



# Product Disclosure Statement

## Margin FX and CFD's

December 2020

Enclosed is a document you must read and understand as it forms part of the Agreement between you and INGOT Broker Limited. You should obtain your own independent financial advice as to whether Margin Contracts are appropriate for you.





Contents

<b>1.</b>	<b>INTRODUCTION AND DISCLAIMER</b> .....	<b>6</b>
1.1	Jurisdiction .....	6
1.2	Warning.....	7
1.3	Disclosure Benchmarks.....	7
1.4	Use of Examples .....	8
1.5	Anti-Money Laundering Legislation .....	8
1.6	Purpose and Contents of this Product Disclosure Statement.....	8
1.7	Name and Contact Details of Issuer/Service Provider.....	9
1.8	You can contact our office by any of the means listed below:.....	9
1.9	Representations.....	9
1.10	Nature of Advice we Offer .....	9
1.11	Client Categorisation.....	9
<b>2.</b>	<b>SUMMARY OF THE KEY ISSUES WHEN DEALING IN MARGIN FX CONTRACTS AND CFDS WITH INGOT BROKER LIMITED</b> .....	<b>10</b>
<b>3.</b>	<b>TRADING WITH INGOT BROKER LIMITED</b> .....	<b>18</b>
3.1	Applying to deal with us .....	18
3.2	Minimum initial account opening deposit.....	19
3.3	Minimum Total Equity .....	19
<b>4.</b>	<b>ONLINE TRADING STATEMENTS</b> .....	<b>20</b>
4.1	Delivery of confirmations and statements electronically.....	20
4.2	Operating your Account through the INGOT Broker Limited Platform.....	20
4.3	Daily Statements.....	20
4.4	Monthly Statements.....	21
4.5	Checking of confirmations .....	21
4.6	Checking of statements .....	21
<b>5.</b>	<b>ACCOUNT ADMINISTRATION</b> .....	<b>22</b>
5.1	Our administration charges.....	22
5.2	The currency balances in your Account .....	22
5.3	Interest received or charged on balances if your account is an interest or Swap bearing Account .....	22
<b>6.</b>	<b>SIGNIFICANT FEATURES OF DEALING IN DERIVATIVE PRODUCTS WITH INGOT BROKER LIMITED</b> .....	<b>23</b>
6.1	What is foreign exchange? .....	23
6.2	What is a Contract for Difference? .....	23
6.3	Types of CFDs Issued by Us .....	23
6.4	Nature of Margin FX Contracts and CFDs.....	24
6.5	How to enter into Margin FX Contracts and CFDs with INGOT Broker Limited .....	24
6.6	Fees and Charges.....	24
6.7	Adjustments for Dividends and other Corporate Actions.....	24
<b>7.</b>	<b>MARGIN FOREIGN EXCHANGE TRADING</b> .....	<b>26</b>
7.1	Long and Short Positions .....	26
7.2	Example of Margin FX trading.....	26
<b>8.</b>	<b>CFDs</b> .....	<b>27</b>
8.1	Opening a CFD .....	27
8.2	Closing a CFD .....	27
8.3	Criteria for adding CFDs .....	27

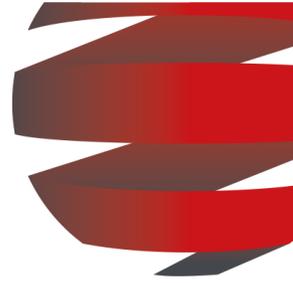




<b>9.</b>	<b>HOW YOU TRANSACT WITH US .....</b>	<b>28</b>
9.1	Establishing a position .....	28
9.2	Minimum Point Increment.....	28
9.3	Pricing.....	28
9.4	The INGOT Broker Limited Spread .....	29
9.5	Our prices may differ from those in the Underlying Market.....	29
9.6	Calculating Margin FX Profits and/or Losses .....	29
9.7	Calculating CFD Profits and/or Losses .....	30
9.8	Realised and Unrealised Profits and Losses.....	30
9.9	Margins and margin calls.....	30
9.10	Initial Margin.....	30
9.11	Examples of Margin Requirements.....	31
9.12	Total Equity balances.....	32
9.13	Profits and losses.....	33
9.14	Variation Margin.....	33
9.15	Change to Margin Percentage.....	33
9.16	Monitoring positions on mark to market basis .....	33
9.17	Notification of Margin Call .....	33
9.18	Margin Calls where several positions are open .....	34
9.19	Payment of Margin Calls .....	34
9.20	Failure to meet Margin Calls.....	35
9.21	Revaluation of Positions.....	35
9.22	Liquidation Level .....	35
9.23	Arbitrage, Scalping and Manipulation .....	35
<b>10.</b>	<b>FEES AND CHARGES WHEN DEALING IN MARGIN CONTRACTS .....</b>	<b>35</b>
10.1	Commissions .....	36
10.2	Rollovers .....	36
10.3	Settlement of Rollover Charges and Rollover Benefits.....	38
10.4	Overnight Financing for Share and Index CFDs .....	38
10.5	Conversion Fees.....	38
10.6	Interest charges applied to balances on interest or Swap bearing accounts .....	38
10.7	Stock Borrowing Costs .....	39
10.8	Administration charges.....	39
10.9	Interest.....	39
<b>11.</b>	<b>HOW ARE OUR MARGIN CONTRACTS AND CFDS TRADED? .....</b>	<b>40</b>
<b>12.</b>	<b>WORKING ORDERS.....</b>	<b>40</b>
12.1	Stop-loss Orders.....	40
12.2	Stop-entry Orders .....	41
12.3	Limit Orders .....	41
12.4	How to place market orders with us .....	41
12.5	Fees for placing market orders .....	41
12.6	Our right to impose orders .....	41
<b>13.</b>	<b>TRADING EXAMPLES.....</b>	<b>41</b>
13.1	Examples of Going Long in Margin FX.....	42
13.2	Examples of Going Short in Margin FX .....	48
13.3	Example of going long and going into margin call and termination.....	53
13.4	Example of Going Short on Share CFD with Margin Call .....	57



<b>14.</b>	<b>SETTLEMENT OR CLOSURE OF A POSITION.....</b>	<b>60</b>
	Single Position Closing .....	60
	Closing by Opposite Positions .....	60
<b>15.</b>	<b>SIGNIFICANT BENEFITS OF MARGIN FX CONTRACT AND CFD PRODUCTS.....</b>	<b>61</b>
15.1	Hedging.....	61
15.2	Speculation .....	61
15.3	Flexibility .....	61
15.4	CFDs.....	61
15.5	Market Position .....	61
15.6	Leverage .....	61
15.7	The INGOT Broker Limited Platform.....	61
<b>16.</b>	<b>SIGNIFICANT RISKS OF DEALING IN MARGIN FX CONTRACTS OR CFDs WITH INGOT BROKER LIMITED.....</b>	<b>62</b>
16.1	Loss of Moneys.....	62
16.2	Risk resulting from margin calls.....	62
16.3	Derivative Markets .....	63
16.4	Cryptocurrencies CFDs risks .....	63
16.5	Dealing may be affected by factors in the Underlying Market.....	63
16.6	Your account will be maintained in the currency that you have nominated: that is, the Base Currency.....	64
16.7	Loss caused by spread .....	64
16.8	Counterparty Risk.....	64
16.9	Not a regulated market.....	66
16.10	Regulatory changes .....	66
16.11	Systems risk.....	66
16.12	Changes in Margin Percentage .....	67
<b>17.</b>	<b>DEALING WITH YOUR MONEY.....</b>	<b>67</b>
17.1	Client Money .....	67
17.2	Protection afforded to Client Money.....	67
17.3	Warning about segregated accounts .....	67
17.4	What is an unsecured creditor? .....	68
<b>18.</b>	<b>DEFAULT POWERS .....</b>	<b>68</b>
<b>19.</b>	<b>CLIENT AGREEMENT.....</b>	<b>68</b>
<b>20.</b>	<b>DISCRETIONS .....</b>	<b>69</b>
<b>21.</b>	<b>LIMITATIONS ON LIABILITY .....</b>	<b>69</b>
<b>22.</b>	<b>TAXATION CONSIDERATIONS.....</b>	<b>69</b>
<b>23.</b>	<b>COOLING-OFF ARRANGEMENTS.....</b>	<b>69</b>
<b>24.</b>	<b>SECURITY.....</b>	<b>69</b>
<b>25.</b>	<b>SUPERANNUATION FUNDS .....</b>	<b>70</b>
<b>26.</b>	<b>DISCLOSURE OF ANY RELEVANT CONFLICTS OF INTEREST .....</b>	<b>70</b>
<b>27.</b>	<b>REMUNERATION AND OTHER BENEFITS RECEIVED BY OUR EMPLOYEES.....</b>	<b>71</b>
<b>28.</b>	<b>CLIENTS MAY BE TREATED DIFFERENTLY .....</b>	<b>71</b>
<b>29.</b>	<b>SHARING OF COMMISSIONS AND OTHER AMOUNTS .....</b>	<b>71</b>
<b>30.</b>	<b>REFERRAL BENEFITS FOR OTHER SERVICES PROVIDERS .....</b>	<b>71</b>
<b>31.</b>	<b>MAKING A COMPLAINT .....</b>	<b>71</b>
<b>32.</b>	<b>OUR PRIVACY POLICY .....</b>	<b>72</b>
<b>33.</b>	<b>RECORDING OF TELEPHONE CALLS/COMMUNICATION .....</b>	<b>72</b>
<b>34.</b>	<b>INTERPRETATION AND GLOSSARY .....</b>	<b>72</b>



Interpretation ..... 72  
Glossary ..... 72





## 1. INTRODUCTION AND DISCLAIMER

This Product Disclosure Statement (**PDS**), which was last updated on December 2020 has been prepared and issued by INGOT Broker Limited, (INGOT Broker), (Company number: 24172 IBC 2017) (**we, our or us**). It provides you with key information about our Contract for Difference (CFDs) and margin foreign exchange contracts (Margin FX), together referred to as “Margin Contracts”.

This PDS explains everything you need to know about the products we can offer you. It is designed to:

- provide you with the information you need to determine whether the products we offer are appropriate for your needs;
- explain the terms and conditions, rights and obligations associated with our products; and
- help you to compare products.

The information contained in this PDS does not constitute a recommendation, advice or opinion and does not consider your individual objectives, financial situation, needs or circumstances. This is an important document and should be read in its entirety before entering into a financial product agreement with us. We provide a copy of the PDS upon request.

This PDS should not be read in place of the Client Agreement and any other additional terms and conditions you may be bound by. It is necessary you read and understand the PDS as well as the Client Agreement which you will be bound by when you decide to use our services.

The information in this PDS is current as December 2020 and may be updated from time to time where that information is not materially adverse to clients. We may issue a supplementary or replacement PDS as a result of certain changes, which will be available upon request by contacting us.

For information regarding our full range of products and services, please read our Financial Services Guide. If you have any queries, please contact us via live chat or by e-mail.

### 1.1 Jurisdiction

INGOT Broker Limited does not accept applications from residents where it is contrary to local law or regulation. The distribution of this PDS may be restricted in certain jurisdictions outside Saint Vincent and the Grenadines. Persons into whose possession this PDS comes are required to inform themselves of such restrictions. This PDS does not constitute an offer or solicitation to anyone in any jurisdiction in which such an offer is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

If you are dealing with us, you should note:

- the law governing your dealings with us is the civil law of Saint Vincent and the Grenadines;
- your rights against us are restricted as set out in the Client Agreement;





- funds which you deposit with us are not loans to us, and will be regulated by INGOT Broker Limited relevant rules;
- Times are GMT times, unless stated otherwise.

### 1.2 Warning

The financial products offered by us in this PDS are derivatives.

*You should not engage in derivative transactions or enter into derivative related contracts unless you properly understand the nature of derivative related 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 Contract or CFD to ensure this is appropriate for your objectives, needs and circumstances and in relation to the impact of any gains or losses on your particular financial situation.*

### 1.3 Disclosure Benchmarks

Seven disclosure benchmarks for over-the-counter margin foreign exchange and contracts for difference are set out below. Product disclosure statements must address the benchmarks on an “if not, why not” basis. The table below sets out INGOT Broker Limited’ disclosure against the benchmarks for this PDS:

Benchmark	Meets Benchmark	Explanation
1. Client Qualification	Yes	On application, INGOT Broker Limited assesses a potential client’s qualifications and experience to ascertain the suitability of our products. This is determined by Trading Experience, Q&A or a Relevant Training Course. See section 3.1 Applying to Deal with us for more information
2. Opening Collateral	No	The benchmark suggests accepting credit card payments with a limit of \$1,000. We accept more than that as collateral for funding the Account. See section 3.2.
3. Counterparty Risk – Hedging	Yes	INGOT Broker Limited maintains a written policy and actively manages its exposure to market risk from open positions. See section 16.8 Counterparty Risk and the risks section of our website for more information.
4. Counterparty Risk – Financial Resources	Yes	INGOT Broker Limited maintains and applies policies to ensure that it meets the financial requirements of its licence. We maintain an adjusted surplus funds buffer for such occurrences. See section 16.8 Counter Party risk. Financial stress tests are done on adverse movements on instruments to monitor such risks.
5. Client Money	Yes	INGOT Broker Limited has Client Money procedures and holds all client moneys in bank accounts and covering accounts on a segregated basis. See section 17.1/2/3/4 Dealing With Your Money for more information.





6. Suspended or halted underlying Assets	Yes	There is no trading in positions with INGOT Broker Limited when there is a trading halt in an Underlying Reference Instrument. See section 16.3 Derivative Markets and section 20 Discretions for more information.
7. Margin Calls	Yes	INGOT Broker Limited has a clear policy in relation to margin calls and our rights to close out or reverse positions. See sections 9.17-9-20 Margin Calls for more information.

**INGOT Broker Limited as the issuer of these financial products will continue to meet these benchmarks on an ongoing basis.**

#### **1.4 Use of Examples**

The use of examples in this PDS is provided for illustrative purposes only and does not necessarily reflect current or future market prices or the prices that we will apply to trade; nor how such trades have an impact on your personal circumstances.

#### **1.5 Anti-Money Laundering Legislation**

You acknowledge that we may require further information from you from time to time to comply with the Anti- Money Laundering and Counter-Terrorism Financing regulations and/or policies (AML/CTF). By entering into this Agreement, opening an account and transacting with us, you undertake to provide us with all additional information and assistance that we may reasonably require to comply with the AML/CTF regulations and/or policies.

You also warrant that:

- (a) You are not aware and have no reason to suspect that: (i) the moneys used to fund your transactions have been or will be derived from or related to any money laundering, terrorism financing or other illegal activities, whether prohibited under Saint Vincent and the Grenadines law, international law or convention or by agreement; or (ii) the proceeds of your investment will be used to finance any illegal activities; and
- (b) Neither you nor your directors, in the case of a company, are a politically exposed person or organization as the term is used in the Anti- Money Laundering and Counter Terrorism Financing regulations and/or policies.

#### **1.6 Purpose and Contents of this Product Disclosure Statement**

This PDS is designed to provide you with important information regarding our range of financial products, including the following information:

- Who we are;
- How you can contact us;
- Which products we are authorised to offer;
- Key features, risk and benefits of these products;



- Fees and charges for these products;
- Any potential conflicts of interest we may have; and;
- Our internal and external dispute resolution process.

### **1.7 Name and Contact Details of Issuer/Service Provider**

INGOT Broker Limited is the issuer of this PDS and the financial product provider.

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

The Financial Services Centre Stoney Ground, Kingstown St. Vincent & the Grenadines Phone: +1646-971-9620

Email: [customerservice@ingotbrokers.com](mailto:customerservice@ingotbrokers.com)

Or live chat with one of our representatives on our website.

### **1.9 Representations**

The information contained in this PDS is general advice only and does not consider your particular financial objectives, needs and circumstances. You should obtain your own professional advice to ensure you fully understand the nature and risks of these products and determine their suitability for your situation.

### **1.10 Nature of Advice we Offer**

We are the issuer of this PDS and hold a Licence which authorises us to provide the following financial services to retail and wholesale clients:

- Provide general financial product advice regarding CFDs and Margin FX contracts;
- Deal in CFDs and Margin FX contracts; and
- Make a market in CFDs and Margin FX contracts.

As pointed out above, our financial products are “derivatives”.

