

Product Disclosure Statement

CIDT GLOBAL FINANCIAL LIMITED

Company Number 6295354

FSP 571127

1A, 6 Viaduct Harbour Avenue, Auckland Central,

Auckland 1010, New Zealand

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1. Introduction

1.1 Background

This PDS which is dated 12/10/2017, has been prepared and issued by CIDT Global Financial Limited (Company Registration Number 6295354) (we or us) and replaces all previous versions. It provides you with key information about our margin foreign exchange contracts (Margin FX Contracts).

The information contained in this Product Disclosure Statement(PDS) does not constitute recommendation, advice or opinion and does not take into account your individual objectives, financial situation, needs or circumstances. Our products are leveraged and speculative and may not be suitable for you. Their prices and the Underlying Instruments or currencies may fluctuate rapidly and widely because of events or conditions which may not be foreseeable and cannot be controlled. This is an important document and should be read in its entirety before entering into a financial product with us. We will provide a paper copy of this PDS free of charge upon request and it has been placed on our Website: www.globforex.com.

Additional information is incorporated into this document by reference. That means it is available at www.globforex.com or a paper copy on request. Although it is separate to this document, the information at www.globforex.com forms part of this document and should be read in conjunction with it. The information in this PDS is current as of 09/06/2017 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 in paper copy upon request and free of charge by contacting us. If you have any queries, please contact us.

1.2 Our Contact Details

Our Office:	1A, 6 Viaduct Harbour Avenue Auckland Central Auckland 1010
Phone:	+64 9 930 8108
Fax:	+64 9 930 8110
Email:	cs@globforex.com

1.3 Trading Hours

Trading hours for Margin FX Contracts will depend on the relevant underlying Market's hours of operation, and are set out on our Website.

We are under no obligation to quote prices or accept orders or instructions in respect of any Contract to which Limited Trading Hours applies during any time when the relevant underlying exchange is closed for business.

1.4 Office Hours

Our office hours are Monday to Friday, 9.00am to 5.00pm NZT, subject to underlying Market holidays, to service your Account. During this time, you can contact our Customer Service team.

1.5 Anti-Money Laundering Legislation

We may require further information from you from time to time to comply with the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML/CFT Act). By 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/CFT Act.

You also warrant that:

- you are not aware and have no reason to suspect that:
- the moneys used to fund your transactions have been or will be derived from or related to any money laundering, financing of terrorism or other illegal activities whether prohibited under New Zealand law, international law or convention or by agreement;
- the proceeds of your investment will be used to finance any illegal activities; and you are not a politically exposed person or organisation as the term is used in the Anti-Money Laundering and Countering Financing of Terrorism Act 2009

1.6 Warning

The financial products offered by us in this PDS are financial 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 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. It is important that you understand that when you enter into a Margin FX Contract you are not trading in the Underlying Instrument.

2. Key Information: Questions and Answers

2.1 What Financial Products do we provide?

Margin FX Contracts. We are the provider of the Margin FX Contracts. CIDT holds New Zealand Financial Services Provider Register (FSP571127).

2.2 What is foreign exchange transaction?

Foreign exchange is about exchanging one currency for another. In a foreign exchange transaction one currency can be bought or sold in exchange for another currency.

2.3 What are Margin FX Contracts?

A Margin FX Contract is an agreement under which you may make a profit or incur a loss arising from fluctuations in the price of the contract. The price of our Margin FX Contracts is based on the price of an underlying currency (Underlying Instrument).

However, you do not own or have any interest or right to that Underlying Instrument or have an ability to trade it on an exchange by owning a Margin FX Contract.

By entering into a Margin FX 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.

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 contract when your Position is opened and the price of the contract when the Position is closed;
- any Margin adjustments in respect of the contract;
- any Swap Charges or Benefits relating to the contract.

The balance in your Account will also be affected by other amounts you must pay to us in respect of your Account such as interest on debit balances.

2.4 What is a Position?

A Position is a Margin FX Contract entered into by you under the Client Agreement.

2.5 What is a Margin FX Contract “Over the Counter”?

Over the counter (“OTC”) means that you do not trade in financial products 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 by giving instructions to another provider, broker or any financial services licensee.

2.6 What charges are payable when dealing in Margin FX Contracts?

The common fees and charges you will incur when dealing in Margin FX Contracts may incorporate any or all of the following:

- Payment of Margins;
- Margin adjustments;
- Swap and rollover charges calculated at our Swap and Rollover Rates;
- Interest applied to debit balances in your Account;
- Administration charges; and
- In addition, we will apply a bid / offer spread in respect of financial products, which will also affect the profits or losses you make when dealing in these contracts.

2.7 How do we determine the prices of Margin FX Contracts?

Margin FX Contracts: we receive our spreads from a number of major banks and financial institutions. We take the best bid and ask and then offer that directly to the client.

2.8 Can we change or re-quote the price after you have already placed your order?

Yes. This is because all markets are subject to slippage from time to time. Slippage is the difference between a requested price of a trade or pending order and the price at which the order was executed or filled.

A gap in the markets is a break between prices on a chart that occurs when the price of a product makes a sharp move up or down with no trading occurring in between or when the market closes at different rate to when it opens again.

There are 2 common types of slippage:

- when a market gaps, either over the weekend or after a news event (like payroll figures or interest rate decisions); and
- when a price is clicked on and has substantially changed in the time it took to get back to the executing bank or broker.

