



# Product Disclosure Statement

Date updated: April 2023

# 1. Important Information and Disclaimer

1.1. The products covered by this Product Disclosure Statement (PDS) are provided by Titan FX Limited which is registered and regulated by the Financial Service Commission of the Republic of Vanuatu under registration number 40313 and having its registered office at 1st Floor Govant Building, 1276 Kumul Highway, Port Vila, Republic of Vanuatu (hereafter referred to as Titan FX, we, us, our).

1.2. This PDS has been prepared to help you decide whether Margin foreign exchange (FX) and Contract For Difference (CFD) products are appropriate for your financial objectives, situation and needs. It has not been prepared to take into consideration your current financial needs or objectives. This PDS is for general information only and does not constitute a recommendation, advice or opinion.

1.4. You should be mindful of the risks of trading Margin FX and CFD products and note that you can incur losses when trading. Returns are not guaranteed.

1.5. Transactions involving Margin FX and CFD products are highly leveraged and involve many risks. We recommend that before trading begins that you understand and accept these risks.

1.6. We also recommend that you seek independent advice to ensure that the services we provide are appropriate for your financial objectives, needs and circumstances.

1.7. The information in this PDS may change from time to time. If there is any material change to this information, we will issue a new or supplementary PDS. You can get a copy of the latest version on our website.

## 2. Purpose and Contents of this PDS

2.1. This PDS is designed to provide you with important information regarding Margin FX and CFD transactions that we utilise in the provision of our services.

2.2. This PDS will provide you with important information regarding the following matters:

- Who we are;
- How you can contact us;
- How you can apply for an account;
- Jurisdictions;
- Which products we are authorised to offer;
- Purpose of Margin FX and CFD trading;
- Market information, analysis materials and recommendations;
- Key benefits of these products;
- Key risks of these products;
- Margin obligations;
- How our products are traded;
- Applicable fees and charges for these products;
- Conflict of interest;
- Your privacy;
- Tax implications; and
- Our dispute resolution process.

## 3. Who we are

3.1. Titan FX is a Service Provider licensed and regulated under Titan FX Limited which is registered and regulated by the Financial Service Commission of the Republic of Vanuatu under registration number 40313 and having its registered office at 1st Floor Govant Building, 1276 Kumul Highway, Port Vila, Republic of Vanuatu.

3.2. We are a team highly experienced in our respective fields with decades of experience not only in the business but in relevant and related fields. In the provision of our services, we have engaged the most secure and stable Online Trading Platforms which ensure that our clients get the best possible services.

## 4. How you can contact us

4.1. You can find more about us via our online website ([www.titanfx.com](http://www.titanfx.com)). For support, please email us at [support@titanfx.com](mailto:support@titanfx.com) or you can contact our direct lines +678 27502 or +1 (206) 745-5058.

## 5. How you can apply for an account

5.1. Before you decide to trade with us, it is important that you read and understand:

- this PDS, which provides you with information that you need to know about us and our products;
- our Terms and Conditions, which provides more details about our trading terms that apply when you open an account with us;
- our Financial Services Guide, which provides you with information about our financial services and our fees.

5.2. If you wish to apply for a Margin FX and CFD account, you must complete our onboarding form which is available on our website ([www.titanfx.com](http://www.titanfx.com)). In doing so, you are in agreement with the information provided in this PDS.

## 6. Jurisdictions

6.1. The offer to which this PDS relates is available only to persons who reside and have citizenship in such jurisdictions where they are permitted to transact with us (registered

jurisdictions). The distribution of this PDS in jurisdictions outside our registered jurisdictions may be subject to legal restrictions. Any person who resides or who is located outside of these registered jurisdictions, who gains access to this PDS should comply with any such restrictions as failure to do so, may constitute a violation of local financial services laws. Restricted jurisdictions include but are not limited to: Australia, Canada, Iran, North Korea and the United States of America. We may modify the list from time to time in line with internal compliance policies.

## 7. Which products we are authorised to offer

7.1. We provide Margin FX contracts and CFDs which are over the counter (OTC) contracts (not traded directly on an exchange or regulated market). Before trading with us, it is important to note and understand that our products do not result in the physical delivery of the currency, commodity, or underlying product and that all Margin FX and CFD products are cash adjusted or Closed Out by the client.

7.2. "Foreign exchange" generally refers to trading in foreign exchange products (currency) in the spot (cash) markets. Margin FX transactions are OTC derivatives and can be differentiated from foreign currency as they allow the investor an opportunity to trade FX on a margin basis as opposed to paying for the full value of the currency.