*In general, we provide general advice and neither collect, nor take into consideration, information regarding your financial circumstances and needs. It is recommended that you take all reasonable steps to fully understand the outcomes of our financial products and strategies adopted in relation to utilising the general information provided by us to you. You should obtain financial, legal, taxation or other professional advice.*

### **1.11 Client Categorisation**

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



## 2. SUMMARY OF THE KEY ISSUES WHEN DEALING IN MARGIN FX CONTRACTS AND CFDS WITH INGOT BROKER LIMITED

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

Issue	Summary	For more detail
<b>Who is the issuer of this PDS, the Margin FX Contracts and the CFDs?</b>	INGOT Broker Limited is both the issuer of this PDS and the provider of Margin FX Contracts and CFDs.	
<b>What is a foreign exchange transaction?</b>	Foreign exchange is about exchanging one currency for another. In a foreign exchange transaction one currency is bought or sold in exchange for another currency.	<b>Section 6.1</b>
<b>What financial products do we provide?</b>	Margin FX Contracts and CFDs on: equities, indices, commodities, FX Futures, Exchange Traded Funds, and Cryptocurrencies.	





<p><b>What are Margin Contracts?</b></p>	<p>A Margin Contract is an agreement under which you may make a profit or incur a loss arising from fluctuations in the price of the contract. The price of our Margin Contracts is based on the price of an underlying Instrument. However, you do not own that Underlying Instrument or trade it on an exchange by owning a Margin Contract.</p> <p>By entering into a Margin Contract, you are either entitled to be paid an amount of money or required to pay an amount of money depending on movements in the price of the contract, i.e. the Underlying Instrument.</p> <p>The amount of any profit or loss made on a Margin Contract will be the net of:</p> <ul style="list-style-type: none"> <li>▪ The difference between the price of the contract when the position is opened and the price of the contract when the position is closed, after taking the leverage effect into account;</li> <li>▪ Any Margin or Corporate Actions adjustments in respect of the contract;</li> <li>▪ Any Rollover Charges and Rollover Benefits relating to the contract.</li> </ul> <p>The balance in your Account will also be affected by other amounts you must pay to us in respect of your Account such as interest to be debited or credited from or to your balances if you hold an Interest or Swap bearing account. The amount of any profit or loss made on a Margin FX contract will be the net of the difference between the price of the sold contract and the bought contract.</p>	
--	---	--





<p><b>What is a CFD?</b></p>	<p>A contract for difference or CFD is an agreement which allows you to make a profit or loss from fluctuations in the price of the contract, i.e. the Underlying Asset. The price of the CFD is based on the price of an underlying instrument; for example, a share on an exchange. However, you do not own that Underlying Instrument or trade the instrument on an exchange by owning a CFD. By entering a CFD, you are either entitled to be paid an amount of money, or required to pay an amount of money, depending on movements in the price of the CFD. The amount of any profit or loss made on a CFD will be the net of:</p> <ul style="list-style-type: none"> <li>▪ The difference between the price of the CFD when the CFD position is opened and the price of the CFD when the CFD position is closed;</li> <li>▪ Any margin or Corporate Actions adjustments made in respect of the CFD;</li> <li>▪ Any Rollover Charges, Rollover Benefits, Financing Charges and Financing Benefits relating to the CFD.</li> <li>▪ The balance in your Account will also be affected by other amounts you must pay to us in respect of your Account such as exchange fees and interest.</li> </ul>	
<p><b>What is a Position?</b></p>	<p>Buying or selling a Margin Contract entered into by you under the Client Agreement.</p>	
<p><b>A Margin FX Contract or CFD is issued “over the counter”. What does this mean?</b></p>	<p>Over the counter (“OTC”) means that you do not trade in Margin FX Contracts or CFDs through an exchange or market; rather, it is a transaction between you and us. This means you can only enter into contracts in relation to our products with us. You do not have the protections normally associated with trading on a regulated market. It is not possible to close a Margin FX Contract or CFD by giving instructions to another provider, broker or financial services licensee.</p>	





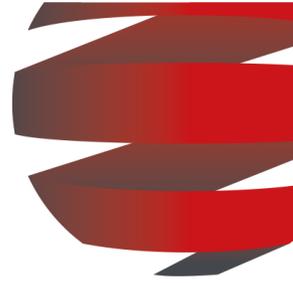
<p><b>What charges are payable when dealing in Margin FX Contracts?</b></p>	<p>The common fees and charges you will incur when dealing in Margin Contracts may incorporate any or all the following:</p> <ul style="list-style-type: none"> <li>▪ Payment of Margins;</li> <li>▪ Margin adjustments;</li> <li>▪ Rollover Charges calculated at our Rollover Rates;</li> <li>▪ Interest charges applied to debit balances in your Account if applicable;</li> <li>▪ Administration charges; and</li> </ul> <p>In addition, we will apply a bid / offer spread in respect of financial products, which will also affect the profits or losses you make when dealing with these contracts.</p>	
<p><b>What charges are payable when dealing in CFDs?</b></p>	<p>The common fees and charges when dealing in CFDs may incorporate any or all the following:</p> <ul style="list-style-type: none"> <li>▪ Margin adjustments and Financing Charges;</li> <li>▪ Rollover Charges calculated at INGOT Broker Limited Rollover Rates;</li> <li>▪ Interest charges applied to debit balances in your Account;</li> <li>▪ Exchange fees;</li> <li>▪ Administration charges; and</li> <li>▪ Commissions</li> </ul> <p>In addition, we will apply a bid / offer spread in respect of our CFDs, which will also affect the profits or losses you make when dealing in CFDs.</p>	
<p><b>How do I open an Account?</b></p>	<p>Read this PDS, Client Agreement, FSG and other terms and then complete an Application Form.</p> <p>You may obtain these documents by:</p> <p>Telephoning us on +1646-971-9620</p> <p>Visiting our website at <a href="http://www.ingotbrokers.com">www.ingotbrokers.com</a></p>	<p><b>Section 3</b></p>
<p><b>What is the minimum balance to open an account?</b></p>	<p>USD\$100 or its currency equivalent for Clients.</p> <p>Unless otherwise specified, all dollar amounts referred to in this PDS are denominated in United States Dollars.</p>	





<p><b>How do you deal in Margin FX Contracts or CFDs with us?</b></p>	<p>You may place orders to deal in Margin FX Contracts or CFDs in two ways: By telephoning on +1646-971-9620; or Using the INGOT Broker Limited Platform through a computer connected to the internet or your mobile telephone.</p> <p>We will not accept orders or instructions from you through any other means, such as email, unless we have previously agreed with you to do so.</p> <p>It is possible for a third party to place orders on your behalf provided that a written Power of Attorney or authority has been received and accepted by us.</p>	<p><b>Section 9</b></p>
<p><b>What are “long” and “short” positions?</b></p>	<p>You go “long” when you buy a Margin FX Contract or CFD or place an order to open a Position in the expectation that the price of the Underlying Instrument will increase, which would have the effect that the Position’s price will increase.</p> <p>You go “short” when you sell a Margin FX Contract or CFD or place an order to open a Position in the expectation that the price of the Underlying Instrument will decline, which would have the effect that the Position price will decline. If this occurs, because you have sold a Margin FX Contract or CFD (rather than bought a Margin FX Contract or CFD), you will make a profit if you closed the position at this point, subject to our fees and charges.</p>	
<p><b>How do I close-out a position?</b></p>	<p>You close a Position in a Margin Contract by closing out the existing positions.</p>	<p><b>Section 14</b></p>
<p><b>How do we deal with your money?</b></p>	<p>Moneys which you deposit with us will be regulated by our Money Rules.</p>	<p><b>Section 17.1</b></p>
<p><b>What is my “Total Equity”?</b></p>	<p>Your “Total Equity” is the aggregate of:</p> <ul style="list-style-type: none"> <li>▪ The current cash balance in your Account; and</li> <li>▪ Your current unrealised profits and losses.</li> </ul>	





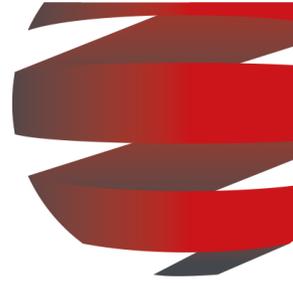
<p><b>What is my “Free Equity?”</b></p>	<p>Your “Free Equity” is your <i>Total Equity</i> less your current Total Margin Requirement including premiums (see below). The <i>Free Equity</i> is the amount that you may withdraw from your Account or use to cover additional Margin requirements.</p>	
<p><b>What is Margin?</b></p>	<p>Margin is initially the amount that you must have in your Account to enter into a Margin FX Contract or a CFD with us.</p> <p>The level of Margin required to open and maintain these contracts is called the “Initial Margin Requirement”. The sum of your Margin Requirements for all your open Positions is called the “Total Margin Requirement”.</p> <p>Margin Requirements will fluctuate with the value of the Underlying Instrument on which the contract is based. Further, where you deal in a contract that is denominated in a currency other than the Base Currency of your Account, your Margin Requirement may also be affected by fluctuations in the relevant foreign exchange rate.</p>	<p><b>Section 9.9</b></p>
<p><b>What is a Margin Call by us?</b></p>	<p>A Margin Call is a demand for additional funds to be deposited into your Account or a reduction in open position(s) to meet your Total Margin Requirement because of adverse price movements on your open Positions.</p>	<p><b>Section 9.9</b></p>
<p><b>How are payments made in and out of my Account?</b></p>	<p>You may deposit funds by payment gateways or electronic transfer. All funds must be Cleared Funds in your Account before they are treated as satisfying a Margin Call or can be made available for you to use in dealing in Margin FX Contracts or CFDs.</p> <p>Payments using electronic transfer are not Cleared Funds in your Account at the time of transfer. Generally, Cleared Funds are received</p>	





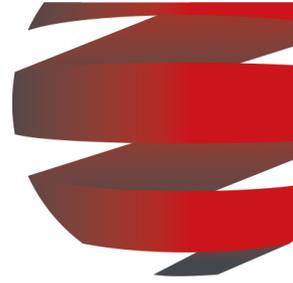
	in your Account 48 hours after transfer. We will pay you through electronic transfer.	
<b>Do I receive interest on moneys held in my Account or pay interest on moneys I owe to you?</b>	<p>If your account is an interest or Swap bearing account, interest may be paid on credit balances in currency ledgers on your Account, after deducting from your balance the Margin Requirements for Positions held and valued in that currency.</p> <p>This will apply only if the credit balance in your Account (aggregating the credit and debit balances of each currency ledger) is in excess of your Total Margin Requirements. The interest that you will incur will be determined by INGOT Broker Limited.</p> <p>Interest will be calculated separately on each currency ledger after deducting Margin Requirements for Positions held and valued in those currencies.</p> <p>We will charge interest on any debit balances in a currency ledger on your Account.</p> <p>Any amounts of interest payable to us will be deducted from any interest payable to you.</p>	<b>Section 10.6</b>
<b>Do I pay any Financing or Rollover Charges?</b>	You may be required if your account is an interest or Swap bearing account to pay a Financing or Rollover Charge on long Positions that remain open overnight. However, you should note that on occasions when you have long Positions in Margin FX Contracts and CFDs you may in fact receive Rollover Benefits.	<b>Section 10.2</b>
<b>Do I receive any Financing or Rollover Benefits?</b>	You may receive if your account is an interest or Swap bearing account a Financing Benefit or Rollover Benefit on short Positions that remain open overnight. However, you should note that on occasions when you have short Positions in Margin FX Contracts and CFDs you may in fact pay Rollover Charges.	<b>Section 10.2</b>





<p><b>What are the key benefits?</b></p>	<p>Some of the key benefits for each type of Margin Contract offered by us in this PDS are set out in section 15.</p>	<p><b>Section 15</b></p>
<p><b>What are the risks of Margin Contracts?</b></p>	<p>Margin Contracts are derivative products that are speculative, highly leveraged, and carry significantly greater risk than non-gearred investments such as shares. <b>You may incur losses to the extent of your total exposure to us and any additional fees and charges that apply. These losses may be far greater than the money that you have deposited into your Account or are required to deposit to satisfy Margin Requirements.</b></p> <p>You should obtain your own <b>independent financial, legal, taxation and other professional advice</b> as to whether Margin Contracts are an appropriate investment for you.</p> <p>The client should be aware that their risks include Counter Party risk, which is the risk of default of a third party. To decrease that risk, INGOT Broker Limited takes extra measures in evaluating this risk.</p>	<p><b>Section 16</b></p>
<p><b>What procedures are in place to deal with your complaints?</b></p>	<p>We provide complaints handling and dispute resolution process for our clients.</p>	<p><b>Section 31</b></p>
<p><b>What are the taxation implications of entering into Margin Contracts?</b></p>	<p>The taxation consequences of dealing in Margin Contracts depend on your personal circumstances. Some general taxation consequences are set out in section 22.</p> <p>The taxation consequences can be complex and will differ for everyone's financial circumstances. We recommend that you obtain independent taxation and accounting advice in relation to the impact of foreign exchange and CFD transactions and products on your particular financial situation.</p>	<p><b>Section 22</b></p>
<p><b>How do I learn to use the INGOT Broker Limited</b></p>	<p>We offer online tutorials on the use of the INGOT Broker Limited Platform, telephone support and attend trade seminars in the</p>	<p><b>Section 15.7</b></p>





<p><b>Platform and how to deal with you?</b></p>	<p>dealings with us. We also offer financial education courses. Contact our Customer Services for further details or visit our website, <a href="http://www.ingotbrokers.com">www.ingotbrokers.com</a>.</p>	
<p><b>What are your trading and office hours?</b></p>	<p><b>Trading Hours</b></p> <p>Trading hours for Margin Contracts will depend on the relevant Underlying Instrument Market's hours of operation and are set out on our website.</p> <p><b>Office Hours</b></p> <p>Our office and trading hours and general financial practices are set out on our website, subject to public holidays, to service your account.</p>	
<p><b>What if I need further information?</b></p>	<p>You should speak to your financial advisor, or, alternatively, you can contact us by:</p> <ul style="list-style-type: none"> <li>▪ Telephone: +1646-971-9620</li> <li>▪ E-mail: <a href="mailto:customerservice@ingotbrokers.com">customerservice@ingotbrokers.com</a></li> </ul> <p>Internet: <a href="http://www.ingotbrokers.com">www.ingotbrokers.com</a></p>	
<p><b>What additional fees and charges are payable in respect of a Margin Contract?</b></p>	<p>Whilst we endeavour to include all fees and charges in the spread quoted, in some circumstances you may incur fees and charges.</p>	<p><b>Section 10.8</b></p>

### 3. TRADING WITH INGOT BROKER LIMITED

#### 3.1 Applying to deal with us

Before you begin dealing in our Margin Contract products, you must complete an Application Form and be approved by us to open an account. There are different Application Forms, for individual applicants, for joint applicants and, for corporations. Before completing the appropriate Application Form you should read this PDS including the Client Agreement, and the FSG. The Application Forms are available on our website or can be obtained by contacting us. Clients are made aware of our Terms and Conditions which you acknowledge you will be bound by when trading with us.





Trading in CFDs and Margin FX that INGOT Broker Limited offers may not be suitable for all investors due to the significant risks involved. INGOT Broker Limited can only accept new clients who meet a certain level of experience and knowledge in trading Over-the-Counter (OTC) derivatives such as CFD and Margin FX. This will be done by INGOT Broker Limited asking you questions in order to assess your understanding, experience, suitability of product and financial means with OTC derivatives. If it should be necessary, INGOT Broker Limited will recommend that you obtain further experience and education before opening an account. Applicants who initially are deemed unsuitable at the time of the assessment may re-apply for an account and redo the assessment.

You must provide us with your Application Form, or at any time requested by us, any documentation as set out in the Application process.

The Application Forms require you to disclose personal information. You should refer to the privacy statement in section 32, which explains how we collect personal information and then maintains uses and discloses that information.

### 3.2 Minimum initial account opening deposit

There is usually a minimum Account opening deposit of \$100. This may be varied at our absolute discretion from time to time. INGOT Broker does not encourage the use of double gearing, in which the clients use borrowed funds to fund leveraged products, as this carries very high degrees of risk. For this reason, we attempt to limit the use of credit cards to fund an Account but note that with the advent of Visa and Mastercard Debit Cards it is not possible for us to distinguish between a debit or credit card. For this reason, we have not adopted the Opening Collateral Benchmark as it would impede the ability of our clients to use debit cards to fund their Accounts.