For the benefit of all our clients, we treat both slippage scenarios in the same way that they would be treated in the exchange-traded share or futures markets in that we slip our clients to a better price if the interbank market from which we obtain its prices has moved in the client's favour, and similarly a worse price if the market has moved against them. The price differences reflect the slippage that we get from the best-aggregated price obtained from its hedging counter parties.

2.9 If there is little or no trading going on in the underlying market for an asset, can you still trade Margin FX Contracts over that asset?

Foreign exchange markets trade continuously. They open at 05:00pm American EST1 Sunday evening (Monday morning New Zealand ("NZ") time) and close at 05:00pm, American EST 2 on Friday (Saturday morning NZ time). They are open 24 hours during this period, other than a daily 5-minute outage at 05:00-05:05pm.

2.10 Do we only allow you to trade Margin FX when the markets are open?

Yes

2.11 How do I open an account?

Read this PDS and then complete an Application Form.

You may obtain these documents by:

- calling us on +64 9 930 8108
- going to our Website at www.globforex.com.

2.12 What payment options do I have?

We offer wire transfer and deposit by Payment Gateway services which you can find it on our website www.globforex.com.

We do not encourage the use of leverage products with borrowed funds and do not accept "cash equivalents" as opening collateral (e.g. no securities as deposits).

2.13 What is the minimum balance to open an account?

NZD \$100 for Mini Account;

NZD \$1000 for Standard Account;

Unless otherwise specified, all dollar amounts referred to in this PDS are denominated in New Zealand Dollars.

- * This may be varied at the discretion of CIDT.

2.14 How do you deal in Margin FX Contracts with us?

You may place orders to deal in Margin FX Contracts by using our Trading Platform through a computer connected to the internet or your mobile telephone.

We will not accept orders or instructions from you through any other means, such as email, unless we have previously agreed with you to do so.

It is possible for a third party to place orders on your behalf provided that a written and executed Power of Attorney or Authorised Person authority has been received and accepted by us.

2.15 What are “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 or the price of the Underlying Instrument, and you lose if the underlying Base Currency price or the price of the Underlying Instrument falls.

Conversely, if you take a short Position, you profit from a fall in the underlying Base Currency price or the price of the Underlying Instrument, and lose if the underlying Base Currency price or the price of the Underlying Instrument rises.

2.16 How do I close out a position?

You close a Position in a Margin FX Contract by selecting a Position in the Trading Platform and clicking the ‘Close’ button. See section 3.

2.17 What are my “Free Equity” and “Total Equity”?

Your “Total Equity” is the aggregate of:

- the current cash balance in your Account; and
- your current unrealised profits and losses.

Your “Free Equity” is your Total Equity less your current Total Margin Requirement (see section 2.19). The Free Equity is the amount that you may withdraw from your Account or use to cover additional Margin Requirements.

2.18 What is Margin?

Margin is initially the amount that you must have in your Account to enter into a Margin FX Contract with us.

The level of Margin required to open and maintain these contracts is called the “Initial Margin Requirement”. The sum of your Margin Requirements for all of your open Positions is called the “Total Margin Requirement”.

Margin Requirements will fluctuate with the value of the Underlying Instrument on which the contract is based. Further, where you deal in a contract that is denominated in a currency other than the Base Currency of your Account, your Margin Requirement may also be affected by fluctuations in the relevant foreign exchange rate. See section 3.

2.19 What is a Margin Call by us?

A Margin Call is a demand for additional funds to be deposited into your Account to meet your Total Margin Requirement because of adverse price movements in your open Positions.

Your Total Margin Requirement can also be reduced by selecting to close one or more Positions. See section 3.

2.20 How are payments made in and out of my account?

You may deposit funds by wire transfer or by Payment Gateway method. 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. Depending on the payment method you use it may take anywhere between several hours to several days to apply clear funds to your account. Until the funds have been applied by us to your account they are not available for you to meet a margin call or for dealing in Margin FX Contracts. We will pay you through wire transfer.

2.21 Do I receive interest on moneys held in my account or pay interest on moneys I owe to you?

No. We will not pay any Interest on credit balances in currency ledgers on your Account. However, we will charge interest on any debit balances in a currency ledger on your account.

2.22 What happens if I hold a position overnight?

In relation to Margin FX Contracts, a Swap charge or benefit may accrue daily for any trades held past the market close at 5PM American EST (03:00 MT4 Server time at U.S. Summer Time, 04:00 at U.S. Winter Time) Monday to Friday. The Swap value is based on the yield exchange rates between the base currencies (first listed) of the currency pair and the terms currency (second listed) of the currency pair. For example, if you were buying the NZD and selling the USD, there the New Zealand interest rate is much higher than the US Interest rate, therefore may receive a positive Swap benefit overnight as you are holding the higher yielding currency. If you were selling the NZDUSD or going 'short', you would pay a Swap charge. The Swap process is completed at 5PM American EST (03:00 MT4 Server time at U.S. Summer Time, 04:00 at U.S. Winter Time) Monday to Friday. In relation to other products and for further information see section 8.3.

2.23 What are the risks of Margin FX Contracts?

Margin FX Contracts are derivative products that are speculative, highly leveraged, and carry significantly greater risk than non-gearred investments. 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.

You should obtain your own independent financial, legal, taxation and other professional advice as to whether Margin FX Contracts are an appropriate investment for you.

2.24 What are the taxation implications of entering into a Margin FX Contracts?

The taxation consequences of dealing in Margin FX Contracts depend on your personal circumstances. Some general taxation consequences are set out in section 9.

