to enter into any new trades or close a position if trading in the underlying asset is suspended or halted by the Relevant Exchange. Where trading has been suspended or halted STARTRADER may exercise certain discretions such as revaluing or closing the position without prior notice to you. STARTRADER may, in its sole discretion, re-value the position to nil value, even if there are sales off market in the underlying asset for some value and despite any uncertainty as to whether the suspension will be lifted or if there will be any value realised on the liquidation of the underlying asset. STARTRADER will determine the re-valued price at its discretion based on a number of factors, including the effect of the suspension or halt on its corresponding Hedge Position. In addition, STARTRADER also reserves the right in its sole discretion to change the margin requirement on CFDs held over suspended or halted underlying assets.

Cyber Security Risk – STARTRADER cannot guarantee against third-party interference to our website and trading facility or to the technology provided by third parties upon which we rely. This means that you may be exposed to issues arising from any third-party interference which may occur. Examples include: unauthorised access to our or your IT systems or devices, data breaches, business interruption, errors in pricing feeds or inability to access your account or close positions. In the worst-case scenario, financial loss may occur. We take this risk seriously and manage it by ongoing monitoring of our IT systems, protection and backup measures (including virus protection software). You can limit your risk by ensuring you have up-to-date software for the devices that you use to access our trading facilities and ensuring you use strong passwords which are kept confidential and secure.

Additional risks that you should consider carefully are contained in the table below:

Risk	Explanation	Margin FX	CFDs
Market Volatility	<p>Markets are subject to many influences which may result in rapid fluctuations and reflect unforeseen events or changes in conditions with the inevitable consequence being market volatility.</p> <p>Given the potential levels of volatility in certain markets, it is therefore recommended that you closely monitor your positions with STARTRADER at all times. Certain markets are highly volatile and are very difficult to predict. Due to such volatility, in addition to the spread that STARTRADER adds to all calculations and quotes, no Margin FX or CFD product offered by STARTRADER, or any other financial services provider, may be considered as a safe trade.</p> <p>However, STARTRADER offers clients a way of managing volatility by working orders. Certain products can be traded in conjunction with our limit and stop-loss orders which are designed to either optimise your exposure to the market or limit your loss by instructing that trades be executed at predetermined price levels. Stop losses are instructions placed by the client with STARTRADER to close out an open position if a market trades through a specific level. Stop-loss orders are often used to attempt to limit the amount which can be lost on a position. We note that stop losses are not guaranteed and the execution of such orders will depend on market volatility and liquidity. You should refer to our Account Application Terms & Conditions with respect to the operation of these order types.</p> <p>Under certain conditions, it could become difficult or impossible for you to close a position. For example, this can happen when there is a significant change in prices over a short period. Lack of liquidity in foreign exchange markets or those underlying CFDs due to extreme volatility or uncertainty of trading in those markets may also affect the ability of STARTRADER to open or close a position thereby reducing your profits or increasing your losses.</p> <p>A “time spread” position (i.e. 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 (i.e. bought) or short (i.e. sold) position. Furthermore a</p>	<input type="checkbox"/>	<input type="checkbox"/>

	<p>“time spread” may be larger at the time you close out the position than it was at the time you opened it.</p> <p>You should be aware that if you acquire a product offered for trading or speculative purposes (that is where you do not have a risk you need to protect yourself from), you will be fully exposed to movements in the underlying asset.</p> <p>The risk of loss will be increased when 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.</p>		
Counter-party Credit Risk	<p>Margin FX and CFD contracts are not traded on a regulated exchange. Investors must deal directly with STARTRADER to open and close positions. Given you are dealing with STARTRADER as the counter-party to every transaction, you will have exposure to us in relation to each transaction. This is common to all OTC financial market products.</p> <p>The obligations of STARTRADER to make payments in respect of the contracts are unsecured obligations of STARTRADER, which means that you are subject to our credit risk. If we were to become insolvent, we may be unable to meet our obligations to you.</p> <p>You are reliant on STARTRADER’s ability to meet its counterparty obligations to you to settle the relevant contract. STARTRADER may choose to limit this exposure by entering into opposite transactions as principal in the wholesale market in relation to its exposures with clients. In addition, STARTRADER must comply with their financial requirements.</p>	☒	☒
Foreign Exchange Risk	<p>Your account is maintained in the currency you have nominated, that is, the Account Base Currency. Where you deal in a product that is denominated in a currency other than the Account Base Currency, all Initial and Variation Margins, option premiums, profits, losses, rollover fees, interest rate payments/receipts and financing credits and debits in relation to that product are calculated using the currency in which the product is denominated.</p> <p>Accordingly, your profits or losses may be affected by fluctuations in the relevant foreign exchange rate between the time the order is placed and the time the position is closed, liquidated, offset or exercised.</p> <p>Upon closing a position that is denominated in a currency other than the Account Base Currency, you will be able to request that the foreign currency balance be converted to the Account</p>	☒	☒

	Base Currency of your account. Until the foreign currency balance is converted to the Account Base Currency, fluctuations in the relevant foreign exchange rate may affect the unrealised profit or loss made on the position.		
Market Information	<p>STARTRADER may make available to you through one or more of its services, a broad range of financial information that is generated internally or obtained from agents, vendors or partners (third-party providers). This includes, but is not limited to, financial market data, quotes, news, analyst opinions and research reports, graphs or data (together "Market Information").</p> <p>Market Information provided by us by email or through our website is not intended as advice. STARTRADER does not endorse or approve the Market Information and we make it available to you only as a service for your own convenience. STARTRADER and its third-party providers do not guarantee the accuracy, timeliness, completeness or correct sequencing of the Market Information or warrant any results from your use or reliance on the Market Information.</p> <p>Market Information may quickly become unreliable for various reasons including, for example, changes in market conditions or economic circumstances. Neither STARTRADER nor the third-party providers are obliged to update any information or opinions contained in any Market Information and we may discontinue offering Market Information at any time without notice.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Operational Risk	<p>Operational risk is inherent in every transaction. For example, disruption to STARTRADER's operational processes such as communications, computers, networks or external events may lead to delays in the execution of or settlement of a transaction.</p> <p>STARTRADER relies on a number of technology solutions to provide you with efficient services. STARTRADER may outsource the operation of its trading platform to a third party and in doing so STARTRADER relies upon this third party to ensure the systems are updated and maintained. A disruption to the STARTRADER electronic trading platform may mean you are unable to trade in a product offered by STARTRADER when desired and you may suffer a loss as a result. An extreme example of disruption includes the "crash" of our computer-based trading system.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Risk Capital	<p>You could lose all of the Initial Margin that you deposit to establish or maintain a position.</p> <p>All derivatives involve risk and there is no trading</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

