

Product Disclosure Statement 18th February 2009

Global Electronic Trading Pty Ltd

ABN 93086 753 246

ACN 086 753 246

AFSL No. 222 629

You should read all sections of this Product Disclosure Statement before making a decision to invest in financial products offered by Global Electronic Trading Pty Ltd AFS# 222629.

Contracts for Difference (CFD)

CONTENTS

1. • General Information
2. • Purpose of a Product Disclosure Statement (PDS)
3. • Roles of Service Providers
4. • Account Administration and client funds(General)
5. • Client Funds
6. • What are Contracts for Difference (CFD)?
7. • How can CFD be used?
8. • What are the benefits of CFD transactions?
9. • What are the disadvantages of CFD transactions?
10. • What are the risks of CFD transactions?
11. • Margins and Risk Management
12. • Examples of CFD Transactions
13. • CFD Internet Trading Platform
14. • Costs involved in a CFD transaction
15. • GET Trader Functionality.
16. • Tax implications in a CFD transaction
17. • How to make complaints?
18. • Privacy of information
19. • Appendix

1. General Information

- Contracts For Difference (CFD) is a sophisticated financial product. The information contained in this Product Disclosure Statement (PDS) does not take into account your financial situation, needs or personal objectives. Before trading in CFD you should be satisfied that trading in CFD is suitable for you when consideration is given to your financial situation, needs and personal objectives and we recommend that you consult an investment advisor or other independent advice. If you have not had experience in CFD trading or equity products then this product may not be suitable for you.

Please avail yourself of the GET Trader simulation platform at www.getfinancial.com.au .

This will allow you to see all the features and functionality referred to in this document.

- The information in this PDS is current at the date stamp on this document but is subject to change from time to time. GET will issue a new PDS or a supplement to this PDS when new information that is materially adverse becomes known. If new information is not materially adverse information we will not issue you with a new or supplementary PDS but will have it posted on the GET website at www.getfinancial.com.au . If you request it, then we will post you a hard copy of the information.

- All correspondence relating to this PDS is to be forwarded to the Issuer

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2. Purpose of this Product Disclosure Statement (PDS)

The intention of this PDS is to provide you with information about the product – Contracts for Difference (CFD). This should help you decide whether the product will meet your needs, and allow you to compare CFD with other products that you may be considering.

3. Roles of Service Providers

- GET acts as principal in the relation to CFD transactions with its clients. This is reflected in the trading agreements entered into, the administration of accounts and the performance of its obligations under each transaction.

- In GET acting as principle it means that any transaction you enter into is between you the client and GET. GET will act to protect its interest in the transaction and for its benefit. If you enter into a transaction with GET in CFD's you have to also close that transaction with GET.

- GET operates as a partner of Saxo Bank A/S Denmark. Saxo Bank A/S is a European Union regulated company and holds an Australian Financial Services License 277 527. As part of its service to GET, Saxo provides, the technology supporting GET Trader, the clearing and executing functions from trading, and price data service when clients of GET trade or hold positions in CFD's.

- Any request for a CFD contract from you on the GET Trader platform is passed to our partners being Saxo Bank A/S. When this is done you request GET and therefore GET requests Saxo Bank to carry out a sequence of transactions in an underlying stock on an

exchange for the creation of a CFD. (Refer Section 15 pages 15, 16, & 17 "GET Trader Functionality") You are requesting us to provide you with an investment in a derivative (CFD) that is derived from an individual stock.

- When a transaction is completed GET passes to you the risk (possible loss) and benefit (possible profit) of the contractual terms as confirmed and recorded on your on GET Trader account. (Refer to Page 6, & 7, Section 10, "What are the Risks of a CFD Transaction"). In acting as principle to your contracts, GET assumes all risk on your account and open positions. As such we will provide risk management barriers to provide you with information regarding your margin requirements. (Please refer to page 7, 8, & 9, Section 11 "Margins and Risk Management").

4. Account Administration

Before you begin dealing or trading with GET you will be required to complete a Client Application Form and read the Business Terms related to dealing with GET. The minimum account opening size is A\$500. This amount may be varied at GET's discretion.

5. Client Funds

Deposits:

All money paid to GET by clients or a person acting on behalf of clients or is received by GET on behalf of clients, will be held in one or more segregated Client Trust Accounts in accordance with Australian Corporations Act requirements.

Clients can deposit funds by personal or bank cheque, (allow time for funds to be cleared), B-Pay or Electronic Banking. All funds must be cleared funds before they are available to be used for trading GET products.

GET does not accept cash as an initial deposit or to meet any ongoing obligations.

It is the client's responsibility to ensure that any monies sent to GET are correctly transmitted in all respects. This includes details of the account to which to funds should be applied. Any payments made to GET under the Business Terms and Conditions must be free of any withholding tax or deduction.

Clients must ensure that any transfers of money are from an account in the client's name and NOT from that of a third party.

Withdrawals:

Funds can be withdrawn by sending GET a withdrawal request, in writing and signed, specifying your details, including your GET account number, your banking details, if applicable, including your financial institution, BSB and Account number and account name and how the funds are to be paid. Withdrawals are subject to the client leaving enough funds in the GET account to cover any current margin obligations or fees such as interest, or any minimum balance that GET requires for the client to hold in their account. GET will NOT pay funds to any third party account.

All money paid to GET by clients or a person acting on behalf of clients or is received by GET on behalf of clients, will be held in one or more segregated Client Trust Accounts in accordance with Australian Corporations Act requirements.

It is important to note that holding money in one or more segregated Client Trust Accounts may not afford you absolute protection. The purpose of a segregated Trust Account is to separate client funds from those of GET. Within the Client Trust Account all client funds are pooled together and so an individual client balance may not be protected if there is a default in the overall Trust Account balance. To minimise this GET has employed automated risk management and liquidation procedures for all clients who are exposed to the markets.

GET does not accept from, or make payments to third parties and GET reports, where necessary, all transactions in compliance with Australian money laundering provisions as regulated by AUSTRAC.

GET is entitled to retain any interest it earns on client money held in the Trust accounts it maintains with a bank or approved deposit taking institution. The rate of interest is determined by those organisations.

6. What are Contracts for Difference?

- Is an agreement between two parties, which will allow you to make a profit or loss by reference to fluctuations in the price of an underlying share or other instrument, without actually owning the underlying product. The amount of the profit or loss will be the difference between the price when the CFD is opened and the price when it is closed, adjusted to reflect notional dividends and interest payments.
- CFD is an Over The Counter (OTC) product.
- GET offers CFD's to its customers on individual shares and other CFD's as are notified to you from time to time.
- GET does not currently offer ASX Listed CFD's
- As a guide GET will in most cases offer CFD's on the relevant exchange traded equity using the following predetermined measures:
 - 1) The relevant underlying Exchange Index Tracker. For Australia this will be the ASX 200 index. In most cases all stocks participating in this index will be available as a CFD.
 - 2) In some instances GET may elect to delete stocks available as a CFD even though they continue to be part of the ASX 200. This could be for a number of reasons the most common being lack of liquidity and high volatility.
 - 3) GET may add additional stocks as CFD's that are not part of the ASX 200. This will be done only on approval of our risk management department taking into consideration but not limited to such things as liquidity, volatility, price, capitalisation, price action, shares on issue, and length of time listed on the exchange.
 - 4) As a guide GET offers CFD's on stocks on the basis of the make up of the relevant Index. In Australia we offer, in most cases the top 200 stocks as a minimum, because the Index is based on the ASX200. In the US we offer 500 CFD's on the New York Stock Exchange (NYSE) because the index is the S&P500.
 - 5) GET also offers Index CFD's. This means you can take a position in the overall index for example the ASX 200 Index or the S&P 500 Index (US). Please see Appendix D for current list of available Index CFD's.
- Most CFD's will be traded in Australian Dollars; however, some CFD's may be denominated in a 'home' currency, for example: a CFD on US Stocks in US Dollars.

- See Appendix C for Equity Exchanges where individual equities will be quoted subject to GET standard client approval process.

7. How can CFD's be used?

- To hedge an existing portfolio of equities.
- To create a portfolio of equities based off the underlying equity price.
- To “buy or be “long” equity markets (see Risks section below).

Definition: “Long” or “long Position” is the buying of a security such as a CFD, commodity, or currency, with the expectation that the asset will rise in value.

- To “sell” or “Short” equity markets (see Risks section below).

Definition: “Short” or “Short selling” is the process of selling a stock with the hope of buying it back at a lower price. Short sellers believe the price will decline. The uptick rule requires short sellers to sell only on an uptick (the sale must be executed at a price higher than the last trade). This is to prevent short sellers from driving down the price and creating a self-fulfilling prophecy.

- For dividend income (bought positions only).

8. What are the benefits of CFD transactions?

CFD's are not for everyone

- Allows leveraging an investment up to 10 times - under normal conditions. This is by no means a necessity for all investors; however for aggressive, risk willing investors this feature is probably the most important advantage of the CFD. (Please see Section 11, page 7, 8, & 9 “Margins and Risk Management”)
- CFD's are traded on a cash basis; there are no certificates or nominee accounts to worry about.
- Selling the market short is permitted by using CFD's. There is no necessity to borrow stock or pay separate financing cost for selling, thus making it possible to short the market. You can buy back the CFD at any time in the future subject to factors that can affect the underlying market. (Please read paragraph titled “Dealing maybe affected by factors in the underlying market” Section 15, Page 18, 19, & 20 below)
- Instantly tradable prices, for anything but the largest deals.
- Hedging an existing portfolio is a popular use of CFD's. If you do not wish to liquidate your “physical” stock portfolio for some reason, eg Capital Gains Tax, you can quickly and efficiently secure it by selling the appropriate CFD's for a short or long period, until you feel more confident about the market again.

9. What are the disadvantages of CFD transactions?

CFD's are not for everyone

- Leveraging with CFD can lead to large losses (See Page 6, & 7, Section 10, “What are the Risks of CFD Transactions”).
- Prices when volatile or illiquid in the underlying stock may lead to wider price spreads for the CFD than that of the underlying equity.
- “Spreads” are the difference between the bid price, where someone is willing to purchase, and the ask or offer price, where someone is willing to sell. All CFD transactions will incur a bid/ask “spread” in price when quoted on GET Trader.

- GET can not guarantee the spread in any CFD either equity or Index due to the nature of the underlying market. Spreads may widen or get further apart due to factors affecting the underlying stock or index. In all cases GET spreads will mirror the spreads on the underlying equity or index when quoting you CFD's. (Refer to Page 18, 19 & 20, Section 15, "Dealing maybe affected by factors in the underlying market").
- Financing costs and dividends will impact on overall returns on a CFD transaction. (See Section 12 pages 10, 11, 12, & 13 "Examples of CFD Transactions")
- Holders of a CFD are not entitled to voting rights or other rights given by a company when you physically purchase equity on a recognised exchange.

10. What are the risks of CFD transactions?

- **DEFINITION:** Risk is the degree of uncertainty associated with an investment. The main elements that contribute to the risk of an investment in a CFD are volatility and liquidity in the underlying equity as quoted on a recognised exchange, and leverage. All things being equal, a high degree of volatility and leverage makes an investment more risky. An illiquid underlying market, where buyers are not always matched by sellers, also increases risk; investors can be left holding an asset whose price is falling.
- **DEFINITION:** Leverage is the use of various financial instruments or borrowed money, such as margin, to increase the potential return of an investment. The amount of debt used to finance your assets or investment. If you have significantly more debt than equity you are considered to be highly leveraged.
- The power of leverage can work against you just as quickly as it can make you profits. So if you get the markets wrong, remember always to apply adequate risk management strategies. Both losses and profits may accumulate up to 10 times as fast when using the full leveraging of CFD's. This results from the impact of leverage when using a margin rate of 10% on CFD transactions.

A Comparison of non leveraged share trading against leveraged CFD trading.

Example: Share Trading:

You decide to buy 1000 shares in company AAA at a price of A\$15.25. Your monetary outlay (face value) and hence risk is A\$15,250.00.

Because this investment is not leveraged you will pay your provider (broker) the full monetary amount invested being A\$15,250. This is the face value of your investment at the time of purchase and is hence you investment risk.

Example: CFD trading with leverage:

You decide to buy 1000 CFD's in company AAA at a price of A\$15.25. Your agreed margin rate is at 10% of face value. The face value of your investment is A\$15,250 (exactly the same as above).

Your monetary outlay is therefore $A\$15,250 \times 10\% = A\$1,525$. So you only are required to provide cash of A\$1,525 instead of A\$15,250. You do however have the same face value risk of A\$15,250 with the difference being borrowed by you.

- With index CFD's current margin rates can be as low as 5%. Both losses and profits may accumulate up to 20 times as fast when using the full leveraging of CFD's. This results from the impact of leverage when using a margin rate of 5% on Index CFD transactions.

- Just as the physical equity market can get literally untradeable at times due to liquidity or volatility, we may not always be able to quote you a price or the spread between bid and ask prices may widen substantially.
- GET may be unable to provide a market in CFD's, to enter or exit positions, due to the underlying market ceasing to exist, or restrictions placed on GET from a regulatory authority.
- With CFD's there are no guarantees provided by an exchange or clearing house and as such performance and completion of a transaction cannot be relied upon from this source.
- Performance and completion of transactions is outsourced to Saxo Bank A/S, a regulated European Union bank. Accordingly you will be subject to their financial and technical risks.
- When utilising GET's services in CFD's, GET is the product issuer and you will be exposed to GET's financial and business risk. (Please refer to page 3, & 4, Section 5 "Client Funds").
- The risk inherent in dealing with GET from a financial and business perspective will be dealt with by get in the following way:
 1. Your funds are held in a "Client Trust Account", which is segregated from GET's general operating accounts. (Please refer to Section 5, page 3 & 4 "Client Funds").
 2. If GET was to become insolvent or cease to operate as a going concern for whatever reason your funds would remain in the Client Trust Account and not be used in any winding up or administrative application. These funds remain your funds.
 3. In the event of this happening you will not be able to place new orders on the platform.
 4. You will be forced to cancel existing Entry or New position working orders, being orders that are yet to be completed.
 5. Exiting orders such as take profit (limit orders) or Stop loss orders will remain active at your discretion.
 6. You will be given the choice of GET providing you with an alternative licensed provider where on your written instructions GET will transfer open positions and funds to this provider or you can elect your own provider and GET will facilitate the necessary transfers.
 7. You can elect to close all open positions, cancel all orders, and request your cash be transferred to a bank account in your name.
- Financing costs on bought/purchased positions may be substantial, just as they would be if you undertake traditional margin trading. So you should always be aware of the costs associated particularly with maintaining a bought position for a longer period of time. Short positions incur no financing charge.
- When using GET trader platform to transact CFD's you are trading on an Internet based trading platform. This will incur associated risks that are often out of GET's control and also you as a client. (Refer Section 13, pages 13 "CFD Internet Trading Platform").
- Trading in CFD's will be exposed to risks in price of the underlying equity instrument. These risks include price gapping, and a situation where the underlying equity from which the CFD is derived is halted or suspended from trading. (Refer to Section 15, Page 18, 19, & 20 "Dealing may be affected by factors in the underlying market").
- When transacting in CFD's where the currency denomination differs from that in which your account is held, you will be exposed to currency fluctuations or foreign exchange risk.
- The possibility exists that you could sustain a loss of some or all, or even more than your original investment and therefore you should not invest money that you cannot afford to lose. You should be aware of all the risks associated with CFD trading.