The taxation consequences can be complex and will differ for each individual's financial circumstances. We recommend that you obtain independent taxation and accounting advice in relation to the impact of foreign exchange transactions and products on your financial situation.

2.25 How do I learn to use the trading platform and how do I deal with you?

Our Trading Platform contains an extensive user guide which is accessible from our website at www.globforex.com. CIDT also provides free practice accounts also known as "Demo" accounts. Contact our Client Services Department for further details.

2.26 What if I need further information?

You should speak to your financial advisor, or, alternatively, you can contact us by:

- Telephone: +64 9 930 8108
- Email: cs@globforex.com
- Internet: www.globforex.com

2.27 What do the terms in this PDS mean and how do I interpret it?

A full list of defined terms is available in the Glossary in the Client Agreement.

3 Margin and Margin Calls

3.1 Margin and Margin Calls

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

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

3.2 Initial Margin

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

When you open a Position with us in Margin FX Contracts you will need to have sufficient Total Equity in your Account to satisfy the Margin Requirement for that Position.

3.3 Examples of Margin Requirements

Margin Requirements

Our Margin Percentage on Margin FX Contracts is generally 1% of the notional value of your Position. Margin Requirements on Margin FX Contracts are calculated as follows:

Margin Requirement = Contract Quantity x Contract Price x Margin Percentage

For example, to buy \$100,000 of NZDUSD Margin FX Contracts at a price of 0.7900 the Margin Requirement would be calculated as follows:

$$(100,000 \times 0.7900) \times 1\% = \text{USD } 790$$

3.4 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 establish 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 sufficiently funded at all times, especially during volatile trading periods.

To assist you to monitor your equity balances in your Account, we summarise 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 on the basis of Cleared Funds in your Account, not on promised funds or funds in transit.

3.5 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 or holding Positions.

3.6 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 unrealised 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 unrealised loss, regardless as to when the call to pay is made by us on you.

3.7 Change to Margin Percentages

We may under the Client Agreement exercise our right to alter the Margin Percentage of any Margin FX Contract at any time at our discretion. Furthermore, if we determine that a Force Majeure Event (defined in clause 41 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 41.2 of the Client Agreement.

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

3.8 Monitoring positions on a Mark to Market Basis

We will monitor positions 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 sufficient 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 of your Positions may be liquidated.

3.9 Notification of Margin Call

Margin Calls will be shown on the Trading Platform, and you are required to log-in to the system on a daily basis when you have open Positions to ensure you receive notification of any such Margin Calls. Please note that if you do not check the Trading Platform for Margin Call notifications, and hence do not meet them in a timely manner, we may close out Positions, without further reference to you, as provided in our Client Agreement Derivatives can be highly volatile and consequently we can make Margin Calls at any time. It is your responsibility to monitor and manage your open Positions and exposures and ensure Margin Calls are met as required. You should ensure that you are always contactable by us. If you are unable to be contacted for the purpose of us making a Margin Call, we may close out your open Positions without actually speaking to you.

3.10 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, and then Margin Calls are netted across the group of open transactions. In other words, the unrealised profits of one transaction can be used or applied as Initial Margins or Variation Margins or to offset the unrealised losses of another transaction.

3.11 Payment of Margin Calls

As pointed out in section 3.8, if your open Margin FX Contract 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 4.6 in this PDS 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 4.6 of this PDS
- 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.

3.12 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, without notice, all or some of your open Positions (or transactions) and deduct the resulting realised loss from your account.

3.13 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 unrealised 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.

3.14 Liquidation Level

We may place a liquidation order for your open Position(s) when your Total Equity balance falls below 50% of your Total Margin Requirement (the Liquidation Level). At or below this Liquidation Level, we may liquidate some or all of 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 particular 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.

4 Key Benefits

The use of our Margin FX Contracts provides a number of benefits, which must, of course, be weighed up against the risk of using them. Benefits include the following:

4.1 Hedging

You can use our Margin FX Contracts to hedge your own foreign exchange exposures.

4.2 Speculation

You can also use Margin FX Contracts for speculation, or with the view to profiting from exchange rate fluctuations and the rises and falls in asset prices.

4.3 Market Position

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

4.4 Leverage

The use of our Margin FX Contracts involves a high degree of leverage. These contracts enable a

user to outlay a relatively small amount (in the form of initial margin) to secure an exposure to the Underlying Instrument. 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.

4.5 The Trading Platform

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

- a) the ability to trade in small amounts as little as NZD100 for Mini accounts, NZD1,000 for Standard accounts;
- b) Margin FX markets open at 05:00pm American EST6 Sunday evening (morning New Zealand ("NZ") time) and close at 05:00pm American EST7 on Friday (Saturday morning NZ time). They are open 24 hours during this period other than a daily 5-minute outage at 05:00pm-05:05pm;
- c) competitive spreads, no commissions - you do not pay any commission in respect of the transactions you enter into with us. We make our money from the spreads that are embedded in the price of the instruments; and
- d) full control over your account and Positions.

4.6 Working Orders

- a) We offer clients a way of managing the volatility of dealing in our Margin FX Contracts 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 optimise your exposure to the market or limit your loss by instructing that trades be executed at pre-determined price levels.

Important notice about this section:

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

- b) **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.