7.3. Trading in FX allows investors to lodge funds as security (initial margins) and to cover all net debit adverse market movement (variation margins). These positions are monitored on a mark-to-market basis to account for any market movements. When clients are making a loss to an extent that they no longer meet the margin requirements, they are required to "top-up" their accounts or to "close out" their position.

7.4. FX is essentially about exchanging one currency for another at an agreed rate. Accordingly, in every exchange rate quotation, there are two currencies. The exchange rate is the price of one currency (the base currency) in terms of another currency (the terms currency) such as the price of the Australian dollar in terms of the US dollar. For instance, if the current exchange rate for the Australian dollar as against the US dollar is AUD/USD

0.7000, this means that one Australian dollar is equal to, or can be exchanged for 70 US cents.

7.5. A CFD which is also an OTC product is a leveraged financial instrument that will fluctuate in value based on the price of the underlying asset. This underlying asset could be the price of gold, the value of a share, share index or of a particular commodity. This financial instrument does not provide ownership to the underlying asset and does not entitle you to delivery of the asset at any stage.

7.6. The CFDs that we offered are based on the price of underlying financial instruments including the following:

- Shares (stocks);
- Share indices;
- Commodities; and
- Cryptocurrencies.

7.7. A CFD is an agreement between yourself as the client and Titan FX to exchange the difference in value from when the contract is opened to when it is closed. If the value of the CFD has moved in your favour, you will be paid an amount into your trading account, should the value of the CFD move against your position, the value will be deducted from your account.

7.8. Whilst you have open positions on CFD products, you may attract financing costs or swaps after each rollover (00:00 server time). These costs are based on the underlying asset you are trading and is subject to change.

7.9. Index CFDs enable you to speculate on the overall performance of a basket of shares in a particular country. This provides you exposure to the overall market rather than just an individual equity or share.

7.10. Some instruments, such as futures, have set expiry dates which are available within the specifications of the symbol itself on our trading platforms. When the expiry date is

reached, the contract will be closed at the last rate that is available. Once the contract has expired, the position in the previous futures contract will be automatically rolled over to the new front running futures contract. The difference between the two contracts in relation to the underlying price will be adjusted for in the way of a cash adjustment to the trading account.

7.11. In the situation where the new contract is trading at a premium/higher price, long positions will receive a negative adjustment whereas short positions will receive a positive adjustment. Should the reverse situation occur, and the new contract is trading at a discount/lower price, long positions will receive a positive adjustment and short positions will receive a negative adjustment. In addition, positions may be charged a spread at the time of rollover. In addition, positions may be charged a spread at the time of rollover. Open positions will be rolled over indefinitely until closed.

7.12. Share CFDs (also referred to as Stock CFDs or Equity CFDs) are contracts that mirror the performance of the underlying stock market instrument, thus imitating the price changes of securities listed on a public stock exchange. As with any OTC derivative, opening a position on a Share CFD does not make you the owner of the underlying share and therefore does not entitle you to exercise any of the shareholder rights such as voting at the company's meetings or receiving dividends.

7.13. A cryptocurrency is a virtual currency (not a fiat currency) that is not issued or backed by a central bank or government. Cryptocurrencies typically use a decentralised network, are generally kept in a digital wallet, and can sometimes be used to pay for actual goods and services. They are traded on a cryptocurrency exchange.

7.14. When you are trading Cryptocurrency CFDs with us, you are not trading a specific cryptocurrency (eg: Bitcoin, LiteCoin etc) instead, you are entering into a contract with us regarding movements in the price of the underlying cryptocurrency you select. Trading Cryptocurrency CFDs is a way of obtaining exposure to cryptocurrencies without owning or directly investing in the underlying cryptocurrency.

7.15. The benefits of obtaining exposure to cryptocurrencies by trading Cryptocurrency CFDs include:

- No need to physically hold cryptocurrencies in a digital wallet which may be at risk of computer hacking; and
- Under certain market conditions, trading Cryptocurrency CFDs may be quicker than directly investing in cryptocurrencies as it can be difficult to fill orders for cryptocurrencies on an exchange.

7.16. Cryptocurrency CFDs derive their price or value from the real time changes in the value of an Underlying Cryptocurrency as calculated by us. We establish the price at which we offer to trade with you based on prices that are made or quoted to us by the banks, financial institutions, exchanges, and counterparties with which we do business. These prices may not be the same as prices available from other sources and in fact, may differ significantly from the price of the Underlying Cryptocurrency.