11. Margins and Risk Management

GET holds the right to make a margin call if the need arises. A margin call is defined as the demand for additional funds to be deposited in your account to meet margin percentage and for payments for differences requirements because of adverse price movements.

GET margins Equity CFD's at 10% for the face value (nominal value) of the transaction and at 5% for Index CFD's. This amount is deducted from your account cash balance once the transaction is processed in the market. You must have these funds in your account otherwise the credit checking facility will reject the proposed trade giving you the statement "order rejected due to insufficient funds in your account".

Example:

You want to buy 5000 CFD's in company AAA at a current market price of A\$4.52.

The face value (nominal value) is A\$22,600 or $5000 \times A\$4.52$.

Your margin amount at 10% is A\$2,260 or $A\$22,600 \times 10\%$

You will need A\$2,260 as cleared funds in your account for this transaction to proceed.

GET reserves the right to increase margins at any time, which will reflect trading conditions in any market or underlying equity which can affect the CFD. This may include market volatility or liquidity, local or global political or geopolitical events, company announcements, or exchange and authorities directives. GET will inform you of changes, which will impact the level of margining in effect, on the private Chat facility on GET Trader platform and if possible also by email. GET will notify you prior to any increase in margins so that you can arrange any account adjustments, such as reducing your exposure to the CFD or adding additional funds if so required.

GET minimum account opening amount for the covering of Margins is A\$500 or currency equivalent. In case of a margin call, you will be receiving the below listed email and system messages in sequence:

STEP 1 - Warning: Percentage of Capital Usage: 100%

Please be advised that you are now fully utilising your available margin for trading purposes in accordance with your trading agreement. You should not increase your positions further. Please note that in case of a substantial deterioration in your positions resulting in further losses, a margin call will be issued and, in such case, you should adhere to it promptly.

STEP 2 – Margin Call: Percentage of Capital Usage: 125%

Your margin requirement is [Margin Required], while your available margin is [Net Equity For Margin]. Please immediately reduce your positions accordingly, or transfer minimum [Margin Deficit] to support your account. Please email B Pay or EFT receipt to info@getfinancial.com.au to allocate your funds in a timely manner. Failure to do so or further deterioration of your positions may result in your positions being closed without further notice.

STEP 3 – Stopping Out: Percentage of Capital Usage: 150%

Due to a serious margin call on your account, we have been obliged to close your positions. Please refer to your account summary for current account balance and your trade activity statement for details of the closing trades. Please contact your Account Executive immediately for any further actions you wish to undertake.

All the above messages will be posted on your trading platform. GET staff will also endeavour to send you an email alerting you to the margin call. It is client's responsibility to manage their own accounts and risk management including open positions and any orders working in the market.

EXAMPLE of Margin Notification and Calls

Assume you have A\$5,000 in your account. Since GET Trader allows you to leverage 10 times (10% margin) for CFD's on shares, you can hold a share portfolio up to \$50,000. Lets say you sold 2,000 ANZ at \$20. While this transaction would result in a net exposure of $\$20 * 2,000 = \$40,000$, your account will be charged \$4,000 or one tenth margin of the total exposure. Use of equity for margin will be therefore $\$4,000 / \$5,000 = 80\%$. Within couple of days, let's assume the market went against you and ANZ shares rose to 21.09.

You will be receiving following system generated e-mails on different stages of the rally:
ANZ @ \$ 20.45 => Warning: Percentage of Capital Usage: 100%
ANZ @ \$ 20.83 => Margin Call: Percentage of Capital Usage: 125%
ANZ @ \$ 21.09 => Stopping Out: Percentage of Capital Usage: 150%

Now let's have a look how these levels are calculated:

According to this scenario, you will be getting your first warning at 20.45. If you don't inject additional funds into the account by the margin call at 20.83, this position will be cut off automatically by the system at 21.09 since use of equity margin would be hitting 150%. Consequently, this trade will result in a loss of A\$2,180 and your account balance will drop to \$2,820.

SELL 2,000 ANZ @ 20.00

CFD Price	20.00	20.45	20.83	21.09
A Cash Balance	5,000	5,000	5,000	5,000
B Closing Amount		-900	-1,660	-2,180
C = A - B Total Equity for Margin	5,000	4,100	3,340	2,820
D = (No of shares x Share Price) x 10% Margin Required	4,000	4,090	4,166	4,218
E = C -D Net Free Balance	1,000	10	-826	-1,398

F = No of shares x Share Price Net Exposure
40,000 40,900 41,660 42,180

G = F / C Use of Equity for Margin
80% 100% 125% 150%

12. Examples of CFD Transactions

Example 1 Buying BHP

Opening the position

It is early February and you decide BHP is looking good value. The share is quoted at 11.30/11.34 in the market and you buy 1,000 shares as a CFD at 11.34, the offer price. The commission on the transaction is 0.20% or \$22.68 (1,000 shares x 11.34 x 0.20%). While your position remains open, your account is debited to reflect interest adjustments and credited to reflect any dividends.

Interest adjustments

The interest cost of your position is calculated daily, by applying the applicable interest rate to the daily closing value of the position. The daily closing value is the number of shares multiplied by the closing price. In this example, the applicable interest rate might be 9.25% (being 11 am Cash Rate 7.25% plus 2%) and the closing price of the shares on a particular day might be 11.35. The closing value of the position would be \$11,350 (i.e. 1,000 shares x 11.35). So the interest cost for the position for this particular day would be \$2.88 (i.e. \$11,350 x 9.25% / 365).

Each day's interest calculation could be different due to 11 am cash fluctuations. Interest adjustments are calculated daily and posted to your account on a monthly basis.

Note that GET trader uses the Cash Rate Target as posted on the Reserve Bank of Australia website http://www.rba.gov.au/statistics/cashrate_target.html. This rate can be used as a guide to the relevant interest rates in Australia however this can vary slightly due to supply and demand with interbank 11 am cash markets on a daily basis.

Where CFD's are traded on an Index or equity other than in Australia, GET will use the Mid Money Market rates as applicable at the time in the country where you exposure relates. The Mid Money Market rate is defined as the rate applicable in the overnight funding market as conducted by the relevant central bank and incorporating funding needs of the professional market. These rates are set daily and are determined by supply and demand of overnight funding by the relevant participants in each country.

Interest will only accrue if your have a position overnight. If you therefore hold a bought/purchased position for 3 days interest is calculated on a pro rata basis using 365 days at the prevailing rate. NOTE: when trading US based CFD's interest is calculated on a 360 day basis.

All countries interest rates applied, including Australia are posted on GET Trader using menu item >tools > Interest Rates. Then scroll to the interest rate and time period applicable. It is this rate that will be applied to your transactions.

Dividend adjustment

In early March your position is still open at the time of the BHP ex-dividend date. The amount of the net dividend is 32c per share and this is credited to your account. The adjustment is calculated as follows: 1,000 shares x 32c = \$320.

If you hold a bought/purchased CFD, you will be credited with an amount equal to the gross unfranked dividend on the underlying share on the second business day after the ex-dividend date.

CFD's do not confer rights to any dividend imputation credits.

Closing the position

By late March BHP has risen to \$12.10/12.15 the market and you decide to take your profit. You sell 1,000 shares at \$12.10, the bid price. The commission on the transaction is 0.20% or \$24.20 (1,000 shares x 12.10 x 0.20%).

Your profit on the trade is calculated as follows:

Closing Level: \$12.10

Opening Level: \$11.34

Difference: 76c

Profit on trade: 76c x 1,000 = \$760

Calculating the overall result

To calculate the overall profit on the transaction you also have to take account of the commission you have paid and the interest and dividend adjustments that have been credited or debited. In this example, you might have held the position for 51 days, at a total interest cost of, say, \$104. You have received a dividend adjustment of \$320. So your total profit is calculated as follows:

Profit on trade: \$760.00

Commission: (\$46.88)*

Interest adjust: (\$150)

Dividend adjustment: \$320

Overall Profit: \$883.12

*Commissions on CFD transaction are calculated as follows:

Base rate (minimum) cost is currency equivalent of \$20 for transaction up to a face value (nominal value) of \$10,000. Commission for amounts above a face value of \$10,000 is at 0.20%.

Commissions are deducted from your account at the time the transaction is completed.

Commissions are levied on both entry and exit positions are disclosed to you prior to you transmitting the order via the GET Trader platform.

Commissions are the same for bought/purchased or short positions and we do not charge extra for orders such as Stop loss, If Done. One Cancels the Other (OCO), If Done OCO, or Trailing Stop Loss

Example 2 A short position in National Australia Bank

For the active trader, stock markets have one major disadvantage: it is not easy to go short. It is normally quite expensive in terms of minimum capital required and also that in the physical market you cannot short unless the last movement was an up tick. When you trade

Contracts For Difference, it is as easy to go short as to go bought/purchased. This example shows how you can use a CFD to sell a share short.

Opening the position

It is January and you think NAB is about to fall. The share is quoted in the market at \$31.24/31.26. You sell 1000 shares as a CFD at \$31.24, the bid price. The commission on the transaction is 0.20% or \$62.48 (1000 shares x \$31.24 x 0.20%). Because you have taken a short position, your account is credited to reflect interest adjustments and debited to reflect any dividends.

Interest adjustments

The interest credit on your position is calculated daily, by applying the applicable interest rate to the daily closing value of the position. In this example, the applicable interest rate might be 5.25% (being 11 am Cash Rate 7.25% plus 2%) and the closing price of the shares on a particular day might be \$31.50, giving a closing value of \$31,500 (i.e. 1000 shares x \$31.50). So the interest credit for the position for this particular day would be \$4.53 (i.e. $\$31500 \times 5.25\% / 365$). Interest adjustments are calculated daily and posted to your account on a monthly basis.

Note that GET Trader uses the Cash Rate Target as posted on the Reserve Bank of Australia for CFD's derived from the ASX website http://www.rba.gov.au/statistics/cashrate_target.html. This rate can be used as a guide to the relevant interest rates in Australia however this can vary slightly due to supply and demand with interbank 11 am cash markets on a daily basis.

Where CFD's are traded on an Index or equity other than in Australia, GET will use the Mid Money Market rates as applicable at the time in the country where you exposure relates. The Mid Money Market rate is defined as the rate applicable in the overnight funding market as conducted by the relevant central bank and incorporating funding needs of the professional market. These rates are set daily and are determined by supply and demand of overnight funding by the relevant participants in each country.

Interest will only accrue if you have a position overnight. If you therefore hold a bought/purchased position for 3 days interest is calculated on a pro rata basis using 365 days at the prevailing rate. NOTE: when trading US based CFD's interest is calculated on a 360 day basis.

All countries interest rates applied, including Australia are posted on GET Trader using menu item >tools > Interest Rates. Then scroll to the interest rate and time period applicable. It is this rate that will be applied to your transactions.

Dividend adjustment

In July your position is still open at the time of the NAB ex-dividend date. The amount of the net dividend is 1.00 per share and this is debited from your account. The adjustment is calculated as follows: 1000 shares x \$1.00 = \$1000.

If you hold a short CFD, you will be debited with an amount equal to the gross unfranked dividend on the underlying share on the second business day after the ex-dividend date.

Closing the position

By early August, NAB has risen to \$32.80/32.84 in the market and you decide to cut your loss and close the position. You buy 1000 CFD's at \$32.84, the offer price. The commission on the transaction is 0.20% or \$65.68 (1000 shares x \$32.84 x 0.20%).

Your loss on the trade is calculated as follows:

Closing Level: \$32.84

Opening Level: \$31.24

Difference: \$1.60

Loss on trade: $\$1.60 \times 1,000 = (\$1600)$

Calculating the overall result

To calculate the overall loss on the transaction you also have to take into account of the commission you have paid and the interest and dividend adjustments. In this example, you might have held the position for 65 days, earning a total interest credit of, say, \$210.

You have been debited a dividend adjustment of \$1000.

The overall result of the trade is a loss, calculated as follows:

Loss on trade: (\$1600)

Commission: (\$128.16)

Interest adjustment: \$254

Dividend adjustment: (\$1000)

Overall loss: (\$2474.16)

The ASX may restrict shorting or outright selling in some stocks. Where this applies

GET will also be restricted from allowing clients to short or sell CFD's. This does not apply when selling to exit an existing position.

13. CFD Internet Trading Platform

- There are risks associated with using an Internet-based deal execution trading system including, but not limited to, the failure of hardware, software, and Internet connection. The access to order entry facilities cannot be operated in all circumstances without error including, without limitation, errors in computer programs and telecommunications. GET cannot be held responsible for these errors which may result in among other things, a delay in communication services to the user, interrupted service, faults, inaccuracies in the provision of the service or inaccuracies generally.
- GET and its counterparties employ back up systems, contingency plans and disaster recovery sites that aim to minimise the possibility of system failure. In the event of a failure by the client or GET, providers or systems the client will have access via telephone to GET 18 hour client advisors.

14. Costs Involved in a CFD Transaction

Buying a CFD

a. Financing Charge: Target Cash Rate (Australia) + 2.00%

b. Mark Up : 0.1% and above or under agreement. For DMA this will be 0.11%

c. Ticket Fee Threshold: A\$11

d. Currency Conversions: 0.50%

Selling a CFD

- a. Financing Charge: Target Cash Rate (Australia) - 2.00%
- b. Mark Up : 0.1% and above or under agreement. For DMA this will be 0.11%
- c. Ticket Fee Threshold: A\$11
- d. Currency Conversions: 0.50%

Notes.

- Under agreement means that you the client and GET can negotiate the rate applicable to your trading. GET will take into consideration such things as frequency of trading, trading size, and markets traded. This could range from 0.1% for the most active traders to 0.3% for those who trade irregularly or choose not to use the platform but rather prefer to transact by phone.
- Financing Charge: When you buy a CFD, you are subject to a financing charge at the Target Cash Rate for the currency in which the share is traded, plus 2.00%. * When you short sell a CFD, you receive an interest accrual at the Target Cash Rate for the currency in which the share is traded, minus 2.00%. * Interest is charged or credited on a daily basis and charged or credited to your account monthly and can be seen in your account statement on GET Trader. **
- Mark Up: A “Mark Up” will also be applied to all transactions. This is calculated at 0.1% and is incorporated into the quoted CFD price.
- Ticket Fee Threshold: A “ticket fee threshold” is allocated to trades that are below the threshold. It will be A\$11 and is based in the currency of the exchange where the equity is domicile. (see Appendix B for ticket fee threshold).
- GET will not charge additional costs for If done, OCO, or stop loss orders. If you enter a position you will be charged the agreed rate and if you exit a position you will be charged the agreed rate. Both enter and exit orders regardless of type will be charged at the same rate as agreed between you and GET. Both entry an exit orders are charged independently. (Refer to Section 15, Pages 15, 16, & 17 “GET Trader Functionality”).
- Currency Conversions: All conversions will be done using the prevailing exchange rate plus/minus 0.50%. This includes conversions of profits and losses from trading activities.
- If you elect to use the DMA option (refer to option 2 Section 15, Page 16, “GET Trader Functionality”) you will be required to have live data. Live data charges vary on subscription to each exchange where GET offers CFD derived from the relevant stock. For the ASX the monthly subscription fee for live data is A\$37.50, which GET will deduct from your account.
- If clients exceed their available capital for margin, have a negative available balance, then GET will charge interest on a pro rata basis for the amount used in excess of available funds. Please note that your CFD transaction may be subject to Government taxes and duties. These can vary from state to state. Also if you open and close a CFD position within one trading day, you will not be subject to CFD interest and accrual rates.