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-loss order price. This is known as “gapping” and is due to market movements during the time it takes to open or close Positions. The operation of these order types should be discussed with one of our representatives. You should also refer to our Client Agreement with respect to the operation of these order types.

c) **Stop-Entry Orders:**

A Stop-Entry order is an order placed to open a new Position or increase an existing Position at a price which is inferior to the current market price. You may use this type of order when you expect that the price will move significantly in the future from its existing trading range. Stop-Entry orders can be placed to open new Positions in all of our products. You should also note that stop-entry orders must be placed at a minimum distance from a current bid and offer prices, which distance is determined at our discretion. You should refer to our Website or contact us for information about the levels at which you may place Stop-Entry orders.

d) **Limit Orders:**

A Limit Order may be used by you to either open or close a Position at a predetermined price that is more favourable to you than the current market price. We will execute your Limit Order when 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.

e) **How to place working orders with us:**

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

f) **Fees for placing working orders:**

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

g) **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.

h) **Our right to impose order limits:**

We retain the right to impose a limit on the number of open pending orders of each account to prevent the degradation of the Trading Platform performance of all other clients. The limit is currently set at 100 orders – we retain the right to change this limit.

5 Key Risks of trading with us and in our products

5.1 Introduction

You should carefully consider whether dealing in Margin FX Contracts is appropriate for you in the light of your financial circumstances. In deciding whether or not you wish to become involved in these transactions, you should be aware that these products are speculative in that they are highly leveraged and carry a significantly greater risk than non-gearred investments. Consequently, you could lose large amounts of money and may sustain losses in excess of the

moneys you initially deposited with us and also in excess of the Margin required to establish and maintain your Margin Position.

We will not give you any personal financial product advice in relation to Margin FX Contracts. Further, the Client Qualification process does not amount to personal financial product advice. We will only be providing you with general advice and as such, this advice will not take into account your objectives, financial situation or needs. Accordingly, you should obtain your own financial, legal, taxation and other professional advice as to whether Margin FX Contracts are an appropriate investment for you.

5.2 Loss of Moneys

You may incur losses to the extent of your total exposure to us and any additional fees and charges that you are liable to pay to us. 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 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.

5.3 Risk resulting from Margin Calls

If the Margin FX Contract price moves against your Margin FX Contract Position you may be required, at short notice, to deposit further moneys with us in order to satisfy your Total Margin Requirement and maintain your Position. The amount of the additional Margin may be substantial and failure to pay it promptly may result in:

- some or all of your open Positions being closed or liquidated by us;
- you being prevented from opening new Positions or extending existing Positions; and
- you being liable for interest charges on negative or debit balances. Further, any additional funds must become cleared before they will be taken as satisfying your Margin Call. In some circumstances, your Position may be liquidated before you have an opportunity to deposit additional funds before any additional funds that you deposit in response to a Margin Call have had the opportunity to become Cleared Funds.

5.4 Derivative Markets

Margin FX Contracts 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.

The prices of Margin FX Contracts will be influenced by, amongst other things, changing supply and demand relationships, governmental, agricultural, and commercial and trade programs and policies, national and international political and economic events and their prevailing psychological characteristics of the foreign exchange currency markets.

5.5 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 contracts and may mean that you are unable to close out your Position or open a new Position at the price at which you have placed your order or may have liked to place your order.

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

5.6 Your account will be maintained in the currency that you have nominated: that is, the basecurrency

When you deal in a Margin FX Contract whose settlement currency is denominated in a currency other than the Base Currency, all initial and variation Margins, profits, losses, Swap charges and benefits, Rollover charges and benefits in relation to that product are calculated using the currency in which the product is settled and is then converted to your Base Currency.

Accordingly, your profits or losses may be affected by fluctuations in the relevant Underlying Market price between the time the order is placed and the time the Position is closed, liquidated or offset.

Upon closing a Position that is denominated in a currency other than the Base Currency of your

account you will be able to request that the foreign currency balance be converted to the Base Currency of your account. Any conversion will be at the exchange rate quoted by us and subject to the Conversion Fee (please refer to section 7.5 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.

5.7 Loss caused by Spread

Because of the difference between the buying and selling price of a Margin FX Contract, 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.

5.8 Counterparty Risk

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.

As a consequence, you will be reliant on our ability to meet our counterparty obligations to you to settle the relevant contract. We limit this exposure by entering into offsetting over-the-counter transactions as principal with counterparties to hedge the market risk arising from our transactions with you.

We are also exposed to the financial risks of the financial institutions with which we hold our client funds and with which we enter into hedging or offsetting transactions to manage our exposure to you. You should note that CIDT manages these risks in accordance with broad Compliance Plans, which are rigorously controlled and administered to ensure that risks are measured and managed.

In our Compliance Plans, we set out criteria for selecting counterparties. In respect of those counterparties with which we conduct OTC transactions, each must meet the following criteria:

- It must have a good reputation and be a leader in the industry;
- It must be financially strong, well capitalised and have the financial resources to offer the requisite margin and leveraging supports;
- It must exhibit a first class understanding of the foreign exchange businesses;

- It must have efficient front and back office systems (including accounting and reporting supported by first class systems and interface and internal control);
- It must operate and administer secure and segregated client accounts;
- It must be regulated by the authorities or commissions in the countries that it operates and, where appropriate, a member of an exchange or exchanges.

We have risk management and compliance systems in place to manage our risks including but not limited to financial, operational and credit risks. Funds are held with reputable financial institutions. We have policies around monitoring of client positions, Margin Calls and liquidations. We also monitor market risk on a daily basis against set limits.

