

VT Global Pty Ltd

Wholesale-Client-Information-Statement

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1. Introduction

- 1.1 This Wholesale Client Information Statement (“Statement”) provides you with a general description of the key risks associated with Margin FX and contracts-for-difference (CFDs) and other important information that you should consider when deciding whether to open a Wholesale Client account and trade with VT Global Pty Ltd (“VT”, “VT Markets”, “us”, or “our”) as a Wholesale Client.
- 1.2 This Statement does not explain all the risks involved in trading or how the risks relate to your personal circumstances.
- 1.3 It is essential that you read our Wholesale Client Terms and Conditions and other relevant documentation to fully understand the risks involved and consider whether you understand how CFDs work.
- 1.4 You must remain aware of the risks involved in CFDs, have adequate financial resources to bear such risks, and monitor your positions diligently. You neither own nor have any rights to the underlying assets.
- 1.5 Trading CFDs carries significant risk and is not suitable for everyone and may result in losses that are greater than your deposits. You should only trade with money you can afford to lose.
- 1.6 Wholesale Clients are not afforded some of the protections that are offered to Retail clients in Australia.
- 1.7 We recommend that you seek independent advice if you are unsure of the risks of trading our products or if you need more information about what it means to be classified as a Wholesale Client.

2. Wholesale Client Categorisation

- 3.1. The financial products and services which we will provide to Wholesale Clients do not necessarily have the same investor protection available to Retail Clients.
- 3.2. We will not provide a Product Disclosure Statement or Financial Services Guide to Wholesale Clients.
- 3.3 We have no other obligations under Chapter 7 of the Corporations Act to Wholesale Clients that we would have if the product or service were provided to a Retail Client.
- 3.4 Australian Financial Complaints Authority has the discretion to exclude complaints from Wholesale Clients.
- 3.5 Provisions of conflicted remuneration in the Corporations Act that affect how our representatives and we are paid and the benefits they receive do not apply to Wholesale Clients.
- 3.7. We may withdraw your status as a Wholesale Client at any time at our absolute discretion.

3. Eligibility

- 4.1. We will require appropriate evidence to support your eligibility as a Wholesale Client to satisfy

on reasonable grounds as described in S.761GA(d) of the Corporations Act 2001 that you have the necessary levels of knowledge and previous experience in investing in CFDs that allow you to assess:

- the merits of the offer,
- the value of the product or service,
- the risks involved in accepting the offer,
- own information needs; and
- the adequacy of the information given by us.

- 4.2. We will not monitor on your behalf whether the amount of money you have sent to us, or your profits or losses are consistent with that information.
- 4.3. It is up to you to assess whether your financial resources are adequate for your financial activity with us and your risk appetite for the products and services you use.
- 4.4. Additionally, you are responsible for informing VT by emailing support@vtmarkets.com.au if you no longer meet the criteria to be considered a Wholesale Client.

4. Nature of CFDs

- 5.1. CFDs are over-the-counter (“OTC”) derivative products. While some OTC markets are highly liquid, CFDs may involve greater risk than investing in on-exchange derivatives because there is no exchange market on which to close out an open position. It may not be possible to liquidate an existing position, assess the Position’s value arising from an OTC derivative transaction or assess the exposure to risk.
- 5.2. Bid and offer prices do not need to be quoted, and even if they are, they will be established by dealers in these instruments. Consequently, it may be difficult to establish what a fair price is.
- 5.3. CFDs derive their value from the value of an underlying asset – for example, the value of one currency against another, the price of a share, a market index, or a commodity.
- 5.4. We offer different types of CFDs over indices, commodities, currencies, metals, and shares. For full details of the CFDs that we offer, please visit our website.
- 5.5. CFDs can be traded in many currencies, so you should check the CFDs description within the Platform before you trade.
- 5.6. When you trade CFDs, you are taking a position on the change in the value of the relevant underlying asset over time. In other words, you are speculating on whether the value of the underlying asset will rise or fall in the future compared to when you opened (or executed) your Contract.
- 5.7. The amount of profit or loss that you experience when you trade CFDs will be the difference between the price when you open the Contract and the price when it’s closed out (adjusted to reflect holding costs, where these apply). If the value of the CFDs has moved in your favour, we will pay money into your trading account. If it moves against you, we will deduct money from your trading account.
- 5.8. While you have open contracts, you may also attract financing costs or swap charges after each rollover. The costs you will incur depend on the underlying asset that you are trading and are subject to change. Our fees and other costs in more detail are available on our website.
- 5.9. Certain types of accounts are charged a commission. You will be charged as a percentage, or basis points, of the total position size trade.