* All countries interest rates applied are posted on GET Trader using menu item >tools > Interest Rates. Then scroll to the interest rate and time period applicable.

** Interest will only accrue if your have a position overnight. If you therefore hold a bought/purchased position for 3 days interest is calculated on a pro rata basis using 365 days

at the prevailing rate. NOTE: when trading US based CFD's interest is calculated on a 360 day basis.

15. GET Trader Functionality.

GET Trader transacts its CFD business on all exchanges for individual stocks on those exchanges as listed in Appendix C. Please note here that we are not giving you access to any exchange listed CFD's for example listed CFD's on the ASX. Instead we perform the following sequence of transactions when you request a transaction in CFD's on GET Trader. (Please refer to options below) You must select either of these options not both.

Option 1: Straight Through Processing (STP)/ Market Making model.

If you elect this option then you need to be aware of the following aspects relating to your transaction when you request a transaction in CFD's.

Any request for a CFD is passed to our partners being Saxo Bank A/S. When this is done you are requesting GET and therefore Saxo Bank to carry out the sequence of transactions outlined below. You are requesting us to provide you with an investment in a derivative (CFD) that is derived from an individual stock.

If the individual ASX stock is in the top 40 on capitalisation, (see NOTE on page 16) then it is possible that Saxo Bank may market make this price from the underlying stock. That means the price you receive for your CFD will mirror the price of the underlying stock on the stock exchange. In this method you will not see any corresponding transaction on the underlying stock on the exchange. Saxo Bank can elect to keep the opposite position in the underlying stock to your CFD position, net off existing underlying stock positions they may hold, or close the underlying stock position immediately or at a later stage. This is at their risk not yours.

If the CFD you request is not in the ASX top 40 on capitalisation then the GET Trader platform will revert you to STP. When this occurs the following sequence of events happen on the GET trader platform in relation to your CFD order.

- You transmit your order on GET Trader for the relevant CFD.
- GET transmits an order via Saxo Bank to the exchange for the relevant underlying stock to which you want a CFD.
- When it is placed on the relevant underlying stock we are actually dealing in this stock as an offset and the stock purchased is held by Saxo Bank in their nominee account. In the case of buying a CFD we physically purchase the underlying stock and create you a CFD on the basis of purchase price of the actual underlying stock, and apply the relevant leverage rate applicable to the face value of your purchase. (refer to Section 10, Page 6, "definition for leverage")
- In this way we purchase the actual stock and Saxo Bank hold this stock as an offset allowing us to give you your CFD. As we give you the CFD as an offset against the actual stock purchased neither Saxo Bank nor GET has any actual exposure to the Stock or the CFD. All risk and benefit of the CFD is passed to you.

- When you decide to sell your CFD you transmit your order and GET instructs Saxo Bank sell the underlying stock originally purchased as an offset and close your CFD position.

Summary of STP/Market Making

- Top 40 ASX stocks as CFD's are market made. (see note below) This is where our price makers, Saxo Bank A/S will quote you the same price quoted on the underlying stock. You will not witness a corresponding transaction on the relevant underlying stock on the relevant stock exchange.
- It could be the case that our price makers Saxo Bank A/S could hold a underlying position in the underlying stock opposite to your CFD position when you are market made.
- If a CFD is not market made then it will be STP
- When you place an order on all other than the ASX Top 40 underlying stocks offered as a CFD's a corresponding order will appear on the relevant exchange against the relevant underlying stock as we will use STP. We transmit a mirror of your order to the exchange directly for execution.
- You cannot participate in the pre and post market auctions.
- All order types are available (See pages,17,18, & 19)
- GET does not hold any positions in CFD's in any form when you place an order or transact in CFD's.

NOTE: The selection process for Market Made CFD's relies on some or all of the following criteria of the underlying stock even if the CFD relates to the top 40 ASX listed stock. Part of the top 40 ASX listed stocks on capitalisation, market liquidity, and price volatility. Saxo Bank may elect to not market make on certain CFD's at a particular time due to the underlying stock exhibiting low market liquidity or high price volatility. If this occurs your CFD will revert to STP.

Option 2: Direct Market Access (DMA).

If you elect this option then you need to be aware of the following aspects relating to your transaction when you request a transaction in CFD's.

- You transmit your order on GET Trader for the relevant CFD.
- GET transmits an order via Saxo Bank to the exchange for the relevant underlying stock to which you want a CFD.
- When it is placed on the relevant underlying stock we are actually dealing in this stock as an offset and the stock purchased is held by Saxo Bank in their nominee account. In the case of buying a CFD we physically purchase the underlying stock and create you a CFD on the basis of purchase price of the actual underlying stock, and apply the relevant leverage rate applicable to the face value of your purchase. (refer to Section 10, Page 6, "definition for leverage")
- In this way we purchase the actual stock and Saxo Bank hold this stock as an offset allowing us to give you your CFD. As we give you the CFD as an offset against the actual stock purchased neither Saxo Bank nor GET has any actual exposure to the Stock or the CFD. All risk and benefit of the CFD is passed to you.

- When you decide to sell your CFD you transmit your order and GET instructs Saxo Bank sell the underlying stock originally purchased as an offset and close your CFD position.

Summary of DMA

- All orders are routed by GET via Saxo Bank to the relevant exchange against the relevant underlying stock as an offset against what you want to transact as a CFD.
- There is no market making in any available CFD offered.
- Order types are limited to market orders, limit orders and stop orders. You cannot place order types of If Done, or One Cancels the other (OCO) when using DMA. (See pages,17,18, & 19)
- You must subscribe to live data on each exchange you wish to trade. Prices will vary depending on exchange with the ASX at A\$37.50 per month.
- You can participate in the pre and post market auctions on the ASX exchange in the underlying stock as a CFD transaction.
- Neither GET nor its price makers Saxo Bank A/S will hold any position in CFD's based on your transactions when you use DMA. Saxo Bank will hold the underlying stock as an offset in its nominee account when you hold a CFD position.
- Your fees will increase from by 0.01% from say 0.1% to 0.11% when you use the DMA option. (see Section 14, Page 13, & 14 "Costs involved in a CFD Transaction")

Stop Orders

All stop orders are held and handled manually.

A Stop order can be either:

- An order placed to limit a loss on an open position, which is known as a stop- loss order.
- An order used to enter the market at an inferior price, allowing you to enter the market on a "breakout" of the current trading range, which is known as a stop entry order.
- A Trailing Stop that allows you to place an exit order on a stop basis at a predefined distance from the market. These orders will follow the market at the defined level and be executed when the high or low is reach and the market starts moving against you.

You should note that placing a Stop order is subject to the following conditions:

Stop order placed on share CFD's will be filled if the underlying instrument trades at prices equal to or inferior to the price at which you have placed the stop order and at a volume that is equal to or greater than that of your stop order. Accordingly, your stop orders may be filled at prices inferior to those at which you have placed your stop order.

This is referred to as slippage. As GET is dealing directly in the underlying market your reported price will be the price that was available at the time in the physical market. Due to limitations in filling stop orders GET will only sell to a limit of 0.5% of the underlying price at which point the stop order will become a limit order. Stop orders therefore need to be monitored by the client as part of risk management.

For Example,

If you have a buy stop for 5000 ABC CFD's @4.50. Once the market has traded @4.50 your buy stop will be activated and we filled your stop order at the first available Offer Price in the underlying market providing there is volume that is equal to or greater than that of your stop order. GET will go to the physical market and buy 5000 shares in ABC at the market price limited to 4.52. IE: 4.50 x 0.5%

If you have a Sell stop for 5000 ABC CFD's @4.50. Once the market has traded @4.50 your Sell stop will be activated and we filled your stop order at the first available Bid Price in the underlying market providing there is volume that is equal to or greater than that of your stop order. GET will go to the physical market and sell 5000 shares in ABC at the market price limited to 4.48. IE: $4.50 \times 0.5\%$.

However, if the equivalent volume in the underlying market is available only at price lower than the price at which you have placed your Stop-loss order, your stop order will be filled at a lower price. Therefore stop orders may not guarantee the price you have nominated originally and thus limit your losses to the amounts that you may want. Please refer below of the reasons why this may occur.

It is therefore possible that the next price, bid or offer, after your stop has become "live" or been triggered is significantly away from your required level. This is especially relevant in stocks that exhibit high volatility or low levels of liquidity. Clients need to consider the underlying stock its price volatility and liquidity when electing to place stop orders.

Dealing may be affected by factors in the underlying market.

(Refer also to "What are the risks of CFD transactions" Section 10, pages 6, & 7.)

Sometimes markets move so quickly that "Gapping" occurs. (Refer to Section 10, Page 6, & 7, "What are the risks of CFD transactions") 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 GET Products and may mean that you are unable to close out your positions or open a new position at the price at which you have placed your order.

At other times the underlying market may lack liquidity because of insufficient trading activity. This will affect the ability of GET to offer the relevant GET product in sufficient volume to allow you to close out your position or open a new position in the volume you desire.

Finally, trading in the underlying market may be suspended or halted. (refer to Section 10, Page 6, & 7, "What are the risks of CFD transactions") Suspension in an underlying equity can occur due to a number of factors either determined by the regulatory authorities, the exchange, the courts, or the management of the company concerned. Reasons for this may include such things as insolvency, fraud, or bankruptcy of the equity.

A trading halt may be requested by the company to the exchange pending an announcement of sensitive information, financial reports release, takeover or merger activity, or in the case of resources companies drilling or extraction results. Trading halts tend to be of a much shorter duration than suspension.

In the case of electronic exchanges, it is possible that the total exchange is halted due to technology or connectivity issues. If this is to occur, then in the case of the ASX, a pre market open period will be effected once the issues are resolved.

These factors affect the ability of GET to offer the relevant GET products to allow you to place an order to close out your positions or open a new position. When the underlying market is impacted by factors out of GET's control GET will follow exactly the exchange determination, time frames and rulings in regards to access to dealing. 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 leading to reduced profits or higher losses.

GET policy dictates how we treat orders, open positions, and access when an event occurs in the underlying market.

- **Trading Halt:** These tend to be short term as a result of pending company announcements that can affect the price of the stock concerned. This will result in GET allowing you to place entry and exit orders as normal. (Please refer to “Gapping” on page 21 above). You will also have full access to the trading platform. GET can only rely on the relevant stock exchange directives when the underlying stock is in a trading halt. We will not be able to quote you a price when in a trading halt. You will not be able to exit positions or take new or additional positions. The price shown to you against any open position you may have will be the last traded price, which will be prior to the halt being imposed. If the halt continues past the close of business on any trading day then you will be subject to a financing charge for that day or subsequent days. (see Section 14, Page 13, & 14 “Costs involved in a CFD Transaction”)
- **Trading Suspension:** These can be short or medium term and reflect the severity of information not readily available to the market. GET will not allow any new entry orders but will allow exit orders such as limit orders (see below) or stop loss orders (see above page 21). GET may also at its discretion increase margin on a CFD that has been suspended based on perceived risk. (refer to Section 11, Page 7, 8, & 9 “Margins and Risk Management”)
GET can only rely on the relevant stock exchange directives when the underlying stock is in suspension. We will not be able to quote you a price when in a suspension. You will not be able to exit positions or take new or additional positions. The price shown to you against any open position you may have will be the last traded price, which will be prior to the suspension being imposed. If the suspension continues past the close of business on any trading day then you will be subject to a financing charge for that day or subsequent days. (see Section 14, Page 13, & 14 “Costs involved in a CFD Transaction”). Depending upon the severity of events surrounding the suspension, and the duration of the suspension, GET may provide you with the option of exiting the position; however this again will depend upon the information obtainable from the relevant exchange. If this was granted whilst the underlying stock was still on suspension then it would be treated the same as a Delisted Stock below.
- **Delisted Stocks:** These are permanent and will typically be very long term. Where you have a bought (long) (refer to Section 7, Page 4 & 5, “How can CFD’s be used?”) CFD position and the underlying stock is delisted by the authorities or the exchange then a number of rules will be applied by GET.
The underlying price will be zero (no value) or \$0.00 and you have an exposure to GET for the face or nominal value of your CFD. GET will request you to have in your account the full face value, which will be requested as a margin call if there are insufficient funds in your account. Effectively this means the margin will increase from say 10% to 100%. This will be reflected in your account as the marked to market price will show the unrealised loss on your account immediately that being your purchase price against the market price, which will be \$0.00.
You can then elect to continue to hold the position, remembering that you will still be required to pay interest, or you can write off the position and lose the full face value. If you elect the former then at some time in the future liquidators or administrators

may offer a payout to shareholders, which you will be entitled. If you write off the position then GET will close it at \$0.00 and you will incur the loss.

If you are outright short (sold) a CFD (refer to Section 7, page 4, & 5 "How can CFD's be used?") then the opposite applies to being long or bought.

The underlying price will be zero (no value) or \$0.00 and GET has an exposure to you for the face or nominal value of your CFD. The margin will increase from say 10% to 100%. This will be reflected in your account as the marked to market price will show the unrealised profit on your account immediately, that being your purchase price against the market price, which will be \$0.00.

You can then elect to continue to hold the position remembering that you will still receive interest or write off the position and GET will pay you the difference in your purchase price and \$0.00.

Limit Orders

A Limit order can be either:

- An order used to close an open position at a pre-determined price set by you, or
- An order to open a trade, allowing you to enter the market at a more favourable price than the current price for that instrument.

You should note that placing a Limit order is subject to the following conditions:

- Limit orders placed on all CFD's are filled when the underlying market goes either bid or offered at the price at which you may have placed your limit order, provided there is an equivalent volume in the underlying instrument available to trade at that price in the underlying market.

For Example;

You have bought (long) 10,000 ABC CFD's @AUD\$3.30 at market. You subsequently place a sell limit at AUD\$3.90 as a profit taking order. If ABC shares happen to rise and the ABC CFD price rises to AUD\$3.90/3.91 the limit order that you placed at \$3.90 to sell, will be filled provided 10,000 or more shares is available at the bid price.

You have Sell (Short) 10,000 ABC CFD's @AUD\$3.30 at market. You subsequently place a Buy limit at AUD\$2.90 as a profit taking order. If ABC shares happen to fall and the ABC CFD price falls to AUD\$2.89/2.90 the limit order that you placed at \$2.90 to buy, will be filled provided 10,000 or more shares is available at the offer price.

When using Limit Orders on the GET Trader the underlying markets rules apply. You will be part of the depth queue and while the price may trade at your level your position in the order queue will determine whether you are filled or not. It is possible that only part of your limit order will be filled known as a partial fill.

Contingent Orders

GET Trader platform allows clients to place contingent orders on open positions or orders working in the market that are as yet not filled.

IF DONE.

You can place an order that can only be placed in the market if a previous related order is completed. If the first order is done the IF DONE order will become a working order. The IF DONE order could be a take profit limit order or a stop loss order.

ONE CANCELS THE OTHER (OCO)

An OCO order allows you to place a stop loss entry or a limit entry order. Once one side of the order is completed the other order is immediately cancelled.

IF DONE OCO

This order type allows you to place an entry order (either stop or limit entry) and once completed you can place a take profit and a Stop Loss related to the entry order that will work in the market as an OCO.