	<p>strategy that can eliminate it. The placing of contingent orders (such as a stop-loss order) may not always limit your losses to the amounts that you may want. Market conditions may make it impossible to execute such orders.</p> <p>In cases where you are speculating, we suggest that you do not risk more capital than you can afford to lose. A good general rule is never to speculate with money which, if lost, would alter your standard of living.</p> <p>Clients may lose more capital than they intended to invest in their account with us because of adverse market moves, illiquidity and the like. Only retail clients are regulatorily protected from having to repay us such negative account balances.</p>		
<p>Superannuation Funds</p>	<p>It should be noted that complying superannuation funds are subject to numerous guidelines and restrictions in relation to their investment activities which are contained in the <i>Superannuation Industry Supervision Act 1993</i>, and associated regulations and regulatory guidance material.</p> <p>Without being an exhaustive list, the following are some of the issues that should be considered by a trustee of a complying superannuation fund:</p> <ul style="list-style-type: none"> ▪ Restrictions on borrowing and charging assets and whether dealing in over-the-counter derivative products would breach those borrowing and charging restrictions; ▪ The purpose of dealing in over-the-counter derivative products in the context of a complying superannuation fund's investment strategy as well as the fiduciary duties and other obligations owed by trustees of those funds; ▪ The necessity for a trustee of a complying superannuation fund to be familiar with the risk involved in dealing in over-the-counter derivative 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 hold complying status. 	<input type="checkbox"/>	<input type="checkbox"/>
<p>Investment Decisions</p>	<p>You are solely responsible for the selection of the underlying assets and trades for any orders you</p>	<input type="checkbox"/>	<input type="checkbox"/>

	<p>place with us, and as such, the performance of any investment in Margin FX or CFDs using your trading account will depend mainly on your own investment decisions.</p> <p>STARTRADER, however, is regulatorily required to begin to partially terminate as it sees fit retail clients' accounts once their individual account's available cash margin falls below a set percentage level of margin required to maintain the position.</p>		
Adjustment Risk	<p>Where an adjustment event occurs, STARTRADER reserves the right to adjust the terms of your CFD or order, OR not make the adjustment to the relevant CFD if it is not reasonably practicable. STARTRADER may also elect to close your CFD position in the event of the underlying securities being subject of a take-over offer, prior to the closing date of the offer.</p>	✕	✕
Third-Party Plugins	<p>Third-party plugins can be risky. They are often called "expert advisers" or "mirror trading plugins". STARTRADER is not responsible for, and will not indemnify you from, reliance on any statements made by their makers or promoters of third-party plugins, or any loss incurred in connection with third-party plugins that you use.</p> <p>Key risks about third-party plugins are:</p> <ul style="list-style-type: none"> • You can lose control of your trades and suffer financial loss. • The software may stop working leaving you stuck with open positions leading to financial loss. • You can lose more money than your initial deposit. • They may result in you being margin called and your positions may be liquidated. • Some are offered by fraudulent or illegal/underground entities in remote parts of the world. • Some create or are otherwise affected by price latency which may result in significant losses on your account due to inaccurate pricing. <p>If promoters of these plugins make promises that are too good to be true, then you should avoid them.</p>	✕	✕

14. FEES AND CHARGES

14.1 Mark to Market Payments that represent the Unrealised Profit on an open Margin FX Contract or CFD position:

At the close of business on each business day during the term of the Margin FX contract or CFD positions, we will determine the Contract Value of the Margin FX Contract or CFD. The Contract Value is calculated as the rate at which a single unit of the Base Currency may be bought with or, as the case may be, sold in, units of the Term Currency multiplied by the amount of the Base Currency to be traded.

If the new Contract Value at the close of business is, in monetary terms:

- less than the Contract Value determined for the previous day, and you hold a Short Margin FX or CFD positions; or
- greater than the Contract Value determined for the previous day, and you hold a Long Margin FX or CFD position.

We will credit the difference to you. The difference is referred to as the 'Mark to Market Payment'. The mark to market payment is credited to your Account on the same business day it is calculated.

14.2 Spreads

Spread means the difference between the Bid price (price offered) and the Ask price (price requested) for the Base Currency expressed as against the Term Currency. The spread is incorporated into the price of the Currency Pair or CFD quoted to you and is not an additional fee or charge payable by you.

We may charge spreads on your trades. We will charge this fee in the quote currency of the product that you're trading, which you can then convert into the base currency of your Account to determine your cost of trading.

The spreads range from between 0.01 Points to 600 Points. In non-volatile market conditions, the spread may be even narrower than the spreads quoted. But in periods of volatile markets, the spread may be increased. STARTRADER will quote:

- 5 decimal places for most Currency Pairs but the 4th decimal place is classed as the Point; and
- 2 decimal places for most CFDs.

14.3 Commission

We may charge commissions on your Account, which will be reflected when you open a Margin FX Contract or CFD Position. Our commission charges will vary based on the currency of your Account and will increase/decrease in proportion to the size of the Margin FX Contract or CFD position you're trading. Commission charges apply to RAW Accounts.

14.4 Commission fee applicable to Shares CFDs

We may charge a transaction fee on your Account when you trade in Share CFDs. Typically:

Product	Fee	Note
US shares CFDs	\$6 per transaction	Fees converted to the currency of your Account
Hong Kong Shares CFDs	Greater of 50 HKD or 0.25% of the total trade value	Transaction value calculated as (No. of contracts * Contract Size * share price * 0.25%); Fees converted to the currency of your Account
Australian Shares CFDs	Minimum of 8 AUD or 0.08% of the total trade value	Transaction value calculated as (No. of contracts * Contract Size * share price * 0.08%); Fees converted to the currency of your Account
United Kingdom Shares CFDs	Minimum of 10 GBP or 0.1% of the total trade value	Transaction value calculated as (No. of contracts * Contract Size * share price * 0.1%); Fees converted to the currency of your Account
European Shares CFDs	Minimum of 10 EUR or 0.1% of the total trade value	Transaction value calculated as (No. of contracts * Contract Size * share price * 0.1%); Fees converted to the currency of your Account

14.5 **Swap Credit and Swap Charges for Margin FX Contracts**

This section does not apply to Swap Free Accounts.

Where a Margin FX position is held at the close of business on a Trading Day, a swap credit or swap charge will be applied to your Unrealised Profit/Loss. Contracts are automatically rolled over to the next Trading Day at the same time that the swap charge/credit is calculated.

Each Margin FX Contract has an interest rate component attached to it. The swap credit or swap charge accounts for the difference in the interest rates between the Base Currency and the Terms Currency when a Margin FX Position is held overnight (i.e., rolled over to the next business day).