Our capital requirements and surplus position is monitored on a daily basis by us. The risk exposure that our clients face is calculated by our position keeper and reconciliation software in real time. This software is monitored by risk management staff, 24 hours a day, 5 days a week at all times whilst the foreign exchange and Underlying Markets are operating. Our free margin levels with our hedging counterparties are displayed at all times, showing how much market movement or increase in client position size can be sustained with the current level of funds. Daily stress testing is conducted and alerts have been established at pre-defined levels to ensure that appropriate remedial action is taken in the event of market movements that are adverse to our financial position.

All client cash is maintained in accounts separate to our operating account. You should be aware that you would be an unsecured creditor in respect of moneys owed in the unlikely event that we were to become insolvent.

5.9 Not a regulated Market

We act as principal 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.

5.10 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.

5.11 Systems Risk

There are operational risks associated with any trading platform and any disruption to our Trading Platform may mean that you will be unable to trade in the product with us when

desired. Accordingly, you may suffer a loss as a result caused by a delay in our operational processes such as communications, computers, computer networks, software or external events that cause delays in the execution and settlement of a transaction. We do not accept or bear any liability whatsoever in relation to the operation of the Trading Platform, except to the extent that it is caused by fraud or dishonesty on our part or on the part of our employees, agents or representatives.

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

5.12 Changes in Margin Percentage

We may, under the Client Agreement, exercise our right to alter the Margin Percentage in relation to any of our Margin FX Contracts at any time at our 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 3 of this PDS for further information.

6 Holding your Money

6.1 Segregated Account

All the client funds we receive will be paid into a segregated account maintained by us. However, you should note that we are entitled, amongst other things, to:

- withdraw, deduct or apply any amounts payable by you to us and/or any associate of ours held in any segregated account or invested by us including, without limitation making a payment for, or in connection with the deposits, installments, adjusting or setting of dealings in our products entered into by you or the payment of charges or interest to us, with all such amounts belonging to us;
- use such moneys for the payment of amounts to counterparties with whom we enter into derivatives to hedge our exposure to you in connection with Margin FX Contracts or hedge our exposure to other clients who have entered into these financial products. Your moneys may be co-mingled into one or more segregated accounts with our other clients' moneys. We are also obliged to deposit any moneys due to you in relation to dealings in our products and we must deposit them into a segregated account. These obligations to you and our products are unsecured obligations, meaning that you are an unsecured creditor of us.

6.2 Warning about Segregated Accounts

It is important to note that holding your moneys in one or more of our segregated accounts may not afford you absolute protection. The purpose of accounts is to segregate our clients' money, including your moneys, from our own funds. However, an individual client'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.

6.3 What is an Unsecured Creditor?

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

7 Fees, Costs and Charges

7.1 General

Whilst we endeavour to include all fees and charges in the spread quoted, in some circumstances you may incur fees and charges. The fees and charges when dealing in Margin FX Contracts may incorporate any or all of the following:

- Margin adjustments;
- Swap and rollover charges or benefits at the CIDT Swap and Rollover Rates;
- Interest charges applied to debit balances in your Account;
- Exchange fees;
- Administration charges.

The fees and charges may change from time to time and may differ according to whether you are A New Zealand Client or a Foreign Client but will be notified to you.

7.2 No Commissions

With the exception of our CIDT Pro Account – “ECN Style Forex”, there will be no commissions payable on trades executed in our Margin FX Contracts. Our fees for the products we offer are

built into the price of the contract (CIDT Spread) when you seek to transact with us. Because we deal as principal, the prices we offer you may not be the same as the market prices. The price offered to you may depend upon a number of factors including transaction size, term of the product, our business relationship with you, the prevailing market rates and the differing interest rates applicable to the currency pair involved in a forward foreign exchange transaction.

7.3 Swaps and Rollovers

In relation to Margin FX Contracts a swap charge or benefit may accrue daily for any trades held past the market close at 5PM American EST (03:00 MT4 Server time at U.S. Summer Time, 04:00 at U.S. Winter Time) Monday to Friday. The swap process is completed at 5PM American EST (03:00 MT4 Server time at U.S. Summer Time, 04:00 at U.S. Winter Time) Monday to Friday.

7.3.1 Margin FX Contracts Swaps:

Our swap rate for Margin FX Contracts is a variable rate that is dependent on the currency pair, the applicable swap rate in the interbank markets according to the duration of the rollover period, the size of the Position and the CIDT Spread that is applied at our discretion.

The interbank swap rate that is applied reflects the interbank market demand of the interest rate differential between the two applicable currencies. For example, if you have a long New Zealand Dollar / US Dollar (NZD/USD) Position and hold it over the 5PM American EST time End of Day and interest rates are higher in NZD than in USD, then you may receive a swap benefit of at the CIDT swap Rate. This is because you are long the highest yielding currency.

Conversely, if you were short NZD/USD in the above scenario then you may receive a swap charge at the CIDT Swap Rate. In circumstances where the two interest rates are near parity, almost equal to each other, a swap charge may be imposed for both Long and Short open positions.

7.4 Settlement of Swap and Rollover Charges and Benefits

7.4.1 Margin FX Contracts

Swap charges and benefits due will be accrued in the swap value field of the open trade Position. In the event that there are insufficient funds in your Account, any amount due to us because of the swap charges becomes a debt due and owing by you to us.

7.5 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 Trading Platform.

7.6 Interest Charges applied to Balances

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 on the relevant currency ledger), you will pay interest on the debit balance despite the fact that you may have provided collateral to us.