16. Tax Implications of a CFD transaction

- Any CFD transaction regardless of type may have tax implications.
- Tax implications are very often specific to a client's set of circumstances. Before entering into a CFD transaction you should discuss any tax issues with your tax advisor.
- When you have a CFD position or closed positions you need to consider your own circumstances with respect to:
 1. Realised profits made may be assessed as income and are therefore taxable.
 2. Realised losses incurred could be treated as a tax deduction.
 3. Revaluation issues relating to your year end tax period.
- CFD's with GET are traded by you on GET Trader and dealt and cleared by our partner Saxo Bank A/S (Denmark) a regulated European Union Bank. Stamp Duty and Goods and Services Tax are not applicable on your commission or trading volume when you trade.
- Goods and Services Tax is applicable on live data charges, if you elect live data at the rate of 10%.
- It is necessary to also discuss with your tax agent your circumstances relating to dividends. A bought CFD position will entitle you to receive dividends and a sold position will make you liable to pay dividends.
- Tax consideration needs to be given to dividends regarding "Franked" and "Non Franked" dividends received or paid.
- GET advises you to consult with your tax advisor.

17. How to Make Complaints?

- Please contact your client advisor and explain the problem that has occurred. The situation will be reviewed by management and if possible resolved immediately. In the event that you believe the situation has not been resolved to your satisfaction then contact the Managing Director, who will address the issue by:

Email: info@getfinancial.com.au

Phone: 03 9862 5000

Mail : Suite 12.14

401 Docklands Drive,
Docklands, VIC, Australia, 3008

- After granting us the opportunity to resolve your complaint, you still deem that it has not been resolved to your satisfaction then you can lodge a written complaint to:

The Financial Industries Complaint Service
PO Box 579
Collins Street West
Melbourne, Vic, 8007

18. Privacy of Information

- Our Privacy Policy can be found on our website at www.getfinancial.com.au
- Also refer to the appendix for a copy of the Privacy policy. (Appendix A)

19. Appendix A - Personal Information Management Policy

1. Introduction

Global Electronic Trading Pty Ltd (GET) AFSL 222629 respects and upholds your rights to privacy protection under the National Privacy Principles contained in the Privacy Act 1988. The National Privacy Principles apply to us from their introduction in late 2001. This policy describes how we manage any personal information we have about you.

2. What personal information about me does GET hold?

GET may hold the following information about you:

- 2a: name, street, telephone number(s)
- 2b: date of birth
- 2c: email address
- 2d: occupation & title
- 2e: transaction details associated with your trading through us
- 2f: any additional information provided to us and recorded by telephone
- 2g: any information you provided to us on client agreement forms
- 2h: nominated Bank account details.
- 2i: statement of assets and liabilities.
- 2j: information regarding personal guarantees of company accounts.
- 2k: tax file number
- 2l: employer

Our web site only uses **session cookies** and only during a search query of the web site.

Our Internet Service Provider has assured us that no cookies are employed on this website except for those associated with the search engine.

Upon closing your browser the **session cookie** set by our web site is destroyed and no personal information is maintained which might identify you should you visit our web site at a later date.

Cookies can be either "persistent" or "session" based. Persistent cookies are stored on your computer, contain an expiration date, and may be used to track your browsing behaviour upon return to the issuing web site. Session cookies are short-lived, are used only during a browsing session, and expire when you quit your browser.

3. What does GET do with my personal information?

We use personal information about you:

- to assist in providing services to you;
- to assist with any calls you make to us;
- to communicate relevant information to you;
- for our internal administrative, marketing, planning, product development and credit control procedures;

GET will not disclose personal information about you to any person except on a confidential basis to agents that we use in the ordinary operation of our business, such as our clearing broker, or regulatory bodies or as required or authorised by or under law or if the individual has consented prior to use and disclosure.

At any time you may opt out of receiving any communications from us (other than as required for the operation of our business, such as payment of margin calls).

4. Openness

You may request access to personal information we hold about you by writing to “The Privacy Manager” at the address below. You do not have to provide a reason for requesting access. Where we hold information that you are entitled to access, we will endeavour to provide you with a suitable range of choices as to how you access it (eg; emailing or mailing it to you).

If you believe that personal information we hold about you is incorrect, incomplete or inaccurate, then you may request amendment of it. We will consider if the information requires amendment. If we do not agree that there are grounds for amendment, then we will add a note to the personal information stating that you disagree with it.

Any questions about this policy, or any complaint regarding treatment of your privacy by GET, should also be made in writing to the address below.

GET Financial

Suite 12.14, 401 Docklands Drive, Docklands, VIC, Australia, 3008

Phone: 03 9862 5000

Fax: 03 9867 5567

Email: info@getfinancial.com.au

5. Miscellaneous

In this policy “personal information” has the same meaning as under the Privacy Act. References to GET are to Global Electronic Trading Pty Ltd (ACN 086 753 246), which has issued this policy.

This policy represents our policy as at 16th April 2008. We may change this policy from time to time. Although we intend to observe this policy at all times, it is not legally binding on GET in any way.

From time to time we may regard it as necessary or desirable to act outside the policy.

GET may do so, subject only to any other applicable contractual rights you have and any statutory rights you have under the Privacy Act or other applicable legislation.

Appendix B – Ticket Fee for Trades

CFD's Ticket Fee Threshold Ticket Fee

US: US\$ 10,000 US\$ 11

Euro Based EU: 10,000 EU 11

UK: GBP 8,000 GBP 11

Swiss: CHF 15,000 CHF 11

Australian: A\$ 10,000 A\$ 11

Appendix C – Available Stock Exchanges on GET Trader for CFD equities.

American Stock Exchange (AMEX) United States

Euronext Amsterdam (AMS) Netherlands

Australian Stock Exchange Ltd. (ASX) Australia

Athens Stock Exchange (AT) Greece

Euronext Brussels (BRU) Belgium

Barcelona Stock Exchange (SIBE) Spain

Copenhagen Stock Exchange (CSE) Denmark

Frankfurt Stock Exchange (FSE) Germany

Helsinki Stock Exchange (HSE) Finland

Hong Kong Stock Exchange (HKSE) Hong Kong

Lisbon Stock Exchange (LISB) Portugal

London Stock Exchange SETS Market (LSE_SETS) United Kingdom

London International Exchange (LSE_INTL) United Kingdom

Milan Stock Exchange (MIL) Italy

NASDAQ Global Markets (NASDAQ) United States

NASDAQ Capital Markets (NSC) United States

New York Stock Exchange (NYSE) United States

Other OTC on NASDAQ (Pink Sheets) (OOTC) United States

OOTC – Other OTC on NASDAQ (Pink Sheets) United States

Oslo Stock Exchange (OSE) Norway

OTCBB –OTC Bulletin Board on NASDAQ United States

Paris Stock Exchange (PAR) France

Singapore (SGX-ST) Singapore

Stockholm Stock Exchange (SSE) Sweden

Swiss Exchange (SWX) Switzerland

Tokyo Stock Exchange (TYO) Japan

Warsaw Stock Exchange (WSE) Poland

Wiener Borse (Vienna) Stock Exchange (VIE) Austria

Appendix D:

Available Exchange Indexes for CFD's

AEX Index: Netherlands
ASX S&P 200 Index: Australia
DAX Index: Germany
DAX Mini Index: Germany
FTSE 100 Index: United Kingdom
S&P/MID 40 Index: Italy
NASDAQ 100 Index: USA
DOW JONES Index: USA
S&P 500 Index: USA
CAC 40 Index: France
DOW JONES Euro STOXX 50 Index: France
IDEX 35 Index: Spain
SMI Index: Switzerland
NIKKEI 225 Index: Japan

Product Disclosure Statement

Global Electronic Trading Pty Ltd

ABN 93086 753 246

ACN 086 753 246

AFSL No. 222 629

Margin Foreign Exchange

June 2008

CONTENTS

1. • General Information
2. • Purpose of a Product Disclosure Statement (PDS)
3. • Roles of Service Providers
4. • Account Administration (General)
5. • Client Funds
6. • What is Margin Foreign Exchange (FX)?
7. • How can Margin FX be used?
8. • What are the benefits of Margin FX transactions?
9. • What are the disadvantages of Margin FX transactions?
10. • Significant risks in Margin FX trading
11. • Dealing may be affected by factors in the market
12. • Margins and Risk Management
13. • Margin FX Internet Trading Platform

- 14. • Trading Platform Features
- 15. • Margin FX Settlements
- 16. • Costs Involved in a Margin FX transaction
- 17. • Tax implications in a Margin FX transaction
- 18. • How to make complaints?
- 19. • Privacy of Information
- 20. • Appendix

1. General Information

- Margin Foreign Exchange (FX) is a sophisticated financial product. The information contained in this Product Disclosure Statement (PDS) does not take into account your financial situation, needs or personal objectives. Before trading in FX you should be satisfied that trading in FX is suitable for you when consideration is given to your financial situation, needs and personal objectives and we recommend that you consult an investment advisor or other independent advice. If you have not had experience in FX trading or products then this product may not be suitable for you.

Please avail yourself of the GET Trader simulation platform at www.getfinancial.com.au. This will allow you to see all the features and functionality referred to in this document.

- The information in this PDS is current at the date stamp on this document but is subject to change from time to time. GET will issue a new PDS or a supplement to this PDS when new information that is materially adverse becomes known. If new information is not materially adverse information we will not issue you with a new or supplementary PDS but will have it posted on the GET website at www.getfinancial.com.au. If you request it, then we will post you a hard copy of the information.

- All correspondence relating to this PDS is to be forwarded to the Issuer
GET Financial

Level 12, Suite 14, 401 Docklands Drive,
Docklands, VIC, Australia
3008

2. Purpose of this Product Disclosure Statement (PDS)

The intention of this PDS is to provide you with information about the product – Margin Foreign Exchange (FX). This should help you decide whether the product will meet your needs, and allow you to compare FX with other products that you may be considering.

3. Roles of Service Providers

- GET acts as principal in the relation to FX transactions with its clients. This is reflected in the trading agreements entered into, the administration of accounts and the performance of its obligations under each transaction.

- In GET acting as principle it means that any transaction you enter into is between you the client and GET. GET will act to protect its interest in the transaction and for its benefit. If you enter into a transaction with GET in Margin FX you have to also close that transaction with GET.

- GET operates as a partner of Saxo Bank A/S Denmark. Saxo Bank A/S is a European Union regulated company and holds an Australian Financial Services License 277 527. As part of its service to GET, Saxo provides, the technology supporting GET Trader, the clearing and executing functions, and price data service when clients of GET trade or hold positions in Margin FX.
- Any request for a FX price from you on the GET Trader platform is passed to our partners being Saxo Bank A/S. When this is done you request GET and therefore GET requests Saxo Bank to carry out your instructions. You are requesting us to provide you with an investment in a derivative being Margin FX.
- When a transaction is completed GET passes to you the risk (possible loss) and benefit (possible profit) of the contractual terms as confirmed and recorded on your on GET Trader account. (Refer to Page 6, & 7, Section 10, "**What are the Risks of a FX Transaction**"). In acting as principle to your contracts, GET assumes all risk on your account and open positions. As such we will provide risk management barriers to provide you with information regarding your margin requirements. (Please refer to page 7, 8, & 9, Section 11 "**Margins and Risk Management**").

4. Account Administration

Before you begin dealing or trading with GET you will be required to complete a Client Application Form and read the Business Terms related to dealing with GET. The minimum account opening size is A\$500. This amount may be varied at GET's discretion.

5. Client Funds:

Deposits:

All money paid to GET by clients or a person acting on behalf of clients or is received by GET on behalf of clients, will be held in one or more segregated Client Trust Accounts in accordance with Australian Corporations Act requirements.

Clients can deposit funds by personal or bank cheque, (allow time for funds to be cleared), B-Pay or Electronic Banking. All funds must be cleared funds before they are available to be used for trading GET products.

GET does not accept cash as an initial deposit or to meet any ongoing obligations.

It is the client's responsibility to ensure that any monies sent to GET are correctly transmitted in all respects. This includes details of the account to which funds should be applied. Any payments made to GET under the Business Terms and Conditions must be free of any withholding tax or deduction.

Clients must ensure that any transfers of money are from an account in the client's name and NOT from that of a third party.

Withdrawals:

Funds can be withdrawn by sending GET a withdrawal request, in writing and signed, specifying your details, including your GET account number, your banking details, if

applicable, including your financial institution, BSB and Account number and account name and how the funds are to be paid. Withdrawals are subject to the client leaving enough funds in the GET account to cover any current margin obligations or fees such as interest, or any minimum balance that GET requires for the client to hold in their account. GET will NOT pay funds to any third party account.

All money paid to GET by clients or a person acting on behalf of clients or is received by GET on behalf of clients, will be held in one or more segregated Client Trust Accounts in accordance with Australian Corporations Act requirements.

It is important to note that holding money in one or more segregated Client Trust Accounts may not afford you absolute protection. The purpose of a segregated Trust Account is to separate client funds from those of GET. Within the Client Trust Account all client funds are pooled together and so an individual client balance may not be protected if there is a default in the overall Trust Account balance. To minimise this GET has employed automated risk management and liquidation procedures for all clients who are exposed to the markets.

GET does not accept from, or make payments to third parties and GET reports, where necessary, all transactions in compliance with Australian money laundering provisions as regulated by AUSTRAC.

GET is entitled to retain any interest it earns on client money held in the Trust accounts it maintains with a bank or approved deposit taking institution. The rate of interest is determined by those organisations.

6. What is Margin Foreign Exchange?

- Margin Foreign Exchange (FX) is an Over The Counter (OTC) product, meaning that there is no exchange or clearing house associated with the product (see "**Significant Risks in Margin FX Trading**" Section 10, Page 29). FX allows you to exchange one currency for another at an agreed exchange rate on an agreed settlement date at a percentage (Margin) of the underlying value of the transaction. Settlement dates range between 2 business days (Spot) and 6 months (Forward). Quotes for exchange rates will be for a) Value Tomorrow which is one business day after the trade date, b) Spot which is two business days after the trade date, or c) Forward which is more than two business days after the trade date but no greater than six months.
- Forward FX allows you to set a delivery or maturity date up to six months in the future with an agreed exchange rate. For example you decide that the Australian Dollar (A\$) is going to appreciate against the US\$ and therefore want to BUY A\$ and SELL US\$ Value Spot (2 Business Days). The market quote is 0.7800/0.7805. You BUY A\$100,000 at 0.7805 and Sell US\$78,050 at a margin of A\$2000. The market in the A\$ appreciates to 0.7855 you have made A\$0.0050 on A\$100,000 or US\$500 or $US\$500/0.7855 = A\636.54 profit.
- If you decide that you want to have a maturity date in the future say June 30 from Spot then the price would be 0.7805 less forward points of 0.0100 for an outright rate maturing on June 30 of 0.7705.
- The forward points represent the differential between Australia Interest rates and US interest rates for the term from spot to June 30.
- See Appendix A for a sample of currency pairs that will be quoted subject to GET standard client approval process.

- See Appendix A for a sample of percentage Margin applied to specific currency pairs.

7. How can Margin FX be used?

- Importing where payments are to be made in foreign currencies
- Exporting where receipts are to be received in foreign currencies
- Foreign currency borrowing or investments
- Repatriating funds locate overseas back to Australian Dollars
- Miscellaneous Foreign currency payments

8. What are the benefits of Margin FX transactions?

- Provide exchange rate protection against current and future FX exposure
- Provide cash flow certainty
- Provide flexibility for maturity or settlement date
- Allows for leverage for investment.
- There is no brokerage or commission on trades.