7.17. With respect to Cryptocurrency CFDs, pricing may freeze, and trading may halt (ie: the ability to open or close a position may be suspended) at our discretion, for any reason, at any time, including if there is no pricing data available in respect of the Underlying Cryptocurrency.

## 8. Purpose of Margin FX and CFD Trading

8.1. People who trade in Margin FX and CFD trading may do so for a variety of reasons. Some trade for:

- Speculation: Speculating is profiting from fluctuations in the price or value of the underlying instrument or security. For example, traders may be short-term investors who are looking to profit from intraday and overnight market movements in the underlying currency. Traders may have no need to sell or purchase the underlying currency themselves but may instead be looking to profit from market movements in the currency concerned.



- Hedging: Some people hedge their exposures to the underlying currency. Foreign exchange exposures may arise from several different activities such as:
- Companies or individuals that are dependent on overseas trade, are exposed to currency risk. This can be to purchase (or sell) physical commodities (such as machinery) or even financial products (such as investing in securities listed on an international stock exchange).
- An exporter who sells its products priced in foreign currency has the risk that if the value of that foreign currency falls then the revenues in the exporter's home currency will be lower.
- An importer who buys goods priced in foreign currency has the risk that the foreign currency will appreciate thereby making the cost, in local currency terms, greater than expected.
- A person going on a holiday to another country has the risk that if that country's currency appreciates against their own, their trip will be more expensive. In each of the above examples, the person or the company is exposed to currency risk.

8.2. Currency risk is the risk that arises from international business which may be adversely affected by fluctuations in exchange rates. We offer our clients the facility to buy or sell foreign exchange products to manage this risk. This enables our clients to protect themselves against adverse currency swings, yet secure enhanced exchange rates when offered, thereby protecting the profit margin made by the corporate during the business transaction relating to the foreign currency trade or protecting the cost of the client's international holiday in the case of the traveller.

## 9. Market information, analysis materials and recommendations

9.1 You acknowledge that any market information, analysis materials or recommendations communicated to you by us or by any of our associates or service providers, does not constitute advice or an offer to sell or the solicitation of an offer to buy any CFDs. Such

market information, analysis materials or recommendations, although obtained from sources believed by us to be reliable, may be based solely on a third party's opinion and such information may be incomplete or unverified. You should exercise your own judgment and where appropriate, seek independent advice before contemplating any investment or transaction based on market information, analysis materials or recommendations communicated to you. We make no representation, warranty or guarantee as to, and shall not be responsible for, the accuracy or completeness of any market information, analysis materials or recommendations furnished to you.

## 10. Key benefits of these products

10.1. The following are the key benefits of trading in FX products:

- It provides an important risk management tools for those who manage foreign currency exposures
  - We offer our clients the ability to buy and sell foreign currency using Margin FX. This enables clients to protect themselves against adverse currency market swings. The significant benefits of using FX products that we offer as a risk management tool are to protect your exchange rate and provide cash flow certainty.
- Protect an exchange rate
  - We provide an online trading platform that enables our clients to trade in OTC derivatives such as Margin FX over the internet. This facility provides clients with direct access to our system to enable them to buy and sell currency rates to protect themselves against adverse market swings. We also offer clients a way of managing volatility by using stop loss orders that enable clients to protect themselves against adverse market swings but still securing enhanced market rates when offered. Clients can eliminate downside risk using stop loss orders if the exchange rate reaches a particular level. In addition, clients may also use limit orders which allow clients the opportunity to benefit from favourable upside market movements.

- Provide cash flow certainty
  - In agreeing for a rate now for a time in the future, the client will determine the exact cost of that currency, thereby giving certainty over the flow of funds. Any profit (or loss) you make using our products would be offset against the higher (or lower) price you physically have to pay for the foreign currency.
  - In addition to using margin foreign exchange products as a risk management tool, clients can also benefit from using margin FX products that we offer to speculate on changing exchange rate movements. You may take a view of a particular market or the markets in general and therefore invest in our products according to this belief in anticipation of making a profit.