A credit will be made to your Unrealised Profit/Loss (i.e., your Unrealised Profit will increase, or your Unrealised Loss will decrease) if at the close of business on the relevant Trading Day:

- you have a Long Margin FX Contract and the interest rate that applies to the currency you buy is higher than the interest rate that applies to the currency you sell; or
- you have a Short Margin FX Contract and the interest rate that applies to the currency you sell is lower than the interest rate that applies to the currency you buy.

14.6 Example of Swap Credit

A Contract for 1 lot of AUDCAD (long) with an AUD based Account has a swap of 0.31 (points).

1 lot = 100,000 units of base currency, Swap rate = 0.34, Number of nights = 1, transaction fee = 10% of the swap rate

Swap Credit = $[0.34 - (0.1 \times 0.34)] \times 1 = 0.31$ Trading Platform Points.

A charge will be applied to your Unrealised Profit/Loss (i.e., your Unrealised Profit will increase, or your Unrealised Loss will decrease) if at the close of business on the relevant Trading Day:

- you have a Long Margin FX Contract and the interest rate that applies to the currency you buy is lower than the interest rate that applies to the currency you sell; or
- you have a Short Margin FX Contract and the interest rate that applies to the currency you sell is higher than the interest rate that applies to the currency you buy.

Example of Swap Charge

A Contract for 1 lot of AUDCAD (short) with an AUD based Account has a swap of -1.38 (points).

1 lot = 100,000 units of base currency, Swap rate = -1.38, Number of nights = 1, transaction fee = 10% of the swap rate

Swap Charge = $[-1.38 + 0.1 \times (-1.38)] \times 1 = -1.52$ Trading Platform Points.

In circumstances where the two interest rates are near parity (almost equal to each other), a swap charge may be imposed for both long and short open Contracts. A double negative swap rate implies that there is no interest advantage gained by borrowing in one currency to then invest in the other.

When you close out your Margin FX Contract, the net amount of the swap charges and swap credits (which forms a part of your Unrealised Profit/Loss) will be credited or debited from your Account. No swap charge is payable to us, and no swap credit is paid by us if you open and close out a Margin FX Contract in the same day. We receive a transaction fee for providing the swap charges or swap credits to you. Our transaction fee can be up to 10% of the value of the swap charge or swap credit received from our Liquidity Providers.

We may, on our website, designate some Margin FX Contracts as swap-free for the first seven (7) days that the Position remains open. That is, for the first seven (7) days that a swap-free Margin FX Position remains open, a swap credit or swap charge will not be applied to your Unrealised Profit/Loss where the Position is held at the close of business on

a Trading Day. Despite swap credits and swap charges not being applied for the first seven (7) days that the Position remains open; swap credits and charges may begin to apply to a swap-free Margin FX Position if the Position remains open for more than seven (7) days. That is, where a swap-free Margin FX Contract remains open for more than seven (7) days, swap credits and swap charges may be applied to the Position from day eight (8) onwards and the Contract will be automatically rolled over to the next Trading Day at the same time that the swap charge/credit is calculated.

14.7 **Swap Credit and Swap Charges for Spot CFDs**

This section does not apply to Swap Free Accounts.

Where a Spot CFD Position is held at the close of business on a Trading Day, a swap credit or a swap charge will be made to your Unrealised Profit/Loss. Contracts are automatically rolled over to the next Trading Day at the same time that the swap charge/credit is calculated.

Each CFD has an interest rate component attached to it. The swap credit or swap charge accounts for holding positions overnight and is determined by subtracting the Financing Spread/Transaction Fee from Reference Interest Rate/Benchmark which is provided by our Liquidity Provider.

When you close out your CFD Position, the net amount of the swap charge and swap credit (which form a part of your Unrealised Profit/Loss) will be credited or debited from your Account. No swap charge is payable to us, and no swap credit is paid by us if you open and close out a CFD Position in the same day.

We receive a transaction fee for providing the swap charges or swap credits to you. Our transaction fee can be up to 3.5% annual interest rate charge in addition to the annual interest rate of the swap charge or swap credit received from our Liquidity Providers.

14.8 **Example of Swap Credit:**

A Contract for 1 lot of SPI200 (long) SPI200 with an AUD based Account, Number of nights = 1, transaction fee = 3.5%, Benchmark annual interest rate of 1.955 (The benchmark annual interest rate is provided by our Liquidity Providers), Settlement price = \$6,276.65 and a dividend of 3.857 in based currency.

Swap Credit = $(-3.5-1.955) \% /365 \times 6276.65 + 3.857 = 2.92$ AUD

14.9 **Example of Swap Charge:**

A Contract for 1 lot of SPI200 (short) SPI200 with an AUD based Account, Number of nights = 1, transaction fee = 3.5%, Benchmark annual interest rate of 1.955 (The benchmark annual interest rate is provided by our Liquidity Providers), Settlement price = \$6,276.65 and a dividend of 3.857.

Swap Charge = $(-3.5+1.955) \% /365 \times 6276.65-3.857 = 4.12$ AUD.

The swap rate that is applied will be tripled for positions held over the weekend.

We may, on our website, designate some Spot CFDs as swap-free for the first seven (7) days that the Position remains open. That is, for the first seven (7) days that a swap-free Spot CFD Position remains open, a swap credit or swap charge will not be applied to your Unrealised Profit/Loss where the Position is held at the close of business on a Trading Day. Despite swap credits and swap charges not being applied for the first seven (7) days that the Position remains open, swap credits and charges may begin to apply to a swap-free Spot CFD Position if the Position remains open for more than seven (7) days.

That is, where a swap-free Spot CFD Position remains open for more than seven (7) days, swap credits and swap charges may be applied to the Position from day eight (8) onwards and the Contract will be automatically rolled over to the next Trading Day at the same time that the swap charge/credit is calculated.

14.10 **Rollover Charges and Rollover Benefits for Futures CFDs**

No swap charges or swap Benefits are paid in relation to Futures CFDs.

Where a Futures CFD is held at the close of the existing contract, a rollover credit or rollover charge will be made to your Unrealised Profit/Loss. Contracts are automatically rolled over to the new contract at the same time that the rollover credit or rollover charge is calculated.

A cash adjustment takes place to reflect the difference between the old contract price at expiry and the new contract price (less an administration fee of 2.5 basis points). See below for an example.