9. What are the disadvantages of Margin FX transactions?

- With Forward transactions will not allow benefits of future favourable rate movements.
- There is significant capital risks involved in FX trading.
- The bid/ask spread represents a cost when you elect to cross the spread to buy or sell a currency. (Spread is defined as the difference between price where the price maker will buy the currency “bid” and sell the currency “ask”)
- Also please refer to Section 10 below “**Significant Risks in Margin FX Trading**”

10. Significant Risks in Margin FX Trading

- **DEFINITION:** Risk is the degree of uncertainty associated with an investment. The main elements that contribute to the risk of an investment are volatility, liquidity and leverage. All things being equal, a high degree of volatility and leverage makes an investment more risky. An illiquid market, where buyers are not always matched by sellers, also increases risk; investors can be left holding an asset whose price is falling.
- Trading foreign exchange on margin carries a high level of risk, and may not be suitable for all investors. The inherent concept of such investments means that they are not suitable for the investor seeking income from such investments, and are only suitable for those who have the required experience and understand the market risks. You should carefully consider your investment objectives, level of experience, and seek advice from an independent financial advisor if you have any doubts.
- The possibility exists that you could sustain a loss of some or all of your investment and therefore you should not invest money that you cannot afford to lose. You should be aware of all the risks associated with foreign exchange trading. Some of the risks involved in trading foreign exchange instruments such as spot, forwards and currency options, include the following:

1. The principal risk with a forward foreign exchange contract is that as the exchange rate and delivery date are fixed, the opportunity for future financial benefit due to favourable market movements is precluded.
2. If the exposure or future obligation hedged by the forward contract, ceases to exist prior to delivery, then the contract may need to be closed out early at a loss, or additional protection sought to cover the changed exposure.
3. The amount of the initial margin required for entry into a foreign exchange transaction will be small in comparison to the amount actually covered by the transaction, which means that the contract is leveraged or geared. The use of leverage can lead to large losses as well as large gains. (Please refer to "Margins and Risk Management" Section 12, page 31)
4. Due to leverage, even a small market/price movement can have a large impact on the funds you have deposited, and can require the payment of additional substantial funds at short notice in order to maintain your position. A failure to meet additional margin calls can result in enforced liquidation of the position, and additional loss. (Please refer to "Margin is a Powerful Accelerator" Section 12, Page32)
 - Price movements can occur at any time during the trading period and can occur for a variety of reasons including but not limited to:
 1. Economic conditions or announcements, such as government economic reports.
 2. International or geopolitical events
 3. liquidity in different international time zones
 4. Government announcements and policy change.
5. In certain market conditions, it can become difficult or impossible to liquidate a position this can, for example, happen when there is a significant change in prices over a short period. This is also known as 'Gapping' (Please refer to "Dealing may be affected by factors in the market" Item 11, page 31)
6. In periods of low liquidity (due to time zone issues) or high volatility (due to release of relevant economic reports) the bid/ask spread in the currency pair could widen significantly compared to normal market conditions. (Please refer to "Dealing may be affected by factors in the market" Item 11, page 31)
7. GET may not be capable to operate as a market maker due to the currency pair, or part there of, ceasing to exist as a tradable market or due to regulatory restrictions within that market or restrictions placed on GET due to regulatory rulings.
8. You as a client could be exposed to GET's business and financial risk. (Please refer to point 4 "Account Administration. Client Funds" page 26 above).
9. Due to the settlement process and administration function being performed by Saxo Bank A/S, a European Union regulated bank, you are also exposed to their technical and financial risk. (Please refer to point 4 "Client Funds" Section 5 page 27 above for financial risk and Section 13, page 34 "Margin FX Internet Trading Platform" for Technical Risk).
10. When using an Internet based trading platform such as GET Trader you are incurring risk associated with the internet including outages, third part services provider downtime (ISP) software and hardware problems. One, some or all could contribute to GET not being able to provide you with a market to enter or exit a transaction. (Please refer to "Margin FX Internet Trading platform" Section 13, Page 34)
11. When trading in currencies your profit or loss will always be in the second currency in the currency pair. It is therefore most likely that your profit or loss will be in a currency other than Australian Dollars. A foreign currency risk will arise if this is the case.

12. Risk also exists in that the performance or completion of a transaction is not guaranteed by an exchange or clearing house like exists in stocks and futures.
13. If you propose to trade in currency options, the maximum loss in buying an option is limited to the amount of the premium paid. However, the risks involved in selling an option are significant, as they are subject to market fluctuations. Currency markets can be extremely volatile and option sellers can be exposed to substantial loss.
14. ASIC do not have jurisdiction over international foreign exchange nor the power to compel enforcement of the rules of foreign exchange or any applicable foreign law.

11. Dealing may be affected by factors in the market.

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 market, it will also occur in the price of the relevant GET Products and may mean that you are unable to close out your positions or open a new position at the price at which you have placed your order.

At other times the market may lack liquidity because of insufficient trading activity. This will affect the ability of GET to offer the relevant GET product in sufficient volume to allow you to close out your position or open a new position. This will typically occur when events impact on currency valuations. Such events will include but not be limited to economic releases, statements from people in authority, terrorist attacks, assassinations, political election results, acts of nature, and geo political events.

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 leading to reduced profits or higher losses.

(Some examples of reasons for “gapping” can be found at “Significant risks in Margin FX trading” Item 10, Page 29)

12. Margins and Risk Management

Defining Margin

Trading on margin means that an investor can buy and sell assets that represent more value than the capital in their account. Forex trading is typically executed on margin, and the industry practice is to trade on relatively small margin amounts since currency exchange rate fluctuations tend to be less than one or two percent on any given day.

Margin, or leverage, implies that the investor is “gearing” his or her funds. Margin rates of 1% on the first \$10,000 in your account, and 2% on exposure greater than that, are common in online trading. (Please refer to GET margin rates in “Trading Conditions” on the GET Trader Simulation platform).

What this means is that a margin of 1.0% enables one to trade up to \$1,000,000 even though there is \$10,000 in the account. In terms of leverage this corresponds to 100:1, because 100 times \$10,000 is \$1,000,000, or put another way, \$10,000 is 1.0% of \$1,000,000.

GET will assess margin levels on individual currency pairs taking into consideration, liquidity, market volatility, global events, and domestic political and economic situations. It is common for some currencies to be margined at 1% for example EUR/USD pair, which is a major currency pair and others to be margined at 8% for example CAD/TRY pair, which is Canadian Dollar/Turkish Lire, which is known as an exotic. Generally the higher the margin rates the higher the level of risk as perceived by GET and its partners. (Please refer to GET margin rates in "Trading Conditions" on the GET Trader Simulation platform).

GET holds the right to make a margin call if the need arises. A margin call is defined as the demand for additional funds to be deposited in your account to meet margin percentage and for payments for differences requirements because of adverse price movements. GET minimum account opening amount for the covering of Margins is A\$500 or currency equivalent. In case of a margin call, you will be receiving the below listed email and system messages in sequence:

STEP 1 - Warning: Percentage of Capital Usage: 100%

Please be advised that you are now fully utilising your available margin for trading purposes in accordance with your trading agreement. You should not increase your positions further. Please note that in case of a substantial deterioration in your positions resulting in further losses, a margin call will be issued and, in such case, you should adhere to it promptly.

STEP 2 – Margin Call: Percentage of Capital Usage: 125%

Your margin requirement is [Margin required], while your available margin is [Net Equity for Margin]. Please immediately reduce your positions accordingly, or transfer minimum [Margin Deficit] to support your account. Please email B Pay or EFT receipt to info@getfinancial.com.au to allocate your funds in a timely manner. Failure to do so or further deterioration of your positions may result in your positions being closed without further notice.

STEP 3 – Stopping Out: Percentage of Capital Usage: 150%

Due to a serious margin call on your account, we have been obliged to close your positions. Please refer to your account summary for current account balance and your trade activity statement for details of the closing trades. Please contact your Account Executive immediately for any further actions you wish to undertake.

Margin is a powerful accelerator

Using leverage opens the possibility to generate profits quickly, but increases the risk of rapidly incurring large losses. It is important to review the margin thresholds and limitations in your trading agreement to determine the range of trading activities you can undertake.

Net Equity for Margin

This term is the absolute indicator of the extent of margin capability in your account. If your Margin required exceeds your Net Equity for Margin you must close or reduce positions, or send additional funds to cover your positions. If a negative balance exists on your account, you have used more funds for margin than is available in your account; GET

will charge interest on the overdrawn amount on a pro rata basis. Interest rates charged will vary depending on the currency your account is denominated.

Trading on Unrealized Profits

You can trade on unrealized profits in your account. Margin calculations are based on the Net Equity for Margin which includes such unrealized profits and losses as are current in your account. Please refer to GET Trader "Account Summary" in the simulation platform.

Margin call

Clients must maintain the margins listed in their account at all times. If funds in an account fall below the margin requirement, a margin call is issued. A margin call requires the client to immediately deposit more funds to cover the position or to close the position.

Trade size

The amount of the trade size is limited by the margin position. For example, a client with \$10,000 in funds and 1% margin, can trade as much as \$1,000,000; however taking a single position in this amount would be extremely unwise and generate a margin call if the trade were to go against you slightly. This is due to the fact that you would be utilising 100% of your available funds (capital) to establish the position. (Please refer to "STEP 1 - Warning: Percentage of Capital Usage: 100 %")

Majors, Minors and Exotics

Margin rates vary according to the liquidity (available inventory) of different currency crosses. Lower rates apply to Majors (the most liquid), higher rates to minors (less liquid), and then highest margin terms for exotics (very illiquid). (Please refer to "Trading Conditions" in your GET Trader Simulation platform for a complete list of margin rates)

Weekend rates

On weekends, when the markets are quiet or closed, liquidity is considerably limited. If you have a position open at this time you may need to have at least double the available funds for margin compared to during normal trading hours. You need to be aware that if there are insufficient funds to meet the doubling of margins on weekends then clients will receive a margin call or could exceed 150% capital utilization and will be liquidated from all positions on their account. In some cases GET may elect not to increase margin rates on weekends at their discretion and judgement based on possible events and volatility. (Please refer to "Trading Conditions" in your GET Trader Simulation platform for a complete list of margin rates and whether weekend margins apply to your currency position)

EXAMPLE

Assume you have US\$10,000 in your account. Since GET Trader allows you to leverage 50 times (2% margin) or in some cases 100 times (1% margin) for Foreign Exchange, you can hold a currency portfolio up to \$500,000 (at 2%) or \$1,000,000 (at 1%).

Let's say you sold 250,000 EURUSD at 1.2950. While this transaction would result in a net exposure of $250,000 * 1.2950 = US\$323,750$, your account will be charged US\$6,475 margin (or 2%) of the total exposure. Use of equity for margin will be therefore $US\$323,750 / US\$500,000 = 64.8\%$.

Within couple of days, let's assume the market went against you and EURUSD rose to 1.3175.

You will be receiving following system generated e-mails on different stages of the rally or price appreciation:

EURUSD @ 1.3089 => Warning: Percentage of Capital Usage: 100%

EURUSD @ 1.3140 => Margin Call: Percentage of Capital Usage: 125%

EURUSD @ 1.3175 => Stopping Out: Percentage of Capital Usage: 150%

(Please refer to "Margins and Risk Management" Section 12, Page 31)

Now let's have a look how these levels are calculated:

SELL 250,000 EURUSD @ 1.2950

PRICE		1.2950	1.3089	1.3140	1.3175
A Cash Balance	USD	10,000	10,000	10,000	10,000
B Closing Amount	USD		-3,475	-4,750	-5,625
C = A - B Total Equity for Margin	USD	10,000	6,525	5,250	4,375
D = (Amount x Price) x 2% Margin Required	USD	6,475	6,545	6,570	6,588
E = C -D Net Free Balance	USD	3,525	-20	-1,320	-2,212
F = Amount x Price Net Exposure	USD	323,750	327,225	328,500	329,375
G = F / C Use of Equity for Margin		64.8%	100.3%	125.1%	150.6%

According to this scenario, you will be getting your first warning at 1.3089. If you don't inject additional funds into the account by the margin call at 1.3140, this position will be cut off automatically by the system at 1.3175 since use of equity margin would be hitting 150%. Consequently, this trade will result in a loss of US\$5,625 and your account balance will drop to US\$4,375.

13. Margin FX Internet Trading Platform

- There are risks associated with using an Internet-based deal execution trading system including, but not limited to, the failure of hardware, software, and Internet connection. The access to order entry facilities cannot be operated in all circumstances without error including, without limitation, errors in computer programs and telecommunications. GET cannot be held responsible for these errors which may result in among other things, a delay in communication services to the user, interrupted service, faults, inaccuracies in the provision of the service or inaccuracies generally. (Please refer to "Significant Risks in Margin FX Transactions" Section 10, Page 29)
- GET and its counterparties employ back up systems and contingency plans and disaster recovery sites that aim to minimise the possibility of system failure. In the event of a failure by the client or GET, providers or systems the client will have access via telephone to GET 18 hour client advisors.

14. Trading Platform Features

- You can download a simulation platform to test GET Trader suitability and witness all available features; go to www.getfinacial.com.au
- Spot trade directly on all major crosses. For exotic crosses, a tradable price can be requested and will be quoted within a few moments
- Place market, limit and stop trade orders to buy or sell FX when specified market conditions are met
- Buy and Sell FX options
- Place FX forward outright orders
- A News module delivers streaming news about global economic events
- Analysis modules offer you the latest financial forecasts
- A Chat module allows you to chat directly with GET staff

GET Trader Functionality.

Stop Orders

A Stop order can be either:

- An order placed to limit a loss on an open position, which is known as a stop-loss order.
- An order used to enter the market at an inferior price, allowing you to enter the market on a “breakout” of the current trading range, which is known as a stop entry order.
- A Trailing Stop that allows you to place an exit order on a stop basis at a predefined distance from the market. These orders will follow the market at the defined level and be executed when the high or low is reached and the market starts moving against you.

You should note that placing a Stop order is subject to the following conditions:

Stop order placed on FX will be filled if the price of the currency pair trades at prices equal to or inferior to the price at which you have placed the stop order and at a volume that is equal to or greater than that of your stop order. Accordingly, your stop orders may be filled at prices inferior to those at which you have placed your stop order.

This is referred to as slippage. Stop orders therefore need to be monitored by the client as part of risk management. Therefore stop orders may not guarantee the price you have nominated originally and thus limit your losses to the amounts that you may want.

It is therefore possible that the next price, bid or ask, after your stop has become “live” or been triggered is significantly away from your required level. This is especially relevant in currency pairs that exhibit high volatility or low levels of liquidity. Clients need to consider the currency pairs price volatility and liquidity, and time zone impacts when electing to place stop orders. As a general rule please refer to “Trading Conditions” on GET Trader Simulation Platform. If margin rates are above 2% then there is a high probability that the currency pair suffers from liquidity issues on a regular basis.

Limit Orders

A Limit order can be either:

- An order used to close an open position at a pre-determined price set by you, or
- An order to open a trade, allowing you to enter the market at a more favourable price than the current price for that instrument.

Contingent Orders

GET Trader platform allows clients to place contingent orders on open positions or orders working in the market that are as yet not filled.

IF DONE.