10.2. The significant benefits of using margin FX products that we offer as a trader or a speculator or as a risk management tool are as follows:

- Trade in small amounts
  - Our system enables you to make transactions in small amounts. You can start using our system even with an opening balance as little as USD \$200 or equivalent. When trading in a contract that we offer, you may deposit the sum that suits you, or the amount which is in line with the amount that you are willing to risk. With us you are in full control of your funds. We allow trading with as little as \$1 margin requirements.
- Access to the FX markets at any time
  - When using our company, you gain access to a highly advanced and multi-levelled system which is active and provides you with the opportunity to trade 24 hours a day, 5 days a week on any global market which is open for trading. This gives you a unique opportunity to react instantly to breaking news that is affecting the markets. It should be noted however, that trading in the various currency crosses may be restricted to hours where liquidity is available for any given currency cross.
- Profit potential in falling markets

- Since the market is constantly moving, there are always trading opportunities, whether a currency is strengthening or weakening in relation to another currency. When you trade currencies, they literally work against each other. If the EURUSD declines, for example, it is because the US dollar gets stronger against the Euro and vice versa. So, if you think the EURUSD will decline, you will sell EUR now and then later you buy Euro back at a lower price and take your profits. The opposite trading scenario would occur if the EURUSD appreciates.
- Superior liquidity
  - The FX market is so liquid that there are always buyers and sellers to trade with. The liquidity of this market, particularly with respect to that of the major currencies, helps ensure price stability and low spreads. The liquidity comes mainly from large and smaller banks that provide liquidity to investors, companies, institutions, and other currency market players.
- Real time streaming quotes
  - Our high-edge system uses the latest highly sophisticated technologies to offer you up-to-the-minute quotes. You may check your accounts and positions in real time and you may do so 24 hours a day on any global market which is open for trading and make a trade based on real-time information. We believe it is highly important for you to be able to control your funds whenever you wish and base your deals on real-time information.

## 11. Key risks of these products

11.1. Before you start trading with us, you should be aware and understand that trading Margin FX and CFD products involves several risks. It is important that you carefully consider whether trading these products is appropriate for you and your investment objectives, financial situation and needs. The following are significant risks associated with trading Margin FX and CFD products:

- Derivatives Risks Generally

- Derivative markets can be highly volatile. Accordingly, the risk of loss in trading in derivatives contracts can be substantial. You should carefully consider whether our products are appropriate for your personal and financial circumstances. In doing so, you should consider the matters discussed below.
  - i. You could sustain a total loss of the amount that you deposit with us to establish or maintain a contract.
  - ii. If the derivatives market moves against your position, you will be required to immediately deposit additional funds (“top up” account) as additional margin to maintain your positions. Those additional funds may be substantial. If you fail to provide those additional funds, we may close your positions and you will also be liable for any shortfall resulting from that closure.
  - iii. Under certain market conditions, it could become difficult or impossible for you to manage the risk of open positions by entering opposite positions in another contract or closing existing positions.
  - iv. Under certain market conditions the prices of contracts may not maintain their usual relationship with the underlying foreign currency market.
  - v. The Margin FX and CFD products that we offer involve risk. However, the placing of contingent orders such as a stop loss order will potentially limit your loss. A stop-loss order shall be executed at or near the exchange rate requested by the client but is not guaranteed at the exact level. Accordingly, stop-loss orders may not limit your losses to the exact amounts specified. A transaction of this nature shall be executed as soon as the exchange rate is identical to the order given by the client.
  - vi. A “spread” position (ie: the holding of a bought contract for one specified date and a sold contract for another specified date) is not necessarily less risky than a simple “long” (ie: bought) or “short” (ie:

sold) position. Furthermore, a “spread” may be larger at the time you close out the position than it was at the time you opened it.

- vii. A high degree of leverage is obtainable in trading Margin FX and CFD products because of the small margin requirements which can work against you and for you. The use of leverage can lead to large losses as well as large gains. The impact of leverage is that even a slight fluctuation in the market could mean substantial gains when these fluctuations are in your favour, but that could also mean considerable losses if the fluctuations are to your detriment.
  - viii. As a result of high volatility, low liquidity or gapping in the underlying market, clients may receive re-quotes, slippage or hanging orders. Hanging orders are often already executed but sit in the terminal window until they can be confirmed.
  - ix. There are no cooling-off arrangements for Margin FX and CFD. This means that when we arrange for the execution of a Margin FX and CFD contract, you do not have the right to return the product, nor request a refund of the money paid to acquire the product.
- Counterparty Risk
    - You are dealing with us as counterparty to every transaction, and we are acting in the capacity of principal with respect to your transaction. As we may enter into transactions with other counterparties in relation to exposures from client transactions, you are indirectly exposed to the risk of default by our counterparties.
  - Market Volatility
    - FX currency markets are subject to many influences which may result in rapid currency fluctuations and reflect unforeseen events or changes in conditions with the inevitable consequence being market volatility.
    - Given the potential levels of volatility in the FX markets, it is therefore recommended that you closely monitor your positions with our company at all times. FX currency markets are highly volatile and are very difficult to predict. Due to such volatility, in addition to the spread that we add to all

calculations and quotes, no such Margin FX or CFD product offered by us, or any other financial services provider, may be considered as a safe trade.