### 3.3 Minimum Total Equity

Margin FX Contracts	25% of the Total Margin Requirement or USD\$100 or its currency equivalent
Bullion CFDs	25% of the Total Margin Requirement or USD\$100 or its currency equivalent
Index CFDs	25% of the Total Margin Requirement or USD\$100 or its currency equivalent
International Share CFDs and commodity CFDs	25% of the Total Margin Requirement or USD\$100 or its currency equivalent
MENA Region CFDs	100% of the Total Margin Requirement or USD\$100 or its currency equivalent
Index Future CFDs	25% of the Total Margin Requirement or USD\$100 or its currency equivalent
Exchange Traded Funds CFDs	100% of the Total Margin Requirement or USD\$100 or its currency equivalent





Cryptocurrencies CFDs	25% of the Total Margin Requirement or USD\$100 or its currency equivalent
-----------------------	--

The above levels are referred to as the Liquidation Level. At or below this level we may close-out and/or reverse (i.e. liquidate) some or all your open positions. Refer to section 9.22 for more details.

#### **4. ONLINE TRADING STATEMENTS**

##### **4.1 Delivery of confirmations and statements electronically**

At any time, you execute a transaction with us, a confirmation of the executed trade will appear in the INGOT Broker Limited Platform. Daily and monthly statements will also be made available to you through the INGOT Broker Limited Platform following their respective trading periods. You may print these daily and monthly statements for your records.

##### **4.2 Operating your Account through the INGOT Broker Limited Platform**

When using the INGOT Broker Limited Platform your positions may be viewed at any point in real-time, as well as all deals, orders, pending orders and available statements using the INGOT Broker Limited Platform. Under clause 6.8 of the Client Agreement you agree to use the INGOT Broker Limited Platform to:

- confirm all transactions entered with us; and
- monitor your obligations to us.

We may make available to you documents updating the PDS (including the Client Agreement), the INGOT Broker Limited Product Schedule and the FSG, including any supplementary, revised and new product disclosure statements and financial services guides by either:

- sending them to you by email or other electronic means;
- posting them on our website;
- sending to you an electronic link to the relevant document by email or other electronic means; or
- sending them as otherwise permitted by law.

##### **4.3 Daily Statements**

Following end of day settlement, provided you have dealt or have an open position, we will produce a daily statement which will be emailed to you and then made available on the INGOT Broker Limited Platform, Daily Statements include details of:

- your open Positions;
- your new Positions;



- the opening cash balance on your Account, together with details of Account movements such as deposits, withdrawals or settlements;
- your closing Account balance for the day;
- profits or losses made on Open positions, that is, your Open Trade Equity;
- the value of your Positions and movements on your Account in the currency in which your Account is denominated, indicating, where appropriate the consolidation rates used;
- other items affecting your Account, such as Financing Charges, Financing Benefits, Rollover Benefits or Rollover Charges applied to your Account;
- profit or loss made on open Positions (open trade equity);
- the liquidation value;
- your Total Margin Requirement; and
- your Margin excess or deficit.

#### **4.4 Monthly Statements**

Following month end, we will produce an electronic version of your trading statement which will be emailed to you and be available on the INGOT Broker Limited Platform. This will provide the same details as the Daily Statements but cover all account movements and Positions opened for the month.

#### **4.5 Checking of confirmations**

It is imperative that you check all the contents of the Confirmations of your trades and you contact us immediately if you disagree with any of their contents.

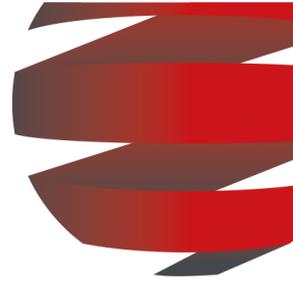
The Confirmation will, in the absence of manifest error, otherwise be conclusive. Under clause 6.8 of the Client Agreement the time from which you must contact us begins from the time the Confirmation is posted on the INGOT Broker Limited Platform, although we may also send the document to you electronically via email.

#### **4.6 Checking of statements**

It is imperative that you check all the contents of the daily statements and monthly statements in detail and contact us within two (2) Business Days if you disagree with any of the content of a daily or monthly statements.

These documents will, in the absence of manifest error, be conclusive unless you notify us in writing to the contrary within two (2) Business Days of receiving them. Under clause 6.8 of the Client Agreement the 2 Business Days begins from the time the document is posted on the INGOT Broker Limited Platform, although we may also send the document to you electronically via email.

The summary of your financial position will provide you with your Margin position and indicate to you whether you are approaching your minimum Total Equity balance. It will also indicate the excess funds available, if any, that you may either use to open new Margin FX Contracts or CFD Positions or withdraw. It is very important that you remain aware of your daily Total Equity balance, your Total Margin Requirement for your open position(s), and any Free Equity available.



## **5. ACCOUNT ADMINISTRATION**

### **5.1 Our administration charges**

Please refer to section 10.8 for details of our administration charges.

### **5.2 The currency balances in your Account**

#### **(a) The Base Currency of your Account**

Your Account is maintained in a currency that you may nominate (the Base Currency).

All your profits, losses, Rollover Charges and Benefits and Financing Charges or Benefits in relation to a Margin FX Contract or CFD are denominated in the currency of the Margin FX Contract or CFD.

All foreign currency cash balances and unrealised profits and losses shown in your Account can be notionally converted by us into your Base Currency using our applicable prices for Margin Contracts in the relevant cross-currencies at the relevant time in order to calculate your Total Equity in the Base Currency of your Account.

#### **(b) The Currency Ledger Balances of your Account**

Upon realising your profit and loss for a Margin FX Contract or CFD Position denominated in a foreign currency, you will hold a foreign currency balance in your Account. A profit or loss will be automatically converted to the Base Currency of your Account using our exchange rate. The conversion will be at the relevant exchange rate quoted by us as at Settlement Time, which may be different to the applicable INGOT Broker Limited Market price for Margin FX Contracts in the relevant cross-currency at the relevant time.

### **5.3 Interest received or charged on balances if your account is an interest or Swap bearing Account**

Interest will be paid on credit balances in currency ledgers on your Account if your account is an interest or Swap bearing account (after deducting from the balance Margin Requirements for positions held and valued in that currency)

Interest will be calculated separately on each currency ledger in your Account at the interest rate applicable to each currency after deducting Margin Requirements for positions held and valued in those currencies. These interest rates are available from us upon request.

Interest is calculated daily based upon your Positions, Margin Requirement and Currency Ledger Balances on your daily statement for that date. Interest is usually posted once a month in your Account. This usually occurs within five (5) Business Days following the end of the month.





If you have a debit Currency Ledger Balance in your Account after the Margins for CFDs or Margin FX Contracts valued in that currency have been considered, you will pay interest on the debit balance in that currency ledger.

The interest rate used for these interest calculations on the Currency Ledger Balances is the Relevant Interest Rate for that currency plus or minus the INGOT Broker Limited rate of -3% for credit balances and +3% for debit balances.

If the interest rate in respect of credit balances is equal to or less than zero after deducting the Margin detailed above, no interest will be credited in relation to the credit balance in that currency.

## **6. SIGNIFICANT FEATURES OF DEALING IN DERIVATIVE PRODUCTS WITH INGOT BROKER LIMITED**

### **6.1 What is foreign exchange?**

Foreign exchange is about exchanging one currency for another. In a foreign exchange transaction one currency can be bought or sold in exchange for another currency. The exchange rate is the price of one currency (the base currency) in terms of the other currency (the terms currency) and is the price at which this transaction takes place. For example: if the current exchange rate for the Australian dollar (base currency) against the US dollar (terms currency) is AUD/USD 0.9200, this means that an Australian dollar is equal to, or can be exchanged for, 92 US cents.

### **6.2 What is a Contract for Difference?**

A Contract For Difference (CFD) is a financial product that gives the holder an exposure to an underlying asset without giving any proprietary rights in that asset.

For the purposes of this PDS, we have separated foreign exchange products; Margin FX Contracts from CFDs, although CFDs have the same legal characteristics as Margin FX Contracts.

### **6.3 Types of CFDs Issued by Us**

In this PDS, we offer CFDs based on the following Underlying Instruments:

- shares and other securities (Share CFDs);
- share indices (Index CFDs);
- gold and silver (Bullion CFDs);
- commodities (Commodity CFDs);
- equity index futures contracts (Index Futures CFDs);
- Exchange Traded Funds contracts (ETFs CFDs); and
- Cryptocurrencies.





#### 6.4 Nature of Margin FX Contracts and CFDs

INGOT Broker Limited Margin FX Contracts and CFDs are not traded on a licensed financial market, or exchange, but are bilateral agreements between you and INGOT Broker Limited, with each party responsible for assessing the credit standing and capacity of the other party before entering into the transaction.

The significant benefits and risks of CFDs and Margin FX Contracts are discussed in sections 15 and 16.

If you have a need to purchase the underlying currency, i.e. to enter into a position which is to be settled by exchange of currency, our Margin FX Contracts are not appropriate for you, because they do not involve an exchange of currency at a future point in time.

#### 6.5 How to enter into Margin FX Contracts and CFDs with INGOT Broker Limited

If you wish to enter into Margin FX Contracts or CFDs with us, you are required to open an account with us. You will be required to complete your details and agree to the terms and conditions contained in the Client Agreement online. The Client Agreement details the rights and obligation of the counterparties. If your application gets approved, you will then be bound by the Client Agreement.

You will be required to send copies of relevant proof of identify documents to us, which we are required to obtain by Anti-Money Laundering legislation before we can open an account for you to begin trading.

If you cannot open an account online, we will provide you with the requisite Application Form, which incorporates the Client Agreement for you to sign and return to us.

To apply for an account with us, please visit our website.

#### 6.6 Fees and Charges

You will pay fees and charges when dealing in Margin FX Contracts and CFDs with us, including charges which are described in section 10.

#### 6.7 Adjustments for Dividends and other Corporate Actions

We may adjust your Account to reflect dividends and certain Corporate Actions (including, but not limited to, bonus issues, rights issues and stock splits) that occur in respect of the Underlying Instrument to which Share CFDs is referable. Whilst there are no Corporate Action adjustments applicable to other CFDs Rollover Charges and Rollover Benefits may apply as shown below.

CFD Type	Adjustments for Dividends and Corporate Actions	Financing and Rollover Charges and Benefits (see Section 10.2)
Share	Yes	Yes
Spot Indices	Yes	Yes
Bullion	Not Applicable	Yes
Commodity	Not Applicable	Yes





ETFs	Yes	Yes
Cryptocurrencies	Not Applicable	Yes

Adjustments made relating to Dividends and Corporate Actions in respect of the Underlying Instrument will be reflected in your Account (whether by way of a debit or credit of an amount or the increase or decrease in the number of CFDs) should they occur.

The adjustments in respect of Cash Dividends and Corporate Action events are detailed in clause 7 of the Client Agreement. We now summarise these adjustments.

(a) Adjustment for Dividends

**Long Share CFD position**

If you have a long share CFD position, your Account will be adjusted for any Cash Dividend that the holder of the Underlying Instrument would have received after any tax has been paid or withheld at source by the Underlying Entity. The adjustment will result in your Account being credited with any amount equal to the net amount of the Cash Dividend after considering INGOT fees and taxes.

The Cash Dividend is the cash dividend or distribution declared. Accordingly, your Account is not adjusted for any Franking Credits attached to a dividend or distribution on your long Share CFD positions.

**Short Share CFD position**

If you have a short Share CFD position, your Account will be adjusted by debiting an amount equal to the Cash Dividend.

**Timing of Dividend Adjustments**

All dividend adjustments relating to a Share CFD will be made by close of business on the day following the ex-dividend date (Refer to clause 7 of the Client Agreement for more detail).

(b) Adjustments for Corporate Actions

When a Corporate Action occurs affecting an Underlying Instrument, we will use our best endeavours to replicate the effects on your CFD position as closely as possible. We are not obliged to, and do not intend to, provide you with any information or advice about Corporate Actions. You should acquaint yourself with the Corporate Actions that may affect your Account and to decide whether to obtain any advice as to what action you should take in respect of such Corporate Actions. If we cannot replicate the Corporate Action, we may close your position and, if asked to do so, re-open your CFD position at a new price and/or vary the terms of your orders and CFDs to preserve the economic equivalence of the rights and obligations of the parties immediately prior to a Corporate Action. In addition, the underlying exchange may purge orders on the Underlying Instrument during Corporate Actions, and when this occurs your orders may be cancelled by us. We have the discretion to adjust as outlined





above. This discretion will only be exercised by us to ensure that any Corporate Action is replicated in your CFD position as closely as possible. Refer to clause 7 of the Client Agreement for more details.

(c) **Qualifying for Adjustments relating to dividends and Corporate Actions**

To qualify for adjustments relating to dividends and Corporate Actions, you must hold the CFD in respect of the affected Underlying Instrument at the close of business on the day preceding the ex-dividend, or equivalent date relating to the Corporate Action as quoted in the Underlying Market.

## **7. MARGIN FOREIGN EXCHANGE TRADING**

Margin foreign exchange trading with us differs from spot and forward trading in that:

1. it does not involve an exchange of currencies or the sale at a future point in time; and
2. there is ordinarily no pre-determined settlement date.

Rather, margin foreign exchange trading with us involves taking spot positions in a foreign currency and, instead of these contracts being settled by exchange of currencies, the positions are “closed-out”. Closing-out involves entering an equal and opposite position with us and generates a profit or a loss 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 or prices of each transaction, adjusted for transaction costs.

### **7.1 Long and Short Positions**

You can take both ‘long’ and ‘short’ Positions. If you take a long Margin FX Position, you profit from a rise in the underlying base currency price, and you lose if the underlying base currency price falls.

Conversely, if you take a short position, you profit from a fall in the underlying base currency price and lose if the underlying base currency rises.

### **7.2 Example of Margin FX trading**

You are watching the currency market and, whilst you do not have any physical requirement to buy or sell AUD against the USD, you are of the opinion that the AUD will strengthen against the USD over the next few days.

So, you can either trade online on the INGOT Broker Limited Platform or call our desk and ask our staff for a price for you to buy AUD and sell USD with the intention to close-out the trade at some time in the future. You are quoted an AUD/USD rate of 0.9100 and accept that rate.

On the next day the AUD has strengthened against the USD and you call our desk and ask our staff for a price for you to sell AUD and buy USD.

You are quoted an AUD/USD rate of 0.9200.

Day 1: Buy AUD \$100,000 @ 0.91 against USD, USD value = \$91,000

Day 2: Sell AUD \$100,000 @ 0.92 against USD, USD value = \$92,000





Net trading profit = USD\$1,000.00 gross profit (excluding costs)

- \* Please note these rates are used for illustrative purposes only and are not meant to be taken as an actual conversion rate that is available in the market at this time.
- \* See below for further examples of Margin FX trading.

## 8. CFDs

CFDs will be traded in the currency listed in the INGOT Broker Limited Products Schedule Currency for that CFD.

### 8.1 Opening a CFD

A CFD position is opened by either buying (going long) or selling (going short) on a CFD.

You go “long” when you buy a CFD in the expectation that the price of the Underlying Instrument to which the CFD is referable will increase, which has the effect that the CFD price will increase.

You go “short” when you sell a CFD in the expectation that the price of the Underlying Instrument to which the CFD is referable will decline, which has the effect that the CFD price will decline.

We provide you with several different order types to facilitate the opening and closing of long and short positions. The order types are discussed in section 12 of this PDS.

### 8.2 Closing a CFD

You close a CFD by entering into and executing an equal and opposite transaction in the same CFD.

Please also see sections 9.17 and 9.22 on Margin Calls and Liquidation Levels for cases where we may automatically close your CFD positions.

**If you close a position, you must cancel any related orders you have placed against that position. Failure to do so will mean that the related orders remain at risk of execution. Please see section 12 for more detail about canceling orders.**

### 8.3 Criteria for adding CFDs

- Listed in the country’s top index.
- Trading volume is above industry average.
- Available, efficient and affordable way to hedge it.
- No direct or traceable red flags.
- Adequate track record for three (3) or more years.





## 9. HOW YOU TRANSACT WITH US

### 9.1 Establishing a position

To establish a Position, you can trade online or contact us for a quote to enter into the transaction. In the case of a Margin FX Contract you will be quoted a rate or in case of a CFD, the Underlying Instrument's price. Immediately upon receiving the quote, you may make an offer to enter into the transaction the subject of the quote. We are not obliged to accept your offer. Situations, for example, where we might not accept your offer are where you have exceeded limits imposed by us on your account, or where we do not already hold in Cleared Funds the amount of the initial Margin. We will confirm any transaction we enter with you.