You can place an order that can only be placed in the market if a previous related order is completed. If the first order is done the IF DONE order will become a working order. The IF DONE order could be a take profit limit order or a stop loss order.

ONE CANCELS THE OTHER (OCO)

An OCO order allows you to place a stop loss entry or a limit entry order. Once one side of the order is completed the other order is immediately cancelled.

IF DONE OCO

This order type allows you to place an entry order (either stop or limit entry) and once completed you can place a take profit and a Stop Loss related to the entry order that will work in the market as an OCO.

15. Margin FX Settlements

- In all cases when you take a position (Exposure) in Margin FX in any currency pair it will not be settled. Instead the position will be rolled over from Spot (2 Business days) on a Tomorrow Next basis until you decide to close the position.
- GET does not allow clients to physically settle currency positions. Please see below for details on Tomorrow Next rollovers.
- If you have transacted a forward contract and you need to vary the settlement date then two options are available:
 - a) **Extension:** Where the settlement date is adjusted from the existing date to a date in the future. Example from May 20 to June 30.
 - b) **Pre Delivery:** Where the settlement date is adjusted from the existing date to a date in the future. Example from June 30 to May 20.
- For the above variations a new exchange rate will be set to reflect the new settlement date.

Tomorrow Next Rollovers (T/N)

Spot Forex positions are traded with a standard Value Date of 2 business days - the theoretical delivery date for the currency exchange if you were going to take delivery of a currency. For example, positions opened on Monday would have a Value Date of Wednesday.

As you are speculating on Margin Forex and not actually taking delivery (settlement), positions are never allowed to reach their Value Date and are 'Rolled Over' to a new Value Date instead. So if the position we opened on Monday is still open on Tuesday, it will be closed then reopened again immediately at almost the same market price with the new Value Date of Thursday.

Financing Charge/Credit

When a position is rolled over to a new Value Date any profit or loss associated with that position is also rolled over to the new position but a small component of interest on the profit or loss is added or deducted from the opening price of the new position.

Swap Price

To summarize, Spot Forex positions held past the end of a trading day (2 AM AEST and 4 AM ADST) are rolled over to a new Value Date. At rollover, the position is closed and reopened with a small difference between the closing and the reopening price. This small difference is called the swap price and includes:

- The Rollover charges principally account for the interest rate differential between the two currencies traded
- The financing credit/charge from any profit/loss on the position
- Where your position is rolled to the next value date you will receive a benefit or cost on your original entry price. As a rule the following applies: if you buy a currency with a higher interest rate than the currency you sell then you will receive a benefit at rollover. If you sell a currency with a higher interest rate than the currency you buy then you will incur a cost at rollover.

Some typical swap rates are (Bought/purchased position/Short/sold position as of 11/08/04):

EURUSD 0.000011/-0.000028

USDJPY -0.0038/-0.0070

GBPUSD -0.000114/-0.000169

USDCHF -0.000023/-0.000058

EURCHF -0.000038/-0.000086

AUDUSD -0.000054/-0.000077

16. Costs Involved in a Margin FX Transaction

Buying or Selling a Margin FX Transaction

- **Mark Up Spread:** 1 to 6 points on each side of the bid/ask spread. This mark up will be quoted to you when you request a price from GET trader. "Spreads" are the difference between the bid price, where someone is willing to purchase, and the ask or offer price, where someone is willing to sell. All FX transactions will incur a bid/ask "spread" in price when quoted on GET Trader.
- **Ticket Fee Threshold of A\$11** relates to trades below pre determined trade limit. This is charged at time of execution and is shown to you before you transact on the platform. For a complete list of ticket fees on all currency pairs. See a sample in Appendix A or for a full list refer to "Trading Conditions" on the GET Trader platform.
- **Commission Charges:** None for all order types including Stop losses.
- Where your position is rolled to the next value date (refer to "Tomorrow Next Rollovers I/N" Section 15, Page 36) you will receive a benefit or cost on your original entry price. As a rule the following applies: if you buy a currency with a higher interest rate than the currency you sell then you will receive a benefit at rollover. If you sell a currency with a higher interest rate than the currency you buy then you will incur a cost at rollover.

Notes

- **Mark Up:** A “Mark Up Spread” will be applied to all transactions. Interbank spread is made and GET will take between 1 to 6 points each side of the spread depending upon clients trading regularity and volume. This spread will be quoted in the displayed price to the client.
- A minimum of A\$11 or currency equivalent applied to trades below the ticket fee threshold. See Appendix A for a sample of minimum trade size or go to “Trading Conditions” on the GET Trader Simulation platform.
- **Commission Charges:** There is no commission charged for transactions. Please note that your FX transaction may be subject to Government taxes and duties. These can vary from state to state. Clients will be notified by GET if the fee structure on their account is to change for any reason.

17. Tax Implications of a Margin FX transaction

- Any Margin FX transaction regardless of type, Spot, Value Tomorrow, or Forward may have tax implications.
- Tax implications are very often specific to a clients set of circumstances.
- Gains made from profitable trading in Margin FX should be considered as income and therefore are taxable.
- Losses may also be tax deductible.
- Margin FX is not subject to Stamp Duty or GST.
- You should consider the revaluation date and time of any FX positions at your tax year end.
- Before entering into a spot, value tomorrow, or forward Margin FX transaction, GET advises you to consult your tax advisor for tax issues which may affect you.

18. How to Make Complaints?

- Please contact your client advisor and explain the problem that has occurred. The situation will be reviewed by management and if possible resolved immediately. In the event that you believe the situation has not been resolved to your satisfaction then contact the Managing Director, who will address the issue by:

Email : info@getfinancial.com.au

Phone : 03 9862 5000

Mail : Suite 12.14

401 Docklands Drive,
Docklands, VIC, 3008

- After granting us the opportunity to resolve your complaint, you still deem that it has not been resolved to your satisfaction then you can lodge a written complaint to:

The Financial Industries Complaint Service

PO Box 579

Collins Street West

Melbourne, Vic, 8007

19. Privacy of Information

- Our Privacy Policy can be found on our website at www.getfinancial.com.au
- Also refer to Appendix B for a copy of the Privacy policy.

20. Appendix A
Margin Liquidity Ticket

Currency Pair	First 10K/ Normal/ Fee Margin	Classification	Ticket Threshold
AUDCAD	1% / 2%	Major	100,000
AUDCHF	1% / 2%	Major	100,000
AUDEUR	1% / 2%	Major	100,000
AUDGBP	1% / 2%	Major	100,000
AUDJPY	1% / 2%	Major	100,000
AUDNZD	1% / 2%	Major	100,000
AUDSGD	1% / 2%	Minor	100,000
AUDUSD	1% / 2%	Major	100,000
CAD/TRY	4% / 8%	Exotic	100,000
CHFAUD	1% / 2%	Major	100,000
CHFJPY	1% / 2%	Major	100,000
EURAUD	1% / 2%	Major	100,000
EURCAD	1% / 2%	Major	100,000
EURCHF	1% / 2%	Major	100,000
EURGBP	1% / 2%	Major	100,000
EURJPY	1% / 2%	Major	100,000
EURNZD	1% / 2%	Major	100,000
EURUSD	1% / 2%	Major	50,000
GBPAUD	1% / 2%	Major	100,000
GBPCAD	1% / 2%	Major	100,000
GBPCHF	1% / 2%	Major	100,000
GBPEUR	1% / 2%	Major	100,000
GBPJPY	1% / 2%	Major	100,000
GBPNZD	1% / 2%	Major	100,000
GBPUSD	1% / 2%	Major	50,000
NZDAUD	1% / 2%	Major	100,000
NZDCAD	1% / 2%	Major	100,000
NZDCHF	1% / 2%	Major	100,000
NZDEUR	1% / 2%	Major	100,000
NZDGBP	1% / 2%	Major	100,000
NZDJPY	1% / 2%	Major	100,000
NZDUSD	1% / 2%	Major	100,000
USDCAD	1% / 2%	Major	100,000
USDCHF	1% / 2%	Major	50,000
USDJPY	1% / 2%	Major	50,000
USDSEK	1% / 2%	Major	100,000
USDSGD	1% / 2%	Minor	100,000

Please note this is just a sample and not a complete list. Margin rates, classifications, and ticket fee threshold can change. You need to review on GET Trader platform for most current conditions under "Trading Conditions"

Appendix B: Privacy Policy

1. Introduction

Global Electronic Trading Pty Ltd (GET) AFSL 222629 respects and upholds your rights to privacy protection under the National Privacy Principles contained in the Privacy Act 1988. The National Privacy Principles apply to us from their introduction in late 2001.

This policy describes how we manage any personal information we have about you.

2. What personal information about me does GET hold?

GET may hold the following information about you:

- 2a: name, street, telephone number(s)
- 2b: date of birth
- 2c: email address
- 2d: occupation & title
- 2e: transaction details associated with your trading through us
- 2f: any additional information provided to us and recorded by telephone
- 2g: any information you provided to us on client agreement forms
- 2h: nominated Bank account details.
- 2i: statement of assets and liabilities.
- 2j: information regarding personal guarantees of company accounts.
- 2k: tax file number
- 2l: employer

Our web site only uses **session cookies** and only during a search query of the web site.

Our Internet Service Provider has assured us that no cookies are employed on this website except for those associated with the search engine.

Upon closing your browser the **session cookie** set by our web site is destroyed and no personal information is maintained which might identify you should you visit our website at a later date.

Cookies can be either "persistent" or "session" based. Persistent cookies are stored on your computer, contain an expiration date, and may be used to track your browsing behaviour upon return to the issuing web site. Session cookies are short-lived, are used only during a browsing session, and expire when you quit your browser.

3. What does GET do with my personal information?

We use personal information about you:

- to assist in providing services to you;
- to assist with any calls you make to us;
- to communicate relevant information to you;
- for our internal administrative, marketing, planning, product development and credit control procedures;

GET will not disclose personal information about you to any person except on a confidential basis to agents that we use in the ordinary operation of our business, such as our clearing broker, or regulatory bodies or as required or authorised by or under law or if the individual has consented prior to use and disclosure.

At any time you may opt out of receiving any communications from us (other than as required for the operation of our business, such as payment of margin calls).

4. Openness

You may request access to personal information we hold about you by writing to “The Privacy Manager” at the address below. You do not have to provide a reason for requesting access. Where we hold information that you are entitled to access, we will endeavour to provide you with a suitable range of choices as to how you access it (eg: emailing or mailing it to you).

If you believe that personal information we hold about you is incorrect, incomplete or inaccurate, then you may request amendment of it. We will consider if the information requires amendment. If we do not agree that there are grounds for amendment, then we will add a note to the personal information stating that you disagree with it.

Any questions about this policy, or any complaint regarding treatment of your privacy by GET, should also be made in writing to the address below.

GET Financial

Suite 12.14, Level 12, 401 Docklands Drive, Docklands, Australia, VIC, 3008

Phone: 03 9862 5000

Fax: 03 9867 5567

Email: info@getfinancial.com.au

5. Miscellaneous

In this policy “personal information” has the same meaning as under the Privacy Act. References to GET are to Global Electronic Trading Pty Ltd (ACN 086 753 246), which has issued this policy.

This policy represents our policy as at 16 April 2008. We may change this policy from time to time. Although we intend to observe this policy at all times, it is not legally binding on GET in any way.

From time to time we may regard it as necessary or desirable to act outside the policy. GET may do so, subject only to any other applicable contractual rights you have and any statutory rights you have under the Privacy Act or other applicable legislation.

Product Disclosure Statement FUTURES & OPTIONS

PRODUCT SUPPLEMENT

This document of the Product Disclosure Statement (PDS) prepared by Global Electronic Trading Pty Ltd (GET) and must be read carefully and fully understood before signing any documents with GET.

1. INTRODUCTION

This document seeks to explain in a clear, concise and effective manner exchange traded derivatives. Derivatives contracts traded on a derivatives market are more commonly known as:

- Futures contracts (both deliverable and cash-settled);
- Futures options (which are options over a futures contract); and
- Exchange traded options (which are options directly over say a bank accepted bill or gold for example).

Derivatives exchanges (a type of financial market) are also known as futures exchanges (and some stock exchanges which offer derivative products). We deal in derivatives traded on a number of exchanges, including for example, Sydney Futures Exchange (**SFE**), the Chicago Board of Trade (**CBOT**), and London International Financial Futures Exchange (**LIFFE**). Details of these exchanges are available at their respective internet websites (refer section 10 below). Before you trade futures contracts/options you should give consideration to your objectives, financial situation and needs. You should also be aware of the risks involved and be satisfied that trading in exchange traded derivatives is suitable for you in view of your financial circumstances.

2. ISSUER DETAILS

Under the Corporations Act, where GET enters into an exchange traded derivative on a client's behalf, GET is regarded as issuing the derivative to the client.

3. BENEFITS OF FUTURES AND OPTIONS CONTRACTS

What are exchange traded futures contracts?

An exchange traded futures contract is an agreement, traded on a derivatives exchange, to deliver or take delivery of a specified amount of a security or a commodity of a given grade or quality, or to make a cash adjustment based on a change in the price of the commodity, financial instrument, security or stock indices at an agreed time in the future.

One purpose of derivatives contracts is to provide those who deal in the traded commodities, financial instruments and securities with a facility for managing the risks associated with changing prices for those investments². There are also those who trade in the hope of profiting purely from changing prices in the traded commodities, financial instruments or indices, i.e. speculators. The risk of losing money is generally greater for the speculator.

Types of exchange traded futures contracts

There are two main types of exchange traded futures contracts. One is an arrangement under which the seller agrees to deliver to the buyer, and the buyer agrees to take delivery of, the quantity of the commodity described in the contract. Such contracts will be described in this document as deliverable contracts.

The other is an arrangement under which the two parties will make cash adjustment between them according to whether the price of a commodity, financial instrument or index has risen or fallen since the time the arrangement was made. Such contracts will be described in this document as cash settled contracts. An exchange traded futures contract's terms are generally set out in the operating rules of the exchange on which the contract was made.

Derivatives exchanges exist in a number of countries, notably the United States of America, Japan, Europe and Australia. The material in this document is intended to refer to any exchange traded derivatives contracts traded on a computer based exchange unless otherwise indicated, but there may be differences in procedure and regulation of markets from one country to another and one exchange to another. For example, some futures exchanges still currently operate through open outcry. Exchange traded futures contracts are made for periods of up to several years in the future, although most are for settlement within 6 months of the contract being made.

Part of the standardization of exchange traded futures contracts is that the time of delivery or settlement is one of a series of standardised maturity times.

For example, in the “SPI-200” cash settled contract traded on the SFE, contracts can be made for settlement at the end of any month of March, June, September or December during a period of 18 months from the time of the trade.

Deliverable contracts involve an obligation to deliver for the seller of the contract or take delivery at maturity for the buyer of the contract. If you are speculating it is not advisable to enter into such contracts in the last weeks before maturity unless actual delivery is contemplated. If you intend to make or take delivery, first check with your GET advisor.

Exchange traded derivatives contracts are standardised

Exchange traded derivatives like futures contracts and options contracts are standardised and fungible. A consequence of contract standardisation is that the price is the only factor that remains to be determined in the marketplace.

On the Australian exchanges, SFE and ASX, derivatives contracts are quoted and traded on electronic trading systems which provide a system of continuous price discovery. This means that the price at which trades take place may continually change throughout a trading session. Another consequence of exchange traded derivative contracts being fungible is that the obligations under a contract can be effectively cancelled by entering into a new contract in the same contract series, but in an opposite position. This process is known as offsetting or closing out the contract.