- System Risk
  - Operational risk in relation to our company's Trading Platforms are inherent in every Margin FX contract or CFD. For instance, disruptions in our operational processes such as communications, computers, computer networks, software or external events may lead to delays in the execution and settlement of a transaction.
  - Clients receiving a disruption to the Trading Platforms must call the trading desk to open or close positions. In the event a disruption occurs on our side, you may be unable to trade in a FX or CFD that we offer, and you may suffer a financial loss or opportunity loss as a result.
  - We do not accept or bear any liability whatsoever in relation to the operation of our Trading Platforms.
- Execution Risk – Slippage
  - We aim to provide you with the best pricing available and to get all orders filled at the requested rate. However, there are times when, due to an increase in volatility or volume, orders may be subject to what is referred to as "slippage". This most commonly occurs during fundamental news events or gapping in the markets. The volatility in the market may create conditions where orders are difficult to execute, since the price might be many pips away due to extreme market movement or Gapping. Execution is subject to available liquidity at any or all price levels. Although you may be looking to execute at a certain price, the market may have moved significantly or liquidity exhausted, in which instance your order would be filled at the next best price or the fair market value.
- Execution Risk – Delays in Execution
  - A delay in execution may occur for various reasons, such as technical issues with your internet connection to our servers, which may result in hanging orders. The Trading Platforms on your computer may not maintain a constant connection with our servers due to a lack of signal strength from a

wireless or dial up connection. A disturbance in the connection path can sometimes interrupt the signal, and disable the Trading Platforms, causing delays in transmission of data between your Trading Platform and our servers.

- Reset Orders
  - Market volatility creates conditions that make it difficult to execute orders at the given price due to an extremely high volume of orders and/or available liquidity and therefore may be reset. By the time orders can be executed, the Bid/Order price at which our counterparty is willing to take a position may be several pips away. For Limit Entry or Limit Orders, the order would be rejected and reset until the order can be filled.
- Hanging Orders
  - During periods of high volume, hanging orders may occur. This is a condition where an order sits in the “orders” window after it has been executed. Generally, the order has been executed but it is simply taking a few moments for it to be confirmed. During periods of heavy trading volume, it is possible that a queue of orders will form. That increase in incoming orders may sometimes create conditions where there is a delay in confirming certain orders.
- Hedging
  - The ability to hedge allows you to hold both buy and sell positions in the same product simultaneously. You can enter the market without choosing a particular direction. While the ability to hedge is an appealing feature, you should be aware of the factors that may affect hedge positions. It is important to note that even a fully hedge account may suffer losses due to rollover costs, exchange rate fluctuations or widening spreads. Such losses may even trigger a Margin Call.
- Automated Trading Strategies
  - The use of Automated Trading Strategies (Expert Advisors) on our Trading Platforms is high risk. We have no control over the logic or code used by these systems to determine orders to trade. Trading with any system that



you leave to run and trade your account without being present may cause significant financial loss and we do not accept or bear any liability whatsoever in relation to the operation of the Automated Strategies on our Trading Platforms.

- Execution Risk – Rollover
  - All positions which remain open until 23:59 (Server time) will be subject to rollover. The positions will be rolled over by debiting or crediting the client's trading account with the amount calculated in accordance with the Rollover/Interest fees. During the rollover period trading will be disabled to prevent widened spreads caused by the “end of the day” in New York. This can last for 5 to 10 minutes and you will not be able to trade at this time. You may suffer financial loss or gain as a result. We do not accept or bear any liability whatsoever in relation to the rollover period.
- Stop Orders and Limit Orders are not guaranteed
  - The placing of a stop order can potentially limit your loss and similarly, a limit order can maximise your profit. However, we do not guarantee this. This is because FX markets can be volatile and unforeseen events can occur which can possibly mean that stop orders and limit orders may not be accepted or may be accepted at a price different to that specified to you. You should anticipate being stopped out or limited at a price worse than the price you set. As a result, you may suffer losses.
  - However, we do not guarantee that a stop order will do so. Similarly, a limit order can maximise your profit but there is also no guarantee of this.
- Regulatory Risks
  - Changes to law, government, fiscal, monetary and regulatory policies may have a material adverse effect on your dealings in Margin FX contracts and CFD. We will do our best to inform you whenever a change in legislation may impact the way you deal with us.
- Cryptocurrencies Risks
  - Cryptocurrencies are considered highly speculative and their values can fluctuate significantly over short periods of time. This is because

cryptocurrencies are not guaranteed by any bank or government, the value of a cryptocurrency is based on its popularity at a given time, which is influenced by factors such as the number of people using it, the ease with which it can be traded or used and the perceived value of the cryptocurrency and its underlying distributed ledger technology. As Cryptocurrency CFDs derive their price from cryptocurrencies, this volatility can also affect the prices at which we offer our Cryptocurrencies CFDs.