Example:

- Product: USD Futures Index (USD_X)
- Contract Size: 100
- Settled or expired contract price at expiry: $(\text{Bid} + \text{Ask}) / 2$ to get mid-rate = $[(94.91 + 94.945) / 2] = 94.9275$
- New contract price: $(\text{Bid} + \text{Ask}) / 2$ to get mid-rate = $[(94.59 + 94.62) / 2] = 94.605$
- less admin fee of 0.025
- Long position = $[(\text{settled price} - \text{new price}) - \text{admin fee}] * \text{contract size} = 29.75$.
- Short position = $[(\text{new price} - \text{settled price}) - \text{admin fee}] * \text{contract size} = - 34.75$.

14.11 **Margin**

You are required to maintain the margin as set out in section 15. The margin is not a fee but rather a security deposit that you are required to keep with us.

14.12 **Legal Entity Identifiers**

If you are a company or a corporate trustee, we may need to obtain or renew a Legal Entity Identifier (LEI) on your behalf to comply with the ASIC Derivative Transaction Rules (Reporting) 2013. Under the Terms and Conditions, we can pass on the external costs of obtaining and renewing an LEI and our reasonable costs associated with obtaining or renewing an LEI on your behalf.

14.13 **Variation of fees and costs**

Under the Terms and Conditions, we may charge you an additional fee and/or spread or increase the current fees and/or spread set out in this PDS provided we have given you 30 days prior notice.

15. **MARGINS**

STARTRADER requires its clients to have sufficient margin in their accounts to support their positions at all times. This protects STARTRADER - and so indirectly all of its clients - from adverse market moves against their positions that might create an unhealthy credit exposure. So, whenever you enter a transaction, you will be required to pay an Initial Margin (an initial deposit/up-front payment) if there is not already sufficient available margin in your account. Typically, margin posted is simply cash.

An Initial Margin means an amount of collateral that is required from you as security to enter into a Margin position. Typically, we will require an Initial Margin calculated as a percentage of the contract value. The Initial Margin required will vary depending on the type of product you trade and is determined at STARTRADER's discretion mostly by reference to the liquidity and volatility of the underlying asset on which the product is based. It is typically 0.5-25% of the contract's value but may be as high as 100% depending on the volatility of the relevant market and the liquidity of the underlying asset. For more information on how to calculate your Initial Margin requirements, refer to clause 10 of the Account Application Terms & Conditions.

In addition, in order to maintain your position, you may be required to pay additional Margin in the event of adverse market movements against your position. Such payments are not costs but are cleared funds required by STARTRADER to cover our risk of further adverse market moves and as security for your obligations. The amount is determined by reference to the markets and relevant third-party service providers but set by STARTRADER in its absolute discretion.

The current Margin rates applicable to each type of transaction are provided on the electronic trading platform prior to entering into a trade. They are updated from time to time.

The Margin amounts are payable into the STARTRADER client trust account and are held, used and withdrawn in accordance with the Corporations Act requirements and our agreed terms and conditions specified in the Account Application Terms & Conditions. In particular, STARTRADER may use wholesale client deposits (except sophisticated investor funds) to meet Margin Calls, and other payment/settlement obligations.

All contracts will be subject to Margin obligations. Accordingly, you are responsible for meeting all margin payments required by STARTRADER. It is your sole responsibility to monitor and manage your open positions and exposures and ensure Margin Calls are met as required. Margin Calls will be notified via the trading platform, and you should log in to the system at least daily 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 will be closed out by STARTRADER, without further reference to you. A Margin Call will not be

considered to have been met UNLESS AND UNTIL cleared funds have been received by STARTRADER in the nominated account.

Positions will be continuously monitored by STARTRADER to account for any market movements. If the value of the overall position moves against you then more margin will be required than the Initial Margin to support the position. If there is insufficient cash in your account i.e. cash that is not supporting this or other positions then you will be subject to a Margin Call i.e. required to pay additional Margin into the account or alternatively to close or reduce the positions in it, in order for the Margin in the account to be at a level acceptable to STARTRADER to support the remaining positions. The Variation Margin liability is incurred at the time of the occurrence of any movement in the market that results in an unrealised loss, regardless as to when the call to pay is made by STARTRADER on you. You can and should anticipate the margin calls as the markets move and manage your positions and cash accordingly.

You must be in a position to fund such requirements at all times. Initial and Variation Margin must be paid immediately after the call. The general policy of STARTRADER is that payment of the Margin Call must be received within 24 hours of the call although in times of extreme price volatility this may be as little as 1 hour. In rare circumstances, the markets could move against your position giving STARTRADER no time to make a Margin Call on you to request additional funds for STARTRADER to protect its position.

If you fail to meet any Margin Call i.e. if we do not receive cleared funds, we may reduce or close all your open positions without further notice. In rare circumstances where STARTRADER does not have time to make a Margin Call due to exceptional market movements, STARTRADER may in its absolute discretion but without creating an obligation to do so, close out, without notice, all or some of your open positions (or transactions) and deduct the resulting realised loss from the Initial Margin and other funds held in your Account with STARTRADER.

In either case, any losses resulting from STARTRADER closing your position will be debited to your Account. This may require you to provide additional funds to STARTRADER unless you are a retail client regulatorily protected from having negative account balances.

Margin Calls will be calculated and made on a "net account" basis that groups and nets the margin requirements across all your open positions and transactions. In other words, the unrealised profits of one transaction can be used or applied as Initial or Variation Margins or to offset the unrealised losses of another transaction.

You will only be allowed to deal in and maintain positions on the basis of cleared funds being provided for your Margin obligations or your net balance is in credit. Margin Calls can be made by STARTRADER at any time and you are responsible for ensuring that they are met.

STARTRADER has the right to limit the size of your open positions, whether on a net or gross basis under any circumstances determined appropriate by STARTRADER.

STARTRADER also has the right to refuse any request made by you to place an order to establish a position at any time at STARTRADER's discretion without having to give you any notice.

STARTRADER is regulatorily required to begin at least partially unwinding immediately, without warning and however it sees fit any retail client's account's positions whenever the margin required to support those positions rises above 50% of margin available in the account.

ASIC PRODUCT INTERVENTION ORDER - LEVERAGE RESTRICTIONS FOR RETAIL CLIENTS

From 29 March 2021, the Australian Securities and Investments Commission (ASIC) introduced new leverage restrictions for CFDs offered to retail clients. These restrictions are designed to reduce the risk of significant losses for retail clients trading CFDs.