### 9.2 Minimum Point Increment

Trading in our financial products involves consideration of movements in the exchange rates and prices.

Movements in these rates or prices are referred to as a 'tick movement', 'tick value', 'tick size' or a 'pip movement' and represents the minimum price change between two successive transaction prices (Minimum Point Increment). The Minimum Point Increment can represent either an upward or downward movement in price.

It is important to note that the size and value of a Minimum Point increment can differ between different instruments. The size and value of a Minimum Point Increment are listed in the INGOT Broker Limited Product Schedule.

It is arbitrary how many significant figures are used in a rate quotation. For example:

- In the quotation 1 AUD = USD 0.92, one point or one pip means AUD 0.0001.
- In the quotation 1 USD = JPY 102.50, one point or one pip means JPY 0.01.

The effect of a decrease of one Minimum Point Increment on the Margin FX Contract or CFD and the Underlying Instrument is detrimental to a buyer and beneficial to a seller. The effect of an increase of one Minimum Point Increment is beneficial to a buyer and detrimental to a seller.

### 9.3 Pricing

Our prices may differ from those in the Underlying Market.

**Margin FX Contracts:** the rates we quote to establish or close-out a Position are based on underlying exchange rates and a range of other factors described below. We cannot predict the future rates and our rate quotations are not a forecast of where we believe rates will be at a future date.

The calculation of the price to be paid (or the payout to be received) at the time the Margin FX Contract is entered into will be based on our best estimate of market prices, current spot Interbank rates, implied volatilities and other market conditions during the life of the Margin FX Contract and is based on a complex arithmetic calculation.

**Share CFDs:** we calculate the prices for Share CFDs by considering our expected price of the Underlying Instrument, which is a share.





**Index CFDs:** our prices for Index CFDs are based on our determination of the fair value of the Index.

**Index Future CFDs:** our prices for Index Future CFDs are based on the underlying mid-market price of the Underlying Instrument, which is a futures contract based on an Equity Index, and the application of the INGOT Broker Limited Spread.

**Commodity CFDs:** our prices for Commodity CFDs are based on the last traded price of the Underlying Instrument, which is a futures contract, with the application of the INGOT Broker Limited Spread.

**Bullion CFDs:** our prices for Bullion CFDs are based on the Interbank Rate Prices of the Underlying Instrument, with the application of the INGOT Broker Limited Spread.

**Exchange Traded Funds CFDs:** our prices for ETFs CFDs are based on the price of the Underlying Instrument, which is the listed Exchange Traded Fund, with the application of INGOT Broker Limited Spread.

**Crypto CFDs:** our prices for Crypto CFDs are based on the last traded price of the Underlying Instrument with the application of the INGOT Broker Limited Spread.

#### **9.4 The INGOT Broker Limited Spread**

The bid/offer prices quoted by us for Margin FX Contracts and CFDs may not be the same as those of the Underlying Instrument in the Underlying Market. This difference is due to the spread favouring us in the price calculation.

This spread is calculated and applied by us having regard primarily to the liquidity in the Underlying Market. As a result, our prices may change in response to the aggregate demand for Margin FX Contracts and CFDs and Underlying Market conditions.

#### **9.5 Our prices may differ from those in the Underlying Market**

The real time dealing prices displayed on the INGOT Broker Limited Platform are indicative prices that INGOT Broker Limited is offering for its products. Furthermore, the INGOT Broker Limited Spread may not be the same as the spreads in the Underlying Market.

We will not provide you with access to prices for the Underlying Market or market depth information in relation to the Underlying Market on the INGOT Broker Limited Platform. Accordingly, it is for you to access such information from other sources and decide whether you wish to deal in currency or commodities with us or directly in the Underlying Market.

#### **9.6 Calculating Margin FX Profits and/or Losses**

The profit or loss from a Margin FX transaction is calculated by keeping the unit of one of the currencies constant (the 'base' currency) and determining the difference in the number of units of the other currency (the 'terms' currency). The profit or loss will be expressed in the units of the currency which is not kept constant.





### **9.7 Calculating CFD Profits and/or Losses**

The profit or loss from a CFD transaction is calculated by reference to the difference in the prices of the opening and closing Positions.

### **9.8 Realised and Unrealised Profits and Losses**

Profits and/or losses are realized if both the buy and the sell side of the transaction are complete and have been matched against each other or closed out. Profits and/or losses are unrealized if only one side of the transaction has been completed.

In relation to Margin FX Contracts and CFDs, you may run opposing positions in the same currency pair and a Position in a market where you have an opposing Position already opened. Both long and short positions will appear in your trade account and they will be treated as two open positions. When you choose to keep two opposing open Positions they will be revaluated and rolled as an individual open Position until you choose to offset or match the two positions.

In other words, unless you instruct the system to close-out a selected position when looking to trade then any new transaction remains open until matched by you or the positions are matched at settlement date.

Please contact our representatives to assist you in understanding the importance of and how to match and close-out trades.

### **9.9 Margins and margin calls**

Margin FX Contracts and CFDs are subject to Margin obligations, which are your responsibility to meet to maintain your Positions. You will be issued a Margin Call automatically via email as soon as a Margin call situation arises.

There are two components of the Margin which you may be required to pay in connection with Positions. These are the *initial Margin (9.10)* and *variation Margin (9.14)*.

### **9.10 Initial Margin**

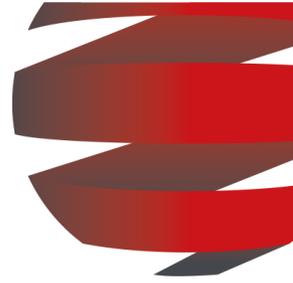
The initial Margin is an amount of money which we will call from you at the time the Position is entered. The initial Margin is an amount we call to protect ourselves against possible market movements.

When you open a Position with us in Margin FX Contracts and CFDs you will need to have enough Total Equity in your Account to satisfy the Margin Requirement for that Position. Margin Percentages vary with each product and a list of them as at the date of this PDS are set out in the INGOT Broker Limited Product Schedule.

The amount of money that is used to open a derivative position or increase an already open interest in a financial product, termed "Margin", is entitled to INGOT Broker Limited.

Hence, INGOT Broker Limited has the right to reject client withdrawal orders for money that is used for margin, because the margin is not considered the clients' money.





### 9.11 Examples of Margin Requirements

Examples of the calculation of the Margin Requirement for various types of CFDs follow. But you should refer to the INGOT Broker Limited Product Schedule for the current Margin Percentages for each instrument Margin Requirements on Share and Index CFDs are **generally** between 1 and 50% of the notional value of your position.

#### Share CFDs Margin Requirements

For example, if you bought 10,000 Vodafone UK Share CFDs at a price of GBP 120.88, the margin requirement would be calculated as follows:

$$(10,000 \times 120.88 \times 10\% = \text{GBP } 1,208.80)$$

#### Index CFDs Margin Requirements

Our margin percentage on Index CFDs is generally 1%. For example, an AUD 10,000 initial deposit allows you to deal in up to AUD 1,000,000 notional value on Index CFDs.

For example, if you bought 10 AUS200 Index Futures CFDs at a price of AUD 6,000, the Margin Requirement would be calculated as follows:

$$(10 \times \text{AUD } 6,000) \times 1\% = \text{AUD } 600$$

#### Bullion CFDs Margin Requirements

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

$$\text{Margin Requirement} = (\text{Contract Quantity} \times \text{Contract Price}) \times \text{Margin Percentage}$$

For example, to buy 100 ounces of XAUUSD Bullion CFDs at a price of USD1550 the Margin Requirement would be calculated as follows:

$$(100 \times 1550) \times 1\% = \text{USD } 1550$$

#### Crypto CFDs Margin Requirements

Our margin percentage on Crypto CFDs is generally 20% of the notional value of your position. Margin Requirements on Crypto CFDs are calculated as follows:

$$\text{Margin Requirement} = (\text{Contract Quantity} \times \text{Contract Price}) \times \text{Margin Percentage}$$

For example, to buy 1 of Bitcoin Crypto CFDs at a price of USD5500 the Margin Requirement would be calculated as follows:

$$(1 \times 5500) \times 20\% = \text{USD } 1100$$

#### Commodity CFDs Margin Requirements

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





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

For example, to buy 10 US CRUDE CFDs at a price of USD70, the Margin Requirement would be calculated as follows: ***(3% x 70/0.01) x 10 = USD 2,100***

Please refer to INGOT Broker Limited's Product Schedule for individual commodity tick values.

#### **Index Future CFDs Margin Requirements**

Our Margin Requirement for Index Future CFDs is generally 1% of the notional value of the position. Margin Requirements on Index Future CFDs can be calculated as follows:

***Margin Requirement = Margin Percentage x Contract Price x Contract Quantity***

For example, to buy 10 Index Future CFDs trading at a price of USD5,000, the Margin Requirement calculation would be as follows:

$$1\% \times 5,000 \times 10 = USD500$$

#### **9.12 Total Equity balances**

The Total Equity of your Account will fluctuate according to the money you have deposited in your Account, the dealings conducted on your Account and the positions you hold.

During the trading day, your Account is constantly calculated in line with movements in our prices using our Mid Price. The Account balance is also calculated at the end of the day using our Mid Price closing rates (or our last dealing price).

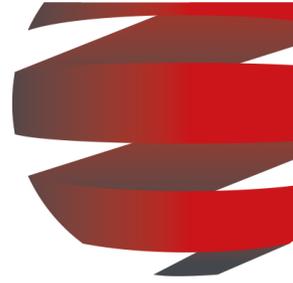
Your Total Equity balance is used to assess your available Margin against current positions, and any potential new positions you may wish to take. The Total Equity balance is used to determine if there is a requirement for additional Margin to be paid in respect of your Account.

Once a position is opened, the Total Margin Requirement must always be maintained for the open position(s). It is your responsibility to ensure that your Account is always sufficiently funded, especially during volatile trading periods.

To assist you to monitor your equity balances in your Account, we summarize your Total Equity and Free Equity together with your Total Margin Requirement at the end of the day in your daily statement, and we provide you with your open position and Total Equity report online.

You will only be allowed to withdraw from the Free Equity in your Account, which is the Total Equity in your Account less your Total Margin Requirement. Additionally, you will only be allowed to deal and maintain open positions based on Cleared Funds in your Account, not on promised funds or funds in transit.





### **9.13 Profits and losses**

Profits made from your dealing activities increase the Total Equity in your Account. Losses made as a result of your dealing activities decrease the Total Equity balance on your Account, and therefore the Total Equity available for dealing in Margin FX Contracts and CFDs or holding positions.

### **9.14 Variation Margin**

The *variation Margin* is an amount which we may call from you when a Position moves against you. Again, this amount is determined by us in our discretion and is intended to protect us against unrealized losses which you may have suffered. In some situations, we may refund variation Margin to you when a position moves in your favour.

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

### **9.15 Change to Margin Percentage**

We may under the Client Agreement exercise our right to alter the Margin Percentage of any Margin Contract at any time at our discretion

Furthermore, if we determine that a Force Majeure Event (defined in clause 29 of the Client Agreement) exists then we may, without prejudice to any other rights under the Client Agreement and at our sole discretion, take any one or more of the steps outlined in clause 29.2 of the Client Agreement.

One of the steps that we may take is to increase the Margin Percentage from that specified up to 100%, accordingly, in extreme cases, you should be prepared at any time to have funds equal to the notional value of your Margin Contract or CFD available to meet any increase in the Margin Percentage by us.

### **9.16 Monitoring positions on mark to market basis**

Positions will be monitored by us on a mark to market basis to account for any market movements. If the value of the position moves against you, then you will be required to 'top up' the initial Margin (variation Margin) and, if so, you will be subject to a Margin call; i.e. to pay additional margin or, alternatively, to close the Position in order to reduce your initial Margin to a level acceptable to us. In other words, you must maintain enough Free Equity in your Account in Cleared Funds to cover any increases in your Total Margin Requirement. If your Total Margin Requirement exceeds your Total Equity, your Account will be placed on Margin Call. If your Account reaches the Liquidation Level some or all your Positions may be liquidated.

### **9.17 Notification of Margin Call**

Margin Calls will be shown on the INGOT Broker Limited Platform, and you are required to log-in to the system daily when you have open Positions to ensure you receive notification of any such Margin Calls. You will also be issued a Margin Call automatically via email as soon as a Margin Call situation arises. Please note that if you do not check the INGOT Broker Limited Platform or your email for Margin Call notifications, and hence do not meet them in a timely manner, positions may be closed out, hedged or positions may be reversed to reduce your exposure after one (1) full trading day and





also if the margin hits the liquidation levels, without further reference to you, as provided in our Client Agreement.

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

#### **9.18 Margin Calls where several positions are open**

Margin calls will be made on a net account basis, i.e. should you have several open positions, then Margin calls are netted across the group of open transactions. In other words, the unrealized profits of one transaction can be used or applied as initial or variation margins or to offset the unrealized losses of another transaction.

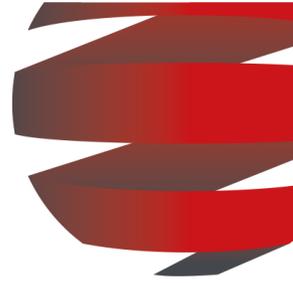
#### **9.19 Payment of Margin Calls**

As pointed out above, if your open Margin Contract or CFD positions move against you and your Total Equity balance falls below your Total Margin Requirement, your Account will be placed on Margin Call.

Restoring your Total Equity balance and satisfying your Margin Call obligations will require:

- closing or reducing one or more of your open position(s) in order to reduce your Total Margin Requirement; and/or
- Depositing additional funds into your Account in order to satisfy the Total Margin Requirement.
- If you choose to deposit additional funds into your Account, these additional funds must be Cleared Funds before they will be treated as having satisfied your Margin Call obligations.
- These steps may not be necessary if there is an increase in the value of your held positions due to a further market fluctuation.
- Once your Total Equity balance falls below your Total Margin Requirement, you may wish to consider whether to place a Stop-Loss order with us to try to avoid a deficit balance on your Account. Section 12 outlines the orders that you may place (including Stop-loss orders) that, if used appropriately, can assist you in avoiding a deficit balance on your Account. Our policy is not to provide credit facilities on any accounts.
- In some instances, the placing of Stop-loss Orders may not always limit your losses to the amounts that you may want. Refer to section 12.1.
- Once your Total Equity balance falls below your Total Margin Requirement, you may be restricted from dealing on your Account until your Total Equity balance meets or exceeds your Total Margin Requirement.





### **9.20 Failure to meet Margin Calls**

If you fail to meet any Margin Call, or in the rare circumstances where we do not have time to make a Margin Call due to exceptional market movements, then we may in our absolute discretion and without creating an obligation to do so, close-out and /or reverse, without notice, all or some of your open positions (or transactions) and deduct the resulting realized loss from your account.

### **9.21 Revaluation of Positions**

Under the terms of the Client Agreement, we may in our discretion revalue open Positions to market to bring forward the payment of unrealized profits and losses on those positions. We have the right to limit the size of your open positions, whether on a net or gross basis under any appropriate circumstances as determined by us.

### **9.22 Liquidation Level**

We may place a liquidation order for your open Position(s) when your Total Equity balance falls below 25% of your Total Margin Requirement (the Liquidation Level). At or below this Liquidation Level, we may liquidate some or all your open Positions.

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

### **9.23 Arbitrage, Scalping and Manipulation**

Price feed errors, internet, connectivity delays and trade manipulation can sometimes create a situation where prices displayed do not accurately reflect market rates. The act of arbitrage, 'scalping', or taking advantage of internet delays, is expressly prohibited on the INGOT Broker Limited Platforms, and INGOT Broker Limited strictly forbids any form or price or trade execution manipulation arising out of platform errors or omissions of any nature. INGOT Broker Limited reserves the right to void any such transactions and/or reverse the transaction and/or withhold funds suspected of being derived from such activities, and will not accept any liability to clients for losses incurred in such circumstances and also reserve the right to close your account with immediate effect.

Our rules against these types of trading are stipulated in clause 21.2 of the Client Agreement.

## **10. FEES AND CHARGES WHEN DEALING IN MARGIN CONTRACTS**

The fees and charges when dealing in Margin Contracts and CFDs may incorporate any or all of the following:

- Margin adjustments and Financing Charges;
- Rollover Charges at the INGOT Broker Limited Rollover Rates;
- Interest charges applied to debit balances in your Account;
- Stock borrowing costs;
- Exchange fees;



- Administration charges.

The fees and charges may change from time to time but will be notified to you.