- Cryptocurrency CFDs are leveraged products and therefore subject to leverage risk. While you may be able to outlay a relatively small Initial Margin to secure a significantly larger exposure to cryptocurrencies, this magnifies the size of your trade, so your potential gain and your potential loss is equally magnified. Leverage increases the risk that even small adverse movements in the values of the cryptocurrency can lead to losses.
- Cryptocurrency CFDs may have an expiry date. Therefore, open positions on Cryptocurrency CFDs will close on the expiry date set for the instrument at the last available price if they are not closed out earlier. Before opening a Cryptocurrency CFD position you should make sure you are aware of whether it has an expiry date and what that is.
- Trading CFDs on cryptocurrencies carries a high level of risk and may not be suitable for all traders. The possibility exists that you could sustain a loss of some or all your initial deposit and profits. Accordingly, you should only invest in Cryptocurrency CFDs if you consider that you have the knowledge and experience and fully understand the risks associated with both CFDs and cryptocurrencies.

## 12. Margin Obligations

12.1. Margin FX contracts and CFDs are subject to margin obligations i.e: clients must deposit funds for security/margin purposes. Accordingly, you are responsible to meet all margin payments that we require.

12.2. There are two components of the Margin Requirement which may be required to pay in connection with Margin FX and CFDs. These are the Initial Margin and the Variation Margin.

- Initial Margin
  - When you enter or open a Contract, and while the transaction remains open, you will be required to pay us the Initial Margin. This amount represents collateral for your exposure under the transaction and covers the risk to us. Depending on the Currency Pair or CFD traded, and the market volatility, the Initial Margin will typically be between 1% and 10% of the face value of the Contract. However, it is not uncommon for Initial Margins to be above this range. The percentage requirement may change at any time and at our discretion and you should refer to the Initial Margin schedule on the relevant Trading Platform to confirm the actual percentage requirement for your proposed transaction at any time. The full value of the Initial Margin is payable to us immediately upon entering the Contract.
- Variation Margin
  - As the face value of your Contract will constantly change due to changing market conditions, the amount required to maintain the open positions will also constantly change. This is also commonly referred to as Variation Margin. The amount of your Margin Requirements (being the Initial Margin and any adverse Variation Margin) at any one time will be displayed on the open positions report made available through the Trading Platform. You are responsible to cover the costs of any adverse price movements in the market. We will credit Variation Margin to you when a position moves in your favour. The Variation Margin is therefore the unrealised profit or loss on your open positions which is equal to the dollar value movement of your Contract calculated from the quoted price at which you entered the Contract compared against the current quoted price. We will provide you with notice of the Variation Margin by making a Margin Call via online platform. We note that Margin Calls are made on a net account basis ie: should you have several open positions with respect to a particular Trading Platform, then Margin

Calls are netted across the group of open positions. The unrealised profits of one transaction can be used or applied as Initial Margin or Variation Margin for another transaction.

- Notifications regarding Margin Requirements
  - Margin Calls will be notified to you using the Trading Platform and you are required to log into the system regularly when have open positions to ensure you receive notification of any Margin Calls. It is your responsibility to actively monitor and manage your open positions and your obligations, including ensuring that you meet your Margin Requirements. It is also your responsibility to ensure you are aware of any changes in the Margin Requirements. We are under no obligation to contact you in the event of any change to the Margin Requirements or any actual or potential shortfalls in your account.
- Failure to meet a Margin Call
  - If you do not immediately meet Margin Calls, we may close out some or all your positions without further notice to you. We will automatically, without requiring further instruction from you, apply funds to meet your Margin Requirements. For this reason, you must ensure that you have sufficient cleared funds on deposit to meet your changing Margin Requirements in addition to your Initial Margin. Please be aware that if your account balance is insufficient to meet your Margin Requirements and you have not met a Margin Call, the Trading Platform may Close Out some or all of your open positions at the risk of generating a loss which is greater than the value of your account. Please note that this could be immediate if certain global events occur.
  - **IMPORTANT:** If you fail to meet any Margin Call, then we at our absolute discretion and without creating an obligation to do so, Close Out, without notice, all or some of your open positions and deduct the resulting realised loss from the Initial Margin value (and any other excess funds held in your account with us). Any losses resulting from us Closing Out your position will

be debited to your account and may require you to pay additional funds to us.