If there is a credit balance in your Account after the Margins for our products valued in the currency of the contract have been taken into account (i.e. you have credit in the relevant currency ledger), we will NOT pay interest on net margin excess on interest bearing accounts.

7.7 Administration Charges

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

- Wire transfer fee of up to NZD\$30
- an express delivery fee of up to NZD\$30

7.8 Interest

We are also entitled to retain any interest earned on client money held in the client segregated accounts we must maintain. The rate of interest is determined by the provider of each client segregated account. If you fail to make any payment required under the Client Agreement when it falls due, interest will be charged on the outstanding sum at a rate of 5% per annum over the cash rate determined by the Reserve Bank of New Zealand (or of such monetary authority as may replace it) for interbank loans. Interest accrues and is calculated daily from the date payment was due until the date the client pays in full and is compounded monthly.

8 Taxation Implications

Trading gains and losses will generally be treated as assessable income or allowable deductions for New Zealand tax purposes. Interest received and paid SWAP will generally be assessable income but not allow able deduction respectively.

CIDT does not provide any Taxation Advice and the explanation above is very simple in nature and covers conceptual issues only. We suggest that you discuss the implications of dealing in Margin FX trading with CIDT with a specialist tax adviser who is aware of your specific circumstances.

9 Changing your mind – Cooling off Provisions

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

10 Default Powers

We have extensive powers to take action in a range of “events 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 Positions, enforce securities we hold and set off payments, amongst others. Further, if your unrealised loss in relation to any Margin FX Contract Positions exceeds 50% of the initial margin we hold for the Position, we are entitled to close out the Position without further instruction from you.

11 Client Agreement

This PDS summarises many important elements of the Client Agreement. However, it is not a comprehensive description for the terms and conditions of the Agreement and you must read it in its entirety. Indeed, you should consider seeking legal advice before entering into the Client Agreement, as the terms and conditions contained in it are important and affect your dealings with us.

12 Discretions

Under the Client Agreement, we may exercise a variety of discretions. In exercising such discretions, we will act in accordance with the following:

- a) we will have due regard to our commercial objectives, which include:
 - i. maintaining our reputation as a product issuer;

- ii. responding to the market forces;
 - iii. managing all forms of risks, including, but not limited to operational risk and market risk; and
 - iv. complying with our legal obligations as a New Zealand Financial Services Provider;
- b) we will act when necessary to protect our Position in relation to the Trade or event;
 - c) we will take into account the circumstances existing at the time and required by the relevant provision, and not take into account irrelevant or extraneous considerations or circumstances;
 - d) we may take into account your trading or investment experience; and
 - e) at all times, we will act reasonably, commercially and bona fide, and where required or appropriate provide you with prior notice before exercising that discretion.

13 Complaints and Disputes Resolution

We have an internal dispute resolution process in place to resolve any complaints or concerns you may have, quickly and fairly. Any complaints or concerns should be directed to the Complaints Officer (by telephone, facsimile or letter) at the address and telephone/fax numbers provided at section 1.2 in this PDS. We will investigate your complaint and provide you with our decision and the reasons on which it is based, in writing. We will seek to resolve your complaint within 14 days.

If you are dissatisfied with the outcome, you have the right to lodge a complaint with the Financial Dispute Resolution Service (FDRS) an approved external dispute resolution scheme, of which we are a member, using the contact details below.

You can contact FDRS by any of the means listed below:

In writing to: Freepost 231075 PO Box 2272 Wellington 6140

Telephone: +64 4 910 9952

Free call: 0508 337 337

Facsimile: +64 4 918 4901

Email: enquiries@fdr.org.nz

Website: fdrs.org.nz

14 Remuneration of our advisors and third parties

14.1 Remuneration and other benefits received by our employees

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

and other benefits.

14.2 Sharing of commissions and other amounts

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

14.3 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 installments payable for financial products or services undertaken with us.

15 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 may share your information with our referrers or service providers. 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 if you have any concerns or if you would like to see a copy of our privacy statement. Our privacy statement is also available on our Website.

16 Glossary

ACCOUNT	means an account you have with us
AGREEMENT	means this Client Agreement, as amended, varied, or replaced from time to time

AML/CFT ACT	means the Anti-Money Laundering and Countering Financing of Terrorism Act and all regulations, rules and instruments made under that Act
APPLICABLE LAWS	means all: a) applicable provisions of laws and regulations, including all relevant rules of government agencies, exchanges, trade and clearing associations and self-regulatory organisations, that apply to the parties, this Agreement and the transactions contemplated by this Agreement; and b) applicable New Zealand law; and c) applicable Market Rules.
APPLICATION FORM	means the application form and account opening documentation, including documentation required to be returned for the purposes of complying with Anti-Money Laundering and Countering Financing of Terrorism legislation, completed by you and submitted to us whether electronically or in hard copy