Under the ASIC Product Intervention Order, the maximum leverage ratios and corresponding margin requirements that apply to retail clients for different underlying asset classes are:

1. **Major Currency Pairs):**
 - Maximum leverage: 30:1
 - Minimum margin requirement: 3.33% of the notional value
2. **Minor Currency Pairs, gold, or a major stock market index:**
 - Maximum leverage: 20:1
 - Minimum margin requirement: 5% of the notional value
3. **Commodities (excluding gold) and Minor Stock Market Indices:**
 - Maximum leverage: 10:1
 - Minimum margin requirement: 10% of the notional value
4. **Crypto-assets:**
 - Maximum leverage: 2:1
 - Minimum margin requirement: 50% of the notional value
5. **Shares and Other Assets:**
 - Maximum leverage: 5:1
 - Minimum margin requirement: 20% of the notional value

The leverage ratio limits take into account any leverage inherent in an underlying reference asset (e.g. a CFD on a futures contract, an option contract or a leveraged exchange-traded fund)

These restrictions limit the leverage that STARTRADER can offer to retail clients trading CFDs over different assets. For example, if you are a retail client trading a CFD over a major currency pair, the maximum leverage available to you is 30:1, and you will be required to maintain a minimum margin of 3.33% of the notional value of your position.

It is important to note that these leverage restrictions apply only to retail clients. Wholesale (non-retail) clients may be offered higher leverage ratios, subject to STARTRADER's internal risk management policies.

16. MARGIN FX TRADING EXAMPLE

Please note: this section applies to Margin FX Contracts ONLY

The current STARTRADER quote for EUR/USD is 1.1500. You place an opening trade to buy 10 lots of EUR/USD Margin FX at the market offer price, in this case 1.1500. Each lot has a notional value of US\$100,000 following the exchange-traded markets' convention. This means that for every 0.0001 change in the EUR/USD the profit or loss position will change by 10 US dollars. Checking the EUR/USD 'market information' page on the platform reveals that the margin requirement on the currency pair is 1% of the notional value.

Opening trade: Buy 10 lots of EUR/USD Margin FX at 1.1500

Notional value of trade: $1.1500 / 0.0001 \times 10$ Margin FX lots = US\$1,150,000

(Alternatively, Notional value of trade: $1.15 \times 100,000 \times 10$ = US\$1,150,000)

Margin requirement: $US\$1,150,000 \times 1\%$ = US\$11,500

Over the trading session, the EURO/USD moves against you – down to 1.1400. This is near the level where you're expecting to stop your loss, so you decide to close the trade by selling 10 Margin FX lots at the bid price 1.1400.

Closing trade: Sell 10 EUR/USD Margin FX lots at 1.1400

Profit (Loss) calculation: $(1.1500 - 1.1400) \times 10,000 \times 10$ Margin FX lots = (US\$10,000)

(Alternatively, Profit (Loss) calculation $(1.15 - 1.14) \times 10 \times 100,000$ = (US\$10,000)

Your trade has resulted in a loss of US \$10,000.

**You neither pay nor receive financing charges if the trade was opened and closed on the same day.*

Your P&L

Your percentage return on investment on this trade is a US\$10,000 loss divided by US\$11,500 (initial margin) = 87%

Compare this to the underlying percentage price change $(1.15 - 1.14) / 1.15$ which is less than 1%

Retail Clients

As Australian retail clients are only allowed to have leverage of 20:1 for minor currency pairs this trade would look:

The current STARTRADER quote for EUR/USD is 1.1500. You place an opening trade to buy 10 lots of EUR/USD Margin FX at the market offer price, in this case 1.1500. Each lot has a notional value of US\$100,000 following the exchange-traded markets' convention. This means that for every 0.0001 change in the EUR/USD the profit or loss position will change by 10 US dollars.

The regulated minimum margin requirement for a major pair is 5% (ie 20:1 leverage)

Opening trade: Buy 10 lots of EUR/USD Margin FX at 1.1500

Notional value of trade: $1.1500 / 0.0001 \times 10$ Margin FX lots = US\$1,150,000

(Alternatively, Notional value of trade: $1.15 \times 100,000 \times 10 = \text{US\$}1,150,000$)

Margin requirement: $\text{US\$}1,150,000 \times 5\% = \text{US\$}57,500$

Over the trading session, the EURO/USD moves against you – down to 1.1400. This is near the level where you're expecting to stop your loss, so you decide to close the trade by selling 10 Margin FX lots at the bid price 1.1400.

Closing trade: Sell 10 EUR/USD Margin FX lots at 1.1400

Profit (Loss) calculation: $(1.1500 - 1.1400) \times 10,000 \times 10$ Margin FX lots = (US\$10,000)

(Alternatively, Profit (Loss) calculation $(1.15-1.14) \times 10 \times 100,000 = (\text{US\$}10,000)$)

Your trade has resulted in a loss of US \$10,000.

**You neither pay nor receive financing charges if the trade was opened and closed on the same day.*

Your P&L

Your percentage return on investment on this trade is a US\$10,000 loss divided by US\$57,500 (initial margin) =17.4%

Compare this to the underlying percentage price change $(1.15-1.14)/1.15$ which is less than 1%

17. CFD TRADING EXAMPLE

Please note: this section applies to CFDs ONLY

Placing a trade

The WS 30 INDEX is trading at 26,000. You think that the WS 30 INDEX price is going to rise in value so you decide to go long and buy 1 WS30 contract at US\$26,000. Your position value, therefore, is US\$26,000.

Margin required

The margin requirement on the WS 30 INDEX in this example is 10%, therefore the initial margin required is US\$2,600. Should the equity you maintain fall due to market conditions below US\$2600, you are at risk of a margin call and automatic liquidation of your position.

Your open position

You now hold a position of 1 WS 30 INDEX contract at US\$26,000

Later that day the WS 30 INDEX moves to 25,500 so you decide to sell 1 WS 30 INDEX CFD at 25,500.

Closing the position

In this example you closed the position within the same day as opening and did not hold it overnight therefore there is no financing charge and because your account in this example is not charged a commission there is no commission charge.

Your gross loss is, therefore, $US\$26,000 - US\$25,500 = US\$500$.

Your P&L

Your percentage return on investment on this trade is a US\$500 loss divided by US\$2,600 (initial margin) = 19%

Compare this to the underlying percentage price change $(US\$15,000 - US\$14,500) / US\$15,000$ which is just 1.9%

Retail clients enjoy the same example in this case. That is because the regulatorily imposed leverage restrictions for stock market indices of 15:1 is equivalent to a margin requirement of 6.67% (ie 1/15%). That is less than the 10% required in the above example.

18. FUNDING YOUR ACCOUNT

You may transfer funds to us using any of the following methods:

- Bank transfer
- Credit card

- Online payment gateways and e-money services. (As updated from time to time in our Standard Settlement Instructions).

In no circumstances do we accept cash deposits.

When transferring funds to STARTRADER you must ensure that the funds are appropriately referenced with your Account number to enable us to easily identify your funds and apply them to your Account promptly. All payments made to STARTRADER must be free of any withholding tax or deduction.