- How Margin Calls are to be met
  - Margin Calls must be met immediately. This means that sufficient cleared funds must be deposited in your account in addition to meeting the Margin Requirements as a buffer against adverse Variations Margins. When we make a Margin Call you must deposit the amount of funds that we request into our nominated account. All funds received from clients are held, used and withdrawn in accordance with the Corporations Act requirements and our Client Services Agreement. We keep all interests that may accrue on your trust account.

## 13. How our Products are traded

13.1. When trading FX products that we offer, you should be aware of the risks and benefits and review examples of how our products can be traded. Clients primarily transact in our products using online Trading Platforms that we provide. Accordingly, clients are provided with direct access to our quoted prices over the internet.

- Electronic Trading Platform
  - We provide access to Margin FX trading via an online trading platform created by MetaQuotes called MetaTrader. We recommend that prior to engaging in live trading, you open a demo account and conduct simulated trading. This enables you to become familiar with the Trading Platform attributes. We have outsourced the operation of our Trading Platform to MetaQuotes ([www.metaquotes.net](http://www.metaquotes.net)) and in doing so have relied upon these third parties to ensure the relevant systems and procedures are regularly updated and maintained. Please visit the above noted website for relevant information on how to use the online platform.
- Trading Hours

- CFDs can only be traded during the open market hours of the relevant Exchange on which the Underlying Instrument is traded or during any more limited hours that we set from time to time. Open hours of the relevant Exchanges are available by viewing the relevant Exchange's website. This means that you can view live prices and place live orders during these hours. Outside these hours, you may still access the Trading Platforms and view your account, Market Information, and research our other services. However, there will not be any live prices or trading. At our sole discretion, CFDs for cryptocurrencies products that we offer have longer trading hours and are therefore available for trading 24 hours 7 days a week within the market hours.
- Client Money
  - Monies lodged or deposited with us to meet Margin Requirements, are not treated as funds belonging to us but are treated as funds belonging to and held as security for the client's liabilities and obligations towards us. Client funds are at all times separate from our operational funds. We pay no interest income on such funds.
  - Client funds may be deposited with a hedging counterparty or liquidity provider to maintain margin for open client positions and future dealings.
  - You must understand that an account with us is neither a financial asset nor a means of payment. A transfer of funds to a third party is not permitted.
  - It is possible that this hedging counterparty may become insolvent whilst controlling your money. It is also possible that one of our other clients might go into deficit. Therefore, any funds you may have paid to us may not be protected if there is a default in the overall client trust balance. If this occurs, we will use our best endeavors to retrieve your funds and the funds of other clients. We give no assurance that there cannot be a deficit in the trust account that could cause you loss or that we can fully recover your loss once this occurs.
  - We have a comprehensive policy in place to cover a variety of different scenarios some of which may assist in the repayment of deficits. However, if

we are not able to source these funds it could be that we are insolvent and unable to provide financial services. You could therefore become an unsecured creditor to us.

- Risk Capital
  - In cases where you are speculating we suggest that you do not risk more capital than you can afford to lose. A good general rule is never to speculate with money which, if lost, would alter your standard of living.

## 14. Applicable Fees and Charges for these products

### 14.1. How is the Exchange Rate Calculated?

We cannot predict future Exchange Rates and our quotations are not a forecast of where we believe a FX rate will be at a future date. The decision to transact at a particular Exchange Rate will generally be the client's decision. However, for example, we may Close Out a client's open position if the client fails to meet their Margin Requirements. In this situation, the decision to transact at a particular Exchange Rate would be at our discretion. The price to be paid or received for the FX products that we offered, at the time the product is purchased or sold, will be based on the price that we quote from our hedging counterparties which is a complex calculation based on estimates of market prices and the expected level on interest rates, implied volatilities and other market conditions.