- 5.10. The costs associated with your transactions will show up separately on your contracts and statements.
- 5.11. VT uses pricing that has been sourced from multiple external, third-party liquidity provider(s) and are derived from the prices of the relevant Underlying Instruments. The prices of CFDs that you trade with us may include markup from those raw spreads.
- 5.12. It is possible that you enter a trade with us, and it moves in your intended direction, but you still end up with less than you started with after closing your Position due to swap and or other charges.

5. Negative Balance

- 6.1. As a wholesale client, you may be eligible for single negative balance protection of up to AUD\$100,000 of your total balance, which is the combined balance of all trading accounts after all open trades have been closed. VT reserves the right to not grant negative balance protection in cases where there is reasonable evidence, in our sole determination, of misconduct or trading abuse causing the negative balance to occur. Where this is the case, VT will provide reasons to you as to why negative balance protection has not been applied.

6. Client Money

- 6.1. As a Wholesale client, VT will deal with your money and assets in accordance with the ASIC Client Money Reporting Rules 2017.

7. Margin requirements

- 7.1. A Margin is required when you trade CFDs. A Margin is a specified amount of funds required to trade and maintain your Position(s). The margin to hold a position is not a fee but a security deposit that you must keep with us while your Position(s) is open.
- 8.2. The margin required to hold your Position(s) may vary in accordance with your Account Leverage setting and/or the Instrument you are trading.
- 8.3. You are required to monitor your Margin Level on your Trading Platform.
- 8.4. While trading CFDs as a Wholesale Client, if the market moves against you, your use of leverage means that you could incur losses that may be far greater than the money you have deposited in your trading account.
- 8.5. You are responsible for monitoring the required margin of your open Position (s), and you may have to fund your account to avoid a stop-out.

8. Leverage

- 8.1. You should also note that any changes made to your leverage level on an already traded account can immediately affect your open Position (s), and may require you to provide additional funding to support those Position(s).

9. Market Volatility

- 10.1. Financial Markets are subject to many influences which may result in rapid price fluctuations.
- 10.2. In a volatile market, there may be a substantial time lag between order placement and execution. This can mean that the entry or exit price may be significantly lower or higher than the price at which the sell (or buy) order (including a stop loss) was placed. This is known as “gapping” or “slippage”, and we do not guarantee that the stop-loss orders will be successful in limiting your downside risk, which may be greater than you initially anticipated.
- 10.3. During periods of particularly heavy volume, it is possible for a queue of orders to form, and the increase in incoming orders can sometimes create a delay in confirming certain orders.
- 10.4. The execution of your order always depends on the liquidity that is available at all price levels. Although you may be looking to execute at a certain price, even if that price appears on the Trading Platform, the market may have moved significantly, or liquidity may be exhausted, in which case your order would be filled at the next best price or the fair market value.
- 10.5. When you are considering an order, please be mindful that all contracts that you have open at the market close will be subject to rollover. Your contracts will be rolled over by debiting or crediting your account with a rollover charge or rollover benefit.
- 10.6. During the rollover period, there may be widened spreads as liquidity reduces, which could cause you to experience losses or gains. We are not liable for any losses that you incur during the rollover period.

10. Managing risk with Stop Loss Orders

- 11.1. Because of market volatility, there is no CFDs transaction or Stop Loss Order which is available via our Trading Platform that can be considered “risk-fee”.
- 11.2. Given these risks, it is strongly recommended that you always monitor your transactions. You can manage some of the downside risks using Stop Loss Order(s).
- 11.3. You are responsible for monitoring your account and taking steps to limit your losses. We encourage you to employ “Stop Loss Orders” to minimise your risk, but it is essential for you to note that Stop Loss Orders are not guaranteed.
- 11.4. If there are instances of illiquidity, slippage, or the et gaps up or down, your exit price will be the next available price, which could deviate significantly from your intended Stop Loss Order (s) price.