STARTRADER will only act on funds that have cleared, so we recommend that you maintain sufficient margin in your account at all times to maintain your open positions.

STARTRADER does not accept funds transferred to your account from third parties, so it is your obligation to ensure that all funds transferred to us are from the bank account you have nominated in your Application. We may, in our absolute discretion, without creating an obligation to do so, return any funds transfer or cheque received from a third party back to the account from which it was transferred.

Please note STARTRADER is also required to return any funds due to you to your account, and will not under any circumstances make any payments to third parties on your behalf.

STARTRADER is registered with Austrac, the Australian anti-money laundering and terrorism finance agency, and complies fully with its operating and reporting obligations.

STARTRADER will not accept any liability or responsibility for any losses that you may suffer as a result of, or arising out of, or in connection with, us returning any transfer of moneys or cheque from a third party, including any losses incurred by you because you are subsequently in default of your obligations under the Account Application Terms & Conditions.

19. **ORDER TYPES**

STARTRADER accepts Margin FX and CFD transaction order instructions via the electronic trading platform and will not ordinarily accept order instructions via telephone. However, should we, in exceptional circumstances, accept your trade order by telephone, your instructions to open or close a trade must be given to our representative during the same telephone conversation in which the quote was given. We will not accept an order another manner such as being left with other employees, on an answering machine or on a voice mail facility.

19.1 **STOP-LOSS ORDER**

A stop-loss order is an order placed to limit the loss on an open position and can be used on many of our Margin FX and CFD contracts. Stop-loss orders must be placed a minimum distance from STARTRADER's current bid and offer prices. The minimum distance for a stop-loss order for each will be advised to you upon request.

A stop order can be seen as a "resting" market order. The order will become active when the price specified as the strike price in the stop order has been traded in the market. The

stop order will then be converted into a market order. The stop order becomes a market order when the stop price is equal to the last traded price in the relevant market. The process of the fill will be precisely as described under the order type.

A stop-loss order can be placed on the online trading platform. Two forms of stop-loss orders are available currently, namely, a stop-loss order at a set price, and a trailing stop-loss order. A trailing stop-loss order enables you to have a stop-order at a set distance to the market such that as the market moves away from the stop-order's strike price, that strike price will be adjusted in the steps defined when the order was placed. However, if the market moves towards the trailing stop order's strike price the order will remain at its initial strike price.

For example, if you want to protect a long position in EUR-USD that you bought at 1.1500, you can place a trailing stop to sell at 1.1300, with a distance to market of 0.02 and a step of 0.01. Then if EUR-USD moved to 1.1650, the strike price of the stop-order will be adjusted to 1.1450. If EUR-USD moves to 1.1700, the strike price will be adjusted to 1.1500 and so forth. Subsequently, when EUR-USD moves down to 1.1500, your stop order will be triggered and routed as a market order.

Stop-loss orders placed on long index CFDs will be filled if the underlying index trades at prices equal to or below the price at which you have placed your stop-loss order subject to there being sufficient liquidity in the underlying security.

Your stop-loss orders may be filled at prices below or above those at which you have placed your stop-loss order.

STARTRADER will execute a stop-loss order once the following conditions are met:

- STARTRADER's offer price has reached the order price in the case of a buy order or STARTRADER's bid price has reached the order price in the case of a sell order and;
- The relevant underlying market has traded at or through the level at which the order is placed, in sufficient size that STARTRADER could have replicated the order.

STARTRADER will not execute stop-loss orders based on crossings or special trades that have gone through the underlying market.

If the relevant underlying market, and therefore our CFD or Margin FX price, gaps through the stop level then the order will be executed at the next available price at which the order could have reasonably been executed.

As the markets are constantly moving 24 hours a day, you are able to place a 'stop loss' on all open positions. Whilst this allows you to control potential losses should the market move against you, in most circumstances, stop-loss orders may not always limit your losses the way you anticipate. There are no guarantees in relation to stop-loss orders, and due to the speed at which prices can move, they may be affected at a different price (known as slippage) or not at all.

There are no additional fees or charges associated with placing stop-loss orders (only the disclosed commission, if any, regarding the executed transaction if the order is triggered).

19.2 LIMIT ORDERS

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

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

19.3 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 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.

19.4 TRAIL STOP ORDERS

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.

The above order types may be subject to change from time to time. It remains your sole responsibility to familiarise yourself with the order types and their functionality. If you are not sure how they work, please contact our representative for more information.

20. APPLICATION TERMS AND CONDITIONS

In order to open an account, you are required to sign our Account Application Terms & Conditions. This is an important legal document containing the terms and conditions which govern our relationship with you in addition to this PDS. It is provided to you separately by STARTRADER.

We recommend that you consider seeking independent professional advice before entering into the Account Application Terms & Conditions, as the terms and conditions detailed therein are important and affect your dealings with us.

We note the following key terms in the Account Application Terms & Conditions, some of which have been summarised throughout this PDS:

- Client acknowledgements regarding knowledge and suitability of Margin FX and CFD products;
- Client representations and warranties;

- Client account operating details;
- Margin FX and CFD trading requirements;
- Margin requirements and STARTRADER's rights in respect thereof;
- Client obligations regarding Confirmations (discrepancies);
- Process for closing out a trade, and STARTRADER's rights in relation to price calculation;
- Interest payable/receivable on open positions;
- Scalping;
- Requirements regarding the appointment of authorised persons by the client;
- Default events;
- STARTRADER rights following a default event;
- Amendment and termination rights;
- Client Indemnity in favour of STARTRADER
- STARTRADER's limitation of liability;
- Fees and charges;
- Restrictions on assignment of agreement;
- Telephone recordings;
- Provision of general advice;
- Governing law (NSW); and
- Electronic trading platform conditions/process.

21. **CLIENT MONIES**

All money deposited will be held by STARTRADER in one or more segregated client trust accounts (which are separate to STARTRADER's monies/assets) it must maintain pursuant to the Corporations Act. Please note that individual client accounts are not separated from each other, but will be co-mingled into one segregated account.

STARTRADER does not use retail or sophisticated investor client money to margin, guarantee, secure, transfer, adjust or settle dealings in derivatives on behalf of people other than you. Please note that if you are a wholesale client (as defined by Australian regulations) monies provided by you to meet margins, deposits, fees, transaction settlements, or other costs may be immediately on-forwarded from the segregated account by STARTRADER to our licensed third party clearing and execution providers, and applied against margin, exchange, fee and settlement obligations. STARTRADER will be using house funds for those purposes as well.