### 14.2. Calculating Profit and Loss

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

### 14.3. Fees and Charges

We offer several different trading accounts that feature different spreads and charges:

- Zero Blade Accounts
  - Zero Blade Accounts feature spreads from pips and a commission charge per 100k traded. The charge is based on \$ USD per 100k traded. For example, if you are trading on an AUD based trading account and buy lots of EURUSD and then close the trade, the commission charged to your account would be \$USD (lots of EURUSD × \$ Open trade + lots of EURUSD × \$ Close trade = \$). Commission charges vary according to the base currency of your trading account. Our current commission charges are detailed on our website.
- Zero Standard Accounts
  - Zero Standard Accounts feature spreads from 1 pip and do not attract any commission charges.
- Zero Micro Accounts
  - Zero Micro Accounts feature spreads from 1.2 pips and do not attract any commission charges.

#### 14.4. CFDs

There is no outright commission charged on CFD products on the Zero Standard STP. The only cost on opening the trade will be the difference between the buy and sell price (the spread).

#### 14.5. Roll over fee

Our swap rate for Margin FX contracts is a variable rate that is dependent on the currency pair, the applicable swap rate in the interbank markets according to the duration of the rollover period, the size of the Position and our spread that is applied at our discretion. The interbank swap rate that is applied reflects the interbank market demand of the interest rate differential between the two applicable currencies. For example, if you have a long Australian Dollar/US Dollar (AUD/USD) position and hold it over the 5pm American EST time (End of Day) and interest rates are higher in AUD than in USD, then you may receive a swap benefit. This is because you are long the highest yielding currency. Conversely, if you were short AUD/USD in the above scenario then you may receive a swap charge at our Swap Rate. In circumstances where the two interest rates are near parity, almost equal, a swap charge



may be imposed for both Long and Short open positions. A double negative swap rate implies that there is no interest advantage gained by borrowing in one currency or then investing in the other.

The swap that is applied will also be tripled for positions held on the Wednesday-Thursday roll over. Due to the settlement structure within the spot market, trades that are open on Wednesday will be settled on the following Monday and therefore there is a need to account for interest earned/charged over this period.

#### 14.6. Index Dividends

If an individual stock which is a constituent of a cash stock index goes ex-dividend, this will have a weighted effect on that cash index, known as the "index dividend". We will credit long positions and debit short positions with a cash adjustment for positions held in these markets at rollover. The rate applied as an index dividend is calculated at our absolute discretion, however it will reflect underlying market conditions. Future indices are not affected as anticipated future dividends are already priced to the market.

#### 14.7. Corporate Action

If the stock underlying an open CFD position or pending order is subject to a corporate action (such as dividend payments, splitting, consolidation, or similar event) or trading in that stock is suspended for any reason, such corporate action may not always be exactly replicable on your CFD position through either cash or position adjustments. We may at our discretion adjust or close out any such open CFD position, or cancel such order, to reflect the effect of such corporate action. We will endeavour to give you notice of that where reasonably practicable. The adjustment or closing price at the time at which we close out any such position will be established by us in good faith and in our absolute discretion. In such circumstances, a price limit order may not be executed at the limit price you set due to the nature of such corporate action. It is ultimately your responsibility to assess and identify all corporate action events that may have an impact on your open CFD positions, and to take appropriate care to manage them.

## 15. Conflicts of Interest

15.1. We do not have any relationships or associations which might influence us in providing you with our services.

## 16. Your Privacy

16.1. Your privacy is important to us. All information that you provide in the course of our business relationship will primarily be used for the processing of your account. We may use this information to send you details of other services or provide you with information that we believe may be of interest to you. Full details of our privacy policy are available from our website [www.titanfx.com](http://www.titanfx.com) and our Financial Services Guide.

## 17. Tax implications

17.1. Trading our products can have tax implications depending on your tax laws and administration, whether you are an individual or an entity, the terms of the Contracts you trade in and other circumstances.

17.2. The tax implications can be complex. If you are unsure of your tax position, we recommend that you speak with your tax advisor before you trade with us.

## 18. Dispute Resolution Process

18.1. If you wish to make a complaint, you should contact us in the first instance.

18.2. We want to know about any problems or concerns that you may have with our services so we can take steps to resolve the issue. We have internal dispute resolution procedures to resolve complaints from clients. A copy is available on our website.

18.3. Initially, all complaints will be handled and investigated internally. Should you feel dissatisfied with the outcome, you have the right to engage and seek legal counsel.

18.4. If you have a complaint about the financial services provided to you, please contact and inform us about your complaint. This may be done by telephone, facsimile, email, online chat or letter and you must outline clearly to us the nature of your complaint. We undertake to address your concern as soon as we reasonably can in the most professional manner.

Call direct:

+678 27 502

+1 (206) 745-5058

Email us:

**[support@titanfx.com](mailto:support@titanfx.com)**

Website:

**[www.titanfx.com](http://www.titanfx.com)**