### **10.1 Commissions**

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

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

### **10.2 Rollovers**

When you hold a Position or Positions overnight, in a Margin FX Contract, a Bullion CFD, a Commodity CFD, or an Index Future CFD, they will be rolled to the next day which may result in you, if your account is an interest or Swap bearing account, paying interest (Rollover Charge) or receiving interest (Rollover Benefit) at the INGOT Broker Limited Rollover Rate.

#### **Margin FX Contracts**

Our Rollover Rate for Margin FX Contracts is a varying rate that is dependent on the currency pair, the applicable rate in the interbank markets according to the duration of the rollover period, the size of the position and the INGOT Broker Limited Spread that is applied at our discretion.

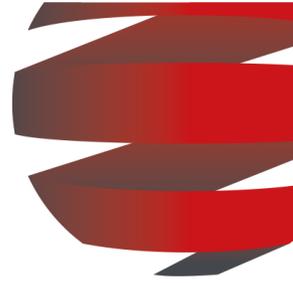
The Interbank Rate that is applied is the interest rate differential between the two applicable currencies (Interbank Rate). For example, if you have a long Australian dollar / US Dollar (AUD/USD) position and interest rates are higher in AUD than in USD, then you may receive a Rollover Benefit of interest at the INGOT Broker Limited Rollover Rate if you hold a position overnight and do not close it before the New York close of the markets on that day. This is because you are holding a high yielding currency. However, if the USD interest rate is higher than AUD then the interest rate differential may cause you to pay a Rollover Charge (being interest at the INGOT Broker Limited Rollover Rate) if you hold the position overnight and do not close it before the New York close of the markets on that day.

Any interest that you pay or received is reflected in the price at which the open position is rolled forward.

#### **Bullion CFDs**

In the case of Bullion CFDs, the Rollover Charge or Rollover Benefit is calculated by multiplying the total notional value of the position by the Rollover Rate. The INGOT Broker Limited Rate for Bullion CFDs is a varying rate dependent on the applicable rate in the interbank markets according to the duration of the rollover period, the size of the position and the INGOT Broker Limited Spread that is applied at our discretion.

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



example, if you have a long Australian dollar/ short Bullion Position and interest rates in Australia are higher than the Rollover Rate applied by us then you will receive a Rollover Benefit of interest at our Rollover Rate if you hold the position overnight. This is because you are holding the higher yielding asset. However, if the Rollover Rate applied by us is higher than the Australian interest rate you may have to pay a Rollover Charge (charged at our Bullion Rollover Rate) if you hold the position overnight.

### **Commodity CFDs**

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

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

The position in the Next Serial CFD Contract is opened at the official settlement price of the Underlying Instrument on the Expiry Date of relevant Commodity CFD.

Please note that the Expiry Dates for our Commodity CFDs may differ to that of the underlying commodity futures contract. The Expiry Dates for our Commodity CFDs can be obtained from the INGOT Broker Limited Platform.

### **Index Future CFDs**

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

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

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

Should an open position in relation to an Index Future CFD be held until expiry, then that position will be automatically closed at the official closing price of the relevant Underlying Instrument and can, upon request and fee payment, be re-opened at the official closing price of, and on the same day as, the next expiry of the relevant Underlying Instrument.





## **Cryptocurrencies CFDs**

Our Rollover Rate for Crypto Currency is a varying pre-defined rate that is dependent on the crypto, the duration of the rollover period, the size of the position and the INGOT Broker Limited Spread that is applied at our discretion.

### **10.3 Settlement of Rollover Charges and Rollover Benefits**

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

### **10.4 Overnight Financing for Share and Index CFDs**

Share and Index CFD positions held overnight will have a Financing Charge or Financing Benefit applied according to the total notional value of the position at the relevant Financing Rate, if your account is an interest or Swap bearing account. If you are long on a Share or Index CFD you may pay a Financing Charge to us, whilst if you are short on a Share or Index CFD you may receive a Financing Benefit from us at the relevant Financing Rate. The method used by us to calculate the Financing Rates is set out in section clause 6.2 of the Client Agreement.

If a Share or Index CFD position is not held overnight, you will pay no Financing Charge nor receive a Financing Benefit. To see how financing charges may affect your Account, please see the trading examples in section 13 of this PDS.

### **10.5 Conversion Fees**

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

### **10.6 Interest charges applied to balances on interest or Swap bearing accounts**

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

The interest rate used for these interest calculations is determined by INGOT Broker Limited. Interest accrues and is calculated daily from the date payment is due till the date payment is received in full and is compounded monthly.

If there is a credit balance in your Account after the Margins for our products valued in the currency of the contract have been considered you will incur interest on the unpaid balance at a rate determined by INGOT Broker Limited.





### 10.7 Stock Borrowing Costs

If we choose to go short in the Underlying Market to hedge any of your CFD positions, we reserve the right to pass on any stock borrowing costs incurred by us in Exceptional Market Conditions as reasonably determined by us. You will be notified as to the nature and amount of stock borrowing costs before they are applied to your account.

As this cost only relates to Exceptional Market Conditions, it will be extremely unlikely that these costs would be passed on to you in the course of regular trading.

### 10.8 Administration charges

We reserve the right to charge the following additional fees in certain circumstances without notification:

- telegraphic transfer fee of up to \$50
- an express delivery fee of up to \$50

All charges are inclusive of GST (where applicable).

Administration service	Fee
Credit card (Visa/MasterCard corporate/commercial/platinum)	3.0%
Credit card (non-Visa/MasterCard) (	3.00%
Crypto Currencies (Bitcoin and Ethereum) *	5%
Transcripts of telephone conversations	Upon application
Audit certificates	Upon application
Debt collection	First call \$25.00
	Second call \$50.00
	Referral to agency \$150.00

\*The cryptocurrencies fees will depend on the gas price and on the prices provided from the exchanges that we are connected to. The Client's funds will be converted to their base currency based on the best price offered among the exchanges that we deal with.

### 10.9 Interest

We are also entitled to retain any interest earned on client money held in the segregated accounts. The rate of interest is determined by the provider of each segregated account.

If you fail to make any payment required under the Client Agreement when it falls due, interest may be charged on the outstanding sum at a rate determined by the monetary authority for interbank loans as determined by INGOT Broker Limited at its sole discretion. Interest accrues and is calculated daily from the date payment was due until the date the client pays in full and is compounded monthly.





## **11. HOW ARE OUR MARGIN CONTRACTS AND CFDs TRADED?**

We provide an online INGOT Broker Limited Platform which enables clients to trade in our Margin FX Contracts and CFDs. As stated in section 14 of this PDS, the Margin FX Contracts and CFDs offered by us may only be closed-out by entering an equal and opposite position. When you trade Margin FX and CFDs, other than Index Futures CFDs and Commodity CFDs you are normally quoted a spot price. This means that if you take no further steps, your trade will be automatically rolled after one (1) business day unless you initiate an equal and opposite transaction to close the position.

## **12. WORKING ORDERS**

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

### **Important notice about this section**

If you request placement of one of the types of orders described in this section, we have an absolute discretion whether to accept and execute any such request. Please refer to sections 20 and 21 for details of our right to refuse orders and the associated risks. Our right to refuse your request to place an order to establish a new Position is set out in full in section 4 of the Client Agreement. You should refer to these clauses in which we may exercise our discretion to accept your order. The price at which we accept an order to deal will generally be based on filling the full volume of the order in one transaction.

### **12.1 Stop-loss Orders**

A stop-loss order is an order placed with the aim of limiting the potential loss on an open position. A stop-loss order allows you to specify a price at which you wish to close-out a Position or open a Position. Stop-loss orders must be placed at a minimum distance from our current bid and offer prices. The minimum distance away from a stop-loss order placement will be advised to you upon request. We will execute a stop-loss order once the offer price reaches the order price in the case of a buy-order, or our bid price has reached the order price in the case of a sell-order.

We note that stop losses are not guaranteed and the execution of such orders will depend on market volatility and liquidity. A stop-loss order is triggered automatically when the stop-loss price is reached. Once the stop-loss price is reached, the stop-loss order becomes a market order to buy or sell (depending on your instructions). The stop-loss order could be activated by a short-term fluctuation in the markets, or in a fast-moving market, the price at which the trade is executed could be much different from the stop-order price. This is known as “gapping” and is due to market movements during the time it takes to open or close Positions, under extreme market volatility stop-loss orders minimum distance will be variable. The operation of these order types should be discussed with one of





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

### **12.2 Stop-entry Orders**

A stop-entry order is an order placed to open a new Position or increase an existing Position at a price which is inferior to the current market price. You may use this type of order when you expect that the price will move significantly in the future from its existing trading range, under extreme market volatility stop-entry orders minimum distance will be variable. 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. You should refer to our website or contact us for information about the levels at which you may place stop-entry orders.

### **12.3 Limit Orders**

A Limit Order may be used by you to either open a new position or close an opened position at a predetermined price that is more favourable to you than the current market price. We will execute your Limit Order when our offer price has reached the price of your buy-limit order or our bid price has reached the price of your sell-limit order, under extreme market volatility limit-orders orders minimum distance will be variable.

### **12.4 How to place market orders with us**

Market orders may be placed online via the INGOT Broker Limited Platform. If you require assistance you should contact one of our representatives.

### **12.5 Fees for placing market orders**

There are no fees associated with using working orders via our online INGOT Broker Limited Platform.

### **12.6 Our right to impose orders**

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

## **13. TRADING EXAMPLES**

This section provides you with some trading examples of Margin FX Contracts and the CFDs that we are offering under this PDS. In relation to the execution of those trades for Australian Clients only, based on the charges are set out in section 10 of this PDS and the Margin Requirements. Charges for Foreign Clients may be different from those applying to Australian Clients. Margin Percentages may be changed without those examples being updated and all other amounts are approximation for illustration purposes only. To ascertain the currently applicable Rollover Charges and Benefits you should refer to our website or call our Client Services Department. Other charges as described in section 10.8 of this PDS may also apply.





### 13.1 Examples of Going Long in Margin FX

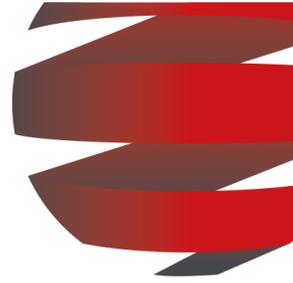
Example of Going Long and making a profit on Margin FX Contracts			
You opened an account with INGOT Broker Limited and your account has an opening balance of A\$20,000 and you believe that the price of the Australian Dollar (AUD) is going to appreciate against the US Dollar (USD) which is currently at 0.9280. You decide to buy AUD 100,000 against USD at the current price.			
Day 1			
Opening a Position	Calculation	Account Display	
The price of AUDUSD spot is 0.9278 (bid price)/0.9280 (offer price)	N/A	Opening balance	A\$20,000
You buy AUD100,000 at the exchange rate of 0.9280			
Your Margin Requirement for this trade is 1% of the amount traded Therefore, your Margin Requirement to open this position is A\$1,000	$A\$100,000 \times 1\% = A\$1,000$	Initial Margin Requirement	A\$1,000
Your Free Equity is Total Equity less your Margin Requirement	$20,000 - 1,000 = A\$19,000$	Free Equity	A\$19,000
You decide to hold the Position overnight. The closing price of AUDUSD for the day was 0.9280, the same as your purchase price.			
Because you have decided to hold your Position overnight you will incur a daily Rollover Charge, which is calculated according to the overnight swap rate in the interbank market, which fluctuates daily and represents the difference between the interest differential of the two currency pairs involved. The Rollover Rate is variable according to currency pairs and calculated as set out in our Client Agreement.			
Day 2			





The Next Day	Calculation	Account Display	
<p>A sell trade at 0.9280 and simultaneously a buy trade at 0.927905 will be generated to reflect the Rollover Charge.</p> <p>As the AUD is the higher yielding currency and you are long AUD, so your account is credited with US\$9.50</p>	<p>Daily Rollover Charge</p> $(0.9280 - 0.927905) \times 100000$ <p>=US\$9.50</p>	Total Equity	\$20,010.24
<p>Your open Position will remain at the historical purchase price of 0.9280</p> <p>This way you can always keep track of your original purchase price</p>	<p>This amount will be booked in your base currency, which is AUD at 0.9280 = A\$10.24</p> <p>Total Equity will be</p> $20,000 + 10.24 = 20,010.24$		
<p>Let us say, at 11:30 a.m., the AUD has moved up to 0.9330 after the RBA has indicated that further interest rate hike is necessary to curb inflation.</p> <p>Your Position is marked to market which will change your account balance.</p>	<p>Unrealised Profit</p> $(0.9330 - 0.9280) \times 100000$ <p>= US\$500</p> <p>This amount will be booked in your AUD base currency at the rate of 0.9330</p> <p>=A\$535.91</p> <p>New Equity Balance</p> $20,010.24 + 535.91 = 20,546.15$	Total Equity	A\$20,546.15





Your Margin Requirement remains at A\$1,000	$A\$100,000 \times 1\% = A\$1,000$	Margin Requirement	A\$1,000
Your Free Equity is Total Equity less your Margin Requirement.	$A\$20,546.15 - 1,000 = 19,546.15$	Free Equity	A\$19,546.15

At 4 p.m. you decided to close your position as AUD has appreciated to 0.9350			
Closing the Position	Calculation	Account Display	
You sell AUDUSD100,000 at bid price of 0.9350 to close your Position	N/A		
Realised Profit	$(0.9350 - 0.9280) \times 100000$ $= US\$700.00$ $= A\$748.66$  New Balance $20,010.24 + 748.66 = 20,758.90$	Total Equity	A\$20,758.90
Initial Margin Requirement will be zero because you have closed your Position	N/A	Margin Requirement	\$0.00
Free Equity is your Total Equity less Margin Requirement	$A\$20,758.90 - 0.0 = A\$20,758.90$	Free Equity	A\$20,758.90

In this example you were correct in predicting the AUD will appreciate against the USD. After daily rollover charge for one day you would have made A\$758.90 profit. However, if your prediction was wrong and the price had moved in the opposite direction by an equal amount, your loss would have been A\$749.80. Please see the example below for how this loss is calculated.





Example of Going Long and making a loss on Margin FX Contracts			
<p>You opened an account with INGOT Broker Limited and your account has an opening balance of A\$20,000 and you believe that the price of the Australian Dollar (AUD) is going to appreciate against the US Dollar (USD) which is currently at 0.9280. You decide to buy AUD 100,000 against USD at the current price.</p>			
Day 1			
Opening a Position	Calculation	Account Display	
<p>The price of AUDUSD spot is 0.9278 (bid price)/0.9280 (offer price)</p>	N/A	Opening Balance	A\$20,000
<p>You buy AUD100,000 at the exchange rate of 0.9280</p>			
<p>Your Margin Requirement for this trade is 1% of the amount traded</p> <p>Therefore, your Margin Requirement to open this position is A\$1,000</p>	$A\$100,000 \times 1\% = A\$1,000$	Initial Margin Requirement	A\$1,000
<p>Your Free Equity is Total Equity less your Margin Requirement</p>	$20,000 - 1,000 = 19,000$	Free Equity	A\$19,000
<p>You decide to hold the Position overnight. The closing price of AUDUSD for the day was 0.9280, the same as your sell price.</p>			
<p>Because you have decided to hold your Position overnight you will incur a daily Rollover Charge, which is calculated according to the overnight swap rate in the interbank market, which fluctuates daily and represents the difference between the interest differential of the two currency pairs involved. The Rollover Rate is variable according to currency pairs and calculated as set out in our Client Agreement.</p>			
Day 2			





The Next Day	Calculation	Account Display	
<p>A sell trade at 0.9280 and simultaneously a buy trade at 0.927905 will be generated to reflect the Rollover Charge.</p> <p>As the AUD is the higher yielding currency and you are Long AUD, so your account is credited with US\$9.50</p>	<p>Daily Rollover Charge  <math>(0.9280 - 0.927905) \times 100000</math>            =US\$9.50</p> <p>This amount will be booked in your base currency, which is AUD at  <math>0.9280 = A\\$10.24</math></p>	Total Equity	\$20,010.24
<p>Your open Position will remain at the historical purchase price of 0.9278</p> <p>This way you can always keep track of your original sell price</p>	<p>Total Equity will be  <math>20,000 - 10.247 = 20,010.24</math></p>		
<p>Let us say, at 11:30 a.m., the AUD has dropped to 0.9230 after the RBA has indicated that further interest rate hike is not necessary as inflation was under control.</p> <p>Your Position is marked to market which will change your account balance</p>	<p>Unrealised loss  <math>(0.9230 - 0.9280) \times 100000</math>            = -US\$500</p> <p>This amount will be booked in your AUD base currency at the rate of  <math>0.9230</math>            = - A\$541.71</p> <p>New Equity Balance  <math>20,010.24 - 541.71 = 19,468.53</math></p>	Total Equity	A\$19,468.53
<p>Your initial Margin Requirement remains at A\$1,000</p>	<p><math>\\$100,000 \times 1\% = A\\$1,000</math></p>	Margin Requirement	A\$1,000





Your Free Equity is Total Equity less your initial Margin Requirement	$\$19,468.53 - 1,000 = 18,468.53$	Free Equity	A\$18,468.53
---	-----------------------------------	-------------	--------------

At 4 p.m. you decided to close your Position as your prediction was wrong AUD has depreciated against the USD to 0.9210/12			
Closing the Position	Calculation	Account Display	
You sell AUDUSD100,000 at bid price of 0.9210 to close your Position	N/A		
Realised Loss	$(0.9210 - 0.9280) \times 100000$ $= - US\$700.00$ $= -A\$760.04$ New Balance $A\$20,010.24 - \$760.04$ $A\$19,250.20$	Total Equity	A\$19,250.20
Initial Margin Requirement will be zero because you have closed your Position.	N/A	Margin Requirement	\$0.00
Free Equity is your Total Equity less Margin Requirement	$\$19,250.20 - 0.0 = \$19,250.20$	Free Equity	A\$19,250.50

In this example, you were wrong in predicting the AUD will appreciate against the USD. After commission and daily Rollover Charge for one day you would have made A\$749.80 (-A\$760.04 + 10.24) loss.