For example, a client who holds a derivatives contract to buy may cancel this obligation by taking a new contract to sell in the same month. In the same way, the holder of a contract to sell can close out by taking a new contract to buy. In each case there will be a profit or loss equal to the difference between the buying and selling prices multiplied by the standard contract amount – minus any transaction costs. In practice, the vast majority of derivatives contracts are offset in this manner, the remainder being fulfilled by delivery or by mandatory cash settlement where no provision for delivery exists.

The role of the Clearing House

Exchange traded derivatives entered into on a derivatives exchange are cleared through a clearing house appointed by the relevant exchange to perform that role. In this document a reference to the **Clearing House** is a reference to the relevant clearing house.

Participants of the relevant exchange must comply with the operating rules of the exchange. Participants who clear the derivatives contracts must also comply with the operating rules of the Clearing House (**Clearing Rules**).

The relevant Clearing House, subject to the relevant Clearing Rules, will clear all exchange traded derivative contracts traded for you by GET. When we enter into an exchange traded derivative contract for you through our executing Principle Broker, the transaction is reported to the Clearing House for registration. On registration of a contract, the original traded contract is terminated and replaced by two contracts (which we refer to as (**open contracts**)). One of those is between the Clearing Participant who clears the contract for the buyer of the contract and the Clearing House. The other is between the Clearing Participant who clears the contract for the seller of the contract and the Clearing House. This process of registration and creation of two open contracts is known as “novation”. You, as the client, are not party to either of those open contracts, although we may act on your instructions or for your benefit.

The operating rules of the Australian exchanges provide that any contract arising from an order submitted to the market for an exchange traded derivative is regarded as having been entered into by our Principle Broker as principal. Upon registration of the contract with the Clearing House in their name as the Clearing Participant, they incur obligations to the Clearing House as principal, even though the trade may have been entered into on your instructions.

Closing-out

The system of novation of transactions to a Clearing House means that closing-out can be achieved without reference to the original party with whom the derivatives contract was traded. The Clearing House stands between the buying and selling brokers (or, where applicable, their clearing participants). The Clearing House is, in effect, able to substitute a new buyer as the contract party when an existing buyer sells to close out their position. This can be represented by the following:

A sells to B at \$100 per unit;

B sells to C at \$120 per unit;

B has quit the market and has a profit of \$20 per unit;

At maturity, A (seller) is matched with C (buyer).

In effect C has replaced B as the buyer of the contract from A. The contracts which B held (one to buy and one to sell) have been settled in cash. B simply receives a profit.

Any profit due to B is paid out by the Clearing House in cash, even though the original seller (A) remains in the market. The Clearing House ensures that it is able to pay such profits by calling margin (refer discussion below under the heading “margin”).

Exchange Traded Futures Options

Option contracts traded over futures contracts are commonly known as futures options. The following attempts to explain the nature of an option contract and the obligations assumed by a person who instructs a dealer to enter into an option. Several facts referred to previously are applicable to options, for example, the concept of closing out. These facts will not be repeated, but only the facts particularly relevant to futures options will be discussed below. Looked at from the buyer’s viewpoint a futures option is the right, not the obligation to enter into a futures contract at the exercise price of the futures option granted in return for a premium. Looked at from the seller’s viewpoint the seller has no right as such (other than a right to the premium).

The seller will be under an obligation to enter into a futures contract at the exercise price of the futures option if the option is validly exercised. Like futures contracts, options are standardised so that having entered into an option position it is possible to close that position out later. You must distinguish between futures options and exchange traded options. If a futures option is exercised it results in the establishment of a futures contract. If an exchange traded option is exercised it results in making or taking delivery of the actual commodity or instrument underlying the option, or making a cash adjustment based on a change in the price of the commodity or instrument or on the movement in an index. The following matters can apply both to futures options and eligible exchange traded options but the discussion will centre on futures options.

European and American options

Options may be American or European style exercise. *European style* options can only be exercised on the expiry date, not before. *American style* options can be exercised at any time up to the date the option is due to expire. Options traded on the SFE may be exercised at any time before the expiry date. Therefore, the seller of an option must be prepared for that option to be exercised any time before the expiry date.

Call and put options

A call option is an option to buy the underlying instrument at the exercise price at any time on before the expiry date (depending on the exercise style of the option). A put option is an option to sell the underlying instrument at the exercise price.

In the context of a futures option, the buyer of a call option has the right to enter into a bought position in the underlying futures contract at the exercise price. The buyer of a put option has the right to enter into a sold position in the underlying futures contract at the exercise price. Each put or call option has a buyer and a seller.

Option Premium

As noted above, the only term of an exchange traded derivative which is not set and predetermined by the relevant exchange is the price of the contract. The price, known as the “**premium**” is negotiated between the buyer and seller of the contract through the market.

The value of an option will fluctuate during the option’s life depending on a range of factors including the exercise price or level, the price of the underlying thing or the level of the underlying index, the volatility of the underlying thing or the underlying index, the time remaining to expiry date, interest rates, dividends and general risks applicable to markets. Most option pricing involves the use of a mathematical formula which includes calculating the intrinsic and time value of the particular option. You can obtain current price information by contacting us. In relation to some of the exchanges on which we deal, you may also find current pricing information on the website referred to in section 10.

Exercising call and put futures options

The diagram below sets out the results from the buyer’s and seller’s viewpoint when the buyer exercises a call or put futures option:

Bought call option -> Bought futures (at the exercise price of the option)

Sold call option -> Sold futures (at the exercise price of the option)

Bought put option -> Sold futures (at the exercise price of the option)

Sold put option -> Bought futures (at the exercise price of the option)

For further information concerning derivatives contracts traded on the SFE you are referred to the brochure “Introduction to Futures and Options” found on the SFE website.

Similarly for further information concerning derivatives contracts traded on ASX, you can visit the ASX website referred to in section 10.

4. SIGNIFICANT RISKS EXPLAINED

The risk of loss in trading in derivatives contracts can be substantial. A client should carefully consider whether trading is appropriate for them in light of their financial circumstances. In deciding whether or not you will become involved in trading, you should be aware of the following matters:

- **Loss of margin:** You could sustain a total loss of the initial margin that you deposit with GET to establish or maintain a derivatives contract.
- **Payment of variation margin:** If the derivatives market moves against your position, you may be required, at short notice, to deposit with your dealer variation margin in order to maintain your position. Those additional funds may be substantial. If you fail to provide those additional funds within the required time, your position may be liquidated at a loss and you will be liable for any shortfall in your account resulting from that failure.
- **Movement in the underlying market:** Exchange traded derivatives are subject to movements in the underlying market. In the case of options, they may fall in price or become worthless at or before expiry.
- **Placing orders in moving market:** The placing of contingent orders (such as a 'stoploss' order) may not always limit your losses to the amounts that you may want. Market conditions may make it impossible to execute such orders.
- **Liquidity:** Under certain conditions, it could become difficult or impossible for you to close out a position. This can, for example, happen when there is a significant change in prices over a short period.
- **Strategies:** A "spread" position is not necessarily less risky than a simple "bought/purchased" or "short" position.
- **Leverage:** The high degree of leverage that is obtainable in trading exchange traded contracts because of small margin requirements can work against you as well as for you. The use of leverage can lead to large losses as well as large gains.
- **Options risk profile:** If you propose to trade in options, the maximum loss in buying an option is the amount of the premium, but the risks in selling an option are the same as in other futures trading.
- **Options have limited life:** Options have a limited life span as their value erodes as the option reaches its expiry date. It is therefore important to ensure that the option selected meets your investment objectives.
- **Exchange and Clearing House powers:** The exchanges and their Clearing Houses have discretionary powers in relation to the market and the operation of the clearing facility. They may have a range of powers including for example, powers to suspend the market operation, or lift market suspension in options while the underlying is in trading halt if the circumstances are appropriate, restrict exercise, terminate an option position or substitute another underlying, impose position limits or exercise limits or terminate contracts - all to ensure fair and orderly markets are maintained as far as practicable. These actions can affect an investor's option positions.
- **Disputes:** Trades effected on the exchanges may be subject to dispute. When a trade is subject to a dispute the exchanges may have powers, in accordance with their rules, to request that brokers amend or cancel a trade, which will in turn result in the contract with the

client being amended or cancelled. In some situations, the exchanges may also exercise powers to cancel or vary, or direct the cancellation or variation, of transactions.

- **Trade cancellations and variations:** Under our terms and conditions, we have the ability to amend or cancel the trade. This could cause you to suffer loss or increase your loss. A trade executed on your behalf can also be amended or cancelled even where the trade has been confirmed to you.
- **System disruption:** Trades effected on many exchanges, like SFE and ASX, are traded on an electronic trading platform and cleared through the relevant Clearing House, which also relies on electronic systems. As with all such electronic platforms and systems, they are subject to failure or temporary disruption. If the system fails or is interrupted we will have difficulties in executing all or part of your order according to your instructions. An investor's ability to recover certain losses in these circumstances will be limited given the limits of liability imposed by the exchanges and their Clearing Houses.
- **Our powers on default:** 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 our agreements with you to take steps to protect our position including, for example, the power to close out positions.

5. AMOUNTS PAYABLE

Commission

We charge commission on each exchange traded derivatives contract up to a maximum rate of A\$100 per contract side. This amount must be paid to us immediately upon execution of the trade and will be deducted from your account.

Exchange and Clearing House fees

Exchanges and Clearing Houses charges / fees are charged at cost and will be passed onto the client at time of trade execution and/or settlement and are deducted direct from the client trading/ settlement account.

Margins

As noted above, the Clearing House contracts with clearing participants as principals. Where a clearing participant has an exposure under an open exchange traded derivative contract to the Clearing House, the Clearing House will call amounts of money known as **margin** from the clearing participant as cover. Margins are generally a feature of all exchange traded derivative products and are designed to protect the Clearing House against default.

A margin is the amount calculated by the Clearing House as necessary to cover the risk of financial loss on an open exchange traded derivative contract due to an adverse market movement. The Clearing Houses calculates margin amounts using computerised systems which take into account a range of variables. Amounts of margin are determined daily by the Clearing House, following the close of trading each day. In times of extreme volatility an intra day margin call may be made by the Clearing House.

You should visit the websites of the relevant exchanges and clearing houses referred to in section 10 below for further details of the relevant margining requirements applicable to

them. We will, under the terms of our agreement with you, call from you all amounts of margin which the Clearing House calls from us in respect of positions which we have entered into for you. The total margin called by the Clearing House for exchange traded derivative contracts is generally made up of two components, known as **initial margins** and **variation margins**, described as follows:

- *Initial margins* are set by the Clearing House or the derivatives exchange or both. Initial margin may vary from time to time according to the volatility of the market. This means that an initial margin may change after a position has been opened, requiring a further payment (or refund, where applicable, on request). Initial margins are carefully calculated to cover the maximum expected movement in the market from one day to the next.
- *Variation margin* is determined by reference to the market value of the particular position at the close of business each day. In other words, each contract is effectively marked to market on at least a daily basis.

Timing and amounts of margin payments

Clearing participant of both ACH and SFE Clearing, are required under their respective operating rules to call an *initial margin* on each trade equal to at least the minimum initial margin set by the Clearing House or the relevant exchange. GET is entitled to call a higher initial margin than the minimum set by the Clearing House or relevant exchange.

Liability for initial margin occurs at the time we execute the transaction for you, but you must pay the amount to us before any trading is conducted on your behalf. Under the operating rules of SFE Clearing and ACH, we are not obliged to call our clients for *variation margin* on a daily basis, but must call them to pay a margin should the client's net variation margin position exceed the client's total initial margin liability.

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 the client. Initial and variation margin must be paid immediately. If a client does not pay a margin, GET is entitled to close out your position and deduct the resulting realised loss from the initial margin. If the realised loss exceeds the initial margin you are required to pay the excess to GET.

Derivatives markets can be highly volatile and you should ensure that you are always contactable by us. If you are unable to be contacted for the purpose of GET communicating the call, then GET may close out your derivatives contracts without actually speaking to you. In some circumstances we may accept from you property as security for your margin obligations to us.

Liability

The liability of a client under an exchange traded derivatives contract is not limited to the initial margin paid when the contracts were first opened. If after paying the initial margin, the price moves against the client, further margin (known as variation margin) will be called and must be paid on demand. Margin payments can therefore exceed the amount of the initial margin and any variation margin. Initial margin (unless eroded by losses) can be paid to the client on settlement of the contract. Margins that become realised losses are not refundable. Margins covering unrealised losses are not refundable unless there is a favourable change of direction in market prices before settlement or closing out of the futures contract. The liability of a client is not limited to the amount of the initial or variation margin paid.

Profit and loss when trading futures

Below, sets out the profit and loss situations when trading futures contracts.

Profitable Trades

Buy low-Sell high
Sell high-Buy low

Losing Trades

Buy high-Sell low
Sell low-Buy high

Margins and liability on option contracts

If a client buys a futures option, their loss is limited to the premium, which is non-refundable (plus transaction costs). If the option buyer pays the full premium at the time the option is traded, they will not be called upon to pay “margins”. If the buyer paid only an initial deposit, they may be called upon to pay margins up to the full value of the premium (but no more). A client who sells the option has a similar potential liability to the holder of the underlying futures contract, that is, potentially unlimited. However, they only have limited profit potential, a seller cannot earn more than the premium for which the option is sold.

Profit and loss when trading options

The table above equally applies when trading options.

Out-of-the -money options

This is a term used to describe an option that cannot be exercised at a profit. An out-of-the-money option is a call option whose strike price is higher than the current market level or a put option whose strike price is below market. A client contemplating purchasing a deep out-of-the- money option should be aware that the chance of such an option becoming profitable is ordinarily remote.

6. OTHER SIGNIFICANT CHARACTERISTICS OF EXCHANGE TRADED DERIVATIVES CONTRACTS

Dealings on foreign derivatives exchanges

Clients who deal on foreign derivatives exchanges should be aware of the following matters:

Dealing subject to foreign rules and laws

Participation in transactions on foreign derivatives involves the execution and clearing of trades subject to the rules of that foreign derivatives exchange and the laws of the country in which that exchange is domiciled.

Australian regulators may not have jurisdiction

None of the Australian Securities and Investments Commission (**ASIC**), the SFE or ASX regulates activities of foreign derivatives exchanges, including the execution, delivery and clearing of transactions, nor do they have the power to compel enforcement of the operating rules of a foreign derivatives exchange or any applicable foreign laws. Generally, the foreign transaction will be governed by applicable foreign law. This is true even if the derivatives exchange is formally linked with an exchange in Australia. Moreover, such rules and regulations will vary depending on the foreign country in which the transaction occurs.

Clients’ segregated monies

Clients who trade on foreign derivatives exchanges may not have the benefit of protective measures provided by the Corporations Act and the SFE and ASX operating rules. In particular, clients' funds may not have the same protection as funds deposited in Australia in a dealer's Clients' Trust Account. To the extent required by the Corporations Act and the relevant rules of ASX and SFE, GET will deposit into a Clients' Segregated Account money paid to GET in connection with your dealings in financial product. You waive any interest on funds deposited with us, unless any written agreement between us stipulates that interest is to be paid on such funds. Money or property or both invested according to the Corporations Act, or on the instructions of the client, are invested at the sole risk of the client. For money deposited in our Clients' Segregated Account, you acknowledge that:

- individual client accounts are not separated from each other;
- all clients' funds are co-mingled into the one Clients' Segregated Account;
- Client Segregated Account provisions may not insulate any individual client's funds from a default in GET's Clients' Segregated Account. Such a default may arise from any clients' trading;
- assets in the Clients' Segregated Account belonging to non-defaulting clients are potentially at risk, even though they did not cause the default;
- GET has the right to apply all clients' monies held in its Clients' Segregated Account to meet the default in that account; and
- SFE Clearing has the right to apply all monies in the Client Clearing Account (or House Clearing Account) to meet any liabilities in the Client Clearing Account.