ASSOCIATE	means: a) a person who is an officer, employee, agent, representative or associate of a party; b) a Related Body Corporate of a party; and c) a person who is an officer, employee, agent, representative or associate of a Related Body Corporate of a party
AUTHORISED PERSON	means you and/or any person authorised by you to give instructions to us under this Agreement
BASE CURRENCY	means the currency selected by you in the application form and which, in the absence of a selection will be NZD dollars
BULLION	means gold or silver
BULLION CONTRACT	means a contract whose value fluctuates by reference to the fluctuations in the Underlying Instrument which relate to gold or silver
BUSINESS DAY	means: any day other than a Saturday, Sunday or public holiday on which banks are open for business in New Zealand; (a) in the case of services relating to an Index to which Limited Hours Trading applies, any day on which the exchange on which the relevant security or each constituent security has its primary listing, or the exchange on which the Index operates, whichever is applicable, is open for trading, and will exclude any day on which all trading on the relevant exchange is closed or suspended; (b) in the case of services relating to an Index to which Limited Hours Trading does not apply, any day on which any relevant exchange is open for trading.
CLIENT	You
CLIENT MONEY	means the moneys Clients have deposited with us and held by us under the Client Money Rules
CLOSE OF BUSINESS	means 22.00 Greenwich Mean Time (21.00 during daylight saving)
CLOSING PRICE	means the price determined by us, from time to time, having regard to the last traded or mid close price and our Spread as may be appropriate for the Underlying Instrument
COMPANIES ACT	means the Companies Act 1993 of New Zealand
CONFIRMATION	means a form of notification, which may be provided by us electronically, including via the internet, requiring access by the Client, confirming entry into a Contract
CONTRACT	means any contract, whether oral or written, including any derivative or other transaction relating to such financial products entered into by us with you or any back to back agreement which we may enter into to enable us to enter into or fulfil our obligations under such contract
CONTRACT PRICE	means the price we offer you to trade in our financial products from time to time and which is calculated by us according to the Product Disclosure Statement and Client Agreement

CONTRACT QUANTITY	means in relation to a Margin FX Contract, the number of Contract Units as the case may be, traded by you as stated in the Confirmation
CONTRACT UNIT	means The Minimum Trading Size for the type of Margin FX Contract you wish to trade with us
CONTRACT VALUE	means the total value of the Margin FX Contract as calculated by us in accordance with the terms of this Agreement
CURRENCY LEDGER BALANCE	upon realising your profit and loss for a Margin FX Contract 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)
ELECTRONIC SERVICE	means a service provided by us, for example an internet trading service offering clients access to information and trading facilities, via an internet service, a WAP service and/or an electronic order routing system and including relevant software provided by us to enable you to use an electronic trading service
EVENT OF DEFAULT	means an event described in clause 14.1 of the Client Agreement
EXCEPTIONAL MARKET CONDITIONS	means an exceptional market condition as we may in our reasonable opinion determine exists, including but not limited to, a Force Majeure Event
EXCHANGE RATE	means the exchange rate we may reasonably offer to you from time to time having regard to the applicable prevailing Interbank Rates and our Spread, and which is available to you from us via the Electronic Services or on request
EXPIRY DATE	means the day on which the Margin FX Contract expires
FORCE MAJEURE EVENT	an emergency or exceptional market condition
FOREIGN CLIENT	means a Client who is a resident outside New Zealand (based on the address in their Application Form or as notified by the Client to CIDT from time to time)
FREE EQUITY	is your Total Equity less your Margin Requirement
FSCL	means the Financial Services Complaints Limited
FSP	means the New Zealand Financial Services Provider
GMT	means Greenwich Mean Time
INSOLVENCY EVENT	means any of the following: a) an order is made that a corporate client be wound up; b) an application is made to a court for an order: (i) that a corporate client be wound up; (ii) appointing a liquidator or provisional liquidator for a corporate client; c) a liquidator, provisional liquidator or controller is appointed to a corporate client; d) a resolution is passed to appoint an administrator to a corporate client; e) you enter into a deed of company arrangement or propose a reorganisation, moratorium or other administration involving all or any of your creditors; f) a corporate client is dissolved or wound up in any other way;

	<p>g) you are or state that you are unable to pay your debts as and when they fall due;</p> <p>h) you are or state that you are insolvent;</p> <p>i) you seek or obtain protection from any of your creditors under any legislation;</p> <p>j) you become insolvent or commit an act of bankruptcy or your estate comes within the law dealing with bankrupts;</p> <p>k) a bankruptcy petition is presented in respect of you or, if a partnership, in respect of one or more of the partners, or if a company, a receiver, trustee, administrative receiver or similar officer is appointed;</p> <p>l) if execution is levied against your business or your property and is not removed, released, lifted, discharged or discontinued within 28 days;</p> <p>m) you seek a moratorium or propose any arrangement or compromise with your creditors;</p> <p>n) any other event having substantially the same legal effect as the events specified in paragraphs (a) to (n) above;</p> <p>o) any security created by any mortgagee or charge becomes enforceable against you and the mortgagee or chargee takes steps to enforce the security or charge;</p> <p>p) any indebtedness of you or any of your Related Corporations becomes immediately due and payable, or capable of being declared so due and payable, prior to its stated maturity by reason of your default or the default of any of your subsidiaries, or you or any of your subsidiaries fail to discharge any indebtedness on its due date;</p> <p>q) you fail fully to comply with any obligations under this Agreement or any Margin FX Contract;</p> <p>r) any of the representations or warranties given by you are, or become, untrue;</p> <p>s) we reasonably consider it necessary for our own protection or the protection of our Associates.</p>
INSTRUMENT	Margin FX Contract is determined
INTERBANK RATE	means the mid Interbank Rate calculated by us with reference to the bid and offer prices for the Underlying Instrument most recently quoted by any one or more third party banks
INTEREST QUALIFICATION LEVEL	means the interest qualification level as specified in our Product Disclosure Statement and Client Agreement
CIDT	means CIDT Global Financial Limited COMPANY REGISTRATION NUMBER 6295354
CIDT PRODUCT SCHEDULE	means the list of Margin FX Contracts which we hold ourselves out from time to time as willing to quote a price, as amended by us from time to time. The Product Schedule is available at www.globforex.com
CIDT ROLLOVER RATE OR OUR ROLLOVER RATE	means the rate as we may determine from time to time having regard to rolling from the front month underlying having regard to