11. Foreign Exchange Risks

- 12.1. If you are trading a product that is denominated in a currency other than the currency of your trading account, you will be impacted by foreign exchange movements.

12. System Risks

- 13.1. We run the Platform in an online environment (the internet). This means there may be issues with you placing orders or with your contracts being executed due to internet, system, or network issues on your end. Because we cannot promise that the internet will work error-free, we cannot accept liability for the risks associated with the operation of our Platform. For this reason, you need to be mindful that platform risks are inherent in every Contract that you trade with us.

- 13.2. For example, a technical issue with your internet connection to our servers may result in a hanging order and a delay in executing your Contract. A disturbance in the connection path can sometimes interrupt the signal and disable the Platform, causing delays in the transmission of data between the Platform and our servers.
- 13.3. Disruptions to our operational processes, such as communications, computers, computer networks, software or external events, could also lead to delays in the execution and settlement of your Contract, meaning that you might be unable to trade in a particular contract that we offer, and you could suffer a financial loss or opportunity loss as a result.
- 13.4. If you experience a disruption to our trading platform, you can contact our Support team directly to open/close your positions.
- 13.5. It is important that you monitor all your positions closely. It is your responsibility to monitor your positions and during the period that you have any open contracts or transactions.

13. Suspended or Halted Underlying Assets

An Underlying Asset may be placed on a trading halt in various circumstances. Additionally, it may be suspended or delisted in certain circumstances. If this occurs, we may, in our absolute discretion, cancel or reject your order in respect of a transaction which has not yet been opened or close any open Position where the Underlying Asset is the subject of a trading halt, suspension or delisting.

- 13.1. When you place an order with us, it is at our discretion if we place a corresponding order to purchase or sell the relevant product to offset (hedge) our exposure to your Position.
- 13.2. We have the discretion as to when and if we will accept an order. It is likely that we will elect not to accept an order in circumstances where our corresponding order cannot be filled. Accordingly, we may at any time determine, in our absolute discretion, that we will not permit the entry into order over one or more Underlying Assets

14. Latency and Price Feed Risk

- 14.1. Internet, connectivity delays and price feed errors sometimes create a situation where the prices displayed on our trading screen do not accurately reflect market rates. We are not responsible for any loss which you sustain as a result, and we may take action to recover any loss sustained by us as a result, including repairing, reversing, opening, and/or rolling over new or existing Positions.

15. Counterparty Risk

- 15.1. Because you are dealing with us as a counterparty to every transaction, you will have an exposure to us in relation to each transaction. In all cases, you are reliant on our ability to meet our obligations to you under the terms of each transaction. This risk is described as counterparty risk. You contract directly with us, and you are subject to our credit risk. You can assess our financial ability to meet these counterparty obligations to you by reviewing financial information.
- 15.2. We may choose to limit our exposure to our clients by entering transactions with a counterparty (Liquidity Provider). This is typically referred to as 'Hedging'.

16. Legal Risks

- 17.1. Changes in taxation and other laws, government, fiscal, monetary, and regulatory policies may have a material adverse effect on your dealings in OTC derivative products. We will do our best to let you know whenever a change in legislation impacts the way that you deal with us.

17. No Personal Advice

- 17.1 Our services are provided on an execution-only basis. We do not provide investment advice in relation to CFDs. We sometimes provide information about a market, information about transaction procedures and information about the potential risks involved and how those risks may be minimised. However, any decision to use our products or services is made by you. You are solely responsible for any decisions that you make in relation to our products and services.
- 17.2 We are not a financial advisor, nor do we provide any regulatory, tax or legal advice. Any information and analysis that we provide you is general in nature and does not consider your or your client's personal objectives, financial situation or needs. You should not regard any of the information that we provide to you as an investment recommendation or an offer to make a transaction.
- 18.3. We recommend that you seek specialist advice if you are unsure about any of these matters. If you are in any doubt as to the tax treatment or liabilities of investment products available through your CFD account, you should seek independent advice.

18. Fees and Charges

- 18.1 We provide two Wholesale Client Account types that may impact fees and charges.