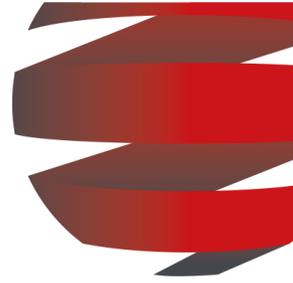


### 13.2 Examples of Going Short in Margin FX

Example of Going Short and making a profit on Margin FX Contracts			
<p>You opened an account with INGOT Broker Limited and your account has an opening balance of A\$20,000 and you believe that the price of the Australian Dollar (AUD) is going to depreciate against the US Dollar (USD) which is currently at 0.9278. You decide to sell AUD 100,000 against USD at the current price.</p>			
Day 1			
Opening a Position	Calculation	Account Display	
<p>The price of AUDUSD spot is 0.9278 (bid price)/0.9280 (offer price)</p>	N/A	Opening balance	A\$20,000
<p>You sell AUD100,000 at the exchange rate of 0.9278</p>			
<p>Your Margin Requirement for this trade is 1% of the amount traded</p> <p>Therefore, your Margin Requirement to open this position is A\$1,000</p>	A\$100,000 x 1% = A\$1,000	Initial Margin Requirement	A\$1,000
<p>Your Free Equity is Total Equity less your Margin Requirement</p>	A\$20,000 – \$1,000 =A\$ 19,000	Free Equity	A\$19,000
<p>You decide to hold the Position overnight. The closing price of AUDUSD for the day was 0.9278, the same as your sell price.</p>			

Because you have decided to hold your Position overnight you will incur a daily Rollover Charge, which is calculated according to the overnight swap rate in the interbank market, which fluctuates daily and represents the difference between the interest differential of the two currency pairs involved. The Rollover Rate is variable according to currency pairs and calculated as set out in our Client Agreement.





Day 2			
The Next Day	Calculation	Account Display	
<p>A buy trade at 0.9278 and simultaneously a sell trade at 0.92765 will be generated to reflect the Rollover Charge.</p> <p>As the AUD is the higher yielding currency and you are short AUD, so your account is debited with US\$15.00</p>	<p>Daily Rollover Charge  <math>(0.9278 - 0.92765) \times 100000</math>            =US\$15.00</p> <p>This amount will be booked in your base currency, which is AUD at  <math>0.9278 = A\\$16.17</math></p> <p>Total Equity will be</p>	Total Equity	A\$19,983.83
Your open Position will remain at the historical purchase price of 0.9278	$\$20,000 - 16.17 = \$19,983.83$		
<p>Let us say, at 11:30 a.m., the AUD has depreciated to 0.9230 after the RBA has indicated that further interest rate hike is not necessary as inflation was under control.</p> <p>Your Position is marked to market which will change your account balance.</p>	<p>Unrealised Profit  <math>(0.9230 - 0.9278) \times 100000</math>            = US\$480</p> <p>This amount will be booked in your AUD base currency at the rate of  <math>0.9230</math>            =A\$520.04</p> <p>New Equity Balance  <math>\\$19,983.83 + 520.04 =</math>  <math>20,503.87</math></p>	Total Equity	A\$20,503.87
Your Margin Requirement remains at A\$1,000	$A\$100,000 \times 1\% = A\$1,000$	Initial Margin Requirement	A\$1,000





Your Free Equity is Total Equity less your Margin Requirement	$A\$20,503.87 - 1,000 = 19,503.87$	Free Equity	A\$19,503.87
---	------------------------------------	-------------	--------------

At 4 p.m. you decided to close your Position as AUD has depreciated further to 0.9210/12			
Closing the Position	Calculation	Account Display	
You buy AUD100,000 at offer price of 0.9212 to close your position	N/A		
Realised Profit	$(0.9278 - 0.9212) \times 100000$ $= US\$660.00 = A\$716.46$ New Balance $\$19,983.83 + 716.46 =$ $\$20,700.29$	Total Equity	A\$20,700.29
Initial Margin Requirement will be zero because you have closed your Position	N/A	Margin Requirement	A\$0.00
Free Equity is your Total Equity less Margin Requirement	$\$20,700.29 - 0.0 = \$\$20,700.29$	Free Equity	A\$20,700.29

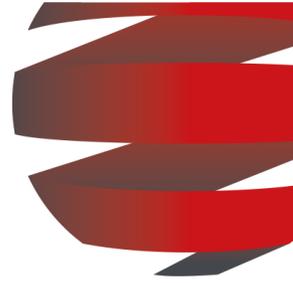
In this example you were correct in predicting the AUD will depreciate against the USD. After commission and daily Rollover Charge for one day you would have made A\$700.29 profit. However, if your prediction was wrong and the price had moved in the opposite direction by an equal amount, your loss would have been A\$770.05. Please see the example below for how this loss is calculated.





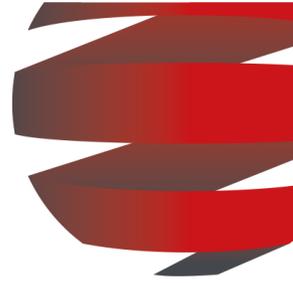
Example of Going Short and making a loss on Margin FX Contracts			
<p>You opened an account with INGOT Broker Limited and your account has an opening balance of A\$20,000 and you believe that the price of the Australian Dollar (AUD) is going to depreciate against the US Dollar (USD) which is currently at 0.9278. You decide to sell AUD 100,000 against USD at the current price.</p>			
Day 1			
Opening a Position	Calculation	Account Display	
The price of AUDUSD spot is 0.9278 (bid price)/0.9280 (offer price)	N/A	Opening balance	A\$20,000
You sell AUD100,000 at the exchange rate of 0.9278			
You pay no commission for this trade. INGOT Broker Limited charges no commission for trading Margin FX Contracts.			
Your Margin Requirement for this trade is 1% of the amount traded	$A\$100,000 \times 1\% = A\$1,000$	Margin Requirement	A\$1,000
Therefore, your Margin Requirement to open this position is A\$1,000			
Your Free Equity is Total Equity less your Margin Requirement	$A\$20,000 - \$1,000 = A\$19,000$	Free Equity	A\$19,000
<p>You decide to hold the Position overnight. The closing price of AUDUSD for the day was 0.9278, the same as your sell price.</p>			
<p>Because you have decided to hold your Position overnight you will incur a daily Rollover Charge, which is calculated according to the overnight swap rate in the interbank market, which fluctuates daily and represents the difference between the interest differential of the two currency pairs involved. The Rollover Rate is variable according to currency pairs and calculated as set out in our Client Agreement.</p>			





Day 2			
The Next Day	Calculation	Account Display	
<p>A buy trade at 0.9278 and a sell trade at 0.92765 will be generated simultaneously to reflect the Rollover Charge.</p> <p>As the AUD is the higher yielding currency and you are Long AUD, so your account is debited with US\$15.00</p>	$(0.9278 - 0.92765) \times 100000$ =US\$15.00  This amount will be booked in your base currency, which is AUD at $0.9278 = A\$16.17$	Total Equity	A\$19,983.83
<p>Your open Position will remain at the historical purchase price of 0.9278</p> <p>This way you can always keep track of your original sell price</p>	Total Equity will be $\$20,000 - 16.17 = \$19,983.83$		
<p>Let us say, at 11:30 a.m., the AUD has appreciated to 0.9330 after the RBA has indicated that further interest rate hike is necessary to control inflation.</p> <p>Your Position is marked to market which will change your account balance</p>	Unrealised loss $(0.9330 - 0.9278) \times 100000$ = US\$520  This amount will be booked in your AUD base currency at the rate of 0.9330 =A\$557.34  New Equity Balance $\$19,983.83 - 557.34 = 19,426.49$	Total Equity	A\$19,426.49
<p>Your initial Margin Requirement remains at A\$1,000</p>	$\$100,000 \times 1\% = A\$1,000$	Initial Margin Requirement	A\$1,000
<p>Your Free Equity is Total Equity less your initial Margin Requirement</p>	$\$19,426.49 - 1,000 = 18,426.49$	Free Equity	A\$18,426.49





At 4 p.m. you decided to close your Position as your prediction was wrong AUD has appreciated against the USD to 0.9350/52			
Closing the Position	Calculation	Account Display	
You buy AUD/USD 100,000 at offer price of 0.9352 to close your Position.	N/A		
Realised Loss	$(0.9350 - 0.9278) \times 100000$ = US\$720.00 =A\$770.05 New Balance $19,983.83 - 770.05 = 19,213.78$	Total Equity	A\$19,213.78
Initial Margin Requirement will be zero because you have closed your Position	N/A	Margin Requirement	\$0.00
Free Equity is your Total Equity less Margin Requirement	$\$19,213.780 - 0.0 = \$19,213.78$	Free Equity	A\$19,213.78

In this example, you were wrong in predicting the AUD will appreciate against the USD. After commission and daily rollover charge for one day you would have made a A\$770.05 loss.

### 13.3 Example of going long and going into margin call and termination.

Example of Going Long and going into margin call		
You maintain an account with INGOT Broker Limited and your account has an Opening balance of \$5000 and you believe that the price of the DFMGI Index is going to increase. The current price is 3247.75. You decide to buy 20 DFMGI or 2 lots at the current price. The 20 DFMGI or 2 lots have a margin of \$4000. Each lot has a margin of \$2000. Each pip will have a 10AED.		
Day 1		
Opening a position	Calculation	Account Display





<p>The price of DFMGI is 3244.75 (bid price)/3247.75(offer price)</p> <p>With an Exchange rate of 2.72 AED/USD</p>	<p>Contract Amount</p> <p><math>3247.75 * 20 = 64,955 \text{ AED}</math></p> <p><math>64,955 \text{ AED} = \\$17,683.01</math></p>	Opening Balance	\$4,880
<p>You buy 20 DFMGI at 3247.75 AED with a commission of \$120</p>	<p>Opening balance is</p> <p><math>\\$5000 - \\$120 = \\$4,880</math></p>		
<p>The margin requirement for each lot is \$2,000</p>	<p><math>2000 \times 2 \text{ lots} = \\$4,000</math></p>	Initial Margin Requirement	\$4,000
<p>Your free equity is total equity less your margin requirement</p>	<p><math>4,880 - 4,000 = \\$880</math></p>	Free Equity	\$880
<p>You decide to hold the position overnight. However, the DFMGI had fallen to close at 3100 AED on Day 2 at 10AM</p>			
<p>Day 2 At 10AM</p>			
The Next Day	Calculation	Account Display	





<p>The current price of DFMGI is 3100 (bid price)/3103.00(offer price)</p> <p>With an Exchange rate of 2.72 AED/USD</p>	<p>The index has dropped by <math>3247.75 - 3100 = 147.75</math> AED</p> <p>Each 1 AED drop on the index will have a 10 AED value per lot.</p> <p>Unrealised Loss:</p> <p><math>147.75\text{AED} * 20\text{Contract} = 2,955</math> AED</p> <p>This amount will be booked in your USD base currency at the rate of 2.72 AED/USD</p> <p><math>= \\$1086.40</math></p> <p>New Equity:</p> <p><math>\\$4,880 - \\$1,086.40 =</math> <math>\\$3,793.60</math></p>		
<p>As your total Equity has fallen below the required Margin, you would now be on a Margin call. Your open position will remain at the historical purchase price of 3247.75 AED</p>		Margin Call	\$3,793.60
<p>Your Margin Requirement remains at \$4,000</p>	<p><math>\\$2000 * 2 \text{ Lots} = \\$4000</math></p>	Margin Requirement	\$4,000
<p>Your Free Equity is Total Equity less your Margin Requirement</p>	<p><math>\\$3,793.6 - \\$4,000 = -\\$206.4</math></p>	Free Equity	-\$206.4

In this example, the DFMGI had moved against you and your Total Equity balance fell below your Margin Requirement, you will receive a Margin call to either reduce your Margin Requirement or deposit additional funds into your account in order to increase the equity amount and satisfy the Margin call. Your account will be placed on Margin Call.





When you are in Margin call you are not allowed to open any new Positions. Further Margin calls will be made if the DFMGI keeps falling during the day. Please refer to the following example.

Day 3			
At 10 a.m. the price of the DFMGI hasn't moved from its previous mark of falls to 3100 (bid price)/3103.00(offer price) And the client didn't deposit additional funds or reduce their positions or subsequently their Margin Requirement.			
	Calculation	Account Display	
Your account is marked to market at the current market price which will change your account balance	Unrealised Loss: $(3247.75 - 3100.00) \times 20 = 2,955$ AED  This amount will be booked in your USD base currency at the rate of 2.72 AED/USD = \$1086.40 New Equity: $\$4,880 - \$1,086.40 = \$3,793.60$	Total Equity	\$3,793.60
Your Margin Requirement remains at \$4,000	$2,000 \times 2 = \$4,000$	Margin Requirement	\$4,000
Free Equity is your Total Equity less Margin Requirement	$\$3,793.60 - \$4,000.00 = -\$206.4$	Free Equity	-\$206.4
24 Hours have passed, and the account has not been funded and the Margin Requirement was not reduced so the position with the largest loss will be terminated. In this case there was only one position		New Balance Margin Requirement	\$3,793.60 \$0

As you have not responded to the Margin Call and none of the following happened:

- either depositing additional funds in to your account; or
- close or reduce one or more or part of your open position(s);

Thus, the position was terminated.





Alternatively, you may wish to consider whether to place a Stop Loss Order to try to avoid a deficit balance on your account. This example could also be based on Commodity Futures contracts.

### 13.4 Example of Going Short on Share CFD with Margin Call

Example of Going Short and going into Margin Call on share CFDs			
<p>You opened an account with INGOT Broker Limited and your account has an opening balance of A\$5,000 and you believe that the price of the VODAFONE share CFD is going to depreciate which is currently at 120.88/121.90. You decided to sell 100 VODAFONE shares at the current price.</p>			
Day 1			
Opening a Position	Calculation	Account Display	
The price of VODAFONE share CFD is 120.88 (bid price)/121.90 (offer price)	$100 \times 120.88 = \text{GBP}12,088.00$ @0.4800 $= \text{AUD}25,183.33$	Opening Equity	A\$5,000
You sell 100 VODAFONE share CFDs at the bid price of 120.88			
You will pay \$25.19 commission at the rate of 0.1%	$100 \times 120.88 \times 0.1\% = \text{GBP}12.09$ @0.4800 = AUD25.19	Total Equity	A\$4,974.81
This amount is deducted from your total equity balance	=Equity balance $\$5,000 - \$25.19 = \$4,974.81$		
Your Initial margin requirement for this trade is the number of CFDs multiplied by trade price multiplied by the margin rate.	$100 \times 120.88 \times 10\%$ $= \text{GBP}1,208.80$ @0.4800 = A\$2,518.33	Margin Requirement	A\$2,518.33
Your initial margin requirement to open this position is \$2,518.33			





Free Equity is your Total Equity less your Margin Requirement	\$4,974.81 - \$ 2,518.33= \$ 2,456.48	Free Equity	A\$2,456.48
You decided to hold the position overnight. The closing price for VOD Share CFD for the day was \$120.88, the same as your sell price.			