Client monies which are held pending future transactions and payments are held in our segregated account in accordance with the Corporations Act. It is important to note that holding your money in one or more segregated client trust accounts may not afford you absolute protection.

STARTRADER does not accept payments from or make payments to any third parties. In accordance with Australian anti-money laundering regulations, STARTRADER reports, where necessary, any suspect transactions to AUSTRAC.

STARTRADER is entitled to retain all interest earned on client moneys held in segregated accounts with a bank or Authorised Deposit-taking Institution. The rate of interest earned by STARTRADER on this account is determined by the provider of the deposit facility. Similarly, STARTRADER is entitled to invest any of your money held in any segregated trust account as permitted by the Australian Client Money Rules. On realisation of an investment of your moneys, the initial capital invested must either be invested in another investment or deposited into the segregated trust account. In the event the amount received upon realisation of an investment of your moneys is less than the initial capital invested, STARTRADER will pay an amount equal to the difference into a segregated trust account for the benefit of you. STARTRADER is solely entitled to any earnings or money additional to the initial capital invested derived from the investment of the funds by STARTRADER. No fee is charged for investing your moneys in accordance with 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 we lose our Australian Financial Services Licence, become insolvent, merge with another licensee or cease to carry on some or all of the activities authorised by the licence, customer money held by us or an investment of customer money, will be dealt with as follows:

- the money in the account is to be paid in the following order:
 - money that has been paid into the account in error;
 - the next payment is payment to each person who is entitled to be paid money from the account;
 - 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
 - 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.

We are entitled to keep hold of your funds in your account to cover any margin or any other funds due, including without limitation, cheque or credit card payments, unrealised 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.

Client trades can only be placed when there are cleared funds in the client's account. Accordingly, no scenario is anticipated which would result in a shortfall in the client trust account.

Furthermore, segregated accounts may not protect your moneys from a default in the segregated customer accounts. For example, should substantial market moves result in the failure of other clients and/or the failure of STARTRADER, there may be a deficit in the

segregated accounts. If we become insolvent, you will be an unsecured creditor in relation to the balance of the moneys owing to you.

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 will then assess all proofs of debts to determine which creditors are able to share in the assets of the company, and to what extent depending on the amounts owing to them and any priority they may have to be paid.

You agree that, in the event that there has been no movement on your trading Account balance for a period of at least six (6) years (notwithstanding any payments or receipts of charges, interest or similar items) and STARTRADER is unable to trace you despite having taken reasonable steps to do so, STARTRADER may release any money balances from the segregated account.

22. TAXATION

22.1 Introduction

If you trade in Margin FX or CFDs, you may be subject to Australian taxation. This section outlines general information about significant Australian income tax and GST implication of trading derivatives.

The information contained in this section is of a general nature only and is not intended to constitute legal or taxation advice and should not be relied upon as such. The taxation implications of your transactions will depend on your own individual circumstances and STARTRADER recommends that you obtain independent professional taxation advice on the full range of taxation implications applicable to your own personal facts and circumstances.

Taxation laws are complex in nature and their interpretation and administration may change over the term of your transacting. We will not advise you of any changes in taxation laws should they occur. You must take full responsibility for the taxation implications arising from your own transacting, and any changes in those taxation implications during the course of your transacting.

The information provided below is for Australian resident investors only and is based on interpretation of taxation laws in Australia current as at the date of this PDS. If you are not an Australian resident, you should consult a taxation advisor in your own jurisdiction to determine the tax consequences of transacting in derivatives.

The information in this section is based on the assumption that you will hold derivatives on revenue account. This means that you will be carrying on a business of trading or transacting these financial products, and/or you will enter into them for the purpose of making profits. We have not considered the taxation position if you enter into derivatives for the purposes of hedging risks associated with other securities or underlying assets held by you on capital account.

The availability of tax deductions or losses incurred as a result of transacting in derivatives to offset current and future year income will depend on your personal circumstances and

you will need to seek advice from your tax advisor in this regard.

22.2 Tax Consequences of Transacting in Margin FX Contracts and CFDs

The ATO has not issued any specific Tax Ruling or Determination in respect of Margin FX. However, they are similar in nature to CFDs in that they are both derivatives which provide the investor with exposure to price movements in underlying assets traded on markets, without directly investing in those underlying assets.

The taxation of CFDs is set out in ATO Tax Ruling TR 2005/15. TR2005/15 therefore should provide some guidance on the taxation treatment of both Margin FX and CFDs. Under TR2005/15, if you enter into a contract exposing you to future price movements in markets in the ordinary course of your business or for profit-making purposes, it is likely that any profit derived or loss incurred by you will be included in, or allowed as a deduction from, your assessable income. Any profit or loss arising in respect of a Margin FX or CFD transaction should be included in your assessable income (or allowed as a deduction) at the time the profit or loss is 'realised' for tax purposes. Realisation will generally occur at the time the position is closed out (on expiry or sale).

22.3 Capital Gains Tax

Alternatively, Margin FX positions and CFDs may, depending on the circumstances of their use constitute a capital gains tax (CGT) asset held by you for the purposes of applying the CGT provisions to any capital gain or capital loss realised by you. However, to the extent that a gain arising as a result of a CGT event in relation to Margin FX or CFDs is included in your assessable income outside the CGT provisions (refer to Section 22.2 above) the capital gain resulting from the CGT event will be reduced. Similarly, to the extent that any loss incurred in respect of Margin FX or CFD transactions is deductible, the deductible amount will not contribute to a capital loss for you.

22.4 Treatment of Transaction Fees

Any daily financing fees credited to you are likely to be included in your assessable income at the time it is credited to your Account. If you do not provide your Tax File Number (or ABN) or proof of exemption, STARTRADER may be required to withhold tax from any payment at the top marginal tax rate.

The transaction fees payable upon purchase or close out of Margin FX and CFD positions will be deductible if the gain or loss on the transaction is assessable or deductible. If the gain or loss is a capital gain or loss, the transaction fees will form part of the cost base or incidental costs of disposal of the product.

22.5 Expenses

Certain expenses incurred by you in connection with trading in Margin FX or CFDs may be deductible to the extent that they are incurred for the purpose of deriving your assessable income. The deductibility of these expenses will depend on your own personal circumstances. You should obtain your own advice as to whether such expenses will be

deductible to you.