18.2 VT Wholesale Client Standard Account

There is no monetary commission charged on VT Wholesale Client Standard Accounts trading CFDs other than Share CFDs. The cost to open and close out a Position is according to the difference between the Bid and the Ask price (the spread).

Costs associated with trading Share CFDs can be found on our website or under the 'Specification' Tab on your Trading Platform.

18.3 VT Wholesale Client Raw Account

VT Wholesale Client Accounts feature spreads from 0.0 pips and a commission charge of \$2.00 (AUD) per lot per side of Margin FX Contracts traded. This means if you Buy and Sell one (1) lot of any currency pair, the total commission charge is \$2.00 (AUD).

If you have a VT Wholesale Client Raw Account which is denominated in a currency other than Australian dollars, the below rates apply. These rates are subject to change.

Currency	Cost (Round Turn)
USD	5
AUD	6
GBP	4
EUR	4
NZD	7
SGD	7
CAD	6
HKD	40

18.4 If you have any queries about costs or our pricing, please get in touch with us by email at support@vtmarkets.com.au.

19. Past Performance

19.1 Past performance, simulation, or prediction of CFDs does not constitute an indication of future results.

19.2 You should note that the value of your investment can decrease (as well as increase) as the market price of the Underlying Asset may fluctuate downwards (or upwards).

20. Glossary

“Corporations Act” means the Corporations CT 2001 (Commonwealth).

“Derivative, or OTC Derivative”, means an instrument or financial product which derives its value of an Underlying assets (such as shares, commodities, currencies etc.).

“VT, We, Us, or Our” means VT Global Pty Ltd - ABN 14 631 408 609.

“Wholesale Client account” provided to the Wholesale Client is also called **VT Pro Account”**.

“Hedging” is a strategy engaged by VT to manage exposure to client Position(s), which involves the entering of its own Positions with a Liquidity Provider(s)”.

“Liquidity Provider(s)” means an external counterparty (company, bank, or financial institution) that provides a buy and sell price (Liquidity) in a financial instrument, security, or asset and can accept trades and orders for the purposes of risk management. This may also be referred to as a Hedging counterparty.

“Margin or Margin Requirement” means a specified amount of funds required to trade and maintain your positions(s).

“Margin Call” means demand for additional funds to be deposited into your account to meet your Margin Requirement because of adverse price movements on your open Position(s).

“Margin Level” means the equity or balance of funds in your account and how this relates to your open Position(s). A Margin Level is often referred to in percentage terms.

“Market Risk” means the possibility for a trader to experience losses due to factors that affect the overall performance of the financial markets in which he or she is involved. Market risk may also be referred to as **“systematic risk”**.

“Metals” means commodities such as gold or silver.

“Out of Hours Trading” means an Instrument that is available to trade outside of the trading or business hours of the Underlying Asset.

“Position(s)” means an OTC Derivative contract that has been entered by you under the Wholesale Client CFDs Trading Terms and Conditions.”

“Retail Client” means a client who is not a Wholesale Client.

“Stop Loss Order” means an order to buy or sell at a price which is less favourable than the current market price. Stop Loss Orders can be attached to an open Position to manage risk or used to open a new Position if a particular market price is achieved. Stop Loss Orders are not guaranteed.

“Swap, Swap Charge or Credit” means financing-related charges or credits relating to the holding a CFD or Margin FX Position at the close of the Trading Day”.

“Wholesale Clients Terms and Conditions” means the terms and conditions that you are required to agree to before you can open a Wholesale Client account and use the products described in the Wholesale Client CFDs Information Statement”.

“Trading Day” means Monday to Saturday, including public holidays. The close of the Trading Day occurs at 23:59 on the Trading Platform.

“Trading Platform” means VT’s online Meta Trader platform (MT4 or MT5) or any online trading facility provided by VT.

“Underlying Asset” means the security, exchange rate, index, commodity, equity, or other financial asset types that trades in a financial market or Relevant Exchange to which CFD or Margin FX Contract relates.

“Underlying Market” means the security, exchange rate, index, commodity, or other financial asset types that trades in a financial market to which CFD or Margin FX Contract relates.

“Wholesale Client” means a client that satisfies one of the requirements to be categorised as a Wholesale Client as per the Corporations Act and has been informed by VT that they have been categorised and will be treated as a Wholesale Client.”