Because you have decided to hold your position overnight you will incur a Financing Charge, which is calculated by multiplying the number of CFDs held by the closing price then multiplied by the Financing Rate. The Financing Rate varies according to the market you traded. In this example the GBP financing rate is the LIBOR (2%) minus 2%			
Day 2			
The Next Day	Calculation	Account Display	
Your account will be credited with A\$0 for the Overnight Financing Charge because you were Short Share CFD	$GBP12,088 \times 0\% \times 1 \text{ day}/365$ $= GBP0.00$	Total Equity	A\$4,974.81
At 11:30 a.m. London time because of better than expected earnings announcement, the share price of VODAFONE had risen to 135.88	Unrealised Loss: $(120.88 - 135.88) \times 100$ $=GBP1,500 @0.48.00$ $=A$3,125.00$	Total Equity	A\$1,849.81
Your position is marked to market at 135.88.	New Equity Balance: $\$4,974.81 - \$3,125.00$ $=\$1,849.81$		
Your open position will remain at the historical purchase price of 120.88  This way you can always keep track of your original purchase price.	Margin Requirement:  $100 \times 120.88 \times 10\%$ $=GBP1,208.80 @0.4800$ $=A$2,518.33$	Margin Requirement	A\$2,518.33
Free Equity is your Total Equity less your margin requirement	\$1,849.81 - \$2,518.33 = - A\$668.52	Free Equity	A\$668.52





As your Total Equity balance has fallen below of your margin requirement, you would now be on a Margin Call		Margin Call	A\$1,849.81
---	--	-------------	-------------

In this example, your Total Equity Balance fell below your Margin Requirement, your account will be placed on Margin Call. When your account moves into deficit you have two options. You can either reduce your position in order to reduce your Margin requirement or deposit additional funds into your account in order to increase the equity amount and satisfy the Margin Call.

When you are in Margin Call you are not allowed to open any new positions. Further Margin Calls will be made if the price of Vodafone keeps going up during the day. Please refer to the following example.

Example of Going short and going into further Margin Call on Share CFD			
At 12 p.m. London time the price of Vodafone Share CFD had risen to 137.88			
	Calculation	Account Display	
Your account is marked to market at the current market price which will change your account balance	Contract Value: $100 \times 137.88 = \text{GBP}13,788.00$  Unrealised Loss: $(120.88 - 137.88) \times 100$ $= \text{GBP}1,700.00 @0.48.00$ $= \text{A}\$3,541.67$ New Equity: $\$4,974.68 - \$3,541.67 =$ $\$1,433.01$	Total Equity	A\$1,433.01
Your open position will remain at the historical purchase price of 120.88	Margin Requirement $100 \times 120.88 \times 1\% =$ $\text{GBP}1208.80$ $@0.48.00 = \text{A}\$2,518.33$	Margin Requirement	A\$2,518.33





Free Equity is your Total Equity less Margin Requirement	A\$1,433.01- \$2,518.33 = -A\$1,085.32	Free Equity	-A\$1,085.32
As your Free Equity has fallen further, you would now be on a Second Margin Call		Second margin Call	A\$1,433.01

As you have not responded to the first Margin Call and your account debit has fallen further you will be sent a Second Margin Call. You need to do one of the following:

- depositing additional funds in to your account; or
- closing or reducing one or more or part of your open position(s)

If you choose to deposit additional funds into your account, these funds must be Cleared Fund before for them to be treated as having satisfied your Margin Call requirements.

#### **14. SETTLEMENT OR CLOSURE OF A POSITION**

As mentioned above, settlement will occur through the closing out of a Margin FX Contract or CFD Position, that is by taking an equal and opposite Position with us either by:

##### **Single Position Closing**

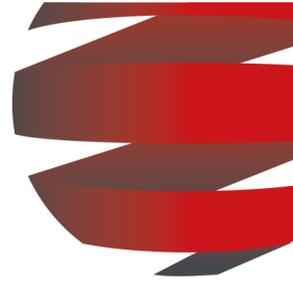
A single open trade Position can be closed by choosing the close button when you execute the trade online. This Contract will then be closed and offset by the opposite trade. Or;

##### **Closing by Opposite Positions**

You can choose to close a position by an opposite Position but not offsetting the two trades. You can execute an opposite trade and both long and short positions will appear in your trade account. You can choose to offset the trades later when you prefer.

Any realised profits will be credited to your account on the day of settlement. Any realised losses must be paid by you to us within 24 hours of us advising you of the amount payable. But if we hold enough Margin from you, we may simply debit your account for the losses. We may set off amounts we owe you against amounts you owe us. Under the terms and conditions of the Client Agreement your Positions close automatically on the fifth anniversary of the date the Margin FX Contract or CFD was entered into, and we are entitled to close your Positions in certain circumstances such as where there are abnormal trading conditions, you fail to provide Margin as required, or where we are legally required to do so.





## **15. SIGNIFICANT BENEFITS OF MARGIN FX CONTRACT AND CFD PRODUCTS**

The use of our Margin FX Contracts and CFDs provide several benefits which must, of course, be weighed up against the risk of using them. Benefits include:

### **15.1 Hedging**

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

### **15.2 Speculation**

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

### **15.3 Flexibility**

The use of Margin FX and CFDs allows the option of going Long or Short in any contracts.

### **15.4 CFDs**

Similar benefits may be obtained by hedgers and speculators by trading our CFDs.

### **15.5 Market Position**

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

### **15.6 Leverage**

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

### **15.7 The INGOT Broker Limited Platform**

There are significant benefits associated with the use of the INGOT Broker Limited Platform. These include:

- the ability to trade in small amounts as little as a \$100 margin;
- the provision of access to foreign exchange, share, commodity and bullion markets at any time, with the exception that trading in various currency crosses may be restricted to hours where liquidity is available for a given currency cross;
- real-time streaming of quotes and the facility to check your accounts and positions in real time and 24 hours a day on any global market which is open for trading;



- competitive spreads, no commissions: you do not pay any commission in respect of the transactions you enter with us other than share CFD's. We are a market maker, not a broker, and we generally make our money from the spreads that are embedded in the price of the instruments; this may change per market conditions and regulations and
- full control over your account and positions.

## **16. SIGNIFICANT RISKS OF DEALING IN MARGIN FX CONTRACTS OR CFDs WITH INGOT BROKER LIMITED**

You should carefully consider whether dealing in Margin FX Contracts or CFDs is appropriate for you in light of your financial circumstances. In deciding whether you wish to become involved in these transactions, you should be aware that these products are speculative in that they are highly leveraged and carry a significantly greater risk than non-geared investments. Consequently, you could lose large amounts of money and may sustain losses in excess of the moneys you initially deposited with us and in excess of the Margin required to establish and maintain your Margin position.

We will not give you any personal financial product advice in relation to Margin FX Contracts or CFDs. We will only be providing you with general advice and as such, this advice will not consider your objectives, financial situation or needs.

Accordingly, you should obtain your own financial, legal, taxation and other professional advice as to whether Margin FX Contracts or CFDs are an appropriate investment for you. The risks also include the following:

### **16.1 Loss of Moneys**

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

You should be aware that if you acquire a Margin FX Contract or CFD for other than proper hedging purposes you will be fully exposed to movements in the price of the Underlying Instrument.

The risk of loss will be increased where you borrow to acquire the product as the total loss which may be incurred will be the loss on the product together with the amount you borrowed and any associated borrowing costs.

### **16.2 Risk resulting from margin calls**

The risks associated with the obligation to meet Margin Calls are described in section 9.9. If the Margin FX Contract or CFD price moves against your Margin FX Contract Position or CFD Position you may be required, at short notice, to deposit further moneys with us in order to satisfy your Total Margin Requirement and maintain your Position. The amount of the additional Margin may be substantial and failure to pay it promptly may result in:

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

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

### **16.3 Derivative Markets**

Derivative markets are speculative and volatile, as explained elsewhere in this PDS. Margin FX Contracts and CFDs are derivative instruments and can be highly volatile. Under certain market conditions, the price of contracts may not maintain the usual relationship with the Underlying Markets because of unforeseeable events or changes in conditions, none of which can be controlled by you. Please note there is no trading in positions with INGOT Broker Limited when there is a trading halt in an Underlying Reference Instrument. In the case of a high volatile market, INGOT Broker Limited reserves the right to change the Margin Requirement, reprice your position to the best available price or terminate your contract.

The prices of Margin FX Contracts and CFDs will be influenced by, amongst other things, changing supply and demand relationships, governmental, agricultural, commercial programs, trade programs, policies, national and international political, economic events, and the prevailing psychological characteristic of the Derivatives market.

### **16.4 Cryptocurrencies CFDs risks**

Pricing and hedging risk from underlying cryptocurrency assets can be difficult, clients should have enough capital in order to avoid huge losses caused by the high volatility associated with Cryptocurrencies market.

### **16.5 Dealing may be affected by factors in the Underlying Market**

Our prices are derived from prices in the Underlying Market under certain market conditions, it could become difficult or impossible for you to manage the risk of open Positions by entering into opposite Positions in another contract or closing existing Positions. Sometimes markets move so quickly that gapping occurs. Gapping is the exposure to loss from failure of market prices or rates to follow a "smooth" or continuous path due to external factors such as world, political, economic and specific corporate events. If gapping occurs in the Underlying Market, it will also occur in the price of the relevant CFD and may mean that you are unable to close-out your position or open a new position at the price at which you have placed your order or may have liked to place your order.

The Underlying Market may lack liquidity, caused by insufficient trading activity or because the aggregate of all requests for orders at a price determined by us exceeds the available volume in that market. This may affect our ability to offer Margin FX Contracts or CFDs in enough volume to allow you to close-out your Position or open a new Position. As a result, a potentially profitable deal may

not be executed, or it may not be possible to close-out a Position in a timely fashion at the price you require. This may lead to reduced profits and high losses.

We have the right to close your open Position, limit the size of your open Position or refuse orders to establish new Positions, by giving you notice orally or in writing. You should refer to clause 15.1 of the Client Agreement.

**16.6 Your account will be maintained in the currency that you have nominated: that is, the Base Currency.**

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

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

**16.7 Loss caused by spread**

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

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

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

**16.8 Counterparty Risk**

**Hedging** - You will be dealing with us as counterparty to every transaction and you will, therefore, have an exposure to us in relation to each transaction. This is common in all over-the-counter (OTC) financial market products. Consequently, you will be reliant on our ability to meet our counterparty obligations to you to settle the relevant contract. We may choose to limit this exposure by entering into opposite transactions as principal in the wholesale market in relation to our exposures with our



clients. It is important to note, however, that we must always strictly comply with the financial requirements imposed under our Licence.

INGOT Broker Limited has risk management and compliance systems in place to manage its risks including but not limited to financial, operational and credit risks. Funds are held with reputable financial institutions. INGOT Broker Limited has policies around monitoring client positions, margin calls and liquidations. Also, INGOT Broker Limited monitors market risk daily against set limits. The steps that are taken to ensure this include:

- Performing a daily adjusted surplus liquid funds calculation, ensuring that we meet our minimum liquid capital requirement; and
- Performing a daily client cash segregation calculation, ensuring that we hold adequate cash in our client segregated account in order to meet our obligations to the client. All client cash is maintained in fully segregated trust accounts separate to INGOT Broker Limited's operating account.
- INGOT Broker Limited has hedging agreements with major worldwide exchanges. Before a new relationship with a new hedging counterparty is formed, INGOT Broker Limited undertakes an extensive due diligence process. This process will include a review of several key factors that relate to the risk of dealing with the counterparty.

These include:

- the counterparty's credit rating, reputation, market presence, funding arrangements, stock availability, trading platforms, reporting processes and fees and charges;
- the enforcement of leverage limits based on the account equity of the client and the instruments being traded;
- the enforcement of market risk limits on the net exposure and daily loss limits of INGOT Broker Limited;
- the selection and maintenance of hedge counterparty relationships based on, amongst other things, their financial capacity and resilience.
- whether the funds placed by INGOT Broker Limited as collateral are subject to segregation;
- the counterparties' financial strength and stability based on its credit rating and that of its parent (if any);
- the services it provides and the strength of its operational controls and systems.

**Financial Resources** - INGOT Broker Limited maintains an ongoing policy about the management and ongoing monitoring of its financial resources. INGOT Broker Limited conducts annual audits which are available free of charge from INGOT Broker Limited by calling +1646-971-9620 or email: [customerservice@ingotbrokers.com](mailto:customerservice@ingotbrokers.com)





This policy addresses the following matters, amongst other things:

- The methodology employed by INGOT Broker Limited to measure and assess its regulatory financial requirements under its License;
- Linkages between the budgetary planning process and the financial requirements;
- Scenarios used to forecast the cash resources available to INGOT Broker Limited to meet its financial requirements; and
- Roles and responsibilities for measuring and monitoring the financial condition against the requirements.

To mitigate the risks of failing to satisfy the financial requirements under its license and to provide assurance that INGOT Broker Limited always has enough financial resources, the Company:

- Has established an internal requirement to maintain a capital buffer over and above the external regulatory requirement;
- Measures and monitors the internal buffer and the external financial requirements against the Company's actual financial condition daily; and
- Subjects the Company's financial condition to quarterly scenario tests to assess compliance with the regulatory capital requirements and its ongoing financial needs under stressed conditions

You should also refer to section 26 of this PDS where there is a discussion about our conflicts of interest. These conflicts arise because we are the issuer of the products to you, and we have, therefore, an economic interest in the price at which you deal and the subsequent movement in the price.

#### **16.9 Not a regulated market**

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

#### **16.10 Regulatory changes**

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

#### **16.11 Systems risk**

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





that it is caused by fraud or dishonesty on our part or on the part of our employees, agents or representatives.

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

#### **16.12 Changes in Margin Percentage**

We may under clauses 11.3 and 29.2 of the Client Agreement exercise our right to alter the Margin Percentage in relation to any of our CFDs at any time at its discretion. Notification of this alteration can be given to you either orally or in writing. The alteration will take immediate effect over the affected open positions. This change will affect your Margin Requirement. You should refer to section 9.15 of this PDS for further information.

### **17. DEALING WITH YOUR MONEY**

#### **17.1 Client Money**

Any money that you deposit with us will be held and invested in accordance with the internal policies and procedures.

#### **17.2 Protection afforded to Client Money**

Any money that you deposit with us for trading will be held in bank and covering accounts.

We are required to comply with various record-keeping, reconciliation and reporting obligations in relation to the client money. INGOT Broker Limited must:

- Keep records of client money received and retain such records for seven (7) years;
- Perform a daily and monthly reconciliation of the client money on INGOT Broker Limited' accounts; and

Establish, implement and maintain policies and procedures designed to ensure INGOT Broker Limited's compliance with our Reporting Rules.

#### **17.3 Warning about segregated accounts**

It is important to note that our holding your moneys in one or more segregated accounts may not afford you absolute protection.

The purpose of segregated accounts is to segregate our customers' money, including your moneys, from our own funds. However, individual customer's money is co-mingled into one or more segregated customer accounts.

Furthermore, segregated accounts may not protect your moneys from a default in the segregated customer accounts.





Should there be a deficit in the segregated accounts and in the unlikely event that we become insolvent before the topping up of the segregated accounts in deficit, you will be an unsecured creditor in relation to the balance of the moneys owing to you.

#### **17.4 What is an unsecured creditor?**

If you become an unsecured creditor of us, you will need to lodge a proof of debt with the liquidator for the amount of moneys that are owing to you as evidenced by your account statements. The liquidator then assesses all proofs of debts to determine which creditors can 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.

### **18. DEFAULT POWERS**

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

Further, if your unrealised loss in relation to any Margin FX Contract Positions, CFD Position exceeds 75% of the initial margin we hold for the Position, or the client has received a margin call and not sufficed it, we are entitled to close-out and/or reverse the Position without further instruction from you.

### **19. CLIENT AGREEMENT**

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

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

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

- Client representations and warranties
- Margin and Premium
- Client obligations regarding confirmations (discrepancies)
- Our rights following a default event
- Indemnity in favour of us
- Fees and charges
- Restrictions on assignment of agreement
- Telephone recordings



- Governing law.