	rolling from the front month underlying futures contract to the Next Serial Futures Contract
CIDT SPREAD	means the difference between the bid and offer prices of a Contract quoted from time to time by us and, where appropriate, expressed as a percentage of the relevant price
CIDT SWAP RATE OR OUR SWAP RATE	means the rate as we may determine from time to time having regard to the interbank swap for swaps
LIMIT ORDER	an order used by you to either open or close a Position at a predetermined price that is more favourable to you than the current market price
LIMITED TRADING HOURS	means the ability of the Client to trade Margin FX Contracts and (where available) as are designated by us from time to time under this Agreement only during such hours as the relevant exchange is open
LIQUIDATION LEVEL	means the minimum Total Equity balance
LONG PARTY	means, in relation to a Margin FX Contract, the party that has notionally bought the relevant Underlying Instrument
MARGIN	means the amount that you must have in your Account to enter into a Margin FX Contract with us
MARGIN ADJUSTMENT	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
MARGIN CALL	means a call on you normally made via the Trading Platform, requiring you to top up the amount of money you have in your Account as Margin in order to maintain your Margin Percentage where the market has moved against you, and where the additional payment is required in order to maintain your open Positions
MARGIN CONTRACT	means any contract, whether oral or written or concluded electronically, entered into between you and us and includes Margin FX Contracts
MARGIN FX CONTRACT	means a contract between you and us for the taking of spot Position in a foreign currency
MARGIN PERCENTAGE	means, such percentage of the Contract Value as specified by us, and as amended by us under the Product Disclosure Statement and Client Agreement from time to time
MARGIN REQUIREMENT	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 to maintain your Position/s
MARKET ORDER	means an order placed to buy or sell a contract at our current price
MARKET RULES	means the rules, regulations, customs and practices from time to time of any exchange, licensed financial market, clearing house, licensed clearing and settlement facility, or other organisation or market involved in the conclusion, execution or settlement of a transaction or Contract and any exercise by such exchange, clearing house or other organisation or market of any power or authority conferred on it
MID PRICE	means the price at the mid-point between our bid and offer prices

MINIMUM POINT INCREMENT	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
MINIMUM TOTAL EQUITY BALANCE	means such minimum Total Equity balance in your Account (as amended from time to time)
MINIMUM TRADING SIZE	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
NEW ZEALAND CLIENT	means a client who is a resident within New Zealand (based on the address in their Application Form or as notified by the Client to us from time to time)
NORMAL TRADING SIZE	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
NZD OR \$	means New Zealand dollars
NZT	means the time in New Zealand
OPENING VALUE	means in relation to a Contract, the total Contract Value as agreed between us and you at the time of the transaction as stated on the Confirmation or as determined in accordance with the terms of this Agreement
PDS	means our Product Disclosure Statement
POSITION	means the long or short Position you have taken in your Margin FX Contract with us
POSITION LIMIT	means the limits, if any, imposed by us
RELATED BODY CORPORATE	has the meaning as in the Corporations Act, with any necessary modifications for companies incorporated outside New Zealand
RELATED CURRENCY FUTURES CONTRACT	means, in relation to any Margin FX Contract, any contract over a currency or cross currency which, in our reasonable opinion, is likely to be indicative of potential fluctuations in the value of such Contract
RELEVANT INTEREST RATE	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
ROLLOVER RATE	means the rate determined by us from time to time, having regard to Interbank Rates
SERVICES	means the services provided by us under this Agreement
SETTLEMENT DATE	means such settlement date following the Closing Date as we may reasonably determine in accordance with practice in the relevant market and notify to you at the time of entering into the Contract
SHORT PARTY	means in relation to a Margin FX Contract, the party that has sold a Margin FX Contract in opening a Margin FX Contract Position

SPREAD	means the difference in the bid and offer prices of a Margin FX Contract quoted from time to time by us and, where appropriate, expressed as a percentage of the relevant price
STOP LOSS ORDER	is an order placed with the aim of limiting the potential loss on an open Position
SWAP BENEFIT	means benefits you may receive on short Margin FX contracts held overnight
SWAP CHARGE	means a charge you may have to pay where you have a Margin FX Contract
SWAP RATE	means the rate determined by us from time to time having regard to Interbank Rates
TOTAL EQUITY	means the aggregate of the current cash balance in your Account and your current unrealised profits and losses
TOTAL MARGIN REQUIREMENT	means the sum of your Margin Requirements for all of your open Positions
TRADING PLATFORM	means the trading platform in the Electronic Service we make available to you by which you may trade with us online in our Margin FX Contracts
UNDERLYING ENTITY	means an entity that is the issuer of an Underlying Instrument.
UNDERLYING INSTRUMENT	means the instrument, currency, Bullion or other instrument or asset or factor the reference to which the value of a Contract is determined
UNDERLYING MARKET	means the underlying market in which the Underlying Instrument is traded
UNREALISED P&L	means a figure stated on the Trading Platform which represent your unrealised profits less your unrealised losses
WE/US/OUR	means CIDT Global Financial Limited (COMPANY REGISTRATION NUMBER: 6295354) trading as CIDT Global Financial Limited
WEBSITE	means the internet address www.globforex.com and includes the Trading Platform

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