Exchange rate risk

If a client trades in derivatives contracts denominated in currencies other than Australian dollars a client may lose money due to exchange rate fluctuations. These losses may be in addition to any losses on the derivatives contract itself.

Settlement

If you have a deliverable derivative contract open at the close of trading on the last day of trading you will be under an obligation to deliver, or take delivery of and pay the contract price in full for, the commodities described in the specifications. It is GET's policy not to permit speculators to make or take delivery under a deliverable derivative contract (except where required by the Clearing House).

If you wish to make or take delivery you must first obtain our consent. If you have a cash settled contract open at the close of trading on the last day of trading you will be under an obligation pay or have a right to receive an amount of money depending on the price movement. The settlement of derivative contracts that are futures options is more complex. In respect of the SFE futures options, all in-the-money or at-the-money options are automatically exercised by the Clearing House. The resulting position is settled as a futures position. Not all exchanges automatically exercise at-the-money or in-the-money options at expiry, particularly US exchanges. You should check this with us before the expiry date or the option may lapse worthless. The settlement procedures for derivative contracts that are exchange traded options is different again. Because these instruments can be traded on a range of exchanges the procedures can vary widely.

Regulatory bodies

You may incur losses that are caused by matters outside our control. For example, a regulatory authority exercising its powers during a market emergency may result in losses. A regulatory authority can, in extreme situations, suspend trading or alter the price at which a position is settled. This could also result in you suffering a loss.

Market disruptions / emergencies

A market disruption may mean you are unable to deal in a derivatives contract when desired, resulting in you suffering a loss. Common examples of disruption include the “crash” of a computer based trading system, fire or other exchange emergency, futures regulatory body could declare an undesirable situation has developed in a particular futures contract and suspend trading.

Risk Capital

If you are speculating do not risk more capital than you can afford to lose. A good general rule is never to speculate with money which, if lost, would alter your standard of living.

8 TAXATION IMPLICATIONS

It is important to note that your tax position when trading exchange traded derivatives will depend on your individual circumstances and you should consult your own taxation adviser before making any decisions to trade. The taxation consequences of trading in exchange traded derivatives are complex and will depend on your individual circumstances. It is therefore important that you ascertain whether you are a trader, a speculator or a hedger as the tax treatments for each may differ as discussed below.

Given that we do not offer taxation advice, you should discuss any taxation issues with your tax adviser before entering or disposing of an exchange traded derivatives.

9. COOLING-OFF ARRANGEMENTS

There are no cooling-off arrangements for exchange traded derivatives offered by GET and covered by this PDS.

10. OTHER INFORMATION AVAILABLE

As noted above, GET deals in exchange traded derivatives which are able to be traded on a number of exchanges, the main ones of which are listed below:

ASE - American Stock Exchange
ASX - Australian Stock Exchange
CBOE - Chicago Board Options Exchange
CBOT - Chicago Board of Trade
CME - Chicago Mercantile Exchange
Consiglio Di Borsa (Italian Stock Exchange Council)
DTB - Deutsche Terminborse
EUREX - European Derivatives Market
JSE - Johannesburg Stock Exchange
KBOT - Kansas City Board of Trade
LIFFE - London International Financial Futures Exchange
MATIF - French Futures & Options Exchange
MEFF - Spanish Financial Futures & Options Exchange
MACE - Mid America Commodity Exchange
MGEX - Minneapolis Grain Exchange
NASDAQ

NBOT - New York Board of Trade
NYMEX - New York Mercantile Exchange
OM - Stockholm
OME - Osaka Mercantile Exchange
OSE - Osaka Securities Exchange
SGX - Singapore Exchange
SFE - Sydney Futures Exchange

You should refer to these websites for informational material, details of contracts available for trading, contract specifications, operating rules, pricing information and clearing arrangements. If you are unable to access these websites, please contact us and we will endeavour to make the relevant information available to you through other means.

Additional Information.

Equity and CFD Changes

Changes to our Equities offering - introducing minimum order value

Recently, our equity and CFD provider has come under scrutiny via our executing brokers for a number of small sized trades. Exchanges will typically view such orders as an attempt to manipulate a market. Their market surveillance teams use filters and other reporting techniques to detect such trades and then initiate a process to investigate the clients' behaviour and their reasoning behind the trade.

Examples of attempts to manipulate a market where Saxo Bank has been questioned are small orders. Clients are trading a little as 1 share or CFD at a time. This not only raises awareness of the exchange surveillance teams, but it also costs us and our liquidity providers money to execute and settle the trade.

Clients will not be able to open any new positions via the platform below the minimum order size. Please see trading conditions for orders size on the GET platform. Should the client need to close an existing position below the minimum size then they will need to do this either via the phone or chat system.

Commission Rebates.

If a client is offered a commission rebate for whatever reason then GET requires that these funds be used in GET trader for purposes of margin utilisation or investment.

Trading over News

Investors in the FX markets need to be aware that at the discretion of GET, based upon historical behaviour of the client, price may not be activated when major news releases are pending due to “sniping”. This is a term allocated to clients who take advantage of data releases where the price remains at pre release quotes.

If our liquidity providers detect “sniping” is occurring we will place said client on delayed data to prevent this from occurring.

Short Description	Description	Currency	Minimum Order Value
AMEX	American Stock Exchange	USD	50
AMS	Euronext Amsterdam	EUR	100
ASX	Australian Stock Exchange Ltd.	AUD	150
AT	Athens Stock Exchange	EUR	100
BRU	Euronext Brussels	EUR	100
CSE	OMX Copenhagen	DKK	1000
CSE_FN	OMX Copenhagen - First North	DKK	1000
CSE_INV	OMX Copenhagen, Investments Trusts	DKK	1000
HKEX	Hong Kong Stock Exchange	HKD	1000
HSE	OMX Helsinki	EUR	100
LISB	Euronext Lisbon	EUR	100
LSE_INTL	London International Exchange	USD	100
LSE_SEAQ	London Stock Exchange SEAQ Market	GBP	100
LSE_SETS	London Stock Exchange SETS Market	GBP	100
MIL	Milano Stock Exchange	EUR	100
Nasdaq NM	NASDAQ Global Markets	USD	50
Nasdaq SC	NASDAQ Capital Market	USD	50
NYSE	New York Stock Exchange	USD	50
NYSE_ARCA	NYSE ARCA	USD	50
OSE	Oslo Stock Exchange	NOK	1000
OTCBB	OTC Bulletin Board on NASDAQ	USD	50
PAR	Euronext Paris	EUR	100
SGX-ST	Singapore Exchange Securities Trading Limited	SGD	150
SIBE	Sistema De Interconexion Bursatil Espanol	EUR	100
SSE	OMX Stockholm	SEK	1000
SSE_FN	OMX Stockholm - First North	SEK	1000
SWX	Swiss Exchange	CHF	150
TYO	Tokyo Stock Exchange	JPY	10000
VIE	Wiener Börse (Vienna) Stock Exchange	EUR	100
VX	SWX Europe	CHF	150
WSE	Warsaw Stock Exchange	PLN	300



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Global Electronic Trading Pty Ltd AFS 222629

Addendum to Product Disclosure Statement 15th July 2008

Effective Date 12th July 2010

This Addendum updates Global Electronic Trading Pty Ltd AFS 222629 (GET) Product Disclosure Statement for Contracts for Difference, Point 5, page 3, Margin Foreign Exchange Point 5, page 28, and Futures page 50 all relating Client Money in relation to trading in Derivatives in the Over The Counter (OTC) market.

This addendum is the result of RG 212 issued by the Australian Securities & Investments Commission (ASIC) on the 12th July 2010 for AFS Licensees who are required to hold client money and investors who pay money to an AFS Licensee for the purpose of trading in derivatives in the Over The Counter (OTC) market.

Purpose:

The client money provisions protect clients of GET by:

1. Separating client money from money belonging to GET.
2. Requiring that GET hold client money on trust.
3. Limiting the use of client money.
4. Limiting the circumstances where client money can be withdrawn from the account.
5. Specifying how client money may be dealt with if GET ceases to be licensed or becomes insolvent.

Client Money:

Clients pay money to GET for use in meeting obligations for that client to hold a financial product. These products include shares, Contracts for Difference, Foreign Exchange contracts and Futures contracts. GET places client money in a Client Trust Account at an Australian Authorised Deposit Taking Institution (ADI).

GET will only accept money (deposits) into this account that relates to client money, and any interest on client money. GET does not deposit any of its own funds into the Client Trust Account.

GET can make payments out of the Client Trust Account if it is in accordance with the written directions of a client, who has an entitlement to monies, to pay brokerage or commissions for transactions, paying GET money to which it is entitled such as Live Data fees, or making payments that is otherwise authorised by law or pursuant to the operating rules of a licensed market such as initial and variation margins.



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Client Money Risks:

Risks exist when depositing monies into a Client Trust Account where the event of failure of another client or the licensee you as a client may not receive all your money back. This risk is known as Counterparty Risk where GET can, but in practise doesn't, use your money deposited for margins to meet the obligations of other clients margining obligations when trading derivatives. As a client of GET you are exposed to this risk due to:

1. GET is permitted to use client money to meet obligations incurred by GET in connection with margining, guaranteeing, securing, transferring, adjusting or settling dealings in derivatives by GET on behalf of people other than you.
2. GET may withdraw from the Client Trust Account money to which it is entitled through margins or data fees.
3. GET can make a payment from the Client Trust Account under written instructions from a person entitled to the money.

As a potential client of GET we encourage you to discuss directly with us risks associated with client monies and Client Trust Accounts. We will be able to provide you with Company policies as to how we deal with client monies.

Examples of this are:

1. GET will call margins and check client's cash surplus prior to any client's transaction taking place to ensure sufficient capital to cover the transaction.
2. All open derivative positions are marked to market in real time to ensure that open risk to counterparties is controlled.
3. GET does not conduct any proprietary trading or run any house accounts.
4. GET utilises an automated stop out procedure where a client open position can impact on the Client Trust Account.

GET can also assist clients with the availability of only having a small amount of money in the Client Trust Account sufficient to cover your intended trading activities. This will limit exposure and hence risk. We can establish through an ADI a specific account that excess funds can be deposited in your name not the Client Trust Account.

Operation of Client Trust Accounts:

Your money is held on trust with GET for your benefit. This trust continues even when GET ceases to be licensed or is in breach of financial services law.

The money you deposit into the Client Trust account does not contain any funds of GET. Client money is segregated from GET's funds, but is comingled with other client's funds. This means that your money is exposed to the risk that you may not receive all the money owed to you if there is a deficiency in the Client Trust Account due to counterparty risk, or GET becomes insolvent and cannot meet the deficiency.



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GET attempts to limit counterparty risk by:

1. GET will call margins and check client's cash surplus prior to any client's transaction taking place to ensure sufficient capital to cover the transaction.
2. All open derivative positions are marked to market in real time to ensure that open risk to counterparties is controlled.
3. GET does not conduct any proprietary trading or run any house accounts.
4. GET utilises an automated stop out procedure where a client open position can impact on the Client Trust Account.

In the event of insolvency of GET, the Client Trust Account is subject to a trust in favour of each person who is entitled to be paid money from the account.

Deposits:

GET will only allow certain money to be paid into the Client Trust Account being clients money and interest on client's money. Accordingly Get will not place its own funds into the Client Trust Account. All money deposited by you will be credited directly into our Client Trust Account by you if transmitted electronically (EFT) or by the next business day if paid by cheque.

When you advise GET that you intend to deposit money into the Client Trust Account for investment purposes we will send you the relevant banking instructions. You will then be required to transfer stating either your account name, GET account number, or GET Identification number. This allows us to allocate your funds to your GET account and reduces the possibility of your funds being unidentified. On failing to provide either of these references GET will place the funds into the Trust Account but will not allocate them to you until such time as the identification can be confirmed.

Your funds will be credited to your GET trading account and appear as "Cash Balance" in your account summary. Once credited to your GET account we will send you an email confirmation that your funds have been received and credited to your GET account.

All interest earned from the Client Trust Account operated by GET will be retained by GET and not the individual client. GET has Client Trusts Accounts at ADI's and the money is at call or available the same day it is requested.

Withdrawals:

GET will only pay money out of the Client Trust Account under the following circumstances:

1. Under the written direction of a person entitled to the money
2. Paying of commission or brokerage or other proper charges such as live data fee expenses
3. Transferring of monies from the GET Client Trust Account to the Client Trust Account of our facilitator being Saxo Bank to meet margin calls.
4. Meeting margins for the client when placing orders in derivatives at the time the order is placed.



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GET will not withdraw money from the Client Trust Account for reasons other than above and will require written authorisation from you to withdraw part or all of your entitlement to funds. GET does not allow any form of broad authorisation in other words in making a withdrawal from the Client Trust Account you must in all instances adhere to the following conditions.

1. You notify GET in writing that you wish to withdraw funds from your GET trading Account.
2. You state clearly the account name, financial institution BSB, and the account number.
3. For any overseas transfers you need to include the SWIFT Code and the banks address as well as your residential address overseas.

Please note that GET will not pay any funds from your account to a party other than the registered account name at GET. Therefore GET will not pay funds to any third party.

When you trade in Derivatives being CFD's, Margin Foreign Exchange, or futures a margin is applied to your account. GET margins you at the time the order is placed. In this way we confirm that you have sufficient capital in your account to cover your desired exposure in the relevant asset class. These margin amounts will cease to form part of the Client Trust Account and your entitlement until such time as the open position is closed.

If you do not have the necessary funds available then the order will be rejected. An automated message screen on your trading platform will inform you that "you have insufficient funds for this transaction".

This is a necessary control GET has in place to ensure that all clients are not put at risk by other clients trading on funds not contributed by them to the Client Trust Account.

In the event that the margin percentage is changed for whatever reason then you will be alerted by email and also as a system message on your Trading Platform. We encourage you to take note of this as an increase in margin on a position you have open may cause forced liquidation of the position if the increase results in your position not being able to be supported by the margin increase. These increases can occur at varying frequencies and in varying increments.

You need to be aware that all money that relates to a derivative or dealing in a derivative that you deposit into the Client Trust Account can be used for margining and other purposes in dealing in derivatives not limited to the amount you deposit/

GET does not operate any proprietary trading or house accounts for its own benefit.

Your Money where GET ceases to be licensed.

In the event that GET ceases to be licensed, becomes insolvent under an administrator, or ceases to carry on an activity authorised by AFS license and is paid money for that activity then monies will be distributed as follows:

1. Any amounts deposited to the Client Trust Account in error will be paid
2. A payment to each person who is entitled to be paid money from the Client Trust Account.
3. If the money in the Client Trust Account is not sufficient to be paid in 1 & 2 then the money must be paid in proportion to the amount of each persons entitlement and
4. If there is remaining money after satisfying all the above then that money will be paid to GET.