## **20. DISCRETIONS**

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

- maintaining our reputation as a product issuer;
- responding to competitive market forces;
- managing all forms of risk including, but not limited to, operational risk and market risk; and
- complying with our legal obligations.

## **21. LIMITATIONS ON LIABILITY**

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

## **22. TAXATION CONSIDERATIONS**

This section contains a summary of the taxation implications for dealing in Margin FX Contracts and CFDs. It is provided for guidance only.

Clients should seek professional taxation advice that is based on their individual circumstances and the taxation laws of their country of taxation.

## **23. 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, even though settlement may occur at a later date.

## **24. SECURITY**

Please note that in accordance with clause 10.1 of the Client Agreement, and in addition to Margin, you must pay to us such sums of money as we may from time to time require as security for your obligations to us.



## **25. SUPERANNUATION FUNDS**

Complying superannuation funds are subject to numerous guidelines and restrictions in relation to their investment activities.

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

- the prohibitions on borrowing and charging assets and whether dealing in financial products would breach those borrowing and charging prohibitions;
- the dealing in financial products in the context of a complying superannuation fund's investment strategy, together with the fiduciary duties and other obligations owed by trustees of those funds;
- the necessity for trustees of a complying superannuation fund to be familiar with the risk involved in dealing in financial products and the need to have in place adequate risk management procedures to manage the risks associated in dealing in those products; and
- the consequences of including adverse taxation consequences if a superannuation fund fails to meet the requirements for it to continue to have complying status.
- You must notify us if you are funding your account with superannuation funds, as that may impact your classification as a wholesale or retail client.

## **26. DISCLOSURE OF ANY RELEVANT CONFLICTS OF INTEREST**

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

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

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





## **27. REMUNERATION AND OTHER BENEFITS RECEIVED BY OUR EMPLOYEES**

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

## **28. CLIENTS MAY BE TREATED DIFFERENTLY**

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

## **29. SHARING OF COMMISSIONS AND OTHER AMOUNTS**

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

## **30. REFERRAL BENEFITS FOR OTHER SERVICES PROVIDERS**

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

## **31. MAKING A COMPLAINT**

INGOT Broker Limited has an internal dispute resolution process in place to resolve clients' complaints timely and fairly. Clients who wish to file a formal complaint must do so by contacting us through our "Contact Us" page on our website along with any relevant attachments. We will seek to resolve your complaint within prescribed timeframes that may reasonably be required given the nature of the complaint. We will investigate your complaint and provide you with our decision and the reason on which it is based, in writing.

Following the investigation of your complaint, if the issue has not been resolved to your satisfaction within 30 days after submitting the complaint, you may wish to take further legal actions in Saint Vincent and the Grenadines civil courts.





### **32. OUR PRIVACY POLICY**

We are committed to protecting your privacy. The information you provide to us and any other information provided by you in connection with your transactions will primarily be used for the processing of your application and for complying with certain laws and regulations. We have systems and processes in place which safeguard against the unauthorised use or disclosure of your personal information. We may use this information to send you details of other services or provide you with information that we believe may be of interest to you. Please contact us at if you have any concerns or if you would like to see a copy of our privacy statement.

### **33. RECORDING OF TELEPHONE CALLS/COMMUNICATION**

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

### **34. INTERPRETATION AND GLOSSARY**

#### Interpretation

1. The defined terms used in this PDS are capitalized and set out in this Schedule.
2. If there is any conflict between the terms of this PDS and any Applicable Law, the Applicable Law will prevail.
3. In this PDS, any reference to a person includes bodies corporate, unincorporated associations, partnerships and individuals.
4. In this PDS, all references to times of the day are to the time of the server, unless otherwise specified.
5. Headings, notes and examples in this PDS are for reference only and do not affect the construction of the Agreement.
6. In this PDS, any reference to any enactment includes references to any statutory modification or reenactment of such enactment or to any regulation or order made under such enactment (or under such a modification or re-enactment).
7. “\$” or “dollars” is a reference to United States currency unless otherwise specified.

#### Glossary

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





<b>ACCOUNT</b>	means an account you have with us;
<b>CLIENT AGREEMENT</b>	means the Client Agreement, as amended, varied, or replaced from time to time;
<b>APPLICATION FORM</b>	means the application form and account opening documentation, including documentation required to be returned for the purposes of complying with Anti-Money Laundering and Counter-Terrorism Financing legislation, completed by you and submitted to us whether electronically or in hard copy;
<b>AUD</b>	means Australian Dollars
<b>USD</b>	Means United States Dollars
<b>INGOT BROKER LIMITED EXCHANGE RATE</b>	the buy or sell rate we exchange one currency for another
<b>INGOT BROKER LIMITED PRODUCT SCHEDULE</b>	the list of Margin FX Contracts and CFDs which we from time to time are willing to quote a price, as amended by us from time to time. The Product Schedule is available at <a href="http://www.ingotbrokers.com">www.ingotbrokers.com</a>
<b>INGOT BROKER LIMITED ROLLOVER RATE</b>	the rate as we may determine from time to time having regard to Interbank Rates for rollovers.
<b>INGOT BROKER LIMITED SPREAD</b>	means the difference between the bid and offer prices of a Contract quoted from time to time by us and; where appropriate; expressed as a percentage of the relevant price.
<b>BASE CURRENCY</b>	means the currency selected by you under the Client Agreement and which, in the absence of a selection will be USD Dollars;
<b>BULLION CFD</b>	A CFD whose value fluctuates by reference to the fluctuations in the Underlying Instrument which relate to gold or silver.
<b>BUSINESS DAY</b>	means: <ul style="list-style-type: none"> <li>(a) in relation to services other than CFDs on a Security, Index, Futures, or ETFs, any day (other than a Saturday, Sunday or public holiday) on which banks are open for business; and</li> <li>(b) in the case of services relating to CFDs on a Security, Index, Futures, or ETFs to which Limited Hours Trading applies, any day on which the exchange on which the relevant Security or each constituent Security has its primary listing, or the exchange on which the Index operates, whichever is applicable, is open for trading, and will exclude any day on which all trading on the relevant exchange is closed or suspended;</li> <li>(c) in the case of services relating to CFDs on a Security, Index, Futures, or ETFs to which Limited Hours Trading does not apply, any day on which any relevant exchange is open for trading.</li> </ul>
<b>CASH DIVIDEND</b>	the cash dividend or distribution declared and does not include any Franking Credits attached to a dividend or distribution.





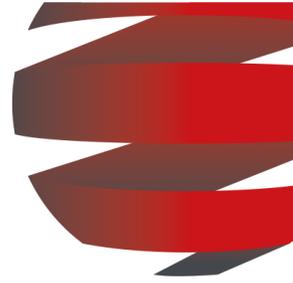
<b>CFDs</b>	the contracts for difference that we offer to its clients from time to time under this PDS and the Terms and Conditions of the Client Agreement.
<b>CLEARED FUNDS</b>	funds that have been deposited with INGOT Broker Limited and are immediately available to us.
<b>CLOSING PRICE</b>	means the price determined by us, from time to time, having regard to the last traded or mid close price and our Spread as may be appropriate for the Underlying Instrument;
<b>COMMODITY CFDS</b>	a CFD whose value fluctuates by reference to the fluctuations in the value of an Underlying Instrument, which is a futures contract of Commodity
<b>COMMODITY ROLLOVER PRICE</b>	has the meaning given to that term in section 10.2.
<b>CONTRACT</b>	means any contract, whether oral or written, including any derivative, future, contract for difference or other transaction relating to such financial products entered into by us with the Client or any back to back agreement which we enter into to enable us to enter into or fulfil our obligations under any such contract.
<b>CORPORATE ACTION</b>	includes, but is not limited to bonus issues, reconstructions, rights issues and stock splits in respect of an Underlying Instrument.
<b>CURRENCY LEDGER BALANCE</b>	upon realising your profit and loss for a Margin FX Contract or CFD Position denominated in a foreign currency you will hold a foreign currency balance in your Account that can be converted back to your Base Currency upon request (and which may be converted back to your Base Currency by us in certain circumstances as described in this PDS);
<b>CONTRACT PRICE</b>	means the price we offer you to trade in our financial products from time to time and which is calculated by us according to the Client Agreement;
<b>ELECTRONIC SERVICE</b>	means a service provided by us, for example an internet trading service offering clients access to information and trading facilities, via an internet service, a WAP service and/or an electronic order routing system and including relevant software provided by us to enable you to use an electronic trading service;.
<b>EXCEPTIONAL MARKET CONDITIONS</b>	means an exceptional market condition as we may in our reasonable opinion determine exists, including but not limited to, a Force Majeure Event;
<b>EXPIRY DATE</b>	the day on which the Margin Contract or CFD expires;
<b>EVENT OF DEFAULT</b>	means an event enumerated as Specified Event in the Client Agreement;
<b>FINANCING BENEFIT</b>	the amount that you receive if your account is an Interest or Swap bearing account on Share and Index CFD positions that remain open overnight, calculated using the Financing Rate.
<b>FINANCING CHARGE</b>	the amount that you pay if your account is an Interest or Swap bearing account on Share and Index CFD positions that remain open overnight, calculated using the Financing Rate.





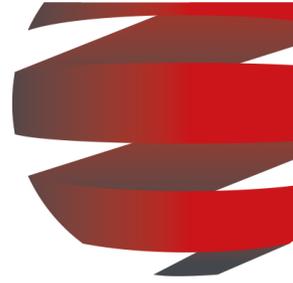
<b>FINANCING RATE</b>	our rate at which if your account is an Interest or Swap bearing account, you pay or receive interest on Share and Index CFD positions that remain open overnight, based on the Relevant Interest Rate plus or minus the interest percentages outlined in the table in section 10.6 of this PDS.
<b>FORCE MAJEURE EVENT</b>	has the meaning given to it in clause 29 of the Client Agreement;
<b>FREE EQUITY</b>	is your Total Equity less your Margin Requirement;
<b>FSG</b>	means our relevant Financial Services Guide, including a supplementary and replacement financial services guide;
<b>GAPPING</b>	Gapping is the exposure to loss from failure of market prices or rates to follow a "smooth" or continuous path due to external factors such as world, political, economic and specific corporate events.
<b>GROSSED-UP DIVIDEND</b>	The grossed-up amount of the dividend is the sum of the Cash Dividend plus any Franking Credit attached to the Cash Dividend that a person who owns the Underlying Instrument is entitled to.
<b>INDEX CFDs</b>	A CFD whose value fluctuates by reference to the fluctuations in the value of an Underlying Instrument, which will relate to a share index.
<b>INDEX FUTURES CFDs</b>	A CFD whose value fluctuates by reference to the fluctuations in the value of an Underlying Instrument, which is an Equity Index Futures Contract.
<b>INGOT BROKER LIMITED PLATFORM</b>	means the INGOT Broker Limited Platform in the Electronic Service we make available to you by which you may trade with us online in our Margin FX Contracts and Margin CFDs. If in our papers we specifically mention a INGOT Broker Limited Platform, the same rule will be applied to all INGOT Broker Limited Platforms that we make available for you to trade;
<b>INTERBANK RATE</b>	the mid interbank rate calculated by us with reference to the bid and offer prices for the Underlying Instrument most recently quoted by any one or more third party banks;
<b>INTEREST QUALIFICATION LEVEL</b>	means for interest bearing accounts, the interest qualification level as specified in section 5.3 of this PDS;
<b>LIMIT ORDER</b>	has the meaning described in clause 12.3 of this PDS;
<b>LIQUIDATION LEVEL</b>	means the minimum Total Equity balance specified at section 9.22 of this document
<b>LONG PARTY</b>	means, in relation to a Margin FX Contract or CFD, the party that has notionally bought the relevant Underlying Instrument;
<b>MARGIN</b>	means the amount that you must have in your Account to enter into a Margin Contract with us;
<b>MARGIN ADJUSTMENT</b>	means an adjustment to the amount of Margin you need to have in your Account to maintain a Position, due to us changing the Margin Percentage or making a variation of margin or Margin Call;





<b>MARGIN CALL</b>	a call normally made via the INGOT Broker Limited Platform, requiring you to top up the amount of money you have in your Account as Margin or close or reduce one or more of your open position(s) in order to maintain your Margin Percentage where the market has moved against you, and where the additional payment is required in order to maintain your open Positions;
<b>MARGIN COMMODITY CONTRACT</b>	means a contract between you and us for the taking of Positions in commodities (gold, silver, wheat, oil and such other commodities (excluding foreign exchange) offered by us under the PDS from time to time)
<b>MARGIN CONTRACT</b>	means any contract, whether oral or written or concluded electronically entered into between you and us and includes Margin FX Contracts, CFDs and Margin Commodity Contracts;
<b>MARGIN FX CONTRACT</b>	means a contract between you and us for the taking of spot or forward Positions in a foreign currency as described in clause 7 of this PDS;
<b>MARGIN PERCENTAGE</b>	means, such percentage of the Contract Value as specified by us as described in the current PDS, and as amended by us under the Client Agreement from time to time;
<b>MARGIN REQUIREMENT</b>	is the amount of Margin you are required to have in your Account from time to time in order to enter into a Margin FX Contract or CFD, or to maintain your Position/s;
<b>MINIMUM TOTAL EQUITY BALANCE</b>	means such minimum Total Equity balance in your Account (as amended from time to time) described in paragraph 3.3 of this PDS;
<b>MINIMUM TRADING SIZE</b>	means such minimum contract quantity or contract value as we may specify on our website from time to time for any type of Margin FX Contract or CFD;
<b>MARKET ORDER</b>	an order placed to buy or sell a CFD at our current price.
<b>MID PRICE</b>	the price at the mid-point between our bid and offer prices.
<b>MINIMUM POINT INCREMENT</b>	represents the minimum possible price change between two successive transaction prices permitted by us. The Minimum Point Increment can represent either an upward or downward movement in price.
<b>NEXT SERIAL CFD CONTRACT</b>	a contract of the same type as the relevant CFD Contract, but with the Expiry Date being the next occurring Expiry Date;
<b>NORMAL TRADING SIZE</b>	means the minimum and maximum contract quantity or contract value that we reasonably consider appropriate, having regard if appropriate, to the normal market size for which prices are available on any relevant exchange and for which we quote live price information;
<b>PDS</b>	means our Product Disclosure Statement, including a supplementary and replacement product disclosure statement;
<b>POSITION</b>	means the long or short position you have taken in your Margin Contract with us;
<b>RELEVANT INTEREST RATE</b>	means such applicable interest rate as we may reasonably select from time to time which is appropriate to the currency of the outstanding amount or the Underlying Instruments (as applicable) as detailed on the daily statement, and are also available from us upon request, as set out in section 10.6.





<b>ROLLOVER RATE</b>	means the rate determined by us, from time to time, regarding Interbank Rates for rollovers;
<b>ROLLOVER BENEFIT</b>	means a benefit you may receive if your account is an Interest or Swap bearing account where you have a short Margin FX Contract, Margin Commodity, Bullion CFD, or an Index Future CFD Position held overnight and which is described in section 10.2 of this PDS;
<b>ROLLOVER CHARGE</b>	means a charge you may have to pay if your account is an Interest or Swap bearing account where you have a long Margin FX, Commodity, Bullion CFDs. or an Index Future CFD Position held overnight and which is described in section 10.2 of this PDS;
<b>SHARE CFDs</b>	a CFD whose value fluctuates by reference to the fluctuations in the value of a security of a company that issues the shares.
<b>SHORT PARTY</b>	means, in relation to a Margin FX Contract or CFD, the party that has notionally sold the relevant Underlying Instrument;
<b>SOPHISTICATED INVESTOR</b>	a category of wholesale client.
<b>SPREAD</b>	means the difference in the bid and offer prices of a Margin FX Contract or CFD quoted from time to time by us and, where appropriate, expressed as a percentage of the relevant price.
<b>STOP LOSS ORDER</b>	as described in paragraph 12.1 of this PDS;
<b>TOTAL EQUITY</b>	means the aggregate of the current cash balance in your Account and your current unrealised profits and losses;
<b>TOTAL MARGIN REQUIREMENT</b>	means the sum of your Margin Requirements for all your open Positions;
<b>UNDERLYING ENTITY</b>	an entity that is the issuer of an Underlying Instrument.
<b>UNDERLYING INSTRUMENT</b>	means the underlying asset, such as security, commodity, futures contract, or index to which the value of a Margin FX Contract or CFD is determined;
<b>UNDERLYING MARKET</b>	means the underlying market in which the Underlying Instrument is traded.
<b>WE/US</b>	means INGOT Broker Limited (Company number: 24172 IBC 2017);