22.6 Taxation of Financial Arrangements

Taxation of Financial Arrangements (TOFA) rules set out the method by which gains and losses from financial arrangements will be brought to account for Australian tax purposes. The TOFA rules apply to financial arrangements held by certain investors whose assets or aggregated turnover exceeds specified thresholds and are typically very large or who have made an election to apply to TOFA rules to their financial arrangements. You should obtain your own advice as to whether the TOFA rules apply to you in relation to the taxation treatment of Margin FX and CFD transactions

22.7 Goods and Services Tax

No GST should be payable in relation to your trading of Margin FX or CFDs with STARTRADER. This is on the basis that they are considered to be 'financial supplies' under the *A New Tax System (Goods and Services Tax) Act 1999*. Consequently, they are input taxed and no GST is payable on their supply. However, GST may apply to certain fees and costs charged to you. You should obtain your own advice as to whether an input tax credit is available for any such GST, as it will depend on your personal circumstances.

23. DISCLOSURE OF INTERESTS

We do not have any relationships or associations which might influence us in providing you with our services. However, STARTRADER may share fees and charges with its associates or other third parties or receive remuneration from them with respect to your dealings with us, in accordance with the Corporations Act and ASIC Regulatory Guides.

In particular, STARTRADER is a market maker, not a broker, and accordingly will always act as principal for its own benefit in respect of all Margin FX and CFD transactions with you. STARTRADER may choose to hold the risk of transacting with you on its own books or it may conduct transactions to hedge its liability to you in respect of your Margin FX or CFD positions by undertaking transactions in the underlying markets. STARTRADER's hedging activities may impact (positively or negatively) the prices at which you may trade Margin FX and CFD products.

You may have been referred to us by a service provider who may receive financial or non-financial benefits from us. These should have been disclosed to you by the service provider in question. Please note that such benefits will be absorbed in the fees or the rates you will be offered for financial products or services undertaken with STARTRADER and not form a separate charge to you.

STARTRADER may also arrange for you to be supplied with financial services and products issued by non-related product providers. STARTRADER may receive a fee, commission payment or other remuneration or benefits from these non-related issuers as a result of you investing in, buying, or subscribing to one of their products or services. Any remuneration or benefits that STARTRADER may derive from non-related issuers is included in the fees and commissions agreed with you – you do not pay anything additional.

STARTRADER's trading activities may give rise to certain conflicts of interest with regard to your Account. Occasionally, STARTRADER officers and/or employees may take open market trading positions distinct from those of the investor. STARTRADER employees, officers and directors are paid based on profitability of STARTRADER, which may include earnings from STARTRADER's trading.

24. **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.

25. **LABOUR STANDARDS AND ENVIRONMENTAL, SOCIAL AND ETHICAL CONSIDERATIONS**

We do not take labour standards or environmental, social or ethical considerations into account when offering the Margin FX and CFD products.

26. **PRIVACY**

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

27. **DISPUTE RESOLUTION**

STARTRADER has an internal dispute resolution process in place to resolve any complaints or concerns you may have, as quickly and fairly as possible in the circumstances. Any complaints or concerns should be directed to the Complaints Officer by, email, letter or (not preferred) by telephone at the address, email, and telephone numbers provided in Section 2 of this PDS. We will seek to resolve your complaint within 45 days or such a further time period that may reasonably be required given the nature of the complaint. We will investigate your complaint, and provide you with our decision, and the reasons on which it is based, in writing.

If an issue has not been resolved to your satisfaction, you can lodge a complaint with the Australian Financial Complaints Authority or 'AFCA'. AFCA is Australia's external dispute resolution (EDR) scheme to deal with complaints from consumers in the financial system.

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

Website: www.afca.org.au

Email: info@afca.org.au

Telephone: 1800 931 678 (free call)

In writing to: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001

28. GLOSSARY

Below is a list and the meaning of some words used in this PDS.

Term	Definition
Account	Account of the client dealing in the products issued by STARTRADER, which is established in accordance with the terms and conditions of the Account Application Terms & Conditions
AFCA	Australian Financial Complaints Authority
AFSL	Australian Financial Services License
Account base Currency	Your account is maintained in the currency you have nominated, that is, the account base currency.
Business Day	A day (other than a Saturday or Sunday or public holiday) on which trading banks in Sydney, Australia are open for business.
Account Application Terms & Conditions	The agreement provided to you by STARTRADER, detailing the applicable terms and conditions as amended, supplemented or updated from time to time. You must complete, sign and return an Account Application Terms & Conditions, and have your account approved by STARTRADER in order to set up an account with STARTRADER to deal in products issued by STARTRADER. This document is also known as "Client Agreement" and "Account Application Terms & Conditions".
CFD	Contract for Difference
Confirmation	Document or documents confirming evidence exchanged between STARTRADER and the client, confirming the terms of the product transaction.
Corporations Act	Corporations Act 2001 (Cth) which governs the provision of financial services.
Deal	Has the same meaning as provided in the Corporations Act.

EST	Eastern Standard Time, Australia
FSG	STARTRADER's financial services guide as amended, supplemented or updated from time to time.
Initial Margin	An amount required to be deposited by the client with STARTRADER to open a Margin FX or CFD position.
LIBID	LIBID stands for London Interbank Bid Rate The rate charged by one bank to another for a deposit in the wholesale money markets in London in various currencies. Please note Libor and Libid are to be replaced from 2021 or so and these terms will apply to their successors
LIBOR	LIBOR stands for London Interbank Offer Rate. It is the rate of interest at which banks offer to lend money to one another in the wholesale money markets in London in various currencies. Please note Libor and Libid are to be replaced from 2021 or so and these terms will apply to their successors
Local Business Day	A day (other than a Saturday or Sunday or public holiday) when the Relevant Exchange is operating.
Margin	The Initial Margin or Variation Margin or both.
Margin Call	A demand for additional funds made to the client by STARTRADER to meet any additional margin requirement.
Margin FX	Margin foreign exchange
PDS	Product Disclosure Statement
Relevant Currency	the currency denominated by the Relevant Exchange or in which the Reference Security is quoted
Relevant Exchange	means, in relation to a Reference Security, the financial market on which the Reference Security is quoted. If a Reference Security is quoted on more than one financial market, STARTRADER will advise you of the Relevant Exchange for the purposes of the CFD, at the

	time the CFD is entered into.
Reference Security	means the underlying reference instrument or security that forms the subject of the CFD.
Term vs Base or primary reference Currency	Term, is currency of the position you have taken with reference to a base (or primary reference) currency eg EURUSD 1.20 means 1 Euro base (or primary reference) currency is presently worth 1.2 US Dollars of terms currency
TMD	TMD refers to the Target Market Determination as amended from time to time and issued under s994B Corporations Act 2001.
Variation Margin	The amount deposited by the client with STARTRADER including any increase or reduction arising from settlement of a closed position
We, Our, Us or STARTRADER	STARTRADER Prime Global Pty Ltd ACN 156 005 668, holder of AFSL No. 421210